Statewide Children's Wraparound Initiative

Final Report – Implementation Phase

This report contains recommendations relating to the implementation of a statewide system of care for children with complex mental health needs and their families. Recommendations include:

- Financing
- Governance
- Legislation
- Family & Youth Organization
- Information Technology
- Market Assessment
- The role of Education
- Identified population
- Outcomes

Prepared by the Project Implementation Team

June 27, 2009

Table of Contents

COLUMBIA RIVER WRAPAROUND

One Family's Story

Tyler and Marcus

This story is about a family of four; both parents work full time jobs and live in a small frontier rural county in Eastern Oregon. They love their two boys, ages 6 and 11, both of whom are bright, energetic and have multiple emotional disorders. Before wraparound services they were in danger of getting kicked out of school for disruptive and defiant behaviors. They fought constantly with each other. One would throw tantrums that would last several hours while the other had severe symptoms of encopresis.

The parents were pulling their hair out trying to deal with the disruptions on a daily basis and would often resort to spanking or yelling at the kids. The schools were equally frustrated. Through the Columbia River Wraparound family planning meetings the family and school began to understand each other. They worked jointly on helping the boys be more successful in school and at home. Wraparound staff went to the family so they could better access the therapeutic interventions they most desperately needed. After many months of planning and hard work, community partners helped the family to improve their quality of life.

The most positive impact for the family was having a parent skills trainer who came to the home to provide training on consistent, positive parenting and meaningful interaction with the boys. The boys improved their social skills and are learning how to deal with their emotions in more constructive ways. The school, in partnership with wraparound, provides a behavioral support classroom. Without this classroom the boys would have been sent to a day treatment program in another county.

Both boys are doing well in school and get along with their parents, teachers and peers. The family says that while change is very difficult, the rewards of the team approach to their care has resulted in less stress, more consistency and a more positive relationship with the school and the community. Wraparound has changed their lives!

Executive Summary

Oregon is building a community-based, coordinated system of services and supports for children with complex behavioral health needs and their families. The Statewide Children's Wraparound Initiative (Wraparound Initiative) is intended to promote system of care values and principles across all child- and family-serving agencies in the state. For children with the highest levels of need and their families, the Wraparound Initiative aims to provide a high-quality wraparound process. This effort will:

- Provide services as early as possible so children can be successful at home, in school, out of trouble and with friends.
- Make services available based on individual strengths and needs of the child and family.
- Make it possible for public agencies to pool resources across systems to maximize positive outcomes.

The Wraparound Initiative is a holistic, inclusive approach to serving children by using existing resources in a more effective and efficient manner. The Wraparound Initiative will organize children's services and maximize positive results through a more integrated system of care. The Wraparound Initiative will initially focus on providing high-quality treatment, via the wraparound process, for the children with the highest level of need. And, when agencies become organized in a more coordinated way, more children can be served, thus reducing the number of youth needing high-end, more costly services. The same dollars currently being spent on children and youth will be used to transform the current system to be more coordinated, less fragmented, more efficient, and better able to account for shared outcomes.

Over the last 12 months, teams have diligently worked to complete an extensive list of deliverables. Accomplishments include: legislation, a market assessment, IT assessment, governance and financing models, community readiness criteria, and agreement on the target population and shared outcomes for the first phase of implementation. In addition, reports were also done for education and for a family and youth support organization. The teams' primary recommendations are:

1. The highest level leadership from Oregon Youth Authority, Commission on Children and Families, Department of Human Services, and the Department of Education should endorse, support and implement the System of Care in Oregon.
2. A "champion" or "point person" should be assigned to continue the work of the Project Implementation Team.
3. The work of the Wraparound Initiative should be "embedded" in existing operations of the stakeholder agencies and departments. For example, the Wraparound Initiative should be a key element of the DHS Transformation Initiative.
4. There needs to be clarification about the continued role of the governor appointed Advisory Committee.

5. The goal of the Oregon Statewide Wraparound Initiative should be to serve relevant populations of Oregon's children – and their families – through a combination of a *public health approach* and the *system of care philosophy*.

6. The Wraparound Initiative is intended to reach children and youth from birth to 18 who have significant emotional, behavioral or substance abuse related needs, and who have simultaneous contact with at least two of the child- and family-serving systems. The population includes children and youth who are at risk of developing problems, as well as those who already have a diagnosed problem. Given the scope of the proposed system change, the team recommends that implementation be approached in phases. Phase one would focus on those children with the most intensive needs and their families.

7. Project Implementation Team recommends a Purchasing Collaborative Model similar to New Mexico.

8. The operational model should reinforce the values and principles of HB 2144. It should support strength-based, family and youth driven care, integrated funding, and it should offer a comprehensive array of services.

9. The design should be based on a sound business model. There must be adequate and flexible funding; the system should be data driven and financially sustainable.

10. The design needs to include support of family-run, youth-guided organization(s) and incorporate the ability to develop/support community-based natural support networks.

11. The stakeholders should explore differential case rate strategies, capitation strategies, risk pools or other risk adjustment mechanisms for funding the system of care.

Governor's Executive Order

In recognition that Oregon must develop a better way to deliver services that more effectively help children and families – particularly those who have complex needs – Oregon Governor Ted Kulongoski signed an executive order March 27, 2007 to transform how behavioral health services are delivered to Oregon's children, youth and their families. The order created the Statewide Children's Wraparound Steering Committee, and charged the Committee to create a plan that would transform the child and family serving systems so they can:

- Provide services and supports as early as possible so that children can be successful in their homes, schools and communities;

- Make services available based on the individual needs of the child and family, rather than on system requirements; and

- Maximize the resources available to serve children and families across systems, to most appropriately and effectively meet the physical and mental health needs of Oregon's children.

Overall approach and populations

The goal of the Oregon Statewide Wraparound Initiative is to serve relevant populations of Oregon's children – and their families – through a combination of a *public health approach* and the *system of care philosophy*. Using a "public health approach" essentially means that the children receive services and supports according to their level of need. Thus, if a given level of services and supports is not resulting in improved outcomes for a child and family, a more intensive approach is offered. Conversely, as a child's needs are met, services and supports are stepped down. Yet even when a child and family move between levels of service intensity, the system of care values and principles (Appendix D) ensure consistency and coordination. As a result, regardless of the level of service intensity, children and their families encounter services that are strengths based, coordinated and individualized as necessary, responsive to child and family perspectives and preferences, and so on. More broadly, the Oregon Statewide Wraparound Initiative sees system of care values and principles guiding not just interventions, treatment and support strategies, but also policy making within and across the organizations and systems that provide services to children and families. In this report, these systems include education (inclusive of early care through high school), child care, child welfare, public health, pediatrics, juvenile justice, Commission on Children and Families, mental health, substance abuse and developmental disabilities.

In the long run, the Wraparound Initiative is intended to reach children and youth from birth to 18 who have significant emotional, behavioral or substance abuse related needs, and who have simultaneous contact with at least two of the child- and family-serving systems listed above. This population includes children and youth who are at risk of developing problems, as well as those who already have a diagnosed problem. In the market assessment included in report (Appendix H), this population is estimated to be between 5-6% of Oregon's children.

In the shorter run, the Wraparound Initiative will focus on a much smaller population. This effort, which is currently being planned, focuses on eligible children with the most intensive needs and their families. The goal of this phase is to provide eligible children (approximately 1% or fewer of Oregon's children) with high-quality wraparound as a means of meeting their needs in a manner consistent with system of care values and principles. Wraparound is a specific process for planning, providing and monitoring care for children with the highest levels of needs. Specifically, this population is defined (Appendix B) as including children who:

- Touch at least three systems, one of which is mental health. Systems include: child welfare, juvenile justice, Oregon Youth Authority, Developmental Disabilities, Special Education – 504s, Alternate Education, health and Alcohol and Drug.
- Have complex behavioral health needs – CASII 4, 5, 6; Intensive Treatment Services (ITS); Juvenile Crime Prevention (JCP); Risk Needs Assessment (OYA); ASAM.

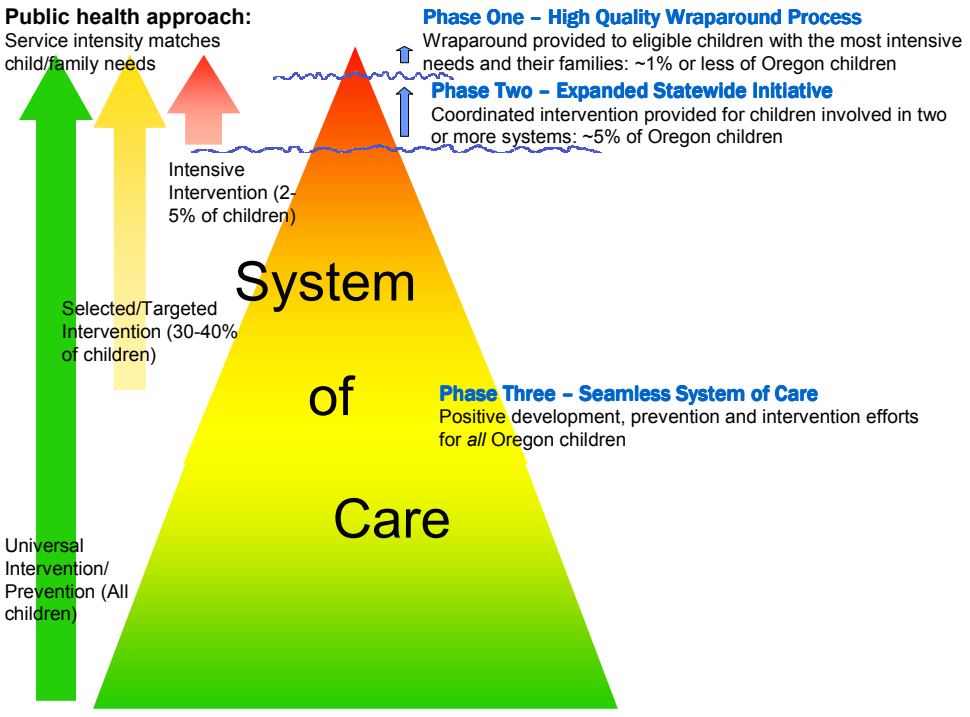
- Are at low risk to re-offend and high risk mental health (OYA).
- Are in or at risk of high level placement, such as residential care, hospital, sub acute care, detention, and Oregon Youth Authority.
- Are of school age – six to 18.

