N00B

Social Services Administration

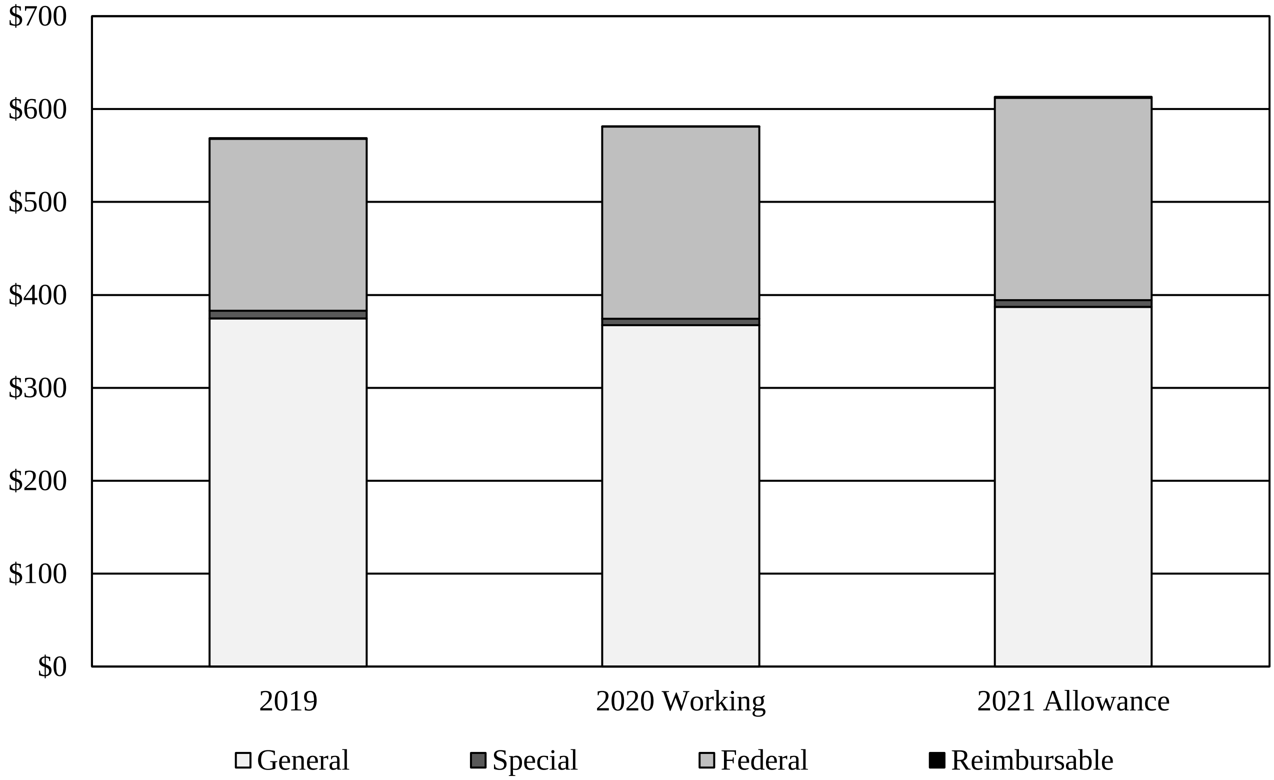
Department of Human Services

Executive Summary

The Department of Human Services (DHS) Social Services Administration supervises child welfare programs, including foster care, subsidized adoptions, and subsidized guardianships, as well as programs to protect vulnerable adults and individuals with disabilities.

Operating Budget Summary

Fiscal 2021 Budget Increases by $31.7 Million or 5.4% to $613.1 Million
($ in Millions)



Note: Numbers may not sum due to rounding. The fiscal 2020 appropriation includes deficiencies, planned reversions, and general salary increases. The fiscal 2021 allowance includes contingent reductions and general salary increases.

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- Foster Care Maintenance Payments increase by $17.9 million in the fiscal 2021 allowance primarily due to placement mix into higher levels of care and higher monthly costs of those placements. In fiscal 2020, purchased institutional monthly placement costs increased by approximately $2,000 per placement between August and October 2019 due to provider rate increases. As a result of these changes in placement mix and cost beginning in fiscal 2020, the Department of Legislative Services forecasts a shortfall of $14.4 million in fiscal 2020 but a smaller shortfall ($2.2 million) in fiscal 2021.

- Section 5 of the Budget Reconciliation and Financing Act of 2020 limits rate increases for providers who have rates set by the Interagency Rates Committee (IRC) to no more than 2%. The fiscal 2021 allowance includes $3.1 million to support a 2% provider rate increase for providers who have rates set by IRC.

- The fiscal 2021 allowance increases by approximately $5.0 million to account for full year costs of evidence-based practices for prevention services and technical assistance and training costs related to those practices. The fiscal 2020 budget includes only partial year funding for these activities since the Title IV-E Waiver ended September 30, 2019. However, the implementation of the Family First Prevention Services Act (FFPSA) allows these services to continue. The evidence-based practices in fiscal 2021 are fully supported with federal funds despite only being eligible for a 50% match.

Key Observations

- ***Evidence-based Practices Continue with Implementation of the FFPSA:*** With the end of the Title IV-E Waiver, DHS, in collaboration with stakeholders, determined which evidenced-based practices related to prevention services that it would continue into fiscal 2020. DHS reduced the practices in fiscal 2020 from 20 to 10. Fewer practices will continue into fiscal 2021. DHS will receive federal matching funds for 5 practices that were approved in the State Title IV-E Prevention Plan but will use State funds for 2 additional practices while it awaits federal approval of those practices.

- ***Hospital Stays for Youth in Out-of-home Placements:*** Language in the fiscal 2019 and 2020 budget bills have requested DHS to report on hospital stays for youth in out-of-home placements. DHS reports that the average number of youth in out-of-home placements in a hospital setting have declined from more than 80 per month in calendar 2017 to fewer than 40 per month in calendar 2019. However, the average length of stay increased in calendar 2019.

Operating Budget Recommended Actions

1.	Add language restricting funds until a report on the planned new foster care rate structure is submitted.		
2.	Add language restricting funds until a report is submitted on the planned uses of adoption savings.		
3.	Add language restricting funds unless budget detail on spending for youth in hospital placements is provided with the fiscal 2022 budget.		
4.	Delete 2 long-term vacant positions.	$ 118,763	2.0
5.	Adopt committee narrative requesting information on hospital stays by youth in out-of-home placements.		
6.	Adopt committee narrative requesting information on the accounts/trusts opened as a result of Chapters 815 and 816 of 2018.		
7.	Add language restricting general funds for the Foster Care Maintenance Payments program to that purpose.		
8.	Reduce funds from Cost of Care Reimbursement that will not be available to support foster care payments.	1,000,000	
9.	Add language restricting the general fund appropriation for the Child Welfare Services program to that purpose.		
10.	Adopt committee narrative requesting information on child welfare caseload and caseworkers.		
	Total Reductions	**$ 1,118,763**	2.0

Updates

- ***Child Fatalities:*** For calendar 2018, DHS reports that 43 child fatalities involved abuse and/or neglect, the highest number since at least 2001. DHS indicates that this increase is primarily for infants due to unsafe sleeping conditions.

- ***Voluntary Placement Agreements:*** The number of Voluntary Placement Agreement (VPA) requests has increased each year between fiscal 2016 and 2019. In fiscal 2019, DHS reports 186 VPA requests were made. However, denial rates have also increased. In fiscal 2019, DHS denied 66% of these requests.

- ***Maryland Child and Family Services Review Round 3:*** The federal Child and Family Services Review for Maryland was conducted in calendar 2018 with the Program Improvement Plan developed during calendar 2019. One of the findings was that assessments were not consistently or effectively used, which impacts the ability to provide prevention services that are unique to the needs of the family.

Operating Budget Analysis

Program Description

The Department of Human Services (DHS) Social Services Administration (SSA) supervises child welfare programs that are intended to prevent or remedy neglect, abuse, or exploitation of children; preserve, rehabilitate, or reunite families; help children to begin or continue to improve their well-being; prevent children from having to enter out-of-home care; and provide appropriate placement and permanency of services. SSA is also responsible for policy development, training, and staff development and oversight and maintenance of the child welfare information system. SSA supervises programs to protect vulnerable adults and individuals with disabilities, promote self-sufficiency, and assist in avoiding unnecessary or delaying institutional care. Services are provided through the local departments of social services (LDSS), arms of DHS in each jurisdiction.

The goals of the department related to SSA are that (1) Maryland residents are safe from abuse, neglect, and exploitation; and (2) Maryland children live in permanent homes, and vulnerable adults live in the least restrictive environment.

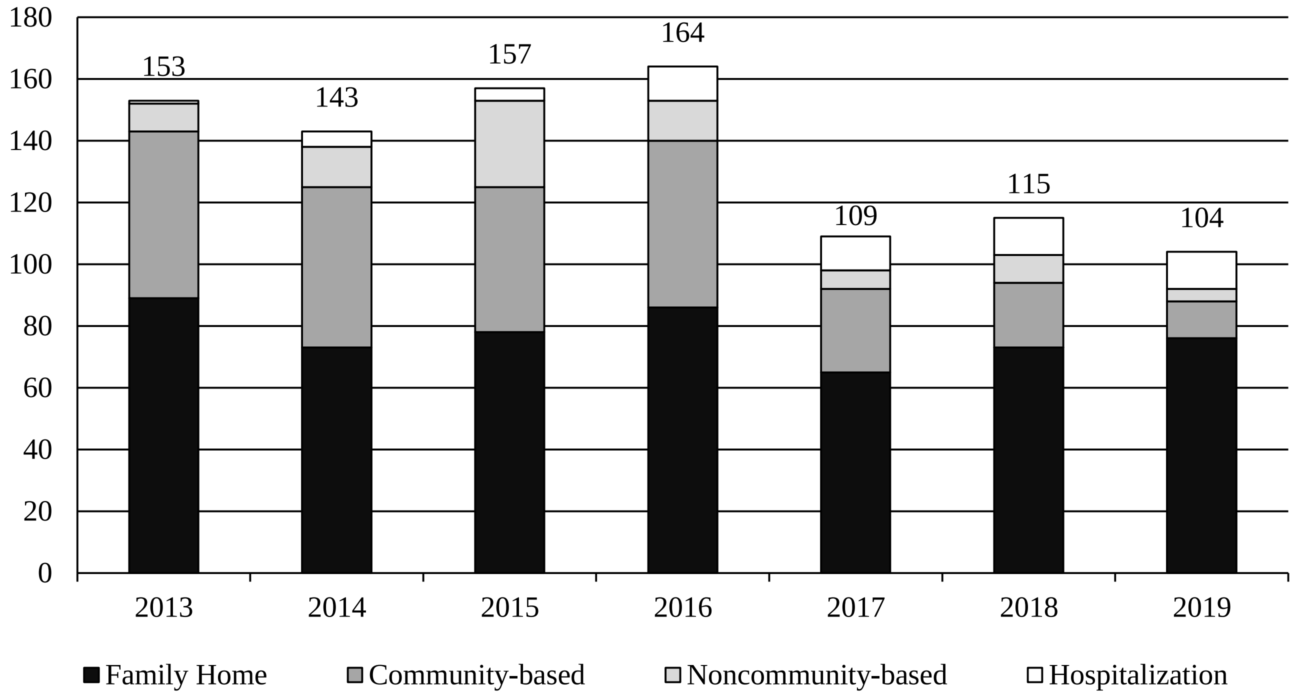
Performance Analysis: Managing for Results

1. Out-of-state Placements

Annual committee narrative in the *Joint Chairmen's Report* (JCR) requests that the Governor's Office for Children, now the Children and Youth Division of the Governor's Office of Crime Prevention, Youth, and Victim Services, submit a report on out-of-home placements. The report contains data on all child placing agencies, including information on placement types and trends as well as demographic data for youth in those placements. The report includes data on youth placed out-of-state in four placement types: (1) family homes; (2) community-based placements, including independent living and residential child care programs; (3) noncommunity-based placements, including residential treatment centers (RTC) and diagnostic evaluation treatment programs; and (4) hospitalization. The placement data is primarily based on a single day census count and the total youth served in each placement type in a fiscal year.

As shown in **Exhibit 1**, the number of youth in out-of-state placements decreased substantially between January 31, 2016, and 2017 due to a renewed focus by the agency in reducing the number of youth in out-of-state placements. Following that, the number of youth in out-of-state placements has been relatively stable at that lower level. On January 31, 2019, the number of youth in out-of-state placements was at its lowest level since before 2009.

Exhibit 1
Out-of-state Placements
2013-2019 (January 31 Data)



Note: Out-of-state hospitalization data is revised from the *FY 2019 State of Maryland Out-of-Home Placement and Family Preservation Resource Plan* due to errors in the report. Youth in out-of-state hospitals are placed by the child's physician rather than the department.

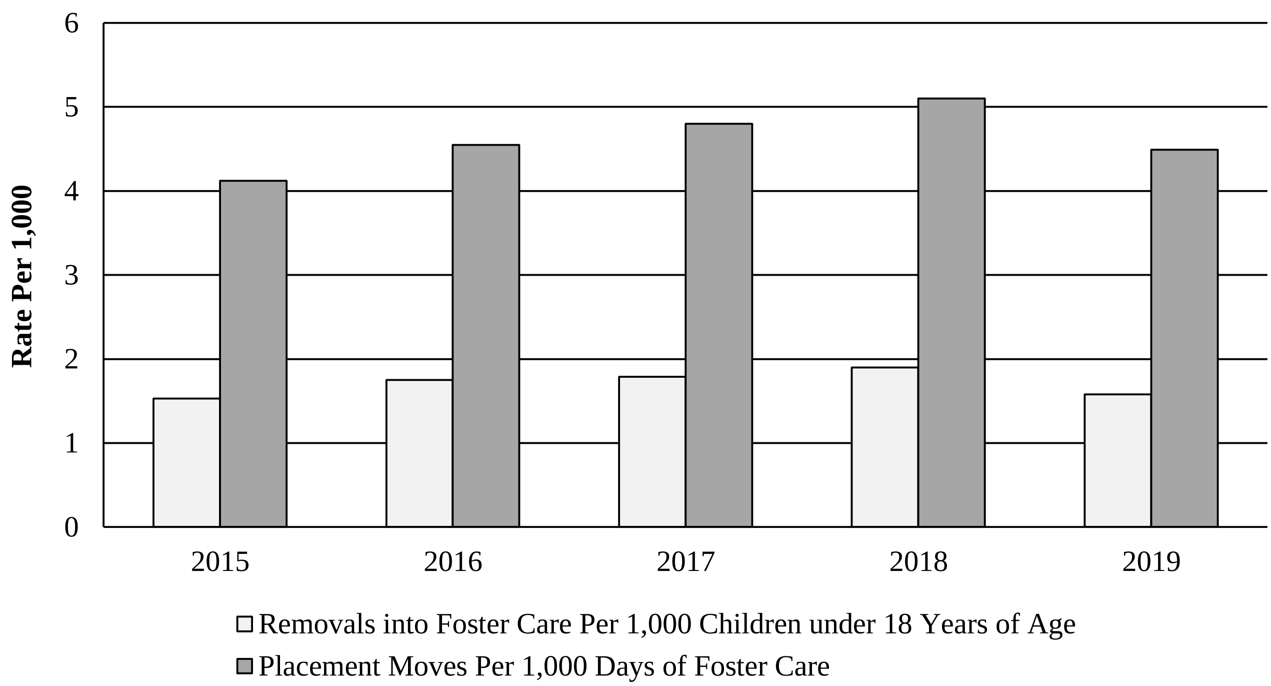
Source: Department of Human Services; Governor's Office for Crime Prevention, Youth, and Victim Services

Between 2018 and 2019, the number of youth in out-of-state placements that were placed in family settings increased by nearly 10 percentage points to 73.1%, the highest share of out-of-state placements in these settings since 2011. Many of the children in out-of-state placements in family settings are placed in kinship or other relative placements. The share of out-of-state placements in community-based settings has decreased from nearly 33% in 2016 to 11.5% in 2019. The number of youth in out-of-state placements is unlikely to reach 0 due to specialized needs of certain youth and kinship placements. However, the goal to reduce the number of youth in out-of-state placements remains.

