Attachment A: **TEMPLATE FOR TRANSFORMATION PROJECT SUGGESTION**

Contact Information	*Contact: Antony Chiang, 509-321-7517, antony@empirehealthfoundation.org* *Which organizations were involved in developing this project suggestion? Better Health Together, Empire Health Foundation, Catholic Charities*
Project Title	*Family Centered Treatment with Housing Support*

Rationale for the Project

Include:

- *Problem statement*
- *Supporting research*[i]
- *Relationship to federal objectives for Medicaid*[ii]

This project is needed because our Accountable Community of Health (ACH) region has a significantly higher rate of out-of home placements into the child welfare system. Spokane County, which accounts for over 90% of the placements in the region, had an entry rate of 6.3% in 2014 - 56% higher than the state average.[1] There is strong evidence that foster care is a significant source of Adverse Childhood Experiences (ACEs); for example one study shows that adults in Washington and Oregon who were in foster care at one time suffered from Post Traumatic Stress Disorder (PTSD) at twice the rate of war veterans.[2] The Adverse Childhood Events Survey (ACES), a CDC and Kaiser Permanente study with over 17,000 participants, found that ACES have a powerful effect on health and well -being.[3]

The vast majority of the children and parents involved with the child welfare system are on Medicaid. Mothers are of childbearing age and at high risk for future pregnancies with poor birth outcomes. Financial burden for these poor health and quality of life outcomes, higher use of medically intensive services and foster care expenses are disproportionately carried by the state and federal government and have an intergenerational legacy.

759 children entered foster care in our region in 2014.[4] Children's Bureau estimates that up to 60% of child maltreatment cases nationally involve parental substance abuse as a factor.[2] For cases of neglect as a secondary effect of parental substance abuse, research and promising practices demonstrate that keeping families together while treating the parents' addiction is a safe, cost effective and life changing alternative (for both parents and children) to long separations that dissolve a child's ability to form secure attachments and stifles the resilience necessary to be functioning adults.

The family centered treatment model with housing has repeatedly shown to be effective in diverse communities. Our initiative has focused on two evidence-based practices: the OnTrack program in Oregon (population: 77,000) and the Exodus program in South Central Los Angeles (population: 750,000). Instead of separating parents from their children, these integrated models provide families with housing, physical and behavioral treatment, and a range of wraparound services to help the families recover and thrive. Each family receives a comprehensive intake evaluation and a unique service plan based on their needs. In all cases, parents are required to participate in substance abuse treatment, and additional services (delivered directly or through partners) include: medical care; oral health; mental health services; substance abuse treatment for older children; individual, group and family therapy; medication support; coordinated case management; vocational training and employment supports; early learning; tutoring and computer labs for children; budgeting/financial education for parents; education/GED assistance; parenting skills; nutrition and cooking.

By providing comprehensive services while keeping the family together, trauma is reduced for children and parents are more likely to succeed in treatment. For example, the OnTrack program was able to achieve the following results for two years after program completion, compared with a retrospective control group:[5]

[1] Partners for Our Children Data Portal Team. (2016). [Graph representation of Washington state child welfare data 1/7/2016]. *Entering Out-of-Home Care (Rate).* [2] http://www.thecrimson.com/article/2005/4/11/study-finds-foster-kids-suffer-ptsd/

[2] http://www.thecrimson.com/article/2005/4/11/study-finds-foster-kids-suffer-ptsd/

[3] http://www.cdc.gov/violenceprevention/acestudy/

[4] Partners for Our Children Data Portal Team. (2016). [Graph representation of Washington state child welfare data 1/7/2016]. *Entering Out-of-Home Care (Count).*

[5] "The Collaboration: A Report on the Strengthening Preserving and Reunifying Families Program" published by OnTrack in 2013

Outcome	OnTrack	Control
Subsequent maltreatment report	10%	33%
Subsequent removal	6%	28%
Family permanency	98%	51%

During the program period, no parent failed to complete substance abuse treatment. Exodus, which has operated for more than 20 years, consistently exceeds 80% treatment completion - far above the national average.

Project Description

Which Medicaid Transformation Goals[iii] *are supported by this project/intervention? Check box(es)*

- **Reduce avoidable use of intensive services**
- **Improve population health, focused on prevention**
- Accelerate transition to value-based payment
- **Ensure Medicaid per-capita growth is below national trends**

Which Transformation Project Domain(s) are involved? Check box(es)

- **Health Systems Capacity Building**
- **Care Delivery Redesign**
- **Population Health Improvement – prevention activities**

Because this initiative links community health workers, medication reconciliations, child welfare, health care and housing with both immediate and long-term benefits, it is substantially different from other CMS funded initiatives while leveraging current state innovations underway. Family Centered Treatment with Housing Support has the potential for regional and statewide scalability, and it will focus initially on women and families with children in Spokane County (within our six-county ACH region) with children at risk of separation due to neglect due to parental substance abuse. Based on research, this applies to up to 50% of the children entering the foster care system in our region each year.[6] Our approach is to think big, start focused and scale fast.

