N00B
Social Services Administration
Department of Human Services

Operating Budget Data

($ in Thousands)

	FY 17 Actual	FY 18 Working	FY 19 Allowance	FY 18-19 Change	% Change Prior Year
General Fund	$376,095	$379,009	$369,976	-$9,033	-2.4%
Adjustments	0	-2,196	1,044	3,240	
Adjusted General Fund	**$376,095**	**$376,812**	**$371,020**	**-$5,793**	**-1.5%**
Special Fund	7,183	6,923	7,355	432	6.2%
Adjustments	0	-24	13	37	
Adjusted Special Fund	**$7,183**	**$6,899**	**$7,368**	**$469**	**6.8%**
Federal Fund	177,255	186,273	188,830	2,557	1.4%
Adjustments	0	-1,250	608	1,858	
Adjusted Federal Fund	**$177,255**	**$185,023**	**$189,439**	**$4,415**	**2.4%**
Reimbursable Fund	0	0	206	206	
Adjustments	0	0	0	0	
Adjusted Reimbursable Fund	**$0**	**$0**	**$206**	**$206**	
Adjusted Grand Total	**$560,533**	**$568,735**	**$568,032**	**-$703**	**-0.1%**

Note: FY 18 Working includes targeted reversions, deficiencies, and across-the-board reductions. FY 19 Allowance includes contingent reductions and cost-of-living adjustments.

- The fiscal 2019 allowance of the Department of Human Services (DHS) Social Services Administration (SSA) decreases by $702,510, or 0.1%, compared to the fiscal 2018 working appropriation after accounting for the across-the-board reduction in health insurance in fiscal 2018 and the distribution of the general salary increase in fiscal 2019.

- General funds decrease by $5.8 million, but this decrease is partially offset by increases in all other fund sources.

Note: Numbers may not sum to total due to rounding.

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- Federal funds increase by $4.4 million, or 2.4%, largely due to an increased reliance on Temporary Assistance for Needy Families funds in Local Child Welfare Services and Foster Care Maintenance Payments.

- Reimbursable funds are budgeted in SSA in the fiscal 2019 allowance. These reimbursable funds are for grants from the Governor's Office of Crime Control and Prevention received by local departments of social services. DHS previously budgeted the grants as special funds, but the special funds were cut in the fiscal 2018 budget. However, the fiscal 2018 budget does not yet reflect the reimbursable funds for these grants.

Personnel Data

	FY 17 Actual	FY 18 Working	FY 19 Allowance	FY 18-19 Change
Regular Positions	2,683.25	2,686.95	2,652.45	-34.50
Contractual FTEs	4.36	2.50	2.50	0.00
Total Personnel	**2,687.61**	**2,689.45**	**2,654.95**	**-34.50**

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	187.53	7.07%
Positions and Percentage Vacant as of 1/1/18	214.00	7.96%

- The fiscal 2019 allowance abolishes 34.5 vacant regular positions in SSA. Of these abolished positions, 23.5 positions are from the Local Child Welfare Services program and 11 are from the Local Adult Services program. The majority of the abolished positions are administrative or other support personnel, with only 9 positions being caseworker positions in Local Child Welfare Services. As discussed in Issue 4, SSA met the caseworker-to-case ratio standards departmentwide and in most jurisdictions. In addition, departmentwide, there are still sufficient vacant positions to allow all jurisdictions to meet the caseworker-to-case ratio standards.

- Turnover expectancy decreases in SSA in the fiscal 2019 allowance to 7.07%.

- As of January 1, 2018, DHS had 214.0 vacant positions, a vacancy rate of 7.96%. To meet its budgeted turnover expectancy, SSA needs to maintain 187.5 vacant positions in fiscal 2019. After accounting for the abolished positions, SSA currently has 179.5 vacant positions. At its current level of vacancies, SSA may have trouble meeting its budgeted turnover. However, departmentwide, there are sufficient vacancies to meet the budgeted turnover.

Analysis in Brief

Major Trends

Children in Out-of-home Care: SSA failed to meet national standards in measures related to placement stability and exits from care. In fiscal 2017, children in care experienced 4.8 moves per 1,000 days of care (a move every approximately 208 days of care), while the national standard is 4.12 moves per 1,000 days of care (a move every 243 days). SSA indicates that the loss of several providers during the year and efforts to return youth in out-of-state placements to in-state placements led to increased placement moves. In addition, SSA experienced a significant reduction in the percent of youth exiting care within 12 months of entry. In fiscal 2017, only 25.3% of youth exited care within 12 months compared to the national standard of 40%.

Child Safety: In fiscal 2017, the rate of victimization per 100,000 days of foster care increased to 12.8. The rate of victimization is approximately 50% above the goal of 8.5. The department is continuing to explore the reasons for this increase. However, SSA is in the process of updating the foster parent curriculum to enhance the skills of foster parents.

Adult Safety: DHS has a goal of 96.5% of adult abuse cases having no recurrence within six months. After meeting the goal in four of five years between fiscal 2011 and 2015, SSA failed to meet the goal in the last two years. In fiscal 2017, 94.9% of confirmed adult abuse cases had no recurrence of abuse within six months. SSA received a federal grant in fiscal 2017 to implement a standardized assessment tool, which the department believes will allow for more targeted and effective interventions in the future to improve outcomes.

Issues

Title IV-E Waiver: In fiscal 2018, SSA and the local departments are continuing to implement the Title IV-E Waiver activities. The department reports that 18 jurisdictions proposed implementing at least one new evidence-based practice during fiscal 2018. Some jurisdictions have chosen not to implement evidence-based practices based on the determinations of local needs and service gaps. Planned spending from the Title IV-E Waiver in fiscal 2019 is $5.3 million lower than in fiscal 2018, primarily in the area of Foster Care Maintenance Payments to align with the fiscal 2017 experience.

Foster Youth Savings Program: The fiscal 2018 budget included a new initiative in the Foster Care Maintenance Program for SSA to implement a Foster Youth Savings Program for transition-aged foster youth. The program design has been fluid with some key details including the age of eligible children, planned use of funding, and implementation plan changing. However, DHS planned to implement the program in January 2018 using funds to establish accounts for eligible youth, an estimated 2,096 foster youth. The fiscal 2019 allowance includes $1.7 million in funds for the program.

Success of the Place Matters and Families Blossom Initiatives: DHS launched the Place Matters initiative in July 2007 and the Title IV-E Waiver Demonstration Project in July 2015. A number of measures related to reducing the number of children in care and reducing the lengths of stay show success in meeting the goals of Place Matters. However, returns to out-of-home placement from reunification have generally increased since 2007 and have been 17% or higher in three of the last five fiscal years. While returns to care from guardianship are lower than in fiscal 2007, rates have been over 7% in each of the last three years.

Child Welfare Caseworkers: Committee narrative in the 2017 *Joint Chairmen's Report* (JCR) requested that DHS submit a report on filled child welfare caseworker positions and child welfare caseloads. On a departmentwide basis, the Child Welfare League of America (CWLA) caseworker-to-case ratios were met. However, 6 jurisdictions did not meet the guidelines. For the 6 jurisdictions with a shortfall, the cumulative shortfall was 32.1 positions. Sufficient vacant positions exist departmentwide for all jurisdictions to meet the ratio, but only 1 jurisdiction could meet the ratio by filling its own vacant positions. Departmentwide, the CWLA supervisor-to-case ratio was met; however, 12 jurisdictions did not meet the guidelines. Seven of these jurisdictions had a shortfall of less than 1 position.

Operating Budget Recommended Actions

1. Adopt committee narrative requesting information on the efforts to prepare for the end of the Title IV-E Waiver.
2. Add language restricting funds for the Foster Care Maintenance Payments program to that purpose.
3. Add language restricting funds until a report is submitted on the Foster Youth Savings program.
4. Add language restricting funds for the Child Welfare Services program to that purpose.
5. Adopt committee narrative requesting information on child welfare caseloads and caseworkers.

Updates

Placement Determinations for Children with Complex Medical Needs: Language in the fiscal 2018 budget bill restricted funds in DHS, the Maryland Department of Health, and the Maryland State Department of Education until a report was submitted that addressed the processes in place to ensure coordination between the agencies and the child-serving hospitals in Maryland to find appropriate community placements and other out-of-home placements for children with complex medical needs. The report identifies a number of recommendations to improve the placement processes.

Out-of-state Placements Determination and Monitoring: On January 31, 2016, there were 153 foster youth in out-of-state placements, of which 35.3% were in community-based settings (the vast majority of which are Residential Child Care programs). During fiscal 2017, a variety of questions arose about the facilities in which these youth were placed, and a desire was expressed to bring more of these youth back to in-state placements. Efforts to reduce out-of-state placements are reviewed.

Culturally Competent Training: In August 2016, DHS issued policy guidance regarding child welfare caseworkers who work with lesbian, gay, bisexual, transgender, and questioning (LGBTQ) youth to ensure that children are placed in safe placements and receiving affirming treatment. DHS plans to require LGBTQ-affirming training for all SSA staff by spring 2019.

Review of Services Available to Parents with Disabilities: Committee narrative in the 2017 JCR requested that DHS, in conjunction with the Maryland Department of Disabilities, submit a report (1) identifying services available in the community to address family preservation or post-reunification needs for parents with disabilities; (2) identifying gaps in services and options for addressing the gaps; and (3) reviewing best practices in providing family preservation and post-reunification services to parents with disabilities. The submitted report is reviewed.

Child Fatalities Involving Abuse or Neglect: Annually, DHS reports the number of child fatalities in which child abuse or neglect was a factor. In calendar 2016, there were 33 such fatalities, the same number as in calendar 2015.

Operating Budget Analysis

Program Description

The Department of Human Services (DHS) Social Services Administration (SSA) supervises child welfare programs provided through the local departments of social services (LDSS) 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 services. SSA is responsible for policy development, training and staff development; monitoring and evaluation of LDSS programs; and oversight and maintenance of the child welfare information system.

SSA also supervises programs to protect vulnerable adults and individuals with disabilities, promote self-sufficiency, and assist in avoiding unnecessary or delaying institutional care.

DHS has two key goals related to SSA, which are that:

- Maryland residents are safe from abuse, neglect, and exploitation; and

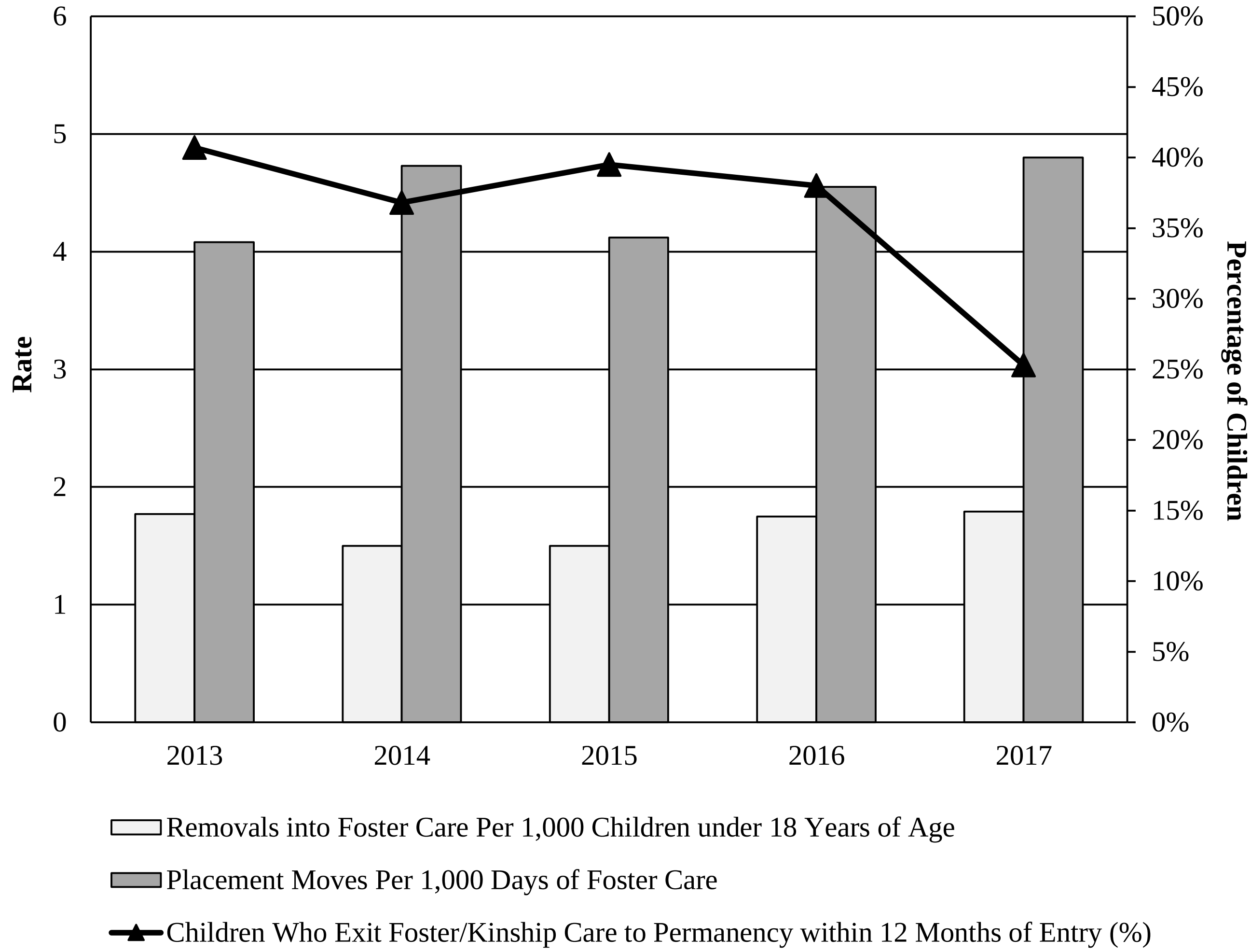
- Maryland children live in permanent homes, and vulnerable adults live in the least restrictive environments.

Performance Analysis: Managing for Results

1. Children in Out-of-home Care

As shown in **Exhibit 1**, in fiscal 2017, SSA had 1.79 removals into foster care per 1,000 children under 18 years of age, a higher rate than at any time in recent history and above the goal (1.5). DHS reports that it is still examining the reason for this increase but notes that the increase in opioid use has impacted the rate of removals in some jurisdictions. DHS notes that alcohol/substance use are more likely to be factors for removal for infants compared to older youth. DHS reports that, during fiscal 2018, several jurisdictions will be implementing evidence-based practices designed to assist families with substance use issues. Despite the slight increase, DHS reports that the rate of removal in Maryland is low compared to other states, which generally have a rate of approximately 3.0 per 1,000 children.

Exhibit 1
Out-of-home Care and Placement Stability
Fiscal 2013-2017



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

SSA also moved children between placements at a higher rate in fiscal 2017 than in fiscal 2016, 4.8 moves per 1,000 days of foster care compared to 4.55. Both years are well above the goal of 4.12 moves per 1,000 days. A rate of 4.8 placement moves per 1,000 days of foster care equates to a move approximately every 208 days (rather than 243 under the goal). DHS indicates that, in fiscal 2017, the rate of placement moves was impacted by the closure of two large providers and efforts to return youth from out-of-state placements. SSA is continuing to identify ways to improve services offered to youth in care to ensure placement stability, as well as working to ensure an appropriate initial placement to limit subsequent moves.

For the fourth consecutive year, SSA failed to meet its goal of 40% of children exiting foster/kinship care to permanency within 12 months of entry. In fiscal 2017, the percent of children who exited care to permanency decreased by 12.7 percentage points to 25.3% compared to the prior year. Prior to fiscal 2017, SSA had maintained performance relatively near the goal. DHS indicates that it is still determining the reasons for this decrease. However, the department notes that local department staff may be slowing the time to reunification to limit the rate of re-entry into care from reunification. A prior study indicated that short lengths of stay in care contribute to an increased likelihood of re-entering care. DHS is continuing to encourage concurrent planning to reduce delays in achieving permanency. Concurrent planning is when caseworkers are planning for multiple permanency options (such as reunification and either adoption or guardianship).

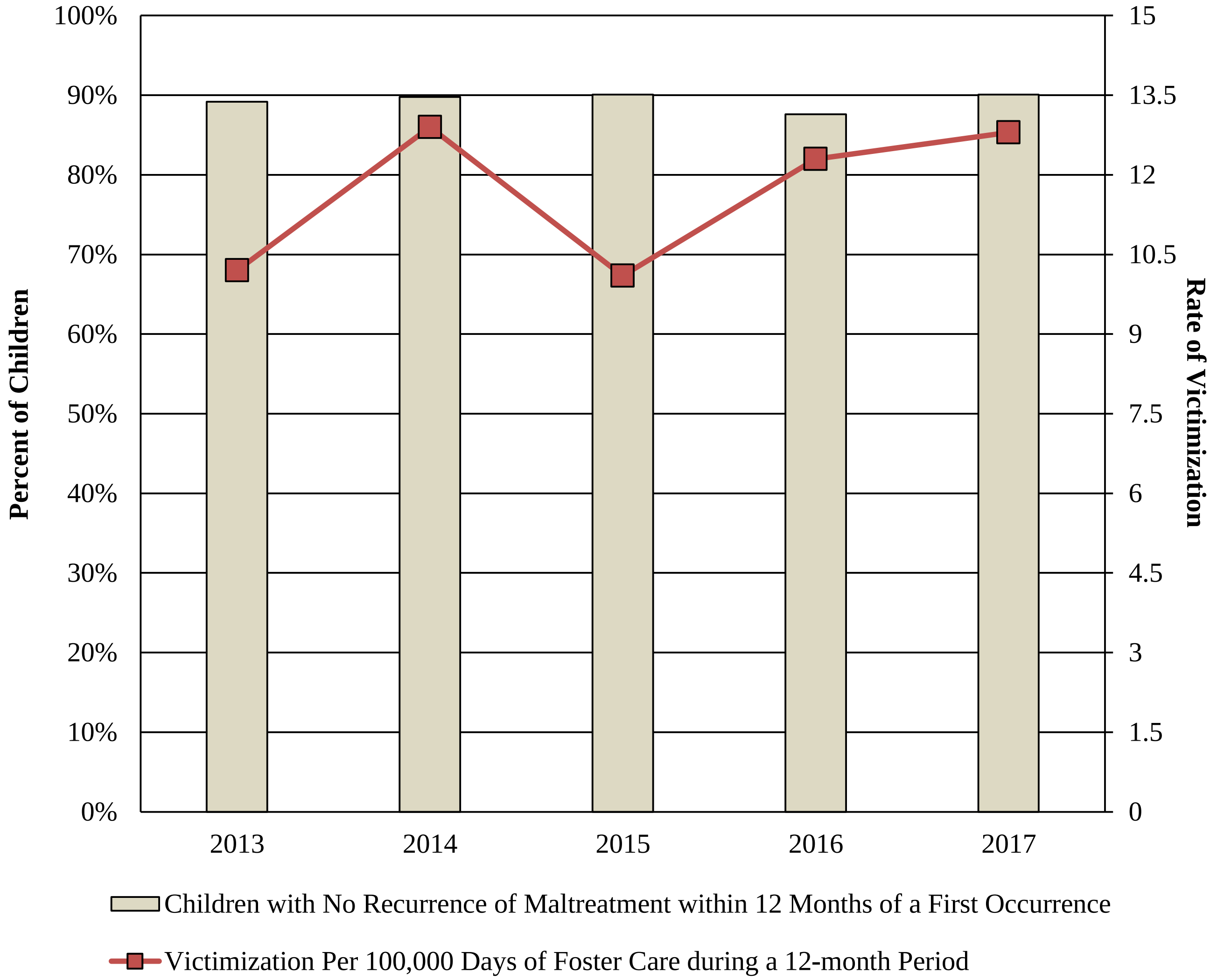
2. Child Safety

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 2**, SSA substantially improved performance in this measure in fiscal 2017 with 90.1% of children having no recurrence, an increase of 2.5 percentage points compared to fiscal 2016, but still below the goal. DHS attributes the improved performance to continued strengthening of the Alternative Response program, under which caseworkers work with families to address risk factors and promote safe environments for children. In addition, the implementation of evidence-based practices through the Title IV-E Waiver is expected to lead to further improvements.

