



South Dakota Association of Youth Care Providers

Joint Appropriations
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ASSOCIATION MEMBERS

Abbott House
Mitchell

Aurora Plains Academy
Plankinton

Children's Home Society
Rapid City
Sioux Falls

Lutheran Social Services
Aberdeen
Rapid City
Sioux Falls
Spearfish

McCrossan Boys Ranch
Sioux Falls

Our Home, Inc.
Huron
Parkston

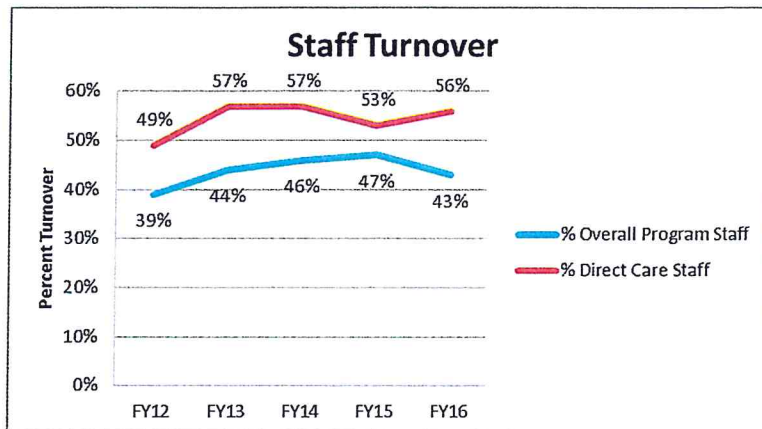
Sacred Heart Center
Eagle Butte

Sequel Transition Academy
Sioux Falls

**Volunteers of America –
Dakotas**
Sioux Falls

Wellfully Wellspring
Rapid City

CRITICAL ISSUES



- Experiencing high staff turnover and increased competition for qualified staff due to inability to fund payment of competitive wages with current levels of reimbursement.
- Average **Direct Care Turn-Over at 56%** in FY16
- Average **Overall Turn-Over 43%** in FY16
- Low unemployment is increasing competition for our target workforce. When faced with having inadequate staff numbers we either have to pay higher wages than our reimbursement rates can feasibly cover or we have to leave positions vacant and operate a lower occupancy. Both options increase financial deficits.
- Average direct care staff pay is \$13.50/hour. 10% increase over last year for competitive wages to meet minimum staffing requirements. Still **\$2.18/hr below** the 2015 national average for the central Midwest region.
- **Personnel costs account for 72%** of our total expenditures. The national benchmarked average is 62.17% as of November 2016; so other expenses beyond personnel are very lean as well.

CRITICAL ISSUES THREATENING THESE SERVICES

- Inadequate rates that do not cover the cost of services we provide to youths through our members' programs.
- High staff turnover and the demand for higher staff wages that we cannot afford at current reimbursement rates.

SERVICES AND OUTCOMES

- All SDAYCP providers offer one or more of the following: Group Care residential services, Psychiatric Residential Treatment services, and Chemical Dependency Psychiatric Residential Treatment services. Many offer an array of these and other services, as well.
- In FY16 over 843 youth were served in SDAYCP residential programs. 552 youth discharged from residential programs in FY16.
- 85% of the youth who discharged from SDAYCP residential programs discharged to a lower level of care; far exceeding the national benchmarked average of 54%. 63% returned home to their family/relatives upon discharge.



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FREQUENTLY ASKED QUESTIONS

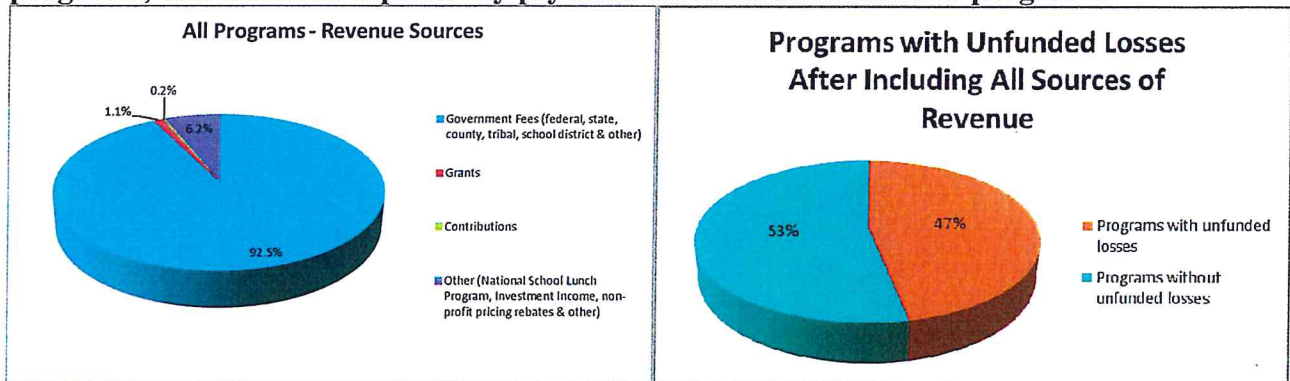
Q. Two residential programs closed in FY16 (LSS/Summit Oaks II intensive psychiatric residential treatment in Sioux Falls and Volunteers of American group care/shelter care in Sioux Falls); why did these programs close?

