



LIVINGSTON COUNTY, MICHIGAN
LIVINGSTON COUNTY CIRCUIT COURT
JUVENILE DIVISION

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Memorandum

To: Livingston County Board of Commissioners

From: Deborah Shaw, Juvenile & Probate Court Administrator
Ahmad Sabbagh, Ph.D., Director, Department of Health and Human Services

Date: July 24, 2023

Re: Resolution Authorizing the Submission of the FY 2024 Child Care Fund Annual Budget

The Child Care Fund (CCF) is the shared funding mechanism between the State of Michigan and local Courts/Counties for the cost of juvenile justice and child welfare out-of-home placement and intensive in-home services designed to prevent out of home placement. The attached resolution authorizes submission of the FY 2024 Child Care Fund Budget to the State of Michigan in the amount of \$2,956,176, comprised of the following components:

	MDHHS	Court	Combined
Out-of-Home Care	\$900,000	\$355,990	\$1,255,990
In-Home Care	\$240,000	\$1,460,186	\$1,700,186
Subtotal	\$1,140,000	\$1,816,176	\$2,956,176
Revenue	0	(\$95,000)	(\$95,000)
Net Expenditure	\$1,140,000	\$1,721,176	\$2,861,176

State Ward Board & Care
Child Care Fund

Out-Of-Home Care covers the shared cost of foster care, detention and residential placement for both juvenile justice and child welfare families. With the implementation of “state pays first” in FY 2019, costs incurred for out-of-home care for a child who is under the care and control of the state are first paid by the state. When a child is supervised by the Court, the county/court “pays first” for out-of-home costs incurred. Financial reports are exchanged each month for reimbursement (the “chargeback”) and are reconciled at the end of the fiscal year.

It should be noted that the Child Care Fund Annual Budget forms no longer include a place to record the estimated amount of the county's obligation (\$900,000) for DHHS supervised out-of-home placements.

In-Home Care includes intensive interventions and services for juvenile justice and child welfare families designed to prevent removal from home, to effectuate an early return home from placement and to achieve permanency for children in a safe and timely manner. All costs for in-home services are first paid by the county/court and included in the monthly financial reports and reconciliation with the State.

Court In-Home Care - Service Components:

1. The Court Appointed Special Advocates (CASA) program, provided in partnership with LACASA Center, recruits, trains and supports volunteers who are appointed by the Court to advocate for the best interests of abused and neglected children in child protective proceedings. As an independent voice for children, CASAs investigate, facilitate, and advocate on behalf of the children until they are in a safe, permanent home.
2. The Intensive Treatment Services component provides intensive community-based assessment, treatment, and supervision to ameliorate criminogenic risk factors, enhance protective factors and hold juveniles accountable for harm done. Individualized case plans protect community safety by providing services to support the success of youth and their families in avoiding future system involvement.
3. Multi-Systemic Treatment (MST) is provided in partnership with Highfields, Inc. Through intensive intervention, MST works to eliminate or significantly reduce the frequency and severity of the youth's problematic behavior(s), empower parents with the skills and resources needed to independently address the inevitable difficulties that arise in raising children and adolescents and empower youth to cope with stressors such as family, peers, school and neighborhood problems.
4. Wraparound – Court Component services are provided by the Livingston County Community Mental Health Authority, supported through blended funding and a community that embraces collaboration and shared responsibility. Wraparound is a family-centered, strength based, holistic and team-oriented process used to work with high risk, multi-system children and families to address children's complex needs, reduce out-of-home placement (including psychiatric hospitalization) and support their community success.

MDHHS In-Home Care –Service Components:

1. Family Supportive Services are targeted at specific but various family issues and provides goods and services that are not available or eligible from other family assistance programs. Examples of services include, but are not limited to, life-skills education, financial counseling, mentoring, tutoring, summer camp tuition, court-ordered transportation, drug/urine screening, program attendance incentives, child-parent assessments, counseling, and various expenditures that are court ordered.

2. Supervised Visitation Coaches develops a plan with the family for visitation sessions. The parent coach will work with the family to advocate and encourage routine and structure, provide support and understanding regarding separation and reunion within the family, cultivate a nurturing environment to encourage the family plan, provide instruction and information that involves behavior modeling, and offer demonstrations and supervision of areas such as childcare, non-abusive child management skills, and childcare techniques.
3. Wraparound – MDHHS Component – see description above.

Current CCF Cost-Sharing

	<u>State Share</u>	<u>Court/County Share</u>
In-Home Care (child welfare and juvenile justice - age 16 and younger at time of offense)	50%	50%
Out-of-Home Care (child welfare and juvenile justice - age 16 and younger at time of offense)	50%	50%
RTA juvenile justice In-Home & Out-of-Home Care - age 17 at time of offense	100%	0

The 100% Raise the Age funding for youth is temporary and intended to sunset on 9/30/2025, thus allowing four years to analyze costs and realign the CCF reimbursement to make court/counties whole for the cost of treating 17-year-olds. The impact of pending legislation on this timeline is unclear.

CCF Budget Changes for FY 2024 and Pending Legislation: The Child Care Fund budget has remained stable over the past five years, with the exception of an increase in FY 2020, as some general fund salary and program costs were moved into the Child Care Fund to maximize reimbursement from the state, and a decrease in FY 2023 with the elimination of 1.0 FTE probation officer position.

Detention and treatment bed crisis: first experienced during the pandemic, has grown and morphed. Private and public facilities have closed or reduced their capacity due to a statewide inability to recruit and retain staff, changes in licensing requirements and an increased population of mentally ill, violent youth. Recent agreements with Midland, Ottawa and Washtenaw Counties' detention centers have provided some relief and enabled placement of Livingston County youth in emergent situations. Reduced out of home placement expenditures on the court's side, coupled with the likely elimination of reimbursements altogether this year, results in a budgeted revenue reduction of \$50,000.

Expansion of funding sources and utilization of MST: A newly formed partnership with Community Mental Health in FY2023 enabled the use of Medicaid dollars for eligible MST clients. This partnership resulted in a \$26,000 reduction in CCF expenditures during the first six months. In addition to reducing county costs and maximizing use of state and federal dollars, this partnership has expanded access to this highly effective program for non-court community mental health families in need of such an intervention.

Pending Legislation to Implement Bipartisan Juvenile Justice Task Force Recommendations:

A bipartisan juvenile justice reform task force was formed in 2021 and issued its' recommendation in July 2022. The first step toward implementation occurred in May 2023 with the introduction of 22 Bills in the Michigan House and Senate. Three of the most impactful Bills to the cost and programming of juvenile justice follow:

HB 4624 / SB 0418 – Child Care Fund Enhancement

- Out-of-home placement split remains 50% state - 50% county.
- In-home care services increase to 75% state - 25% county split, expands reimbursement to non-intensive services and requires evidence-based screening, assessment and services including employment of a quality assurance specialist to implement research-based practices.
- Establishment of statewide performance measures and annual reporting to the legislature beginning October 1, 2025.

HB 4634-4637 / SB 0428-0431 – elimination of fines, fees and reimbursements in juvenile court, including forgiveness of outstanding balances on 7/1/2024. Victim payments (restitution and crime victim rights fees) continue without change.

HB 4630 / SB 0424 – expands the Michigan Indigent Defense Commission to include representation of juveniles in delinquency cases.

Thank you for your continued support of the Juvenile Division of the Circuit Court and MDHHS services to youth and families.