For the second consecutive year, the rate of victimization per 100,000 days of foster care during a 12-month period increased. The rate of victimization of 12.8 in fiscal 2017 was the highest since fiscal 2014 and approximately 50% above the goal of 8.5. The department is continuing to explore the reasons for the increased rate of victimization including ensuring the accuracy of data entry regarding the dates of maltreatment. However, due to the rate of victimization in fiscal 2017, SSA is exploring the provision of additional resources for LDSS. SSA is also in the process of updating the foster parent curriculum to enhance the skills of foster parents. **DHS should describe the additional resources planned to assist the LDSS in reducing the rate of victimization of youth in care.**

Exhibit 2
Child Safety
Fiscal 2013-2017

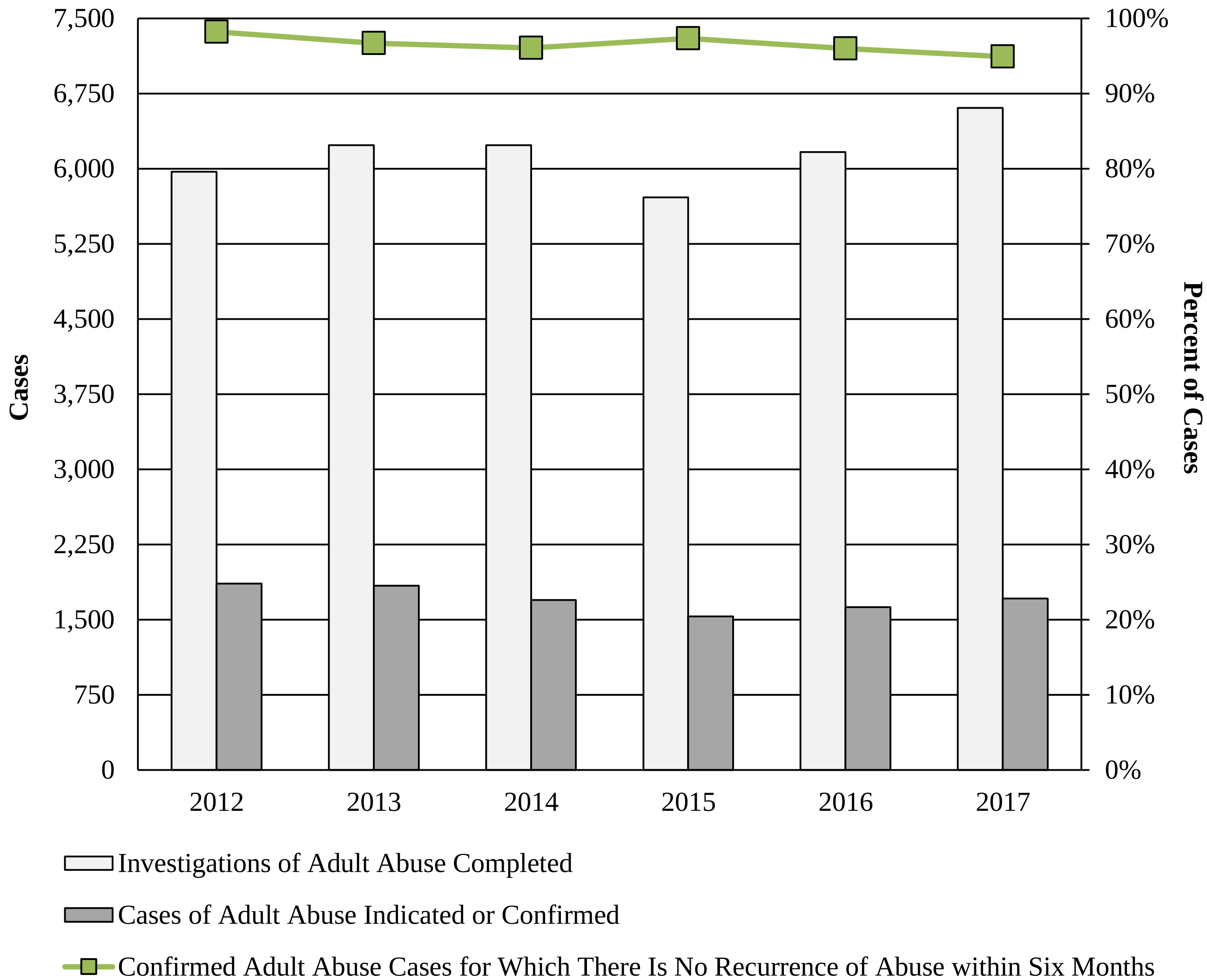


Source: Department of Human Services; Department of Budget and Management

3. Adult Safety

As shown in **Exhibit 3**, the number of indicated or confirmed cases of adult abuse increased by 6.1% in fiscal 2017 compared to fiscal 2016. Despite the increase, the number of indicated or confirmed cases of adult abuse in fiscal 2017 was 8.0% lower than the fiscal 2012 level.

Exhibit 3
Adult Protective Services
Fiscal 2012-2017



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

DHS has a goal of 96.5% of adult abuse cases having no recurrence within six months. After meeting the goal in four of five years between fiscal 2011 and 2015, SSA failed to meet the goal in either fiscal 2016 or 2017. In fiscal 2017, 94.9% of confirmed adult abuse cases had no recurrence of abuse within six months. SSA has received a grant to implement a new standardized assessment in eight pilot jurisdictions. The assessment tool is expected to allow for more targeted and effective interventions that should improve outcomes for adult victims of maltreatment.

Fiscal 2018 Actions

Cost Containment

There was one cost containment action impacting SSA approved at the September 6, 2017 Board of Public Works meeting. This action reduced $1.9 million in general funds throughout the department based on higher than anticipated vacancy rates. Although the cost containment action reduced only general funds, DHS advises that federal funds will also be reduced as a result of this action. The federal fund cancellation is expected to occur during the fiscal year closeout. SSA's share of this reduction is $326,057 in total funds ($172,572 in general funds and $153,485 in federal funds).

Across-the-board Employee and Retiree Health Insurance Reduction

The budget bill includes an across-the-board reduction for employee and retiree health insurance in fiscal 2018 to reflect a surplus balance in the fund. This agency's share of this reduction is $2.2 million in general funds, $23,781 in special funds, and $1.2 million in federal funds.

Proposed Budget

As shown **Exhibit 4**, the fiscal 2019 allowance of SSA decreases by $702,510, or 0.1%, compared to the fiscal 2018 working appropriation after accounting for the across-the-board reduction in health insurance in fiscal 2018 and a distribution of the general salary increase in fiscal 2019. A decrease of $5.8 million in general funds is partially offset by an increase in special funds ($468,840) and federal funds ($4.4 million). The increase in federal funds is driven by Temporary Assistance for Needy Families (TANF) spending throughout SSA, totaling $16.2 million. TANF spending in SSA is approximately $8.2 million higher than in fiscal 2017. The increased use of TANF allows for a lower level of general funds than would otherwise be required based on the availability of more traditional federal fund sources for these programs.

Exhibit 4
Proposed Budget
DHS – Social Services Administration
($ in Thousands)

How Much It Grows:	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
Fiscal 2017 Actual	$376,095	$7,183	$177,255	$0	$560,533
Fiscal 2018 Working Appropriation	376,812	6,899	185,023	0	568,735
Fiscal 2019 Allowance	371,020	7,368	189,439	206	568,032
Fiscal 2018-2019 Amount Change	-$5,793	$469	$4,415	$206	-$703
Fiscal 2018-2019 Percent Change	-1.5%	6.8%	2.4%		-0.1%

Where It Goes:	
Personnel Expenses	
Employee and retiree health insurance largely due to the impact of the additional health insurance deduction holidays in fiscal 2018	$3,970
General salary increase, 2% effective January 1, 2019	1,665
Turnover expectancy decrease	549
Employee retirement	-246
Social Security contributions	-386
Salary and wage adjustments primarily due to budgeting vacant positions at lower salary levels	-1,049
Abolition of 34.5 vacant positions	-2,187
Other fringe benefit adjustments	51
Foster Care Maintenance Payments	
1% provider rate increase and 1% family foster care board rate increase	1,405
Foster youth savings program (see Issue 2 for additional detail)	325
Caseload declines, changes in mix of placements, and net reduction in flexible spending and related costs	-5,610
Other Changes	
In-Home Aide Services in Baltimore City due to increasing caseloads in an attempt to maintain no waiting list	219
Grants from the Governor's Office of Crime Control and Prevention (technical change as fiscal 2018 reimbursable funds have not yet been added to the working appropriation)	206
Restoration of funding for a sibling camp program that reunites siblings separated by foster care	49
Administrative Expenses	
Contractual services primarily due to increased security in the local departments of social services	642
Montgomery County block grant due to funding for increased security and a fiscal 2018 reduction that has not yet been redistributed to other block grant funded programs	367
Administrative hearings	175
Postage to reflect inflationary increases	62

Where It Goes:

Travel primarily to align with recent experience	-52
Communication costs primarily to align with recent experience	-117
Converting legal services support to State regular positions in Carroll and Washington counties using available vacant positions	-309
Rent primarily in Baltimore City local adult services due to lease terminations and staff relocation	-415
Other changes	-18
Total	**-$703**

DHS: Department of Human Services

Note: Numbers may not sum to total due to rounding.

Montgomery County Block Grant

The fiscal 2019 allowance for the Montgomery County block grant in Local Child Welfare Services and Local Adult Services increases by a net $367,174. However, the year-to-year changes for the block grant is distorted due to a reduction related to step increases in fiscal 2018 that were unneeded since State employees did not receive step increases. The reduction was taken solely in the Local Child Welfare Services portion of the block grant and was to be redistributed to other areas of the block grant. This redistribution has not yet occurred, which overstates the increase in the block grant in Local Child Welfare Services and understates any increase in the other areas of the block grant. DHS reports that the funding for the Montgomery County block grant in Local Child Welfare Services increases to support additional security at the local department, consistent with additional funding for security in all local departments.

The fiscal 2019 allowance for the Montgomery County block grant does not include any funding to support a general salary increase. DHS reports that if, as is currently budgeted, State employees receive a general salary increase, DHS will provide additional funding for a similar increase in the Montgomery County block grant.

Foster Care Maintenance Payments

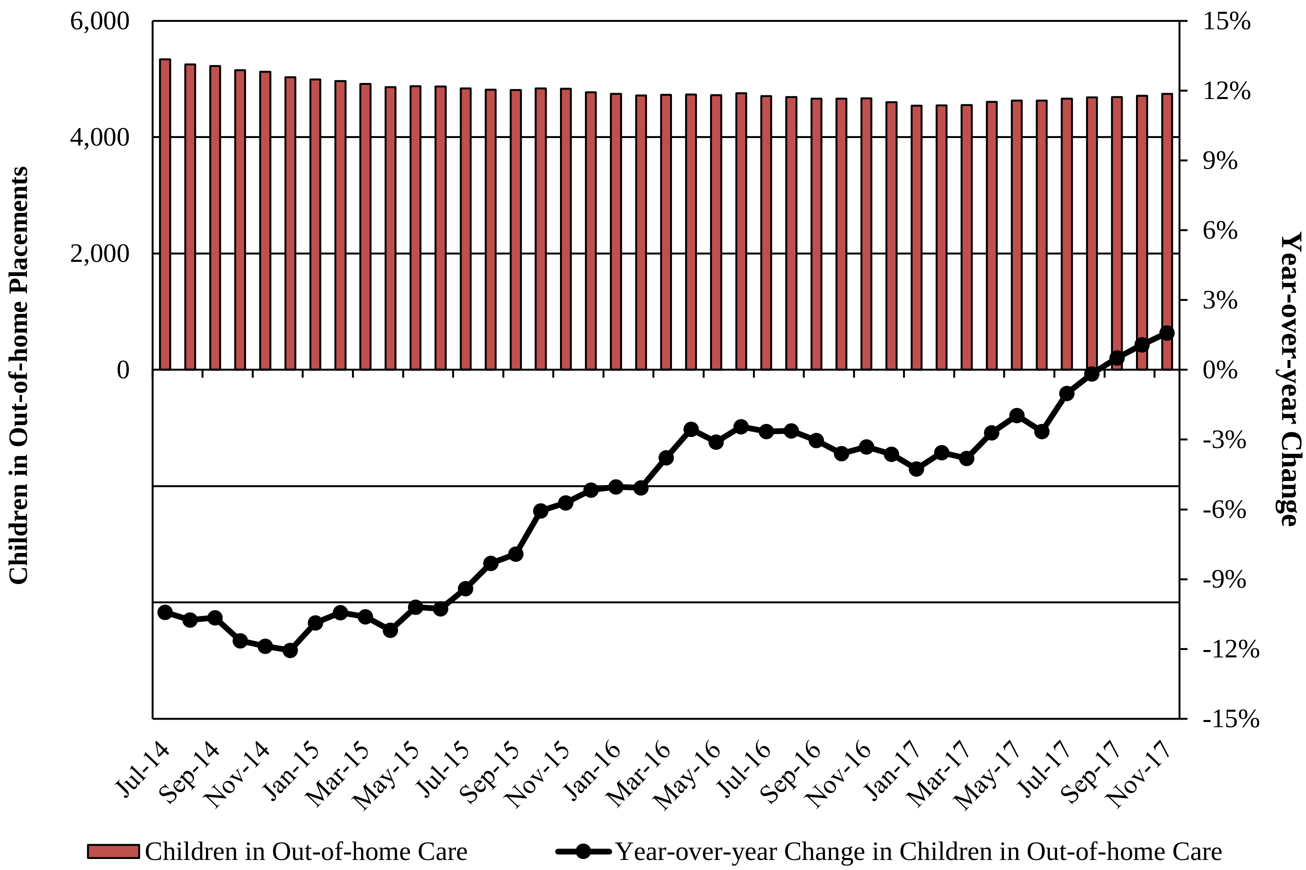
The fiscal 2019 allowance for the Foster Care Maintenance Payments program decreases by $3.9 million (1.5%) compared to the fiscal 2018 working appropriation. This program provides both the funds for placement costs for children in out-of-home care, subsidized adoptions, and subsidized guardianships, as well as related costs for these children (for example, day care expenses to assist foster parents and educational expenses). A general fund increase of $1.2 million is more than offset by decreases in special ($21,618) and federal funds ($5.1 million). The federal fund decrease primarily aligns with recent experience.

The fiscal 2019 allowance increases funding for the Foster Youth Savings program and provides $1.4 million for a 1% provider rate increase and a 1% increase in the family foster care board rate. Outside of these changes, the funding in the program declines primarily due to anticipated changes in the caseload.

Out-of-home Placements and Caseload Trends

As shown in **Exhibit 5**, from July 2014 through August 2017, the number of children in out-of-home care declined on a year-over-year basis in each month. However, between January 2017 and November 2017 (the most recent available data) the number of children in out-of-home care has increased in all but one month. In addition, from September 2017 through November 2017, the number of children in out-of-home care increased on a year-over-year basis.

Exhibit 5
Children in Out-of-home Placements at the Beginning of the Month
July 2014-November 2017

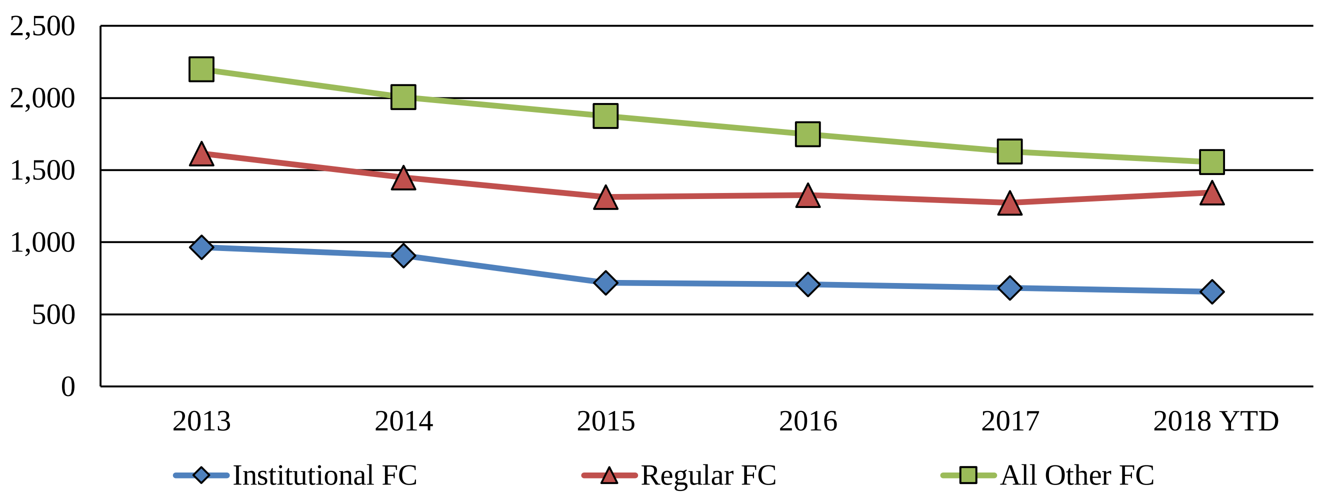


Source: Department of Human Services

The previous information describes the number of children in care; the remainder of the discussion focuses on placement types. The average monthly number of children in various placement types may not equal the number of children in out-of-home care because children may be counted in multiple placements if the children change placements. Additionally, children in certain placements (placements at the Regional Institutes for Children and Adolescents (RICA) or kinship care) are excluded from placement type data due to the funding for these placements.

