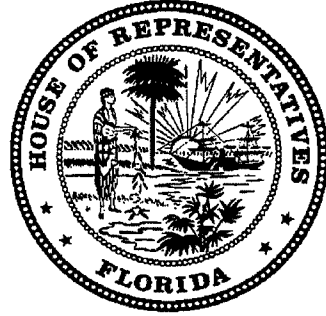


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# **Health Care Appropriations Subcommittee**

# **Meeting Packet**

**February 16, 2011  
1:00 PM—4:00 PM  
Webster Hall**



## **AGENDA**

Health Care Appropriations Subcommittee

February 16, 2011

1:00 p.m. – 4:00 p.m.

Webster Hall

- I. Call to Order/Roll Call
- II. Opening Remarks
- III. Overview of State Veterans' Nursing Homes—Options for Privatization presentation by General Robert Milligan, Florida Department of Veterans' Affairs Interim Executive Director
- IV. Overview of State Mental Health Institutions—Options for Outsourcing presentation by Dr. Nevin Smith, Budget Director, Department of Children & Families
- V. Overview of Independent Living Program presentation by Dee Richter, Deputy Director Family Safety Program Office, Department of Children & Families
- VI. Presentation by OPPAGA on Research Memorandum "Comparisons to Other States Funding Options for the Independent Living Program" presentation by Nancy Dufoe, Chief Legislative Analyst
- VII. Closing Remarks/Adjournment





# Florida Department of Veterans' Affairs

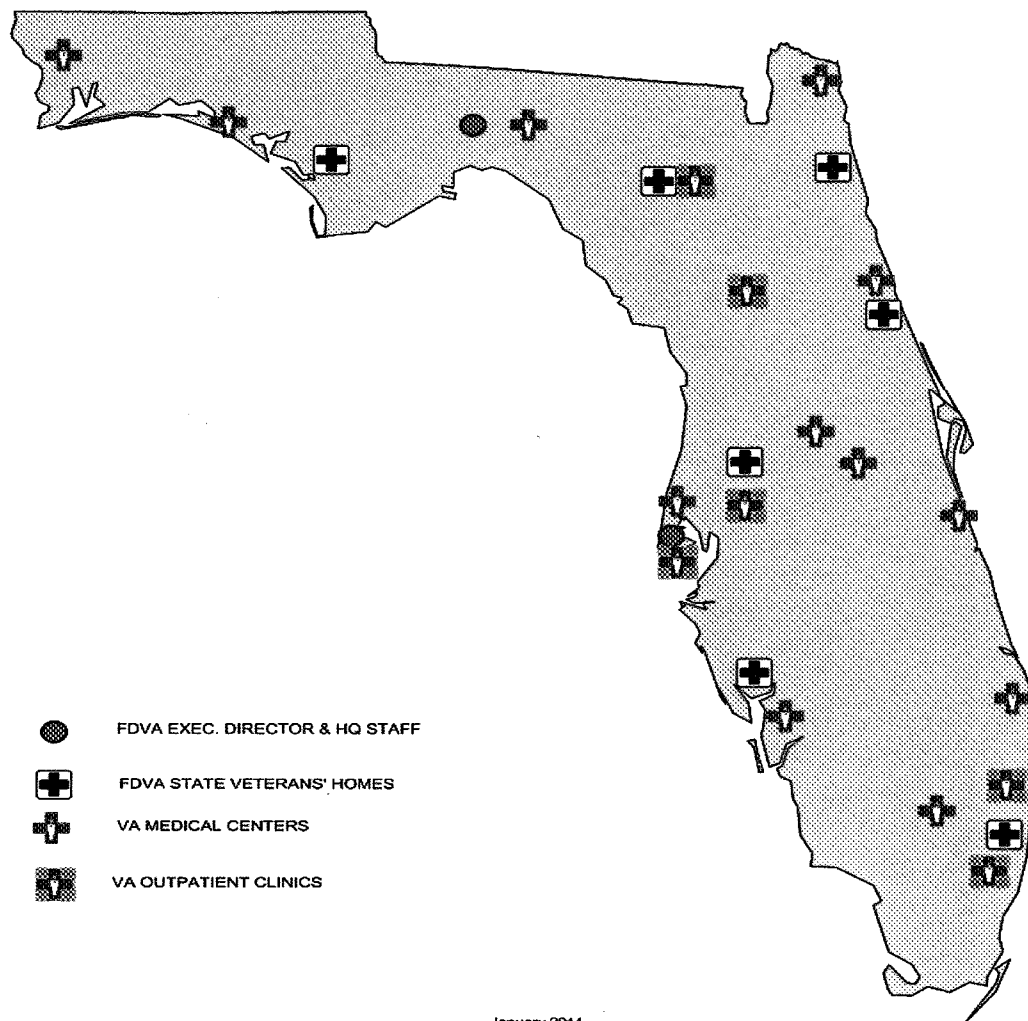
Lieutenant General Bob Milligan  
U.S. Marine Corps (Ret)  
Interim Executive Director



# ***FDVA Footprint***

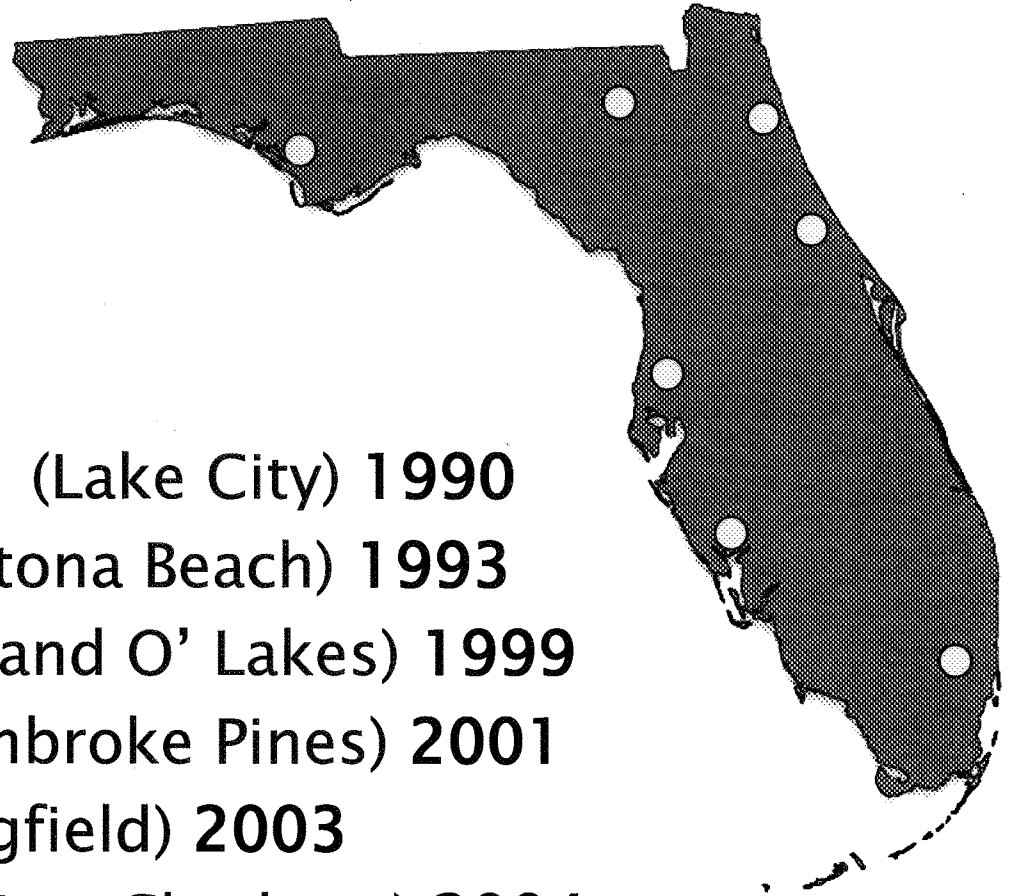
Florida Department of Veterans' Affairs (FDVA)  
Veterans' Assistance Locations

