



## WAFCA State Budget Priorities 2023-35

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*The Wisconsin Association of Family & Children's Agencies (WAFCA) is a statewide network of non-profit and for-profit providers of human services supporting member agencies in their missions to improve the lives of individuals, families and children in Wisconsin.*

As we look ahead to the coming biennium, we see a Wisconsin human services system in the midst of disruptive transformations. Our state is moving the needle toward greater community-based investments exemplified through the expansion of targeted safety services for families at risk of child welfare system involvement; comprehensive community services to support recovery; the emergence of the 988 crisis hotline and a more seamless array of peer crisis and youth crisis facilities; and movement toward the elimination of waiting lists for children's long term supports. We are taking positive steps in the right direction to meet families with the right resource at the right time.

At the same time we are facing a demographic shift toward increasing needs for supports and a declining pool of workers. We have significant gaps in our support for basic needs at one end of the spectrum and intensive care at the other end of the continuum. COVID delayed progress in many areas and exacerbated disparities.

Our providers are standing at the crux of this transformational time - reflecting on our own historical contributions to inequitable systems; contemplating the next right step to better support individuals, children and families; and responding to a workforce that is depleted and sometimes disheartened.

WAFCA comes to these issues as private providers of services and key collaborators. We represent nearly 50 agencies employing more than 5,000 people and touching the lives of more than 200,000 families annually. We are businesses and invested contributors to our local communities. We bring innovation, mission and donor resources to our part of the collective human services ecosystem. We intersect with government through a range of public systems – public systems seeking to provide for individuals and collective well-being. We are committed to continuous improvement – adjusting and pivoting to be more responsive to our public sector partners and the people we are in direct relationship with as caregivers, teachers, therapists, coaches, allies and champions.

It is from this vantage point that we share forward our observations and recommendations for state budget priorities. Our recommendations fall under three primary themes:

### **Investing in Prevention and Early Intervention**

- Targeted Safety Services
- Early Childhood and Home Visiting
- School-Based Mental Health Categorical Aid

### **Supporting Youth and Families with Complex Needs**

- No Wrong Door
- Residential Treatment and Professional Foster Parents
- Cost of Living Increases for Foster Parents and Kinship Caregivers
- Psychiatric Residential Treatment, Youth Crisis Stabilization and Capacity at State Centers
- Youth Justice and Youth Services Reform – Raise the Age
- Intensive Medicaid Mental Health Treatment Benefit

### **Responding to Wisconsin's Behavioral Health & Child Caregiver Workforce Shortage**

- Invest in Direct Care and Youth Care Workers
- Qualified Treatment Trainees
- Medicaid Funding of Peer Specialists
- Keep Providers Competitive - Medicaid Reimbursement for Behavioral Health
- Grow DSPS Capacity to Support Licensed Professionals

## Investing in Prevention and Early Intervention

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WAFCA supports key investments that lift families and strengthen the human services ecosystem across the private and public sector. We know that family economic supports, such as childcare, health coverage, housing supports and the progressive tax policy directly impact family stability. Research has shown that as states increase their investment in economic supports for families, child welfare system referrals are reduced. Our members are invested in prevention and early intervention services and eager to increase their presence in this space as the state's commitment to prevention services expands.

Our ever-increasing understanding of brain development and impact of trauma continues to point toward the downstream savings realized by communities when we invest in prevention and early intervention supports.

**Targeted Safety Services Funding.** The state is continuing to progress toward the development of flexible supports to keep children safely in home with their families and reduce the trauma associated with family separation. The flexible funding available through TSSF empowers local communities to develop and provide support and resources to build on family strengths.

**Early Childhood and Home Visiting.** There are an array of early supportive services targeted to families with young children that have been shown to deliver high value for families with young children including evidence-based home visiting services, family resource centers and the new regional early care mental health consultation program. These services engage peer supports, family educators and mental health therapists offering a full range of resources for parents of young children to secure stability at this critical time of early development.

**School-Based Mental Health Innovation Grants and Sustainability Commitments.** Comprehensive school-based mental health services enhance the universal mental well-being of Wisconsin's students while also providing expedient access to individual therapeutic services when an assessed need is identified. In the wake of the pandemic Wisconsin students reported increased levels of stress, anxiety, and depression. Since 2015, the state has made increasing investments in student mental health. Wisconsin schools can progress further and faster in their efforts through a more robust and continuous infusion of state categorical aid for student mental health.

