



DIVISION OF FOSTER CARE REVIEW  
Annual Report  
Quality Assurance Review Program  
for Children in Medicaid-funded placements

2005-2006

## **Background**

The Medicaid Review Program within the Office of the Governor – Division of Foster Care Review has been functional since 1992 through a contract with the South Carolina Department of Health and Human Services. This Quality Assurance Review Program was implemented and exists for emotionally disturbed children in foster care who reside in therapeutic placements funded by Medicaid. Therapeutic placements are defined as:

- \*Therapeutic Foster Homes
- \*Temporary De-escalation Programs
- \*Moderate Management Group Homes
- \*High Management Group Homes
- \*Residential Treatment Facilities
- \*Inpatient Psychiatric Hospitals
- \*Supervised Independent Living Programs

The goals of the Medicaid Assurance Review System are to:

1. Ensure the appropriate placement of emotionally disturbed Medicaid eligible children under the age of twenty-one (21) in residential treatment;
2. Ensure that the level of care provided to each child is offered in the least restrictive environment that is appropriate to meet the child's treatment needs;
3. Ensure the parties responsible for care, supervision and treatment of the child regularly communicate with one another and evaluate the child's progress and continuing need for treatment; and,
4. Ensure that permanency planning is addressed as part of the child's therapeutic treatment plan.

## **The Foster Care Review and Medicaid Review Process**

The South Carolina Foster Care Review Board is required by statute to review all children who spend more than 4 consecutive months in foster care. Each child's case is reviewed every 6 months as long as the child remains in foster care. The Foster Care Review process is accomplished by utilizing panels of citizens who are appointed for service on local boards by the Governor. The purpose of Foster Care Review is to ensure safety and permanence for children in foster care, to identify gaps in services and to promote community awareness of the needs of children in foster care. Of the approximately 5,000 children in foster care, more than one-third reside in therapeutic placements funded by Medicaid.

Local review boards may refer a case to the Medicaid Review Specialist for a more thorough review to address concerns they identified during the regular six-month review. The Medicaid Review Specialist will then conduct an in-depth assessment based on the concerns of the local review board and the child's identified needs. The contract also allows the Medicaid Review Specialist to initiate Medicaid reviews by random sample selection.

## Overview

This Annual Report provides an overview of the following information:

- Children in therapeutic placements that entered foster care in 2005
- Children in therapeutic placements that left foster care in 2005
- Children remaining active in foster care in 2005
- Breakdown of therapeutic placements by type
- Medicaid reviews conducted in 2005
- Areas of Concern identified in individual Medicaid reviews

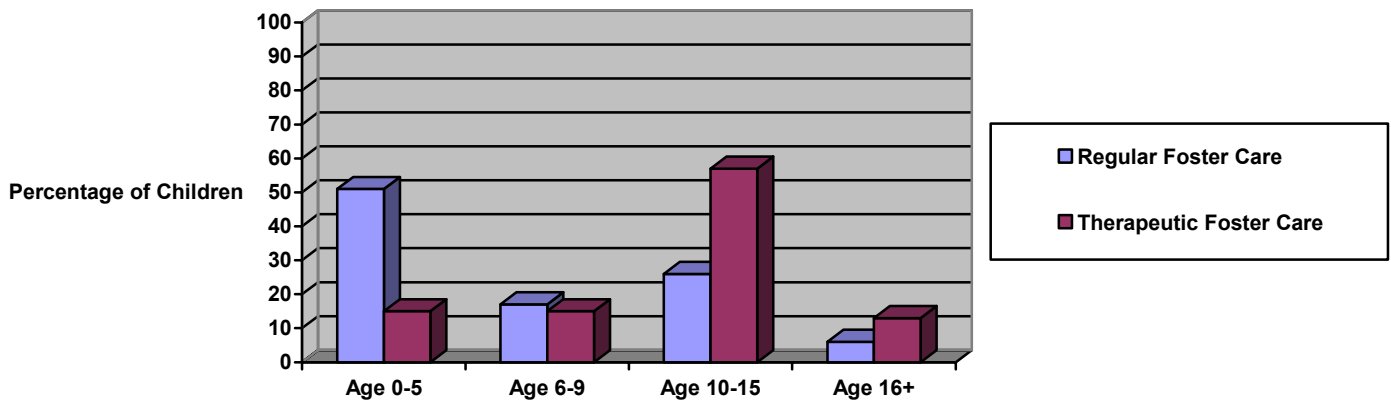
## Children Entering Foster Care in 2005