Exhibit 6 provides information on the trends in the average monthly caseloads in foster care placements. Figures in Exhibit 6 for fiscal 2018 are the average through December 2017. In total, the average monthly number of children in foster care decreases by 5.3% between fiscal 2016 and 2017. The decrease occurred among all three placement types, with the highest rate of decrease (6.9%) occurring in the category of all other foster care placements (which includes emergency, treatment foster care, and purchased homes among others). In fiscal 2018 year to date, the trends for institutional placements and all other foster care placements have continued to decrease at generally similar rates. However, the average number of regular foster care placements has increased by 5.7% compared to fiscal 2017. This is the second time in three years that the average number of regular foster care placements has increased. Due to the high rate of increase in these placements, the net reduction in foster care placements in fiscal 2018 year to date is lower than 1.0%.

Exhibit 6
Foster Care
Average Monthly Caseloads
Fiscal 2013-2018 YTD



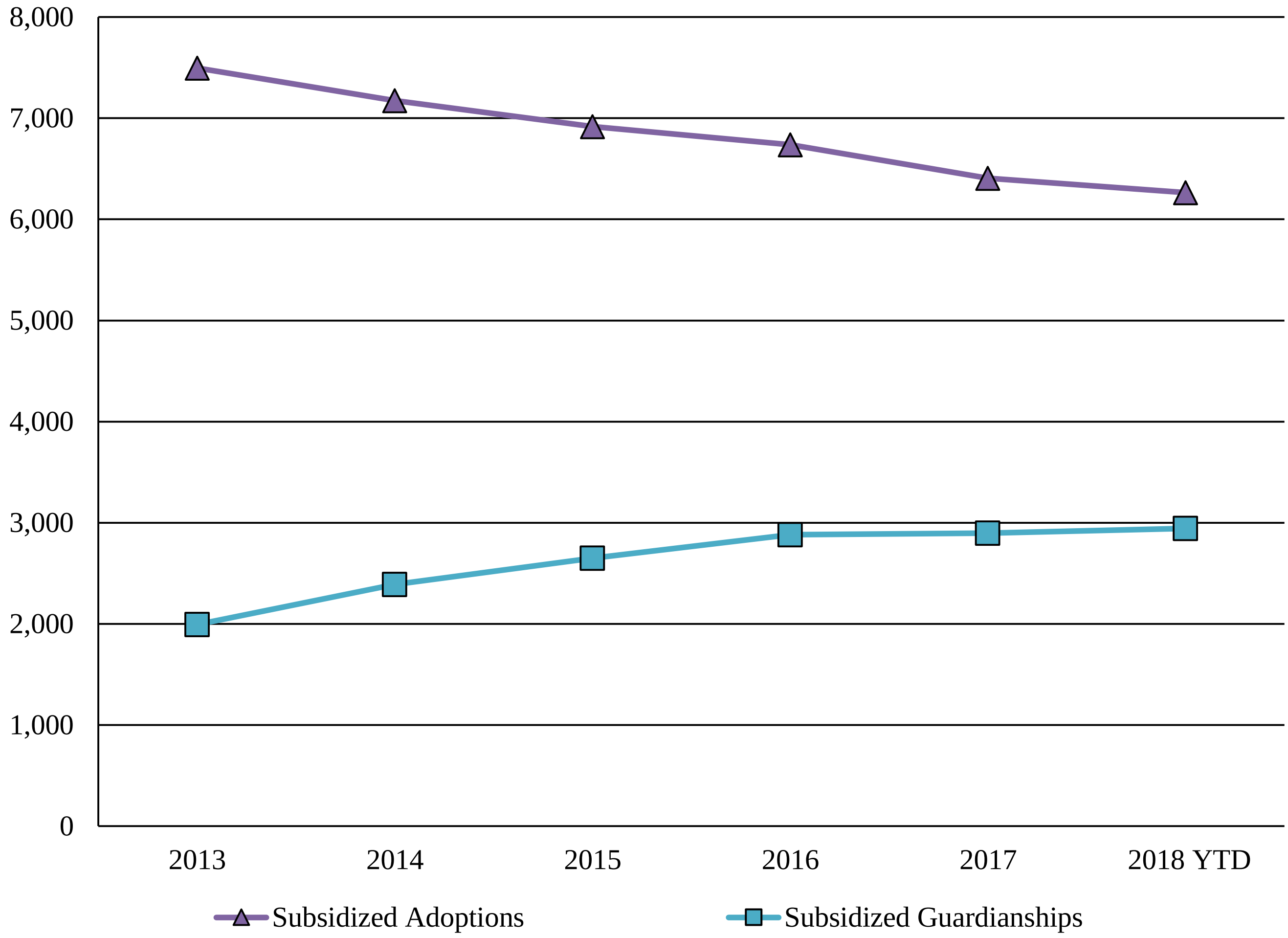
FC: foster care
YTD: year to date

Note: Fiscal 2018 data is through December 2017.

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

Exhibit 7 provides information on the average monthly number of children in subsidized adoptions and guardianships. After having year-to-year growth exceeding 8.0% from fiscal 2013 to 2016, the rate of increase in subsidized guardianships slowed to 0.5% in fiscal 2017. In fiscal 2018, through December 2017, the average monthly subsidized adoptions have continued to decrease in fiscal 2018 year to date.

Exhibit 7
Subsidized Adoptions/Guardianships
Average Monthly Caseloads
Fiscal 2013-2018 YTD



YTD: year to date

Note: Fiscal 2018 data is through December 2017.

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

Caseload estimates

Exhibit 8 presents a comparison of the Department of Legislative Services (DLS) estimate for the average monthly foster care and subsidized adoption/guardianship placements compared to the caseload estimates on which the budget is based. As shown in this exhibit, DLS anticipates a higher total foster care caseload than the number on which the budget is based in both fiscal 2018 and 2019. In both years, the difference is largely due to projections for the regular foster care caseload. In fiscal 2018 and 2019, DLS is projecting the regular foster care caseload to increase by 4.0% and 2.0%, respectively compared to the prior year. The anticipated increase is relatively consistent with the fiscal 2018 experience shown in Exhibit 7. The estimates used in budget development assume the average monthly regular foster care placements decrease in each year by 3.4%, near the level of decrease in fiscal 2017. DLS also anticipates slower rates of decline in the average monthly number of purchased home and purchased institution placements.

Exhibit 8
Foster Care and Subsidized Adoption/Guardianships Caseload Projection
Average Monthly Caseloads
Fiscal 2017-2019

	Fiscal 2017	**Fiscal 2018**			**Fiscal 2019**		
	Actual	**DBM**	**DLS**	**Difference**	**Allowance**	**DLS**	**Difference**
Regular FC	1,273	1,230	1,324	94	1,188	1,350	162
Emergency FC	47	58	49	-9	69	50	-19
Treatment FC	23	29	24	-5	36	24	-12
Intermediate FC	141	125	147	22	110	150	40
Purchased Home	1,359	1,266	1,291	25	1,174	1,233	59
Purchased Institution	683	632	656	24	582	633	51
Minor Mothers	59	59	61	2	59	63	4
Subsidized Guard	2,897	2,922	2,926	4	2,947	2,955	8
Subsidized Adoption	6,408	6,132	6,248	116	5,857	6,092	235
Total Foster Care	**3,585**	**3,399**	**3,551**	**152**	**3,218**	**3,502**	**284**
Total Subsidized Adoptions/ Guardianships	**9,305**	**9,054**	**9,174**	**120**	**8,804**	**9,047**	**243**
Total Combined	**12,890**	**12,453**	**12,725**	**272**	**12,022**	**12,549**	**527**

DBM: Department of Budget and Management
DLS: Department of Legislative Services
FC: foster care

Note: Numbers may not sum due to rounding.

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

DLS also anticipates a higher average number of subsidized adoptions in both years. DLS is projecting a slower rate of decline in the average monthly number of subsidized adoptions (2.5%) than was assumed in budget development (4.3% and 4.5%, respectively). In both years, DLS anticipates a decrease consistent with year to date experience in fiscal 2018, while the estimates assumed in the budget are more consistent with the rate of change in fiscal 2017.

Rate Estimates

As noted earlier, the fiscal 2019 allowance includes $1.4 million to support a 1% provider rate increase and a 1% increase in the family foster care board rate. Section 4 of the Budget Reconciliation and Financing Act of 2018 limits the rate increase for providers who have rates set by the Interagency Rates Committee (all providers except regular foster care, subsidized adoption, and subsidized guardianships) to 1%. With these rate increases, DLS' estimates of the average monthly cost of foster care placements is $73 lower than the estimate assumed in the budget for fiscal 2018 and $242, 6.6%, lower than fiscal 2019. The two areas of largest differences in fiscal 2019 are for emergency foster care and purchased institution placements, primarily due to the assumption by DLS that the only change in fiscal 2019 is for the provider rate increase.

Forecast

Exhibit 9 presents a comparison of the DLS estimate of expenditures for foster care and subsidized adoption/guardianships compared to the budgeted funds in fiscal 2018 and 2019. DLS projects general fund shortfalls in both fiscal 2018 and 2019. The fiscal 2018 estimated general fund shortfall ($6.1 million) is due to a higher estimated number of placements and a lower estimate of the available federal funds from the Title IV-E program. In fiscal 2019, the estimated shortfall of $2.8 million results from the higher estimated number of placements, partially offset by a lower estimated cost of placements.

Exhibit 9
Foster Care and Subsidized Adoption/Guardianship Cost and Expenditure Forecast
Fiscal 2017-2019
($ in Millions)

	2017	2018	2019	% Change 2018-2019
Budgeted Expenditures				
General Funds	$190.5	$184.5	$185.6	0.6%
Total Funds	**$265.5**	**$262.6**	**$258.7**	-1.5%
DLS Forecasted Expenditures				
General Funds	$190.5	$190.5	$188.5	-1.1%
Total Funds	**$265.6**	**$266.1**	**$261.9**	**-1.6%**
General Fund Shortfall (Compared to Budget)		-$6.1	-$2.8	
Total Shortfall (Compared to Budget)		**-$3.4**	**-$3.2**	

DLS: Department of Legislative Services

Source: Governor's Budget Books; Department of Human Services; Department of Budget and Management; Department of Legislatives Services

Issues

1. Title IV-E Waiver

In February 2014, DHS applied for a Title IV-E Waiver. As stated in the waiver application, DHS intended to expand family preservation and post-permanency services, essentially allowing the agency to spend federal funds for more than out-of-home placements. DHS planned to focus on children transitioning from foster care, families receiving in-home services, and families with youth in care with a goal of reunification or guardianship. DHS expected to reduce entries and re-entries into out-of-home care and reduce the length of stay in out-of-home care. DHS anticipated that the waiver would begin an expansion of evidence-based practices for in-home services and post-permanency support and that the services ultimately be included in the Medicaid State Plan.

The specific waivers DHS sought for the project were related to (1) expanded eligibility (allowing the State to use Title IV-E funds for children and families not otherwise eligible); (2) expanded claiming; and (3) expanded services (to allow the State to use funds for services not normally covered by Title IV-E funds).

On September 30, 2014, DHS received approval of the proposed demonstration project and waivers to implement the project. DHS began the implementation of the waiver July 1, 2015, which was the earliest date allowed under the terms and conditions. The waiver will end September 30, 2019.

Waiver Implementation and Status

Activities

DHS began implementation of the project with a new assessment tool for all in-home service cases statewide (Child and Adolescent Needs and Assessment – Families (CANS-F)), which is a trauma-informed assessment tool. The use of this assessment began in fiscal 2016. DHS reports that between July 1, 2017, and November 30, 2017, 2,434 families, 3,300 caregivers, and 5,198 youth completed at least one CANS-F assessment.

Six jurisdictions began implementing evidence-based practices in fiscal 2017, which have continued into fiscal 2018. DHS provided data on the service provision for five of these jurisdiction/evidence-based practices. In fiscal 2017 and the first half of fiscal 2018, DHS reports the following number of families and youth have been served:

- ***Washington County (Two Practices Related to Child Abuse Prevention):*** 73 families served and 15 youth and 28 families successfully discharged;

- ***Allegany County (One Practice Related to Parent Education):*** in fiscal 2017, 23 parents served with 14 successfully discharged, and in fiscal 2018, 12 families served with 9 successfully discharged;

- ***Harford County (One Practice Related to Parent Education):*** in fiscal 2017, 22 parents served with 12 successfully discharged, and in fiscal 2018, 9 families served with 8 successfully discharged;

- ***Anne Arundel County (One Practice Related to Child Behavioral Health):*** 12 families served with 2 families successfully discharged; and

- ***Baltimore City (One Child Welfare Practice Model):*** in fiscal 2017, 35 families received services by a caseworker in the certification phase, and in fiscal 2018, 33 caseworkers have been certified.

DHS reports that 18 jurisdictions plan to implement new evidence-based practices in fiscal 2018. **Exhibit 10** provides the names of these jurisdictions by type of practice proposed for implementation. DHS indicates that these evidence-based practices will be in place by April 1, 2018. The jurisdictions that have not yet begun implementing the new practices are in the process of executing contracts, educating staff and stakeholders, developing referral and data collection forms, and conducting training. Some jurisdictions (Dorchester, Montgomery, Somerset, Wicomico, and Worcester counties) have chosen not to implement evidence-based practices based on local determinations regarding needs and service gaps. These jurisdictions are implementing other reinvestment strategies that provide services and support to families and youth. In fiscal 2019, DHS plans to use $2.3 million for the evidence-based practices.

Exhibit 10
Evidence-based Practice Type by Jurisdiction

Parenting Models	Parental Substance Use	Child Behavioral Health	Adult Behavioral Health
Allegany	Caroline	Allegany	Allegany
Anne Arundel	Charles	Baltimore	Charles
Garrett	Frederick	Calvert	
Harford		Carroll	
Kent		Cecil	
Prince George’s		Frederick	
Queen Anne’s		Harford	
Talbot		Howard	
Washington		Prince George’s	
		Queen Anne’s	
		St. Mary’s	
		Washington	

Note: Baltimore City is continuing to implement an evidence-based practice that it began in fiscal 2017. Five counties (Dorchester, Montgomery, Somerset, Wicomico, and Worcester) are not implementing evidence-based practices due to a local determination of needs and service gaps. These jurisdictions are supporting families through other efforts.

Source: Department of Human Services

Reinvestment Strategies

As required under the terms and conditions of the waiver, DHS has implemented reinvestment strategies since fiscal 2017. The primary reinvestment strategy has been the provision of family support funds to LDSS. The funds are used by LDSS to promote safety, permanency, and well-being among clients and to prevent out-of-home placements (including re-entry). Examples of uses of the funds include summer camps, child care, and assistance with housing and personal needs. DHS has used and plans to continue to use reinvestment funds in fiscal 2019 for activities including substance use programs and other interventions designed to support parents, caregivers, and youth with a substance use disorder; behavioral and mental health prevention for early intervention and treatment of children, youth, and families designed to improve family functioning; and parenting training supports for the prevention of maltreatment. In fiscal 2019, DHS intends to use $5.7 million for these reinvestment strategies.

Title IV-E Waiver Spending

Under the waiver, funds are received based on a capped allocation, with caps separately identified for maintenance payments and administration. DHS proposed excluding certain costs from the capped allocation: (1) information technology costs; (2) training; (3) subsidized adoption payments; and (4) subsidized guardianship payments. Traditional Title IV-E funds support the subsidized adoption and guardianship payments. The base allocation for each federal fiscal year for foster care maintenance costs is $77.64 million, and the base allocation for administrative costs is $48.99 million. These costs include both the federal and State share, the latter of which is based on the federal Medical Assistance match rate (in Maryland 50%). The federal share of the base allocation includes $38.82 million for maintenance payments and $24.5 million for administrative expenses. The allocations are adjusted annually. The capped allocation acts essentially as a block grant requiring the department to make choices about how to best utilize the available funds between activities and programs. Funds not expended in one year may be carried over into the next. **Exhibit 11** compares the amount of funds available under the capped allocation versus expenditures each year. **Exhibit 12** provides information on the amount of funds used for various programs in each year.

Exhibit 11
Title IV-E Waiver Federal Fund Spending versus Federal Revenue
Fiscal 2016-2020 Estimated

	2016	2017	2018 Working Appropriation	2019 Allowance	2020 Estimated
Maintenance					
Spending	$36,891,698	$34,957,091	$40,114,923	$33,877,607	
Available	40,641,144	39,919,005	40,114,923	40,340,108	$25,029,959
Difference	**-$3,749,446**	**-$4,961,914**	**$0**	**-$6,462,501**	

	2016	2017	2018 Working Appropriation	2019 Allowance	2020 Estimated
Administration					
Spending	$25,297,508	$26,805,799	$24,920,837	$25,856,286	
Available	25,163,196	25,066,885	25,008,242	25,280,208	$3,691,410
Difference	**$134,313**	**$1,738,914**	**-$87,405**	**$576,078**	
Total					
Spending	$62,189,206	$61,762,890	$65,035,760	$59,733,893	
Available	65,804,340	64,985,890	65,123,165	65,620,316	$28,721,369
Difference	**-$3,615,134**	**-$3,223,000**	**-$87,405**	**-$5,886,423**	

Note: Fiscal 2020 estimate captures total over/under spending from allocations in federal fiscal 2016 through 2019 and one quarter of funds available from federal fiscal 2015.