The population excludes children with Developmental Disabilities in 24 hour group residential with no plan to return to family setting and high risk OYA/JCP.

In order to avoid confusion, this report will refer to this smaller population of eligible children with high levels of need as the *Phase One Population* for the Wraparound Initiative. The goal of this phase will be to allow and encourage the named systems to collaborate and pool resources to serve this smaller population using a high-quality wraparound process. This work will also begin the infusion of system of care values throughout the participating systems.

It is assumed that, in the not-too-distant future, there will be a phase two of the Wraparound Initiative. This work will focus on increasing the extent to which the experiences of children and families in the larger, *Phase Two Population* are consistent with system of care values and principles. It is assumed that most of the children in this larger population will *not* need the wraparound process.

Figure 1 below depicts this overall approach and shows the relative sizes of the phase One and Phase Two populations.



The goal of the Oregon Statewide Wraparound Initiative is to serve relevant populations of Oregon's children through a combination of a *public health approach* and the *system of care philosophy*. This means that all children receive services and supports according to their level of need. Additionally, system of care values guide all interventions, activities and decisions, both at at the service/support level and at the system level. Phase one of the effort—currently being planned—focuses on eligible children with the most intensive needs and their families.

Phase One – Steering Committee Recommendations

Summary of Work Covered in 2007

From April to October 2007, hundreds of Oregonians were asked what they thought about transforming Oregon's current approach to service delivery for children and youth with complex behavioral health needs. Their ideas were brought to the governor appointed Steering Committee for consideration and incorporation into a report submitted to Governor Kulongoski in December 2007. Recommendations included:

- Serve all children in the identified population.
- Generate family-driven and youth-guided individual plans developed through a high-quality wraparound process.
- Include culturally competent mental health, substance abuse and non-traditional services in the benefit plan.
- Blend funds at the state and local levels for target population services.
- No wrong door for accessing services
- Monitor outcomes and provide accountability through local real-time, web-based, electronic records that inform the larger statewide system about certain key indicators.

Phase Two – Implementation Recommendations

Summary of Work Covered in 2008-2009

The Statewide Children's Wraparound Initiative entered into an implementation phase in early July of 2008 with the designation of a contracted Project Implementation Team. The Team was to function as an "arm of the Governor's Office" in providing management and leadership for the project.

This ambitious one-year project had a host of "deliverables," which included the following:

- Managing the Implementation Committee and project work committees.
- Analyzing state-level contracts, administrative rules, statutes, federal regulations and identify changes needed to implement the System of Care.
- Submitting a multi-biennial financing strategies document.
- Conducting a market assessment which includes data on prevalence, utilization, and unmet need.
- Conducting an information system assessment which includes recommendations related to billing service and outcome data.
- Develop a family-run, youth-guided organization

ORGANIZATION

All committees for this phase of the project were focused on the action steps needed to accomplish the various recommendations made in the Steering Committee Report. The governor appointed a 34-member Advisory Committee representing families, youth, providers, state agencies, early childhood, local systems of care and the legislature. The Advisory Committee met in Salem three times between November and May 2009.

The Advisory Committee was charged with: (1) ensuring that the values, principles and standards documented in the December 2007 Steering Committee Report were adhered to; (2) helping build and strengthen collaboration and information sharing among all stakeholders, children and families; (3) helping advocate for effective implementation in local communities; and (4) providing advice and feedback to the Governor's Office and the Agency Strategy Team.

Other project committees included:

- Agency Strategy Team (agency senior management from the Department of Human Services, the Commission on Children and Families, the Department of Education and the Oregon Youth Authority and families) – support the work of the project contractor in the design of the agency infrastructure to continue the ongoing implementation of the initiative beyond June 2009. (See Appendix M for members.)
- Regulatory – define how agencies will work together more effectively, review and finalize the draft legislative concept and review and finalize the proposed memorandum of understanding.
- Finance – develop a template that defines what are to be included in the budget.
- Education – identify and problem-solve implementation issues and develop a communication strategy targeted to the education community.
- Market Assessment – develop a scope of work, recruit consultants and monitor progress of the market assessment.
- IT Assessment – develop a scope of work, recruit consultants and monitor progress of the information technology assessment.
- Family and Youth Subcommittee (comprised of family members, youth, and system partners) – address the function or role, the development, and sustainability of a family-run, youth-guided organization

CORE VALUES

In 2007, the Steering Committee developed a list of recommendations built upon a framework of values and principles for Oregon's culturally competent system of care (Appendix D). These were based on national system of care values and principles, and were used as a foundation for all recommendations. The core values adopted by the Steering Committee to guide development of the recommendations were:

- The goal of Oregon's system of care is a community of support for each child and family that honors the family's sense of its own culture.
- The system of care will be child guided and family driven, with the needs of the child and family driving the types and mix of services provided.
- The system of care will be community based, with the focus of services and supports as well as management and decision-making responsibility resting at the community level.
- The system of care will ensure individuals are treated respectfully, compassionately and effectively in a manner that recognizes, affirms and values the worth of children, individuals, families and communities – protecting and preserving the dignity of each.

Wraparound Legislation

At the end of 2008, as pressure grew to do more with less, the Governor's Office submitted legislation designed to bring the major state child-serving agencies together to support children and families. Pressure from falling revenues, the need to reduce school drop-outs and close achievement gaps, and the desire to keep children safe from harm required – now more than ever – that funding be pooled to achieve more efficient and effective practice.

The legislation outlines the framework to build a coordinated, community-based system of services and supports for children, youth and their families in Oregon. The Wraparound Initiative legislation, now known as House Bill 2144, provides clear direction, legislative oversight and statutory authority to state agencies to establish an integrated system of services and supports that is organized to meet the needs of children and their families, rather than the categorical funding and regulation of agencies. The proposed legislation (Appendix L):

- Requires specified state agencies and commissions to participate in the Wraparound Initiative for provision of youth services.
- Establishes core values and principles.
- Requires plans to become a family-driven, youth-guided system.
- Imposes requirements on state agencies to implement and sustain the initiative.
- Ensures cultural competence in provision of services.
- Requires the inclusion of peer delivered services/supports in the community-based service array.
- Ensures the collection and evaluation of data.
- Authorizes the pooling of resources from partner agencies.
- Establishes the Children's Wraparound Initiative Advisory Committee.

- Requires the Department of Human Services to report annually to the governor and the legislature on the progress of the initiative and the costs of full implementation.

FINANCING STRATEGIES

The Project Implementation Team and the Agency Strategy Team reviewed possible financing strategies for Phase One of Oregon's System of Care. Models included Wraparound Milwaukee, New Jersey's Children's Initiative and Maryland's New Regional Care Management model and New Mexico's model. All of these models employ the wraparound process, a strength-based, family-driven, youth-guided model of care; all of the models focus on populations of youth that cross two or more child-serving systems as proposed for Oregon.

These models also employ innovative funding strategies that pool or braid funding across systems and utilize such funding strategies, case rate funding, capitation and the "redirection" of funds from institutional care to community-based care. They also have utilized different types of federal waivers around serving identified populations. (See Appendix I for Medicaid funding options).

Identification of costs

In order to establish funding strategies for serving the Phase One population, there must be a thorough identification of current spending and utilization patterns for the Phase One population of youth.

This identification of expenditures was done by the Department of Human Services (DHS) in conjunction with other state departments including the Oregon Youth Authority (OYA), Commission on Children and Families (Commission) and the Department of Education (DOE). The recommendation made by the Project Implementation Team for ultimately creating a Purchasing Collaborative at the state level (see Appendix 1) made this identification of costs a more collaborative process. The Project Implementation Team collected some budget information in *The 2007 Steering Committee Report* and it was updated again late last summer. This included:

- Amount and type of behavioral health services currently provided for children who meet the eligibility criteria for the Phase One population.
- Amount of support by types of services for each Oregon department, i.e., DHS, OYA, Commission and DOE.
- Identification of expenditures by county and across Oregon demographics.
- Projected funding needs of the Phase One population.

Some of the above work is done and on file, and will need further state review.

Tracking utilization and cost

Before focusing on financing strategies, utilization patterns per youth in the Phase One population need to be established. The Project Implementation Team recommended that a cross systems analysis be done to know the amounts and types of behavioral, social, juvenile

justice and educational services as well as the associated costs for a representative sample of youth in the Phase One population. While tracking all youth crossing service systems is ideal, a sample size of at least 200-250 youth should be studied. One example is found in the table below:

	DHS Medicaid	DHS Addictions	DHS Child Welfare	OYA	Special Education	Commission on Children & Families	Total Cost	Total Months Of Care	Cost Per Month Per Child
Youth #1									
Youth #2									
Youth #3									
Youth #4									

There are different ways to pursue this, but the idea is to get the best information possible on the cost of care per child. You may also want to conduct a comprehensive scan of existing funding resources that may be untapped or underutilized. These could be at the state or local levels (See Appendix P for sample cost of care of five Wraparound Oregon youth.)