A total of 1,710 children entered foster care and were reviewed by the Foster Care Review Board at least once during 2005. Of these children, 13% (223) were placed in therapeutic placements funded by Medicaid. As in previous years, neglect was cited as the primary reason for children entering the foster care system and accounted for 48% of all cases in 2005, as compared to 56% in 2004. Abuse was the second most indicated reason for entry (20%), which was down 9% from 2004. Relatively no distinction existed between these two groups with regards to placement reason.

Of the children residing in regular foster care, 51% were Caucasian and 49% were African American or other minorities. Data shows children placed in therapeutic placements were similar based on gender with 40% being Caucasian and 60% being African Americans and other minorities.

Significant differences were found between the two groups with respect to placement type and age of children entering care in 2005. As indicated below, the highest percentage of children in regular foster care were age 0-5 (51%), followed by age 10-15 (26%). In contrast, children age 10-15 constituted a disproportionate amount of the children in therapeutic placements (57%); however, it should be noted that this percentage of children is 3% less than the percentage reported in 2004 for this age group.

**Age of Children in Therapeutic Foster Care Placements  
Compared to Regular Foster Care**

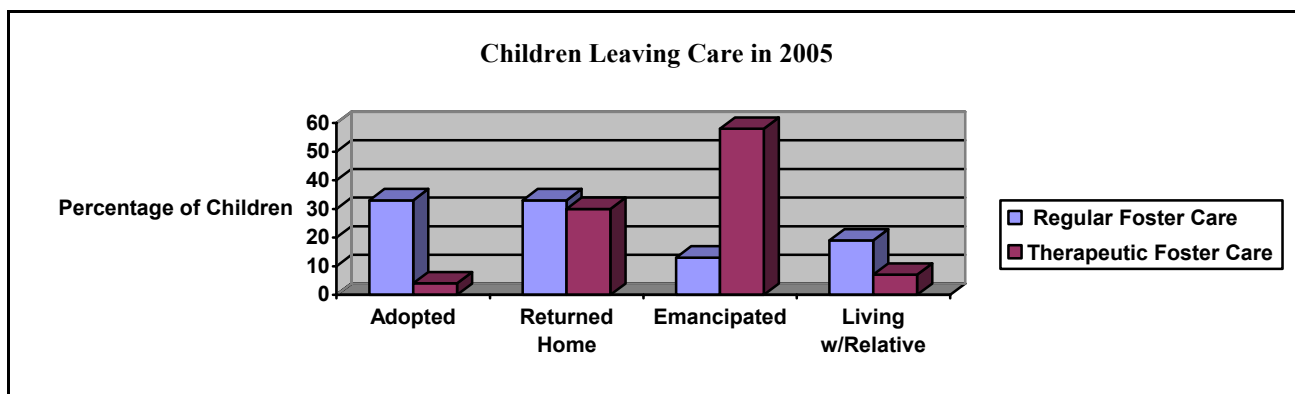


## Children Leaving Foster Care in 2005

Of the children reviewed at least once during 2005, 1,517 left the foster care system in 2005, with 23% leaving care from a Medicaid placement, a 2% increase compared to 2004. Of the 342 children that left foster care from a Medicaid placement, the majority (58%) were emancipated, a 3% increase compared to 2004.

Thirty percent (30%) of the children leaving foster care from a Medicaid placement returned to a parent and 4% left care through adoption, an increase of almost 2%.

Sixty-seven percent (67%) of the children who were reviewed and left foster care from a therapeutic placement in 2005 were age 16 or older. More than half (52%) were African American and other minorities. There was a shift between 2004 and 2005 in the number of males and females. In 2004, the majority of children leaving care from a therapeutic placement were boys. In 2005, there was a difference of only 2% between males and females. Of these children leaving care from therapeutic placements, 56% of them had five or more placements and 27% spent more than 5 years in care before leaving the foster care system.



