

Testimony
Engrossed Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
March 5, 2015

Chairman Pollert, and members of the House Appropriations Committee – Human Resources Division, I am Shari Doe, Director of the Children and Family Services Division (CFS) for the Department of Human Services (DHS). I am here today to provide an overview of programs and services that make up the budget request for the Children and Family Division.

Role of the Children and Family Services Division

CFS's role in accomplishing the Department's mission falls into three areas each involving specific functions.

1. **Safety** - Children are, first and foremost, protected from abuse and neglect.
 - ❖ Child Protection Services
 - ❖ Child Fatality Review Panel
 - ❖ State Child Protection Team (institutional abuse neglect)
 - ❖ Parent Resource Centers
 - ❖ Alliance for Children's Justice
 - ❖ Nurturing Parenting Programs
 - ❖ Healthy Families
 - ❖ Background Check Unit
 - ❖ Licensing
 - Residential Child Care Facilities
 - Child Placing Agencies
 - Maternity Homes
 - Childcare Facilities
 - Family Foster Homes

2. **Permanency** - Children have permanency and stability in their living situations.

- ❖ Foster Care
- ❖ Adoption
- ❖ Interstate Compacts for the placement of children
- ❖ Independent Living Services
- ❖ Unaccompanied Minor Services

3. **Well-Being** - Families have enhanced capacity to provide for their children's needs and children receive adequate services to meet their educational, physical and mental health needs.

- ❖ Family Preservation Services
 - Intensive In-home Therapy
 - Parent Aide
 - In-Home Case Management
 - Respite Care
 - Family Team and Group Decision Making
- ❖ Early Childhood Services
- ❖ Head Start State Collaboration Office

Most of the state's public child welfare services are provided directly through the county social service offices or through contracts with non-profit providers and tribes. Staff at the Department's eight regional human service centers serve as resources for the counties and as liaisons between the counties and CFS.

Program Trends

Child Protection

The number of Child Abuse and Neglect Reports received has increased by 26% since 2011. During FFY 2013, 50 infants (less than 1 year of age) were reported through a Child Abuse and Neglect Report (SFN 960) to have

alcohol or other drugs present at birth.¹ The full extent of the effects of prenatal drug exposure on a child is not known, however, studies show that various drugs of abuse may result in premature birth, miscarriage, low birth weight, and a variety of behavioral and cognitive problems.

State-Wide Child Abuse and Neglect Reports

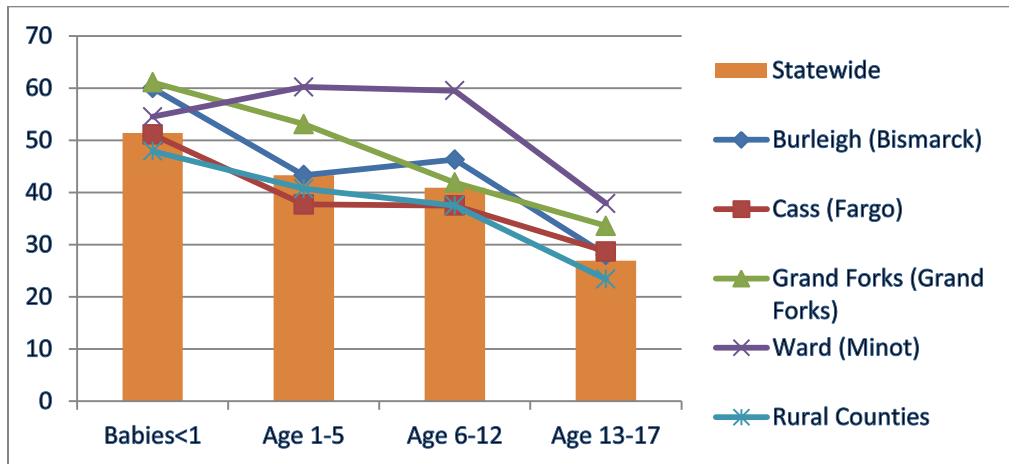
	<u>FFY 2011</u>	<u>FFY 2012</u>	<u>FFY 2013</u>	<u>FFY 2014²</u>
CPS Reports	9,840	10,771	11,442	12,390
Full Assessments	3,798	3,778	3,779	3,809
Assessments Terminated in Progress	1,781	2,074	2,165	2,424
Referrals	1,091	1,233	1,361	1,651
Administrative Assessments	1,806	1,788	2,068	2,491
Pregnant	56	61	90	91

In FFY 2014, the decision of “Services Required” was made in about 24% of the 3,809 full assessments. This represented 1,623 children who were victims of child abuse and neglect and 1,470 caregivers who were subjects of these assessments. In FFY 2013, “Services Required” was found in 22.3% of full assessments.

¹ FFY 2013 NCANDS data (2014 data not yet available)

² CFS Preliminary 2014 NCANDS data

The rates of children receiving full child abuse and neglect assessments are higher for young children. On average, children age five and younger made up 45% of all child victims.



