

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1528S.01I
 Bill No.: SB 458
 Subject: Children and Minors; Children's Division; Department of Social Services; Family Law; Mental Health
 Type: Original
 Date: April 4, 2023

Bill Summary: This proposal modifies provisions relating to child protection.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|-----------------------|------------------|------------------|
| FUND AFFECTED | FY 2024 | FY 2025 | FY 2026 |
| General Revenue* | (\$21,435,503) | (Unknown) | (Unknown) |
| Total Estimated Net Effect on General Revenue | (\$21,435,503) | (Unknown) | (Unknown) |

* \$21,435,503 represents the Department of Social Services' New Decision Item for the Families First Prevention Services Act (FFPSA) implementation in FY 2023. Oversight has decided to reflect that NDI cost in the fiscal note (for FY 2024) for informational purposes and also to reflect an unknown amount of ongoing cost for the FFPSA in future years. Given the information currently available, this unknown amount expected to exceed \$250,000.

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2024 | FY 2025 | FY 2026 |
| | | | |
| Total Estimated Net Effect on <u>Other State Funds</u> | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2024 | FY 2025 | FY 2026 |
| Federal Funds* | \$0 | \$0 | \$0 |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

* Income and expenses exceed \$16 million in FY 2024, with unknown ongoing income and expenses and net to \$0.

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2024 | FY 2025 | FY 2026 |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2024 | FY 2025 | FY 2026 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

§§210.147; 210.715; 210.762; 211.081 - Child protection provisions

Officials from the **Department of Social Services (DSS)** state this legislation provides support to implement the federal legislation for Families First Prevention Services Act (FFPSA). There is a fiscal impact to the FFPSA legislation. A new decision item has been requested based on this fiscal impact. Unless Missouri implements certain components of the Family First Act, the state could lose federal funds. Implementation of these components will significantly reduce that impact. Additionally, the U.S. Centers for Medicare & Medicaid Services (CMS) released guidance in October 2021, allowing for a waiver which will reduce the loss of federal funding for a period of 2 years. Therefore, there is no fiscal impact to DSS.

DSS supplied the following information:

In DSS's FY24 budget request, funding for Family First initiatives is provided through the Children's Division (CD) and the MO HealthNet Division (MHD).

FFPSA initiative categories funded through CD are:

\$4,902,505 (\$2,033,417 GR; 2,869,088 Federal) Brief Strategic Family Therapy &
Parent Child Interaction Therapy
+ \$4,860,064 (\$0 GR; \$4,860,064 Federal) Family First Prevention Services program
development
+ \$6,000,000 (\$500,000 GR; \$5,500,000 Federal) Community Setting Grants/Contracts
+ \$5,782,729 (\$4,094,265 GR; \$1,688,464 Federal) Therapeutic Foster Care Placement
\$21,545,298 (\$6,627,682 GR; \$14,914,616 Federal) Total

DSS notes the Brief Strategic Family Therapy & Parent Child Interaction Therapy contains \$835,671 which was coded as one-time funds for FY23. The core of remaining amount is included in the Federal funds.

DSS is working with House and Senate to get the Family First Prevention Services program development funds restored in FY24. These appropriations were coded as one-time during FY23, and at the time of the department's request, DSS anticipated being able to utilize the full amounts in FY23. However, DSS will likely need more time to use these funds. The grant is available to DSS until September 2025.

The entire \$6 million for Community Setting Grants and Contracts was coded as one-time for FY23. DSS is requesting to continue the funding for grants for providers to develop community settings again in FY24.

Oversight notes the following description in DSS’s FY24 Community Setting Grants/Contracts NDI:

“The Children’s Division does not have the capacity or accreditation necessary to administer a Treatment Foster Care (TFC) program and must rely on contracted child placing agencies to implement this program which is vital to stabilizing and supporting youth with behavioral health challenges in a community setting. The Children’s Division intends to utilize appropriations from the Community Setting Grants to implement the following:

- *A TFC Contract amendment that identifies reimbursable capacity building milestones.*
- *A RFP to develop Child Placing Agencies in areas where there are no existing TFC programs.*
- *Partner with the Department of Mental Health to develop family homes specializing in the care of youth with developmental disabilities.”*

“Children’s Division began working with Center for Healthcare Strategies (CHCS) in July 2022 as part of an initiative funded through Casey Family Programs. CHCS has experience and expertise in other states identifying gaps in regards to children’s mental health, advising states in building cross Departmental systems of care, and providing technical assistance during those efforts. Because of this, and the challenges facing Missouri around children’s mental health care services, we’ve begun work to provide an analysis of Missouri’s systems of care, the core entities associated with providing services, and engagement of partners to create a strategic approach to implement solutions for children and families in Missouri.”

“This work, as it is in other states, is a multi-year effort with many facets of engagement, planning, and implementation. Thus, Casey Family Programs has funded the first year with the need for continued work in FY24.”