## Children Remaining in Care in 2005

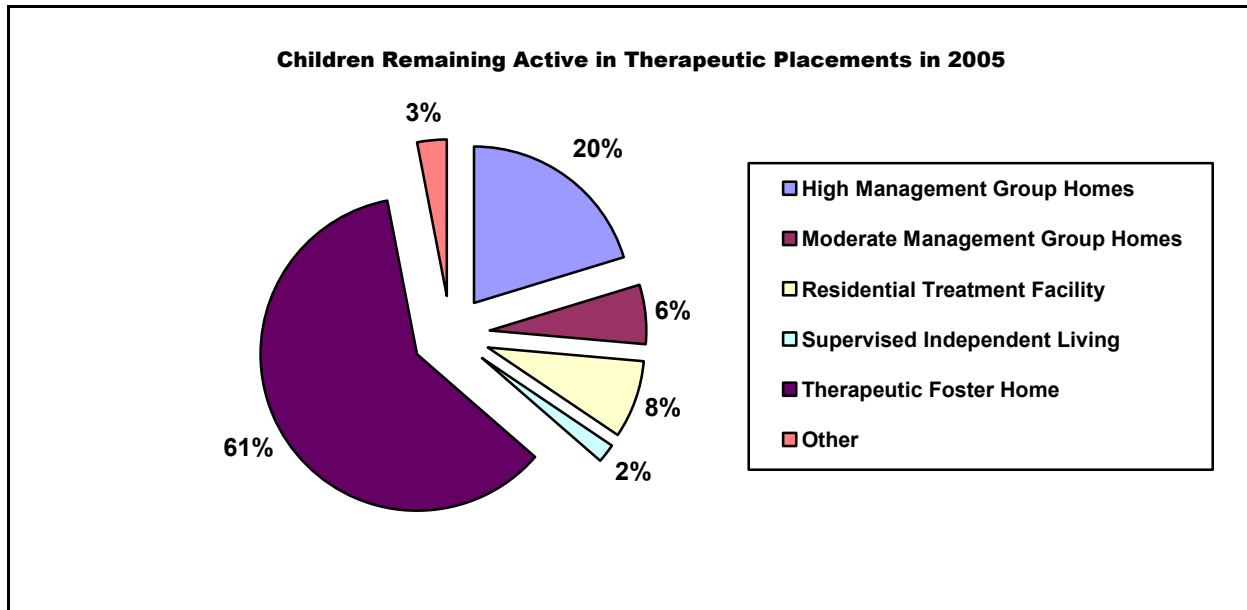
A total of 2,940 children entered foster care prior to January 1, 2005 and remained active in the foster care system as of January 1, 2006. Of these children, 38% (1,119) were in therapeutic foster care placements funded by Medicaid. This remained consistent with the number of children remaining in foster care in therapeutic placements in 2004. No significant difference existed between the number of children in therapeutic placements in 2004 and 2005.

Children in therapeutic placements continue to experience more placements than children in regular foster care. Children in Medicaid-funded therapeutic placements experience at least 30% more placements than children in regular foster care and spend at least one additional year in the foster care system. Children in regular foster care placements experienced an average of 2.8 placements whereas children in therapeutic foster care placements experienced an average of six placements.