2. Performance Improves in Entry Rates and Placement Stability

SSA has a goal of no more than 1.5 removals into care per 1,000 children under age 18. As shown in **Exhibit 2**, after nearly meeting the goal in fiscal 2015, the rate of removal increased in each of the next three years. In fiscal 2018, the rate of removal into care (1.9) was 26.7% higher than the goal. The increase was attributable to the opioid epidemic and other substance use issues. In fiscal 2019, the rate of removal into care declined to 1.58 removals per 1,000 children, a decrease of 16.8%. The highest rates of removal in the State are concentrated in three jurisdictions (Allegany and Garrett counties and Baltimore City). In fiscal 2019, these jurisdictions each experienced reductions of greater than 25% in the rate of removals into care. These reductions, particularly Baltimore City (which is the jurisdiction with the largest foster care caseload), contributed significantly to the statewide reduction. However, despite the reduction in these jurisdictions, the rate of removal in Garrett County (7.45) and Baltimore City (6.8) remains very high. DHS indicates that the reduction in fiscal 2019 primarily resulted from efforts to better work with families to prevent removals into care. In addition, DHS specifically noted that SSA staff provided intensive technical assistance to Baltimore City regarding requirements related to preventing a placement.

Exhibit 2
Out-of-home Care and Placement Stability
Fiscal 2015-2019



Source: Department of Human Services; Department of Budget and Management; Governor's Fiscal 2019-2021 Budget Books

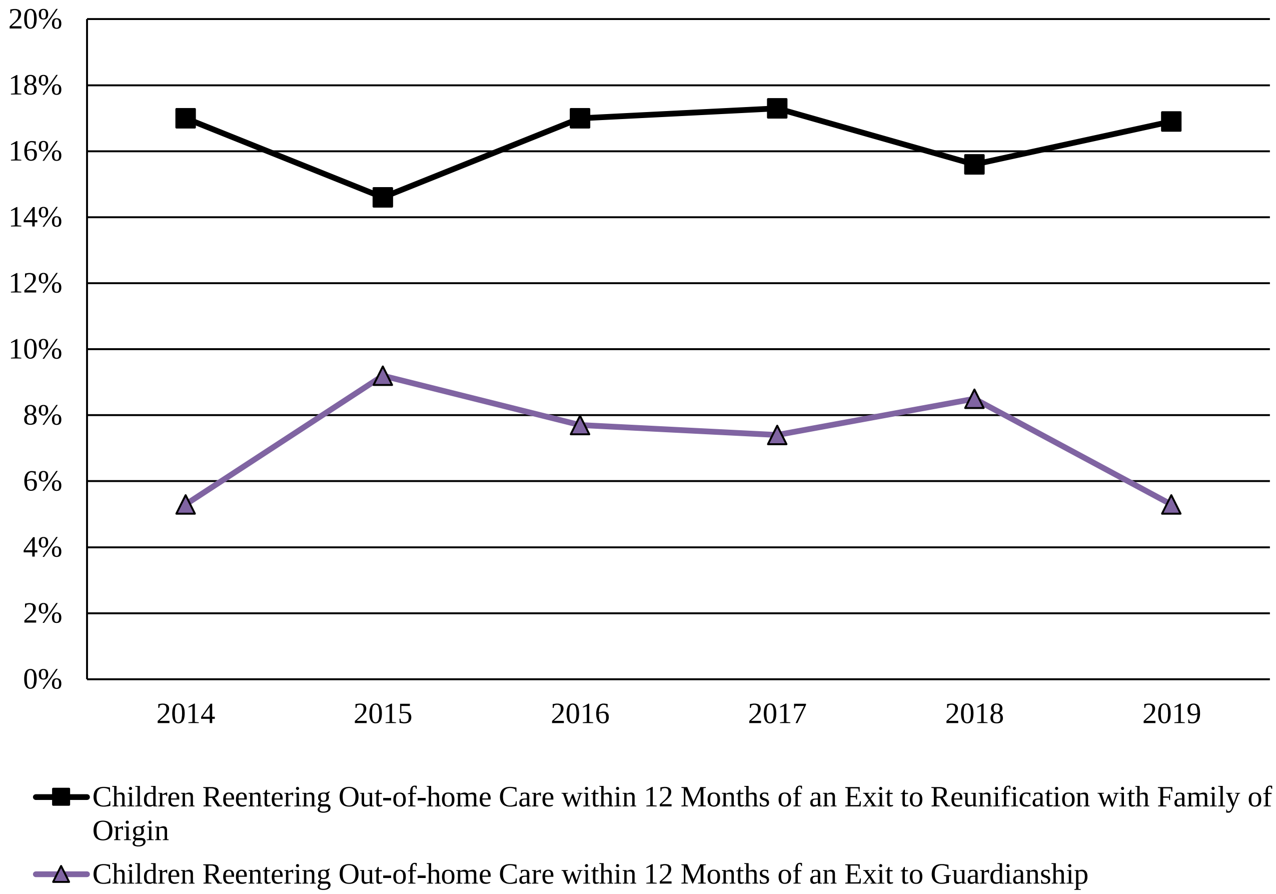
SSA has a goal of limiting the number of placement moves to 4.12 per 1,000 days of foster care, which equates to a move approximately every 243 days. After meeting the goal in fiscal 2015, performance declined in each of the next three years. In fiscal 2018, the rate of placement moves (5.1) exceeded the goal by 23.8%. The department attributed the increase to children entering care with complex needs that has led to challenges in finding appropriate placements. In fiscal 2019, the rate of placement moves decreased to 4.49 moves per 1,000 days, a move approximately every 223 days. DHS states that SSA is working with LDSS to ensure Family Involvement Meetings are occurring as required, which includes before placement changes, to ensure that moves are occurring only when it is in the best interest of the child. DHS also explained that it is revising and providing new procedures for the placement referral process to improve the matching of placements with the child's needs to reduce the frequency of moves.

3. Rate of Reentry into Care from Reunification Remains High

SSA has a goal of no more than 12% of youth reentering care within 12 months of an exit to reunification with the family of origin. SSA has not met this goal since fiscal 2011. As shown in **Exhibit 3**, the reentry rate has exceeded 15% in five of the last six years. In fiscal 2019, the reentry rate increased by 1.3 percentage points to 16.9%. To reduce the reentry rate, DHS again notes that it is focusing its efforts on the jurisdictions with the highest rates of reentry. DHS indicates that some causes of the continued high rates of reentry relate to interactions with the courts regarding reunification and the need for more detailed assessments of youth and families prior to reunification to ensure that community resources are in place.

The rate of reentry into care within 12 months of an exit to guardianship has exceeded 5% in all recent years. After reaching 8.5% in fiscal 2018, the rate of reentry into care from guardianship decreased in fiscal 2019 to 5.3%. This was the lowest rate of reentry from guardianship since fiscal 2014. DHS attributed the increase in reentry from guardianship in fiscal 2018 to nonrelative guardianship placements and indicated that LDSS would focus on ensuring guardians were aware of available supports. DHS explained that the improvement in fiscal 2019 generally relates to the efforts by LDSS in these areas.

Exhibit 3
Reentry into Care
Fiscal 2014-2019



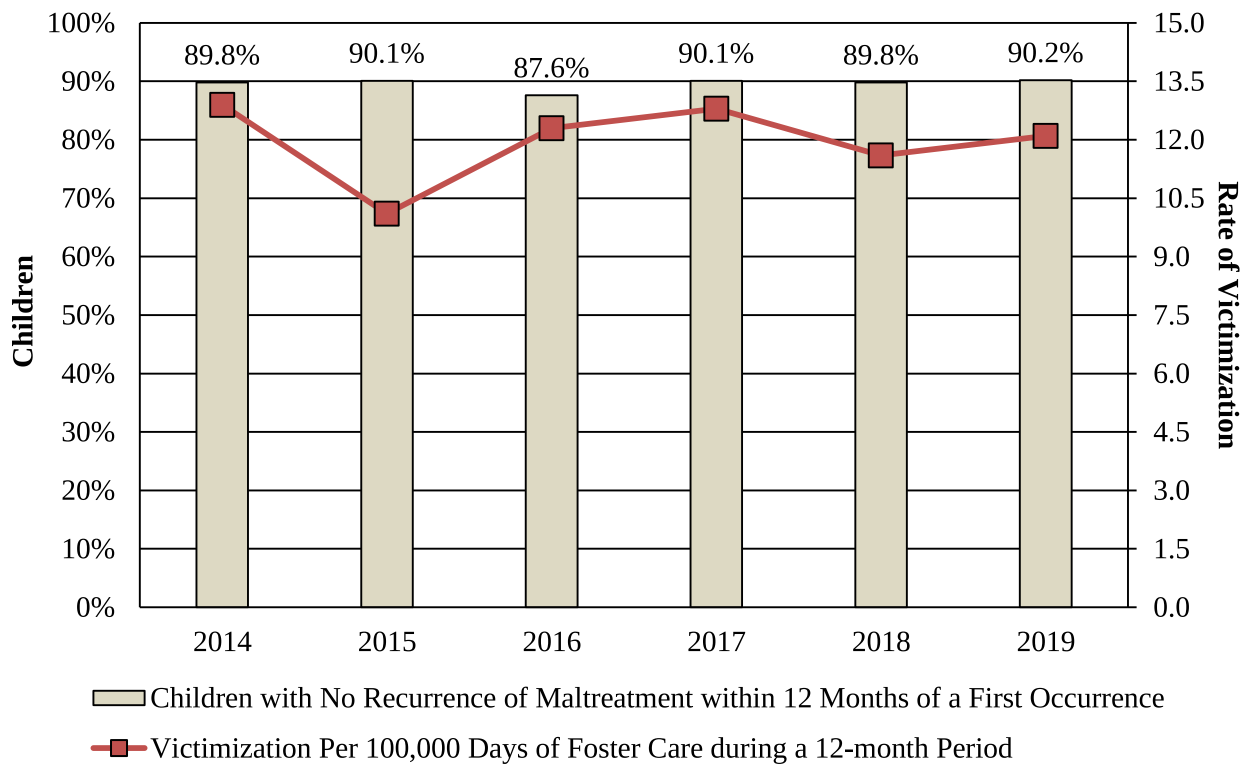
Source: Governor's Fiscal 2019-2021 Budget Books; Department of Budget and Management; Department of Human Services

4. Performance in Child Safety Measures Remain Below Goal

DHS reports two primary measures related to child safety: (1) the percentage of children with no recurrence of maltreatment within 12 months of a first occurrence; and (2) the rate of victimization per 100,000 days of foster care during a 12-month period. The rate of victimization includes all instances of maltreatment while in foster care and is not limited to foster parents or facility staff members.

DHS has a goal of 90.9% of children having no recurrence of maltreatment within 12 months of a first occurrence. As shown in **Exhibit 4**, SSA has failed to meet this goal in any year between fiscal 2014 through 2019. However, in three of these years, including fiscal 2019, more than 90% of children had no recurrence of maltreatment within 12 months. At 90.2%, the performance in fiscal 2019 was the highest of all recent years. DHS indicates that the increase results from improvements made by local departments in referring families to community-based resources that can assist families before incidents occur. DHS believes that the continued utilization of family assessments will further improve performance in this measure as a result of improved service plans prior to case closure.

Exhibit 4
Child Safety
Fiscal 2014-2019



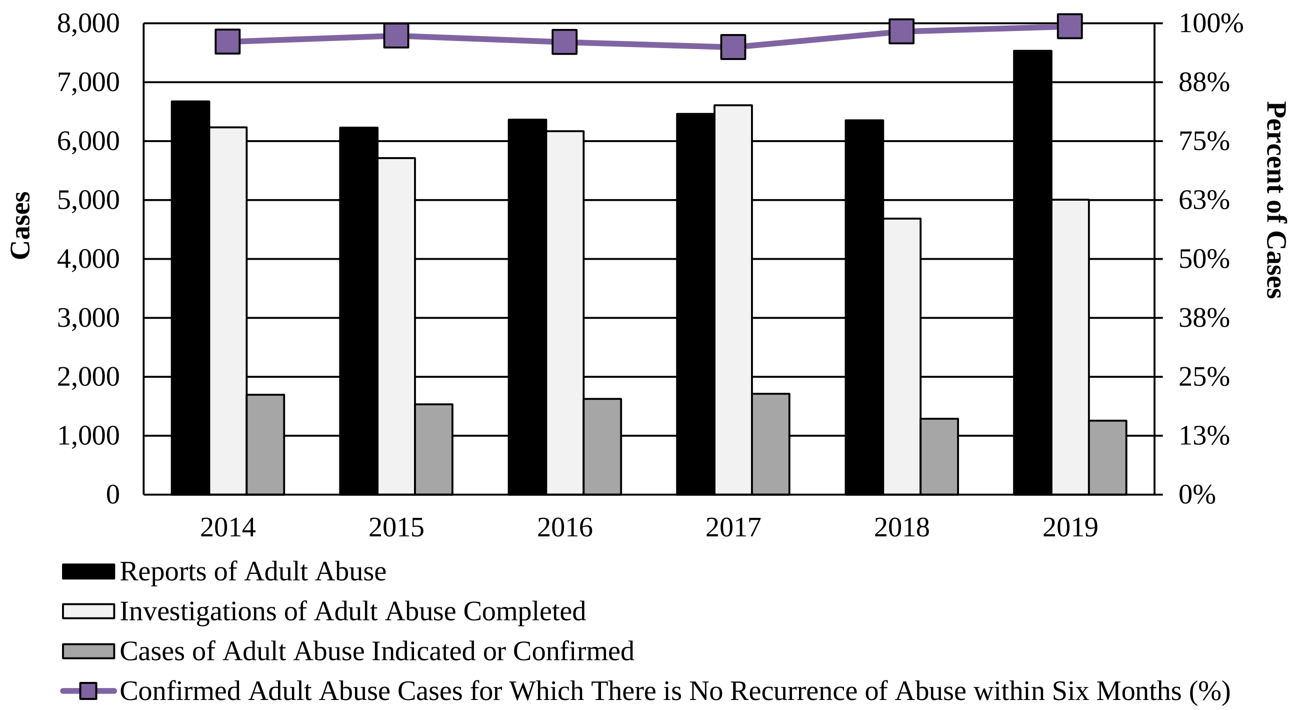
Source: Governor's Fiscal 2019-2021 Budget Books; Department of Budget and Management; Department of Human Services

The department's goal is a rate of victimization of 8.5 or less per 100,000 days of foster care during a 12-month period. This goal has not been achieved in any year between fiscal 2014 and 2019. After a reduction in the rate in the prior year, in fiscal 2019, the rate of victimization increased to 12.1, which is 42.4% higher than the goal. DHS attributes the decline in performance to data issues resulting from reports that occur after placement, even when the alleged abuse happened prior to placement. DHS explains that the new Child, Juvenile, and Adult Management System will allow for improved reporting. However, it is unclear why this cause would have led to such a substantial increase in fiscal 2019 when the same data system was in place in prior years. **DHS should comment on efforts that it is making to improve the safety of youth in its care.**

5. Performance Continues to Exceed Goals for Recurrence of Maltreatment for Adults

As shown in **Exhibit 5**, the number of reports of adult abuse increased by 18.5% in fiscal 2019 after holding relatively steady since fiscal 2016. DHS explains that increases in the number of reports have resulted from additional education related to reporting of suspected abuse along with increases specific to the reporting of financial abuse. DHS identified several education initiatives both by the agency and other State agencies including those by the Comptroller and the Maryland Department of Aging's Annual World Elder Abuse Awareness Day outreach. These efforts increase awareness of specific types of abuse such as financial exploitation and self-neglect. The LDSS offices are also conducting more community awareness outreach events including those related to how to recognize warning signs of abuse, neglect, and financial exploitation.

