

Multiple Agency Fiscal Note Summary

Bill Number: 1233 HB

Title: Kinship caregivers

Estimated Cash Receipts

Agency Name	2003-05		2005-07		2007-09	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Social and Health Services	0	(95,274)	0	(577,654)	0	(577,654)
Total \$	0	(95,274)	0	(577,654)	0	(577,654)

Local Gov. Courts *						
Local Gov. Other **						
Local Gov. Total						

Estimated Expenditures

Agency Name	2003-05			2005-07			2007-09		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Social and Health Services	7.9	241,727	143,638	7.9	(899,048)	(1,476,702)	7.9	(899,048)	(1,476,702)
Superintendent of Public Instruction	.0	0	0	.0	0	0	.0	0	0
Total	7.9	\$241,727	\$143,638	7.9	\$(899,048)	\$(1,476,702)	7.9	\$(899,048)	\$(1,476,702)

Local Gov. Courts *									
Local Gov. Other **									
Local Gov. Total									

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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

Individual State Agency Fiscal Note

Revised

Bill Number: 1233 HB	Title: Kinship caregivers	Agency: 300-Dept of Social and Health Services
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2004	FY 2005	2003-05	2005-07	2007-09
General Fund-Federal 001-2	193,553	(288,827)	(95,274)	(577,654)	(577,654)
Total \$	193,553	(288,827)	(95,274)	(577,654)	(577,654)

Estimated Expenditures from:

	FY 2004	FY 2005	2003-05	2005-07	2007-09
FTE Staff Years	7.9	7.9	7.9	7.9	7.9
Fund					
General Fund-State 001-1	691,251	(449,524)	241,727	(899,048)	(899,048)
General Fund-Federal 001-2	190,738	(288,827)	(98,089)	(577,654)	(577,654)
Total \$	881,989	(738,351)	143,638	(1,476,702)	(1,476,702)

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

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Agency Preparation: Tammy Hay	Phone: 360-902-8077	Date: 02/05/2003
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OFM Review: Cheri Keller	Phone: 360-902-0553	Date: 02/07/2003

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 1 requires the development of a standardized, statewide protocol for relative searches as well as the development of a policy to conduct active outreach efforts to identify and locate relatives. As part of this policy, the department must make reasonable efforts to interview known relatives or others who may have knowledge of the child's extended family within 60 days of the child entering out-of-home care. Additionally, increased use of family group conferencing to engage extended family members in reunification efforts, permanency planning, and placement decisions should occur "as soon as possible after a child enters foster care."

It is assumed that the search activities will result in an increase in the number of children placed in the care of relatives. The Foster Care caseload will decrease creating a savings in the Children's Administration (CA), and the Economic Services Administration (ESA) will see an increase in the Temporary Assistance for Needy Families (TANF) caseload.

Section 2 requires that the department establish two pilot projects, with an implementation date of December 1, 2003, by establishing regional kinship care navigator positions. The kinship care navigator will help kinship caregivers, identify, understand and access programs and services available for children in out-of-home care.

Section 7 creates a kinship caregiver's authorization affidavit to assist relative caregiver's in obtaining access to medical and educational services. As written, it is unclear who will administer the program.

Section 8 requires the department to establish an oversight committee to monitor, guide, and report on kinship care recommendations.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

The federal cost/savings for the Children's Administration are in Title IV-E and Title XIX.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Section 1 requires that the department develop a policy for conducting outreach efforts to identify and locate relatives of children in out-of-home placement.

As of March 2002, the number of children placed in out-of-home care was 11,673, with 33 percent or 3,879 children placed with relatives. It is assumed that the percentage of children placed with relatives will increase to the national average of 35 percent through aggressive search activities, resulting in an increase in relative placements of 207 children ((11,673 X .35) - 3879). According to the November 2002 Kinship Care Workgroup report, 10 percent of relative caregivers are licensed, thus will continue to receive foster care supports. The other 90 percent or 186 children residing with unlicensed relative caregivers will produce savings to foster care in the amount of \$885,175 in fiscal year 2004 and \$1,712,167 in fiscal year 2005 (see attachment 1). The department assumes savings into future biennia are equal to \$1,712,167 per year, which represents a 2 percent increase in the number of children placed with relatives.

The Washington State Institute for Public Policy cited that 56 percent of children in formal relative placements receive Temporary Assistance for Needy Families (TANF) Child-Only grant benefits. Applying this percentage to the 186 children that will be in informal relative placements and converting this number by the average number of children per case indicates 70 cases will receive TANF benefits (186 X .56 divided by the average children per case 1.5). The impact

on ESA of Child-Only TANF grant benefits is \$175,553 in SFY 2004 and \$331,380 in SFY 2005. The ramp up of cases will reach the total 70 at the end of SFY 2004 (See Attachment 2 sections 1-4).