Rate of unique children involved in a CPS report per 1,000
FFY 2013³

Circumstances leading to a child abuse and neglect assessment are commonly related to:

- substance abuse
- mental health issues
- domestic violence
- and most often, a combination of all circumstances

Foster Care

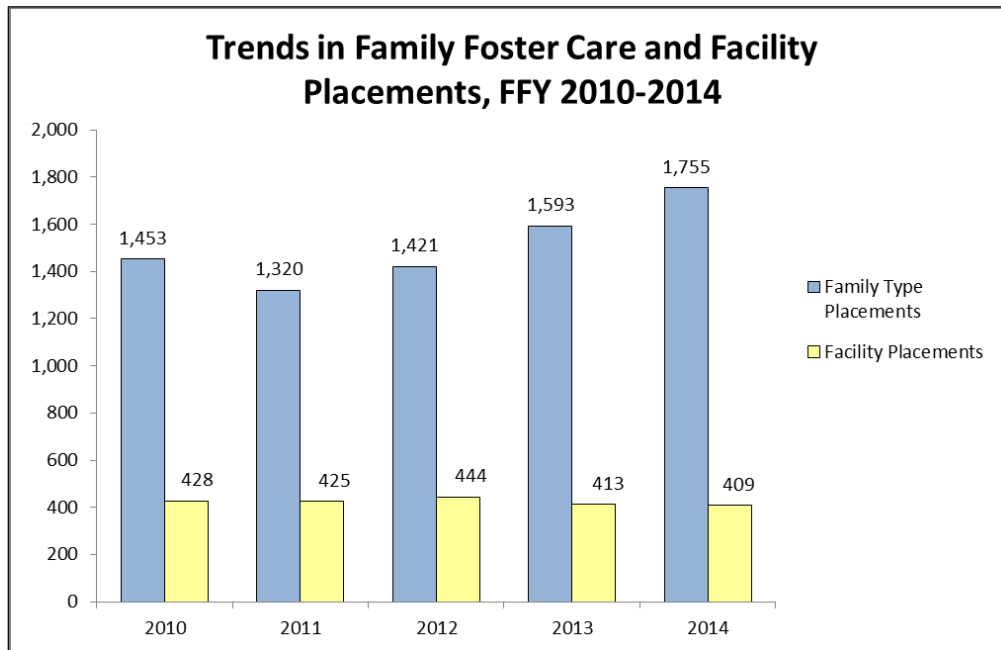
The number of children removed from their home because of a child abuse or neglect issue continues to increase.

³ FFY 2013 NCANDS data

Children in Foster Care by Placement Type, FFY 2010-2014

Placement Type	2010	2011	2012	2013	2014
Pre-Adoptive Home	212	166	158	126	140
Relative Placement	204	187	223	276	294
Family Foster Care	735	721	764	890	1,031
Trial Home Visit	302	246	276	301	290
Group Home	36	41	36	41	50
Facility	392	384	408	372	359
Total in Foster Care During FFY	1,881	1,745	1,865	2,006	2,164

AFCARS FFY 2010-2014



There has been a 42% increase in the number of family foster care placements since 2010.

- 32.3% (467) of these children were Native American.
- 66.1% (957) of these children had a permanency goal of reunification.

- The average age of these children was 8.8 years old.

Out of State

At the end of November 2014, there were 82 North Dakota youth placed in an out of state facility or home:

- 59 youth were in a Residential Child Care Facility (RCCF) or a Psychiatric Residential Treatment Facility (PRTF).
- 23 youth were in a therapeutic family foster home or with a relative.

At the end of November 2013, there were 87 youth in an out of state placement:

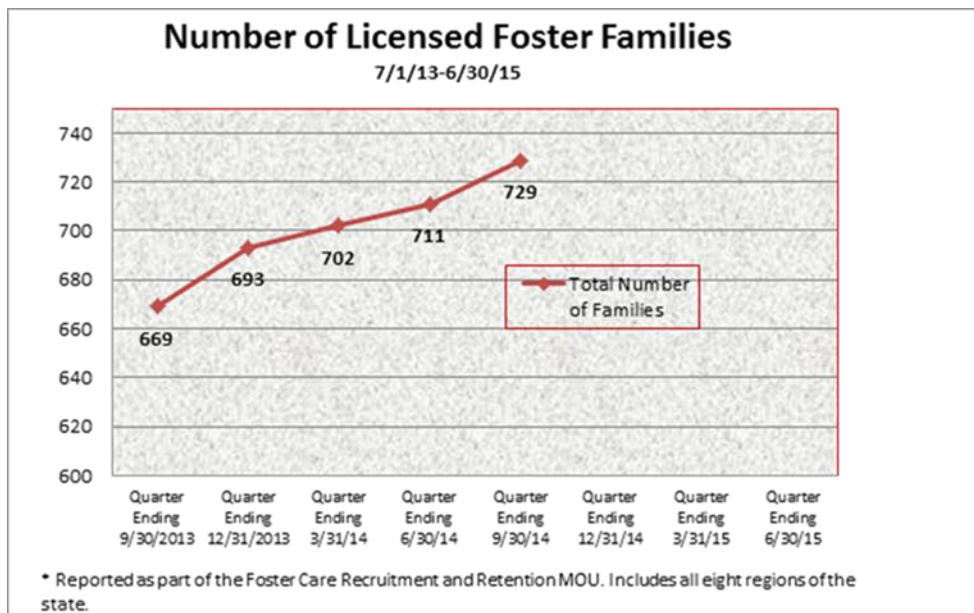
- 58 youth in an RCCF or PRTF.
- 29 youth were in a therapeutic family foster home or with a relative.