A. Programs close for a variety of reasons, in the case of these two programs both had to downsize their occupancy due to staffing shortages in FY16. The following points outline the reasons for closure:

- Ongoing workforce crisis in recruiting and retaining qualified direct care staff at competitive wages
- Significant deficits in current year due to reduced occupancy due to staff vacancies
- Rate structure does not cover the cost of operating
- Costs associated with staffing continue to increase related to health insurance and associated expenses not included in the current reimbursement structure.

Q. What is the break down of revenue, such as in pie chart form, for SDAYCP members in relation to how the costs of services are paid for?

A. The following pie charts are reflective of the revenues and expenses from the FY16 cost reports of 15 out of 18 group care, psychiatric residential treatment, intensive psychiatric treatment programs, and chemical dependency psychiatric residential treatment programs.



Q. How do the daily rates for the various levels of care of SDAYCP providers compare to other options such as HSC, the former DOC programs at Custer, and regional Juvenile Detention Centers?

A. SDAYCP rate ranges FY16

Intensive Psychiatric Residential Treatment Centers: \$309.32 - \$325.73

Includes Aurora Plains Academy, LSS/Summit Oaks II, and Sioux Falls Children's Home boys' unit staffed at an intensive level. LSS/Summit Oaks II closed effective 4/15/16.



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Psychiatric Residential Treatment Centers:

\$191.20 - \$218.89

Includes Abbott House, Black Hills Children's Home, LSS/Canyon Hills Center, Our Home Inc., Sioux Falls Children's Home, and LSS/Summit Oaks I.

Group Care Centers:

\$113.89 - \$162.98

Includes Sacred Heart Adolescent Center, Volunteers of America, Dakotas-Group Care, LSS/New Beginnings, McCrossan Boys Ranch, Wellfully Wellspring. VOA-Group Care closed effective 3/1/16.

State Program Rates FY16 (estimated) rates from Budget Book indicators

Human Services Center (adolescent)

\$652.66

(\$406.03 adol. direct/\$246.63 avg. indirect)

DOC Programs at Custer

\$415.78-\$442.68

Juvenile Detention Centers, FY16 (estimated)

Various, rates for non-compact counties

\$245-\$295

Q. How has licensed private provider bed capacity changed over the years?

A. Since the current system of group care, PRTF and Intensive PRTF (IRT) was established at the beginning of FY07, the following changes have occurred:

Licensed Private Provider Bed Capacity in South Dakota

Beginning of FY 2007

Level of Care | # of Licensed Beds

Group Care 330

PRTF 427

IRT 39

TOTAL 796

Beginning of FY 2017

Level of Care | # of Licensed Beds

Group Care 137

PRTF 282

IRT 72

TOTAL 491

Net Change #|%

(193)|(58%)

(145)|(34%)

33|85%

(305)|(38%)

Overall there has been a 38% decrease in the number of licensed private provider beds since the beginning of FY 2007.

Q. What do we need?

A. We need adequate funding that covers the cost of doing business. For FY18 we need reimbursement rates to cover 100% of methodology based on FY15 cost reports.

If you have questions regarding this information or any additional questions, please contact Sheila Weber at Sheila.Weber@LssSD.org or 605.444.7530.

*Taking care of South Dakota's youth
with significant mental health and behavioral challenges*



SS New Beginnings Center, Aberdeen
Sacred Heart Center, Eagle Butte
Wellfully, Rapid City
McCrossan Boys Ranch, Sioux Falls
Sequel Transition Academy, Sioux Falls

Our Home, *Huron*
Abbott House, *Mitchell*
Our Home, *Parkston*
Children's Home Society
Children's Home Society
LSS Summit Oaks Center
LSS Canyon Hills Center,

Our Home Rediscovery, Huron
Wellfully, Rapid City
VOA Heisler, Sioux Falls