Exhibit 5
Adult Protective Services
Fiscal 2014-2019



Source: Governor's Fiscal 2019-2021 Budget Books; Department of Budget and Management; Department of Human Services

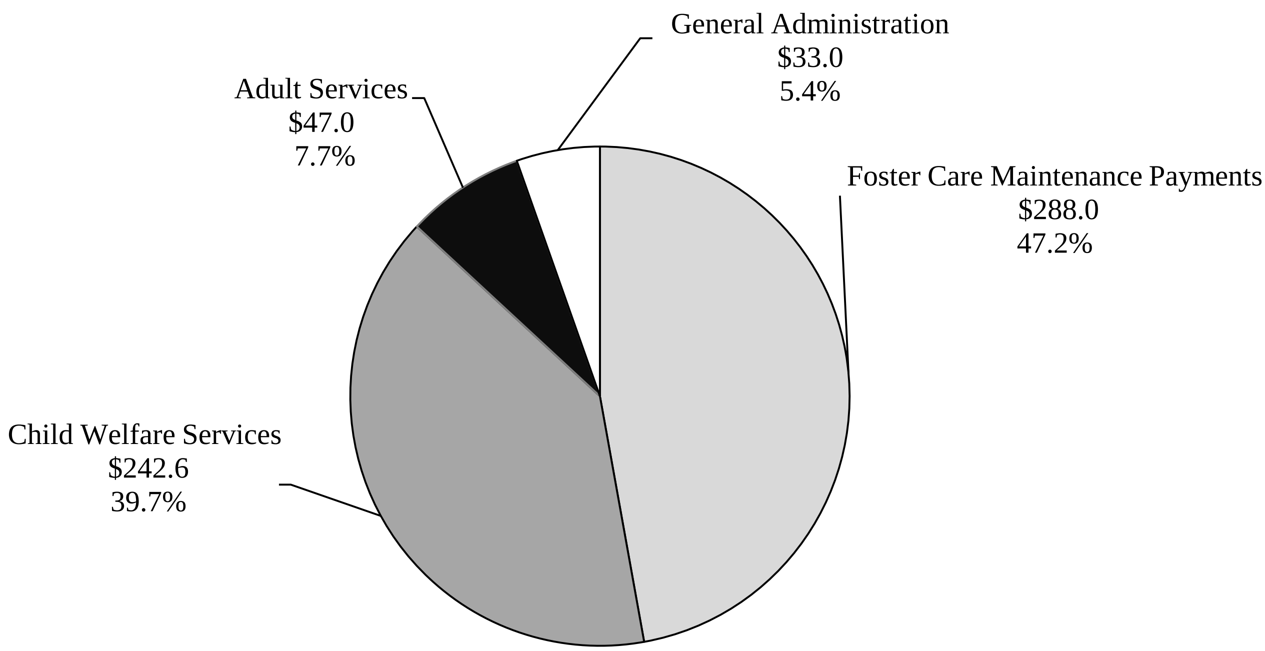
From fiscal 2014 to 2017, the number of investigations of adult abuse completed was relatively near the number of reports of abuse. In each of these years, investigations completed exceeded 90% of the reports. In fact, in fiscal 2017, the number of investigations completed exceeded the number of reports due to investigations that began in the prior year and because some reports result in investigations of multiple types of abuse that are each counted separately in this measure. However, the number of investigations completed relative to the number of reports of abuse declined in fiscal 2018 and 2019. In fiscal 2019, the number of investigations completed was less than 70% of the number of reports of abuse. SSA notes that it has provided more training and technical assistance regarding the use of a risk screening tool that has allowed workers to become more skilled at gaining information from the source of referral and resulted in more reports being screened out.

DHS has a goal of 96.5% of adult abuse cases having no recurrence within six months. DHS exceeded this goal in both fiscal 2018 and 2019. In fiscal 2019, DHS reports more than 99% of cases had no recurrence within six months. DHS attributes this improvement to a new standardized assessment tool that has assisted investigators in conducting a more thorough, individualized, and risk targeted assessment during the investigation that results in improved provision of services to prevent recurrence.

Fiscal 2021 Overview of Agency Spending

The fiscal 2021 allowance totals $613.1 million including statewide employee compensation adjustments. As shown in **Exhibit 6**, Foster Care Maintenance Payments account for 47% of the fiscal 2021 allowance. This program provides both the funds for placement costs for children in out-of-home care, subsidized adoptions, and subsidized guardianships, as well as related costs for these children (for example, day care expenses to assist foster parents and educational expenses). The majority of the Foster Care Maintenance Payments funding (59.1%, or $170.2 million) is used to support foster care placements. An additional 30% of this funding ($85.4 million) is used for subsidized adoption and subsidized guardianship placements.

Exhibit 6
Overview of Agency Spending
Fiscal 2021 Allowance
($ in Millions)

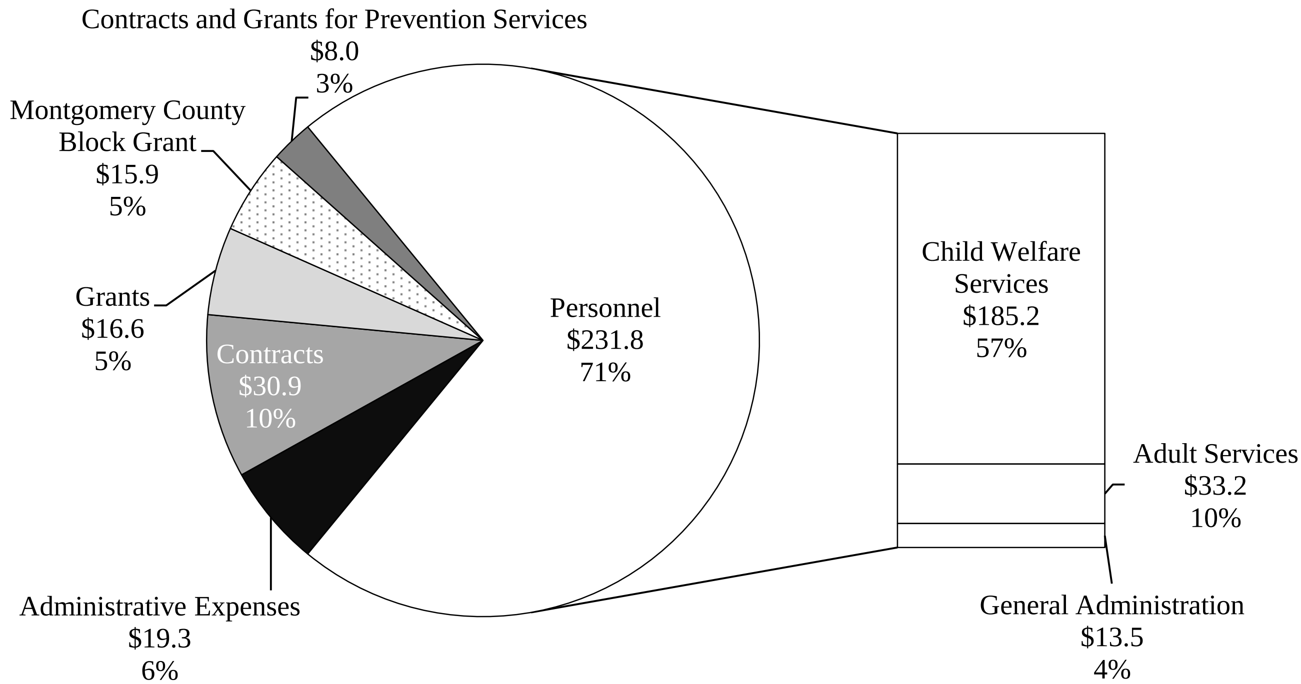


Note: Numbers may not sum due to rounding. Spending excludes statewide employee compensation adjustments.

Source: Governor’s Fiscal 2021 Budget Books

As shown in **Exhibit 7**, when excluding Foster Care Maintenance Payments, personnel expenses account for 71% of the fiscal 2021 allowance of SSA. In particular, personnel spending in the local child welfare services programs at LDSS accounts for 57% of the spending in SSA. The Montgomery County Block Grant accounts for 5% of SSA’s non-Foster Care Maintenance Payments spending. Montgomery County receives a block grant for child welfare, adult services, family investment, and administrative expenses. This block grant provides the county with the ability to provide higher pay and other flexibility. In SSA, the block grant includes the child welfare and adult services components. The activities budgeted through the block grant are similar to those that would be split between personnel, contracts, grants, and administrative expenses for the other LDSS. DHS pays the portion of the salaries equivalent to what those positions would earn if they were State employees.

Exhibit 7
Spending by Category, Excluding Foster Care Payments
Fiscal 2021 Allowance
($ in Millions)



Note: Numbers may not sum due to rounding. Spending excludes statewide employee compensation adjustments and foster care maintenance payments.

Source: Governor's Fiscal 2021 Budget Books; Department of Legislative Services

Approximately 3% of the non-Foster Care Maintenance Payments spending ($8.0 million) supports contracts and grants related to either the evaluation of the Title IV-E Waiver or the implementation of evidence-based practices under the Family First Prevention Services Act (FFPSA). This spending includes both evidence-based practices and other programs that provide prevention services ($4.0 million) as well as contracts for technical assistance and training related to the implementation of these practices ($3.1 million). The remainder of the funding relates to closeout activities from the Title IV-E Waiver ($0.9 million), such as the evaluation. Although a portion of these activities are ongoing in fiscal 2020, the funding in fiscal 2021 is higher because the waiver was scheduled to end September 30, 2019, and the budget did not include funding to continue all of these contracts and grants beyond that period.

Proposed Budget Change

As shown in **Exhibit 8**, the fiscal 2021 allowance for SSA increases by $31.7 million, or 5.4%, compared to the fiscal 2020 working appropriation after accounting for statewide employee compensation adjustments. Outside of Foster Care Maintenance Payments, the largest areas of increase are in personnel ($5.1 million) and spending related to prevention services due to the timing of the transition from the Title IV-E Waiver to the FFPSA implementation ($5.0 million).

Exhibit 8
Proposed Budget
DHS – Social Services
($ in Thousands)

How Much It Grows:	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
Fiscal 2019 Actual	$374,625	$8,184	$185,197	$828	$568,833
Fiscal 2020 Working Appropriation	367,463	6,845	206,858	206	581,372
Fiscal 2021 Allowance	387,246	7,223	217,756	828	613,053
Fiscal 2020-2021 Amount Change	$19,783	$378	$10,899	$622	$31,682
Fiscal 2020-2021 Percent Change	5.4%	5.5%	5.3%	301.8%	5.4%

Where It Goes:	Change
Personnel Expenses	
Employee retirement	$1,919
2% general salary increase, effective January 1, 2021	1,758
Regular earnings due to hiring above base and reclassifications partially offset by a net decrease of 5 positions	1,740
Annualization of 1% general salary increase, effective January 1, 2020	345
Turnover adjustments	-174
Workers' compensation	-209
Employee and retiree health insurance	-377
Other fringe benefit adjustments	131
Foster Care Maintenance Payments	
Foster care placement costs, including a 2% provider rate increase, primarily due to placement mix and costs of placement at higher levels of care	20,232
4% increase in subsidized guardianships and estimated higher monthly payments	2,187
Flexible spending and other foster care related expenses including education and intervention services to align with recent experience	242
Independent living to align with recent experience	-231
Day care expenditures to align with recent experience	-498
Foster youth savings program to align with recent experience	-558

Where It Goes:	Change
4.8% decrease in subsidized adoptions and lower estimated monthly payments to align with experience	-3,443
Prevention Services Not Fully Budgeted in Fiscal 2020 Due to Transition from Title IV-E Waiver to the FFPSA	
Contracts for technical assistance and training related to evidence-based practices and continuous quality improvement with Chapin Hall and the University of Maryland School of Social Work Institute for Implementation and Innovation	3,058
Evidence-based practices	1,264
Sobriety Treatment and Recovery Teams, a substance use related prevention service, in 13 jurisdictions operated previously under the Title IV-E Waiver	530
Thrive @ 25 activities in the Midshore region to prevent homelessness among youth with current or prior child welfare involvement (ongoing program funded previously by a federal grant)	170
Other Changes	
Savings related to an expansion of eligibility for federal funding to support subsidized adoptions that must be used to support other child welfare activities	2,002
Grants to LDSS from the Governor's Office of Crime Prevention, Youth, and Victim Services to better align with actual grant levels	622
Baltimore Child and Adolescent Response System for mental health stabilization and crisis intervention for youth in out-of-home placements and to prevent placements	547
Legal services in Baltimore and Prince George's counties	326
Purchase of motor vehicles to better reflect recent experience	251
Local Care Team reimbursement to support interagency coordination related to placements and service provision for children with complex needs to align with recent experience	120
Office of Administrative Hearings allocation	-163
Montgomery County Block grant primarily due to personnel and communications expenses	-347
Other Adjustments	238
Total	**$31,682**

FFPSA: Family First Prevention Services Act
LDSS: local departments of social services

Note: Numbers may not sum due to rounding. The fiscal 2020 appropriation includes deficiencies, planned reversions, and general salary increases. The fiscal 2021 allowance includes contingent reductions and general salary increases.

The majority of the increase occurs among general funds ($19.8 million), primarily due to Foster Care Maintenance Payments. However, federal funds increase by a net of $10.9 million. The majority of this increase occurs in the Child Welfare Services program to account for the transition from the Title IV-E Waiver back to only regular Title IV-E funds and costs associated with the FFPSA ($12.7 million). However, an increase of $4.4 million is derived from Medical Assistance funding. The fiscal 2021 allowance in Child Welfare Services from this fund source ($11.1 million) is $6.1 million higher than the most recent actual expenditures. The much higher budgeted funding than recent experience poses some risk of increased need for general funds or other federal funds to support spending. However, given the high level of current vacancies, the budget likely includes funding for personnel that will ultimately not be required.

Foster Care Maintenance Payments

The fiscal 2021 allowance for Foster Care Maintenance Payments increases by $17.9 million (6.6%) compared to the fiscal 2020 working appropriation. The increase occurs primarily among general funds ($18.1 million), which increase by 9.5%, while special and federal funds are relatively level funded.

Cost of Care Reimbursement

DHS, as custodian of the youth in out-of-home placements, applies for, and receives on behalf of youth as the representative payee, federal benefits (Veterans Administration, Supplemental Security Income, or Social Security). These funds are used to pay for the cost of care offsetting the general fund cost of placements. However, Chapters 815 and 816 of 2018 alter how the department can use those funds, requiring the department to begin, at age 14, reducing the amount of the benefits used for the cost of care. In particular, the chapters require that (1) at ages 14 and 15, no more than 60% may be used; (2) at ages 16 and 17, no more than 20% may be used; and (3) from ages 18 through 20, none of the funds may be used for the cost of care. The chapters were effective October 1, 2018.

DHS implemented the legislation as required. In response to language in the Fiscal 2020 Budget Bill, DHS reported that it conserved a total of $1.1 million between October 2018 and October 2019. The number of accounts varied by month, but in October 2019, there were 111 active accounts. DHS reported an additional 84 special needs trusts were established during this period.

