



# **Children's Services Agency Fiscal Year 2018**

**Presentation to Appropriations Subcommittee  
on the Department of Health & Human Services**

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## ***Our Guiding Principles***

### **Mission**

The Michigan Department of Health and Human Services provides opportunities, services, and programs that promote a healthy, safe, and stable environment for residents to be self-sufficient.



### **Vision**

Develop and encourage measurable health, safety and self-sufficiency outcomes that reduce and prevent risks, promote equity, foster healthy habits, and transform the health and human services system to improve the lives of Michigan families.



## ***Children's Services Vision and Mission***

### **VISION**

MDHHS will lead Michigan in supporting our children, youth, and families to reach their full potential.

### **MISSION**

Child welfare professionals will demonstrate an unwavering commitment to engage and partner with families we serve to ensure safety, permanency and well-being through a trauma-informed approach.



## ***Action on Flint Declaration of Emergency***

### **Responsibility – Accountability – Action**

- Children’s Protective Services workers continue to ensure safe water in all homes encountered as a function of investigation or ongoing service cases.
- Verified the use of appropriate filter or bottled water for all impacted foster care providers.
- Continued water testing for each foster care provider home, licensed and unlicensed, and each facility.
- MDHHS continues to initiate blood testing for children entering foster care in Flint who are under the age of 6.



## ***Children's Services Agency***

- Oversees all child welfare services for children and their families.
- Employs approximately 3,816 staff including 3,336 field staff and 480 central office staff.
- Oversees approximately 1,101 private agency staff and 314 supervisors who are contracted to provide foster care, licensing and adoption services.



## ***Children's Protective Services***

Investigates allegations of suspected child abuse or neglect by a parent, legal guardian or any other person responsible for the child's health or welfare, and provides services to prevent removal from the parental home.

FY 2016

- Complaints received: 160,065
- Complaints investigated: 90,356 (56% of complaints received)
- Cases with a preponderance finding: 25,509 - Category I, II & III (28% of assigned investigations, 16% of all complaints received)
- Number of children placed in out of home care: 6,004
- Absence of Maltreatment Recurrence: 93.5% (National Standard is 94.6%)
- Absence of Child Abuse and/or Neglect in Foster Care: 99.64% (National Standard 99.68%)



## ***Foster Care***

- Delivered by MDHHS and private agency foster care staff.
- Provides placement and supervision of children who have been removed by the court from their home due to abuse or neglect.
- Is a short-term solution to an emergency situation and permanency planning continues throughout the child's placement in care.
- Ensures the safety, permanence and well being of children through reunification with the birth family; permanent placement with a suitable relative; or a permanent adoptive home.
- Michigan is meeting 4 out of 5 national permanency measures. The only measure not being met is Permanency in 12 months for children entering foster care, however Michigan's re-entry rate is extremely low compared to other states.



## ***Foster Care***

- Works with parents to rectify conditions that led to the child's removal.
- Supervises child in out-of-home placement to ensure well-being and provision of necessary services.
- Monitors parents' progress and compliance with services on a regular basis.
- Reports and makes recommendations to the court every 3 months.
- As of December 31, 2016 MDHHS was responsible for care and supervision of 12,718 children which is a decrease from 18,016 children in 2008.
- Administers approximately \$169 million in foster care payments.



## ***Adoption***

Facilitates the adoptive placement of state and permanent court wards.

- More than 1,800 children were adopted in 2015.
- More than 2,000 children were adopted in 2016.\*
- Eight Post Adoption Resource Centers provide services statewide.

*\*Number is estimated because the 2016 number has not yet been finalized.*



## ***Adoption Assistance***

Provides financial assistance, medical subsidy and other one-time adoption assistance payments to families who adopt special needs children from Michigan's child welfare system.

- Administers approximately \$212 million each year.
- 95% of all adopted youth from foster care are eligible annually.
- Population currently served is approximately 26,000 children.
- Assistance can be in the form of
  - Monthly financial assistance payment.
  - Medical subsidy covered services such as orthodontics, therapy and tutoring.
  - One-time expenses to reimburse for the adoption costs such as court filing fees and birth certificates.



## ***Guardianship Assistance***

Provides financial support to ensure permanency for children who may otherwise remain in foster care until reaching the age of majority.

- Administers approximately \$12 million in assistance.
- On average annually 950 youth exiting foster care to guardianship are served through the guardianship assistance program.
- Addresses financial needs through monthly ongoing assistance payments.
- Provides medical subsidy covered services such as orthodontics, therapy and tutoring.



