



MDHHS: FY23 Budget Executive Recommendation

Children's Services Agency

February 23, 2022

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CSA Priorities and Strategies

Priorities

Strategies



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A Snapshot of Child Welfare in Michigan

Children's Services Agency

State-administered child welfare system

- **83** counties.
- **5** Business Service Center (BSC) regions.
- Employs approximately **3,911** field and central office staff.
- Administers contracts to provide family preservation, foster care, licensing, and adoption services with approximately **61** agencies.

Children's Protective Services

- Complaints received: **175,445**
- Complaints investigated: **71,022**
- Confirmed complaints: **17,278**

Foster Care

- **9,931** children in care.
- **10,633** children in out-of-home care.
- Children entered foster care: **4,466**
- Children exited foster care: **5,616**

Adoption

- **1,692** completed adoptions.
- **97%** of children adopted received adoption subsidy, medical subsidy or both.

Juvenile Justice

- **459** youth supervised by MDHHS.

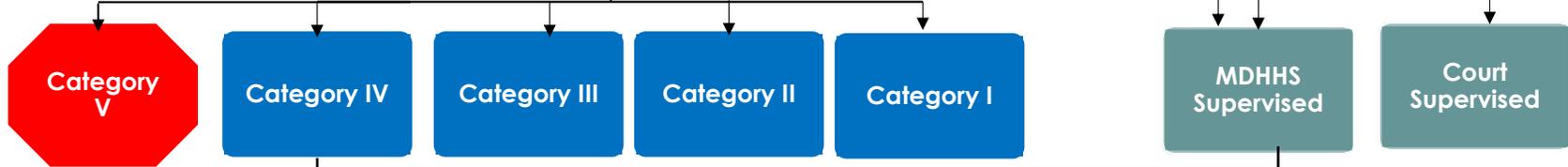
System Entry Pathway



Intake



Disposition



System Exit



MICHIGAN HOUSE

Adoption & Foster Care

TASK FORCE



Task Force Recommendations



Expand access to special health care needs



Bolster kinship care



Recruit and retain high-quality child welfare workers



Increase successful adoptions



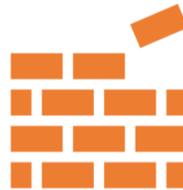
Achieve timely permanency



Redefine congregate care settings and prevent out-of-state placements of foster youth



Help foster families, caseworkers and agencies support foster youth



Strengthen prevention services, and expand access to family support and parenting programs



Establish more oversight to reduce child maltreatment, installing systemic accountability



Ensure long-term success of Michigan's child welfare system



FUNDING

PROJECTS

GRANTS

Progress on Newly Funded Initiatives

FY 2022

Foster Care Prevention Services

Background

- Received **\$9.2M** gross (\$4.8M GF/GP) and 18 FTEs for Foster Care Prevention
- Preventive investments **keep families intact safely** and **save money**.
- The Family First Prevention Services Act provides federal match.

Progress

- **SafeCare** an evidence-based home visitation program to be implemented in 17 counties.
- Implementing **Motivational Interviewing** within the Substance Use Disorder Family Support Program.
- Planning for **Multi-Systemic Therapy, Trauma-Focused Cognitive Behavioral Therapy, and Brief Strategic Family Therapy**.
- Four **prevention analysts** and 16 **kinship support specialists** are in the hiring process.

Governor Whitmer's Executive Budget Recommendation

FY 2023

Foster Parent, Guardianship, and Adoption Subsidy Rate Increase

Context

- Michigan's foster care system relies on the volunteerism of individual families to provide out-of-home care.
- Outcomes for children in foster care are negatively impacted by the lack of foster homes.
- Provide financial stability for foster and adoptive parents to maintain community placements.
- A rate increase has not occurred in 10 years.

Response

- Increase the rate provided to foster, relative, and adoptive families by 18%.

Expected impact

- Improved placement stability.
- Increase community placements.
- Improved safety, well-being and permanency outcomes.

Foster Parent, Guardianship, and Adoption Subsidy Rate Increase

Age	Current Daily Rate	Proposed Daily Rate
0-12	\$17.24	\$20.34
13-18	\$20.59	\$24.30
Independent Living	\$21.27	\$25.10

*Note: Base rates are standard for foster care, guardianship and adoption programs.

Child Welfare Day Treatment Pilot

Context

- Day Treatment program will provide mental health services for children struggling in home or school settings to remain in the community.
- Increase the community-based service array for children in foster care to avoid residential placement.