Due to the implementation of this legislation, $1.1 million of special funds from the Cost of Care Reimbursement were still available to support Foster Care Maintenance Payments in fiscal 2019. However, the amount for fiscal 2020 and 2021 will be lower, since fiscal 2019 did not represent a full fiscal year of implementation. Despite this, the fiscal 2021 allowance maintains level funding from the Cost of Care Reimbursement special fund at $1.9 million, which is approximately the level of spending in fiscal 2018. **The Department of Legislative Services (DLS) recommends deleting $1 million of this special fund appropriation as these funds will not be available to support the cost of care. DLS also recommends committee narrative requesting information on the amounts conserved as a result of this legislation.**

Rates

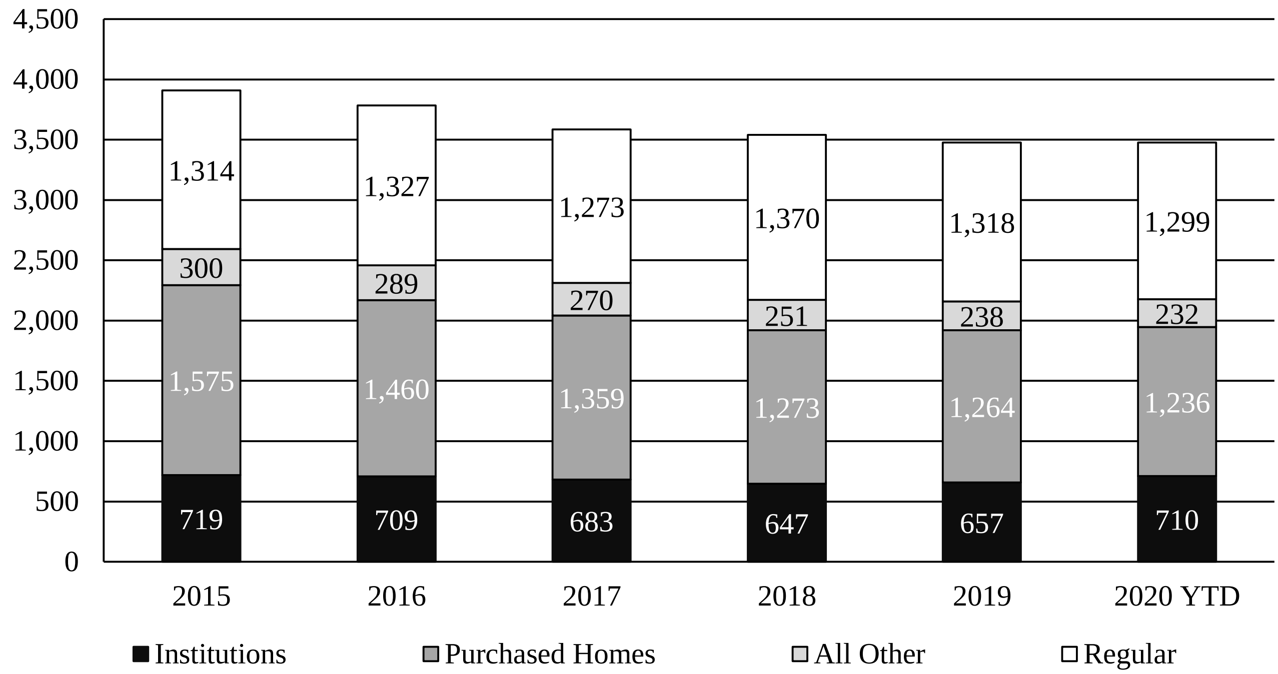
The fiscal 2021 allowance includes funding for a 2% provider rate increase for providers who have rates set by the Interagency Rates Committee (IRC) of $3.1 million. This funding is consistent Section 5 in the Budget Reconciliation and Financing Act of 2020 that limits rate increases for providers who have rates set by IRC to no more than 2%. The fiscal 2021 allowance does not include funding to support an increase in the monthly board rate for family foster care, or account for increases in payments for subsidized guardianships or adoptions.

The fiscal 2020 budget includes funding ($420,452) for DHS to work with the University of Maryland School of Social Work Institute for Innovation and Implementation and Hilltop Institute at the University of Maryland Baltimore County to develop a new rate structure. The fiscal 2021 allowance continues that funding. DHS stated that the development of the new rate structure would be complete by December 2019, and it would be used for the first time in fiscal 2021. Committee narrative in the 2019 JCR requested that DHS provide a copy of the report describing the new rate structure with submission of the fiscal 2021 allowance. The fiscal 2021 budget did not account for a change in the rate structure and, as of this writing, DHS has not submitted the requested report. On February 14, 2020, DHS requested an extension for submission of the report until March 1, 2020. **Although DHS has requested an extension, DLS recommends budget bill language restricting funds until the department submits a copy of the planned new rate structure or a report describing why it decided not to proceed with a change.**

Caseload Trends and Estimates

As shown in **Exhibit 9**, the number of youth in out-of-home placements paid for by DHS has decreased since fiscal 2015. However, the rate of decline has been relatively slow since fiscal 2017. In fiscal 2018 and 2019, the average monthly number in children foster care decreased by less than 2%. Through the first half of fiscal 2020, the average monthly number of children in foster care is unchanged from fiscal 2019.

Exhibit 9
Foster Care
Average Monthly Caseload
Fiscal 2015-2020 YTD (through December 2019)



YTD: year to date

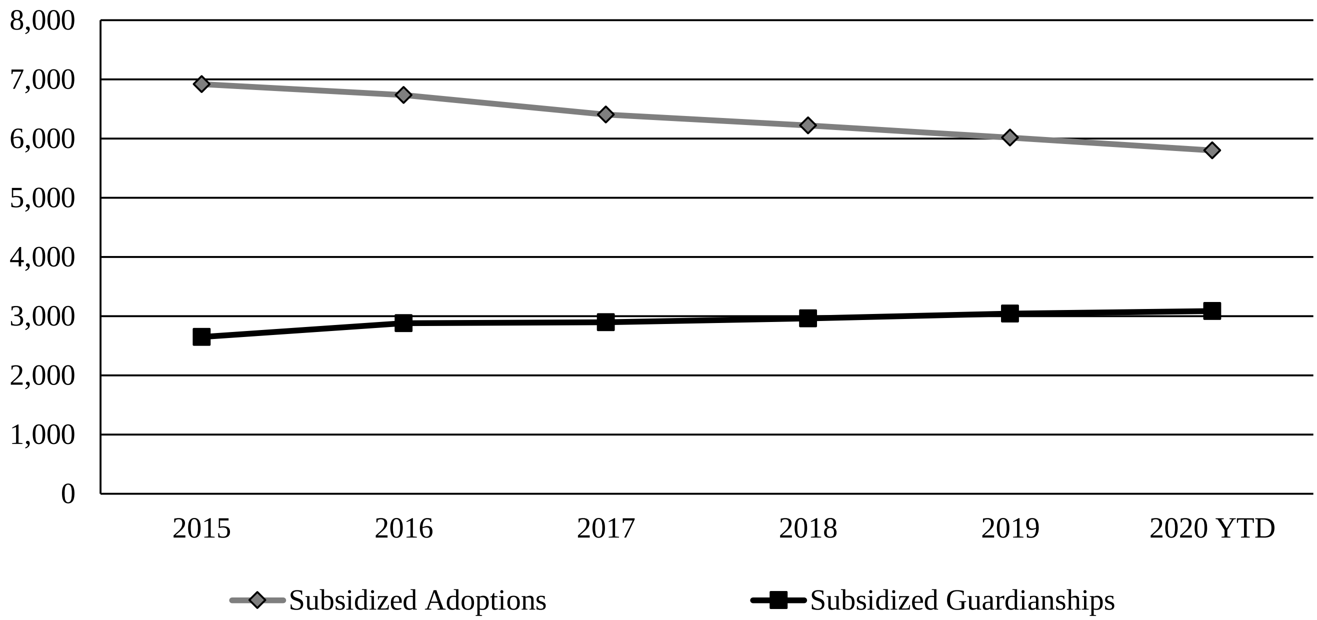
Note: Excludes certain types of placements that are paid for in other areas of the State budget, such as kinship care, Regional Institutes for Children and Adolescents, and hospitalizations. Fiscal 2020 figures for institutional placements are distorted due to additional payments in one month due to provider rate increase effective dates. However, even without that month these placements experienced in an increase in the first half of fiscal 2020.

Source: Department of Human Services; Department of Legislative Services

In fiscal 2018, the rate of decline slowed due to an increase in the number of youth in regular family foster home settings. Although offset by the decline in other placement types, this increase occurred in part due to the ongoing opioid epidemic that increased the number of youth in out-of-home placements. Since that time those placements have returned to a level closer to fiscal 2017, but placement types with higher levels of care and cost have experienced slower rates of decline or even increases. In particular, in fiscal 2019, the number of youth in purchased institution placements increased by 1.5% and has increased further in fiscal 2020 (through December). This was the first increase in these placements in more than a decade. In addition, the number of placements in purchased homes decreased by less than 1%, the slowest rate of decline in these placements also in more than a decade.

As shown in **Exhibit 10**, the growth in the average number of youth in subsidized guardianships has continued to slow in recent years. The average number of youth in subsidized adoptions continues to decline with the rate of decline varying over time but at greater than 2% in all years. In the first half of fiscal 2020, the average number of children in subsidized adoptions has decreased by 3.5%.

Exhibit 10
Subsidized Adoptions/Guardianships
Average Monthly Caseloads
Fiscal 2015-2020 YTD (through December 2019)



YTD: year to date

Source: Department of Human Services; Department of Legislative Services

Exhibit 11 presents a comparison of the DLS estimate for the average monthly placements and the caseload estimate on which the budget is based for fiscal 2020 and 2021. In fiscal 2020, DLS forecasts a lower caseload overall, primarily due to aligning the regular foster care caseload with recent experience. However, DLS is forecasting higher than budgeted levels of placements in two of the highest cost placement types: DLS anticipates 40 additional purchased institution placements based on year-to-date trends, an increase of 3.5% over the fiscal 2019 level; and a slower rate of decline in purchased home placements based on recent trends, a decrease of 2%. The recent trends that led to these differences are recognized in the levels budgeted for fiscal 2021. In fact, the DLS estimate is slightly more conservative in the rates of change for fiscal 2021, leading to slightly lower estimates in these placements. Overall, in fiscal 2021, DLS estimates a total caseload at the same level as the budgeted level.

Exhibit 11
Caseload Projections by Placement Type
Average Monthly Caseloads
Fiscal 2019-2021 Est.

	2019	2020			2021		
	Actual	Budget	DLS	2020 DLS – 2020 Budget Difference	Budget	DLS	2021 DLS – 2021 Budget Difference
Regular	1,318	1,566	1,298	-268	1,213	1,279	66
Other Placements	238	201	235	34	246	230	-16
Purchased Home	1,264	1,119	1,239	120	1,256	1,233	-23
Purchased Institution	657	640	680	40	704	690	-14
Subsidized Adoptions/ Guardianships	9,058	8,951	8,893	-58	8,794	8,780	-14
Total Combined	**12,535**	**12,477**	**12,345**	**-132**	**12,213**	**12,212**	**-1**

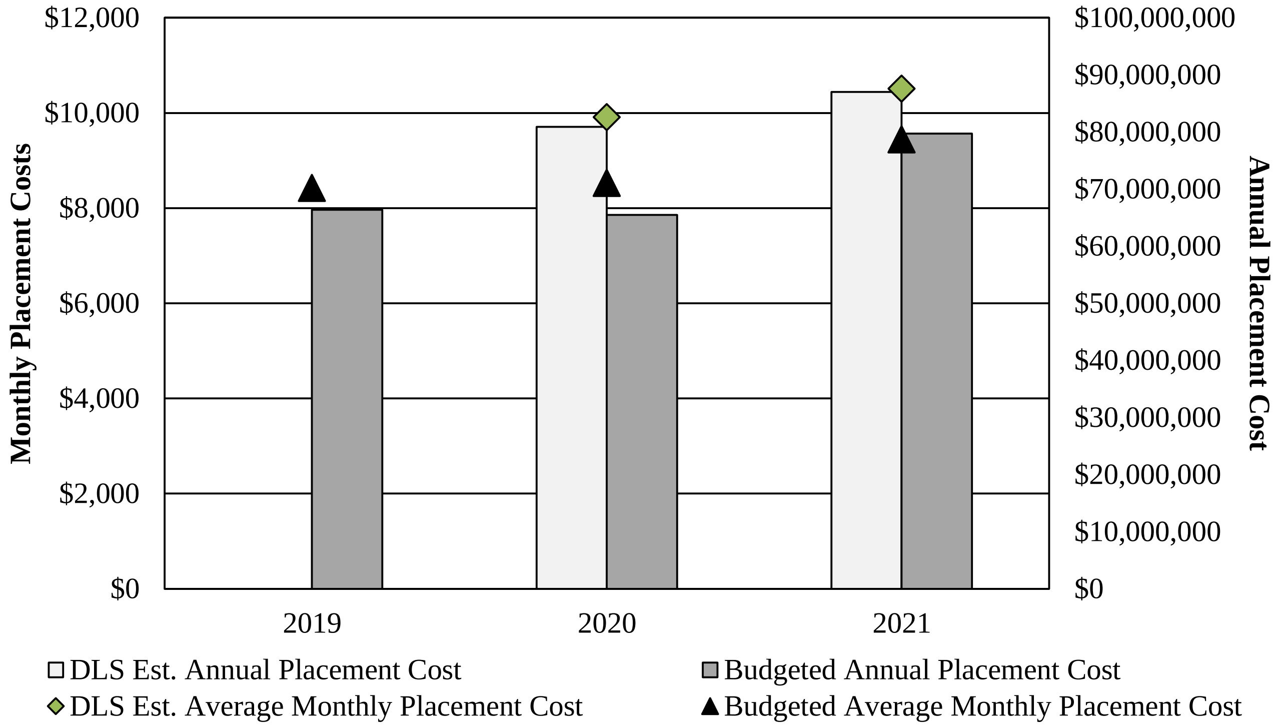
DLS: Department of Legislative Services

Note: Numbers may not sum due to rounding

Source: Department of Human Services; Department of Budget and Management; Department of Legislative Services

The fiscal 2020 budget assumed rate increases of 3%. However, in fiscal 2020, DHS reports that substantial rate increases were approved for certain providers, which has led to a substantial increase in the average monthly costs for purchased institution placements compared to what was anticipated for fiscal 2020. Purchased institution placements include placements such as high intensity group homes, hospitalization costs beyond the period Medicaid covers, and certain out-of-state placements. Between August and October 2019, the monthly placement cost for purchased institution placements increased by approximately $2,000 per placement. That level of monthly cost has been sustained through December. These much higher monthly costs have led DLS to forecast average monthly placement costs of nearly $1,400 more than the budgeted level, as shown in **Exhibit 12**. The fiscal 2021 allowance partially accounts for this change but remains approximately $1,000 less than the DLS forecast. The higher forecasted monthly placement cost for these placements, in combination with the higher average monthly placements, has resulted in DLS forecasting much higher annual costs than the budgeted level.

Exhibit 12
Purchased Institution Placement Costs
Fiscal 2019-2021 Est.



DLS: Department of Legislative Services
Est.: estimate

Note: Purchased institution placements are generally higher levels of care and includes placements more commonly referred to as group homes. In both fiscal 2020 and 2021, the monthly cost accounts for the level of provider rate increase assumed in the budget.

Source: Department of Human Services; Department of Budget and Management; Department of Legislative Services

Forecast

DLS forecasts generally lower costs of placements for other placement types which, in combination with lower estimated numbers of placements for several placement types, partially offset the higher than budgeted cost of purchased institution placements. As a result, as shown in **Exhibit 13**, in fiscal 2020, DLS estimates a shortfall of approximately $14.4 million. DLS projects a higher availability of federal funds from Title IV-E based on experience prior to the waiver, which results in a slightly lower general fund shortfall ($11.1 million). In fiscal 2021, DLS expects a shortfall of $2.2 million, but the general fund shortfall is less than $1.0 million due to the estimate of federal Title IV-E funding.