Re-alignment of funding streams

Strategies for funding the Statewide Children's Wraparound Initiative were identified in the initial Report to the Governor released in the fall of 2007. These strategies were carried out in more detail in a funding paper prepared for the Agency Strategy Team and the Statewide Advisory Committee called *Model for the Design and Governance of Oregon's Statewide Wraparound Initiative* (Appendix A). The finance structures described in this report are successfully being used in systems of care in Wisconsin, New Jersey, Ohio, Maryland, New Mexico and elsewhere. These include the following:

1. Re-directing funding from over utilization of "deep-end" institutional placements for youth to community-based care alternatives.
2. Maximizing the use of federal entitlement funding.
3. Increasing the flexibility of funding sources and structure.
4. Financing a locus of accountability for services, cost and care management for children/youth who utilize an extensive amount of services.
5. Coordinating funding across child serving systems, pooling or braiding funds wherever possible.
6. Identifying and using new sources of funding.

7. Moving away from traditional expense-based contracting to fee-for-service and using Provider Networks.
8. Using risk adjustment mechanisms to appropriately serve youth and their families such as capitation and case rates.
9. Partnering/supporting a family-run, youth-guided organization to provide peer delivered services, supports, education, and technical assistance in developing policy and monitoring and evaluating the system

Re-directing funding from deep-end to community-based care

Re-directing spending for high-needs youth who could be more efficiently served in local systems of care has been successfully accomplished in system of care communities serving populations comparable to the Phase One population recommended in this report.

Using wraparound approaches and techniques to develop highly individualized care plans that focus on using the youth's and family's strengths to keep youth in their homes (either with their parents or long-term foster families) or returning them sooner from institutional placements, (particularly psychiatric hospitals, residential treatment centers, correctional facilities) but also from group home care or even treatment foster care is a smart and economic financial strategy. This is one of the best methods to find and free up dollars, and usually does not require a special federal waiver. Given the scarcity of new state and federal funding sources, redirecting existing resources is an advantageous funding strategy.

Oregon has focused in the past few years on reducing the use of residential treatment. So cost savings for this state may not be as significant as in other states. In other words, there are fewer residential dollars to re-direct. But even the reduced use of group home beds or treatment foster care placements as well as the reduction of number of placements can free up additional dollars for keeping youth in their homes and communities. And the savings in this type of care can be used as state match monies to capture federal monies to fund community based wraparound services.

Certainly re-directing acute psychiatric inpatient funding to fund community-based alternatives can be achieved in Oregon. Since Oregon already has Mental Health Managed Care Organizations (MHO's) for mental health services and an existing 1115 Waiver, the flexibility to re-direct funding and accept risk through capitation agreements already exists in the Oregon Medicaid Program.

Some other strategies include:

- Seeking Medicaid home and community based waivers under waiver 1915c.
- Re-direction of funds from mandating institutional capacity reductions.
- Develop and support community-based natural support networks, peer delivered services, and education/training to be utilized by biological, adoptive, and foster parents and all youth as needed.

- Develop and support more treatment foster care, group home care, and professional foster parents as alternatives to institutional placement where return to the biological or adoptive home is not possible.
- Redefine medical necessity criteria to encourage development of more innovative community-based services.
- Develop authorization procedures that are used to prior authorize out-of-home institutional care and require re-authorizations every 30 days.
- Work with residential treatment providers to re-engineer their services to provide more community-based programming
- Work with and family-run, youth-guided organizations to obtain technical assistance in policy and strategic plan development, cross-system education, system evaluation, and quality improvement plans.

Maximize use of federal entitlement funding

Oregon already has the Research and Demonstration Project Waiver (1115) which allows for a great deal of funding flexibility. Further waivers such as: (1) the 1915 Voluntary Managed Care; or (2) 1915 Managed Care/Freedom of Choice Waivers are not necessary. (See Medicaid funding options – Appendix I).

Other federal funding ideas include:

- Expanding state plan services without a federal waiver through the 1915(i) process.
- Using some Medicaid options that may not be fully utilized in Oregon. These primarily are
  - Targeted case management.
  - Home and Community-Based Waiver (1915c).
  - EPSDT.
  - Katie Beckett (Tefra).

Targeted case management funding under Medicaid has always been available to states for case management activities related to helping families and youth access needed medical care including mental health services. There has never been a federal prohibition around Medicaid Case Management services provided by mental health agencies for adults with chronic persistent mental illness or children with serious emotional disturbance.

Under the Bush Administration, further changes to the Deficit Reduction Act would have prohibited states from using Medicaid targeted case management for case management provided by child welfare and juvenile justice staff. Some States including Oregon faced possible “pay back” of federal TCM monies. However, the Obama Administration recently rescinded the proposed TCM regulations which open the door for Child Welfare or Juvenile Justice to claim TCM for services related to accessing medical and mental health care for children and families they serve. As long as these funds are not used for non-medical or

mental health purposes such as recruiting foster parents, etc. they can again be claimed by States (for clarification of TCM rules go to www.Bazelon.org).

If Oregon focuses on reducing institutional placements for youth, many of whom are in child welfare and funded under federal Title IV-E to cover room and board and maintenance costs, there have been IV-E waivers granted in the past to allow states more flexibility for the re-direction of those federal monies for community-based alternatives. The federal Children's Bureau has officially ended its IV-E waiver program, but it might still be receptive to states that want to do something on their own to reduce institutionalization and out-of-home placement of youth. As long as those approaches were cost neutral, the federal government may be supportive of such initiatives.

Special Education funding is another area (outside the expertise of this writer) that should be further explored in Oregon to cover youth needing community-based care as an alternative to institutional care. Special Education appears to fund some youth in residential treatment placements.

Creating new accountability structures

Identifying and allocating funds to support a locus of accountability for managing care for youth with intensive needs is a strategy being used to support and justify systems of care. Reducing lengths of stay in a psychiatric hospital, residential treatment center, group home or correctional facility can often be achieved by better "gate keeping" at the front door of such placements and by regular review of the progress youth are making (need to be careful not becoming a revolving door – need to track numbers of transitions that Wraparound Oregon in Multnomah County has done so well. Once services can be provided in the community, then the youth moves back into his home and community.

A coordinated, comprehensive and community-based system of care is a perfect vehicle to reduce out-of-home placements and keep children in stable community homes due to its philosophical underpinnings and its focus on individual, community-based practice. Savings the System of Care can generate from reducing high-end institutional placement can be re-directed to serve more youth. Wraparound Milwaukee serves about 2.5 youth in the community versus 1.0 youth in a residential treatment center.

The experience of Wraparound Milwaukee's System of Care demonstrates the following outcomes: (1) a reduction of inpatient bed days from 5,000 to 400 days per year; (2) the reduction of residential treatment placements from 375 averages per day to 80 placements; and (3) a decrease in juvenile correctional placements from 30 to 16 per month. The length of stay in residential treatment centers was also reduced from 14 months to an average of four months per placement. No new funds were needed in Milwaukee as the savings are used to serve more youth in the System of Care and cover the administrative costs of the program.

The Statewide Wraparound Implementation Team requests that Oregon examine various new risk or risk adjustment strategies as part of its funding strategy. These strategies are outlined in the Model for Design and Governance report (Appendix A) that was created by the Statewide Wraparound Implementation Team. If a care management entity carries risk for the cost of care for a youth placed in an institution, then there is an incentive to develop good community plans so the youth can be moved home again.

This idea of ensuring accountability structures extends to the braiding or pooling of funding at the state level and using case rate funding that flows from a State Purchasing Collaborative or directly from state departments, particularly DHS, to a local Administrative Service Organization (ASO). The ASO could be a county Human Service Department or a mental health organization or other entity. Oregon already has Mental Health Organizations (MHOs) that receive funding from the Department of Human Services (DHS) for mental health care through capitation rates. The MHOs also could be "capitated" similar to Wraparound Milwaukee to receive a monthly "fee per enrollee" from which they would arrange or pay for services for youth. It is suggested that Oregon explore differential case rates strategies, capitation strategies, risk pools or other risk adjustment mechanisms for funding the system of care.

Finally, related to accountability for service costs, is the need to develop better information technology (IT) data systems to capture the cost of care for youth in systems of care. Oregon needs to invest in a single IT system capable of monitoring and tracking service costs of youth across all child serving systems. These models exist in other states and specific recommendations are contained in the IT Data System Need Report for Oregon prepared by VIE, Inc. (Appendix G).

Increasing flexibility of state and local funding streams

Funding strategies for the next biennial budget should look at creating mechanisms to re-direct funds by moving dollars across budget categories, across child serving systems and across fiscal years. Funding should be flexible so that it follows the needs of the child and family. The Purchasing Collaborative is one such vehicle to help look at ways funding streams can be de-categorized to increase the flexibility to use funds in a way that is consistent with what families need for their children.

As a future funding strategy, Oregon needs to increase local control over funding for behavioral health services and supports for children and families. This refers to the idea of developing local systems of care through developing care management organization (CMO's) that are single points of service, accountability and funding for youth in the Phase One population. Oregon has an advantage over other states in this area because they already have Mental Health Organizations (MHO's) specifically serving certain counties or regions. The MHOs or an entity created by a county as a Care Management Organization (CMO) would need to develop a more comprehensive role in providing care, since most models for serving populations like the Phase One population have one entity assuming responsibility to arrange and pay for all service needs of the child and family. This type of service delivery model integrates care and funding across child welfare, juvenile justice, mental health, Medicaid, education and other systems.