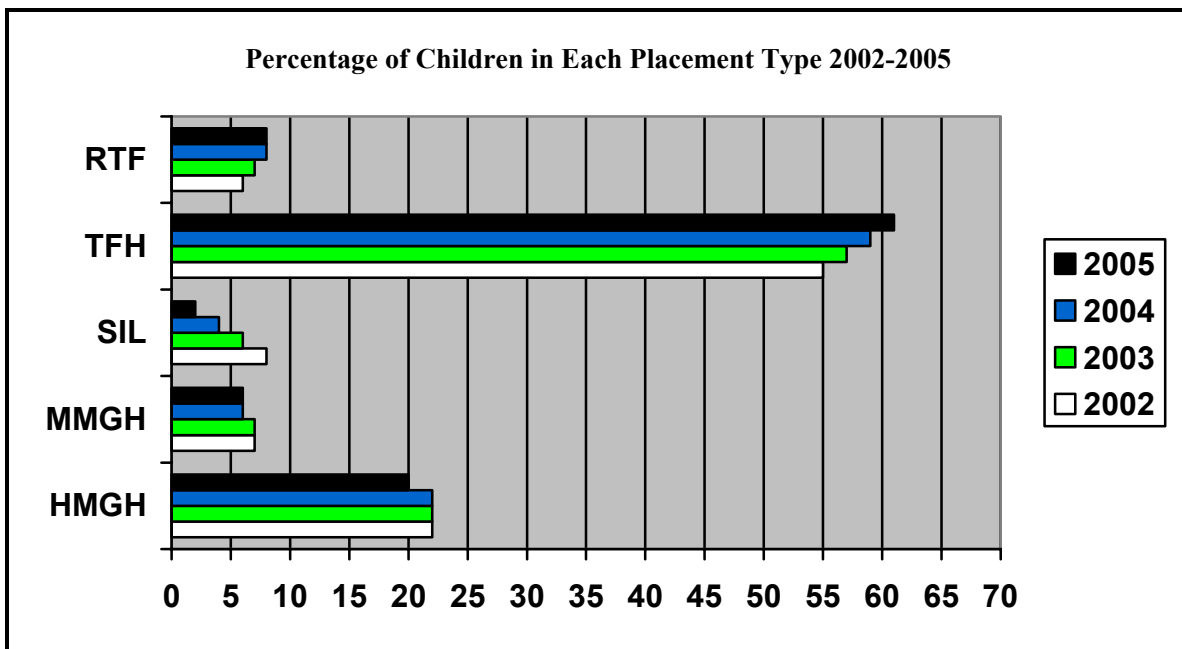
Of the children remaining active in Medicaid placements in 2005, 57% were African American and other minorities. The biggest difference between 2004 and 2005 was with respect to gender differences. In 2004, 57% of males and 43% of females were in therapeutic placements; however, in 2005, 56% of females and 45% of males resided in therapeutic foster home placements.

## Breakdown of Therapeutic Placements

Of the total number of children in foster care in 2005, 32% of these children were in a Medicaid placement at some time during 2005. Of these children, 61% were placed in therapeutic foster homes and 20% were placed in high management group homes.



Since 2002, there has been relatively little change in the type placements experienced by children in the Medicaid population. Placement in therapeutic foster homes has shown the largest increase. In 2002, there were 766 children in therapeutic foster homes, compared to 872 children in therapeutic foster homes in 2004 and 932 children in 2005.



## Medicaid Reviews Conducted in 2005

Of the 64 Medicaid assessments completed in 2005, 52% of the children reviewed were males and 48% were females. This was an 8% reduction in the overall percentage of males and an 8% increase in females in the population reviewed. Data showed an equal number of Caucasians compared to African American or other minorities.

Of the children reviewed, it was determined that 91% required a Medicaid placement. It was also determined that only 59% of the placements were meeting the therapeutic needs of the children, a decline compared to 71% in 2004.

	<u>2005</u>	<u>2004</u>
Number of children with Medicaid assessments conducted:	64	48
Number of Males:	33 (52%)	29 (60%)
Number of Females:	31 (48%)	19 (40%)
Number of Caucasians:	32 (50%)	15 (31%)
Number of Minorities:	32 (50%)	33 (69%)
Number Requiring Residential Treatment:	58 (91%)	40 (83%)
Number Placed at Appropriate Level of Care:	43 (67%)	41 (85%)
Number of Placements Meeting Therapeutic Needs:	38 (59%)	34 (71%)