Exhibit 13
Foster Care Maintenance Payments Program Expenditure Forecast
Fiscal 2019-2021
($ in Millions)

	2019	2020	2021	% Change 2020-2021
Budgeted Expenditures				
General Funds	$188.2	$191.2	$209.3	9.5%
Total Funds	**$270.8**	**$270.1**	**$288.0**	6.6%
DLS Forecasted Expenditures				
General Funds	$188.2	$202.4	$210.0	3.8%
Total Funds	**$270.8**	**$284.4**	**$290.2**	**2.0%**
General Fund Shortfall (Compared to Budget)		-$11.1	-$0.7	
Total Shortfall (Compared to Budget)		**-$14.4**	**-$2.2**	

DLS: Department of Legislative Services

Source: Governor's Fiscal 2021 Budget Books; Department of Legislative Services

However, significant uncertainty exists in the availability of federal Title IV-E primarily due to the implications of the new federal changes regarding group home placements that went into effect October 1, 2019. The FFPSA established a limitation on federal reimbursement of placements for nonfamily providers to two weeks unless the provider is a Qualified Residential Treatment Program (QRTP). QRTPs must meet a number of requirements including (1) having a trauma-informed treatment model; (2) holding a license and accreditation by certain organizations; and (3) having registered or licensed nursing staff and other licensed clinical staff who can provide care onsite according to the treatment model and are available 24 hours per day, seven days per week. These rules do not apply for minor mother programs, independent living programs for youth who are at least age 18, programs for youth who have been found to be, or at risk for becoming, sex trafficking victims, or a licensed residential family-based treatment facility for substance use. These changes do not impact placement decisions, which are still expected to be made in the best interest of the child. The impact is related to the availability of federal reimbursement for nonfamily placements.

Depending on the number of facilities able to meet these requirements and become QRTPs and the need for these types of placement, the federal fund availability for nonfamily settings could be significantly reduced. As these types of placement are generally higher cost, this change could have significant budgetary implications. DHS and the Department of Juvenile Services have identified 12 programs that may qualify as a QRTP. DHS also previously has indicated that it believes that the rules only affect new placements made after October 1, 2019, rather than all placements beginning

October 1, 2019. **DHS should comment on the status of any federal approvals required related to QRTPs and the certification of QRTPs. DHS should also discuss whether general fund and federal fund placement costs are currently being impacted by the QRTP rules.**

Foster Youth Savings Program

The fiscal 2021 allowance includes funding for the fourth year of the Foster Youth Savings Program. This program provides for yearly deposits into savings accounts for transition aged youth that vary by age ($350 for youth ages 14 to 17 and $800 for youth ages 18 to 20). These deposits occur when a youth is newly eligible due to age or removal into care and then annually after that time. Beginning in fiscal 2019, DHS also began providing incentives for completion of certain Ready for 21 benchmarks. In that year, the only incentive was for youth receiving a high school diploma or equivalent or a certificate of completion. In fiscal 2020, DHS added incentives for completion of a degree from a higher education institution or certificate of completion at a trade school or job training program and incentives for compliance with Semi-Independent Living Arrangement program requirements. Each of these incentives is $500.

Language on the appropriation of the funds has annually requested more detail on how the program would operate and how the funds would be used because the detail was not available for review in the early years of the program. In the response related to the fiscal 2020 language, the department indicated that it would finalize any incentives for fiscal 2021 in March 2020. In the letter recommending approval of the release of the fiscal 2020 funds, the budget committees requested that the department advance the timeline so that incentives for fiscal 2021 would be determined no later than the submission of the budget. DHS has indicated that it does not plan any new incentives and will continue to operate the program with the use of funds remaining the same as in fiscal 2020.

In the first three years of the program, the budget included $1.7 million for the program. The fiscal 2021 allowance contains $1.1 million for the program, a decrease of $558,095 compared to the fiscal 2020 working appropriation. The funding aligns with actual expenditures for the program in fiscal 2019. DHS estimated that $2.0 million will be needed in fiscal 2021 based on the estimates of youth receiving incentives plus the estimated number of new and annual deposits occurring. While this amount is greater than the allowance, recent experience indicates that spending could be lower than expected, and it is uncertain how many youth will achieve the incentives.

Personnel Data

	FY 19 Actual	FY 20 Working	FY 21 Allowance	FY 20-21 Change
Regular Positions	2,652.45	2,653.45	2,648.45	-5.00
Contractual FTEs	3.57	2.50	2.50	0.00
Total Personnel	**2,656.02**	**2,655.95**	**2,650.95**	**-5.00**

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	184.60	6.97%
Positions and Percentage Vacant as of 12/31/19	255.50	9.63%
Vacancies Above Turnover	70.9	

- SSA has a net decrease of 5 positions in the fiscal 2021 allowance compared to fiscal 2020. DHS indicates that positions were transferred to other areas of the department to better reflect the work of the positions and to reallocate resources to meet the needs of the agency.

- As of January 1, 2020, SSA had a vacancy rate of 9.63% or 255.5 positions. This is 49.5 more vacant positions than January 1, 2019, and is 70.9 more vacant positions than is needed to meet turnover. More than half of these positions have been vacant for six or fewer months (159). DHS reports that it experienced a higher than normal level of retirements in the latter part of calendar 2019.

- Although not reflected in the fiscal 2021 allowance of SSA, the budget includes funding to support a one grade increase, up to 6%, in salaries for social worker classifications. The funding is contained within the Department of Budget and Management (DBM). In DHS, this totals $4.5 million ($2.8 million in general funds, $41,458 in special funds, and $1.6 million in federal funds) for 868 social worker positions, nearly all of which are in SSA. This increase supports social worker caseworkers, supervisors, and therapists.

Issues

1. Spending on Evidenced-based Practices and Other Prevention Services

DHS received approval for a demonstration project and Title IV-E Waiver on September 30, 2014. DHS began implementing the waiver on July 1, 2015, and the waiver ended on September 30, 2019. The waiver allowed DHS to use Title IV-E funds for activities that, at the time of the waiver request, were not eligible for these funds. In particular, DHS used the waiver funds to provide prevention services. Traditionally, Title IV-E funds were available only for administrative costs and costs of placements for eligible youth in out-of-home placements or subsidized guardianships and adoptions.

In February 2018, during the period of the waiver, President Donald J. Trump signed the Bipartisan Budget Act of 2018 into law that included the FFPSA. The FFPSA made a number of changes to the child welfare system, particularly related to the use of federal Title IV-E funding. One of the changes made under the FFPSA was to authorize Title IV-E reimbursements for time-limited prevention services beginning October 1, 2019. The reimbursement is available for up to 12 months and is available regardless of whether the youth would be eligible for reimbursement in an out-of-home placement. The reimbursement is available for youth that are identified in a prevention plan as a candidate for foster care or a pregnant or parenting youth. The prevention services must be trauma-informed and evidenced-based. The prevention service must fall under one of the following categories: (1) mental health; (2) substance abuse prevention; or (3) in-home parenting skills.

Eligible services must be rated by the newly established Title IV-E Prevention Services Clearinghouse as well supported, supported, or promising. The evaluation of practices is ongoing. During the period of the evaluation process, states will be able to request transitional payments for a practice in certain circumstances. Through the end of calendar 2019, the Title IV-E Prevention Services Clearinghouse had rated 10 practices at a level that would allow states to receive reimbursement if the state chooses to implement it.

Practices Implemented

Many, but not all of the State's jurisdictions, implemented at least one evidence-based practice in at least one year of the Title IV-E Waiver. The number of practices implemented and jurisdictions implementing practices varied during the waiver period. The practices implemented under the waiver fell under the categories of (1) Child Behavioral Health; (2) Parent Training/Support; (3) Substance Use; or (4) Practice/Service Models. **Exhibit 14** provides information on the 20 practices implemented by jurisdictions in fiscal 2019. In total, in fiscal 2019, 22 jurisdictions implemented at least one practice. The most commonly implemented practice was the Sobriety Treatment and Recovery Teams (START).

Exhibit 14
Evidence-Based Practices Implemented in Fiscal 2019

Practice Name	Jurisdictions Implementing	Rating by Title IV-E Clearinghouse	DHS Plans to Continue in Fiscal 2020	Approved in Prevention Plan
Child Behavioral Health				
Partnering for Success/Cognitive Behavioral Therapy Plus	Baltimore	n/a	Yes	No
Functional Family Therapy	Anne Arundel Carroll Harford Howard	Well Supported	Yes	Yes
Multisystemic Therapy	Frederick Prince George's Washington	Well Supported	Yes	Yes
Parent-Child Interaction Therapy	Anne Arundel	Well Supported	Yes	Yes
Trauma Systems Therapy	Washington	n/a	No	n/a
Seeking Safety	Allegany	n/a	No	n/a
Homebuilders	Allegany Garrett	n/a	No	n/a
Transitional Trauma Therapy Services	Montgomery	n/a	No	n/a
Trauma Focused-Cognitive Behavioral Therapy	Washington	Promising	No	n/a
Parent Training/Support				
Incredible Years	Allegany Garrett	n/a	No	n/a
Nurturing Parenting Program	Harford Kent Talbot	n/a	Yes	Pending
Circle of Security	Anne Arundel	n/a	Yes	No
Healthy Families America	Harford Talbot	Well Supported	Yes	Yes
Strengthening Families	Prince George's St. Mary's	n/a	Yes	No

Practice Name	Jurisdictions Implementing	Rating by Title IV-E Clearinghouse	DHS Plans to Continue in Fiscal 2020	Approved in Prevention Plan
Substance Use Models				
Safe Babies Court Team	Frederick	n/a	Yes	No
Community Outreach Addiction Team	Wicomico	n/a	No	n/a
Sobriety Treatment and Recovery Teams	Anne Arundel Caroline Carroll Cecil Dorchester Frederick Harford Kent Montgomery Queen Anne's Somerset Talbot Worcester	n/a	Yes	Pending
Practice/Service Models				
Solution-based Casework	Baltimore City	n/a	No	n/a
Nurtured Heart Approach	St. Mary's	n/a	No	n/a
Community of Hope	Washington	n/a	No	n/a

DHS: Department of Human Services
n/a: not applicable

Note: Ratings are as of February 1, 2020.

Source: Department of Human Services; U.S. Department of Health and Human Services Title IV-E Clearinghouse

Language in the fiscal 2020 Budget Bill requested that DHS provide information on which practices would continue after the end of the waiver and any new evidence-based practices that could be implemented in fiscal 2020 or 2021. DHS collaborated with its technical assistance partners and local jurisdictions to determine the sustainability of each practice and whether it would continue to be funded. For fiscal 2020, DHS decided to continue funding for 10 of these practices. Of these practices, 9 continue only in the jurisdictions that implemented it in fiscal 2019. DHS planned to expand only 1 practice (Functional Family Therapy) to an additional jurisdiction (Baltimore County). DHS reported that no new practices were implemented in fiscal 2020. At that time, DHS noted that it was exploring other programs that were rated by the Title IV-E Clearinghouse that were being implemented by other Maryland agencies and reviewing other approved practices.

Prevention Plan Approved

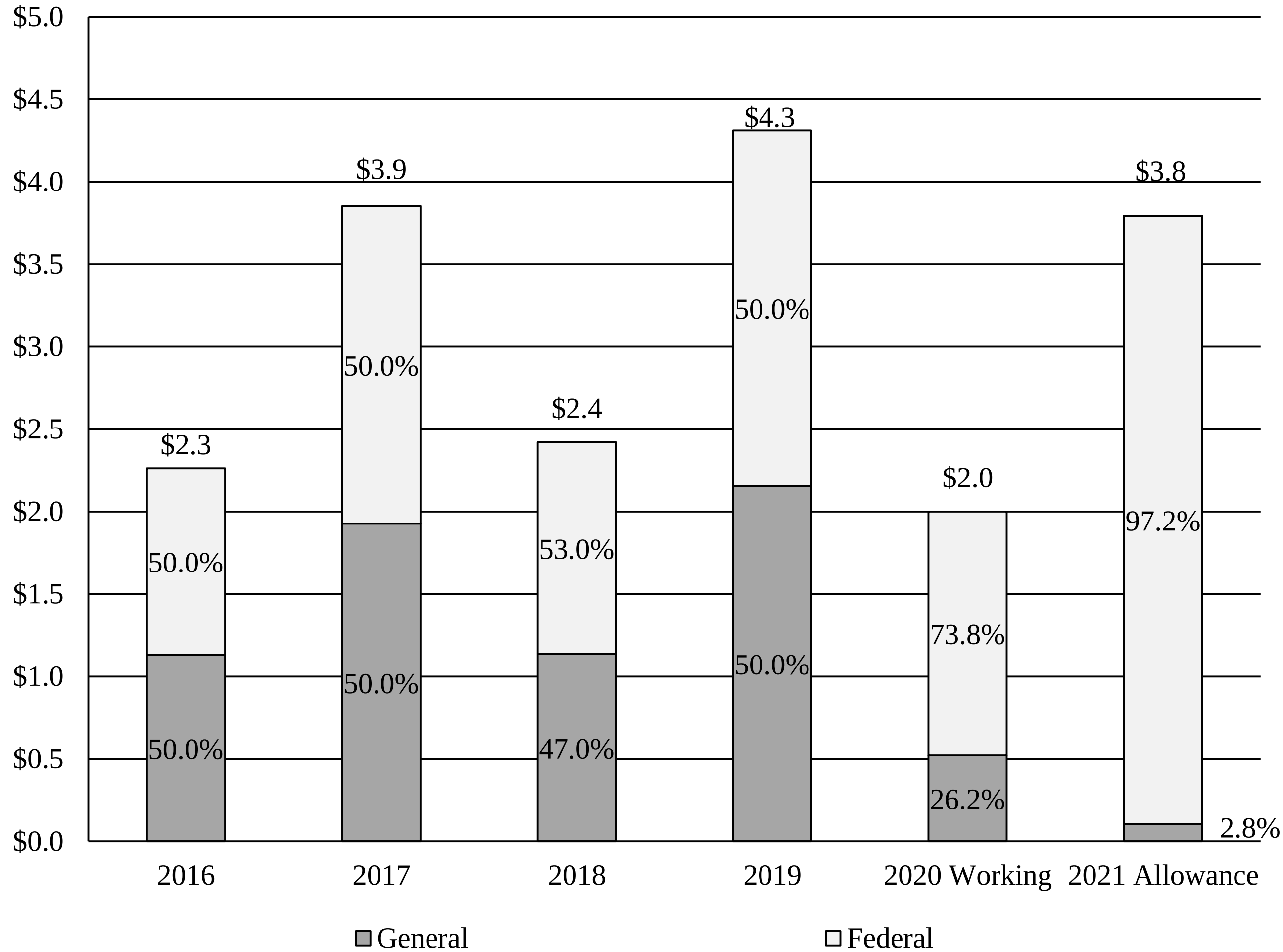
To receive reimbursement under the FFPSA, the State must have an approved Title IV-E Prevention Plan, which includes information on the youth and families to be targeted for services and the practices to be implemented. DHS indicated that its plan is to focus prevention services on children and families receiving in-home services at imminent risk of entry into foster care and youth in foster care who are pregnant or parenting. The submitted plan included five practices that had been rated by the Title IV-E Clearinghouse as supported or well supported and three practices that were pending approval.

DHS reports that the State's Title IV-E Prevention Plan was approved by the U.S. Department of Health and Human Services (HHS) on February 4, 2020. The approval was retroactive to October 1, 2019. As a result, DHS should receive federal reimbursement for any approved prevention services provided during fiscal 2020. However, the approved practices include only five of the nine practices DHS had reported it was continuing in fiscal 2020. The approved practices are shown in Exhibit 14. HHS also approved a fifth practice (Nurse Family Partnership) that was not implemented by jurisdictions through the Title IV-E Waiver. However, DHS reported that this practice was previously funded by other State agencies. DHS noted that the three additional practices for which it was seeking approval were not included in the initial approval, but it is seeking approval through the process for transitional payments. Two of these practices (Nurturing Parenting Program and START) are being implemented by the department with State funds while awaiting approval. The fiscal 2021 allowance supports START partially with federal funds, in anticipation that this practice will be approved.