Families will have emergency housing where there is 24/7 supervision and move to transitional, then permanent housing as progress is made. Other support services include supported employment, transportation, relationship education, couples and family therapy, and integrated clinical care. This participation involves a minimum of 20 hours per week. At the same time, the children are provided with therapeutic childcare and developmental services.

Research shows that income is a strong predictor of out of home placements.[7] This program does not stop at addressing substance abuse, but provides parents with housing support and resources to help them stabilize and improve their future. Not only can we reduce the net Medicaid cost to this population, but we will help build skills and resilience. This is consistent with the Medicaid waiver application's goal to address "the 80% of overall population health is determined by factors and social determinants outside the health care delivery system."[8]

After two years of planning, we have an active and engaged group of collaborators in our ACH region:

- Better Health Together (our region's ACH) will play a central backbone role, and will link the program to an organized network of foundational community supports including food security, housing, money management, supported employment, community health clinics, dentists, hospitals, behavioral health providers, and family planning services as well as deploy place-based Community Health Workers.
- Catholic Charities Spokane, which manages 1000 units of affordable housing, will provide the facility and manage overall

[6] https://www.childwelfare.gov/pubPDFs/parentalsubabuse.pdf

[7] https://www.researchgate.net/publication/21106656_Factors_affecting_the_foster_care_placement_decision_An_analysis_of_national_survey_data

[8] http://www.hca.wa.gov/hw/Documents/waiverappl.pdf

program operations. The program director has 15 years experience managing emergency shelter and transitional housing programs.

- Empire Health Foundation works to measurably improve the health of Eastern Washington. EHF is providing program design services as well as grants and investments to support launch.
- Other organizations participating include Family Court, Parent Mentors, the Zone and local mental health and chemical dependency service providers.
- Spokane Teaching Health Center and Hospital will design and deliver specialized medical care services.

This program supports Washington's Medicaid Transformation goals including: 1) Reduce avoidable use of intensive services; 2) Improve population health - prevention and management of chronic conditions including addiction; and 3) Keep Washington State Medicaid cost growth 2% below national trend.

Core Investment Components

We are well positioned to launch this program in Spokane by January 1, 2017 and take region wide by 2018. Catholic Charities has purchased a facility capable of housing approximately 50 concurrent families. The purchase and renovation will be financed entirely through private philanthropy and the development of tax credit housing on the same site. Therefore program funding need only cover operating costs, not capital costs. Based on our research as well as anticipated capacity and costs, we estimate the following annual results:

Concurrent Families	50
Families Graduating	32
Parents Graduating	50
Children Graduating	79
Children Diverted from Foster Care	64
% Reduction in Foster Care Placements	9.1%
Annual Operating Budget	$1,200,000
Cost per avoided placement	$18,713

The benefits from this program are immediate, lasting and profound, and every participating family member will benefit while reducing Medicaid costs as a result of access to treatment and preventive services. $1 million a year will be saved through reduced medical costs of children who would otherwise be in foster care (who have higher utilization rates) and better birth outcomes for pregnant women. There is ample evidence for the traumatic impact of separation on children. Foster care children are disproportionately higher users of Medicaid services compared with all Medicaid-enrolled children:[9][10]

- 1 in 3 receive behavioral health services compared to 1 in 15
- Their mean annual cost for behavioral health services is 66% higher
- They are more likely to use restrictive and expensive health services
- They are prescribed psychotropic medications at a rate four times higher
- They are more likely to be prescribed multiple psychotropic medications

Further, these families are or will be at high risk of homelessness, due to the combination of substance abuse and mental health issues, loss of TANF assistance when children are removed, and requirements for structured housing to regain custody. Not only will this get them off the street for the program period, but the additional low-income housing to be built on the same site will provide a permanent option for many of them.

