

**PRESENTATION**  
**for the**  
**BEHAVIORAL HEALTH SERVICES SUBCOMMITTEE**  
**of the**  
**LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE**  
**OCTOBER 18, 2012**  
**on**  
**TREATMENT FOSTER CARE**

- **Origins of Treatment Foster Care (TFC) in NM**
  - **Established in Mid 1990's -100% Medicaid funded**
  - **Best Practice Guidelines from Foster Family Treatment Assn. (FFTA)**
- **Treatment Foster Care defined:** Treatment Foster Care is a distinct, powerful and unique model of care that provides children with a combination of the best elements of traditional foster care and residential treatment centers. In TFC, the positive aspects of the nurturing and therapeutic family environment are combined with active and structured treatment, TFC is a community based treatment program which is clinically effective, cost effective and provides individualized intensive treatment for children and adolescents who are seriously emotionally disturbed. To qualify for Medicaid, treatment must meet criteria for medical necessity as established by Medicaid and Managed Care organizations.
- **DIFFERENCE BETWEEN TFC AND REGULAR FOSTER CARE:** Regular foster care provides nurturing, safe and custodial care for children who require placement outside of their family. The primary reason for placement in regular foster care is the need for care and safety. The role of the foster parent is that of caregiver and nurturer. Treatment, if any occurs outside of the foster home. The children and adolescents are referred to TFC to address their serious levels of emotional, behavioral and medical problems. TFC is active and structured and occurs in the foster family home. Many programs in NM provide trauma informed treatment and address the neurobiological development issues subsequent to early trauma (abuse and neglect.)
- **TFC as highly regulated Medicaid service:** Agencies who seek to provide TFC services must show compliance with multiple regulations: (1) CYFD Child Placement Agency regulations; (2) CYFD Foster Care regulations and (3) NM Medicaid regulations for Child and Adolescent Mental Health Services. There are currently 14 agencies in NM licensed and certified to provide TFC services.
- **Licensing of families:** Agencies are licensed by CYFD to license families for TFC. Prior to the licensing of a family, recruitment, 40 hours of pre-service training, criminal background check, abuse and neglect check and successful completion of a home study is required. This is a 3-6 month process and only half

of those recruited are actually licensed. There is NO funding for this part of the process. Only when a child is matched and placed with a family, does Medicaid funding begin. Room and board payments are made to the family by CYFD (Title IV-E) if the child is in the custody of CYFD. Currently in NM approximately 75% of the children and adolescents in TFC are in the custody of CYFD. The remainder are in the custody of tribes or of their biological or adoptive families. As you can see TFC is a unique, very complicated, and very effective service. It is the service which combines Child Welfare Services and Mental Health services and ensures the Safety, Permanency and Well Being of children in NM.

- **ROLE OF THE TREATMENT FAMILY:** The treatment family provides the 24/7 treatment of the child as determined by the Treatment Team. The Treatment Team meets at least every 30 days and decides the course of treatment. The Treatment Foster Parent implements and monitors the treatment of the child and ensures that they can live safely in a family, in the community. In addition, Treatment parents' advocate (at school, in public and socially) and must demonstrate patience, persistence, acceptance and cultural sensitivity. They model appropriate behaviors and interactions. Treatment parents must learn continuously and constantly improve their own self-awareness skills. They must accomplish self-regulation vs. the Button Pushers.
- **2012 STATUS OF TREATMENT FOSTER CARE:** TFC is under constant attack by our Managed Care system. Approximately 1.5 years ago there were **700** children in TFC statewide. That number is now approximately **400**. Our Managed Care Company, Optum Health, is currently denying more admissions than they are approving. Optum is also pushing the level of care from Level 1 to level 2. The primary difference between the two levels of care is the rate of reimbursement. Level 2 care is cheaper than Level 1. However, the level 2 reimbursement rate does not cover the cost of TFC. In order for Medicaid to pay for TFC it must be pre-authorized by Optum Health. If Optum denies admission, their decision can be appealed, but if the appeal is unsuccessful, treatment is denied unless legal guardians take the step of requesting a Fair Hearing through HSD. If denied: **WHERE ARE THE CHILDREN GOING?** Inpatient psychiatric care? Jail? Homeless? Shelters? Remaining in regular foster care until their condition worsens so that they can be admitted to inpatient psychiatric care? Residential Treatment Care for children and adolescents has been decimated by Managed Care. Is it possible, in a Legislative Memorial to require the tracking of children and teens who are denied treatment care in Acute care, RTC and TFC?
- **Where is the system going?** TFC cares for some of the most vulnerable children in our state. They are seriously emotional and behaviorally disturbed. They may have developmental delays. They have all experienced trauma at a very early age. Some are mentally ill and may need treatment throughout their

lives. The children in our child welfare system are also the children in our juvenile justice system. We are, perhaps, on the eve of Centennial Care. Will it bring higher quality care? More accessible care? (See attached letter to CMS from the NM Youth Provider Alliance regarding Centennial Care.)

- **Can an independent monitor be appointed now to monitor what happens as Optum leaves the state?** Could an independent monitor be there to help children and families who are being denied care or receiving limited care with no positive outcomes?
- **Can the Behavioral Health Subcommittee call for such help?**

**Respectively submitted,**

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