Source: Maryland Terms and Conditions Final; Department of Human Services; Governor's Budget Books; Department of Legislative Services

Exhibit 12
Title IV-E Waiver Federal Fund Spending
Fiscal 2016-2019 Allowance

	2016	2017	2018 Working Appropriation	2019 Allowance	2018-2019 Difference
Foster Care Maintenance Payments	$36,891,698	$34,957,091	$40,114,923	$33,877,607	-$6,237,316
Local Child Welfare Services	16,163,486	14,884,281	12,787,056	16,628,445	3,841,389
Social Services Administration – State offices	3,149,015	6,174,209	7,903,071	4,634,019	-3,269,052
Local Adult Services	1,949,042	1,700,894	1,665,369	1,458,665	-206,704
Maryland Legal Services Program	108,846	0	0	0	0
Family Investment Administration	355,284	123,826	0	90,909	90,909
General Administration	3,571,835	3,922,589	2,565,122	3,044,248	479,126
Total	**$62,189,206**	**$61,762,890**	**$65,035,541**	**$59,733,893**	**-$5,301,648**

Source: Governor's Budget Books

As shown in Exhibit 11, only $3.7 million will be available for all non-Foster Care Maintenance Payments program-related spending in the first quarter of fiscal 2020. The fiscal 2019 allowance for this spending totals $25.3 million, or approximately $6.3 million per quarter. DHS will need to reduce

Title IV-E Waiver spending in some areas in fiscal 2020 to remain within the available funds for activities included within the administration allocation. On the other hand, DHS spent just under $35.0 million of Title IV-E Waiver funds for maintenance payments in fiscal 2017. In fiscal 2020, even though the funds are available for only one quarter, SSA will have $25.0 million left under the capped allocation based on the current spending plans. It seems possible that DHS may not be able to use the full capped allocation for maintenance payments prior to the end of the waiver.

DLS recommends committee narrative requesting information on the department's efforts to prepare for the end of the Title IV-E Waiver, the efforts to ensure the department uses all available IV-E Waiver funding, and the impact of the end of the waiver on the availability of federal funding in SSA.

2. Foster Youth Savings Program

The fiscal 2018 budget included a new initiative in the Foster Care Maintenance Payments program to implement a Foster Youth Savings program for transition-aged foster youth. At the time, the program was described as a matched savings account program, under which a certain amount of State match would be provided for savings made by the youth (for example, DHS would provide $1 for every $1 saved by the youth). However, there was limited information regarding how the program would operate, and language in the fiscal 2018 budget restricted funding for the program until two reports were submitted. One report was to provide a detailed implementation plan, while the other was to provide information on the number of youth served in the program and the feasibility of establishing savings accounts for youth receiving federal benefits using those federal benefits. The first report was due in July 2017, while the second was due in December 2017.

A number of details regarding the operation of the program changed significantly between the two reports (including ages of the eligible youth), and, in fact, the program had not yet been implemented by December 2017. While continuing to describe the program as a matched savings program in July 2017, by December 2017, DHS had decided not to implement this portion of the program at least in fiscal 2018.

Program Description

The program allows eligible foster youth to establish individual development accounts (which are typically matched savings accounts). Youth ages 14 to 20 will be able to participate in the program. Age 14 is the age at which transition planning for foster youth typically begins. In addition to creating savings accounts for each eligible youth, the program will provide financial education for the youth. The goals of the financial education/literacy components are to provide information about:

- the benefits of saving money, investing, and making smart financial decisions;
- how to analyze and compare the costs and benefits of goods and services;

- how to use banking services to achieve a long-term financial plan; and

- how credit works, the importance of credit, and impact of debt on life goals.

DHS also intends to assist youth in supporting, managing, and building credit through a credit card. DHS noted plans to provide incentives for youth to complete the financial literacy components of the program in the December report, but did not provide details on how that portion of the program would function.

Savings Account Establishment

According to the December 2017 report, DHS decided to use most of the fiscal 2018 funding to establish accounts for eligible youth with seed funding. Youth ages 14 to 17 are to receive $350 and older youth ages 18 to 20 will receive $800. The higher initial contribution for older youth is because these youth are closer to exiting care. DHS estimated 2,096 foster youth would receive accounts as part of this initial wave of seed funding, 1,136 youth ages 14 to 17 and 960 youth ages 18 to 20. DHS is still examining the feasibility of establishing a matched savings portion of the program and other methods of adding funds to the account.

DHS does not plan to make the program available to youth eligible for the Achieving a Better Life Experience (ABLE) accounts. Those youth are expected to participate in the ABLE program. ABLE accounts allow youth age 18 who have developed a qualifying disability prior to age 26 to save up to $100,000 without impacting eligibility for federal Supplemental Security Income (SSI) benefits. The administrator of the Foster Youth Savings program will be responsible for ensuring that ABLE account eligible youth do, in fact, establish these accounts.

Eligible Uses of Funds

The uses of the savings accounts will be limited to certain types of expenses including education, housing, vehicles, micro enterprises, investments, health care, and other credit building activities.

Performance Measures

DHS plans to conduct a financial screening prior to enrollment in the program to assess the financial standing of the youth. This screening is also expected to be conducted annually after enrollment and upon program completion. The screening will include credit scoring. DHS also plans to use these screenings as components of program performance measurement. In addition, DHS plans to track additional measures, such as number of savings and checking accounts opened, amount and frequency of deposits, amount of personal debt, and credit score changes.

Implementation Strategy

DHS plans to procure an administrator for the program. The procurement process is still ongoing. DHS expects the contract to be executed for an administrator in the fourth quarter of calendar 2018. However, DHS decided to move forward with the initial phase of implementation prior to the completion of the procurement. While DHS continues its efforts to procure an administrator, LDSS staff will enroll and assist youth in the program. LDSS will also assist qualified youth to establish ABLE accounts.

DHS has planned two trainings (one in January and one in February) for LDSS staff related to ABLE accounts to ensure staff are equipped to enroll youth in this program. In addition, DHS plans to train Independent Living Coordinators on financial literacy topics. This training will enable LDSS staff to better support youth in their financial skills.

Program Costs

As noted earlier, the fiscal 2018 budget includes $1.375 million, and the majority of these funds will be used for the seed funding to establish accounts. Based on DHS' estimated number of eligible youth, DLS projects the cost of establishing the accounts to be $1.17 million. At this cost, DHS would have $210,000 available in fiscal 2018 for administrative costs. The fiscal 2019 allowance includes $1.7 million for this program. DHS indicates that the additional funding will be used for the procurement of the vendor, administration of the accounts, establishing new accounts, and providing additional savings for youth. **However, as DHS is still determining whether or how additional funds will be added to the accounts, and many details of the program remain uncertain and have changed during fiscal 2018, DLS recommends restricting the funds for the program until DHS submits a report detailing its plans for operating the program in the future, including its final determination on whether the program will operate as a matched savings program and planned uses of budgeted funds.**

Feasibility of Establishing a Program for Youth Receiving Federal Benefits

The report submitted in December 2017 was expected to include a review of the feasibility of establishing a savings program for youth receiving federal benefits (such as SSI and Veterans Administration) using those federal benefits. DHS currently uses those funds to pay for the costs of care. The report did not include such a feasibility review, instead noting that youth receiving Social Security and/or Social Security Disability Insurance are eligible to open ABLE accounts. Youth receiving Veterans Administration benefits will be able to participate in the Foster Youth Savings program. DHS makes no reference to using the federal benefits for use for either the ABLE or regular Foster Youth Savings accounts. The fiscal 2019 allowance continues to use the funds from the federal benefits for the cost of care.

3. Success of the Place Matters and Families Blossom Initiatives

In July 2007, DHS launched the Place Matters initiative. The goals of the Place Matters initiative were to:

- place more children in family settings and reduce the number of children in congregate care;
- maintain children in their homes and offer more services in their communities;
- reduce reliance on out-of-home care and provide more in-home support to help keep children with their families;
- minimize the length of stay in out-of-home care and increase reunifications; and
- manage with data and redirect resources to front-end services.

In July 2015, DHS launched the Title IV-E Waiver Demonstration Project, referred to as Families Blossom. The goals of that initiative were discussed in Issue 1.

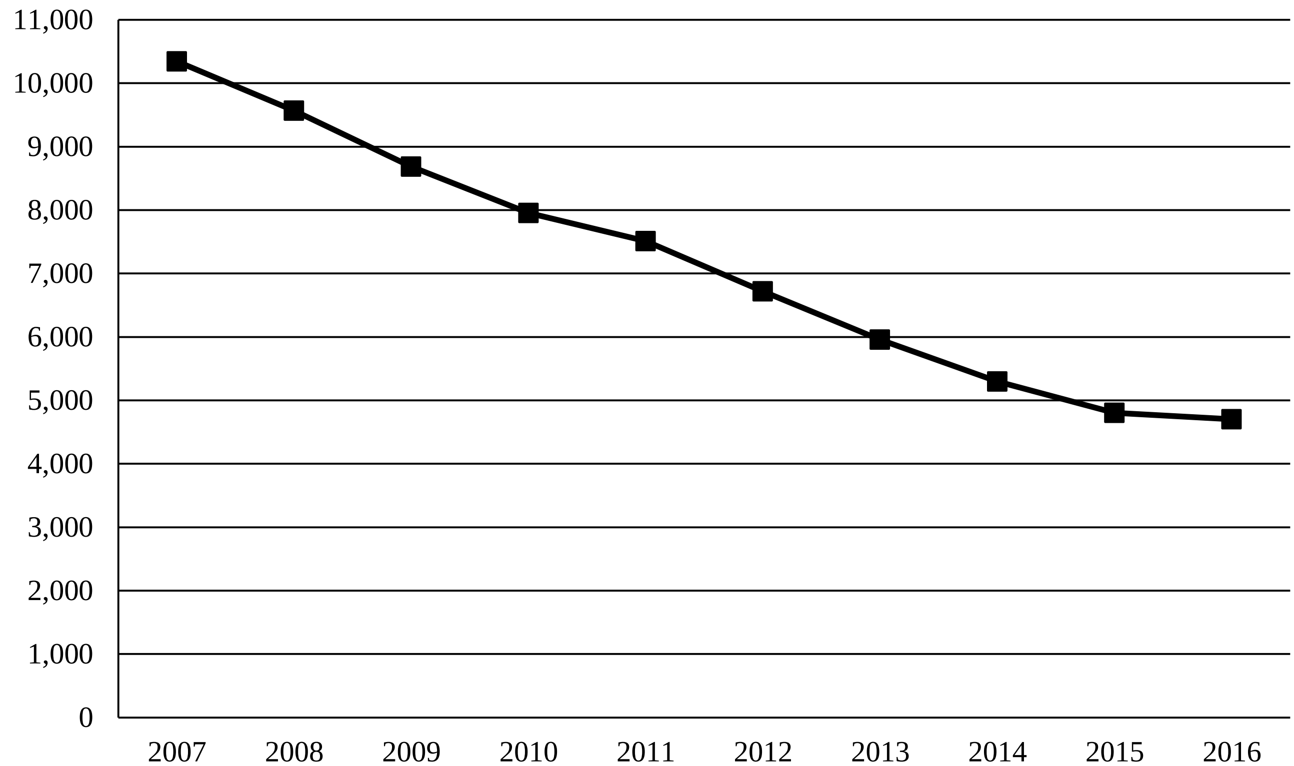
Committee narrative in the 2017 *Joint Chairmen's Report* (JCR) requested that DHS submit a report on the long-term impacts of these initiatives. In particular, DHS was asked to provide information on:

- the number of children that have left out-of-home placements from fiscal 2007 through 2017: to reunify with the family of origin; to enter a subsidized guardianship placement; to enter a subsidized adoption placement; or who aged out of care;
- the number and percent of children that left an out-of-home placement that returned to out-of-home care from fiscal 2007 through 2017: after reunifying with the family of origin; after entering a subsidized guardianship placement; or after entering a subsidized adoption placement;
- the number of family preservation cases from fiscal 2007 through 2017;
- a description of the data that the department collects regarding the success of a family reunification, subsidized guardianship, or subsidized adoption and the years for which that data is available;
- a description of the data that the department collects regarding the success of family preservation services and the years for which that data is available; and
- a review of the success to date of the Place Matters initiative and Families Blossom initiative.

Out-of-home Placements

The Governor's Office for Children (GOC) submits an annual report titled the *State of Maryland Out-of-Home Placement and Family Preservation Resource Plan*. The report covers multiple agencies including DHS. The report primarily includes data based on a one-day count of placements (January 31) but also includes information on changes in placements during the year (including new placements, exits from placements, and placements at the end of a fiscal year). The report for 2017 has not been submitted as of this writing. **Exhibit 13** provides data on the number of children in DHS out-of-home placements at the end of each fiscal year. As shown in this exhibit, the number of children in out-of-home care decreased by 54.4% from the end of fiscal 2007 through the end of fiscal 2016, from 10,346 to 4,700. The number of placements at the end of each fiscal year declined by more than 5% from the prior year in each of these years except fiscal 2016 (a decrease of 2.2%). In three years, the year-to-year decline was greater than 10.0%. The decrease in children in care shows success in meeting a key goal of the Place Matters initiative.

Exhibit 13
Children in Out-of-home Placements
Fiscal 2007-2016

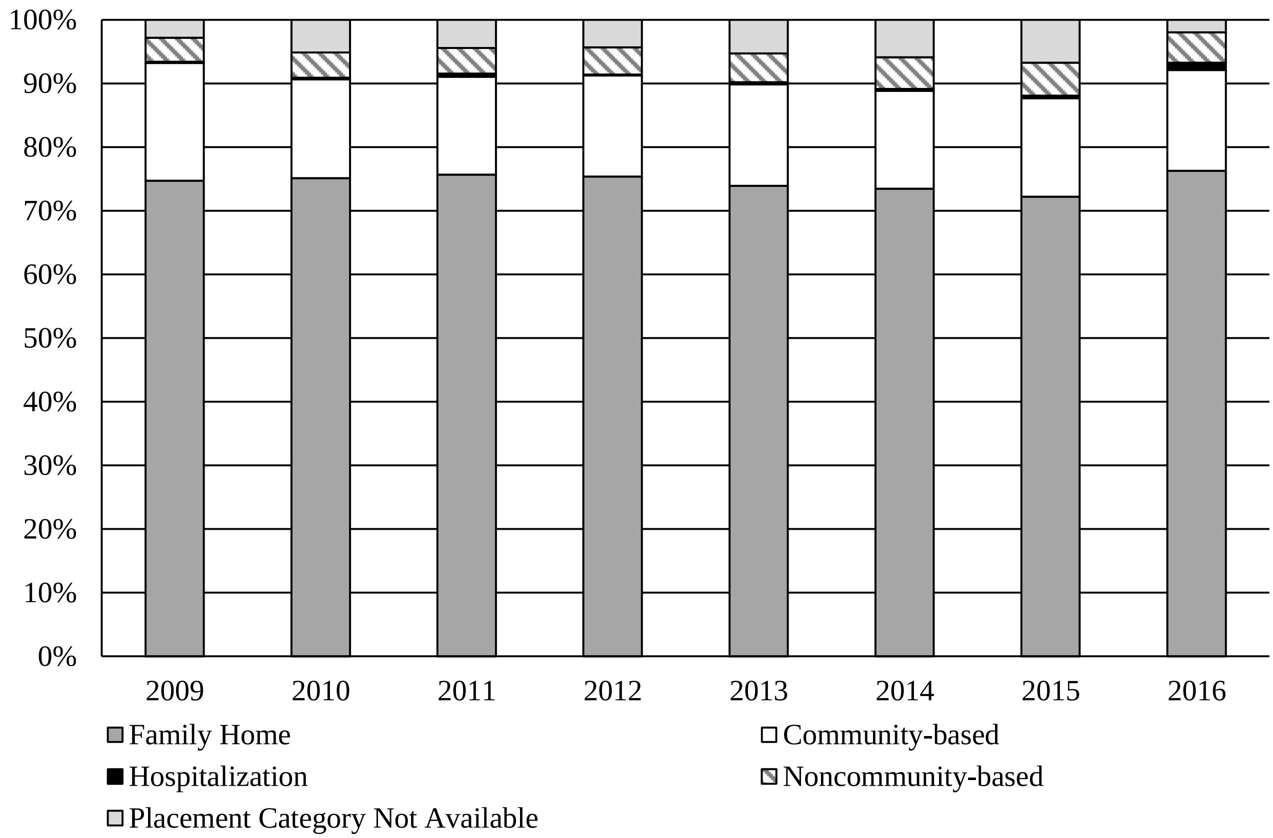


Source: Governor's Office for Children; Department of Human Services

Placement Type

Another key goal of Place Matters was to place more children in family settings and reduce reliance on placements in congregate care settings. Due to changes in how the data is presented, only data from the one-day counts on January 31, 2009, through January 31, 2016, is available. As shown in **Exhibit 14**, there has not been a substantial change in the percent of placements in family home settings during this time. The percent of placement in family home settings ranged from a low of 72.2% on January 31, 2015, to a high of 76.3% on January 31, 2016. Similarly, there has been no substantial change in the share of placements in community-based settings (including group homes and independent living programs) in the 15.0% range in all years except January 31, 2009.

Exhibit 14
Children in Out-of-home Placements by Type
January 31, 2009-January 31, 2016



Note: According to the Department of Human Services, Placement Category Not Available represents children who have run away.