## Supporting Youth and Families with Complex Needs

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For nearly a decade, children have been leaving Wisconsin to receive care and treatment for a variety of high acuity needs. From 2014-2020, bed capacity in our state declined 32%, and placement data obtained from the Department of Children and Families shows that the number of youths with complex needs placed out-of-state grew from 44 in 2016 to 119 in 2020. During this five-year time span, 250 youths from 46 different counties were placed out-of-state for services. The pandemic has exacerbated the placement crisis, and there is a caregiver shortage for children that is comparable to that being experienced in elder care.

WAFCA launched a pilot in April 2022 to try to connect counties and parents with resources in Wisconsin so their children would not have to leave the state for services. While the pilot has had limited success connecting children to resources; the consultation sessions have created a space for gathering information on system gaps and interpersonal collaboration between counties and providers to grow mutual understanding of the system challenges before us.

Thus far the children in the pilot have presented four primary challenges: mental health disorders; social, emotional, and behavioral disorders stemming from trauma, including child abuse and neglect; challenging medical conditions; and cognitive/developmental disabilities. Most struggle with regulation and act out violently towards caregivers, other children, and themselves. This results in multiple hospitalizations and/or placements and little educational stability.

As these needs persist, our continuum of care is experiencing capacity challenges. It appears that every provider – from foster care, to state run facilities – has a waitlist that is often several months long. This results in children moving from care setting to care setting while they wait for an opening in the setting that can best serve them. Ongoing separation and placement creates additional trauma in children. To heal from trauma,

safety, stability, and security are needed. Some of these children will require long-term care due to their cognitive, developmental, medical, and/or mental health condition, and Wisconsin does not have the resources to provide this care.

Wisconsin is home for these children. The state has a responsibility to invest in key parts of our system to ensure they are cared for. WAFCA recommends the following investments to respond with urgency:

**No Wrong Door.** Wisconsin's service systems are complex, inefficient, and difficult for providers and recipients of services to navigate. For children, this results in limited access to the services needed, inequities in who can access services, and poorer health and well-being outcomes. Provide resources to operate a statewide Disability Resource Center for Children and Families that includes access to resource navigators and benefits specialists. Build on the ARPA-funded "No Wrong Door" initiative to facilitate centralized referral services that reflect the resources available to through the adult ADRC.

**Residential Treatment and Professional Foster Parents.** Provide supportive grants to develop or expand residential programming for children healing from trauma and to develop Professional Foster Parent programs throughout the state. State investment in these resources will help stabilize capacity and access for youth experiencing more intensive needs.

**Cost of Living Increases for Foster Parents and Kinship Caregivers.** Foster parents continue to be an important resource in the continuum of care for children who cannot safely remain with family. There was no increase provided to foster parents in the 2021-23 biennium and with inflation the value of the basic foster care rate has fallen even further behind.

**Psychiatric Residential Treatment, Youth Crisis Stabilization and Capacity at State Centers.** There is a pressing need to consider expansion of access to 24/7 care services beyond the scope of residential treatment and group home services. Since 2018, WAFCA has supported investment in psychiatric residential treatment (PRTF) capacity in the state to broaden the continuum of care. Many of the children placed out of state are being served in PRTFs. In addition, funding to support youth crisis stabilization facilities in a sustainable model would also enable more regions of the state to make this level of care accessible. Finally, WAFCA's recent pilot program revealed demand for capacity at the state centers to care for children with long-term care needs. Half of the children presenting during the pilot were on the Autism spectrum with county case managers reporting significant barriers to accessing center-based services. We believe it is possible to right-size our placement capacity to keep our children safe and cared for in Wisconsin without undermining our shared vision for serving in community whenever possible.

**Youth Justice and Youth Services Reform - Raise the Age.** Streamline funding for the youth justice and youth services system to improve equitable access to a continuum of services. Return 17-year-olds to the youth justice system and adopt meaningful reforms to address systemic disparities.