- 27 locations
- 6 Veterans' Nursing Homes
- 1 Domiciliary (ALF)
- 22 field offices staffed with Claims Examiners
- 3 division headquarters





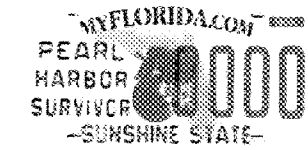
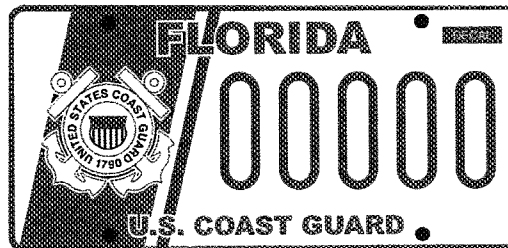
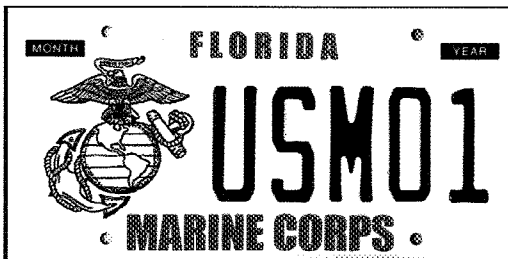
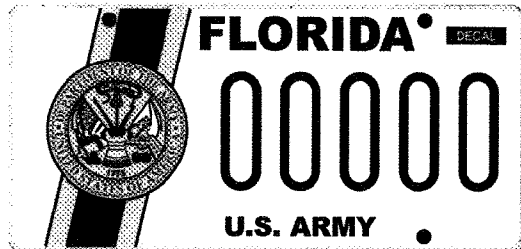
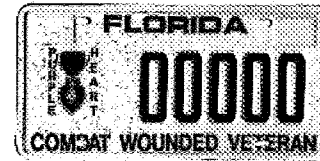
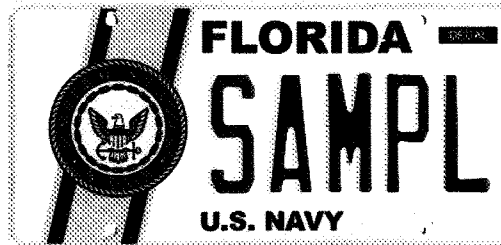
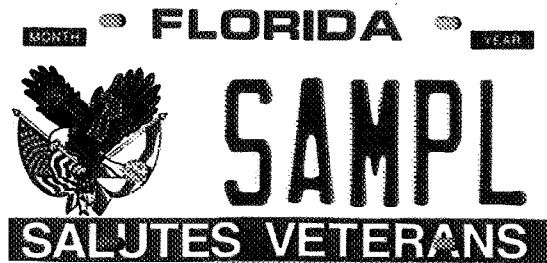
# ***Our Veterans' Homes***



- **Robert Jenkins Domiciliary (Lake City) 1990**
- **Emory Bennett SVNH (Daytona Beach) 1993**
- **Baldomero Lopez SVNH (Land O' Lakes) 1999**
- **Sandy Nininger SVNH (Pembroke Pines) 2001**
- **Clifford Sims SVNH (Springfield) 2003**
- **Douglas Jacobson SVNH (Port Charlotte) 2004**
- **Clyde Lassen SVNH (St. Augustine) 2010**



# License Plate Sales





# ***Homes' Program - Current Funding***

- **Construction & Renovation Reimbursement Sources:**
  - 65% Federal VA funding
  - 35% State of Florida matching funds
- **Resident Care Reimbursement Sources:**
  - Resident care funded by VA if service-connected disability is 70% or greater
  - VA Per Diem
  - Private pay
  - Third-Party Insurance
  - Medicare
  - Medicaid (*Payer of Last Resort*)
  - General Revenue



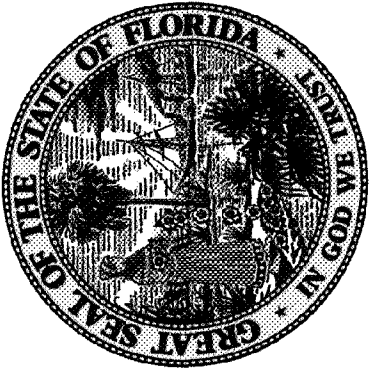


# **A New Concept for State Veterans' Homes**



# ***Public Corporation Concept***

- **Operation of State Veterans' Homes transferred to Public Corporation**
- **Public Corporation to be self-funded -- no GR**
- **Improve Veteran resident quality of care**
- **Improve flexibility to recruit & retain employees**
- **Allow homes to compete with industry incentives**
- **Corporation reports directly to Governor & Cabinet as Board of Trustees**
- **FDVA & Public Corporation coordinate on Veterans' issues**
- **Retain Federal VA Per Diem funding**
- **Sovereign Immunity & risk management continue to apply**



# Florida Department of Veterans' Affairs

[www.FloridaVets.org](http://www.FloridaVets.org)

## State Veterans' Homes Corporation - Concept Overview

February 16, 2011

### **Summary of Concept:**

- **Florida Veterans Homes Corporation** would be created in Chapter 296 as a public corporation and be constituted as a public instrumentality. Concept is similar to the Florida Housing Finance Corporation and modeled closely after Maine and Tennessee.
- Governed by a Board of Trustees (conceptually, the Governor and Cabinet). The Board would hire an executive director.
- Corporation would be self-sustaining.
- Corporation eligible for Federal VA per diem and certain matching funds
- Employees of the corporation would be public employees and would be eligible for state health and retirement benefits.
- Corporation would maintain sovereign immunity and coverage through the State Risk Management Trust Fund.

### **Funding:**

- Resident care funded by VA if service-connected disability is 70% or greater
- VA Per Diem
- Private Pay
- Third-Party Insurance
- Medicare
- Medicaid (Payer of last resort)

### **Goals:**

- Provide the best quality of care for Florida veterans.
- Increase the effectiveness and efficiency of the homes operations.
- Be competitive in recruiting and retaining the best personnel in the long term care industry.