Source: Governor's Office for Children; Department of Human Services

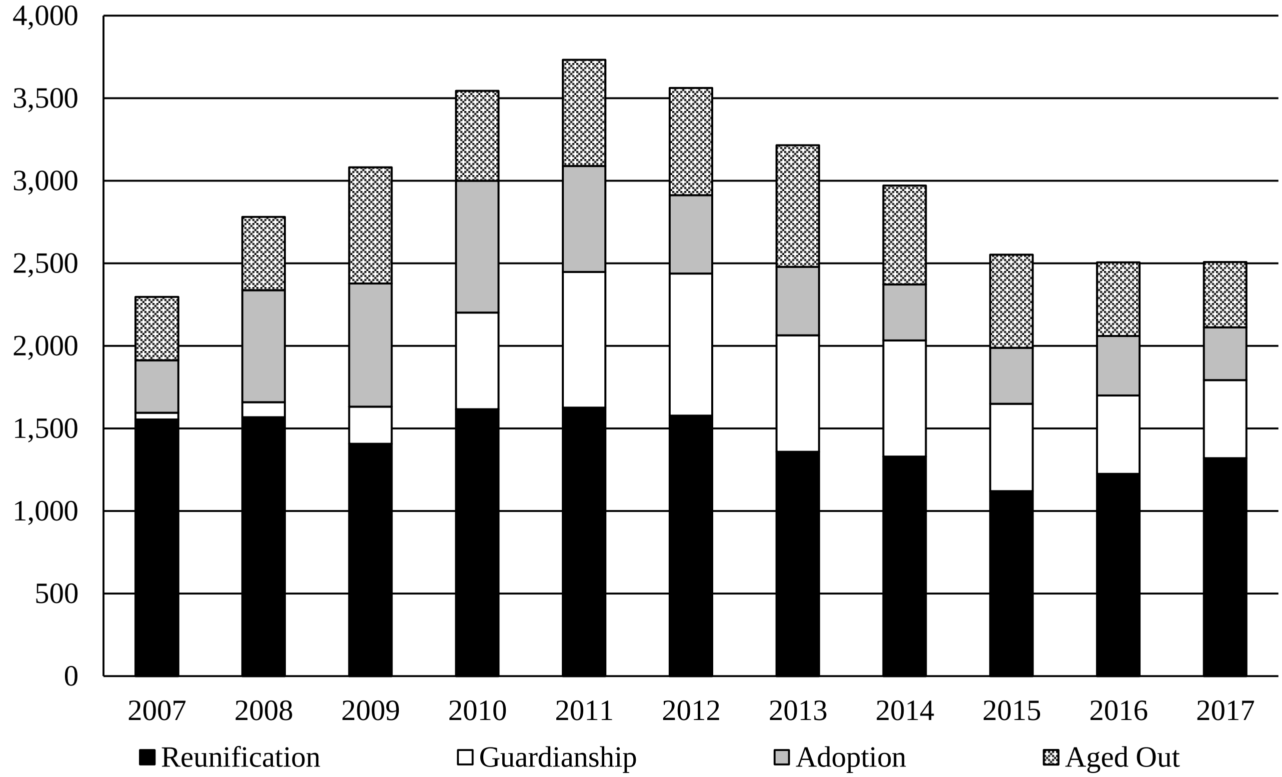
The share of placements in noncommunity-based settings (primarily residential treatment centers) has slightly increased over time although the number of placements in these settings has decreased. In addition, on January 31, 2016, there were 54 placements in hospital settings (1.2% of all placements), which was the highest number and share of these placements during this period. These two trends may indicate some shifting in the population of children in placements to youth with higher levels of need. Issues relating to children with complex medical needs are discussed further in Update 1 of this analysis.

Exits into Permanency

As part of its report on the success of the Place Matters and Families Blossom initiatives, DHS included data on the number of children exiting care and specifically exiting to reunification, guardianship, adoption, and aging out of care. As shown in **Exhibit 15**, the number of exits to guardianship increased substantially from fiscal 2007 through 2012. In fiscal 2012, 24.2% of all exits were to guardianship compared to 1.8% in fiscal 2007. The share of exits to guardianship has declined since that time but remains much higher than fiscal 2007. The State increased the use of subsidized guardianships during this period as an alternative means to achieving permanency for youth in foster care. Exits to adoption also increased initially, but since fiscal 2012, exits to adoption have represented less than 15.0% of all exits. Reunification, as a share of all exits, was highest in fiscal 2007 (67.7%) and was below 50% from fiscal 2009 through 2016.

In recent years, over 20% of youth in care are 18 or older. As a result of the large share of older youth in care, the share of exits due to aging out of care is also significant. Between fiscal 2007 and 2017, more than 15% of exits in each year were due to aging out of care. In four of these years, the share exiting due to aging out of care was greater than 20%.

Exhibit 15
Exits from Out-of-home Care by Type
Fiscal 2007-2017

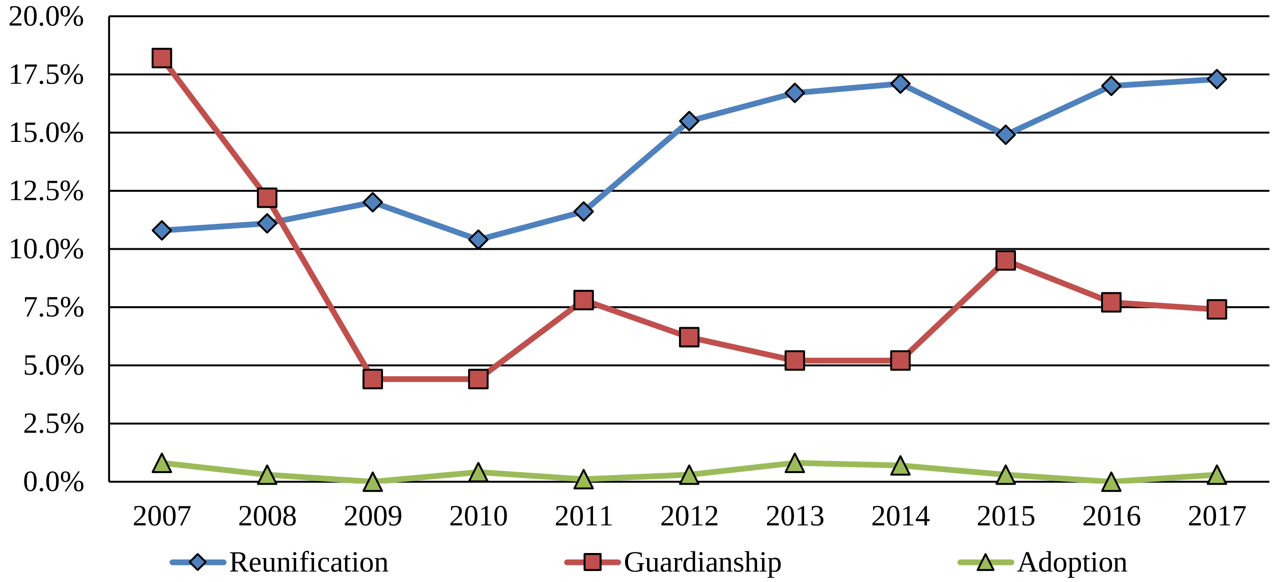


Source: Department of Human Services

Re-entries to Care

While DHS has experienced a certain amount of success in increasing exits into permanency, the department has also experienced high rates of re-entries into care from reunification and guardianship. DHS has a goal of no more than 12% of youth re-entering care after an exit to reunification. As shown in **Exhibit 16**, the rate of re-entry into care after an exit to reunification was above 12% in each year between fiscal 2012 and 2017. In three of those years, the rate of re-entry was above 17%. In four of those years, the number of youth re-entering care from reunification was greater than 200. DHS indicates that 10 jurisdictions had no re-entries into care during fiscal 2017. The department explains that only 2 jurisdictions had more than 20 exits from care to reunification and a higher than State average rate of re-entries: Allegany County, which has been impacted by increased removals related to substance use, and Baltimore City, although it has seen some improvement in this metric. **DHS should comment on when statewide improvement in the rate of re-entry into care after reunification should be expected.**

Exhibit 16
Re-entries into Care
Fiscal 2007-2017



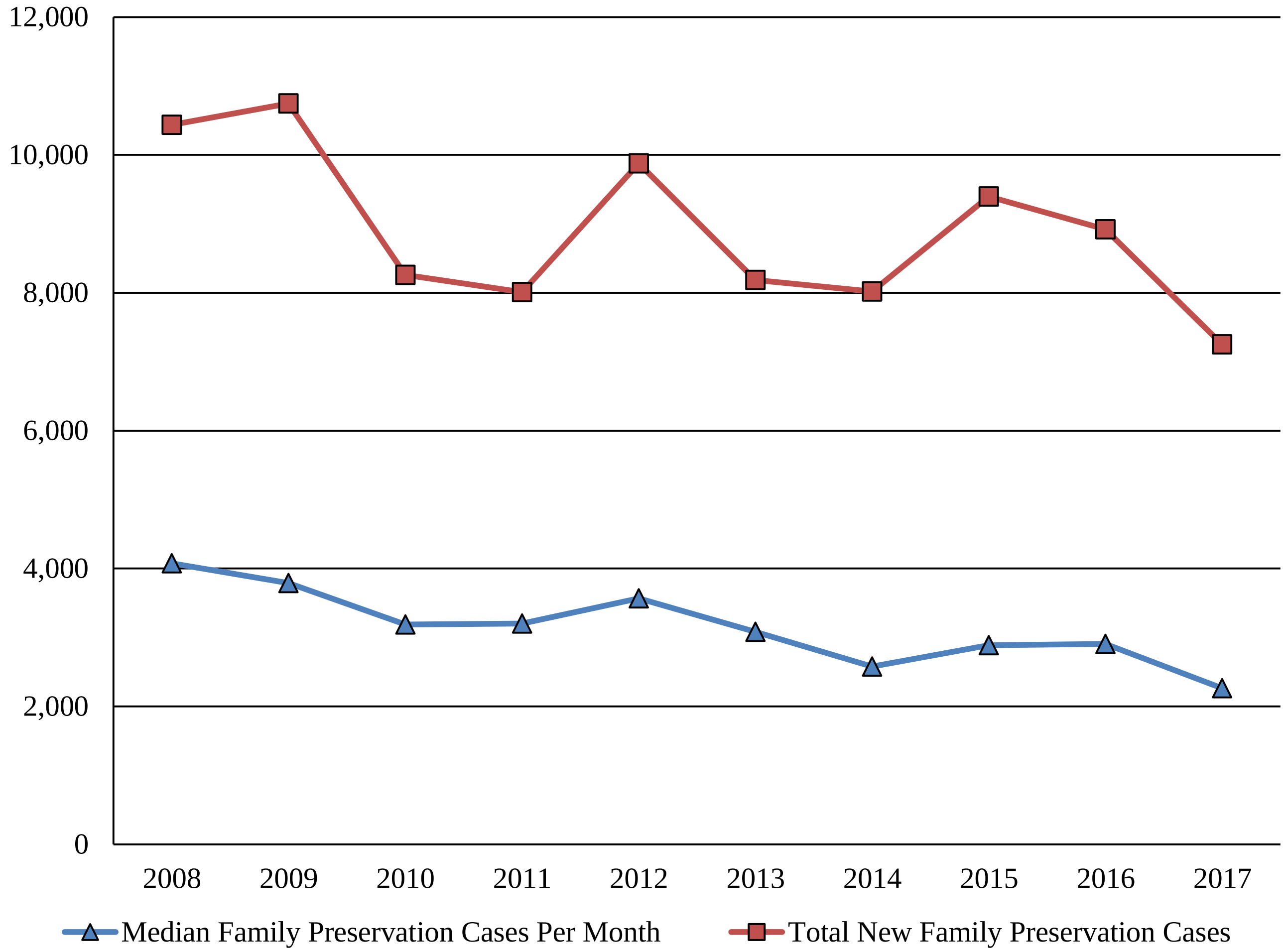
Source: Governor's Budget Books; Department of Human Services; Department of Budget and Management

The rates of re-entry into care from guardianship in fiscal 2007 and 2008 are skewed due to the low numbers of youth exiting to guardianship. The rates of re-entry into care from exits to guardianship have been relatively high in recent years, exceeding 7% in each year between fiscal 2015 and 2017. However, the rates of re-entry from exits to guardianship has decreased in each of the last two fiscal years.

Family Preservation Cases

An important goal for both Place Matters and Families Blossom is to improve the in-home services provided to families to allow more youth to be maintained safely in their home. DHS provided data on the median number of family preservation cases each month and total new family preservation cases in each fiscal year. As shown in **Exhibit 17**, while fluctuating, both measures show a general downward trend since fiscal 2008. In total, the median number of family preservation cases each month decreased by 44.5% from fiscal 2008 through 2017, and the number of new family preservation cases has decreased by 30.5%. While overall, the total number of new cases has declined, DHS noted that two of the highest years (fiscal 2012 and 2015) occurred with the full implementation of Place Matters and Alternative Response. Under Alternative Response, certain low-risk cases are handled without an investigation or findings but through an approach to provide more services to families.

Exhibit 17
Family Preservation Cases
Fiscal 2008-2017

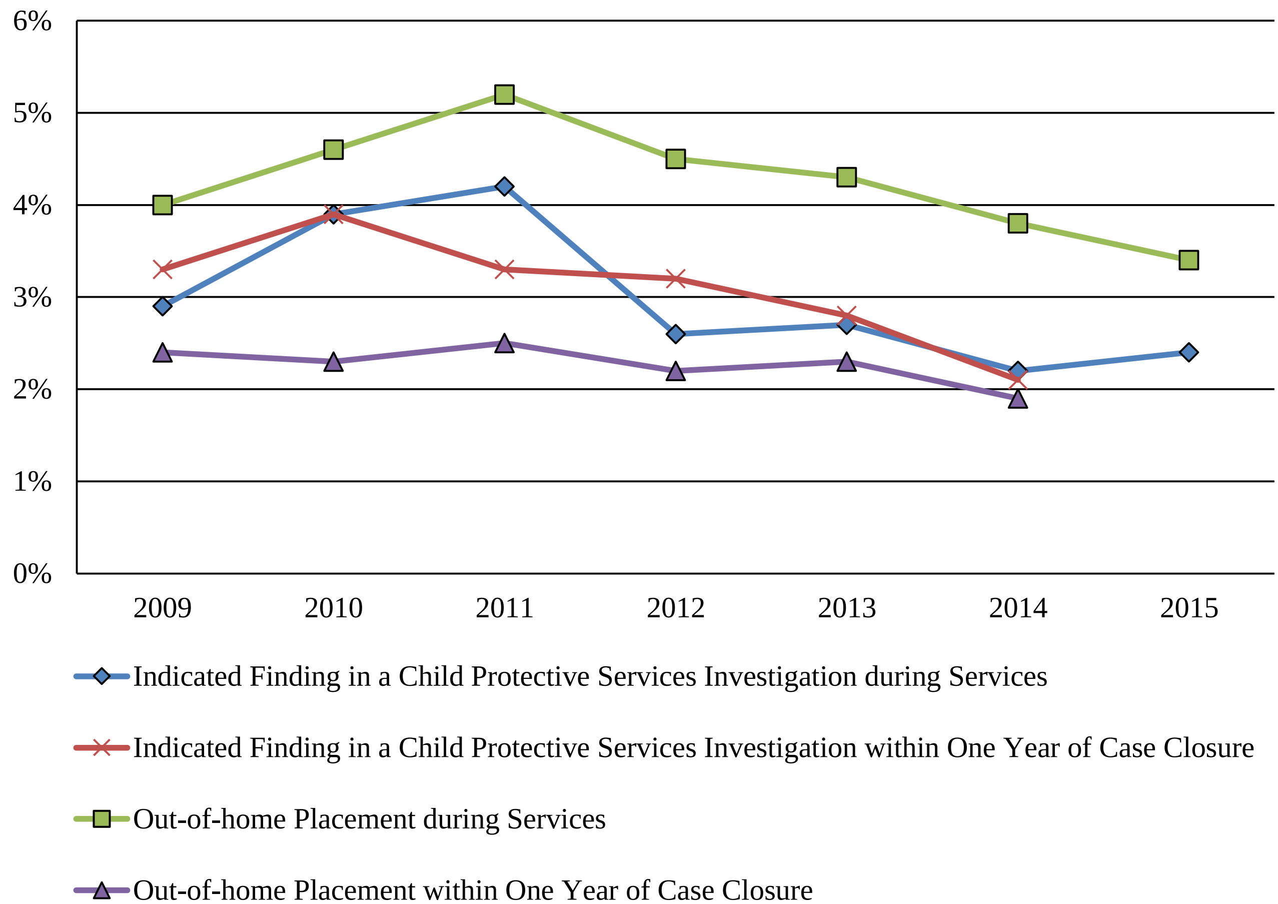


Source: Department of Human Services

Safety of Children Receiving In-home Services

In addition to tracking new cases, DHS tracks child protective services findings and removals from the home for open family preservation cases or within 12 months of case closure. This is reported annually in the out-of-home placement report. As shown in **Exhibit 18**, after an initial increase in indicated findings during services, the percent of cases with an indicated finding has generally declined in recent years. Though there have been occasional increases. The percent of cases with an indicated finding within one year of case closure has also generally decreased since fiscal 2009. DHS states that one reason for the downward trend is the implementation of Alternative Response.

Exhibit 18
Indicated Findings and Out-of-home Placements for Families Receiving In-home Services Cases
Fiscal 2009-2015



Source: Department of Human Services; Governor's Office for Children

A similar trend occurs for the percent of children having an out-of-home placement during a period of in-home services and within one year of case closures. In general, the data shows ongoing reductions in children experiencing maltreatment or requiring placement during in-home services, which is evidence of some success in allowing more children to be maintained safely at home through in-home services.

Conclusion

The results generally show success in a number of the goals of Place Matters. However, goals have not been met in all areas.

- DHS has experienced a reduction in the number of children in out-of-home care.
- The department has not seen consistent increases in the rates of children in family settings. The failure to meet this goal may be due to the increased needs of those children who remain in care.
- The number of family preservation cases has not consistently increased despite efforts to serve more families in-home before removal into care.
- In general, children served through in-home services have experienced improved safety (as evidenced by fewer indicated findings and fewer removals into out-of-home placement).
- One area that remains a challenge for the department is the percent of children that re-enter care from reunifications and from exits to guardianship.

A formal evaluation of the Families Blossom initiative will be conducted by the University of Maryland School of Social Work (UMSSW).

4. Child Welfare Caseworkers

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 the Department of Budget and Management 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. For the past decade, the budget committees have either withheld funds until a certain number of caseworker positions were filled or asked DHS to report on caseloads and caseload ratios needed to meet standards for caseworkers and supervisors.

Current CWLA recommended caseload-to-staffing ratios are a series of ratios separated by type of case or work being undertaken. For example, intake, preservation services, out-of-home placement foster care, and adoption each have individual ratios. DHS indicates that these types of services generally align with how cases are distributed among workers. Some jurisdictions have further specialized caseworkers, as needs and available positions allow.

DLS has historically viewed the cumulative number of caseworkers needed to meet the ratios compared to filled positions. By looking at the cumulative level, it is possible to understand whether the department 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 LDSS. Individual jurisdictions, because of how work is distributed, or the variances from the number of needed workers to meet the standards compared to filled positions may have widely different caseload ratios. For example, a jurisdiction with a substantial total surplus may have workers with much lower caseload ratios than a jurisdiction that just barely meets the standards.