**Intensive Medicaid Mental Health Treatment Benefit.** Create a new Medicaid intensive mental health treatment benefit for individuals with chronic or marked risk of suicide as recommended by the WI Council on Mental Health to serve as a component of a broader initiative to establish supports for quality delivery of Dialectical Behavioral Therapy (DBT). Advancing access to intensive outpatient treatment, especially as conceptualized to benefit delivery of DBT to fidelity would be valuable for both adults and youth who fall into the high-risk criteria.

## Responding to Wisconsin's Behavioral Health & Child Caregiver Workforce Shortage

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WAFCA members employ a range of professionals from family educators to case managers to direct care workers to mental health therapists and peer specialists. Across the human services sector, employers who serve the public sector are struggling to recruit and compete for talent. The current shortages call for a significant investment in our workforce which should include the development of career ladders, tuition assistance/loan forgiveness and transferable credentialing.

In the 2020 report produced by the Governor's Task Force on Caregiving, [\*Wisconsin Caregivers in Crisis: Investing in Our Futures\*](#) outlined range of policy proposals to improve opportunities for Wisconsin's unpaid

caregivers as well as the direct care workforce. While not directly referenced in the report, we know that those supporting children face the same challenges as those supporting elders and adults with disabilities. The youth care workers and community-based workforce serving children and families with intensive mental and behavioral health needs at times has been overlooked within the caregiving workforce, yet demand for supportive services for children and adolescents continues to grow.

The demand for mental health therapy exploded during the pandemic. Meanwhile the competition for therapists is placing publicly-funded providers, including those who support a significant number of school-based programs, short of key workforce to meet the needs of vulnerable populations.

As a result, WAFCA recommends investments in the workforce responsible for caring for children and families, especially those with special needs, who rely on our public systems for support:

**Invest in Direct Care and Youth Care Workers.** Provide career pathways and wage and benefit increases for community-based direct care workers and youth care workers who are responsible for providing 24/7 care and treatment to children with mental health disorders; social, emotional, and behavioral disorders stemming from trauma, including child abuse and neglect; and cognitive/developmental disabilities. Include individuals providing care and treatment to children in facilities and community in the recommendations advanced by the *Wisconsin Caregivers in Crisis: Investing in Our Futures Report* including specifically:

- **Earnings Disregard for Direct Care Workers.** Allow workers who are serving Medicaid-eligible clients, including those in our child welfare and youth justice systems, the ability to work, gain income and self-sufficiency and disregard a portion of this income without the fear losing public assistance.
- **Credential Portability.** The direct care and caregiving workforce serves a variety of settings subject to different training and competency standards. Currently there is limited consistency and portability of training. Provide a career path with credentialing opportunities for direct care workers that enables them to obtain portable credentials to advance in the direct care field.

**Qualified Treatment Trainees.** Continue growing this successful program launched in the 2019-2021 biennial budget that facilitates the development of master's level mental health therapists, funding quality supervision and stipends/income support for treatment trainees as they pursue their 3000 hours of post-graduate practice toward full licensure.

**Medicaid Funding of Peer Specialists.** Expand access to peer specialists by providing Medicaid reimbursement under BadgerCare for individuals with a mental health/substance use treatment plan who are under the care of a therapist. In addition, expand access to Medicaid psychosocial services including employment services, and health monitoring and management, which are currently only available under county-certified programs like CCS. Establishing the option for Medicaid recipients to receive services through non-county-based providers will enable more individuals and families to benefit from a broader range of health care services that address the social determinants of health.

**Keep Providers Competitive - Medicaid Reimbursement for Behavioral Health.** WAFCA member agencies serve a disproportionate share of the Medicaid eligible population. There is a high demand for behavioral health services, but it is difficult to compete for qualified therapists when the primary purchaser is Medicaid. Increasingly our public behavioral health services are being further eroded as health systems and national telehealth entities have eclipsed the ability of community-based providers to compete for qualified therapists and support professionals. Continuing to provide cost of living increases in Medicaid rates for behavioral health, including day treatment services, will sustain and grow access to crucial community-based supports.

**Grow DSPS Capacity to Support Licensed Professionals.** Licensure and credentialing of behavioral health professionals serves an important function – protecting consumers, upholding professional standards, and creating a framework for insurance reimbursement – but it can only serve that function when the resources and tools are functioning. More permanent staff are needed to support the licensing boards in their charge to implement services that can respond in a timely manner with technical expertise that our current and future behavioral health professionals need and deserve.