### **Timeframe:**

- FY 2011-2012 Homes Operation remains as in prior years.
- FY 2011-2012 FDVA prepares a business and implementation plan with detailed fiscal analysis. Present the plan to the Governor and Cabinet and the Legislature for 2012 session.
- FY 2012-2013 The Corporation becomes effective on July 1, 2012 and the homes program transitions to the Corporation in accordance with the business and implementation plan recommendations.





# Department of Children and Families

## *Mental Health Services Institutional Models for Efficiency*

February 15, 2011

Nevin Smith, PhD  
Budget Director



# Adults Served

FY 2009-2010	
Adults Served	FY 2009-10
Community	190,400
Facilities	5,296
Civil	1,759
Forensic	2,780
Sexually Violent Predators	757



## State Mental Health Treatment Facilities

Facility	Capacity	Operation	Budget FY 10-11
Florida State Hospital	502	State-operated	\$125,257,722
Northeast Florida State Hospital	633	State-operated	\$67,800,622
North Florida Evaluation and Treatment Center	216	State-operated	\$25,562,502
Treasure Coast Forensic Treatment Center	198	Geo Care, Inc.	\$23,338,151
South Florida State Hospital	335	Geo Care, Inc.	\$35,244,546*
South Florida Evaluation and Treatment Center	238	Geo Care, Inc.	\$25,917,664*
Florida Civil Commitment Center	720	Geo Care, Inc.	\$25,988,086
West Florida Community Care Center	80	Lakeview Center	\$5,823,880

\*Bond payment for newer facilities not included in the appropriations above. Bond payment for South Florida State Hospital is \$3.2 million annually and the bond payment for South Florida Evaluation and Treatment Center is \$3.4 million annually.





# Treatment Facilities

<b>Civil</b>	<b>Capacity</b>
Florida State Hospital – Civil	502
Northeast Florida State Hospital	633
South Florida State Hospital	335
West Fla. Community Care Center	80
Florida Civil Commitment Center (sex offender civil commitment)	720

<b>Forensic</b>	<b>Capacity</b>
Florida State Hospital – Forensic	540
North Florida Evaluation & Treatment Center	216
South Florida Evaluation & Treatment Center	238
Treasure Coast Forensic Treatment Center	198
Total Civil Capacity	2,270*
Total Forensic Capacity	1,192
Total Capacity as of 2/14/11	3,462*

\*Includes 720 beds at the Florida Civil Commitment Center



## Undocumented Persons in MH Treatment Facilities as of December 31, 2010

<b>Facility</b>	<b>Number of Persons</b>
FL State Hospital	23
N Florida Evaluation & Tx Center	4
NE Florida State Hospital	21
S Florida Evaluation & Tx Center	7
S Florida State Hospital	13
Treasure Coast Forensic Tx Center	4
Florida Civil Commitment Center	15
<b>Total</b>	<b>87</b>



# Facility Budgets

## Mental Health Institutions Budget History State Operated / Outsourced

State Operated / Outsourced	Type	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
South Florida Evaluation Treatment Center	Forensic	25,505,572	25,987,683	25,139,026 *	24,993,233	29,097,155	29,328,377	29,328,377
Treasure Cost Forensic	Forensic	N/A	N/A	N/A	21,174,930	23,500,843	23,338,151	23,338,151
West Florida Community Care	Civil	4,885,792	5,823,880	5,823,880	5,823,880	5,823,880	5,823,880	5,823,880
South Florida State Hospital	Civil	34,937,815	35,937,815	36,917,256	38,962,720	38,833,900	38,537,546	38,537,546
Florida Civil Commitment Center	SVP	19,591,687	23,995,687	23,995,687	23,995,687	23,803,432	31,192,662	31,089,317
Florida State Hospital (FSH)	Civil/Forensic	120,442,482	116,337,340	126,861,190	133,163,658	130,846,458	131,298,214	128,685,071
Northeast Florida State Hospital (NEFSH)	Civil	61,519,886	62,901,527	68,585,708	76,418,570	73,537,688	74,690,520	68,869,616
North Florida Evaluation and Treatment Center (NFETC)	Forensic	22,961,319	24,009,474	26,313,671	28,511,986	26,841,371	26,200,195	26,281,336

Green Represents State Operated

Orange Represents Outsourced

\*SFETC Outsourced 01/06



# Facility Outcomes

## Average Days to Restore Competency in a Forensic Facility in FY 2009-2010

Florida State Hospital - State Operated	135
North Florida Evaluation and Treatment Center - State Operated	120
South Florida Evaluation and Treatment Center -Privatized	119
Treasure Cost Center - Privatized	101



## Length of Stay in a State Mental Health Treatment Facility

Length of Stay (in days) for Active Civil Residents on January 31, 2011			Length of Stay (in days) for Active Forensic Residents on January 31, 2011		
	Median	Average		Median	
NFETC	765	2012	FSH – Step Down	619	924
FSH civil	426	721	SFSH	467	700
SFSH	231	533	NEFSH	392	758
WFCCC	103	166	FSH - Forensic	193	466
			SFETC	173	275
			NFETC	140	453
			TCFTC	118	230



**Adult Mental Health Treatment Facilities  
Fiscal Year 2010-11**

<b>Facility</b>	<b>Type</b>	<b>Location</b>	<b>Provider</b>	<b>No. of Beds</b>	<b>Daily Cost Per Bed</b>	<b>Cost with Certificate</b>
Florida State Hospital	Forensic	Chattahoochee	State	540	\$352	
Florida State Hospital	Civil	Chattahoochee	State	502	\$323	
North Florida Evaluation and Treatment Center	Forensic	Gainesville	State	216	\$333	
Treasure Coast Treatment Facility	Forensic	Indiantown	GEO Care	198	\$323	
South Florida Evaluation & Treatment Center (SFETC)	Forensic	Florida City	GEO Care	238	\$298	\$338
Northeast Florida State Hospital	Civil	Macclenny	State	633	\$298	
South Florida State Hospital (SFSH)	Civil	Pembroke Pines	GEO Care	335	\$288	\$315
West Florida Community Care Center	Civil	Milton	Lakeview Center	80	\$199	
Florida Civil Commitment Center (FCCC)	Civil	Arcadia	GEO Care	720	<b>Per Occupant</b> (\$25,988,086) (\$36,000 per resident per year)	

The Department pays annual Certificate of Participation Payment of \$5.1 million for FCCC that is not included in the budget total above.