DSS presented the FFPSA initiative categories funded through MHD as Family First core as follows:

\$490,000 (\$164,836 GR; \$325,164 Federal) Rehab and Specialty Services
+ \$18,766,503 (\$12,919,680 GR; \$5,846,823 Federal) Managed Care
+ \$5,122,785 (\$1,723,305 GR; \$3,399,480 Federal) Hospital Care
\$24,379,288 (\$14,807,821 GR; \$9,571,467 Federal) Total

Oversight does not have information to the contrary. Therefore, Oversight will reflect the costs included in the Family First Cost to Continue for FY24 as \$45,924,586 (\$21,435,503 GR; \$16,199,149 Federal) as provided by DSS for FY24, and “\$0 to (Unknown)” costs for ongoing expenses related to implementation.

Responses regarding the proposed legislation as a whole

Officials from the **Office of State Courts Administrator (OSCA)** state there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the OSCA will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the OSCA for fiscal note purposes. Oversight also assumes OSCA may seek additional appropriations if the proposal results in a significant increase in costs.

Officials from the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Department of Public Safety, Missouri Highway Patrol**, the **Office of Administration**, the **Kansas City Police Department**, the **Phelps County Sheriff**, the **St. Joseph Police Department** and the **St. Louis County Police Department** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other hospitals, sheriffs and police departments were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in the MOLIS database is available upon request.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** notes many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

| <u>FISCAL IMPACT – State Government</u> <u>(continued)</u> | FY 2024 (10 Mo.) | FY 2025 | FY 2026 |
|---|---------------------|-------------------|-------------------|
| <u>Costs – DSS/CD (§§210.147; 210.715; 210.762; 211.081) NDI for FFPSA implementation p. 3</u> | (\$6,627,682) | (Unknown) | (Unknown) |
| <u>Costs – DSS/MHD (§§210.147; 210.715; 210.762; 211.081) Core and one-time funds for FFPSA implementation p. 3</u> | (\$9,571,467) | (Unknown) | (Unknown) |
| ESTIMATED NET EFFECT ON FEDERAL FUNDS* | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| * NDI core and one-time for FFPSA implementation in FY 2024 with unknown ongoing implementation costs. | | | |

| <u>FISCAL IMPACT – Local Government</u> | FY 2024 (10 Mo.) | FY 2025 | FY 2026 |
|---|---------------------|-------------------|-------------------|
| | | | |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This act modifies existing statutory immunity from liability for certain persons involved with reporting, investigating, or responding to allegations of child abuse or neglect to include employees of the Department of Social Services, as well as to include additional provisions of law under which such individuals' actions may receive immunity from liability.

This act modifies existing statutory exceptions against recognizing privileged communications in situations of child abuse or neglect to include cooperation with the Children's Division in its activities under additional provisions of law, including child abuse or neglect investigations, termination of parental rights, and adoption and foster care.

Under current law, all information provided at a family support team meeting relating to the removal of a child from the child's home is confidential. This act modifies this provision so that all information provided at the meeting is confidential.

Under this act, if a child is placed in a residential congregate setting, the Children's Division shall arrange for a qualified individual to complete an assessment of the child within 30 days to determine the child's placement options and short-term and long-term goals, as specified in the act. The Children's Division shall assemble a family support team for the child. A qualified individual working with the child to develop the child's assessment shall have unlimited access to the child's records, including medical, educational, mental health, and placement records. The assessment shall be provided to all parties in a juvenile proceeding.

Within 60 days of the start of a placement in a qualified residential treatment program (QRTP), the court shall assess the appropriateness of the child's placement and make specific findings of fact, as described in the act. The court shall reassess the appropriateness for the child to remain in a residential setting placement at every subsequent hearing until the child is no longer placed in the QRTP.

This act modifies current law regarding family support team meetings to permit biological family members and relatives, as appropriate, as well as professionals who are a resource to the child's family, to participate in the family support team meetings. In the case of a child who is age 14 or older, the team shall include members selected by the child. The Children's Division may exclude an individual from a meeting or make alternative arrangements for an individual to express his or her views if the individual becomes disruptive.

Information provided online by the [Office of the Administration for Children & Families, Children's Bureau](#), states the Family First Prevention Services Act (FFPSA), enacted as part of Public Law (P.L.) 115—123, authorized new **optional** title IV-E funding for time-limited prevention services for mental health, substance abuse, and in-home parent skill-based programs for children or youth who are candidates for foster care, pregnant or parenting youth in foster care, and the parents or kin caregivers of those children and youth. Although this legislation is not federally mandated, [DSS began implementing FFPSA in October 2021](#), and passage of this proposal would allow them to comply with the federal guidelines of the program (§§210.147; 210.715; 210.762; 211.081).

This legislation would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Mental Health
Department of Public Safety - Missouri Highway Patrol
Department of Social Services
Joint Committee on Administrative Rules
Office of Administration
Office of the Secretary of State

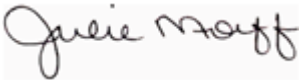
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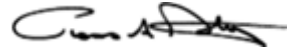
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Office of the State Courts Administrator
Kansas City Police Department
Phelps County Sheriff
St. Joseph Police Department
St. Louis County Police Department



Julie Morff
Director
April 4, 2023



Ross Strobe
Assistant Director
April 4, 2023