A final consideration to increase flexibility of funding is to provide an ability in your funding schemes to provide flexible funds to the Child and Family Team (i.e., the team that is implementing the wraparound process with a particular child and family) to be used to fund service/supports that may not otherwise be reimbursable under Medicaid or other funding sources. But if funding streams can be pooled and/or savings retained in the system, this may be possible to achieve as the state goes to case rate funding or capitation strategies.

Cross system funding

The final funding strategy for Oregon to be considered for the 2011-13 biennial budget reiterates the need for cross system planning at the state level related to the allocation of funds for youth in the Phase One population. If intensive services like the Wraparound process are to be funded in local communities, counties or regions, agencies like DHS, OYA, Commission and the DOE will need to design, plan, develop and implement their budgets and assign some priority to how these intensive services will be funded. The Purchasing Collaborative idea is one way to set up a cross agency system that ensures there is a collaborative effort to:

- Inventory all expenditures for behavioral health, substance abuse, social service, etc.
- Plan, design and direct a statewide behavioral and support system for youth in the Phase One population
- Contract for operation of the three Care Management Organizations (CMO's) that have been identified in HB 2144.

The Purchasing Collaborative would also set up the necessary cross-agency structure that assures similar or consistent provider contracting mechanisms and rate structures for behavioral, social service, juvenile justice and other services.

One major challenge for developing funding strategies for serving children and youth in the Phase One population in 2011-13 biennial budget is the uncertainty of what the economic realities will be in the state later this year or particularly in two years. These are tough economic times for states attempting to maintain existing mental health, social and other services for children and adults. The idea of new initiatives to create systems of care would seem to be occurring at the wrong time. However, using a system of care approach and providing high-quality wraparound are a solution to reduce and/or control expenditures while achieving better outcomes for youth and their families.

It is not a question of whether there is enough money in the system to fund services of the Phase One population of youth, but rather whether the existing funds across child serving systems are being spent appropriately to achieve the best outcomes. The Wraparound Initiative Phase One approach offers a better solution to meeting the needs of children and families without creating an economic burden on the state.

Waiver Assessment

The Project Implementation Team together with the Agency Strategy Team (consisting of key managers from the Department of Human Services, Oregon Youth Authority, Department of Education, Commission on Children and Families, as well as family advocates) explored how to structure and fund intensive services for children and youth in the Phase One population using the wraparound process. That effort involved looking at the existing Medicaid program in Oregon to determine if any additional federal waivers may be needed.

Oregon currently has a Section 1115 waiver governing the Oregon Health Plan and under which Medicaid services are delivered and funded. That waiver is extremely flexible and should allow the Department of Human Services to pilot system of care programs using Medicaid funding in several communities. The current waiver permits the State to operate "capitated" managed care plans including the 10 regional mental health organizations. Those entities could be a conduit of possible funding or oversight for the pilot communities. The 1115 federal waiver also permits States to create health care programs that limit specific benefits to specific areas of the state and to specific populations. This could also help in designing pilot system of care communities.

The one Medicaid area to possibly focus on in addition to the 1115 waiver may be efforts around claiming for "targeted case management" monies for staff that may be providing care coordination type services.

Consultants for the Implementation Team have researched and provided to the Agency Strategy Team several "system of care" models from other states including how the funding mechanisms are structured to pool, blend, or braid resources to serve populations like the Phase One population. Those models include Wraparound Milwaukee, New Jersey's Children's Mental Health System and the new design for Maryland's system of care. Most of these models have been developed within their existing State Medicaid Plans.

Market Assessment

The Market Assessment Committee selected Dr. Neal Wallace, a health economist from Portland State University, to conduct the market assessment. The report (Appendix H) provides statewide and county-specific estimates of the number of children and youth in the Phase Two population. The Phase Two population is the larger population, and is defined as children and youth with complex behavioral and emotional needs who utilize or are at significant risk of being involved in two or more child-serving systems. These systems are: public mental health; public addiction and substance abuse services; public developmental disabilities services; juvenile justice; Oregon Youth Authority; child welfare; and education.

The report estimates that, for 2008:

- The identified population included 5.3% of all Oregon children or 47,290 children.
- The percentage of children included within the identified population ranged from 4.5% to 7.2% in Oregon's counties.

The report also provides statewide and county-specific estimates of the number of children in the identified population who touch each of the child serving systems studied in a year. The report estimates that:

- Nearly 40% of the children—or 18,249 children—who are in the Phase Two population "touched" the public mental health system in 2008. This represents approximately one-third of all estimated system "touches" summed across the seven systems.

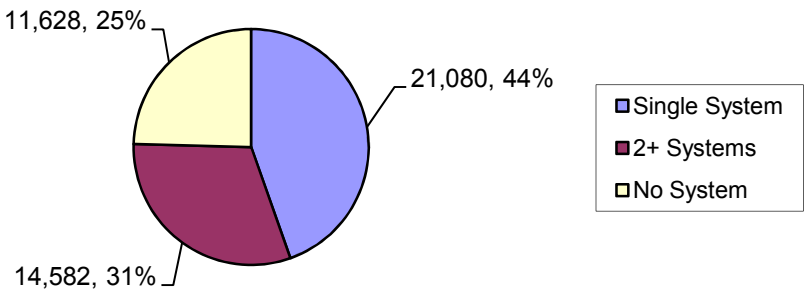
- About 25% of the children in the Phase Two population "touched" child welfare and 25% touched education.

Finally, the report also provides estimates for the number of children within the Phase Two population who touch two or more systems, only one system, or none of the identified systems within a year. The report estimates that:

- Within the Phase Two population, about three quarters of the children – or 35,662 children – touched *at least one* of the seven child-serving systems.
- Conversely, about one quarter of the children within the Phase Two population – or 11,629 children – did not access any of the seven child-serving systems covered in the study.
- Within the Phase Two population, 14,582 children were identified as using two or more systems. This represents about 31% of the total identified population.
- Within the identified population, 21,000 children were identified as single system users. This represents about 44% of the total identified population.

See figure 2 below.

Figure 2. Estimates of Single, 2+, and No System Users within the Phase 2 Population



All of the estimates provided in the report should be understood and reported with the following caveats in mind:

- There are no direct precedents for the estimates provided within this report. Relevant published research focusing on children and youth involved in multiple systems is fairly limited.
- The methods used to develop the report findings relied heavily on indirect and synthetic estimation, and consensus building between the investigators, committee members and selected local child serving system representatives.
- The information generated from this report is valuable to the implementation process but also subject to necessary assumptions and limitations incorporated in the estimation processes.
- Specific application of these estimates should be carefully considered, with future refinements or adjustments made where feasible.

Information System Assessment

The IT Systems Assessment Committee selected Virtual Information Executives LLC (VIE) to assist Oregon's Statewide Children's Wraparound Initiative in defining requirements for an IT system, to research options both in Oregon and in use in other states, and to provide recommendations for next steps. (Appendix G)

Requirements were developed with the IT subcommittee for the Statewide Children's Wraparound Initiative and are presented under the following topics:

Mission – how well the IT system supports the values and principles of the System of Care.

Functionality – what processes and areas of information need to be addressed, stressing the requirements for supporting the Wraparound facilitation steps as well as the need to handle financial aspects of providing services?

Data – elements to be collected for providing care and for reporting of outcomes and performance

Technical – requirements related to IT and IT best practices.

Implementation and costs – an overview of the steps, efforts and costs to acquire and implement a solution.

As part of a formal system selection process, these requirements can be prioritized and it can be determined how many requirements may need to be contractually required as part of an IT system. In reviewing IT systems, VIE has researched three reference points related to System of Care and Wraparound:

1. Systems in use in Oregon for various child-serving purposes primarily at the State level.

2. Approaches used by other states in the US which have implemented Wraparound.

3. Information on the specific IT systems used by those states.

Before further research on IT systems is appropriate, the state needs to confirm its organizational model and where specific responsibilities and functions will be vested. There are advantages if the approach does not add additional administrative entities and overhead but will leverage existing care organizations (and their IT systems) and establish partnerships with wraparound-trained facilitators in many agencies.

Three ways to address functionality are described in this document:

1. In a comprehensive model, the System of Care organization would be responsible for all functionality described.

2. In a targeted model, the system would focus on the functions of care planning, facilitation, and outcome analysis and would use other systems and organizations for the administrative functions. This model would be most likely if wraparound services and training were to be a separate service with "partner" organizations that might vary from community to community.

3. In a distributed model, a Care Management Organization would function as a central organization for the administrative functions, in conjunction with a separate but integrated application for Wraparound care.

A fourth model could be envisioned if the system was embedded as a way of providing services in one or more already existing care providing organizations. For example, if care coordinators in various agencies are trained and supported in the wraparound approach, they could provide wrap services from within their "home" organization. In this case, modifications to IT systems for existing care plans would be required, or an additional piece of software for Wraparound care activities would need to be integrated to current systems

The following recommendations are summarized from the discussion section on Options and Recommendations:

A. For the long term, seek IT solutions that are used by multiple wraparound programs with the most solid basis of support. Unique IT systems initially appear less expensive but are unable to leverage multiple sources of development funds and overall tend to have less robust functionality.

B. Seek an IT system that is flexible and that can be used for multiple levels of care (so the principles of wraparound can become part of a continuum of care) and is not constrained to youth-only or Medicaid-only populations. If data or functionality is too tightly focused, an IT investment loses the ability to address future needs.