# Facility Bed vs. Community Alternative Bed

## COMMUNITY CIVIL

Secure Level Short Term  
Residential Treatment –  
\$291 per bed day

## INSTITUTION CIVIL

Northeast Florida State  
Hospital - \$298 per bed  
day

Florida State Hospital -  
\$323 per bed day

South Florida State  
Hospital - \$288 per bed  
day



## **EFFICIENCY OPTIONS TO IMPLEMENT A 7% TARGETED REDUCTION**

1. Privatize All Existing Civil and Forensic Facilities
2. Privatize Some Existing Facilities Based on Vendor Response
3. Expand Existing Privatized Forensic Facilities and Reduce Existing State Operated Forensic Facility Capacity
4. Increase Community Civil Capacity and Reduce State Operated Facility Capacity
5. Increase Community Civil Capacity as well as Reduce and Privatize Remaining Civil Institution Capacity
6. Increase Community Civil Capacity as well as Reduce and Privatize Some Remaining Civil Facilities Capacity Based on Vendor Responses





# VALUE DECISION FRAME

## OVERALL

- Select least cost alternatives based on long range costs and benefits.
- Reduce risk dependence on vendor responses to ensure maximum state savings results.
- Eliminate complex medical care as a primary state cost driver.
- Minimize state cost share taking into account Disproportionate Share and Medicaid cost participation.
- Include a Reconstruction Option in Privatization
- Allow employee bid team.
- Utilize outside experts review panel.



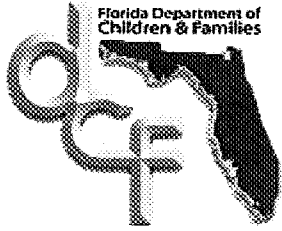
# OUTCOME DECISION FRAME

## FORENSIC

- Take advantage of economies of scale in the forensic system.
- Minimize the time required for restoration of competency to proceed for forensic patients.
- Maximize safety associated with return to community for forensic patients.

## CIVIL

- Maximize efficacy of choice for civil patients.
- Minimize time-to-return to less restrictive less costly community care for civil patients.
- Meet emerging court directives related to community care.



# Solution Time Frame

The Mental Health Program Office is developing implementation mechanisms using available alternatives to ensure the 7% savings will be realized. Additional details will be available in two weeks.

The final multifaceted approach if approved in the General Appropriations Act will provide a multifaceted alternative approach that will take advantage of market place competition to ensure least cost and best value.





**Rick Scott, Governor**  
**David E. Wilkins, Secretary**

# Independent Living Program

**House Health Care  
Appropriations Subcommittee**

*February 16, 2011*

**Mission: Protect the Vulnerable, Promote Strong and Economically Self-Sufficient Families,  
and Advance Personal and Family Recovery and Resiliency.**

# History and Background

## TEENS LEAVING FOSTER CARE

The goal of the child welfare system is to:

- protect children from harm,
- provide them with a safe and permanent home or a lifelong connection to a caring adult, and
- care for their general well-being—health, education, and competency in basic life skills.

For most children in foster care, these goals are achieved through reunification, permanent guardianship, or adoption.

For the children where no reunification, guardianship or adoption occurs before their 18<sup>th</sup> birthday, they leave care or “age out.”

# **History and Background**

## **TEENS LEAVING FOSTER CARE**

Nationally, and in Florida, there were young people “aging out” of foster care, without

- A place to live
- A High School diploma
- A driver’s license
- Employment
- Skills to live independently

Florida was a leader in continuing to support teens “aging out” of foster care.

The federal government followed by enacting laws to assist states and young people leaving foster care

# History and Background

## LEGISLATIVE TIMELINE

### FEDERAL

Independent Living Initiatives and laws  
Youth in foster care ages 16-18 (1986)  
Youth leaving care for 6 months (1987)  
Youth leaving care up to age 21 (1990)  
Congress provided permanent funding (1993)

Chafee Foster Care Independence (1999)  
States have flexibility within general  
purposes of law  
Permits states to extend Medicaid  
coverage to age 21

Education/Training Vouchers (2001)  
Designed to provide support to youth to attend  
college or vocational training after high  
school through age 22

### STATE

Services to complete high school  
or GED up to age 21 (1980)  
Expanded to include post-  
secondary education (1988)

Road to Independence Act (2002)



# History and Background

## Changes to Florida Law Since 2002

- Road to Independence eligibility was extended to former foster children adopted or placed in court-approved dependency guardian after age 16
- Medicaid eligibility was extended to age 21 for all former foster children
- Provided liability exemptions to persons signing for foster child to get learner's permit
- Financial literacy and credit management were added to the definition of life skills
- Permitted courts to order that youth age 16 to 18 who have completed a financial literacy class may establish bank accounts
- Established the Independent Living Services Advisory Council to make recommendations to the Legislature and Department

# **Eligibility and Services**

## **Chapter 409.1451, F. S.**

**Independent Living Programs are a set of services designed to help youth prepare for adulthood.**

**They do not replace the goals of reunification, guardianship or adoption.**

**Services for youth ages 13 thru 17 adjudicated dependent and living in licensed foster care settings**

- Pre-Independent Living services (ages 13 and 14)
- Life skills services (ages 15 thru 17)
- Option for Subsidized Independent Living (ages 16 and 17)

**Services for young adults leaving foster care**

**(ages 18 through 22, with Medicaid thru age 20)**

- Aftercare Support Services
- Road to Independence
- Transitional Support Services

# Federal and State Funding

## Federal funds for state fiscal year (SFY) 2010 - 2011

Requires 20% non-federal match

Chafee	\$5.8 million
Education & Training Voucher	\$2.4 million

## State funds for (SFY) 2010 – 2011

Required Match	\$ 2.1 million
Additional GR	\$19.2 million

## Total Federal and State budget for SFY 2010 – 2011

\$29.5 million

# Unduplicated Numbers Served in Florida SFY 2009-10

13–17 year-olds in licensed foster care placements Pre-independent and life skills,	6,554
16 and 17-year-olds Subsidized Independent Living	157
18 through 22 year-olds	
Road to Independence (full-time school)	3,698
Transitional Support (short-term)	1,671
Aftercare (one-time occurrence)	<u>911</u>
TOTAL	12,991

**NOTES:**

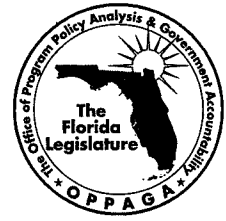
State law provides that some young people can receive and are receiving more than one of the services for 18-22 year-olds at a point in time

Over the past three years, the number of youth turning 18 years old and aging out of Florida’s foster care system has averaged about 1,200 teens per year.





# The Florida Legislature



## OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT ACCOUNTABILITY

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### RESEARCH MEMORANDUM

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## Comparisons to Other States and Funding Options for the Independent Living Program

February 2, 2011

### **Summary**

As requested, this memo addresses three questions about the Department of Children and Families' Independent Living Program that provides services to foster youth to help prepare them for early adulthood.

- At what ages are youth eligible for Florida's Independent Living Program and how does Florida compare to other states?
- What services does Florida's Independent Living Program provide to foster youth and how does Florida compare to other states?
- What options could the Legislature consider to reduce general revenue spent on Road-to-Independence stipends?

