



## Residential (QRTP & Shelter) Crisis

The Coalition for Family & Children's Services in Iowa (Coalition) appreciates the transparency and partnership with the Iowa Department of Human Services (DHS) during the residential (Qualified Residential Treatment Programs (QRTPs) (f/k/a: Foster Group Care) & Shelter) rate conversations. We know that Iowa's child and family service system is underfunded. We also continue to be concerned as history is a reliable predictor of the future in funding QRTPs and Shelters that the system will remain underfunded.

**Iowa is going to lose its safety net for kids, families, and communities if we don't move quickly and assure providers that they will be funded in a way that they can hire and retain quality staff and provide quality services.**

QRTPs notified the DHS in 2019 that they were/are drowning and are in a need of a rate adjustment.

- The Department of Human Services requested that cost reports be utilized to establish the proposed rates. Cost reports create a retrospective payment. This means that rate paid is determined by what the actual and allowable costs in the cost reports after the service is provided.

**November 2019**, the Coalition for Family & Children's Services in Iowa (Coalition) was data focused and based its proposal off the 2018 cost reports. Understanding that rates had not been adjusted since 2014, the proposal was in 2 phases:

- QRTP: 1<sup>st</sup> phase: \$195/day
- QRTP: 2<sup>nd</sup> phase: \$218/day

In addition, there was an understanding to adjust rates there would need to be a bed reduction.

**April 2020**, beds were reduced and a standardized daily rate with one service code was established. In addition, the staffing ratio was increased.

- QRTP: \$145/day

**This is \$50 - \$73 short of the 2018 costs.**

Average Agency  
Turnover Rate  
(Direct Care Staff):  
Calendar Year 2021  
65%-70%

**February 2021**, Clarinda Academy announced its **closure**. (36 QRTP Beds & 8 Shelter Beds)

**April 2021**, Crittenton Center announced its **closure**. (13 Shelter)

**February 2021**, the Coalition for Family & Children's Services in Iowa (Coalition) was data focused and continued to base the proposal off the 2018 cost reports.

- QRTP: \$218/day

62%-59% of youth  
served in QRTPs SFY  
2019-2022 were  
juvenile court  
services (delinquent)

CareMatch provides DHS and JCS staff the tools to place children within shelters and QRTPs.

- QRTP: October 2021, CareMatch shows a **33% reduction** of **bed availability**<sup>1</sup> since August 2019.
  - **21% of the 33% reduction has happened since February 2021.**
- Shelter: October 2021, CareMatch shows a **14% reduction** of **bed availability** since February 2021.

<sup>1</sup> **Bed Availability:** Refers to bed numbers; does not take account whether a bed is occupied or unoccupied.

**May 2021**, contracts were amended, and rates were increased. In addition, the no reject, no eject moved to a statewide basis.

- QRTP: \$195/day: Guaranteed/Occupied Bed
- QRTP: \$145/day: Guaranteed/Unoccupied Bed

**This is \$23 - \$73 short of the 2018 costs.**

**July 2021**, Shelters notified the Department of Human Services that they are drowning and need of a rate adjustment. The Coalition again was data focused and based its proposal off the 2019 cost reports. There was/is an understanding that adjusting shelter rates is complicated as it is in Iowa Administrative Code and the Health and Human Services Budget. The proposal was:

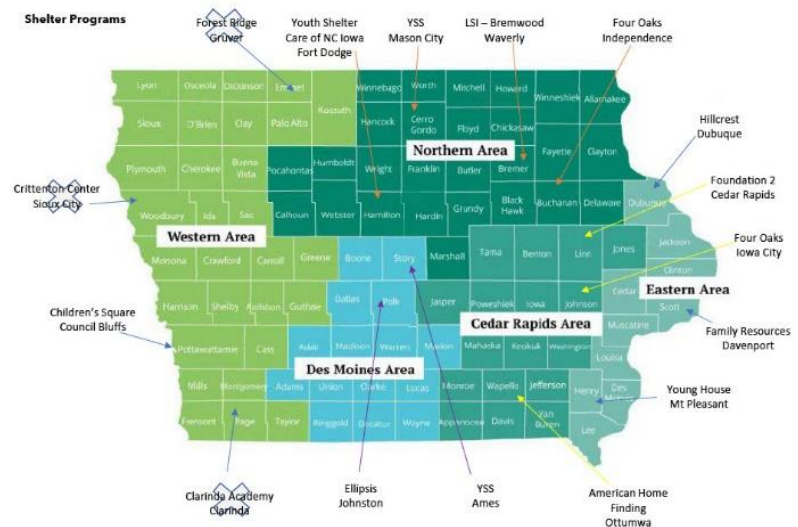
- \$192/day

**September 2021**

- LSI- Beloit announced its **closure**. (12 QRTP Beds)
- The Coalition proposes the following rates based on 2018 cost reports inflated forward and increasing workforce to the state training school starting salary, excluding recruitment and retention bonus:
  - QRTP: \$280.49/day
  - Shelter: \$233.25/day

DHS requested that the Coalition not utilize the state training school's starting salary and create another rate methodology.

- The Coalition reviewed the cost reports with inflation and did a quick market analysis to propose the following rates:
  - QRTP: \$278/day
  - Shelter: \$224/day



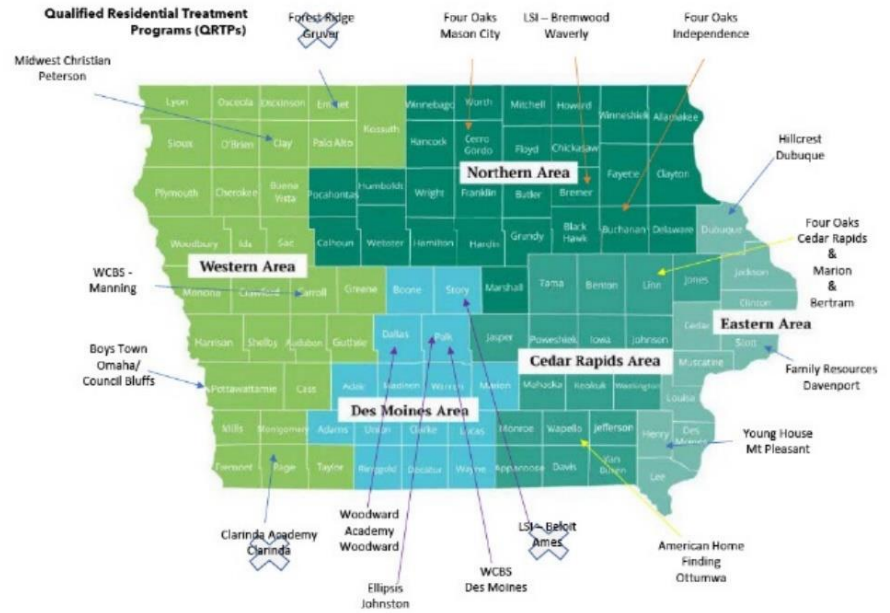
## October 2021

Forest Ridge announced its **closure**.  
(36 Q RTP Beds (24+12 from Clarinda))

- Family Resources takes 12 Q RTP Beds off-line

### DHS Proposes the following rates:

- Q RTP: \$267/day: Guaranteed/Occupied Bed
- Q RTP: \$200/day: Guaranteed/Unoccupied Bed
- Shelter: \$224/day



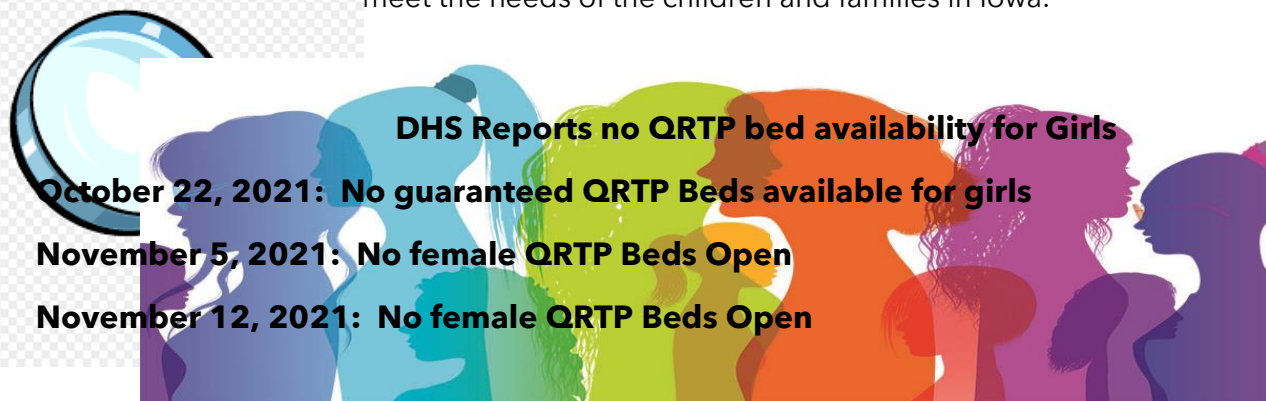
### Unintended Consequence of not Having Adequate Q RTP Beds Available: Increased detention placements & lengths of Stay