Funding

As shown in **Exhibit 15**, the expenditures on evidence-based practices and other prevention services by SSA fluctuated during the four full years of waiver implementation (fiscal 2016 to 2019). The first year of expenditures was the lowest reflecting startup time and that few jurisdictions actually implemented evidence-based practices in that year. Fiscal 2019 had the highest expenditures, reflective of the larger number of jurisdictions implementing a larger number of practices. In each of those years, the funding was relatively evenly split between general and federal funds as expected given the matching nature of the fund source.

Exhibit 15
Funding for Evidence Based Practices and Prevention Services
Fiscal 2016-2021
($ in Millions)



Source: Governor's Fiscal 2018-2021 Budget Books

The fiscal 2020 working appropriation has the lowest total funding due to the Title IV-E Waiver funds only being available for one quarter, though that level of spending is near the fiscal 2018 actual level of spending. Consistent with the lower funding level, as noted, DHS did not continue all of the practices funded in fiscal 2019. While it is unclear whether this is a sufficient level of funding, the fund split is not appropriate. Under both the Title IV-E Waiver and the FFPSA, approved prevention services have a federal match rate of 50%. The fiscal 2021 allowance funds the practices almost entirely with federal funds, which overstates the available federal funds, and leaves a general fund shortfall of

$1.6 million just to maintain that level of planned spending. The only general funds are for START, which as noted previously, has not yet received federal approval.

However, as part of the enacted federal fiscal 2020 budget, $500 million was provided to states to assist in the transition to the FFPSA. DHS anticipates that it will receive $7.1 million from this allocation, a portion of which it expects to use to fund evidence-based practices. This additional funding may assist in resolving the funding issues for fiscal 2020 because it requires no federal match. However, it is unclear if these funds will be able to support spending in fiscal 2021 and help address the shortfall identified previously. **DHS should comment on how it will fund the State share of the evidence-based practices in fiscal 2020 and 2021 and to what extent the funds available from the additional federal allocation will assist the State in this effort.**

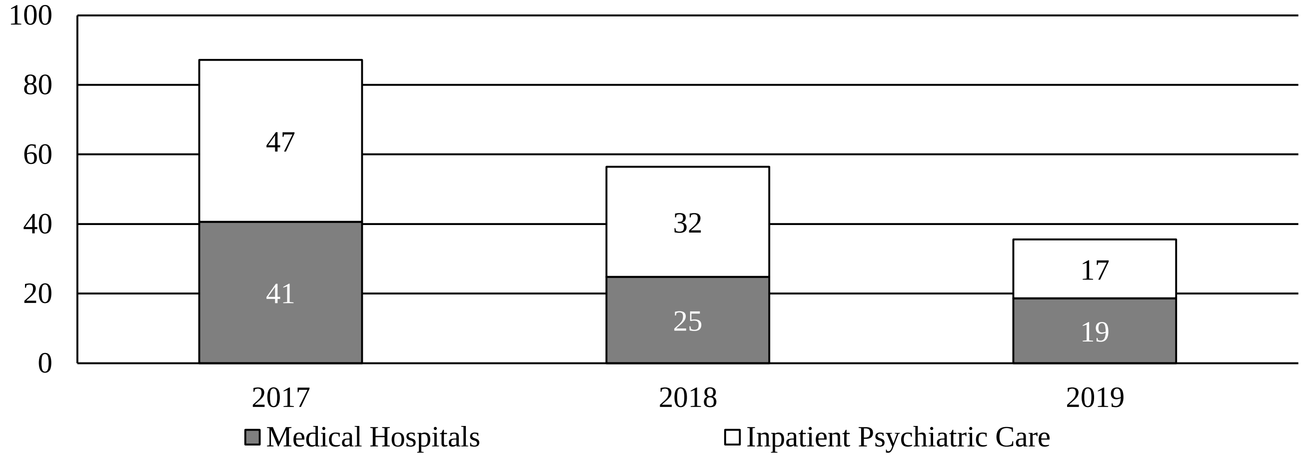
2. Hospital Stays for Youth in Out-of-home Placements Decrease

As part of efforts to track the progress in reducing the length of stay in hospitals for youth in out-of-home placements, particularly beyond periods that are medically necessary, language in the fiscal 2019 and 2020 budget bills restricted funds until reports were submitted on the number of youth in out-of-home-placements served in hospital settings, the average length of stay (ALOS), and the number of days youth were in hospitals longer than was deemed medically necessary. The information was requested by month and type of hospital for the number of youth served in hospitals and ALOS. Between these two reports, DHS has submitted data for the period January 2017 through November 2019. While the reports include children who enter care while in the hospital setting and those youth in an out-of-home placement prior to entering the hospital, these reports include only children in the custody of DHS.

Number of Youth in Hospital Settings

The number of youth in hospitals varies from month to month but has generally declined for both medical hospitals and inpatient psychiatric hospitals. **Exhibit 16** provides information on the average number of youth in out-of-home placements in hospital settings for calendar 2017 through November 2019. In calendar 2017 and 2018, slightly more than half of youth in out-of-home placements in hospital settings were placed in inpatient psychiatric hospitals, 53% and 56% respectively. In calendar 2019, this trend reversed with slightly more than half of youth in medical hospitals, although (with one month of less data) the number in medical hospitals was lower than in calendar 2018.

Exhibit 16
Average Monthly Youth in Out-of-home Placements Served in Hospitals
Calendar 2017-2019 (Data through November)

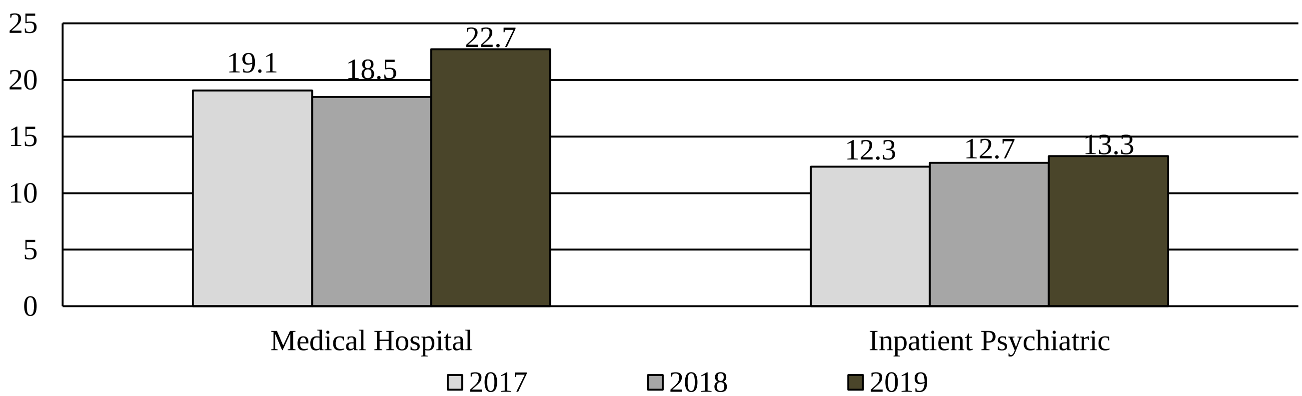


Source: Department of Human Services

Length of Stay

As shown in **Exhibit 17**, ALOS for youth in out-of-home placements served in inpatient psychiatric hospitals is relatively unchanged between calendar 2017 and 2019, an increase of one day. ALOS in medical hospitals increased by four days between calendar 2018 and 2019, after slightly decreasing the prior year.

Exhibit 17
Average Length of Stay for Youth Served in Hospital Settings
Calendar 2017-2019 (Data through November)



Source: Department of Human Services

For the period from August 2018 through November 6, 2019, DHS identified 63 youth that were in the hospital longer than was deemed medically necessary. More than half of these youth (34) were in the hospital five or fewer days beyond the length deemed medically necessary. Three-quarters (47) of these youth were in the hospital 10 or fewer days longer than was deemed medically necessary. DHS identified three youth with stays longer than 40 days beyond what was medically necessary. These youth each experienced significantly longer stays than was medically necessary (127, 184, and 636 days, respectively).

DHS notes generally that stays beyond what is medically necessary occur due to RTC waitlists, youth requiring high levels of care, or youth requiring specialized placements including specialized out-of-state placements. The three youth with excessively long stays in that period experienced circumstances including providers denying placement, waitlists for providers accepting placement, family of origin disagreement about placement, provider accepting placement not meeting educational programming needs, and aggressive behaviors making placement difficult. All three youth were placed during calendar 2019 at out-of-state RTCs. For one of these youth, DHS attended weekly court hearings to justify the continued stay.

DHS reported in fiscal 2019 that it receives weekly statistical information from the Behavioral Health Administration in the Maryland Department of Health (MDH) regarding hospital admissions and discharges. DHS explained that it uses these reports to coordinate with hospital staff by participating in treatment and/or discharge meetings. DHS explains that it continues to work in coordination with MDH and licensed residential child care providers to increase their capacity to provide services to these youth. **DLS recommends committee narrative requesting the continued provision of data regarding youth in out-of-home placements in hospitals.**

Funding

DHS reports that placements for youth in hospitals are paid for through Medicaid. However, if and when Medicaid stops payment because the placement in a hospital is no longer medically necessary, DHS pays for the placement only if the child is in the custody of the State. DHS does not separately report on these placement costs; however, DHS reported payments of approximately $90,500 as of February in fiscal 2020 and $115,550 in fiscal 2019 for hospital stays. DHS indicated that the average cost per day per youth in a hospital is $1,005.

3. Child Welfare Caseload Ratios Met Statewide, Challenges Remain

Child Welfare caseload ratios have been of concern to the General Assembly for many years. In 1998, the General Assembly passed the Child Welfare Workforce Initiative requiring that DHS and DBM ensure that the Child Welfare League of America (CWLA) recommended caseload-to-staffing levels are met. The Child Welfare Accountability Act of 2005 reiterated this requirement. In recent years, annual committee narrative has requested that DHS report on caseloads and caseload ratios needed to meet CWLA standards.

CWLA recommended caseload-to-staffing ratios are a series of ratios based on the type of case or work being undertaken. For example, intake has a ratio of 1 worker per 122 cases, while investigations, out-of-home placement foster care, and out-of-home placement kinship care have a ratio of 1 worker per 12 cases. Other types of cases (with varying ratios) include in-home family services, adoption, and interstate compact. Therefore, the total number of needed caseworkers in a jurisdiction (and from year to year) will depend on the mix of cases as well as the number of cases. DLS has historically viewed the cumulative number of caseworkers needed to meet the ratios compared to filled positions both departmentwide and in individual local jurisdictions. By looking at the cumulative level, it is possible to understand whether the department (jurisdiction) has enough filled positions to meet the standards. The actual meeting of individual caseload ratios, if there are enough total filled positions, is a management function in the department and/or LDSS.

Most Jurisdictions Meet Standards, Several Continue to Fall Short

Exhibit 18 shows the number of positions needed for the caseload by jurisdiction based on the average caseload from September 2018 through August 2019 and the number of filled and vacant positions as of September 1, 2019. The number of filled workers needed to meet the CWLA standards decreased during the September 2018 through August 2019 period compared to the same time period in the prior year, a decrease of 33.4 needed positions. This was driven by a decrease among nearly all case types. The largest decrease occurred among in-home services due to a consolidation of service types and implementation of the alternative response approach. However, out-of-home placements (foster and kinship care) also decreased substantially between years. Despite the substantial decrease in filled positions needed to meet the caseload standards, in total, only 1.5 fewer positions were filled on September 1, 2019, compared to December 1, 2018.

Exhibit 18
Child Welfare Position Status by Local Department
September 2018 to August 2019 Caseload Information and September 1, 2019 Position Status

	Filled Worker Positions Needed to Meet CWLA	Filled Worker Positions	Surplus/ Shortfall	Vacant Caseworker Positions	Filled Supervisor Positions Needed to Meet CWLA	Filled Supervisor Positions	Surplus/ Shortfall	Vacant Supervisors
Allegany	21.4	38.5	17.1	1.0	4.3	5.0	0.7	0.0
Anne Arundel	80.7	82.3	1.6	7.0	16.1	16.0	-0.1	0.0
Baltimore	144.5	135.0	-9.5	5.0	28.9	25.0	-3.9	0.0
Baltimore City	317.0	403.5	86.5	46.0	63.4	83.0	19.6	15.0
Calvert	16.8	19.5	2.7	0.0	3.4	3.0	-0.4	0.0
Caroline	7.2	18.0	10.8	0.0	1.4	4.0	2.6	1.0
Carroll	30.6	23.0	-7.6	3.0	6.1	5.0	-1.1	0.0
Cecil	35.6	41.0	5.4	1.0	7.1	8.0	0.9	0.0
Charles	26.8	26.0	-0.8	6.0	5.4	5.0	-0.4	2.0
Dorchester	9.8	16.0	6.2	1.0	2.0	3.0	1.0	0.0
Frederick	26.6	42.5	15.9	0.0	5.3	8.0	2.7	0.0
Garrett	13.1	16.0	2.9	1.0	2.6	2.0	-0.6	0.0
Harford	54.4	55.5	1.1	5.0	10.9	9.0	-1.9	1.0
Howard	28.9	33.0	4.1	1.0	5.8	5.0	-0.8	0.0
Kent	4.1	7.0	2.9	0.0	0.8	1.0	0.2	0.0
Prince George's	141.5	125.5	-16.0	7.0	28.3	21.0	-7.3	2.0
Queen Anne's	5.3	8.0	2.7	1.0	1.1	2.0	0.9	0.0
Somerset	9.5	13.0	3.5	3.0	1.9	1.0	-0.9	2.0
St. Mary's	20.0	22.8	2.8	4.0	4.0	5.0	1.0	0.0
Talbot	5.6	13.0	7.4	1.0	1.1	4.0	2.9	0.0

	Filled Worker Positions Needed to Meet CWLA	Filled Worker Positions	Surplus/ Shortfall	Vacant Caseworker Positions	Filled Supervisor Positions Needed to Meet CWLA	Filled Supervisor Positions	Surplus/ Shortfall	Vacant Supervisors
Washington	41.5	59.0	17.5	3.0	8.3	8.0	-0.3	2.0
Wicomico	23.4	28.0	4.6	7.0	4.7	5.0	0.3	0.0
Worcester	15.7	18.0	2.3	0.0	3.1	4.0	0.9	1.0
Statewide	**1,080.1**	**1,244.1**	**164.0**	**103.0**	**216.0**	**232.0**	**16.0**	**26.0**
Total Shortfall in Jurisdictions Not Meeting Standards:			**-34.0**				**-17.7**	

CWLA: Child Welfare League of America

Note: Montgomery County is excluded from the data because positions are not part of the State personnel system.

Source: Department of Human Services; Statewide Personnel System; Department of Legislative Services

Four jurisdictions did not meet the standard (Baltimore, Carroll, Charles, and Prince George's counties). These jurisdictions have a combined shortfall of 34 filled positions. The number of jurisdictions not meeting the standard is one fewer than the data reported during the 2019 session, when five jurisdictions failed to meet the standard, with a combined shortfall of 39.2 filled positions.

While this represents an improvement, three of the four jurisdictions failing to meet the standard (Baltimore, Carroll, and Prince George's counties) did not meet the standard last year. Only one of these jurisdictions (Baltimore County) has a smaller shortfall than it had in the data presented in the 2019 session. Only one of the four jurisdictions with a shortfall (Charles County) could meet the caseload ratio by filling existing vacant caseworker positions. However, there are more than enough existing vacant caseworker positions departmentwide (103) to allow the caseload ratios to be met in all jurisdictions if excess vacant positions were transferred to the jurisdictions in need and filled.