## ***Child Welfare Licensing***

Protects vulnerable children by administering, monitoring and consulting with licensees.

The Division of Child Welfare Licensing monitors contracts and licenses the following:

- Child Caring Residential Institutions
- Child Placing Agencies
- Children's Foster Homes
- Court Operated Facilities

The Child Welfare Licensing Division administers, monitors and provides consultation for 6,379 facilities and 191 contracts.



## ***Juvenile Justice***

Provides community-based programs and supervision for juvenile justice youth referred or committed to MDHHS.

Provides technical assistance, consultation, assessment services and training for community-based and residential juvenile justice programs.

MDHHS operates 2 juvenile justice facilities: Bay Pines, located in Escanaba, and Shawono, located in Grayling (capacity of 40 beds for each program).

In fiscal year 2016, Bay Pines served 114 youth and Shawono served 56 youth.



## ***Juvenile Justice***

### Statewide Juvenile Justice Data:

- MDHHS is committed to partnering with necessary entities in the development of statewide Juvenile Justice data collection, sharing and analysis.
- Efforts to date:
  - Current partnership with the University of Michigan's School of Social Work Child and Adolescent Data Lab.
  - Development and enhancement of reporting capability in Michigan Statewide Automated Child Welfare Information System (MiSACWIS) for Juvenile Justice.



## ***Children's Trust Fund***

Children's Trust Fund is also known as the State Child Abuse and Neglect Prevention Board.

- An independent, autonomous nonprofit organization created by Public Act 250 of 1982.
- Serves as Michigan's only source of permanent funding for the statewide prevention of child abuse and neglect.
- The purpose is to prevent child abuse and raise awareness of prevention through community-based programs.
- Dispersed \$1.7 million in 2016 to support 24 child abuse prevention grants and 73 local Child Abuse Prevention Councils.
- Pam Posthumus Signature Auction Event will be held on May 17, 2017.



## ***Family Support Subsidy***

Provides a monthly subsidy of \$222.11 to families that include children with severe developmental disabilities.

- The subsidy helps keep families together and reduces the demand for state-provided out-of-home services.
- In FY16, the program served 6,311 children and only 22 children (0.3 percent) were placed out of home.
- The program assisted 99.7% of the children served to remain placed with their families.



## ***Children's Behavioral Action Team***

The Children's Behavioral Action Team, which is comprised of a project coordinator, occupational therapist, and behavior analysts, develops community-based services to allow children to safely return home from Hawthorn Center.

- Assisted over 40 youth from 17 counties since March 1, 2015.
- Collaborated with service providers in 24 counties to assist the 34 children, families and community teams.
- In the 90 days prior to their initial Hawthorn Center discharge, participants spent an average of 80 days receiving inpatient psychiatric services.
- In the 90 days following discharge, participants spent an average of 6 days receiving inpatient psychiatric services, an 82% reduction.
- Quarterly reductions in inpatient days have steadily increased over the past five quarters, averaging 71%.



# ***Michigan's Statewide Automated Child Welfare Information System (MiSACWIS)***

## Planned 2017:

- Utilize the Integrated Service Delivery Portal – not yet available for use by MiSACWIS.
- Continue to reduce help desk tickets and related defects to stabilize the application.
- Implement enhancements that directly improve usability and accuracy of business processes.
- Initiate Centralized Intake Web Portal for Mandated Reporters.
- Ongoing system modifications to fully support and report on the Implementation, Sustainability and Exit Plan.
- Integration of Division of Child Welfare Licensing functioning.

## Planned 2018:

- Utilize the Integrated Service Delivery Portal and Master Person Index.
- Continue to reduce defects to further stabilize the application.
- Implement enhancements that directly improve usability and accuracy of business processes.
- Implement Centralized Intake Web Portal for Mandated Reporters.
- Implement required changes for federal reporting.
- Implement enhancements to better support the adoption business process.
- Address audit findings.
- System modifications to fully support ISEP and reporting needs.
- Full integration of Division of Child Welfare.



## ***County Child Care Fund (CCF)***

- Provides financial reimbursement to counties for community-based programming and placement costs for youth in child welfare or juvenile justice programs.
- Provides financial reimbursement to counties for In-Home Care programs, which are community-based programs that are developed locally as an alternative to out-of-home placement and/or allow for an early return home for youth already removed.
- Each fiscal year the county/tribe must submit an annual plan and budget for approval prior to reimbursement of CCF-related expenses.
- MDHHS has fiduciary and administrative authority for this financial reimbursement program between the state and counties and tribes.
- MDHHS and relevant stakeholders are currently rewriting CCF policies to take effect in fiscal year 2018.
- MDHHS is excited about the ongoing collaboration and feedback for changes that have been received.