Florida's Independent Living Program provides services and payments to youth transitioning from foster care to independence. The largest component of Florida's Program is the Road-to-Independence stipend, which provides money to older youth who are in high school, seeking a GED, or pursuing a postsecondary education. Florida is one of five states in which foster youth are eligible for independent living services at age 13 or younger; the eligible age in other states ranges from 14 to 16. Florida is one of 43 states and the District of Columbia that allows youth up to age 23 to receive Education and Training Vouchers for post-secondary education rather than the federal minimum requirement of age 21. Although federal law gives states broad flexibility in designing and implementing programs, Florida and other states that have a large population of foster youth primarily structure services around federal requirements. However, Florida has set a higher maximum award than these other states for Education and Training Vouchers offered to young adults in postsecondary education. Most of these other states are similar to Florida in providing additional cash assistance beyond the voucher for postsecondary education, although two do not provide such assistance. The Legislature could consider three options for reducing general revenue spent on Road-to-Independence stipends.

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Kathy McGuire, Interim Director

## **Background**

To meet the needs of youth transitioning from foster care to independence, the 1999 federal Chafee Foster Care Independence Act (Public Law 106-169) requires states to provide a range of independent living services. As shown in Exhibit 1, these services include helping current and former foster youth develop life skills and obtain an education. (Appendix A provides information on other programs states often offer to former foster youth.)

### **Exhibit 1**

#### **The Chafee Act Specifies Services That States Must Provide in Their Independent Living Programs**

- Services to identify children who are likely to remain in foster care until 18 years of age and assist them in obtaining a high school diploma, career exploration, vocational training, job placement and retention, daily living skills, budget and financial management skills, and preventative health education.
- Services to assist children who are likely to remain in foster care until 18 years of age by helping them prepare for and enter post-secondary education and training institutions.
- Services to assist children who are likely to remain in foster care until 18 years of age by providing the education, training, and services necessary for obtaining employment.
- Services to assist children aging out of foster care by providing personal and emotional support through mentorship and interactions with dedicated adults.
- Services to assist young adults between 18 and 21 years of age by providing financial, housing, counseling, employment, education, and other appropriate support and services that complement their own efforts to achieve self-sufficiency and assure they accept personal responsibility for their transition to adulthood.

Source: John H. Chafee Foster Care Independence Program (Section 477. [42 U.S.C. 677]).

The federal government provides states two funding sources for independent living services. States receive Chafee Foster Care Independence Program funds to provide life skills and financial, education, and employment assistance, and Chafee Education and Training Vouchers to provide post-secondary education support and specific related costs.<sup>1</sup> Annual federal funding allotments per state are based on the number of youth in foster care and require a 20% state match.

Florida statutes direct the Department of Children and Families to implement the Independent Living Program in compliance with federal requirements and create a continuum of services and financial assistance for preparing youth to live independently.<sup>2</sup> These services include pre-independent living and life skills for current foster youth ages 13 to 17 and financial assistance and services for former foster youth between age 18 and their 23rd birthday.<sup>3</sup> The department contracts with community-based care lead agencies to provide these services.

In Fiscal Year 2009-10, the Legislature appropriated \$35.3 million to the Independent Living Program. This includes \$9 million in federal funds from the Chafee Foster Care Independence Program and Education and Training Voucher funds, and \$26 million in general revenue. In

<sup>1</sup> Congress amended the 1999 Act in 2001 and added requirements and funding for Education and Training Vouchers.

<sup>2</sup> Section 409.1451, F.S.

<sup>3</sup> For additional information about Florida's Independent Living program, see *Improved Fiscal and Quality Oversight Is Needed for the Independent Living Program*, OPPAGA Report No. 07-11, February 2007.

addition to the legislative appropriation, the lead agencies spent \$16.8 million in general revenue from carry forward (\$4.2 million) and funds they shifted from other child welfare services (\$12.6 million).<sup>4</sup>

***At what ages are youth eligible for Florida's Independent Living Program and how does Florida compare to other states?***

Federal law mandates that states provide independent living services to youth in foster care from age 16 until they reach their 21<sup>st</sup> birthday, but gives states flexibility to serve younger and older youth. As shown in Exhibit 2, Florida is one of five states that provides independent living services to youth ages 13 or younger.<sup>5</sup> Forty-three states (including Florida) and the District of Columbia provide services to young adults up to age 23 (i.e., they are no longer eligible as of their 23rd birthday), 4 states provide services up to age 22, and 3 states provide services up to age 21. Federal law authorizes states to allow young adults receiving Education and Training Vouchers by their 21<sup>st</sup> birthday to remain eligible for services up to age 23.<sup>6</sup>

**Exhibit 2**

**Florida Begins Independent Living Support Services Earlier Than Most States and Offers Education Support to the Maximum Age Allowed, Similar to Most Other States**

Age Eligible for Services			Age Eligible for Services			Age Eligible for Services		
State	Minimum	Maximum	State	Minimum	Maximum	State	Minimum	Maximum
Alabama	14	23	Kentucky	12	22	Ohio	16	23
Alaska	16	21	Louisiana	14	23	Oklahoma	16	23
Arizona	16	23	Maine	14	21	Oregon	14	23
Arkansas	14	23	Maryland	14	23	Pennsylvania <sup>3</sup>	16	23
California	16	23	Massachusetts	14	23	Rhode Island	14	23
Colorado	14	23	Michigan	14	23	South Carolina	13	23
Connecticut	14	23	Minnesota	14	23	South Dakota	16	22
Delaware	14	23	Mississippi	14	23	Tennessee	14	23
D.C.	15	23	Missouri	14	23	Texas	14	23
<b>Florida</b>	<b>13</b>	<b>23</b>	Montana	16	23	Utah	14	21
Georgia <sup>1</sup>	14	22	Nebraska	17	23	Vermont	16	23
Hawaii <sup>2</sup>	12	23	Nevada	15 ½	23	Virginia	14	23
Idaho	15	23	New Hampshire	14	23	Washington	15	23
Illinois	14	23	New Jersey	14	23	West Virginia	14	23
Indiana	16	23	New Mexico	15 ½	23	Wisconsin	15	22
Iowa	16	23	New York	14	23	Wyoming	14	23
Kansas	15	23	North Carolina	13	23	Ohio	16	23

<sup>1</sup> Georgia also provides supplemental funds up to age 26 for former foster care youth who attend Georgia public or private colleges.

<sup>2</sup> Hawaii also provides young adults a \$529 per month allowance until age 27 while attending an accredited academic or vocational institution.

<sup>3</sup> Pennsylvania has provided support services to youth at age 14 but most commonly begins support services at age 16.

Source: OPPAGA analysis of individual state programs as described in various state government and national association websites.

<sup>4</sup> Department staff told us that the lead agencies shifted surplus funds from other child welfare programs such as in-home and out-of-home services, and dependency case management. The surplus funds were a result of a decrease in the number of youth in both in-home and out-of-home care due to implementing the Title IV-E Waiver in Fiscal Year 2006-07.

<sup>5</sup> The other four states that provide independent living services to youth ages 13 or younger are Hawaii, Kentucky, North Carolina, and South Carolina.

<sup>6</sup> States that serve young adults may provide different levels of service or require young adults to meet specific eligibility criteria to receive certain types of services and funding support. Therefore, not all young adults transitioning from foster care will qualify for all of a state's available independent living support services at all ages.