From January 1, 2021, to September 30, 2021

- 151 youth waited in detention more than five (5) days for an out of home placement.
- The average wait time for an appropriate placement was 46.0 days.
- 63% waited more than one month for placement.
- Females waited an average of 64.8 days to be placed
- 73% Male and 27% female
- 54% white, 31% African American, 9% Hispanic, 3% Native American, 2% Other, 1% Asian

The Q RTP and Shelter Contracts need to be amended without delay to provide the October 2021 DHS proposed rates.

The governor's budget sets the tone of what the legislators will eventually do. The October DHS proposed rates need to be put in the governor's budget, otherwise there will not be the safety net system in place to meet the needs of the children and families in Iowa.



## Case Study: Woodward Academy

**108:** Woodward Academy's # of Contracted Guaranteed Beds

**402:** Iowa's Total Number of Contract Beds (Mid-Calendar Year 2021)

**27%:** Woodward Academy's % of Iowa's Total Number of Contracted Beds

**July 12, 2021 - October 11, 2021:** Admissions/bed "freeze" due to a COVID-19 outbreak, funding, and/or the workforce shortage

**27% of the QRTP beds were not available to serve kids for 92 days (25% of the 2021 calendar year)**

**Des Moines Service Area:** Location

**70% of the QRTP beds in the Des Moines Service Area were not available to serve kids close to home for 92 days.**

**16:** LSI Bremwood's # of Contracted Guaranteed Beds

**364:** Iowa's Total Number of Contract Beds (December 2021)

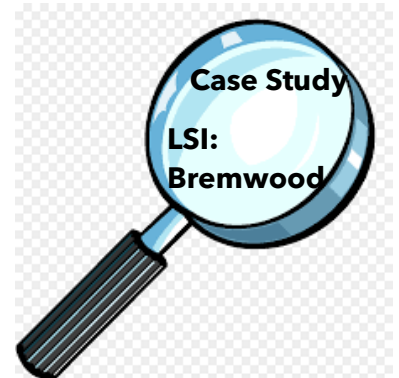
**Northern Service Area:** Location

**50%:** LSI Bremwood's % of Iowa's Total Number of Contracted Beds in the Northern Service Area

**September 28 - November 12:** Admissions/bed "freeze" due to a COVID-19 outbreak, funding and/or the workforce shortage

- Slowly starting to accept admissions (1 per week) beginning November 15, 2021.

**For 46 days and counting (12% of the 2021 calendar year) 50% of the QRTP beds were not available to serve kids close to home in the Northern Service Area.**



**13:** Young House's # of Contracted Guaranteed Beds

**11:** Hillcrest's # of Contracted Beds

**364:** Iowa's Total Number of Contract Beds (December 2021)

**60%:** Young House's & Hillcrest's % of Iowa's Total Number of Contracted Beds in the Eastern Service Area.

**September 7 - November 12 (Young House):** Admissions/bed "freeze" due funding and/or the workforce shortage

Set to accept admissions on December 1, 2021.

**August 2021 - November 12 (Hillcrest):** Admissions/bed "freeze" due funding and/or the workforce shortage

Hillcrest set to accept admissions slowly beginning November 19, 2021.

**60% of the QRTP beds were not available to serve kids close to home in the Eastern Service Area.**