C. Seek an IT system that can be implemented on a subscription service (annual or user fees) or is hosted in a fully staffed data center. This avoids the need to fund IT startup costs for hardware and staff with broader IT expertise.

D. While the IT model chosen is based on the overall organizational structure of Wraparound, consider the total IT system and cost impacts as well as the functional needs.

E. Delay implementing more complex technical data exchanges until what is needed is very clear. The best solution is to require no data exchanges at all but to embed the Wraparound process and data into a "home system" that already exists and has the needed data capture mechanisms. It is possible that DHS, which already gets data from juvenile justice and from the school systems, could ultimately be that "home." Alternatively an MHO and its IT systems could be adapted.

Governance and Accountability Structure

Contained within this report, is a model to look at for the design and structure for Phase One of Oregon's Statewide Wraparound Initiative (Appendix A). The project team recommends that the proposed model is the most viable structure for Oregon based on the existing managed health care organization in the state. Saying that, what must be kept in mind in the design of the Statewide Wraparound Initiative is:

- Decisive high-level leadership from all the child-serving agencies and divisions should endorse and provide ongoing support for the governance structure.
- The passage of HB 2144 will lay out important principles and values, but it does not create a structure to make it happen.
- The operational model should reinforce the values and principles of HB 2144. It should support strength-based, family driven care, integrated funding, offer a comprehensive array of services, etc.
- The model needs to be designed to best achieve the desired outcomes that have been recently developed by the Agency Strategy Team.
- The design should be based on a sound business model. There must be adequate and flexible funding, the system should be data driven and financially sustainable

System of Care functions

Any design model for Phase One of the Wraparound Initiative in Oregon must keep in mind the functions a system routinely performs. These are found in Wraparound Milwaukee, New Jersey, Cuyahoga County, Maryland, New Mexico, and elsewhere. These are functions that entities providing holistic care to the Phase One population must have as well:

- Planning.
- Decision making and oversight at the policy level – i.e., governance.

- System management including decision making and oversight at the service delivery level.
- Assessment and enrollment.
- Care coordination.
- Benefit-design/provider network.
- Quality Assurance.
- IT.
- Family-driven and youth-guided at every stage in the process.
- Finance.
- Evaluation.

Assignment of Risk

Another consideration for the system design is where the ultimate risk for the children served in Phase One of the Wraparound Initiative is held. What entity is at risk for paying for services, for ensuring adequate funding streams are available and most importantly, where the liability lies if the cost of care and/or administration of the system exceeds the budget? Assignment of risk is also a consideration for what type of entity can actually operate the Wraparound Initiative at the state or local level. Government entities, such as states or counties can more easily assume risk because they do so every day in operating human services. But at a local level, a small community or individual agency provider set up as a not-for-profit organization may not be able to assume risk. So in developing the model contained in this report, where the risk is assigned is an important consideration in the design and structure of the Wraparound Initiative.

Decision making and oversight

It is critical that there be a defined arrangement for policy making, decision making and oversight, including the allocation of funds. This is a function of governance. But governance at this level should not be confused with management at the point which services get delivered. These are distinct functions. It is conceivable as in Wraparound Milwaukee or Cleveland's Tapestry Program that both governance and system management are performed by the same entity. But that does not appear to be the model that would work best in Oregon. Oregon may be looking at a hybrid model in which some of the policy making, funding decisions and general system oversight, etc. gets made at the state level but there is also governance at the local level for planning and operation of the actual service delivery. This includes the important delivery of care coordination, family advocacy services, and peer delivered services.

Policy issues, governance and purchasing collaborative

On page 27 is a diagram for the structure and operation of the Statewide Wraparound Initiative. One of the first considerations in the proposed design of the Wraparound Initiative is where the governance related to policy issues and overall decision-making lies. Where does the governance body get its authority to govern the activities within the Wraparound Initiative?

HB 2144 identifies the various state partner agencies involved in this Wraparound Initiative. Those include the Department of Human Services, Oregon Youth Authority, Department of Education and Commission on Children and Families. It assigns the greatest authority to the Oregon Department of Human Services because under Section 5(4) "the Department of Human Services in consultation with the Children's Wraparound Initiative Advisory Committee shall report biennially to the Governor and the Legislative Assembly on the programs toward and projected costs of full implementation of the wraparound initiative" But because the Legislature also identifies those other state agencies and further under HB 2144, Section 4(1) "that they will combine state, federal and private resources to support implementation of a system of care and integrated service delivery at a local level, the Implementation Team suggests in the proposed design that Oregon create a Purchasing Collaborative.

Purchasing collaboratives, like the model used in New Mexico, may have to be developed through a statute change or Administrative Rule. There may be alternative ways to pool funding without the collaborative by just setting up a funding pool at the state level under the direction of the Department of Human Services as the lead state agency. The Purchasing Collaborative model is still preferred and was the recommendation of initial Statewide Wraparound Planning Team and described in the Governor's Report released last year. Also, the legislation under Section 4(2) calls for "seeking federal approval or waiver of federal requirements as necessary to facilitate the pooling of resources…" This might best be achieved through the combined Purchasing power of a state collaborative.

Most of the System of Care/Wraparound Initiatives has focused on redirecting funds from more "restrictive" and "costly" institutional based care to community-based systems of care. Additionally, by pooling funds across systems and increasing flexibility to how funds get allocated and spent, the initiatives like the one planned for Phase One in Oregon can usually make existing funds go farther for more youth. There are possible "federal waivers" or state plan amendments such as the 1915 (i) or even just billing more for targeted case management to increase available revenues. There are also the IV-E waivers in child welfare that more readily allow for institutional room and board reimbursement for child welfare youth to be used for community-based diversion. Also, Medicaid funds received under the 1115 Medicaid Waiver that Oregon already has could be "carved out" for the phase 1 population of youth with mental health needs.

Stakeholder participation

A key question with assigning "governance" for policy development and oversight to the state, whether it is entrusted to the Purchasing Collaborative or Department of Human Services, is does the governance authority have representation of key stakeholders that have an interest building a system of care? Does the governance body include families and youth,

providers, advocates, and local representatives? While the answers might normally be no, HB 2144 establishes under Section 5(1) the Children's Wraparound Initiative Advisory Committee consisting of members representing:

- Partner agencies.
- Local service providers.
- Youth and families.
- Advocacy organizations.

The committee is charged under Section 5(3) "to advise and assist in the implementation of the Wraparound Initiative". Therefore, the Statewide Advisory Committee, created in the statute or a subgroup of the committee, could oversee and be an advisory body to the State Purchasing Collaborative or to DHS to advise on how funds are pooled, to develop policy and to provide general oversight of the Wraparound Initiative.

Governance at the Local Planning and Service Delivery Level

If governance for overall policy development and Wraparound Initiative oversight, including the pooled or blended funding, is assigned to the State Purchasing Collaborative or DHS, then the function of a local governance entity would be for planning and ensuring effective service delivery. Oregon could use a similar model to Wraparound Milwaukee. In the Wraparound Milwaukee model, all funds for providing services to the target group of youth with serious emotional needs are managed locally based on various contracts or MOU's between the State and Milwaukee County Human Service Department – Mental Health Division. The State Department of Health and Social Services provides capitation payments to Milwaukee County for mental health care and case rates for child welfare services. Delinquency and Court Services provides a fixed allocation for care for delinquent youth. Those funds get pooled at the local level with Wraparound Milwaukee acting as a publicly operated Administrative Service Organization (ASO). Wraparound Milwaukee contracts with multiple vendors to provide care coordination for about 900 youth and families.

The intent of HB 2144 is to have local involvement and community input in the local delivery system. HB 2144 Section 3(a) calls for "building" local governance structures to oversee implementation of an intensive service approach, such as the wraparound process that conforms to the core values and principles of the Act. So in the design proposed in the diagram in this report, a county Alliance is created as the overall Administrative Service Organization (ASO) which would contract with the state and receive service monies through a case rate methodology with the state. The Alliance would be made up of local county agencies who have a shared responsibility, financially, legally and programmatically for the identified group of youth. The lead entity would most likely be County Human Services Department since: (1) it already operates the Mental Health Organization; and (2) County Human Services Department can assume risk. To ensure this is a true collaborative and that the principles and values of Wraparound and systems of care, particularly around

family and youth input, is incorporated into the Alliance, there would be a collaborative Partnership Council made of system stakeholders such as child welfare, juvenile justice, mental health, education, public health, Care Oregon, leading provider agency representatives, judiciary representation, and at least 51% family, youth, and advocacy organization representation.

Since there would be three initial state project sites, counties would have to apply through a type of RFP process based on community readiness criteria, including commitment to employ a strength-based, family driven and youth guided planning process. Eligible entities could be a single county or consortium of counties. The consortium of counties would most likely be developed along the geographical coverage provided by the Mental Health Organizations. Among some of the responsibilities and roles taken on by the County Alliance as Administrative Service Entity would be:

- Initiating fiscal management structures to track case rate and/or capitation payment to authorize mental health services and track expenditures, process claims, prepare fiscal reports, etc..
- Operate a diversified array of services and supports, including peer delivered services, through a provider network or otherwise handle contracts/procurement.
- Provide quality assurance and utilization management.
- Conduct or contract for program evaluation.
- Design, operate, or contract for IT services.
  - Develop or contract for wraparound training and coaching services.
  - Work force development issues, hiring staff, etc.
  - Create referral, screening and assessment mechanisms including the use of assessment tools/measurement scales.
  - Develop or contract for family advocacy services.