## ***Juvenile Justice Funding***

- Juvenile justice is county supervised and county administered.
- The County Child Care Fund pays 100% cost of care and the state reimburses 50% of eligible juvenile justice expenses.
- Only what is outlined in the County's/Tribe's approved annual budget can be reimbursed.
- Counties/Tribes may amend their budgets throughout the year if additional funding is needed.



## ***Title IV-E Funding***

- MDHHS is the designated agency in Michigan to receive title IV-E funds from the federal government for eligible out-of-home child welfare costs.
- MDHHS may claim federal funds to offset the cost of eligible out-of-home expenses when a child and caregiver both meet title IV-E requirements. In those circumstances, county governments are relieved of their responsibilities to share in the cost of care where they would otherwise be obligated.
- MDHHS underwent a federal program review of title IV-E expenditures in September 2016. Michigan was found in substantial compliance; failure to pass this review could have jeopardized over \$249 million in federal funds.
- MDHHS is expanding quality assurance mechanisms to monitor appropriate use of title IV-E funds and prepare for future reviews and audits.



## ***Child Welfare Funding***

- Child welfare is state supervised and state administered.
- For County Child Care Funded child welfare cases, the county pays 100% of the cost of care and bills the state for 50%. The counties are currently held harmless for the private agency administrative rate.
- For Title IV-E funded child welfare cases, the federal government reimburses the state for 50-65% of the cost of care and the state pays the required matching funds.
- For State Ward Board and Care funded child welfare, the state pays 100% of cost of care and the counties reimburse 50%. The private agency administrative rate is paid 100% by the state.



## ***Foster Care and Adoption Payments***

- MiSACWIS issues all payments for foster care and adoption with no system barriers.
- Many staff still learning the multi-stage process for payments.
- Continue to offer specific placement/payment trainings for public and private agency staff.
- Building capacity to conduct regular foster care payment reconciliation functionality.



## ***Kent County Performance-Based Funding Pilot***

State and local MDHHS staff continue to work diligently toward implementation beginning October 1, 2017.

Recent accomplishments include:

- West Michigan Partnership for Children (WMPC) became a licensed child placing agency.
- MDHHS released start-up funds to the WMPC to purchase technology and support hiring staff.
- MDHHS, WMPC, and actuarial rate development consultants Public Consulting Group (PCG) and Lewis & Ellis (L&E) continued work on the pilot case rate, including addressing the statewide administrative rate increase and revisiting payment policies for children in foster care upon pilot implementation.
- MDHHS and the evaluator, Westat, identified comparison counties to serve as the control group for the pilot; the control group includes children served by private agencies in Oakland and Ingham Counties.



## ***Implementation, Sustainability and Exit Plan***

- The Implementation, Sustainability and Exit Plan (ISEP) has been in effect since February 2, 2016.
- The ISEP permits rolling exit of individual items which sets the state on a path toward exiting federal court oversight, which will decrease spending on oversight.
- The first six-month reporting period for the ISEP, period 10, ended June 30, 2016. The Monitor Report and court hearing will be in the spring of 2017.
- We are currently in ISEP reporting period 12, which began January 1 and ends on June 30, 2017.



## ***Implementation, Sustainability and Exit Plan***

### Examples of Early Success:

- Caseload Progressions for New Employees.
- Support for Transitioning to Adulthood, Michigan Youth Opportunities Initiative.
- Worker/Child Visits
- CPS Commencements
- Licensing Worker Qualifications and Training.

### Key Efforts Include:

- Development and implementation of Quality Assurance Processes for 14 commitments outlined in the ISEP.
- Completion of the Quality Service Review in 15 counties across the state since inception of the ISEP.
- Establishment of foster home recruitment plans for each county in the state with foster home targets based on need and number of children in care, including targets for special populations.



## ***Trauma Initiatives***

### Secondary Traumatic Stress Training

- Role specific training for directors, supervisors and staff (public and private).
- Implementation of secondary traumatic stress teams for local offices.

### Local Office Culture & Climate Assessment and Development

- Local office culture and climate assessment survey and development of plan for improvement for each county.

### Trauma Screening

- Implementation of statewide trauma screening within child welfare.

### Comprehensive Trauma Assessment Contracts

- Ensures that children who are part of the child welfare system are screened by providers that hold a contract with DHHS and are adhering to standards/outcomes identified by the department.