As noted previously, SSA experienced a significant increase in vacancies in the last three months of calendar 2019, which is after the data presented in this discussion. In particular, 60 positions in Child Welfare Services became vacant during the period between October 2019 and January 1, 2020. **DHS should comment on how the recent increase in vacant positions has impacted the number of filled positions and the ability of the department to meet CWLA standards.**

Despite Improvements Meeting Supervisor Standards Continues to Be Challenging

The supervisor-to-case ratio was met departmentwide with a surplus of 16 filled positions beyond the number needed to meet CWLA standards. However, in total, 11 jurisdictions failed to meet the supervisor-to-case ratio with a shortfall of 17.7 filled positions in those jurisdictions. Of those 11 jurisdictions, 7 had a shortfall of less than 1 full-time position. This represents a slight improvement compared to the data presented in the 2019 session when 12 jurisdictions failed to meet the standard with a total shortfall of 23.3 positions. The improvement is driven by a reduction in needed positions (a decrease of 6.7 position), which allowed the ratio to be met departmentwide despite having 1 fewer filled position and an increase of 8 vacant positions.

Of the 11 jurisdictions not meeting the standard, only 3 could meet the standard by filling existing vacant supervisor jurisdictions in that jurisdiction. However, an additional 4 jurisdictions have no vacancies but have a shortfall of less than 1 full-time positions. A small change in the caseload in these jurisdictions could eliminate these shortfalls. In total, there are enough vacant caseworker positions to meet the caseload standards in all jurisdictions if excess vacant positions were transferred to the jurisdictions in need and filled.

Departmental Action to Assist Jurisdictions in Meeting CWLA Standards

DHS reports that SSA, LDSS, and the Office of Human Resource Development and Training worked together to implement a practice to eliminate the need for local departments to submit requests to allow for the filling of certain positions. Specifically, these positions fall under the Social Worker and Family Services Caseworker series (including supervisors). In addition, the local departments will be allowed to reclassify caseworker and supervisory positions within a series without prior approval. DHS expects that these changes will allow local departments the ability to fill positions quicker and provide greater flexibility.

During the September 2018 to August 2019 period, DHS indicates that 9 positions were reallocated among jurisdictions to meet resource challenges. The department indicates that these positions were moved from Baltimore City, which has the highest surplus and vacancies, to six jurisdictions and the central offices of SSA. Three of these positions went to Carroll County, which continues to have a shortfall. The remaining positions went to Allegany, Calvert, Charles, Garrett, and Harford counties. Of those five jurisdictions, only one (Charles County) failed to meet the caseload standard.

As noted earlier, Baltimore, Carroll, and Prince George's counties have failed to meet the caseworker standards for several years. None of these jurisdictions can meet the standards by filling existing vacant caseworker positions. All three are also failing to meet the supervisor-to-case standard. DHS reports that SSA will be conducting periodic reviews to determine how best to redeploy positions to meet the needs of those three jurisdictions. **DHS should comment on the frequency of these reviews and whether any reallocation has occurred to these jurisdictions since August 2019. DLS recommends committee narrative requesting that DHS continue the annual reporting of caseload data compared to CWLS standards as well as providing specific plans to address shortfalls in caseworkers and supervisors.**

Operating Budget Recommended Actions

1. Add the following language to the general fund appropriation:

   , provided that $100,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Department of Human Services (DHS) submits a report to the budget committees on a planned new foster care rate structure including detail on how the provider rates will be calculated, whether the change will impact the availability of federal funds to support foster care payments, and the timeline for implementing the new rate structure. If DHS decides not to proceed with a new foster care rate structure, the report shall instead detail the reason why no change will be made and a planned timeline for consideration of any future changes. The report shall be submitted by September 1, 2020, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

   Explanation: The fiscal 2020 budget of DHS Social Services Administration included funding to support an agreement for the development of a new foster care rate structure. DHS reported that it was working with the University of Maryland School of Social Work Institute for Innovation and Implementation and the Hilltop Institute at the University of Maryland Baltimore County on this project. During the 2019 session, DHS indicated that the report would be completed in December 2019 with a plan to begin using this structure for fiscal 2021. Committee narrative in the 2019 Joint Chairmen's Report requested that DHS provide a copy of this report with submission of the fiscal 2021 budget. DHS did not submit the report as requested with the budget submission, and the fiscal 2021 allowance does not reflect a change in the rate structure. This language restricts funds until DHS submits the report on planned changes to the foster care rate structure and requests that if the department chooses not to proceed with any changes in the rate structure, the report instead explain why it did not move forward with these changes.

Information Request	**Author**	**Due Date**
Report on planned new foster care rate structure or information on why no changes will be made	DHS	September 1, 2020

2. Add the following language to the general fund appropriation:

   Further provided that $1,000,000 of this appropriation made for the purpose of recognizing savings from expanded federal fund eligibility for subsidized adoptions may not be expended until the Department of Human Services submits a report detailing the planned use of the funds, including describing specific child welfare activities that will be completed or undertaken with the funds. The report shall be submitted by July 1, 2020, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Explanation: The fiscal 2021 allowance of the Department of Human Services (DHS) Social Services Administration contains $2.0 million of general funds in the General Administration – State program as part of a requirement to spend savings that result from expanded federal fund eligibility for subsidized adoptions for child welfare activities. While the department has adequately described the need to spend these savings in response to the federal requirements, DHS did not describe the activities that these funds would support. This language restricts half of these funds until DHS submits a report describing what activities these funds will support.

Information Request	**Author**	**Due Date**
Planned use of adoption savings	DHS	July 1, 2020

3. Add the following language to the general fund appropriation:

Further provided that $100,000 of this appropriation made for the purpose of administrative expenses may not be expended unless the Department of Human Services includes in the fiscal 2022 budget subprogram detail for fiscal 2020 actual, fiscal 2021 working, and fiscal 2022 allowance that separately identifies payments and anticipated payments by the department for youth in both medical hospitals and psychiatric hospitals that are not covered by Medicaid. The detail shall be submitted with fiscal 2022 budget, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the detail is not provided.

Explanation: The Department of Human Services (DHS) does not separately identify in the budget placement costs associated with the youth in hospitals for periods in which Medicaid does not cover the placement. As these are costs incurred by DHS and the costs could be significant based on recent lengthy stays beyond medical necessity, the General Assembly is concerned that these costs are not identifiable in the department's budget. This language restricts funds pending inclusion of this information in the fiscal 2022 budget submission.

Information Request	**Author**	**Due Date**
Placement costs for youth in hospital settings incurred by the department	DHS Department of Budget and Management	With the submission of the fiscal 2022 allowance

		Amount Reduction		**Position Reduction**
4.	Delete two long-term vacant regular positions (PIN 049804 and PIN 032055). As of January 1, 2020, the Social Services Administration had 255.5 vacant positions, of which 41.5 had been vacant longer than one year. These positions are budgeted in the General Administration – State program and have been vacant since February 2019 and December 2018, respectively.	$ 60,967 $ 57,796	GF FF	2.0

5. Adopt the following narrative:

Hospital Stays by Youth in Out-of-home Placements: In an effort to monitor whether youth in out-of-home placements are remaining in hospitals beyond the length of time that is deemed medically necessary, the committees request that the Department of Human Services (DHS) provide for each month of the period December 2019 through November 2020:

- the number of youth in out-of-home placements served in hospitals separately by type of hospital;
- the average hospital length of stay for youth in out-of-home placements separately by type of hospital;
- the number of days that these youth were in the hospital longer than was deemed medically necessary by either the hospital or a juridical finding separately by type of hospital;
- the placement type after discharge separately by type of hospital (reunification with the family of origin, kinship placement, family foster home, treatment foster home, group home, residential treatment center, additional hospitalization, or other placements) including identifying the number of youth placed out-of-state after discharge; and
- the dollar amount of payments to hospitals for these youth by DHS and the number of youth for which payments were made separately by type of hospital.

The report should include information for all youth in the care of the department, regardless of whether the youth entered out-of-home care while in the hospital or prior to entering the hospital.

Information Request	**Author**	**Due Date**
Hospital stays and post hospital stay placements	DHS	January 1, 2021

6. Adopt the following narrative:

Protecting the Resources of Youth in State Custody Accounts: Chapters 815 and 816 of 2018 reduced the amount of federal benefits received on behalf of youth in foster care that the department could use to support the cost of foster care beginning at age 14. The amounts not used for the cost of care were to be conserved. The chapters became effective October 2018. The amounts conserved do not appear in the State budget, however, the committees are interested in continuing to monitor the impact of this legislation on youth in State custody. The committees request that the Department of Human Services (DHS) provide information by jurisdiction and month for the period November 2019 through December 2020 on the number of accounts opened on behalf of youth as a result of Chapters 815 and 816 and the number of accounts for which subsequent deposits have been made. The committees also request the report include information on the average amount conserved in each account by age group specified in the chapters and the total amount conserved in these accounts by age group specified in the chapters.

Information Request	**Author**	**Due Date**
Accounts/trusts opened and maintained as a result of Chapter 815 and 816	DHS	January 1, 2021

7. Add the following language to the general fund appropriation:

<u>Further provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose. Funds not expended shall revert to the General Fund.</u>

Explanation: This annual language restricts general funds appropriated for foster care payments to that use only. This restriction prevents a transfer of general funds to other programs that might create or increase a deficit in spending in the Foster Care Maintenance Payments program (N00G00.01).

		Amount Reduction	
8.	Reduce funds budgeted from Cost of Care Reimbursement that will not be available to support foster care payments. Chapters 815 and 816 of 2018 required that beginning October 1, 2018, a portion of federal benefits received on behalf of youth 14 and older be conserved rather than used for the cost of care. The Department of Human Services has implemented the legislation. However, the fiscal 2021 allowance continues to reflect the level of spending from this source based on levels from prior to the implementation. This action reduces the special fund appropriation for the Cost of Care reimbursement to the level of funds expected to be available for the cost of care after the required funds are conserved.	1,000,000	SF

9. Add the following language to the general fund appropriation:

<u>, provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.01 Foster Care Maintenance Payments. Funds not expended or transferred shall revert to the General Fund.</u>

Explanation: This annual language restricts general funds appropriated for the Child Welfare Services program to that use only or for transfer to N00G00.01 Foster Care Maintenance Payments.

10. Adopt the following narrative:

Child Welfare Caseload Data: The committees believe that maintaining an adequate child welfare workforce is essential to improving outcomes for children entering the State's care. Therefore, in order to maintain oversight of this important issue, the committees request that the Department of Human Services (DHS), on December 1, 2020, report to the committees on the number of cases and positions required based on the caseload to meet the Child Welfare League of America (CWLA) caseload standards, by jurisdiction, for the following caseload types using data current within 70 days:

- intake screening;
- child protective investigation;

- consolidated in-home services;
- interagency family preservation services;
- services to families with children – intake;
- foster care;
- kinship care;
- family foster care;
- family foster homes – recruitment and new applications;
- family foster homes – ongoing and licensing;
- adoption;
- interstate compact for the placement of children; and
- casework supervision.

The committees also request that DHS discuss the specific actions taken by the department and local departments of social services to reallocate positions to ensure that all jurisdictions can meet the standards for both caseworkers and supervisors. The report should note how many caseworker and supervisor positions were transferred to, transferred from, or reclassified within the jurisdiction or other areas of the department to assist in meeting the caseload standard. DHS should also provide any update on efforts by CWLA to revise or update the caseworker caseload ratio standards.

Information Request	**Author**	**Due Date**
Caseload data and filled positions assigned by jurisdiction for specified caseload types and how shortfalls are addressed	DHS	December 1, 2020

Total Reductions	**$ 1,118,763**	**2.0**
Total General Fund Reductions	**$ 60,967**	
Total Special Fund Reductions	**$ 1,000,000**	
Total Federal Fund Reductions	**$ 57,796**	

Updates

1. Child Fatalities Remain at High Levels

Committee narrative in the 2005 JCR requested that DHS provide a listing by jurisdiction of the number of child fatalities that involved child abuse and/or neglect. The narrative requested that the report be updated annually. **Exhibit 19** displays the data provided by the department for calendar 2014 through 2018. In calendar 2018, there were 43 such fatalities, an increase of 2, or 4.9%, over calendar 2017. Between calendar 2016 and 2018, the number of such fatalities increased by 30%. This number of fatalities is the highest reported by DHS since at least 2001. In calendar 2018, the highest number of these fatalities (12) occurred in Baltimore City. During the 2014 to 2018 period, Prince George's (34) and Baltimore (23) counties have the highest number of fatalities.

Exhibit 19
Child Deaths Reported to DHS Where Abuse or Neglect Are Determined by DHS Staff to Be a Contributing Factor
Calendar 2014-2018

	2014	2015	2016	2017	2018	2014-2018 Total
Allegany	0	1	3	1	2	**7**
Anne Arundel	1	1	2	3	2	**9**
Baltimore City	1	2	3	5	12	**23**
Baltimore	4	6	2	9	7	**28**
Calvert	1	0	0	3	2	**6**
Caroline	0	1	0	0	0	**1**
Carroll	0	1	1	1	0	**3**
Cecil	0	0	0	1	1	**2**
Charles	0	1	0	0	1	**2**
Dorchester	0	0	0	0	0	**0**
Frederick	2	0	1	2	2	**7**
Garrett	0	0	0	0	0	**0**
Harford	1	3	1	0	2	**7**
Howard	0	0	1	0	1	**2**
Kent	0	0	0	0	0	**0**
Montgomery	3	5	3	2	3	**16**
Prince George's	3	5	10	10	6	**34**
Queen Anne's	0	0	0	0	0	**0**
St. Mary's	3	0	2	0	0	**5**
Somerset	0	0	0	1	0	**1**
Talbot	0	0	2	0	1	**3**
Washington	1	5	1	3	1	**11**
Wicomico	1	2	1	0	0	**4**

	2014	2015	2016	2017	2018	2014-2018 Total
Worcester	0	0	0	0	0	**0**
Total	**21**	**33**	**33**	**41**	**43**	**171**

DHS: Department of Human Services

Source: Department of Human Services

Of the calendar 2018 fatalities, the majority (27, or 63%) were of children age 1 or younger. DHS reports that 34 of the fatalities, or 79%, were the result of child neglect. Twenty-two of the 34 child neglect related fatalities (64.7%) were of children age 1 or younger. DHS reported that the increase in fatalities in calendar 2017 resulted primarily from infant deaths resulting from unsafe sleeping arrangements. The calendar 2018 data appears to indicate a similar cause for the continued high levels of fatalities. At that time, DHS noted that it was working with MDH and other stakeholders to develop a plan to prevent fatalities and near fatalities. The plans were expected to include targeting pregnant or new parents for education around dangers of unsafe sleeping arrangements, such as co-sleeping.