Most LDSS Meet Caseworker Standards

Exhibit 19 shows the number of positions needed for the caseload by jurisdiction based on the average caseload from September 2016 through August 2017 and the number of filled and vacant positions as of December 1, 2017. The number of caseworker positions needed to meet the standard varies over time based on the number and mix of cases. This means that, at times, the caseload-to-staffing ratio could improve or decline, even without changes in the number of filled positions.

The number of caseworker positions needed departmentwide to meet the CWLA caseworker standards for the September 2016 through August 2017 period is 1,117.9, 29.5 caseworker positions (or 2.6%) lower than in the same period in the prior year. The decrease occurs primarily in Baltimore City largely due to a substantial decrease in in-home service cases. DHS explains that two in-home service programs were discontinued. The caseload previously served by the discontinued programs are served through other means, which impacts the caseload counts. The number of filled positions increased between December 1, 2016, and December 1, 2017, from 1,257.1 to 1,284.6 (an increase of 27.5 positions or 2.2%). Departmentwide, the caseload-to-caseworker ratio continues to be met, and there were 166.7 surplus filled positions in December 1, 2017. Over half of the surplus positions (87.3) occurred in Baltimore City. Frederick and Washington counties also have substantial surpluses in filled caseworker positions.

Despite the substantial departmentwide surplus, six jurisdictions (Baltimore, Carroll, Cecil, Charles, Prince George's, and St. Mary's counties) failed to meet the caseworker standards, an increase of three jurisdictions compared to the prior year. Of these six jurisdictions, only St. Mary's County could meet the ratio by filling existing vacant positions. The cumulative shortfall for the six jurisdictions that did not meet the guidelines is 32.1 positions. With 80.0 vacant caseworker positions departmentwide, after accounting for the abolition of positions in fiscal 2019, there are sufficient caseworker positions available to allow the guidelines to be met in all jurisdictions if excess vacant positions were transferred to the jurisdictions in need and filled.

Exhibit 19

Child Welfare Position Status by Local Department

September 2016 to August 2017 Caseload Information and December 1, 2017 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	27.3	37.5	10.2	2.0	5.5	5.0	-0.5	0.0
Anne Arundel	88.0	88.3	0.3	1.0	17.6	15.0	-2.6	4.0
Baltimore	133.9	122.5	-11.4	8.5	26.8	21.0	-5.8	2.5
Baltimore City	350.7	438.0	87.3	42.5	70.1	90.0	19.9	23.0
Calvert	15.1	18.5	3.4	1.0	3.0	3.0	0.0	0.0
Caroline	10.3	18.0	7.7	0.0	2.1	5.0	2.9	0.0
Carroll	29.4	22.0	-7.4	2.0	5.9	4.0	-1.9	1.0
Cecil	42.2	42.0	-0.2	0.0	8.4	9.0	0.6	2.0
Charles	33.3	31.5	-1.8	1.5	6.7	6.0	-0.7	0.0
Dorchester	14.2	16.0	1.8	0.0	2.8	2.0	-0.8	1.0
Frederick	27.4	43.0	15.6	1.0	5.5	8.0	2.5	1.0
Garrett	13.4	17.0	3.6	0.0	2.7	2.0	-0.7	0.0
Harford	48.8	57.0	8.2	1.0	9.8	9.0	-0.8	1.0
Howard	24.3	32.0	7.7	0.5	4.9	4.0	-0.9	0.0
Kent	3.6	7.0	3.4	0.0	0.7	1.0	0.3	0.0
Prince George's	136.2	128.5	-7.7	3.0	27.2	21.0	-6.2	4.0
Queen Anne's	5.5	8.0	2.5	1.0	1.1	1.0	-0.1	0.0
Somerset	8.4	15.0	6.6	0.0	1.7	2.0	0.3	1.0
St. Mary's	25.5	21.8	-3.7	5.0	5.1	4.0	-1.1	1.0
Talbot	7.3	11.0	3.7	2.0	1.5	4.0	2.5	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	32.8	61.0	28.2	2.0	6.6	9.0	2.4	0.0
Wicomico	23.4	31.0	7.6	4.0	4.7	7.0	2.3	0.0
Worcester	17.0	18.0	1.0	2.0	3.4	5.0	1.6	0.0
Statewide	**1,117.9**	**1,284.6**	**166.7**	**80.0**	**223.6**	**237.0**	**13.4**	**41.5**
Total shortfall in jurisdictions not meeting standards:			**-32.1**				**-22.0**	

CWLA: Child Welfare League of America

Note: Montgomery County is excluded from the data because the positions are not part of the State personnel system. Vacant positions include those in frozen status. Vacancy numbers have been reduced to reflect fiscal 2019 position abolitions for caseworker positions because these positions are not available to be filled.

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

Only Half of LDSS Successfully Meet Supervisor Standards

The supervisor-to-case ratio was met departmentwide, with a surplus of 13.4 filled positions on December 1, 2017, beyond the number needed to meet the CWLA standards. However, the surplus largely resulted from a substantial surplus (19.9 positions) in Baltimore City. In total, 12 jurisdictions had a shortfall in filled supervisor positions, an increase compared to the prior year when 9 jurisdictions had shortfalls in filled positions. These jurisdictions had a cumulative shortfall of 22.0 filled supervisor positions. Three jurisdictions (Anne Arundel, Dorchester, and Harford counties) could resolve the shortfall through filling vacant positions. Departmentwide, there were 41.5 vacant supervisor positions. More than half of these vacant positions were in Baltimore City (23.0). DHS indicates that there is an error in the coding for positions in Baltimore City leading to a higher number of supervisory staff positions being listed than actually are in these positions. So while it appears that the number of vacant supervisor positions is more than sufficient to resolve the shortfalls in jurisdictions, the error reported by DHS calls into question whether DHS actually has sufficient staff to address the shortfalls with existing vacancies. **DHS should comment on the number of vacant casework supervisor positions statewide.**

DLS recommends committee narrative requesting DHS continue the annual reporting of caseload to caseworker ratios, as well as providing information on the variations in caseload ratios in various jurisdictions, plans to reallocate positions to ensure all jurisdictions can meet the standards, and any efforts to update the caseload standards by CWLA.

Operating Budget Recommended Actions

1. Adopt the following narrative:

Transition Planning for the Title IV-E Waiver Program: The Department of Human Services (DHS) Social Services Administration (SSA) has been operating with a Title IV-E Waiver since fiscal 2016. This waiver has allowed DHS to receive federal funds for foster youth that would not otherwise be eligible for Title IV-E funds and to receive federal funds for providing services that would not otherwise be eligible for services. The local departments of social services have begun, or are in the process of, implementing a variety of evidence-based practices using the available federal funds. The committees are interested in the steps that the department is taking to prepare for the end of the waiver to ensure services continue and the impact on federal funds available for the foster care program due to the transition. The committees request that DHS submit a report on transition planning to ensure evidence-based practices, support services, and other waiver interventions continue beyond the end of the Title IV-E Waiver including the fund sources to be used to support the services. The report should also include information on the impact on available federal funds to support the Foster Care Maintenance Payments program at the end of the Title IV-E waiver and efforts to ensure all available funds under the Title IV-E Waiver capped allocation are spent prior to the end of the waiver.

Information Request	**Author**	**Due Date**
Report on transition planning for the end of the Title IV-E Waiver	DHS	December 15, 2018

2. 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 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).

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

, provided that $1,700,000 of this appropriation made for the purpose of the Foster Youth Savings program may not be expended until the Department of Human Services submits a report to the budget committees on (1) the determination regarding implementing a matched savings component to the program; (2) any plans, other than matched savings, for the department to increase the amount of the savings accounts; and (3) the planned use of the fiscal 2019 funds by category including establishing new accounts, increasing existing accounts, financial literacy/education programs, and administration. The report shall be submitted by July 1, 2018, 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. Further provided the department shall provide notification to the budget committees of changes to the program related to use of funds, eligibility, or efforts to increase the amount of the savings accounts made after the submission of the report within 30 days of the change.

Explanation: The fiscal 2018 budget included funding for a new Foster Youth Savings program in N00G00.01 Foster Care Maintenance Payments. Language in the fiscal 2018 budget bill required the Department of Human Services (DHS) to submit two reports to the committee regarding the implementation plan and number of youth participating. The details of the program changed significantly between the two reports and, while initially described as a matched savings program, DHS indicated there were no plans to operate it as such in fiscal 2018 but it may in the future. This language restricts the fiscal 2019 funding for the program until the department submits additional information on the planned operation of the program and planned use of the budgeted funds. The language also requires the department to update the budget committees on any subsequent changes made to the program.

Information Request	**Author**	**Due Date**
Report on planned use of fiscal 2019 funds and operational details of the Foster Youth Savings program	DHS	July 1, 2018
Notification of changes made to the Foster Youth Savings program	DHS	As needed within 30 days of the program change

4. 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 local child welfare services to that use only or for transfer to N00G00.01 Foster Care Maintenance Payments.

5. 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 November 15, 2018, report to the committees on the annual average 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 12 months of data through August 2017:

   - 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/new applications;
   - family foster home – ongoing and licensing;
   - adoption;

- interstate compact for the placement of children; and
- caseworker supervisors.

The committees also request that DHS discuss the variation in caseworker caseloads between jurisdictions for each caseload type and the impact of those variations. DHS should also discuss how local departments of social services and the Social Services Administration work together to reallocate staff between jurisdictions and caseload types to address shortfalls in caseworker caseload ratios. DHS should also discuss any efforts by CWLA to revise or update the caseworker caseload ratio standards.

Information Request	**Author**	**Due Date**
Report on caseload data and filled positions assigned by jurisdiction for specified caseload types and how shortfalls are addressed	DHS	November 15, 2018

Updates

1. Placement Determinations for Children with Complex Medical Needs

Language in the fiscal 2018 budget bill restricted funds in DHS, the Maryland Department of Health (MDH), and the Maryland State Department of Education (MSDE) until a report was submitted detailing:

- the processes in place to ensure coordination between DHS, MDH, MSDE, and any hospital serving children and adolescents with mental illness, developmental disabilities, or complex medical needs in order to find appropriate community placements;
- the processes in place to ensure coordination between DHS, MDH, MSDE, and any hospital serving children and adolescents with mental illness, developmental disabilities, or complex medical needs in order to find out-of-home placements for youth;
- the availability by jurisdiction of the following resources for children and adolescents with mental illness, developmental disabilities, or complex medical needs:
  - dedicated child and adolescent inpatient psychiatric beds in acute general and specialty hospitals;
  - therapeutic foster care;
  - residential treatment center services;
  - transportation assistance; and
  - any other community-based treatment service designed to meet the needs of children and adolescents with severe mental illness, developmental disabilities, or complex medical needs; and
- recommendations based on an analysis of the data to improve community placement processes for children and adolescents with severe mental illness, developmental disabilities, or complex medical needs, including availability of treatment options based on the payer that will facilitate increased community-based care and decrease inpatient lengths of stay beyond what is medically necessary.

The report was submitted in December 2017, and the funds were subsequently released.

Current Processes for Coordination of Community-based and Out-of-home Placements

The current processes in place to ensure coordination between the agencies and the child-serving hospitals in Maryland for out-of-home placements and community-based placements are essentially the same, largely because many community-based placements are a subset of out-of-home placements. However, there are some differences for youth in State custody prior to entry into the child-serving hospital and those that are not in State custody.

Coordination at Admission

The Behavioral Health Administration (BHA) of MDH tracks inpatient hospitalizations of children who are in State custody with either DHS or the Department of Juvenile Services (DJS) or who are co-committed. Six psychiatric hospitals participate in the voluntary tracking system (Brook Lane, Medstar Franklin Square, Johns Hopkins, Sheppard Pratt Health System, Spring Grove, and the University of Maryland). The tracking system includes information on the status of youth and discharges. The participating hospitals have a goal of reporting these admissions within 24 hours. BHA also tracks youth who are not in the custody of another State agency but are committed by the juvenile courts for hospitalization at Spring Grove's Adolescent Unit. BHA provides both DHS and MSDE with a weekly report of all hospital admission and discharges and any other relevant updates from the prior week. The weekly report is also forwarded to the Developmental Disabilities Administration (DDA).

Coordination of Placements and Discharge for Youth in State Custody

DHS is involved in discharge planning for youth in foster care. These meetings occur with the hospital to determine the most appropriate treatment or services. The caseworker is responsible for identifying appropriate community placements and coordination of services. BHA will assist in coordination for youth experiencing particular difficulty in timely discharge. BHA, in these instances, provides information to the agency and the hospital in order to facilitate communication. During this coordination, the hospital and agency can communicate about barriers including resource availability to discharge. The report notes that there may, at times, be a delay in placement if there is not an appropriate placement available or bed space at the recommended treatment level. If this occurs, the caseworker contacts the central office of SSA. SSA provides technical assistance to secure a placement. SSA will also assist LDSS in locating an out-of-state placement if no in-state placements are able to meet the needs of the youth.

The report indicates DDA often only learns of a youth at the time it is contacted by a hospital asking for discharge. However, when DDA is aware of the youth and is providing services for the youth, DDA maintains communication with the hospital and works to ensure a smooth transition.

The report also explains that SSA and MDH (involving both BHA and DDA) have weekly conference calls to discuss youth awaiting placement. The calls focus on identifying barriers to placement and ensuring that youth are not remaining in hospitals when it is not medically necessary.

Coordination of Placements and Discharge for Youth Not in State Custody

For youth who are having an issue with a timely discharge, BHA will contact the local behavioral health authority in the home jurisdiction of the youth to participate in discharge planning. The Local Care Teams (LCT) will then coordinate the discharge. LCTs consist of representatives from LDSS, local behavioral health authorities, DDA regional office, local school systems (LSS), local management boards (LMB), DJS, and other agencies. If there is not a functioning LCT in the jurisdiction, coordination is conducted with other community partners, including the core service agencies.

At times, there are youth who are not in State custody but for which the parent refuses to accept custody. In those instances, the hospital will make a referral to the LDSS Child Protective Services hotline in the youth's home jurisdiction. The caseworker will make an assessment and visit the youth in the hospital and the family. The caseworker will also receive information from the treating physicians. The caseworker will make a determination on whether the youth can be maintained in the home with family preservation services, is in need and meets the criteria for voluntary placement, or if the department needs to file a Child in Need of Assistance petition. The caseworker will develop a service plan and connect the family to services in the community if the child can be maintained in the home. If the youth requires out-of-home placement, the caseworker receives a recommendation regarding the level of placement required (for example Residential Treatment Center, therapeutic group home, treatment foster care, or regular foster care). After receiving the recommendation, the caseworker will refer the youth to the appropriate provider. The provider then may accept or deny the placement. After identifying an appropriate placement, the caseworker coordinates the transfer of the youth to the hospital and notifies the appropriate LSS.

Coordination of Education Services

MSDE and the LSS are responsible for ensuring youth receive an appropriate education. As a result, MSDE collaborates with DHS, MDH, and the child-serving hospitals. The caseworker for the lead agency notifies the LSS nonpublic supervisor and requests an Individualized Education Plan (IEP) team. The IEP team meets to consider the needs of the student, the least restrictive school environment, and identify an appropriate provider for educational services when a nonpublic placement is required. LSS makes the referral in response to the IEP team decision. LSS is also responsible for ensuring educational services for youth placed out-of-state or at a residential treatment center. MSDE monitors and provides oversight of the LSS activities. MSDE and the lead agency also provide technical assistance as needed.

Available Resources by Jurisdiction

The report provides a detailed listing of services available by jurisdiction, including the number of available beds (where applicable) for dedicated youth psychiatric beds, therapeutic group homes, diagnostic evaluation and treatment programs, psychiatric respite care programs, licensed child placement agencies, and residential treatment centers. The information includes the number of beds by gender (if applicable) and for licensed child placing agencies the number of beds for medically fragile youth. Most of the resources are located in the Baltimore metropolitan area and Montgomery and Prince George's counties. However, for some services, there are available resources in other areas. There is greater geographical diversity among licensed child placement agencies. However, not all jurisdictions have a provider. Providers are able to serve youth from any jurisdiction.

The report also described some additional services offered by State agencies. For example, LDSS coordinates transportation services to medical visits, therapy visits, and placements. Youth who are also Medicaid-eligible may also receive services under the Non-Emergency Medical Transportation program. BHA offers services for youth meeting certain medical and financial eligibility criteria. The Prevention and Health Promotion Administration (PHPA) of MDH provides funding to local health departments or other grantees for care coordination services for youth with special needs, including youth with complex medical needs. These services include comprehensive needs assessments, written plans of care, discharge planning and follow-up after hospitalization, and connecting families to resources. PHPA also maintains a resource locator for these youth. The report included information from the resource locator identifying the number of resources available by jurisdiction and by type of need (mental illness, developmental disabilities, or medically complex). However, the report does not identify the specific resources. Every jurisdiction is included in this listing with at least one resource per type. The report also provides information on DDA providers by region and number of slots.