The department is expected to increase its use of family group conferencing (FGC) to support reunification efforts with relatives. The bill states that FGC activities should occur "as soon as possible" after a child enters foster care, though this may not be cost effective as many children return home within 90 days of placement. The Children's Administration (CA) will require 1 Full Time Equivalent (FTE) in each region to successfully increase its use of FGC. FGC is a labor intensive activity. The CA estimates that 1 FTE can support 5 FGCs each month or 60 per year for a total of 360 per year in all regions (6 FTEs X 5 x 12). The biennial cost of \$936,000 for staff to support this activity is based on the following:

1. Six Social Worker 3 staff: \$48,000 annually X 6 = \$288,000
 2. Benefits: \$11,000 X 6 = \$66,000
 3. Goods/Services: \$5,000 X 6 = \$30,000
 4. Leases: \$4,000 X 6 = \$24,000
 5. Equipment/One-Time: \$8,000 X 6 = \$48,000
 6. Travel: \$4,000 X 6 = \$24,000
 7. EL/TZ: \$2,000 X 6 = \$12,000
- Total: \$492,000 x 2 years = \$984,000 less one time equipment in the second year = \$936,000

The addition of 6 SW 3 staff requires an additional .8 Supervisor FTE (6 SW3 / 8) and 1.1 Clerical FTE (6.8 SW / 6) to maintain a 1 to 8 Supervisor to Social Worker ratio and a 1 to 6 Clerical staff to Social Worker ratio. The biennial cost for these FTEs is \$258,000.

Further, the CA will incur the following costs to support the family assuming one conference lasts 10 hours (including travel time):

1. Travel: \$0.345/mile X 40 miles X 360 conferences = \$4,968
 2. Per Diem: \$30 day X 360 conferences = \$10,800
 3. Child Care: \$6.25/hour X 10 X 360 = \$22,500
- Total: \$38,268 X 2 years = \$76,536

Total Biennial Cost to support Family Group Conferences: \$1,012,536

Section 2 requires that the department establish two pilot projects to help kinship caregivers understand the services available for children in out-of-home care by establishing regional kinship care navigator positions. The department is to contract with and work in partnership with community-based organizations for each position to identify and provide funds for the kinship navigator positions. The bill is unclear as to who will fund the pilot projects. If the department is required to contract with the community, the cost to the CA will be \$242,100 for the biennium. For purposes of this fiscal note, the department is assuming that funds will be identified and secured in the community.

Section 7 creates the Caregiver's Authorization Affidavit to ensure that the children in the care of relatives receive appropriate medical and education services. The department is unable to calculate this cost as it is unclear who will create and administer the affidavit.

Section 8 requires the department establish an oversight committee to monitor, guide, and report kinship care recommendations and implementation activities. The committee must consist of a minimum of 30 percent kinship caregivers. To meet this expectation, the department will incur travel and child care costs on behalf of the caregivers. According to the November 2002 Kinship Care Workgroup report, there were more than 100 participants in the workgroup, consisting of 70 department staff, legislative staff, community representatives, advocates for the family, and kinship caregivers representing statewide participation. Assuming the oversight committee consisted of 100 members, and 30 of those members were kinship caregivers, the cost to support 12 committee meetings per year is \$39,168.

1. Childcare: \$6.25/hr X 8 hrs X 12 X 30 = \$18,000

2. Transportation: \$0.345/mile X 40 miles X 12 X 30 = \$4,968
3. Room: \$200 X 12 = \$2,400
4. Refreshments: \$1.50 X 100 X 12 = \$1,800
5. Lunch: \$10 X 100 X 12 = \$12,000
Biennial Cost = \$39,168 X 2 = \$78,336

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2004	FY 2005	2003-05	2005-07	2007-09
FTE Staff Years	7.9	7.9	7.9	7.9	7.9
A-Salaries and Wages	366,000	366,000	732,000	732,000	732,000
B-Employee Benefits	85,000	85,000	170,000	170,000	170,000
C-Personal Service Contracts					
E-Goods and Services	128,500	128,500	257,000	257,000	257,000
G-Travel	36,936	36,936	73,872	73,872	73,872
J-Capital Outlays	64,000		64,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	193,553	(1,362,787)	(1,169,234)	(2,725,574)	(2,725,574)
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	8,000	8,000	16,000	16,000	16,000
Total:	\$881,989	\$(738,351)	\$143,638	\$(1,476,702)	\$(1,476,702)