The County Alliance would agree to implement and support the establishment of the Care Management Organization (CMO) which is the care coordination component of the system. It would also be at the County Alliance level that participating agencies, like local education, business, foundations, juvenile courts, would agree to contribute local match funds or in-kind contributions of services or supports to youth and families served by the Project.

Care Management Organization

The Care Management Organization (CMO) would initially be responsible for providing care coordination services for children with serious mental health and emotional needs, and have the capacity to expand into early intervention and prevention as part of the project site's strategic plan. The eligibility criteria for the initial pilot would most likely be

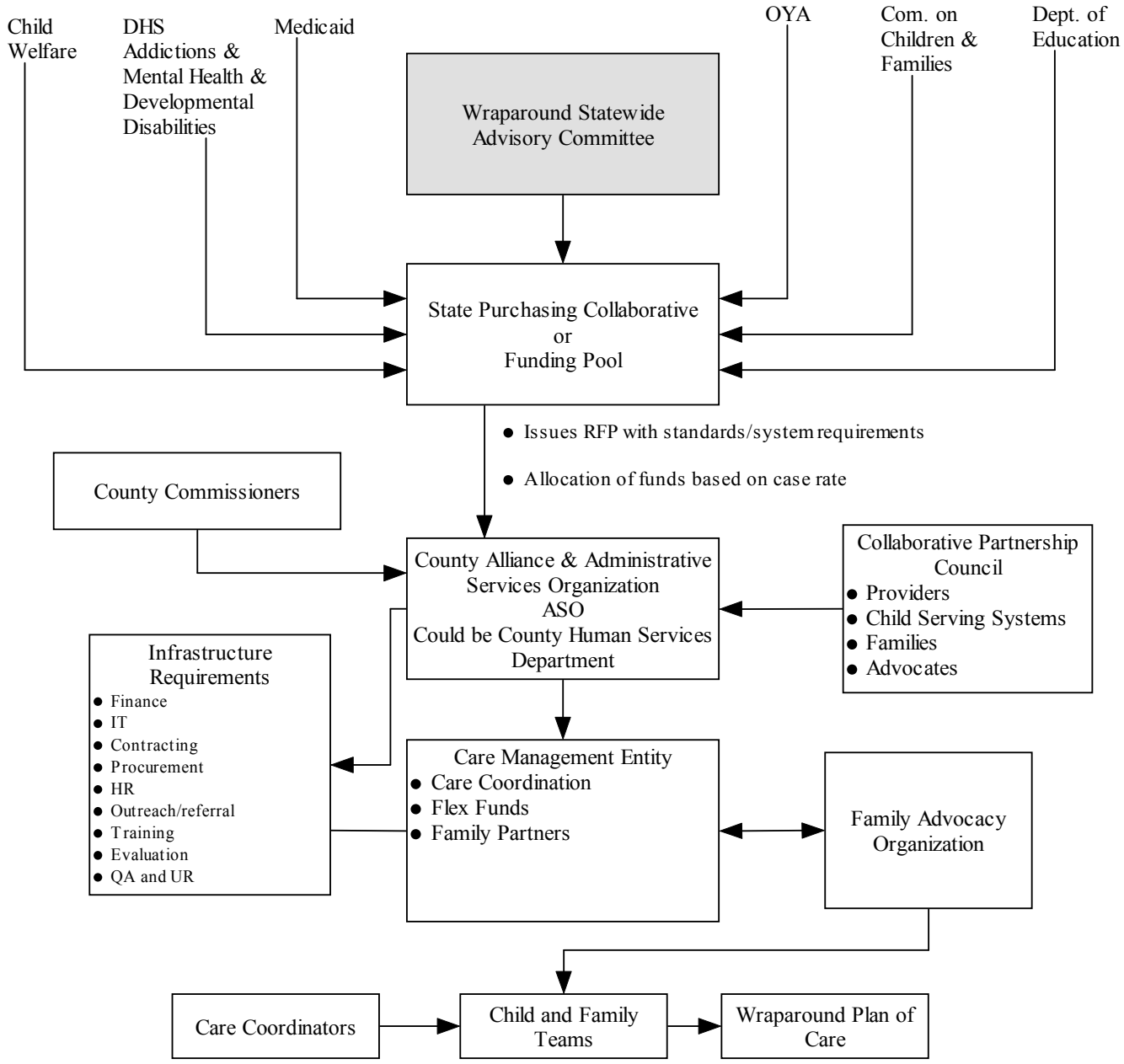
- County residents (or cluster of counties in a defined region model).
- School age.
- CAS II level 4, 5 or 6.
- Involved with mental health and at least one other system.
- At risk for needing a higher level of care.

While starting with higher level of need youth, this does not preclude eventually working with other populations. The CMO is responsible for facilitating the child and family teams which use the wraparound process to develop and implement comprehensive individual plans of care for youth and their families. The care coordinators facilitate the process of developing the plans, will help identify and obtain appropriate formal and informal services to meet needs and regularly monitor and review plans. In this proposed model for the CMO in Oregon, the CMO would also employ the family support partners to ensure families have access, voice and ownership of their plan. The cost of this service can come from the case rate funds or the State Purchasing Collaborative could individually fund the family advocacy component (New Jersey model).

There are several options around how the Care Management Organization (CMO) would be set up. The responsibilities could be assumed directly by the County Alliance under the lead responsibilities of the County Human Services Dept. The staff could be directly hired by the County or be staffed working for the Mental Health Organizations. Another way would be for the County Alliance to contract out the CMO responsibilities to a not-for-profit or even for-profit agency. Whether the County assumes the responsibility or contracts it out, the CMO may be a separate entity or part of an existing entity, as long as Care Coordinators and Family Support Partners have the flexibility to work smoothly across multiple systems. Attaining this flexibility may be easier with the CMO as a separate entity; however for later phases of developing a seamless system of care, it may be better to embed the initial work in an existing system. Regardless of the choice in CMO development, the focus needs to be ONE - one family, one care coordinator, one plan.

Every recommendation contained in this report can be modified and changed as needed. There are no perfect models. But until a structure, such as that proposed in this plan is chosen—"a business model" – further discussion related to funding, IT design, need for federal waivers or plan amendment and other considerations will need to be put on hold. Please see the organizational chart on the next page.

Proposed Statewide Children's Wraparound Initiative
Program Design - May 22, 2009



Education Committee

Educators from around the state came together to form the Education Work Group for the Statewide Children's Wraparound Initiative. The Group includes educators, parents, youth and stakeholders interested in system and funding changes for children who have behavioral health needs and who touch two or more service systems. The Oregon Education Association (OEA), the Conference of School Administrators (COSA), the Department of Education (ODE), numerous educators, family members, and youth gathered in Salem on November 25th for the first of a series of meetings. Representatives from several school districts, education service districts, Head Start centers, early childhood and higher education came together for two purposes:

- Identify and problem-solve wraparound implementation issues unique to education.
- Develop and implement a communications strategy about the Wraparound Initiative targeted to professionals at different levels within the education community.

Over the course of the year, the Education Work Group identified the following issues:

- Language Barriers—in general there is jargon attached to discussions about "system of care," "wraparound" and "benefit packages" that is unfamiliar to education.
- Identified Population—education is wary of any population defined in law that may saddle education resources with the costs of providing for an "at risk" population without adequate resources following that requirement.
- Age Range – the age range served by education is birth to 21 years of age, inclusive of early childhood, K-12 and special education settings. This is not the same range as the population defined by the Statewide Initiative.
- Individual Education Plan and Plan of Care – education is concerned about "related services" such as therapy or mental health counseling that may incur excessive costs for education.
- Funding – education will resist any effort to change the Basic State School Funding Formula, a long-standing methodology for funding K-12 services. Discussions about "blended funding" would go farther if the terms "pooled" or "leveraged" funding were used.
- Communication – education isn't one entity. There are 196 separate school districts in the state with separate Boards of Directors; early childhood education consists of multiple Head Start programs (some federally funded, some state funded and some locally funded) plus special education provided by Education Services Districts and Pre-Kindergarten classes provided by some but not all school districts. Higher education is represented by Community Colleges and the University system. With such complex jurisdictions and funding systems, communication to the "Education System" must be multi-pronged and consistent in outreach.

- Too Many Meetings – requirements for student achievement make it very difficult for teachers to be present at multiple meetings required by systemic planning and individual plans of care.

- Confidentiality Barriers – concerns about requirements from HIPAA and FERPA making it very difficult to share information.

These issues were discussed in several meetings. The following are the recommendations for problem-solving these issues. It should be remembered that the most important lesson learned is that very few educators are familiar with the Wraparound Initiative, even after several years of local system of care projects. There is still much work to be done to engage this system. The full report can be found in Appendix E.

Issue	Suggested Solution
Language	Have educators represented (EI/ECSE (early intervention/early childhood special education) through K-12) at every planning process; try to use inclusive, non-jargon language as much as possible.
Identified Population	Clarify the use of the term "at risk" in any funding formula.
Age range	Consider the inclusion of special education youth to the age of 21, as is required by education law.
IEPs and Plans of Care	Some regions, such as Multnomah County and Mid-Columbia, have solved this problem locally. They have taken care that the IEP is an education tool used to inform the Plan of Care. The educator is responsible for writing the IEP with the family but this can be done in the same time frame as the Care Coordinator completes the POC with an outcome of better communication and fewer meetings across systems.
Funding	The State Basic Funding Formula should be left as is, with decisions about local contributions to a wraparound entity negotiated locally. The state-funded systems such as the Oregon Health Plan, Mental Health and Addiction Services and Child Welfare can be pooled at the state level and directed to local entities that are ready with locally negotiated contributions from education, juvenile justice and philanthropy.
Communications	This Work Group barely scratched the surface of the need to inform educators and advocates across the state. Multiple methods should be used with individuals on the implementation team being held accountable to provide information on a regular basis across the state through electronic communication to school districts and early childhood groups. A focus on the benefits of wraparound for educators is highly recommended.
Too many meetings.	After discussion, it became more clear that actually fewer meetings are required when combined with requirements such as IEPs, etc. The Care Coordinator can assist the educator with communications required. This is actually one of the benefits of a robust wraparound system.