### Trauma and Toxic Stress Website

- Will provide information and tools for various providers on the screening, assessment and treatment of trauma, and promoting and building a trauma-informed agency/community.

All done in coordination with the Behavioral Health and Developmental Disabilities Administration.



## ***Children's Services Agency: Children's Cabinet***

The Children's Services Agency (CSA) has created an executive level data team to promote long-term continuous quality improvement in child welfare by ensuring continual monitoring of key performance indicators.

CSA is working with the University of Michigan's School of Social Work Child and Adolescent Data Lab to gather information which will lead to practice improvements statewide.

Key Efforts Include:

- Development and analysis of data reports examining maltreatment in care cases which will inform policy and practice changes and increase safety for children in care.
- Development and analysis of data reports examining recurrence which will inform policy and practice changes to improve assessments, safety planning and service delivery.



## ***Challenges***

- Reduction of recurrence of incidents of abuse and neglect.
- Incidents of maltreatment in care has continued to decline; however, further reduction remains a priority. MDHHS is committed to ensuring safe placements for all children in foster care.
- MDHHS is continuing work to gather statewide juvenile justice data.
- Increase worker-parent visits and parent-child visits.
- Increase timely medical and dental appointments for children in foster care placements.
- Retention of foster families.
- Retention of front-line staff.



## ***Successes***

- A number of trauma initiatives took place in 2016 to increase awareness and introduce strategies to screen for, assess, and treat trauma experienced by children and families within the child welfare system.
- Expansion of family preservation and prevention services has been a great focus in 2016. These efforts promote successful reunification of families and help prevent out-of-home placement.
- The total number of active MiSACWIS help desk tickets has reduced by 66% since January 2016.
- Access to CareConnect360 allowing designated MDHHS child welfare staff to view a child's medical, dental, behavioral health and school-based Medicaid claim information which guides follow-up to ensure health needs are met for foster children on their caseload.



## ***Governor Snyder's FY18 Recommendation***



# ***Budget Recommendation***

*(in millions)*

|   | <b>Gross</b>     | <b>GF/GP</b>   |
|---|------------------|----------------|
| <b>Children's Services – Child Welfare</b>    | <b>\$1,143.1</b> | <b>\$413.7</b> |
| <b>Children's Services – Juvenile Justice</b> | <b>\$24.4</b>    | <b>\$9.7</b>   |
| <b>Total</b>                                  | <b>\$1,167.5</b> | <b>\$423.4</b> |



## ***MDHHS 2018 Investments Provide Support to Youth and Families***

### **Private Child Placing Agencies and Residential Provider Rate Increase**

- **Increase to per diem rates paid to Private Child Placing Agencies and Residential Foster Care providers.**
- **Rates based on an analysis by an independent contractor and in collaboration with stakeholders.**
- **FY18 Investment: \$14.2 M Gross / \$6.8 M GF/GP**



## ***MDHHS 2018 Investments Provide Support to Youth and Families***

### **Foster Parent and Youth Support Expansion**

**Support Foster Parents and Foster Youth by:**

- **Implementing Regional Resource Teams in each Business Service Center to provide regional recruitment, retention and training for foster and adoptive parents.**
- **Expanding the Michigan Youth Opportunities Initiative (MYOI) through allocation of 10 additional coordinators, allowing statewide coverage (currently in 64 counties). MYOI provides programming and independent living supports to youth ages 14-25.**
- **FY18 investment: \$3.6 M Gross / \$2.8 M GF/GP**



## ***5 year history of major line item appropriations*** *(in millions)*

| <b>Appropriation</b>         | <b>FY 2014<br/>Expenditures</b> | <b>FY 2015<br/>Expenditures</b> | <b>FY 2016<br/>Expenditures</b> | <b>FY 2017<br/>Enacted</b> | <b>FY 2018 Executive<br/>Recommendation</b> |
|------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------|---|
| Guardian Assistance Payments | \$5.9                           | \$8.3                           | \$9.4                           | \$11.2                     | \$12.0                                      |
| Foster Care Payments         | \$186.0                         | \$192.7                         | \$187.5                         | \$185.6                    | \$197.2                                     |
| Adoption Subsidy Payments    | \$234.7                         | \$226.9                         | \$218.7                         | \$222.8                    | \$212.1                                     |
| Child Care Fund              | \$175.7                         | \$184.9                         | \$180.4                         | \$183.4                    | \$180.7                                     |



## ***MDHHS Contact Info and Useful Links***

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