***What services does Florida's Independent Living Program provide to foster youth and how does Florida compare to other states?***

While states have designed and implemented their programs differently, independent living services offered in Florida are comparable to those offered in other states with a large number of foster youth ages 16 to 21. However, Florida has set a higher maximum award than these other states for Education and Training Vouchers offered to young adults in postsecondary education. Some other states provide other sources of cash assistance separate from the voucher, while two states, Maryland and New York, do not provide other cash assistance.

**Florida's Independent Living Program provides similar services to those provided by other states.** Federal law allows states flexibility and discretion in designing and implementing independent living programs, specifying that states may use the funds in any manner reasonable to accomplish the program's purposes. As shown in Exhibit 3, Florida's program provides six categories of services. (Appendix B provides a detailed description of these service categories.)

**Exhibit 3**

**Florida's Independent Living Program has Six Service Categories**

1. **Pre-Independent Living** - All 13- to 14-year-old foster youth are eligible to receive pre-independent living services, which include life skills training, educational field trips, and conferences.
2. **Life Skills** - All 15- to 17-year-old foster youth are eligible to receive life skills services, which include banking and budgeting skills, educational support, and employment training.
3. **Subsidized Independent Living** - Some 16- and 17-year-old youth who demonstrate self-sufficiency skills may be chosen to participate in the Subsidized Independent Living Program. This program allows youth to live independently of the daily care and supervision of an adult.
4. **Road-to-Independence** - Eligible 18- to 22-year-old young adults can receive financial assistance up to \$1,256 per month for educational and vocational training.
5. **Aftercare** - Eligible 18- to 22-year-old young adults can receive aftercare services to help develop the skills and abilities necessary for independent living including tutoring, counseling, and skills training.
6. **Transition** - Eligible 18- to 22-year-old young adults can receive short-term services including financial, housing, counseling, and employment.

Source: Section 409.1451, *F.S.*

Florida is 1 of 10 states that serve the largest number of youth in foster care between ages 16 and 21, and all of these states provide comparable services and primarily structure their programs around federal requirements.<sup>7</sup> For example, all 10 states provide services to help young adults obtain employment and assist them in preparing for and entering post-secondary education and training institutions.

However, there are some differences among these states in eligibility requirements and funding. For example, in Florida, Illinois, and Massachusetts, the state determines eligibility for program services and the amount of funds available. In contrast, California, Maryland, New York, and

<sup>7</sup> The 10 states with the largest number of youth in care ages 16 to 21 in order of population size are California, New York, Pennsylvania, Illinois, Michigan, Ohio, Maryland, Massachusetts, Texas, and Florida. To make this comparison, we used data the states reported to the federal Administration for Children and Families. This data is compiled in the federal Adoption and Foster Care Analysis and Reporting System (AFCARS). The most recent data available is 2006.

Pennsylvania operate locally administered programs in which the ages of youth served and service limits and availability may differ by county.

**Most states with large populations of youth in foster care offer Education and Training Vouchers and other financial assistance to young adults, but Florida has a higher maximum voucher award.** The largest component of Florida's Independent Living Program is the Road-to-Independence stipend, which provides money to assist young adults ages 18 to 23 who are in high school, seeking a GED, or pursuing a postsecondary education. In accordance with federal law, the Department of Children and Families can only use Education and Training Vouchers for young adults pursuing a postsecondary education. The department also uses Chafee funds and general revenue to assist these young adults, as well as those in high school and seeking a GED. Florida statutes provide that the amount of each young adult's Road-to-Independence stipend must be based on their living and educational needs, but shall not exceed the amount earned by working 40 hours a week at a job paying the federal minimum wage.<sup>8</sup> In Fiscal Year 2009-10, the maximum Road-to-Independence stipend was \$1,256 per month, or \$15,072 per year.<sup>9</sup>

To maximize the amount of federal funds, Florida sets its maximum voucher award at \$6,250 annually. This is composed of \$5,000 in federal funds, which is the maximum federal amount that states can provide for vouchers, and \$1,250 in general revenue for the required 20% state match.

Of the nine other states that serve the highest number of foster youth, only two (Maryland and New York) do not provide additional cash support beyond the voucher for young adults in postsecondary education. Similar to Florida, at least five of the other states we reviewed provide additional cash assistance.<sup>10</sup> For example, Illinois has a Youth in College Vocational Training Program that provides monthly grants and money to pay for books. Massachusetts' Foster Child Grant Program provides grant monies for young adults attending public and private post-secondary school full-time, and some counties in Pennsylvania give monthly stipends to youth in post-secondary education.

However, Florida's maximum voucher award is higher than in the other nine states. These states set the maximum voucher award equal to or less than the federal maximum of \$5,000, and thus their 20% state match is based on a lower amount than in Florida. California, Illinois, Maryland, Massachusetts, New York, Ohio, and Texas award an annual maximum of \$5,000, which includes a 20% state match of \$1,000. Michigan and Pennsylvania award a maximum of \$4,000 per year, which includes a 20% state match of \$800.

### ***What options could the Legislature consider to reduce general revenue spent on Road-to-Independence stipends?***

Florida statutes provide that the Department of Children and Families base the amount of the Road-to-Independence stipend on young adults' living and educational needs but that the annual stipend amount cannot exceed the amount earned by working 40 hours a week at a job that pays the federal minimum wage. In Fiscal Year 2009-10, the maximum Road-to-Independence

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<sup>8</sup> Section 409.1451, F.S.

<sup>9</sup> Youth ages 18 to 22 who are in the Road-to-Independence Program may also qualify for additional cash support through the Aftercare and Transitional support services components of the Independent Living Program.

<sup>10</sup> Of the nine states that we reviewed, Illinois, Massachusetts, Michigan, Pennsylvania, and Texas give young adults additional cash assistance for educational expenses beyond the voucher award. California and Ohio did not respond to a request for information about the cash assistance they provide to young adults in postsecondary education.

stipend was \$1,256 per month, or \$15,072 per year, which the department funds from Education and Training Vouchers or the Chafee Foster Care Independence Program, which both require a 20% state match. However, if a stipend award exceeds the maximum of \$6,250 for an Education and Training Voucher or if the state expends all of its annual award of federal funds, it must fund 100% of the stipend with general revenue. We identified three options the Legislature could consider for reducing the general revenue used for the Road-to-Independence stipend; with savings ranging from \$4.0 million to \$12.6 million. These options are described below.