The data is becoming increasingly clear that housing is in itself a medical intervention, and can reduce Medicaid costs for this at risk population. In Massachusetts for example, they were able to reduce Medicaid spending for chronically homeless by $17,624 per person per year, solely by providing housing and some case management services.[11] If we use these figures and assume that 70% of the participating families would otherwise be homeless, then the annual Medicaid savings purely from the housing

[9] http://www.chcs.org/media/Children-in-Foster-Care-Behavioral-Health-Care-Use-in-Medicaid5.jpg

[10] http://www.chcs.org/media/Medicaid-BH-Care-Use-for-Children-in-Foster-Care_Fact-Sheet.pdf

[11] http://bgc.pioneerinstitute.org/containing-the-cost-of-medicaid-by-providing-housing-for-homeless-individuals/

support for parents would be $740,000 per year.

Based on this, combined with the facility and startup costs coming from other sources, we confidently expect positive ROI over the pilot period.

Moreover, the impact and benefits of this program will continue to follow the children as they age. Each childhood ACE has been shown to increase the likelihood for early initiation of substance abuse 2- to 4-fold.[12] The relationship between childhood ACEs and teen pregnancy is also strong.[13] Recent research has further shown that childhood ACEs correlate with cardiometabolic disease in adulthood, even if the stress is remitted by adulthood.[14] Without assistance, the children of these families face a strong likelihood of repeating their parents' behaviors and perpetuating the cycle.

Project Metrics

The Family Centered Treatment model will leverage two windows of opportunity, that of the parent and child. Well-timed two-generation approaches have the potential to maximize their investment by targeting both parents and children in these paired sensitive periods to create a cycle of opportunity. Family Centered Treatment with Housing Supports will reduce avoidable use of intensive services and settings, such as acute care hospitals, psychiatric hospitals, jails, and traditional long-term services and supports for both parents during the five year window of the Medicaid waiver and for children over the next ten to twenty years. Family Centered Treatment will also improve population health, by preventing additional ACES in children and building resiliency in the parents.

We will follow our program participants for two years after completion or withdrawal. Our core evaluation will focus on the following outcome measures:

- Completion / graduation rates
- Subsequent maltreatment report
- Subsequent removal
- Family permanency
- Percent of substance-exposed newborns
- In stable housing

In addition, we will develop and implement a set of broader outcome measures based on the Washington State Common Measure Set on Health Care Quality and Cost.[15] An illustrative set of examples are shown below:

- Access to Primary Care and Prevention – Children/Adolescents:
    - Well-Child Visits - Ages 3–6 years
- Access to Primary Care and Prevention – Adults
    - Adult Access to Primary Care Providers
- Behavioral Health
    - Adult Mental Health Status
- Effective Management of Chronic Illness in the Outpatient Setting
    - Diabetes: Blood Sugar (HbA1c) Testing
- Ensuring Appropriate Care: Avoiding Overuse
    - Potentially Avoidable ER Use
- Cost of Care
    - Medicaid per Enrollee Spending

BHT will adopt a specific set of benchmark measures to monitor the program throughout the pilot period.

[12] http://pediatrics.aappublications.org/content/111/3/564.short

[13] http://pediatrics.aappublications.org/content/113/2/320.short

[14] http://content.onlinejacc.org/article.aspx?articleID=2445329

[15] http://www.hca.wa.gov/hw/Documents/measures_list.pdf

[i] The Washington State Institute for Public Policy, http://www.wsipp.gov, has identified "evidence-based" policies that can lead to better outcomes; Behavioral health research reports developed by the Research and Data Administration are available at: https://www.dshs.wa.gov/bhsia/division-behavioral-health-and-recovery/decision-support-and-evaluation

[ii] Medicaid objectives as stated in GAO report 15-239, April 2015, http://www.gao.gov/products/GAO-15-239:

- Increase and strengthen coverage of low-income individuals.
- Increase access to, stabilize, and strengthen provider networks available to serve Medicaid and low-income populations.
- Improve health outcomes for Medicaid and low-income populations.
- Increase the efficiency and quality of care for Medicaid and other low-income populations through initiatives to transform service delivery networks.
- Criteria established for specific demonstrations described through an informational bulletin or State Medicaid Director's Letter – available at: http://www.medicaid.gov/federal-policy-guidance/federal-policy-guidance.html.

[iii] Transformation goals as stated in Washington's Medicaid Transformation waiver, http://www.hca.wa.gov/hw/Documents/waiverappl.pdf:

- Reduce avoidable use of intensive services and settings such as acute care hospitals, nursing facilities, psychiatric hospitals, traditional LTSS and jails.
- Improve population health, with a focus on prevention and management of diabetes, cardiovascular disease, pediatric obesity, smoking, mental illness, substance use disorders and oral health; that is coordinated and whole-person centered.
- Accelerate the transition to value-based payment, while ensuring that access to specialty and community services outside the Indian Health system are maintained for Washington's tribal members.
- Ensure that Medicaid per-capita cost growth is two percentage points below national trends.