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2004	FY 2005	2003-05	2005-07	2007-09
Secretary Senior	31,032	1.1	1.1	1.1	1.1	1.1
Social Worker 3	48,000	6.0	6.0	6.0	6.0	6.0
Social Worker 4	54,480	0.8	0.8	0.8	0.8	0.8
Total FTE's		7.9	7.9	7.9	7.9	7.9

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

N/A

Estimate of annual Foster Care savings

	Cases	2004	2005	2006	2007	2008	2009
July	(15)	(15)	(186)	(186)	(186)	(186)	(186)
August	(15)	(30)	(186)	(186)	(186)	(186)	(186)
September	(15)	(45)	(186)	(186)	(186)	(186)	(186)
October	(15)	(60)	(186)	(186)	(186)	(186)	(186)
November	(15)	(75)	(186)	(186)	(186)	(186)	(186)
December	(15)	(90)	(186)	(186)	(186)	(186)	(186)
January	(16)	(106)	(186)	(186)	(186)	(186)	(186)
February	(16)	(122)	(186)	(186)	(186)	(186)	(186)
March	(16)	(138)	(186)	(186)	(186)	(186)	(186)
April	(16)	(154)	(186)	(186)	(186)	(186)	(186)
May	(16)	(170)	(186)	(186)	(186)	(186)	(186)
June	(16)	(186)	(186)	(186)	(186)	(186)	(186)
Total Case Months	(186)	(1,191)	(2,232)	(2,232)	(2,232)	(2,232)	(2,232)
Average Cost per Case per Month		743.22	767.10	767.10	767.10	767.10	767.10
Estimated Annual Cost		(885,175)	(1,712,167)	(1,712,167)	(1,712,167)	(1,712,167)	(1,712,167)

The savings to foster care in Fiscal Year 2004 as previously identified in the draft fiscal note did not show the effect of phasing off the cases.

1. Calculation of average number of children per kinship case-March 2002 data

	<u>Cases</u>	<u>Children</u>
1 child	5,794	5,794
2 children	1,943	3,886
3 children	664	1,992
4 children	211	844
5 or more children	120	600
Total	8,732	13,116

Average # of children per case	$\frac{13,116}{8,732} = 1.5$
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2. Calculation of per case grant costs-March 2002 data

2 person TANF grant	440
1 person TANF grant	349
Difference	91
Adjust for average children per case	50%
	45.50

1 person grant	349.00
Adjust for average children per case	45.50
Estimated average grant cost	394.50

3. Estimate of number of cases

Number of additional children placed with relatives	207	Estimate from Children's Administration
Percent who will not seek foster care licensing(1)	90%	
Formal placements with relatives not in foster care	186.3	

Percent estimated to enter TANF caseload (1)	0.56
Estimated number entering TANF caseload	104

Average number of children per case	1.5
Estimated number of cases entering TANF	70

4. Estimate of annual TANF grant costs	Additional Cases	Cumulative Total-Case Months					
		2004	2005	2006	2007	2008	2009
July	5	5	70	70	70	70	70
August	5	10	70	70	70	70	70
September	6	16	70	70	70	70	70
October	6	22	70	70	70	70	70
November	6	28	70	70	70	70	70
December	6	34	70	70	70	70	70
January	6	40	70	70	70	70	70
February	6	46	70	70	70	70	70
March	6	52	70	70	70	70	70
April	6	58	70	70	70	70	70
May	6	64	70	70	70	70	70
June	6	70	70	70	70	70	70
Total Case Months	70	445	840	840	840	840	840
Average Cost per Case per Month		394.50	394.50	394.50	394.50	394.50	394.50
Estimated Annual Cost		175,553	331,380	331,380	331,380	331,380	331,380

(1) From "Kinship Care in Washington State: Prevalence, Policy, and Needs" - Washington State Institute for Public Policy, June 2002.

Total Cost Impact Economic Services		2004	2005	2006	2007	2008	2009
GF-S		175,553	331,380	331,380	331,380	331,380	331,380
GF-F		-					
Total		175,553	331,380	331,380	331,380	331,380	331,380

This cost could be funded with TANF but there are not adequate TANF funds, necessitating the use of GF-S.

Individual State Agency Fiscal Note

Bill Number: 1233 HB	Title: Kinship caregivers	Agency: 350-Supt of Public Instruction
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Part I: Estimates

☒ No Fiscal Impact

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Agency Approval: Jennifer Priddy	Phone: 360-725-6295	Date: 01/28/2003
OFM Review: Julie Salvi	Phone: 360-902-0542	Date: 01/28/2003