- **Option 1. Reduce the annual maximum Road-to-Independence stipend to an amount between \$5,000 and \$10,000.** This option would save from \$4.0 million to \$12.0 million in general revenue funds depending on how it was implemented. Some states, such as Maryland and New York, do not provide young adults in postsecondary education additional cash support beyond the voucher and set the voucher award at \$5,000, which equals the maximum amount of federal voucher funds that states can award. In Fiscal Year 2009-10, approximately 2,894 young adults in Florida received stipends greater than \$5,000 and of those, 1,935 received more than \$10,000. If the Legislature reduced the stipend to \$5,000, the general revenue savings would be approximately \$12.0 million and if it reduced the stipend to \$10,000, the general revenue savings would be approximately \$4.0 million.
- **Option 2. Restrict the use of general revenue to the 20% state match required to draw down federal funds.** This option would save approximately \$12.6 million in general revenue funds. If implemented, some stipends would be reduced or eliminated because the department uses more general revenue than the required 20% match for stipends for 1,877 young adults. In Fiscal Year 2009-10, the department spent \$8.8 million in general revenue to fund the portion of 1,358 young adults' stipends that exceeded the maximum Education and Training Voucher award. The department also spent \$3.8 million to fund 100% of the stipends for 519 young adults. This option also would probably reduce the department's ability to serve additional young adults who apply for the stipend.
- **Option 3. Only provide Road-to-Independence stipends up to age 21.** This option would save approximately \$10.5 million in general revenue funds. The Chafee Act requires that states serve young adults until their 21<sup>st</sup> birthday and provides flexibility to continue providing Education and Training Vouchers until their 23<sup>rd</sup> birthday. In Fiscal Year 2009-10, the department served 1,100 young adults age 21 and older, at a cost of approximately \$10.5 million.

## Appendix A

# States Use a Variety of Programs Other Than Independent Living to Support Former Foster Youth

In addition to Independent Living, states often provide eligible young adults who are 18 years of age and older with living expenses, health care, and educational support services. For example, as shown in Table B-1, states may offer the option of allowing young adults to remain in foster care beyond age 18. This allows states to receive additional federal Title IV-E foster care support funds.<sup>1</sup> Many states also extend Medicaid coverage to former foster youth to ensure they have access to health care and offer tuition waivers to encourage them to pursue postsecondary education.

**Table A-1**  
**Florida and Some Other States Provide a Variety of Programs to Support Youth in Addition to Independent Living Programs**

State	Extends Foster Care Beyond Age 18	Eligible for Medicaid After Leaving Foster Care	Tuition Waivers Available <sup>1</sup>
Alabama	Yes		
Alaska	Yes		Yes
Arizona	Yes	Yes	
Arkansas	Yes		
California		Yes	
Colorado	Yes		
Connecticut	Yes	Yes	Yes
Delaware	Yes		
D.C.	Yes		
Florida		Yes	Yes
Georgia	Yes	Yes	
Hawaii	Yes		
Idaho	Yes		
Illinois	Yes		Yes
Indiana	Yes		
Iowa	Yes	Yes	
Kansas	Yes	Yes	Yes
Kentucky	Yes		Yes
Louisiana	Yes	Yes	
Maine	Yes		Yes
Maryland	Yes		Yes
Massachusetts	Yes	Yes	Yes
Michigan	Yes	Yes	
Minnesota	Yes		Yes
Mississippi	Not available		
Missouri	Yes		

State	Extends Foster Care Beyond Age 18	Eligible for Medicaid After Leaving Foster Care	Tuition Waivers Available <sup>1</sup>
Montana	Yes		
Nebraska	Yes		
Nevada	Yes	Yes	
New Hampshire	Yes		Yes
New Jersey	Yes	Yes	Yes
New Mexico	Yes	Yes	
New York	Yes		
North Carolina	Yes	Yes	Yes
North Dakota	Yes		
Ohio	Yes	Yes	
Oklahoma	Yes	Yes	Yes
Oregon	Yes		
Pennsylvania	Yes		
Rhode Island		Yes	
South Carolina	Yes	Yes	Yes
South Dakota	Yes	Yes	
Tennessee	Yes	Yes	
Texas	Yes	Yes	Yes
Utah	Yes		Yes
Vermont	Yes		
Virginia	Yes		Yes
Washington	Yes	Yes	
West Virginia	Yes		Yes
Wisconsin	Yes	Yes	
Wyoming	Yes	Yes	

<sup>1</sup> Some states limit tuition waivers to public institutions, while others provide tuition waivers to all post-secondary institutions.

Source: National Resource Center for Youth Development and OPPAGA Analysis.

<sup>1</sup> Florida's Department of Children and Families is considering applying for a similar extension.

## *Appendix B*

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# Florida's Independent Living Transition Program has Six Program Components

The Department of Children and Families establishes Independent Living Program guidelines and distributes funds to community-based care lead agencies to provide services through six program components. As shown in Table B-1, the six program components are pre-independent living, life skills, subsidized independent living, aftercare support, Road-to-Independence, and transitional support.

The lead agencies provide pre-independent living and life skills services to current foster youth ages 13 to 17 to help them obtain the skills and education needed to live independently after exiting the foster care system. Services include educational field trips, conferences, interviewing skills training, banking and budgeting skills training, and counseling. In addition, certain 16- and 17-year-olds may chose to participate in the Subsidized Independent Living Program, which allows them to live independently of the daily care and supervision of an adult. There were 6,554 youth ages 13 to 17 eligible to receive pre-independent living and life skills services in Fiscal Year 2009-10 and 157 youth ages 16 and 17 received subsidized independent living services.<sup>2</sup>

Lead agencies also provide financial assistance and services to former foster youth age 18 and over through the Road-to-Independence Program. The program provides cash awards of up to \$1,256 per month (\$15,072 per year) for young adults finishing high school, pursuing a GED, or enrolled full-time in postsecondary education. Young adults may also receive aftercare and transition funds that provide temporary financial support to prevent homelessness, assist with living expenses, and other services intended to help young adults develop a personal support system and achieve self-sufficiency. Of the young adults ages 18 to 23 served by the Independent Living Program, 3,698 participated in the Road-to-Independence Program, 911 received aftercare services, and 1,671 received transition services in Fiscal Year 2009-10.

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<sup>2</sup> The department does not require lead agencies to report the actual number of youth ages 13 to 17 who receive these services.

