



PCCYFS PUBLIC POLICY PRIORITIES 2023-2025





A UNITED VOICE FOR PROVIDERS

Children and youth thrive when they are in safe communities with access to education, stable housing, food, and quality mental and physical health care. When children and youth are placed away from home due to safety concerns, mental health challenges, or involvement in the juvenile justice system, our member agencies step in to provide supportive environments in which children and youth feel socially, emotionally, and physically valued.

As Pennsylvania's premier children, youth, and family services organization, the Pennsylvania Council of Children, Youth, & Family Services plays a vital role in influencing policy for the health of the child serving system.

Mission Statement: PCCYFS is a leading statewide membership organization serving as a united voice for our valued partners through education, data, resources and advocacy towards achieving a brighter future for children, youth and families.



A WELL-FUNDED CHILDREN'S SERVICES SYSTEM

While we support the state supervised, county-based system, the structure leads to complexities, especially in the area of funding. Currently, through provider cost reports, the state sets a maximum allowable rate, which is the amount a provider should be reimbursed for their full cost of care. Counties and providers then negotiate a payment rate, commonly agreeing to a rate that is far lower than the one approved by the state, leading to the staffing and bed capacity shortages that are currently prevalent in both the child welfare and juvenile justice systems. Providers are required to negotiate rates with 67 different counties: a model that is proving to be unsustainable. Similarly, for Medicaid-funded providers that rely on reimbursement through Behavioral Health Managed Care Organizations, negotiated rates rarely reflect the actual cost of services. The rate evaluation and negotiation cycle commonly takes an entire year from submission of reports to the awarding of a county contract, a lengthy process that also stymies system creativity and agility to respond.

Given this precarious financial foundation, unanticipated circumstances such as the COVID-19 pandemic, and state budget impasses have had and will continue to have catastrophic impacts to our system. In both circumstances, agencies lost millions in unreimbursed expenses in order to continue providing services. Similarly, attention must be given to minimizing the duplication of spending. In order to contract with a pool of 67 different counties, all of which come with their own contractual and monitoring requirements, in addition to various state licensing requirements, agencies are often unnecessarily duplicating spending and limited resources.

PCCYFS Position

Maximum state and local funding within child welfare, juvenile justice, and children's behavioral health will fully support the evolving and long-unmet needs of the children and family services system, and ensure an effective continuum of care from prevention, to treatment, to placement and to permanency.

- In order to understand the disparity between the rate a county pays a provider and their true cost of care, the state should consider a third-party actuarial study of the disparity between the state maximum allowable rate and the per diem that counties actually pay.
- Maximum funding efforts should include a providers' ability to receive the state maximum allowable rate to allow counties and providers to create unique service models without assuming unsustainable risk. In behavioral health, it would also mean the ongoing support of models that promote whole-person care while recognizing the importance of increased access, improved service use, and system creativity.
- In times of transition due to new federal legislation, such as the Family First Prevention Services Act of 2018, as the state evaluates new funding models and programming, state budgets must fully resource any program changes at levels that providers are expected to meet.
- Funding should also be specifically allocated for providers during circumstances that will result in significant unanticipated fiscal health impact to the provider community, including COVID-19 relief, and the designation of child-serving providers as essential services during a budget impasse.
- Focus should also be given to minimize duplication and unnecessary spending of agency resources. Increased coordination across government partners in areas such as audits, evaluations, contractual requirements, etc. can help streamline and simplify private provider spending.



WORKFORCE DEVELOPMENT

Our association represents providers that employ more than 10,000 Pennsylvanians, contributing over \$925 million a year in economic activity. Yet, the majority of agencies struggle with workforce turnover and a limited pool of qualified applicants driven in large part by historically low rates that do not allow agencies to fairly compensate employees for the demanding work.

A Bachelor's Degree is required for over 65 percent of jobs in this field, and Master's Degrees also required for many but wages are stagnant at entry level rates and not enough to pay off student loans. In a recent study of our workers, 44 percent of respondents reported having a second job in order to supplement their current salaries. In turn, children and families served by the system pay the greatest price for this turnover. Interruptions in services result in a lack of continuity of care, waiting lists, bed capacity limitations, lack of service availability and an overall reduction in the safety, permanency and well-being of children being served.

PCCYFS Position

Seek and encourage the implementation of strategies that incentivize and promote the retention of quality workers within the field of child and family services, including:

- Student loan forgiveness options for workers who enter and remain in this field;
- Fellowships and other formal pipelines to private provider agencies;
- Establishment of high-quality professional development and other practices to prevent and treat secondary trauma, compassion fatigue, or vicarious trauma;
- Adequate funding rates to promote flexible caseload models to support agencies when they are facing a limited workforce;
- Financial and other supports, especially for working parents of young children.

Promote flexibilities and waivers that reduce labor demands while offering safe, but accommodating options when agencies are unable to meet staffing, degree, or credential requirements. Similarly, encourage the implementation of physician extenders within Pennsylvania to address the specific shortage of professionals with prescribing authority.



ACCESS TO AFFORDABLE LIABILITY INSURANCE

Providers of foster care, adoption, residential treatment centers, and other placement services are finding it increasingly cost prohibitive, if not impossible, to obtain professional liability insurance. In many cases, regardless of claims history, providers are being denied renewal on a “class of business” basis. If a provider is able to obtain a renewal, they see significant increases in their premium cost with limits of coverage also greatly reduced and umbrella policies increasingly harder to access.

There are a number of factors driving this shift. Providing human services, particularly direct, 24-hour care through foster care, adoption, or residential services, carries inherent risk. County contract language often includes excessive insurance requirements that have grown increasingly challenging to meet. At the same time, as a party with no level of immunity, private providers have been met with a mounting number of lawsuits, many of which are dated and outside of the scope of a provider’s responsibility, seeking multi-million dollar settlements. Given the risky nature of the work, county contract requirements, and the highly litigious approach of many towards the child welfare system, providers of liability insurance have withdrawn from the market or significantly curbed their offerings.

PCCYFS Position

- Continue to work with county partners to address language included in contracts to mitigate unfair risk shifting, include manageable insurance requirements, and educate on the need for rates that address the surging cost of insurance.
- Identify potential tort-related solutions to alleviate the financial strain of numerous lawsuits and settlements have taken on providers and their insurance companies, including capping damages in certain circumstances, limiting venue shopping, and providing a balanced approach to statute of limitations legislation.
- Pursue alternative solutions that allow insurance companies to safeguard the availability of required insurance at a fair and reasonable cost.

