Funding that reflects the system families need

Build a funding picture that includes readiness, complexity, and continuity as well as service volume.

Morning discussion | David DeStefano

Participants approached adequacy through the quality and capacity a system needs, rather than historical spending alone. They discussed compensation, training, coverage, transportation, insurance, compliance, implementation, and the cost of supporting kinship families. Maintaining readiness has a cost even when census changes. The group also examined unfunded expectations and the risk of judging a funding model only by short-term savings or service counts.

Afternoon discussion | Mike Bryant

The afternoon discussion connected the financial health of providers with the stability of the whole network. Geography, service availability, and changing needs complicate simple comparisons between rates or agencies. Participants considered ways to respond when assumptions change, including funding floors, reserves, adjustment mechanisms, and shared-risk arrangements. They raised the problem of sustaining useful capacity when prevention succeeds and service volume declines. Philanthropy was discussed as a resource with limits, rather than a dependable answer to recurring operating gaps.

Put the learning to work

- Create a cost-and-capacity worksheet that distinguishes fixed readiness costs, variable service costs, and costs associated with higher needs.
- Test a scenario with fewer children served but more intensive needs. Identify what changes financially and what capacity must remain.
- Document which changes should trigger a funding conversation, who can authorize an adjustment, and what evidence would support it.

Questions for your team

Which necessary cost is least visible in our current funding explanation? Would our funding arrangement preserve capacity if prevention reduces volume?

Proposed CY2027 connection

January LX; CFO Q1 cost and cash-flow review, Q2 adjustment scenarios, and Q3 evidence for sustainable capacity.

Source and coverage: Supplied morning transcript and afternoon automatic transcript. Funding mechanisms are discussion options, not agreed contract terms.