Ongoing Review of Child Fatalities

The *Maryland State Council on Child Abuse and Neglect Annual Report* (SSCAN) for calendar 2018 described an ongoing Maryland Child Abuse and Neglect Fatality Workgroup, which was a joint effort of SCCAN, the State Child Fatality Review Team, and the Citizens Review Board for Children that arose from a review of SCCAN in a report from the National Commission to Eliminate Child Abuse and Neglect Fatalities. Among other tasks, the workgroup is reviewing unexpected/unexplained child deaths under the age of 5 from calendar 2015. This review is expected to include what systems improvement recommendations could prevent future deaths. At the time of submission of the SCCAN report, the state-level review of the data had been completed, and findings and recommendations were expected to be available in October 2019. The completion of the recommendations has been delayed into calendar 2020. However, the SCCAN report included some preliminary observations that included:

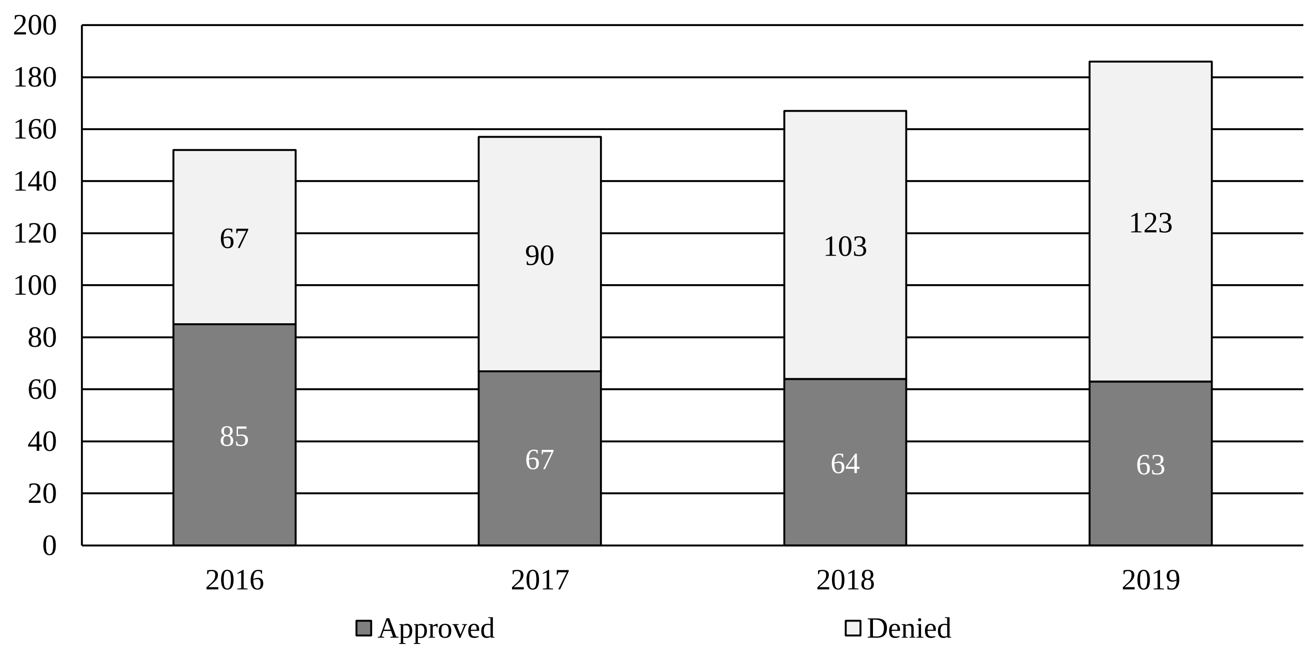
- many of the deaths were sleep-related;
- fathers and/or partners that were also caregivers when the children died often had not been offered or received parenting services, even when mothers had;
- most of the children and families had not had prior contact with Child Protective Services;
- the majority of families had contact with other non-Child Protective Services State systems (such as, Temporary Cash Assistance, Medicaid, substance and mental health treatment) within the 12 months prior to the child's death; and
- lack of safe child care options was identified as an issue in a number of cases.

2. Voluntary Placement Agreement Requests Increase

A voluntary placement agreement (VPA) is an agreement entered into between an LDSS and a youth's parent or legal guardian that gives the rights as guardian to the LDSS because the parent or legal guardian is unable to care for the child. DHS notes that the goal of a VPA is for the child to receive the needed treatment and then return home. VPA's are available for children with a developmental disability or mental illness. Before approving a VPA, reasonable efforts must be made to prevent placement, and an interagency team must provide a written decision/recommendation. The parent must also agree to pay child support during the placement.

As shown in **Exhibit 20**, the number of VPA requests has increased each year since fiscal 2016. Between fiscal 2016 and 2019, the number of requests has increased by 22.3%. The largest increase occurred between fiscal 2018 and 2019, an increase of 11.4%. Despite the increase in overall requests, the number of approved VPAs has declined each year since fiscal 2017 both in number and as a share of all requests. In fiscal 2019, 34% of requests were approved, while in fiscal 2016 56% of requests were approved.

Exhibit 20
Voluntary Placement Agreements Requests and Outcomes
Fiscal 2016-2019



Source: Department of Human Services

The primary reason for denials has varied between years. However, the top two reasons have been that the parents withdrew the request/did not follow through and that the family did not exhaust community resources. In fiscal 2019, these two reasons accounted for approximately 70% of the denials.

In fiscal 2019, slightly less than half (30) of the 63 approved VPAs were initially placed in a RTC. Diagnostic placements represented the second largest category of initial placement (24). The remaining placements were made to group homes.

3. Maryland Child and Family Services Review Round 3

Child and Family Services Reviews (CFSR) are conducted by the federal HHS Administration for Children and Families, Children's Bureau's. According to the Children's Bureau, these reviews are an opportunity to (1) ensure states are conforming with federal child welfare requirements; (2) determine what is happening to children and families engaged in child welfare services; and (3) assist states in enhancing their capacity to achieve positive outcomes for children and families. In the third round of CFSR, the performance of Maryland was determined through a statewide assessment conducted by SSA (submitted in February 2018), case reviews of 65 cases (representing five jurisdictions) in calendar 2018, and interviews and focus groups with stakeholders. The assessment focused on seven child and family outcomes and seven system factors, many of these factors and outcomes involve multiple measures.

Findings from the Round 3 Review

Maryland was found to be in substantial conformity with one of the seven systemic factors (responsiveness to the community), and none of the outcomes. For context, a report released by the Children's Bureau summarizing the first two years of Round 3 reviews (totaling 24 states) found that those states met few of the outcome standards. For example, the majority of those 24 states were found to be in substantial conformity with two of the outcomes or systemic factors, including the agency responsiveness to the community, for which Maryland was later found to be in substantial conformity. Of these 24 states, the number of states found in substantial conformity with the other outcomes and systemic factors ranged from 0 to 10.

The Maryland review revealed several key themes from the case review, which include:

- assessments are not consistently or effectively used, which impacts the ability to provide services that prevent entry into care specific/individual to the needs of the family;

- family engagement is not consistent and can vary by jurisdiction and caseworker, including only rarely assessing fathers for services or involving fathers in planning, resulting in caseworker and parent visits occurring rarely, particularly for in-home cases, and infrequent visits between youth and their parents;

- multiple factors impact the ability to achieve timely permanency including the use of inappropriate permanency goals, the failure to concurrently plan for multiple goals, and lacking a consistent process for tracking whether terminations of parental rights have been timely filed, or there are compelling reasons not to file for these terminations of parental rights;

- resource parents need additional support, resource parents do not always complete required annual training, and not all providers are compliant with the requirements for licensure primarily due to failing to submit required paperwork; and

- coordination with other agencies occurs (State, federal, and local level); however, while the agency collaborates with community partners and solicits participation, there is not always a connection between those activities and the development of goals, objectives, and updates to the agency's Child and Family Services Plan.

Program Improvement Plan

Maryland's Program Improvement Plan (PIP) was developed in calendar 2019 in collaboration with a variety of stakeholders including families, youth, and staff. The PIP identified three themes to address these findings:

- providing authentic family and youth partnerships, which is key to accurate assessments and identifying potential relative resources;

- investing in deeper and more innovative workforce development for caseworkers and improvements in court practice; and

- improving partnerships with entities to provide an authentic partnership with other agencies and community service providers.

These themes are the foundation for the goals, strategies, and specific strategies to address the specific outcomes and systemic factors reviewed in CFSR for which the department did not achieve substantial conformity. These themes specifically translated to four goals. For each, DHS identified the root cause of the issue and identifying strategies to address. The goals and strategies are shown in **Appendix 2**. DHS established a timeline to address activities under each session, the timelines vary but generally occur between one and eight quarters after the plan's effective date (approximately August 2019). Activities in the eighth quarter are primarily to evaluate or review information gathered from pilots or earlier implementation activities.

Appendix 1
2019 *Joint Chairmen's Report* Responses from Agency

The 2019 *Joint Chairmen's Report* (JCR) requested that the Department of Human Services (DHS) Social Services Administration (SSA) prepare eight reports. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***Continuation or Expansion of Evidenced-based Practices:*** DHS reported 20 evidence-based practices were implemented in one or more jurisdictions in fiscal 2019. Further discussion of this response can be found in Issue 1 of this analysis.

- ***Hospital Stays by Youth in Out-of-home Placements:*** DHS reported the average monthly number youth in out-of-home placements in a hospital in calendar 2019 (through November). Further discussion of this data can be found in Issue 2 of this analysis.

- ***Accounts/Trusts Opened as a Result of Chapters 815 and 816 of 2018:*** DHS explained that it could not identify the number of accounts opened to conserve a portion or all of the federal benefits received on behalf of youth in out-of-home care. However, the average monthly number of active cases statewide between October 2018 and 2019 was 108. Further discussion of this program can be found in the budget section of this analysis.

- ***Planned New Foster Care Rate Structure:*** As of this writing, DHS has not submitted the requested report.

- ***Review of Foster Care Board Rate and Differential Board Rate:*** Due to higher foster care board rates, DHS provides a differential board rate to certain jurisdictions to ensure that Maryland rates in those jurisdictions are competitive with Washington, DC. The differential board rate applies for jurisdictions in which at least one-third of the number of the children placed in the jurisdiction are from another state or Washington, DC, and the majority of the out-of-state children are from a state or Washington, DC that pays a higher board rate than Maryland. DHS regularly conducts these reviews and plans one prior to the end of fiscal 2020. With recent board rate increases in Maryland and the differential board rate, DHS reports that the daily rate is roughly equivalent to the rate in Washington, DC. In the first quarter of fiscal 2020, an average of 440 youth from Washington, DC were placed in Maryland.

- ***Planned Uses of the Fiscal 2020 Funding for the Foster Youth Savings Program:*** In fiscal 2020, DHS introduced two new incentives to the program. These incentives ($500 each) would be for (1) completing a degree from a higher education institution or certificate of completion at a trade school or job training program and (2) compliance with Semi-Independent Living Arrangement program requirements. Further discussion of this response can be found in budget section of this analysis.

- ***Child Welfare Caseload Data:*** Due to changes in the caseload mix and declines in the caseload, DHS reported fewer caseworker positions were needed to meet Child Welfare League of America standards than in the same period the year before, 33.4 fewer positions. Further discussion of this data can be found in Issue 3 of this analysis.

- ***Plans to Address Adult Services Salaries:*** DHS reports that in May 2018, it received permission to increase adult services social worker staff salaries to a minimum of Step 9 (in the appropriate grade) similar to the action that occurred for child welfare caseworkers in fiscal 2017. DHS explained that these increases were effective June 2018. Further discussion of this response can be found in the DHS Overview analysis.

Appendix 2
Goals and Strategies Identified in the Program Improvement Plan

Goal	Strategies
Empower families of origin and youth to be partners in their child welfare experiences.	Revamp approach to family visiting and teaming.
	Ensure families of origin and youth are prepared and engaged in trauma-responsive ways during legal and court experiences.
	Embrace youth voice and youth driven plans and transitions.
	Strengthen teaming between resource parents, workers, and families of origin.
	Explore, select, and implement a model to support and guide Maryland in reenvisioning and instituting new expectations for resource parent roles and responsibilities.
	Provide peer supports to facilitate parents navigating the system.
Prepare the workforce with the knowledge, skills, and strategies they need to fully implement Maryland's Integrated Practice Model.	Introduce and build understanding of the model and practice profiles statewide.
	Implement revised pre-service and in-service trainings for child welfare workers, supervisors, and middle and upper management to align and focus on the principles, practices, and values of the model.
	Develop and offer innovative opportunities for transfer of learning that align with best practices for adult learning to supplement and build upon training.
	Provide coaching to guide and reinforce application of the model in day-to-day work and reduce work stress and discomfort associated with secondary trauma.
	Ensure consistent participation of resource parents in ongoing trainings on the model and other topics through incentives and/or barrier removal.
	Integrate the model within social work programs at local universities.

Goal	Strategies
Prepare court and legal professionals with knowledge, skills, and strategies to support implementation of Maryland's Integrated Practice Model and enhance collaborative child welfare work with families and partners.	Offer consistent participation in specific, tailored, and role-based training for court professionals to carry out the model through their work. Offer practice resources and decision support tools to court professionals to direct key aspects of day-to-day practice in alignment with the model.
Strengthen system partnerships to best serve families.	Use executive level forums to create a shared vision and commitment to child welfare involved families. Conduct town halls and develop local calls to action to engage community partners in meeting the needs of children and families. Improve teaming across local agencies and organizations in support of families.

Appendix 3
Object/Fund Difference Report
DHS – Social Services

Object/Fund	FY 19 Actual	FY 20 Working Appropriation	FY 21 Allowance	FY 20 - FY 21 Amount Change	Percent Change
Positions					
01 Regular	2,652.45	2,653.45	2,648.45	-5.00	- 0.2%
02 Contractual	3.57	2.50	2.50	0.00	0%
Total Positions	**2,656.02**	**2,655.95**	**2,650.95**	**-5.00**	**- 0.2%**
Objects					
01 Salaries and Wages	$ 231,441,025	$ 226,671,286	$ 229,702,354	$ 3,031,068	1.3%
02 Technical and Spec. Fees	1,614,416	1,933,685	2,144,118	210,433	10.9%
03 Communication	2,100,540	1,742,060	1,609,275	- 132,785	- 7.6%
04 Travel	1,902,263	1,240,645	1,212,210	- 28,435	- 2.3%
06 Fuel and Utilities	802,157	721,143	841,550	120,407	16.7%
07 Motor Vehicles	1,990,214	1,497,528	1,777,089	279,561	18.7%
08 Contractual Services	59,835,492	50,644,717	63,617,245	12,972,528	25.6%
09 Supplies and Materials	1,615,705	1,046,409	1,063,774	17,365	1.7%
10 Equipment – Replacement	59,440	350,000	350,000	0	0%
11 Equipment – Additional	1,354,252	0	0	0	0.0%
12 Grants, Subsidies, and Contributions	255,441,737	282,798,826	295,854,366	13,055,540	4.6%
13 Fixed Charges	10,675,493	12,380,623	12,433,531	52,908	0.4%
Total Objects	**$ 568,832,734**	**$ 581,026,922**	**$ 610,605,512**	**$ 29,578,590**	**5.1%**
Funds					
01 General Fund	$ 374,624,719	$ 367,251,146	$ 385,748,181	$ 18,497,035	5.0%
03 Special Fund	8,183,621	6,842,227	7,202,046	359,819	5.3%
05 Federal Fund	185,196,625	206,727,525	216,827,566	10,100,041	4.9%
09 Reimbursable Fund	827,769	206,024	827,719	621,695	301.8%
Total Funds	**$ 568,832,734**	**$ 581,026,922**	**$ 610,605,512**	**$ 29,578,590**	**5.1%**

DHS: Department of Human Services

Note: The fiscal 2020 appropriation does not include deficiencies, planned reversions, or general salary increases. The fiscal 2021 allowance does not include contingent reductions or general salary increases.

Appendix 4
Fiscal Summary
DHS – Social Services

Program/Unit	FY 19 Actual	FY 20 Wrk Approp	FY 21 Allowance	Change	FY 20 - FY 21 % Change
04 General Administration – State	$ 25,737,035	$ 27,032,452	$ 32,999,391	$ 5,966,939	22.1%
01 Foster Care Maintenance Payments	270,787,381	270,061,328	287,991,468	17,930,140	6.6%
03 Child Welfare Services	228,670,547	236,997,669	242,578,803	5,581,134	2.4%
04 Adult Services	43,637,771	46,935,473	47,035,850	100,377	0.2%
Total Expenditures	**$ 568,832,734**	**$ 581,026,922**	**$ 610,605,512**	**$ 29,578,590**	**5.1%**
General Fund	$ 374,624,719	$ 367,251,146	$ 385,748,181	$ 18,497,035	5.0%
Special Fund	8,183,621	6,842,227	7,202,046	359,819	5.3%
Federal Fund	185,196,625	206,727,525	216,827,566	10,100,041	4.9%
Total Appropriations	**$ 568,004,965**	**$ 580,820,898**	**$ 609,777,793**	**$ 28,956,895**	**5.0%**
Reimbursable Fund	$ 827,769	$ 206,024	$ 827,719	$ 621,695	301.8%
Total Funds	**$ 568,832,734**	**$ 581,026,922**	**$ 610,605,512**	**$ 29,578,590**	**5.1%**

DHS: Department of Human Services

Note: The fiscal 2020 appropriation does not include deficiencies, planned reversions, or general salary increases. The fiscal 2021 allowance does not include contingent reductions or general salary increases.