Recommendations

The report also includes 12 recommendations. Several of the recommendations had already been implemented at the time the report was submitted. The implemented recommendations include providing hospital staff with contact information of relevant LDSS and SSA staff and holding quarterly interagency meetings will the hospitals. The remainder of the recommendations are to:

- streamline communication between State agencies and the hospitals;
- expand the use of LCTs across the State (beginning January 1, 2018, LCTs were expected to be the central point for coordinated care management and access to services);
- provide staff with contact information for LCTs and LSS supervisors for nonpublic placement offices;
- provide training on the role of LCTs in order to ensure an interagency plan of care and to communicate with agencies on the needs and treatment of the youth;
- provide technical assistance to State agency and hospital staff on access to education services while in the hospital and ensure a smooth transition after discharge to a new placement;
- expand tracking of hospital placements and apply a quality improvement approach at the jurisdiction level on county-specific performance on timely discharge;

- report all cases of youth in State custody that are in hospitals to LCT immediately after entry into the tracking system;

- develop and maintain a real-time data system across agencies;

- expand and reassess in-home support services and current licensed services; and

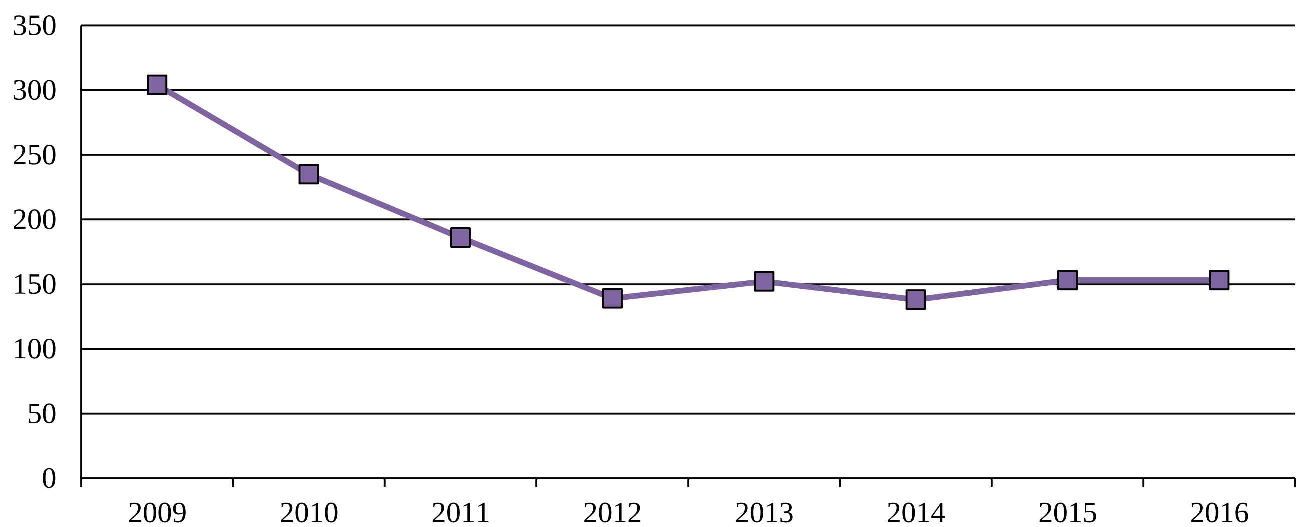
- provide training to LTCs to respond appropriately to medically fragile children.

2. Out-of-state Placements Determination and Monitoring

Youth in Out-of-state Placements

The annual out-of-home placement report also includes one-day counts of the number of youth in out-of-state placements. The one-day census counts are conducted on January 31 each year. The data for 2017 has not been published as of this writing. As shown in **Exhibit 20**, the number of foster youth in out-of-state placements on January 31, 2016, was roughly half the number in out-of-state placements on January 31, 2009. The bulk of the decrease occurred between 2009 and 2012. The number of foster youth in out-of-state placements has been relatively level since 2013.

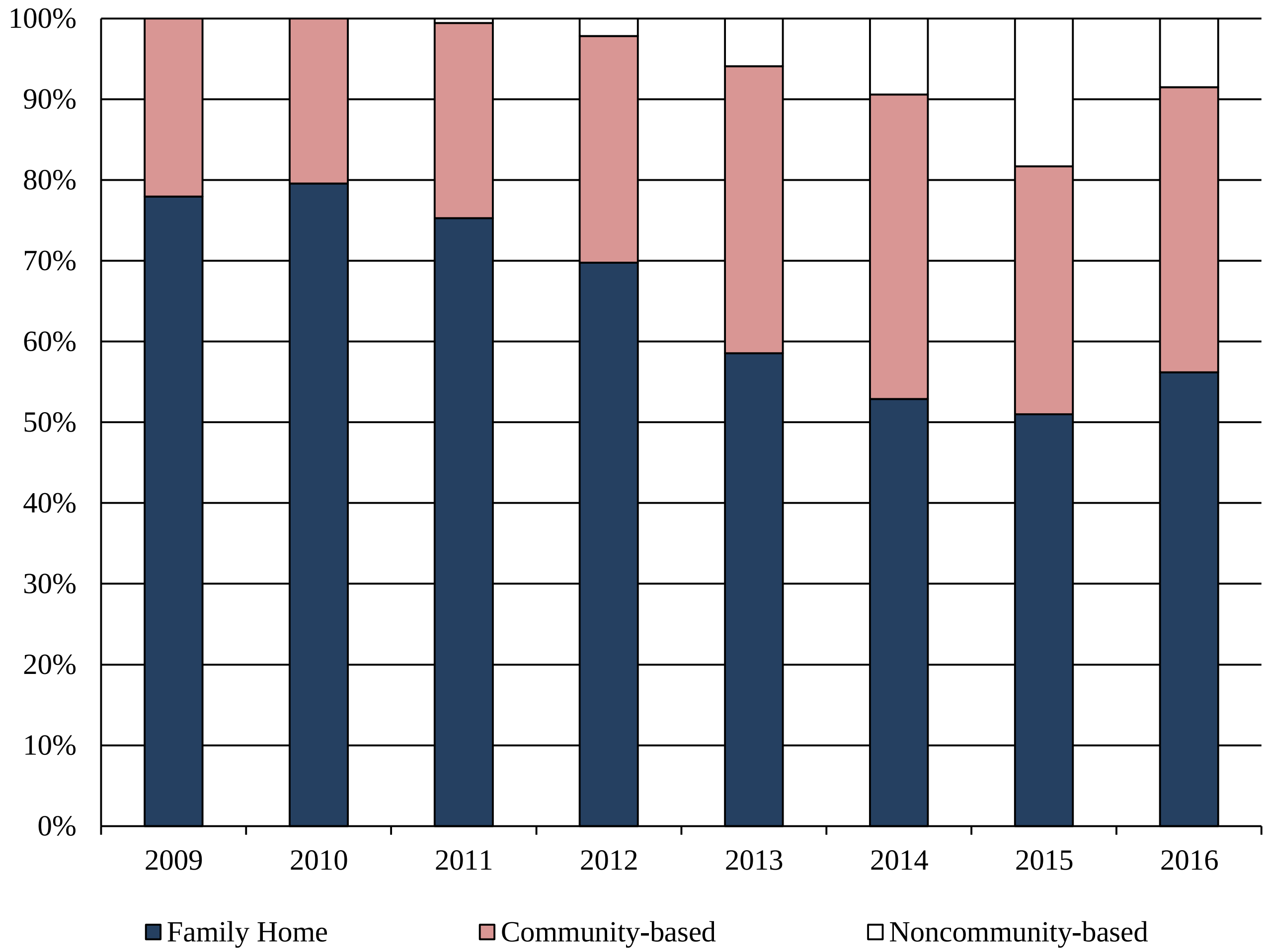
Exhibit 20
Foster Youth in Out-of-state Placements
January 31, 2009-January 31, 2016



Source: Governor's Office for Children

In each year, the majority of children in out-of-state placements are in family home settings, as shown in **Exhibit 21**. However, the share of children in family settings has decreased over time, falling from 79.6% in 2010 to a low of 51.0% in 2015. Family home settings include regular foster care, kinship care, adoptive care, and treatment foster care. The number of children in community-based placements has been relatively level between 45 to 55 youth in most years. However, the share of children in community-based care has increased due to the lower overall number of children in out-of-state placements. The number of youth in noncommunity settings has increased. For example, youth in residential treatment centers increased from 0 in 2009 and 2010 to a high of 21 in 2015 before decreasing to 12 in 2016.

Exhibit 21
Out-of-state Placements by Type
January 31, 2009-January 31, 2016



Source: Governor's Office for Children

Rising Concern about Out-of-state Placements and Efforts to Bring Youth Back In-state

During calendar 2017, concern arose about the number of out-of-state placements and the facilities in which the youth were placed. Specifically, the department was questioned about the reason for placements at these out-of-state facilities and why the youth cannot be placed in-state as well as the monitoring that occurs at these out-of-state placements. DHS explained that it exhausts in-state options before placing children out-of-state. The youth placed out-of-state are those with complex medical needs and behavioral issues that result in difficulties in finding appropriate placements. DHS stated at that time that it was working on a process to have additional in-state options.

Out-of-state Placement Processes and Monitoring

Language in the fiscal 2018 budget bill withheld funds in DHS, MSDE, and GOC until a report was submitted that detailed:

- the processes in place to determine whether to place children in out-of-state placements when in-state resources cannot meet the needs of the child;
- the processes in place to determine in which out-of-state facilities children are placed;
- the frequency of the review of the out-of-state placement to determine whether the needs of the child can be met through an in-state provider;
- the current processes in place between DHS and MSDE to ensure that the out-of-state facilities in which children are placed are compliant with the Individuals with Disabilities Education Act (IDEA);
- the current processes for monitoring children in out-of-state placements and any plans to alter these monitoring practices to ensure the safety of children in out-of-state placements; and
- the resources that would be necessary (both funding and number and type of placements) to move all children in out-of-state placements to in-state placements.

The report was submitted in August 2017, and the withheld funds were released.

Procedures for Out-of-state Placements

In recent years, no interagency group has undertaken responsibility for reviewing out-of-state placements. This responsibility statutorily falls under the State Coordinating Council (SCC). SCC's responsibilities related to out-of-state placement include: reviewing recommendations for State funding of individual placement of a child in need of out-of-state placement; coordinating the monitoring of out-of-state residential facilities for children as required by statute; and tracking the types, costs, and effectiveness of services required to meet the needs of children who are recommended for out-of-state placements. In actual practice, SCC stopped undertaking this work because GOC and other agencies determined that was no practical purpose to the review of State funding of individual placements because SCC could not change a recommendation based on funding and that the agencies were already coordinating the monitoring of placements. GOC also indicated that it was not receiving all of the necessary data to track the types, costs, and effectiveness of services required to meet the needs of children recommended for out-of-state placement. As a result, in recent years, no interagency review of out-of-state placements was occurring.

In calendar 2017, the Children's Cabinet created a new Interagency Placement Committee (IPC) that has taken on this interagency review. IPC is responsible for reviewing recommendations for out-of-state placements, coordinating the monitoring of out-of-state placements, providing training to LCTs, and identifying in-state placement needs. Under the new process, the local lead agency applies to all appropriate in-state providers and makes a determination about whether an out-of-state placement is necessary. The local lead agency also applies to appropriate out-of-state providers and makes a referral to IPC. IPC discusses the referral at its next monthly meeting or for cases requiring an expedited process within 48 hours of receipt of the referral. For each referral, IPC either determines that the out-of-state placement is appropriate or recommends an alternative to the out-of-state placement (including specific referrals). Despite the review process by IPC, the agency still makes the final determination on out-of-state placements. The IPC process is not required for court-ordered out-of-state placements or nonpublic placements determined by the local school system.

Monitoring Process

IPC will also assume a role in the monitoring of out-of-state placements. Previously, agencies had been responsible for their own monitoring and coordination with other agencies. Under the new process, DHS, MSDE, MDH, and DJS will request the licensing reports for each contracted program from the licensing entity in the state that the facility is located. The licensing reports are to be shared with IPC. The agencies are also expected to share official monitoring reports. A monthly summary of the reports will be shared by IPC with the agencies. An agency is required to send an email notification to IPC within 24 hours of becoming aware of any safety concerns.

In addition, agencies are expected to share their planned schedule of site visits with IPC one quarter prior to the visit and provide an update on changes no less than 30 business days prior to the scheduled visit. Agencies are also expected to provide notification to IPC of planned new program inspections. An agency that would like to join another agency on a scheduled site visit is expected to notify the agency representative on IPC to coordinate a joint visit. IPC will coordinate joint visits if an agency requests an interagency review of a placement. If IPC determines that children should not be placed at a particular out-of-state facility, IPC is to notify the Children's Cabinet including providing reasons for the recommendation.

Processes for Determining IDEA Compliance

DHS works with MSDE to ensure educational programming and stability for foster youth. LDSS caseworkers attend IEP meetings. IEP meetings are required under IDEA. At the time of the placement determination, LDSS caseworkers notify LSS' nonpublic placement office in jurisdiction of residence to request an IEP team meeting. The IEP team meets to consider the needs of the student, the least restrictive school environment, the appropriateness of the out-of-state school program, and the impact of the placement change on the youth's education. The local school system is responsible for the Free Appropriate Public Education (FAPE) for students with disabilities and IDEA compliance while a youth is in an out-of-state placement. MSDE monitors and provides oversight of the local school system regarding the provision of a FAPE. DHS and MSDE provide technical assistance as needed. DHS and MSDE also work together regarding the State approval of the placement and education program.

Resources to Transition Children to In-state Placements

The report did not contain information on the request to provide information on the resources that would be necessary to move children from out-of-state placements to in-state placements. However, since the submission of the report, DLS has learned that DHS is working on a multi-pronged approach to allow for more of the youth to be placed in-state by:

- modifying an existing Residential Child Care services contract to add 20 beds for four newly licensed locations for one developmental disabilities program;
- working with MDH to place foster youth either returning from out-of-state placements or for diversion from out-of-state placements at the two RICA facilities. A total of 33 beds at the two RICA facilities will be available. As of January 26, 2018, DHS reports seven youth have been placed at RICA Baltimore; and
- releasing a Statement of Need/Request for Proposal in November 2017 for a total of 71 beds (with no more than three to four youth per location) for:
  - high intensity group home services for the emotional and cognitive developmentally disabled (45 beds);
  - diagnostic evaluation and treatment program for victims of sex trafficking (10 beds); and
  - high intensity group home services for victims of sex trafficking (16 beds).

While these changes are likely to further decrease the number of youth in out-of-state placements, DLS notes that it is likely that not all youth will be transitioned to in-state placements due to the unique needs of some youth.

3. Culturally Competent Training

In August 2016, SSA released new policy guidance relating to work with lesbian, gay, bisexual, transgender, and questioning (LGBTQ) youth in out-of-home placements. In this guidance, the department states its commitment to ensuring the safety and well-being of LGBTQ youth in out-of-home placements and stating that staff are required to provide affirming care to LGBTQ youth and families.

The guidance describes caseworker responsibilities for LGBTQ youth including in out-of-home placement determinations. These responsibilities include:

- not disclosing a youth's sexual orientation, gender identity, or gender expression without the youth's permission and not attempting to convince or coerce an LGBTQ youth to disclose or reveal their identity or change their gender identity or sexual orientation;
- not labeling a youth as LGBTQ without the youth explicitly acknowledging the identity;
- connecting the youth and families with LGBTQ resources;
- evaluating the youth's overall safety in terms of placement, emotional, and physical well-being;
- consulting with the youth during the placement process to ensure that the team works cohesively to identify a safe and affirming placement that will achieve permanency;
- asking resource providers about their level of acceptance for LGBTQ individuals and community members and specific scenarios related to gender presentation, gender identity, sexual orientation, attendance at cultural events, and dating; and
- checking in with youth at appropriate intervals to review the placement and ensure that it is LGBTQ-affirming and reporting any mistreatment to the appropriate staff.

In addition, caseworkers are not to place youth in a housing situation where their identities are not respected. For placement in congregate care settings, caseworkers are to place youth into facilities for male or female residents and other housing and program assignments based on a case-by-case determination of what placement would best ensure the health and safety of the youth and whether the placement would present management or security problems. The guidance indicates that youth should be allowed to wear clothing, accessories, and/or hairstyles that are consistent with their gender expression and identity. The youth are also to be called by their preferred names and pronouns.

The guidance also indicated that SSA planned to ensure that LGBTQ-affirming treatment is included in new staff competency training and testing and mandated for caseworkers and supervisors. In addition, local departments are to be familiar with the local resources and services for LGBTQ youth and identify affirming resources and referrals.

The 2017 JCR requested that the department submit a report on the training that has been provided or is planned on LGBTQ issues including whether the training is mandatory or voluntary, the number and percent of local child welfare staff by jurisdiction that have received the training, and the planned timeline for all staff to receive the training.

Training Provided

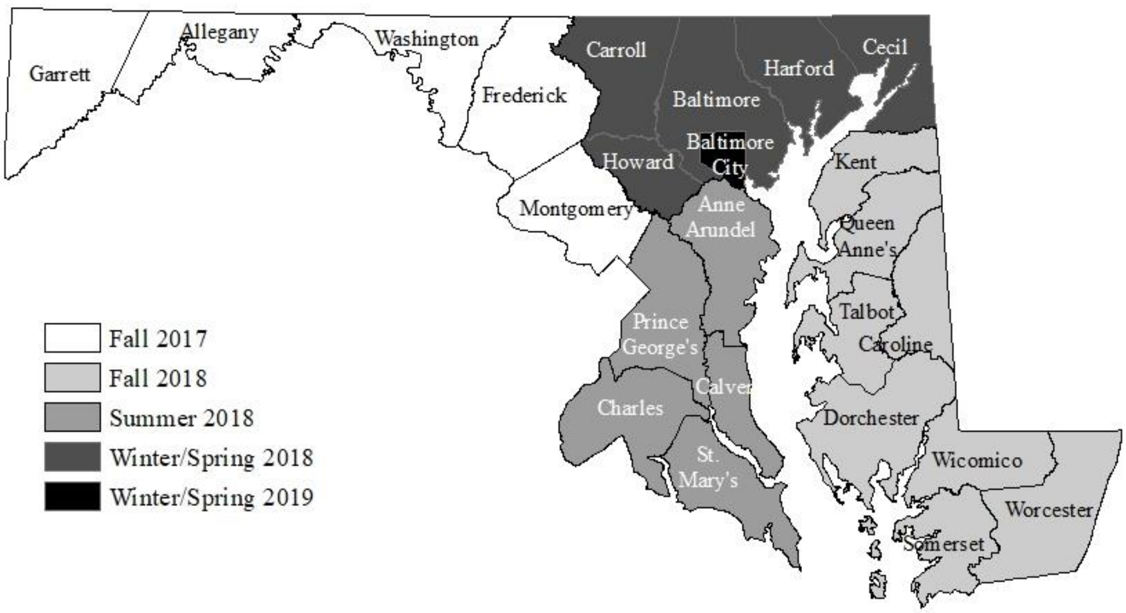
DHS partnered with the UMSSW Child Welfare Academy to conduct the training. The Child Welfare Academy contracted with All Children – All Families to provide the training for public child welfare professionals. The training is currently a full-day, in-person course. The training includes concepts and terminology related to sexual orientation, gender identity, and gender expression. The training also includes a discussion of research on LGBTQ-headed families as well as the prevalence, risk factors, and experiences of LGBTQ youth in foster care. Finally, the training includes strategies for child welfare professionals to affirm and support LGBTQ youth and families.

The training course is currently voluntary, but the department plans to make the course mandatory. SSA plans to include an LGBTQ module as a required component of the pre-service curriculum and competency exam by fiscal 2020.

Between September 2016 and June 2, 2017, five training courses have been offered and 145 staff had completed training. The 145 trained individuals were from seven jurisdictions and the central office. The largest share of these individuals were from Prince George's (80), Washington (38), and Wicomico (16) counties.