**Table B-1  
 Florida's Independent Living Transition Program has Six Program Components**

Program Component	Eligibility	Description
Pre-Independent Living Services	All 13- to 14-year-old youth in foster care	<ul style="list-style-type: none"> <li>▪ Life skills training such as classes and activities needed to help transition to adulthood and self-sufficiency</li> <li>▪ Educational field trips</li> <li>▪ Conferences</li> </ul>
Life Skills Services	All 15- to 17-year-old youth in foster care	<ul style="list-style-type: none"> <li>▪ Banking and budgeting skills</li> <li>▪ Interviewing skills</li> <li>▪ Parenting skills</li> <li>▪ Time management and organizational skills</li> <li>▪ Educational support</li> <li>▪ Employment training</li> <li>▪ Counseling</li> </ul>
Subsidized Independent Living Services	Some 16- and 17-year-old youth chosen by the department as being able to demonstrate independent living skills	Arrangements that allow a child to live independently of the daily care and supervision of an adult.
Aftercare Support Services	Youth ages 18 to 22 who have been in foster care, meet certain conditions, and are determined eligible by the department. Temporary assistance is provided to prevent homelessness. The amount provided is based on funds available.	<p>Services to assist young adults who were formerly in foster care to continue to develop the skills and abilities necessary for independent living. Services may include:</p> <ul style="list-style-type: none"> <li>▪ Mentoring and tutoring</li> <li>▪ Mental health services and substance abuse counseling</li> <li>▪ Life skills classes, including credit management and preventive health activities</li> <li>▪ Parenting classes</li> <li>▪ Job and career skills training</li> <li>▪ Counselor consultations</li> <li>▪ Temporary financial assistance</li> <li>▪ Financial literacy skills training</li> </ul>
Road-to-Independence Scholarship (RTI)	<p>Youth ages 18 to 20 (initial award)                      Under 23 (renewal awards)</p> <p>Must meet one of the following criteria: (1) earned a high school diploma or its equivalent and has been admitted for full-time enrollment in an eligible postsecondary education institution; (2) enrolled full-time in an accredited high school; (3) enrolled full-time in an accredited adult education program designed to provide the student with a high school diploma or its equivalent.</p>	<p>Financial assistance to help former foster children to receive the educational and vocational training needed to achieve independence.</p> <p>The amount of the award based on the living and educational needs of the young adult and may be up to, but shall not exceed, the amount the student would have been eligible to earn working 40 hours a week at a job paying the federal minimum wage.</p>
Transitional Support Services	Youth ages 18 to 22 who have been in foster care and demonstrate that the services are critical to their own efforts to develop a personal support system and achieve self-sufficiency.	<p>Short-term services, which may include:</p> <ul style="list-style-type: none"> <li>▪ Financial</li> <li>▪ Housing</li> <li>▪ Counseling</li> <li>▪ Employment</li> <li>▪ Education</li> <li>▪ Mental health</li> <li>▪ Disability support services</li> <li>▪ Other services, if the young adult demonstrates that the services are critical to achieve self-sufficiency</li> </ul>

Source: Section 409.1451, F.S.





# Comparisons to Other States and Funding Options for the Independent Living Program

A Presentation to the  
House Health Care Appropriations  
Subcommittee

February 16, 2011

Nancy Dufoe,  
Chief Legislative Analyst

# Questions

- How do Florida's age eligibility requirements compare to other states?
- How do Florida's services compare to other states?
- What options could the Legislature consider to reduce general revenue spent on Road-to-Independence stipends?



# How do Florida's age eligibility requirements compare to other states?

- Federal law
  - requires states to serve age 16 and up to 21
  - gives flexibility to serve younger and older
- Five states, including Florida, serve youth 13 or younger
- Florida and most (43) states and the District of Columbia serve youth up to age 23

## How do Florida's services compare to other states?

- Federal law requires states to provide a range of independent living services
- Federal law also gives states flexibility in how they design and implement their programs

## How do Florida's services compare to other states?

- Florida's services are comparable to other states' services
- All provide federally required services
  - employment assistance, housing, educational support, financial assistance
- Differ in design and administration



# How do Florida's services compare to other states?

- Florida and other states use Federal Education and Training Vouchers to fund post-secondary education
  - Federal maximum award is \$5,000 per young adult per year and requires a 20% state match
  - Florida awards up to \$6,250 (\$5,000 federal funds and \$1,250 state match)
- Florida and most other states provide additional assistance for education and related expenses

# Road-to-Independence (RTI) Stipend

- Largest component of Independent Living program (68% of the program budget)
- Provides financial assistance to youth for education
  - High School diploma, GED, post-secondary
- Current maximum is \$1,256 per month or \$15,072 per year
  - Based on working a 40-hour work week at the federal minimum wage

# Road-to-Independence (RTI) Stipend

- RTI stipend has three funding sources
  - Federal Education and Training Vouchers
  - Federal Chafee funds
  - General revenue
    - ◆ as a 20% match for federal funds
    - ◆ to supplement stipend awards funded with Education and Training Voucher funds that exceed \$6,250
  - ◆ when state expends all federal funds

## Three options for reducing general revenue spent on RTI stipends

- Reduce the annual maximum stipend between \$5,000 and \$10,000
- Restrict the use of general revenue to the 20% state match
- Limit stipends up to age 21



## **Option 1: Reduce the annual maximum stipend between \$5,000 and \$10,000**

- A \$5,000 stipend award would save approximately \$12.0 million in GR
  - New York and Maryland limit financial assistance to \$5,000
  - 2,894 young adults received stipends greater than \$5,000 per year in Fiscal Year 09-10
- A \$10,000 stipend award would save approximately \$4.0 million in GR
  - 1,935 young adults received stipends greater than \$10,000 per year in Fiscal Year 09-10



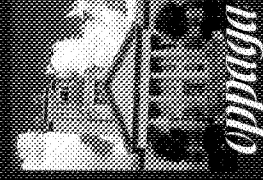
## Option 2: Restrict the use of general revenue to the 20% state match

- Approximately \$12.6 million in GR savings
- Reduces 1,358 stipends and eliminates 519 stipends
  - The department uses more general revenue than the required 20% match for stipends for these young adults
- May reduce the department's ability to serve additional eligible young adults who apply for the stipend

## Option 3: Limit stipends up to age 21

- Approximately \$10.5 million in GR savings
- Federal law requires states to serve young adults up to age 21 and allows states to continue providing educational support until age 23
- The department served 1,100 young adults age 21 and older in FY 09-10, at a cost of approximately \$10.5 million

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# The Chafee Act specifies independent living services that states must provide

- ❖ Services to identify children who are likely to remain in foster care until 18 years of age and assist them in obtaining a high school diploma, career exploration, vocational training, job placement and retention, daily living skills, budget and financial management skills, and preventative health education.
- ❖ Services to assist children who are likely to remain in foster care until 18 years of age by helping them prepare for and enter post-secondary education and training institutions.
- ❖ Services to assist children who are likely to remain in foster care until 18 years of age by providing the education, training, and services necessary for obtaining employment.
- ❖ Services to assist children aging out of foster care by providing personal and emotional support through mentorship and interactions with dedicated adults.
- ❖ Services to assist young adults between 18 and 21 years of age by providing financial, housing, counseling, employment, education, and other appropriate support and services that complement their own efforts to achieve self-sufficiency and assure they accept personal responsibility for their transition to adulthood.



# Florida's Independent Living Program has six service categories

- ❖ **Pre-Independent Living** - All 13- to 14-year-old foster youth are eligible to receive pre-independent living services, which include life skills training, educational field trips, and conferences.
- ❖ **Life Skills** - All 15- to 17-year-old foster youth are eligible to receive life skills services, which include banking and budgeting skills, educational support, and employment training.
- ❖ **Subsidized Independent Living** - Some 16- and 17-year-old youth who demonstrate self-sufficiency skills may be chosen to participate in the Subsidized Independent Living Program. This program allows youth to live independently of the daily care and supervision of an adult.
- ❖ **Road-to-Independence** - Eligible 18- to 22-year-old young adults can receive financial assistance up to \$1,256 per month for educational and vocational training.
- ❖ **Aftercare** - Eligible 18- to 22-year-old young adults can receive aftercare services to help develop the skills and abilities necessary for independent living including tutoring, counseling, and skills training.
- ❖ **Transition** - Eligible 18- to 22-year-old young adults can receive short-term services including financial, housing, counseling, and employment.