### Providers

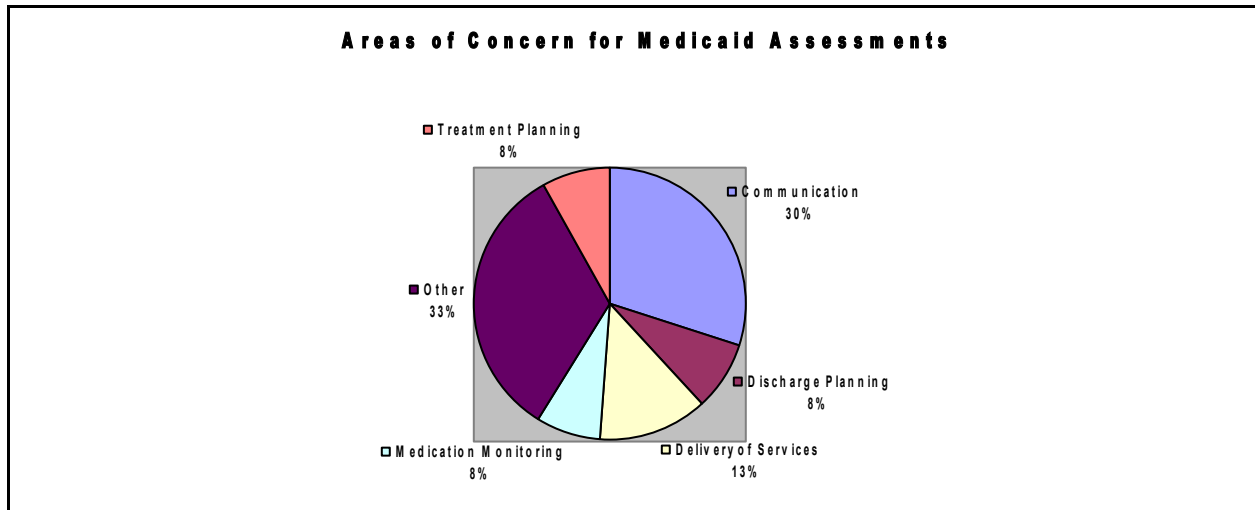
	<u>Number of referrals/assessments</u>
Carolina Children's Home	9
Avalonia	6
Alston Wilkes – TFH	5
SCYAP - TFH	4
SAFY - TFH	4
Spartanburg Boys' Home	4
Growing Home SE	4
Springbrook Behavioral Health	4
Palmetto Pee Dee	3
Mentor – TFH	3

### Less than three referrals were received on the following therapeutic providers:

Crossroads Group Homes  
 Lutheran Family Services - TFH  
 York Place: Episcopal Church Home for Children  
 Aull Manor Boys' Home  
 Palmetto Pee Dee Behavioral Health  
 Palmetto Lowcountry Behavioral Health System  
 New Foundations  
 The Center of Change  
 Lighthouse Care Center of Conway  
 Excalibur Youth Services  
 MTS – TFH  
 Boys Home of the South

## Areas of Concern

Upon completion of a Medicaid assessment, a determination is made as to whether certain barriers negatively affected the therapeutic services being provided. In 2004, 28% of the concerns were based on the Delivery of Services followed by Communication between agencies. In 2005, 13% of the areas of concerns were based on Delivery of Services, a decrease of 15% as compared to 2004. On the other hand, there was a 9% increase concerning Communication between agencies and a 9% increase in discharge planning when compared to 2004.



In 2005, the largest percentage of Areas of Concerns pertaining to Medicaid referrals falls under “Other” reasons for referrals. Primarily this category is composed of failure to provide sufficient documentation, safety concerns, excessive length of time in placement, visitation issues and permanency planning issues.

## Conclusion

In 2005, there were a number of notable changes taking place for children in Medicaid placements.

- In 2005, there was a tremendous shift with 56% of females and 45% of males residing in therapeutic foster home placements whereas in 2004, 57% of males and 43% of females were in therapeutic placements.
- Sixty-seven percent (67%) of the children who were reviewed by local review boards that left foster care from a therapeutic placement in 2005 were age 16 or older.
- Of the children leaving care from therapeutic placements, 56% had five or more placements and 27% spent more than 5 years in care before leaving the foster care system.
- Children in therapeutic foster care placements in 2005 spent 6% less time in foster care as compared to 2004.
- Failure to provide sufficient documentation, safety concerns, excessive length of time in placement, visitation issues and permanency planning issues were the most frequently cited Areas of Concern.
- The number of children who left foster care from a therapeutic placement has increased 17% since 2002.
- For those children who received Quality Assurance Reviews, there was a 12% drop in the number of placements meeting the needs of the children and an 18% drop in the number of children placed at an appropriate level of care.
- In 2005, 58% of children leaving foster care from therapeutic placements were emancipated, a 3% increase as compared to 2004.