To complete training throughout the State, SSA plans to train 8 to 10 trainers through a "train the trainer model." The trainer model includes one day of training observation, two days of classroom instruction, and two days of co-training. **Exhibit 22** provides information on the planned timeframe for the training throughout the State. Between September 2017 and May 2019, DHS anticipates 36 training sessions will train 1,240 staff. However, between June 2, 2017, and January 26, 2018, DHS reports that only an additional 33 staff were trained, considerably lower than the 271 trainees expected during this period. The lower than expected number of trainees resulted from contracting delays. Therefore, DHS will need to either increase the number of trainings provided in each period or extend the time during which the training will occur.

Exhibit 22
Originally Planned Timeline for LGBTQ Cultural Competency Training



LGBTQ: lesbian, gay, bisexual, transgender, and questioning

Fall 2017: September-December 2017
Fall 2018: September-November 2018
Summer 2018: June-August 2018
Winter 2018: January-April 2018
Winter/Spring 2019: December 2018-May 2019

Note: This map represents the estimated timeline for providing training included in the submitted reports. However, contracting delays have impacted the training schedule.

Source: Department of Human Services

4. Review of Services Available to Parents with Disabilities

DHS does not remove children or intervene in a family solely due to a parent's physical or developmental disability. When families are involved with child protective and child welfare services, LDSS are to provide services to parents so that children can be safely kept in the home or reunited with their parents. However, due to concerns about whether adequate resources exist in communities to address the needs of parents with disabilities, the 2017 JCR included committee narrative requesting that DHS, in consultation with the Maryland Department of Disabilities (MDOD), submit a report that:

- identifies services available in the community to address family preservation or post-reunification needs for parents with disabilities;

- identifies gaps in services and options for addressing the gaps; and

- reviews best practices in providing family preservation and post-reunification services to parents with disabilities.

MDOD indicates that it participated in the report through a meeting and conference calls and by providing information on available services. DHS submitted the report on November 15, 2017.

Services Available in the Community

Previously, DHS indicated that it provides funding for certain types of services for parents with disabilities, for example, in-home aide services. DHS also explained it can assist in purchasing supportive devices. DHS is also able to assist with needs such as sign language interpreters or transportation which are needed for parent/child visitation.

In the report, DHS also indicates that LDSS works with parents to refer families to appropriate organizations that provide the services needed by the parents. DHS notes that no single program can meet the needs of all parents with disabilities, as parents may have a wide range of disabilities with variations in the degree of disability. DHS compiled from LDSS a list of services available to parents with disabilities to address family preservation or reunification service needs. DHS did not include the full list in the report, but instead listed some of the available services including:

- residential programs;

- transportation;

- employment services;

- mental health services, including mobile crisis;

- life skills;

- sign language; and

- case coordination and case management services.

In the report, DHS noted that there are no identified programs that specifically provide parenting support to disabled adults. However, DHS stated that a number of parenting programs can tailor their programs to the needs of a disabled adult. DHS did not provide any additional information on how these services might be tailored or the capacity of these programs to provide the type of tailoring that may be required.

In addition, DHS explained that a number of organizations provide services to parents with disabilities including service coordination, case management, mental health services, in-home services, employment services, respite services, and housing assistance. DHS listed a number of the organizations providing these general services. However, DHS did not explain the extent to which DHS refers parents to these services or is able to provide funding to support these services. Similarly, DHS noted that DDA in MDH has a variety of services to which a caseworker might refer a family.

Finally, DHS explained that caseworkers have informal resources available that can be used to assist parents with disabilities. These type of resources include providing pictures that describe certain parenting situations (like the times an infant needs to be fed) rather than providing written instructions. Caseworkers may also assist the parent in identifying informal support available to the parent to assist, such as a neighbor that can provide respite care.

Identifying Gaps in Services and Options for Addressing the Identified Service Gaps

In the report, DHS only broadly addressed gaps in services. DHS noted that more in-home family support and family preservation services specifically for parents with disabilities are needed and that parents with disabilities need better access to 24-hour per day services. While not specific about the gaps in services, DHS provided some information on its plans to address these gaps. For example, DHS indicated that it is working in partnership with MDH to explore how to expand mobile crisis services across the State. In addition, DHS is assessing how LDSS can work with LMBs to address needs for services to parents with disabilities in their jurisdictions. In particular, LDSS will seek to discover if community providers would be willing to provide certain services. DHS also indicates that it will continue to work with Medicaid to see if funding for some services for parents with disabilities could be provided or expanded. For example, there is some reference in the literature that indicates that there are limitations on whether personal support services provided to parents with disabilities can be used to assist parents with child caretaking needs.

DHS also explained that the child welfare staff training provided in partnership with the UMSSW's Child Welfare Academy includes specific training on working with parents with disabilities. In particular, DHS explained that there are three training webinars focused on parents and family members with disabilities in the child welfare system (Disability Awareness in the Child Welfare System, Working with Parents who have Disabilities, and Transition Planning for Youth with Disabilities). However, DHS plans to develop partnerships with advocacy groups and review best practices to continue to develop trainings for child welfare staff.

Review of Best Practices

The review of best practices primarily focused on research and other literature on the issue. DHS also noted the availability of resources listed on the U.S. Department of Health and Human Services Child Welfare Information Gateway website and a publication by the National Disabilities

Council on child welfare and parental disability. DHS noted strategies found in an article about a model program in Minnesota that includes:

- conducting assessments over multiple meetings;
- using vocabulary that the parents will understand and that helps understand how a parent learns best;
- having the ability to meet parents at their level of functioning;
- possessing a nonjudgmental/nonthreatening style to encourage parental engagement;
- being willing to work with parents on a weekly basis for 16 to 24 months; and
- using a hands-on approach (for example, teaching by example, and using videotaping to stress important concepts).

5. Child Fatalities Involving Abuse or Neglect

Committee narrative included 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 23** displays the data provided by the department for calendar 2012 through 2016. In calendar 2016, there were 33 such fatalities, the same number as in calendar 2015. Despite being the same level as in calendar 2015, these two years represent a substantial increase over calendar 2013 and 2014. In calendar 2016, the highest number of these fatalities occurred in Prince George's County (10). Cumulatively, between calendar 2012 through 2016, Baltimore County had the highest number of these fatalities (22), while Prince George's County had the second highest number (21).

Exhibit 23

Child Death Reports to DHS Where Child Abuse or Neglect Are Determined by DHS Staff to be a Contributing Factor

Calendar 2012-2016

	2012	2013	2014	2015	2016	Total 2012-2016
Allegany	0	0	0	1	3	**4**
Anne Arundel	4	1	1	1	2	**9**
Baltimore City	2	4	1	2	3	**12**
Baltimore	8	2	4	6	2	**22**
Calvert	1	0	1	0	0	**2**
Caroline	4	0	0	1	0	**5**
Carroll	1	1	0	1	1	**4**
Cecil	0	1	0	0	0	**1**
Charles	1	1	0	1	0	**3**
Dorchester	1	0	0	0	0	**1**
Frederick	1	2	2	0	1	**6**
Garrett	0	0	0	0	0	**0**
Harford	0	4	1	3	1	**9**
Howard	1	2	0	0	1	**4**
Kent	0	0	0	0	0	**0**
Montgomery	1	3	3	5	3	**15**
Prince George’s	2	1	3	5	10	**21**
Queen Anne’s	0	1	0	0	0	**1**
St. Mary’s	0	0	3	0	2	**5**
Somerset	0	0	0	0	0	**0**
Talbot	0	0	0	0	2	**2**
Washington	0	1	1	5	1	**8**
Wicomico	2	0	1	2	1	**6**
Worcester	0	0	0	0	0	**0**
Total	**29**	**24**	**21**	**33**	**33**	**140**

DHS: Department of Human Services

Source: Department of Human Services

Appendix 1
Current and Prior Year Budgets
DHS – Social Services Administration
($ in Thousands)

	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
Fiscal 2017					
Legislative Appropriation	$364,576	$5,317	$200,743	$0	$570,636
Deficiency Appropriation	15,700	0	-15,700	0	0
Cost Containment	0	0	0	0	0
Budget Amendments	-4,181	2,260	7,049	0	5,129
Reversions and Cancellations	0	-394	-14,838	0	-15,232
Actual Expenditures	**$376,095**	**$7,183**	**$177,255**	**$0**	**$560,533**
Fiscal 2018					
Legislative Appropriation	$379,181	$6,923	$186,273	$0	$572,377
Cost Containment	-173	0	0	0	-173
Budget Amendments	0	0	0	0	0
Working Appropriation	**$379,009**	**$6,923**	**$186,273**	**$0**	**$572,205**

DHS: Department of Human Services

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. Numbers may not sum to total due to rounding.

Fiscal 2017

The fiscal 2017 actual expenditures of the Department of Human Services Social Services Administration (SSA) were $10.1 million lower than the legislative appropriation. SSA's general fund expenditures were $11.5 million higher than the legislative appropriation, primarily due to the general fund share of a deficiency appropriation ($15.7 million) that replaced federal funds with the same amount of general funds to better align with experience. Budget amendments resulted in a net decrease of $4.2 million. The largest decrease ($14.1 million) resulted from salary and wage adjustments throughout SSA. Other decreases resulted from:

- the use of federal funds in lieu of general funds for contractual services including in-home aide services and adult protective services in the Local Adult Services program and State offices of SSA ($4.2 million);

- the use of budgeted funds in local child welfare services for family support services rather than the funds budgeted in the State offices of SSA and using federal funds in lieu of general funds for respite care services ($532,512); and

- a transfer of funds originally budgeted in local child welfare services to the Maryland Department of Health Behavioral Health Administration as a result of funds restricted in Section 44 of the fiscal 2017 budget bill ($50,000).

These decreases were partially offset by an increase in the Foster Care Maintenance Payments program to replace lower than anticipated federal fund attainment ($12.7 million) and the general fund share of the distribution of employee increments which were centrally budgeted ($2.0 million).

Special fund expenditures of SSA were $1.9 million higher than the legislative appropriation. Increases totaling $2.3 million occurred by budget amendment primarily in the Foster Care Maintenance Payments program ($2.2 million) due to the introduction of cost-of-care reimbursement funds and higher than expected attainment of foster care education funds. The remaining increase ($42,780) resulted from the special fund share of employee increments which were centrally budgeted. These increases were partially offset by special fund cancellations of $393,932 primarily due to lower than anticipated attainment of local government payments in the Local Adult Services program ($371,728) and Adoption Search Registry Fees in the Local Child Welfare Services program ($22,201).

SSA's federal fund expenditures were $23.5 million lower than the legislative appropriation, primarily due to the withdrawal of federal funds in a deficiency appropriation to better align the appropriation with anticipated attainment (a decrease of $15.7 million). This decrease was partially offset by increases through budget amendments ($7.0 million). These increases resulted from:

- the availability of Temporary Assistance for Needy Families funds for in-home aide services and adult protective services ($3.1 million);

- salary and wages adjustments ($2.5 million); and

- the distribution of employee increments which were centrally budgeted ($1.5 million).

SSA also canceled $14.8 million in federal funds. The majority of the cancellations ($11.7 million were due to lower than anticipated Title IV-E and Title IV-E Waiver attainment in the Foster Care Maintenance Payments program. Other federal fund cancellations in the local child welfare services program resulted from:

- lower than anticipated attainment of the child welfare services grant and Title IV-D (child support funds) for salaries and wages ($1.7 million); and

- lower than anticipated attainment of Title IV-E Waiver funds for supportive services and evidence-based practices ($1.5 million).

Fiscal 2018

To date, the fiscal 2018 appropriation of SSA has decreased by $172,572 in general funds due to the administration's share of a cost containment action based on higher than expected vacancies approved at the September 6, 2017 Board of Public Works meeting.

Appendix 2
Audit Findings

Audit Period for Last Audit:	January 28, 2013 – June 30, 2016
Issue Date:	November 2017
Number of Findings:	14
Number of Repeat Findings:	2
% of Repeat Findings:	14.3%
Rating: (if applicable)	Unsatisfactory

Finding 1: The Social Services Administration (SSA) did not have comprehensive quality assurance processes to adequately monitor the administration of child welfare program services by the local departments of social services (LDSS).

Finding 2: SSA had not established procedures to monitor LDSS to ensure that foster children were placed in the least restrictive environment and received required services. Further, reports from the Maryland Children's Electronic Social Services Information Exchange did not accurately reflect services provided to children in foster care, which hampered the ability of SSA to monitor service delivery.

Finding 3: SSA did not establish procedures to ensure that LDSS complied with State regulations regarding the initial approval of foster care providers, as well as ongoing monitoring requirements for foster care providers, adoptive parents, and guardians.

Finding 4: SSA had not established procedures to ensure that children who remain in the foster care, adoption, or guardianship programs after they reach the age of 18 were eligible to do so, and for certain cases, there was a lack of documentation supporting continued eligibility.

Finding 5: SSA did not have adequate procedures to ensure that it received federal reimbursement for all children eligible for Title IV-E funding.

Finding 6: **SSA did not maximize the recovery of federal funds for children who were eligible to receive Supplemental Security Income.**

Finding 7: SSA did not monitor the timeliness of child abuse and neglect investigations conducted by LDSS. In addition, review and investigations of allegations were not always performed in a timely manner.

Finding 8: SSA did not monitor the timeliness of required assessments of substance-exposed newborns completed by LDSS. In addition, the assessments were not always completed within the required timeframes.

Finding 9: SSA lacked adequate controls to ensure that LDSS were immediately notified of children born to individuals who had previously had their parental rights terminated for abuse or neglect. In addition, SSA did not ensure that LDSS completed an assessment of these families and offered services when appropriate.

Finding 10: SSA did not ensure that overpayments made to certain providers of child placement services were identified and resolved in a timely manner.

Finding 11: SSA had not established procedures to ensure that adoption assistance payments were suspended, terminated, or as permitted, renegotiated with the adoptive parent when an adopted child was removed from the adoptive home.

Finding 12: Ancillary expenditures incurred by LDSS to further support children in social services programs were not adequately controlled.

Finding 13: SSA did not approve certain adoption assistance rates being paid by LDSS as required by SSA policy.

Finding 14: **SSA did not ensure that payments made to a State university for three interagency agreements were adequately supported, were reasonable in relation to the tasks performed, and were made in accordance with the terms of the agreements.**

*Bold denotes item repeated in full or part from preceding audit report.

Appendix 3
Object/Fund Difference Report
Department of Human Services – Social Services Administration

Object/Fund	FY 17 Actual	FY 18 Working Appropriation	FY 19 Allowance	FY 18 - FY 19 Amount Change	Percent Change
Positions					
01 Regular	2,683.25	2,686.95	2,652.45	-34.50	- 1.3%
02 Contractual	4.36	2.50	2.50	0.00	0%
Total Positions	**2,687.61**	**2,689.45**	**2,654.95**	**-34.50**	**- 1.3%**
Objects					
01 Salaries and Wages	$ 233,209,247	$ 219,503,084	$ 216,735,316	- $ 2,767,768	- 1.3%
02 Technical and Spec. Fees	1,290,119	1,918,842	1,842,295	- 76,547	- 4.0%
03 Communication	1,882,557	1,768,319	1,709,261	- 59,058	- 3.3%
04 Travel	1,625,732	1,196,930	1,145,209	- 51,721	- 4.3%
06 Fuel and Utilities	779,778	750,529	723,037	- 27,492	- 3.7%
07 Motor Vehicles	1,940,167	1,883,014	1,827,790	- 55,224	- 2.9%
08 Contractual Services	49,614,325	44,521,834	52,539,229	8,017,395	18.0%
09 Supplies and Materials	1,351,684	963,861	1,053,307	89,446	9.3%
10 Equipment – Replacement	22,295	350,000	350,000	0	0%
11 Equipment – Additional	40,318	0	0	0	0.0%
12 Grants, Subsidies, and Contributions	257,640,877	286,627,577	276,109,884	- 10,517,693	- 3.7%
13 Fixed Charges	11,135,624	12,720,721	12,331,526	- 389,195	- 3.1%
Total Objects	**$ 560,532,723**	**$ 572,204,711**	**$ 566,366,854**	**- $ 5,837,857**	**- 1.0%**
Funds					
01 General Fund	$ 376,094,984	$ 379,008,511	$ 369,975,694	- $ 9,032,817	- 2.4%
03 Special Fund	7,183,206	6,922,995	7,354,650	431,655	6.2%
05 Federal Fund	177,254,533	186,273,205	188,830,486	2,557,281	1.4%
09 Reimbursable Fund	0	0	206,024	206,024	N/A
Total Funds	**$ 560,532,723**	**$ 572,204,711**	**$ 566,366,854**	**- $ 5,837,857**	**- 1.0%**

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2019 allowance does not include contingent reductions or cost-of-living adjustments.

Appendix 4
Fiscal Summary
Department of Human Services – Social Services Administration

Program/Unit	FY 17 Actual	FY 18 Wrk Approp	FY 19 Allowance	Change	FY 18 - FY 19 % Change
04 General Administration – State	$ 24,370,323	$ 27,826,533	$ 27,911,615	$ 85,082	0.3%
01 Foster Care Maintenance Payments	265,544,867	262,629,586	258,749,607	- 3,879,979	- 1.5%
03 Child Welfare Services	225,946,665	234,996,474	234,076,794	- 919,680	- 0.4%
04 Adult Services	44,670,868	46,752,118	45,628,838	- 1,123,280	- 2.4%
Total Expenditures	**$ 560,532,723**	**$ 572,204,711**	**$ 566,366,854**	**- $ 5,837,857**	**- 1.0%**
General Fund	$ 376,094,984	$ 379,008,511	$ 369,975,694	- $ 9,032,817	- 2.4%
Special Fund	7,183,206	6,922,995	7,354,650	431,655	6.2%
Federal Fund	177,254,533	186,273,205	188,830,486	2,557,281	1.4%
Total Appropriations	**$ 560,532,723**	**$ 572,204,711**	**$ 566,160,830**	**- $ 6,043,881**	**- 1.1%**
Reimbursable Fund	$ 0	$ 0	$ 206,024	$ 206,024	N/A
Total Funds	**$ 560,532,723**	**$ 572,204,711**	**$ 566,366,854**	**- $ 5,837,857**	**- 1.0%**

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2019 allowance does not include contingent reductions or cost-of-living adjustments.