Confidentiality	This is an issue that has been solved locally by several jurisdictions. Because it can be somewhat idiosyncratic to local school district policies, it is suggested that the state assist by creating a single policy for DHS programs, if possible, and that local school districts and families can agree on appropriate information sharing in order to be involved in a wraparound program.

While these are some of the problems that were identified in the course of the Work Group's meetings, it is clear that others will surface as the work goes forward. Therefore, it is recommended that this topic, given the 196+ different jurisdictions and the myriad of early childhood programs involved, specifically for education, continue to be on the agenda of the implementation team until Wraparound is in place throughout the state. Any such group should have shared leadership from the Department of Education, the Department of Human Services and have representatives from local education, families, youth and advocate organizations. It has served this group well to have representatives from a wide spectrum of the education arena.

Develop and Implement a Communications Strategy about the Wraparound Initiative Targeted to Folks at Different Levels within the Education Community

The Work Group developed a three-pronged plan for communications. It is strongly recommended that this plan be continued as the Wraparound Initiative is implemented. The lead agency and the partner agencies (DHS, ODE, OYA, Commission on Children and Families) should continue to implement this plan as the work goes forward. Again, the education community is barely informed about wraparound and its potential.

Step One: Education Flyer/Electronic Distribution

A sub-committee on Communication developed an Education Flyer that can be circulated among educators and advocates. This flyer was distributed on the Statewide Children's Wraparound Initiative listserv. Copies have been made and are available for distribution to various educators and education advocates. It is on the website as well.

Step Two: Group Education and Outreach

The Work Group made a list of education groups for outreach. The outreach included sending out the Education Flyer to organizations such as: State PTA, OEA, COSA, OSBA, OAESD, Stand for Children, and Children First, The Chalkboard Project and the Children's Institute asking that they distribute the flyer in their newsletters.

Also, the group has solicited a presence at any conference or gatherings to offer information about wraparound and its benefits in the education setting. The suggested format for such a presentation includes:

- Distribution of the Education Flyer.

- Panel including a parent advocate, preferably from OFSN, and an educator advocate such as the Student Services or Special Education Director.
- Discussion about successful wraparound situations and outcomes focusing on increased achievement and attendance.

The Work Group co-chairs are available for consultation and will be participating at the Spring COSA conference. Unfortunately this year many groups cancelled their normal spring conferences because of economic set-backs. Follow-up will be needed with the education advocate groups contacted as wraparound is more fully developed.

Step Three: Positive Behavior Supports-Readiness Criteria

This approach to integrating evidence-based education practice and evidence-based mental health practice has been growing in Oregon. It is a prevention, early intervention method to assist in helping students achieve and is present in early childhood as well as K-12 settings. While Wraparound would be engaged with the 5-15% of the student population who has more intensive service needs, it is far more successful in a school building using PBS. About 34% of Oregon schools now use PBS and it is hoped that number will double quickly. It is recommended that efforts to integrate PBS and Wraparound in school settings be encouraged as this will allow for service integration for social service and education, a place to develop common language, and tie the process to the culture of the building and the community.

It is strongly recommended that the one of the wraparound readiness criteria applied to local regions be involvement with a model such as Positive Behavior Supports and/or have a strong record of communication and coordination between social services and school services such as 504, Special Education, Alternative Education and counseling/mental health services.

Next Steps

It is expected that the implementation of the Statewide Children's Wraparound Initiative will be authorized by the legislature this year. This committee should continue to be included in the process as the local sites are initiated. The world of education is very complex and multi-faceted with responsibilities for first hand education of our youth from birth through 21 as well as workforce development efforts. This group can help to smooth that process, avoiding missteps often caused unintentionally by inadequate communication among child-serving agencies.

Family and Youth Organization

The Oregon Family Support Network (OFSN) took the lead on the formation of a Family and Youth Subcommittee, which met monthly from December 2008 – March 2009, and continued communication regarding details of the committee's report via email through May 2009. The Family and Youth Subcommittee charge was to develop a family-run, youth-guided organization with the capacity to provide services, supports, oversight and evaluation of the System of Care developed for the Statewide Children's Wraparound Initiative.

OFSN ensured the meaningful inclusion of parents and caregivers raising children, adolescents, and young adults with emotional, behavioral, and addiction disorders – plus the youth and young adults living with such challenges throughout Phase II implementation of the Oregon Statewide Wraparound Initiative. OFSN facilitated research and input of a diverse group of families and youth on the Family and Youth Subcommittee.

The Family and Youth Subcommittee formed a Sustainability Work Group, which met weekly from January – April 2009 and a Youth Work Group, which met bi-weekly from January – April 2009.

The Sustainability Work Group researched the function of and necessities to form and sustain a family-run, youth-guided organization. Clearly defined steps for forming a family-run, youth-guided organization are provided in the research section of the full report (Appendix). The possible roles/functions of a family-run, youth-guided organization include but are not limited to: 1) providing support to parents, caregivers, and youth, 2) providing education to parents, caregivers, youth, community and system partners, 3) advocacy, 4) system evaluation, and 5) others as detailed in the research section of the full report.

Having a family-run, youth-guided organization is a necessity of any system moving towards an integrated system embracing the philosophy and principles of wraparound. Such system evolvement requires a partnership with families and youth in all aspects of the system. System partners need to do more than ask families and youth to participate. Effective systems actively support and engage families and youth, providing capacity building support for organized family and youth voice, via family-run, youth-guided organizations.

Family-run, youth-guided organizations are nonprofits and need to plan for sustainability. From research, beyond ensuring adequate funding to provide direct services, support, education, advocacy, and evaluation, three factors emerged as being of paramount importance in sustaining the work of a family-run, youth-guided organization:

- Time
  - To form and maintain relationships, with system partners, community partners, peer organizations, and within the family-run, youth-guided organization itself
  - To assess needs and acquire/develop appropriate tools to meet those needs
  - To adequately train individuals delivering service, support, education, advocacy, and evaluation
- Infrastructure
  - To ensure adequate technical support
  - To ensure adequate supervision
  - To ensure adequate resources for accountability (including fiscal and legal, as well as performance objectives)
- Flexibility
  - To accommodate needs of staff, volunteers and the parents, caregivers, and youth being served by the family-run, youth-guided organization
  - To quickly respond to system/partner shifts in needs, culture, and processes

Any family-run, youth-guided organization and its partners working with and/or hiring family members and/or young adults need to keep all these factors in mind when developing strategic plans, budgets, schedules, and policies.

The Youth Work Group examined ways to further empower youth in their own recovery and in becoming an active, effective voice within systems change. The Youth Work Group assessed the benefits of becoming affiliated with the leading national youth-run support organization, Youth M.O.V.E. (motivating others through voices of experience) National (YMN). Members of the Youth Work Group have initiated the process for evolving into Youth M.O.V.E. Oregon, our state's chapter of YMN. This youth–run, adult ally-guided organization will fall under the umbrella of OFSN until it has developed the infrastructure and resources to exist as an independent youth-run, adult ally-guided nonprofit organization. Members of the Youth Work Group also helped plan, presented, volunteered, and spoke with legislators at the Statewide Celebration of Children's Mental Health Awareness Week at the Capitol on May 8, 2009.

Recommendations have been made directed towards system and community partners, OFSN, and/or any future family-run, youth-guided or youth-run, adult ally-guided organizations formed in Oregon. The full report can be found in Appendix F.

Recommendations specific for system partners are detailed further in the full report, including:

- Allow for the time necessary for a family-run, youth-guided organization to develop relationships
- Provide cross-system training/education opportunities
- Partner with family-run, youth-guided organizations
- Support natural support network building projects, such as the OFSN and Community Weaving America partnership
- Provide financial support of family-run, youth-guided organizations
- Support and model "family-friendly" innovations in the workplace

Recommendations for family-run, youth-guided and youth-run, adult ally-guided organizations are expressed in greater detail within this report and include:

- Develop a combined hierarchal and network based infrastructure
- Support the acquisition of modern telecommunication equipment and programs
- Provide adequate training and technical support to successfully use telecommunication equipment and programs
- Share this report with the OFSN Board of Directors
- Make this report available as a guide for other individuals interested in forming a family-run, youth-guided organization.

Family members and youth participating in these committees have provided testimony and gathered additional grassroots support for the passage of HB 2144. It is hoped Oregon will continue making progress moving towards a truly statewide system of care for all Oregon families and youth. In working towards that end, partnership with a family-run, youth-guided organization is necessary for success. In this partnership, system and community

partners need to adequately support a family-run, youth-guided organization. Family-run, youth-guided organizations should be supported so as to deliver quality peer-delivered services, input on policies and system development, ongoing youth and family support, help develop natural support networks, and system evaluation.

Readiness Criteria

The steps described below outline a general path to readiness for wraparound implementation. As is the case with many facets of wraparound, local context and local realities may dictate that the timing of specific activities varies from one community to the next, and there may even be certain activities that prove unnecessary in certain communities. In general, however, a community should be aware of what the typical expectations and timelines for wraparound readiness are, and have a clear understanding of (and be able to explain) why the community is moving ahead in the manner that it chooses. It is likely that a given community will not entirely complete all of the activities of one phase prior to beginning the next phase. Indeed, some of the activities are likely to continue without final completion for as long as the wraparound project is in place.

