

TO: Juvenile Welfare Board Members

FROM: James E. Mills, Executive Director 
Lisa A. Sahulka, Director of Programs & Finance 

Requested Action

The Juvenile Welfare Board is requested to fund up to \$9,156 (annualized) to the Help A Child, Inc. -Allyn B. Giffen Medical Placement Home Program for an unexpected increase in liability insurance expenses.

Options

1. Approve the request.
2. Approve an alternate amount.
3. Deny the request.
4. Any other action the Board deems appropriate.

Recommended Action

Allocate up to \$9,156 (annualized) to Help a Child Inc. - Allyn B. Giffen Medical Placement Home Program for liability insurance expenses, October 1, 2001 – September 30, 2002.

Source of JWB Funds

The FY 01-02 budget includes \$102,802 for Ongoing Program Contingency funding.

Fiscal Impact

The Ongoing Program Contingency Fund would be reduced from \$102,802 to \$93,646.

Narrative

Agency and Program Description

- Help A Child Inc. is the County's Child Protection Team. It provides multidisciplinary services for families where there have been reports of child abuse and neglect. Services include medical, psychological, and psychiatric diagnosis and treatment; community education; medical foster care; and volunteer-provided family support services. Staff works closely with law enforcement agencies, the school system, community agencies, and the medical community to correctly diagnose and plan the most appropriate treatment and interventions for the family. The agency's annual budget is \$2.1 million. As of November 26, 2001, the agency reported \$127,111 in unrestricted general revenues, which is less than one month's operating expenses.

- The Allyn B. Giffen Medical Placement Home Program uses seventeen (17) licensed medical foster homes to serve children with medical conditions that include non-organic failure-to-thrive, birth anomalies, serious afflicted injuries, and accidental injuries. One medical director and two registered nurses supervise the specialized foster parents. The clinical social worker, nurses, and foster parents work closely with the biological parents in an effort to strengthen and reunify the family, if appropriate. The program serves an average of 80 children and 115 adults per year. In FY 00-01, the program met or exceeded the measurable objectives and minimum service levels. The October 29, 2001 site visit found the program to be in full compliance.

Rationale for Request

- In March 2001, Help A Child Inc. (HAC) was notified by their insurance company of twelve years that their policy would not be renewed after June 30, 2001 because the Allyn B. Giffen Medical Placement Home Program (MPH) had recently been added to a lawsuit filed against the Department of Children and Families (DCF) by the adoptive parents of a former MPH client. When children need to be placed, DCF handles the adoption.
- HAC immediately found three insurance brokers who shopped for their insurance needs simultaneously for three months. Many companies declined due to the MPH Program's unknown complexities of housing chronically ill children in family homes rather than in hospital beds or nursing homes, and because the HAC MPH Program is the only privatized program in the state. All other MPH Programs are run by the State (except for one hospital program in Miami) and are therefore covered by Sovereign Immunity. On June 29, 2001, an insurance company offered a year's coverage for \$50,346 explaining that the rate was high because of the risks associated with the MPH Program. As a result, the agency's annual liability insurance costs increased from \$11,190 to \$50,346 effective July 1, 2001. The agency has paid the full cost of the increased liability insurance and is expensing each program's share on a monthly basis.

FY 01-02 Help-A-Child Liability Insurance Expenses	
Actual	\$ 50,346
Budgeted	\$ 11,190
Difference	\$ 39,156

- The MPH Program's current annual revenue is \$479,355. This includes funding from the Department of Health \$165,073, Family Continuity \$189,721, the Infinity Club \$11,000, and JWB \$113,561.
- HAC has written to the Department of Health for assistance but no contingency funds are available. The agency has not requested funding from Family Continuity because Family Continuity only provides pass-through Foster Care Board Rate funding for the MPH Program foster parents. No funding for administrative and/or operating expenses for the program is provided. HAC is pursuing grants and

planning fundraisers, however, three of four agency programs are facing funding deficits. In addition, the agency applied for and received clearance for Medicaid case management billing in June. Based on an analysis of past years' case management service hours, it is estimated that Medicaid will reimburse the MPH Program up to \$30,000 per year. Contingent upon the receipt of Medicaid funds, \$9,156 is still needed to pay for liability insurance costs.

- The MPH Program currently has \$1,560 budgeted for liability insurance. With the addition of Medicaid and the JWB requested funding totaling \$39,156, the MPH program budget for liability insurance will increase to \$40,716.

MPH Program Liability Insurance Budget	
Original Budget	\$ 1,560
Medicaid (request)	\$30,000
JWB (request)	\$ 9,156
Total Projected Insurance Budget	\$40,716

- If the JWB request is approved, staff will review the status of State funding for the MPH Program in FY 02-03 because the program is state-mandated.

FY 01-02 MPH Program Budget		
	Total Program	JWB Allocation
Program Budget	\$479,355	\$113,561
Requested JWB Funds	\$ 9,156	\$ 9,156
Anticipated Medicaid Funds	\$ 30,000	\$ -0-
Revised Budget	\$518,511	\$122,717

Staff Resource Person: Dorothy Jennings