Response

- \$2.4M to implement a pilot to provide day treatment for youth.
- 1 FTE will develop, implement and monitor the program.

Expected impact

- Reduce the number of children receiving treatment in congregate care facilities.
- Maintain community placements for children in foster care.

\$10.5M Gross

\$8.9M GF

Child Caring Institution Rate Increase

Context

- Child caring institutions communicated deficiencies in the rates with the implementation of the federally required Qualified Residential Treatment Program.
- In collaboration with our private agency partners, a rate increase is necessary to meet the need of children.

Response

- \$10.5M gross (\$8.9M GF) to increase the contracted rates for child caring institutions.

Expected impact

- Improve service delivery to meet the needs of youth that require mental health and stabilization.
- Increase capacity to meet the needs of youth that require this level of care.

Child Caring Institution Pandemic Payments

Context

- Child caring institutions experienced financial hardships caused by staffing, decrease utilization and placement restrictions.

Response

- \$15M in one-time pandemic relief payments to child caring institutions.

Expected impact

- Provide financial relief to child caring institutions currently providing care.
- Ensure availability of services for youth with high needs.

Modified Implementation, Sustainability and Exit Plan (MISEP) Performance Update

Modified Implementation, Sustainability and Exit Plan (MISEP) History

- **Children's Rights, Inc.**, filed a class action lawsuit in federal court seeking to reform Michigan's foster care system in August 2006.
- In 2008, Michigan settled with Children's Rights and the court-enforceable Consent Decree was approved.
- The **Modified Implementation, Sustainability and Exit Plan (MISEP)** was approved on June 26, 2019.
- There have been **16 monitoring reports** since entering the agreement in 2008:
 - 4 under the original Consent Decree.
 - 6 under the Modified Settlement Agreement.
 - 3 under the Implementation, Sustainability and Exit Plan .
 - 3 under the MISEP.
- Reporting on the MISEP occurs **every six months**.
- Michigan's progress in complying with the agreement continues to be overseen by the court-appointed Monitors, Kevin Ryan and Eileen Crummy of Public Catalyst.

January 20, 2022, MISEP 19 Status Hearing

- Hearing covered reporting period, **July – December 2020**.
- After opening remarks from Judge Edmunds, attorneys from **Children’s Rights** discussed the lack of progress made by MDHHS.
- Director Hertel and Director Starling highlighted **successes** and **progress** made under the court settlement since 2008.
- A corrective action plan to be monitored quarterly, addressing **14 commitments**.
- MDHHS intends to request **exit** of the MISEP by end of 2022.

“Michigan has made great progress over the past 13 years in keeping children safe and providing services to families,” said **MDHHS Director Elizabeth Hertel**. “While we realize we still have work to do, we strongly believe we have a self-reliant child welfare system and are moving closer to a system that does not need federal court oversight.”

Accomplishments

- Significant **decrease** in the **number of children in foster care**.
- Large **decrease** in **children placed in congregate care** facilities.
- Substantial **decline** in **overdue** Children's Protective Services **investigations**.
- Strategies that seek the **voice of youth and families**.
- **Decline** over the last 12 years in **children being removed** and **increased** number of **children exiting care**.
- Significant **decline** in **physical restraint** of youth in child caring institutions (CCI).
- **Increased safety** of children in foster care (decrease in Maltreatment in Care rate).

Summary of Progress

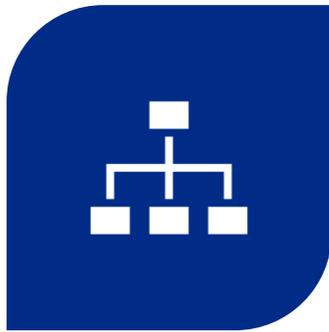
Met required performance standards in **8 of 32 areas** monitored for compliance in MISEP Period

- **Caseloads:** DHHS continued to exceed the caseload standards established for child protective service (CPS) and purchase of service (POS) workers.
- **Generation of Data:** The Department continued to produce accurate and verifiable data and has made significant progress in this area.

Three commitments were moved to Section 4 of the MISEP (Structures and Policies)

- CPS Investigations and Screening, PCU (6.12.b).
- Data Generation (6.35).
- Support for Transitioning to Adulthood, Medicaid Access (6.36.b).

Accountability and Maintaining Progress



STRUCTURES AND STRATEGIES
IN PLACE TO ENSURE
PROCESS IS MAINTAINED.



QUALITY IMPROVEMENT
PRACTICES.



REAL TIME MONITORING.



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