This checklist helps to identify communities that are organized, prepared and committed to implementing a "system of care" approach. Elements to be assessed include:

- Leadership.
- Staffing.
- Meeting time and place.
- Stakeholder involvement (families, youth, local governmental leadership, child serving agencies, volunteer groups, faith based groups, philanthropy, business, etc).
- Work groups and committees.
- Communication and dissemination of information.
- Outreach to broad community, inclusive of dominant and non-dominant cultures.
- Linkage to Statewide Initiative efforts.
- Acquisition of resources—both human and fiscal (e.g. in-kind and dollars).
- Ability to complete the steps on the implementation map (next page).
- Demonstration of nimble decision-making.
- Capacity for financial/policy/data management.
- Ability to make budgetary decisions under the purview of agents contributing to the blended pool.
- Technical assistance from the state to ensure success for local communities.

In addition, technical assistance should be provided to communities in completing the implementation steps

In short, the assessment of community readiness should be made based on an overall sense of community progress through the activities of the phases outlined below. The full readiness report can be found in Appendix J.

Pathway to Implementation

While the challenges of planning and implementing the wraparound initiative in Oregon are numerous, it is critical to continue to build on the expertise, energy and commitment already demonstrated in a number of communities throughout Oregon who have successful projects underway that are currently funded through grants and foundations. Without the support of the State, these projects will not be sustainable on a permanent basis.

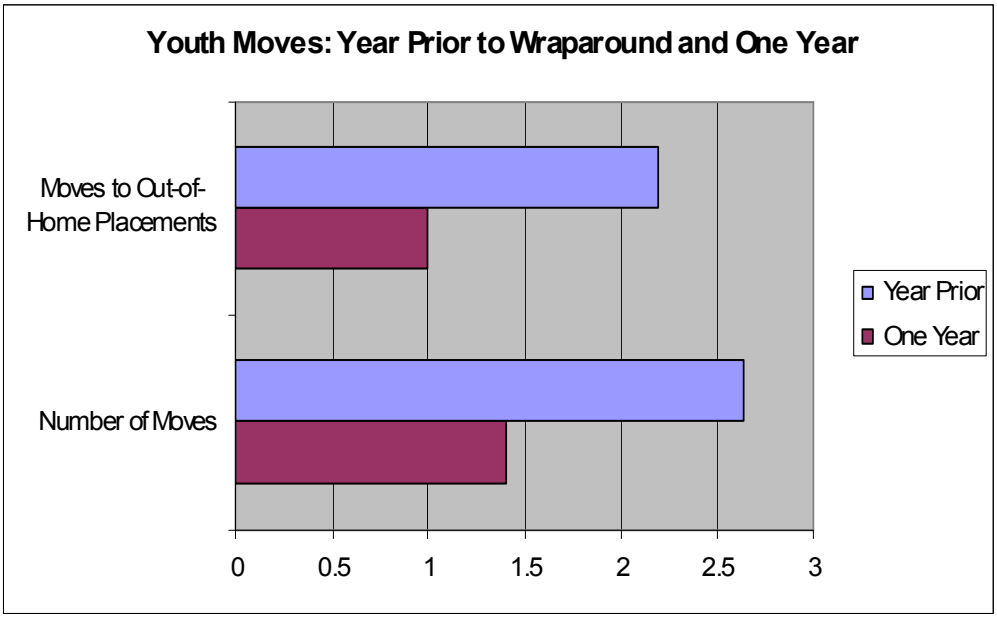
The success of the wraparound approach can't be denied. For instance, Wraparound Milwaukee has achieved many positive outcomes as a result of its system of care. Not only has the system been up and running for more than 14 years, but the dollars invested by child welfare and juvenile justice have not increased over the time and have served considerably more children. Today, Wraparound Milwaukee serves 900 children with the same child welfare and juvenile justice investments of 10 years ago when it was serving approximately 325 children. Wraparound Milwaukee has substantial return on its investment, including reduced recidivism rates, increased school attendance, far fewer days in residential care and closure of the state hospital.

But success stories are not just found outside of Oregon. There are several communities within Oregon implementing coordinated, community-based systems of care, including Multnomah, Hood River, Sherman, Wasco, Gilliam, Lane and Benton Counties. The Columbia River Wraparound project, in its final year of a federal grant, has very concrete outcomes, such as:

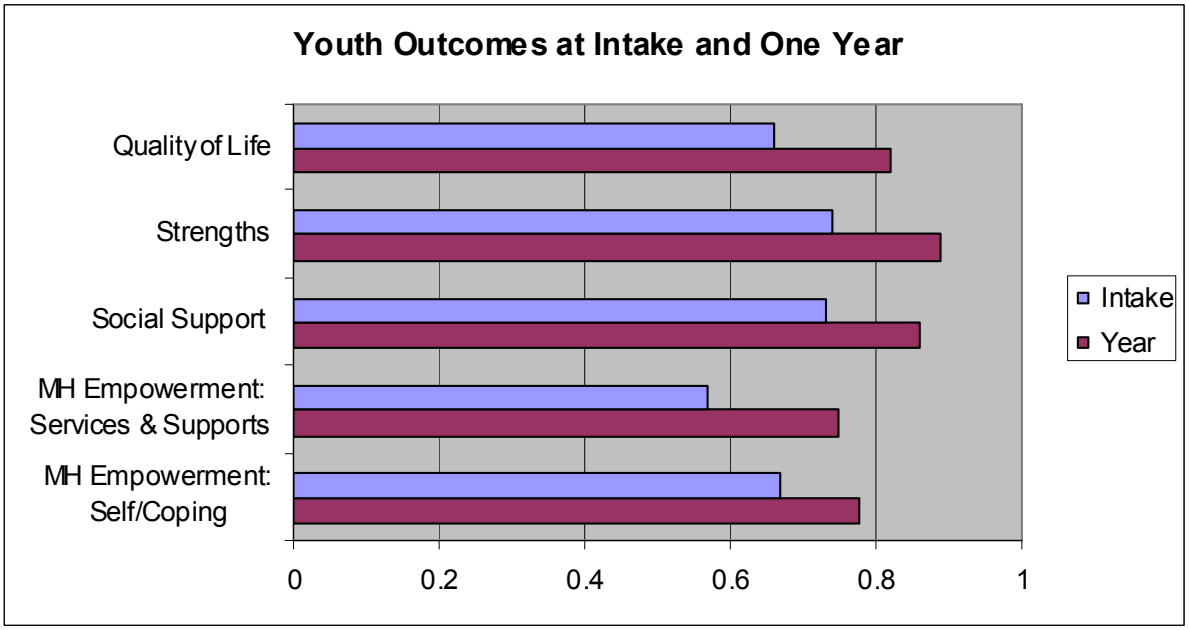
- 73% of children previously in day treatment integrated back into the public school system.
- Average length of stay in residential care reduced from 7.5 months to 2 months.
- Decreased suspensions by 16% and expulsions by 18%.
- Improved school attendance by 51.4%.
- Improved or stabilized academic performance by 74%.

Wraparound Oregon, now in its fourth year of implementation, has reduced the number of transitions (see Table 3 on next page) and stabilized placements for some of the highest need youth in Multnomah County (see chart below). Also, Chief Family Law Judge Nan Waller has seen firsthand the results of a team approach to care coordination. A 16-year-old boy in care since he was nine-years-old came to her several years ago unable to speak coherently and in and out of residential and hospital care. Today, that same youth is playing football, attending school regularly and speaking before large groups of people about his experiences with Wraparound Oregon.

Table 3: Number of transitions pre and post Wraparound Oregon.



Wraparound Oregon also measured up to other system of care communities nationwide in terms of other outcomes related to the well-being of children and youth. Table 4 below captures improvements in the various domains over 12 months of Wraparound Oregon involvement.



While the stress of orchestrating the continued development of the wraparound/system of care process is significant, there is really no better time to critically examine how efficiently and effectively State resources are being used.

The constraints and challenges facing the Wraparound Initiative rollout include:

- The economy – with the serious global economic slowdown, all state agencies will be struggling to maintain their services under pressure of inadequate funding.
- Cultures of existing organizations – Whether Wraparound is separate or becomes "embedded" in an existing agency, if Wraparound is not a clear mandate, agencies will fall back on what they have always done.
- Necessity to focus on high needs / high cost when some people prefer a broader approach – Because cost savings are a significant driver, Wraparound is targeting high needs children. This limited targeting can delay the wider use of the Wraparound approach (for Early Childhood, for comprehensive family services, and for preventive services) and make expansion to a broader population more challenging to achieve down the road.

The essential elements in continuing to develop a system of care for family and youth include:

- Strong, present support from top level agency and department leaders in endorsing, supporting and continuing the work of the initiative.
- Ensure that the work of the initiative is "embedded" in existing operation of the stakeholder agencies. For example, is the Wraparound Initiative a key element of the DHS Transformation Initiative?
- Designation of a "point person" who can move the Wraparound Initiative forward, champion system of care and wraparound, and develop the day-to-day operations.
- Clarification about the continued role of the Advisory Committee.

Conclusion

The implementation team is proud to have had the opportunity to contribute to the continued development of the Oregon's System of Care. We are confident that the information and recommendations contained in the report will be useful in taking the next steps to build a coordinated, comprehensive and community-based system of services and supports for Oregon's children, youth and their families.

Table of Contents – Appendices