Out-of-state placements occur after in-state alternatives have been exhausted. As a result, these young people have often experienced multiple placements. CFS is working with the Mental Health and Substance Abuse Division (MHSA) and other agency partners to reduce the number of youth going to out of state facilities and the number of multiple placements. Some of the strategies being developed include:

- Changing the out of state approval process;
- Enhanced training opportunities for in-state facilities; and
- Accessing intensive in-home services for families sooner.

Foster Homes

The number of family foster homes in North Dakota has increased steadily over the past few years. CFS, the regional offices, the counties and private agencies are all involved, through a state-wide Foster and Adopt Recruitment and Retention Task Force, in diligent recruitment efforts. North Dakota is always looking to increase the numbers of foster care placements to meet the needs of youth as close to their communities as possible. Most foster homes are in the four largest metro areas.



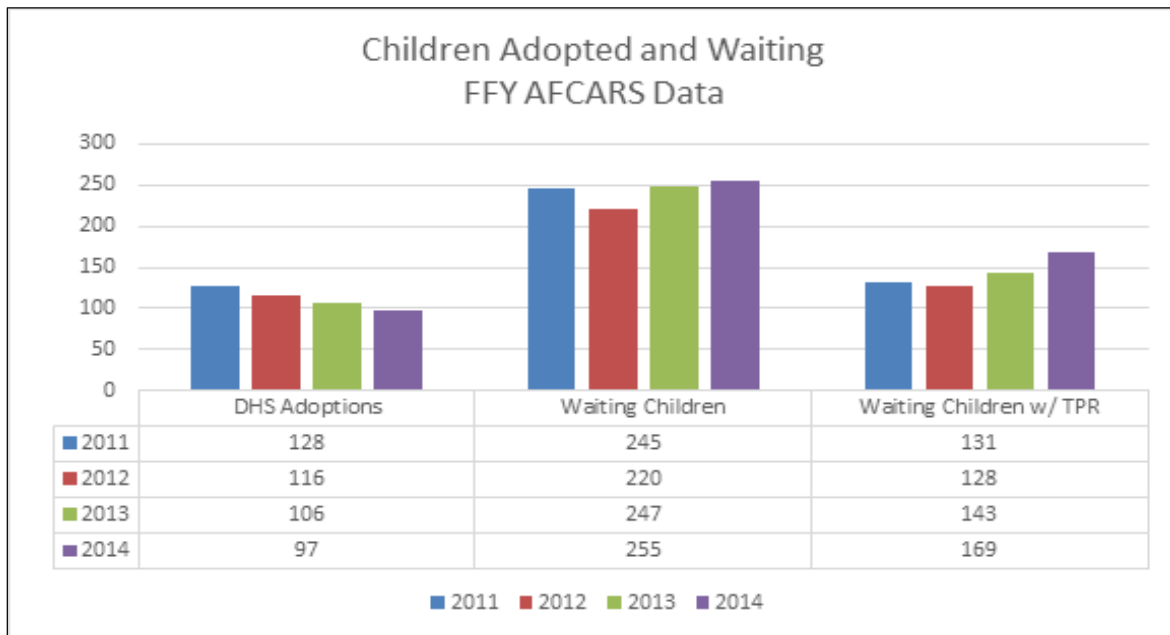
The UND Children and Family Training Center and CFS are working collaboratively on a pilot project to recruit rural foster homes. “One Church, One Child”, a foster parent recruitment model, has been piloted in Nelson and Pembina counties. This model is used successfully throughout the United States as a way to involve rural, faith-based communities in foster family recruitment.

Adoptions

In FFY 2014, there were 97 public agency adoptions. All of these adoptions were special needs adoptions. Special needs adoptions involve children who meet certain criteria related to greater challenges in securing adoptive families and therefore the children have a longer stay in foster care.

- 36.1% (35) of adopted children with special needs were Native American.
- 82.5% (80) of the special needs adoptions involved family foster parents.

The number of foster children awaiting permanency through adoption has increased over the last three years and this trend is projected to continue. In the following chart, children in foster care with a primary permanency goal of adoption are identified as 'waiting children'. Of those children, the number of children legally freed for adoption through the termination of parental rights process is identified as 'waiting children with TPR'.



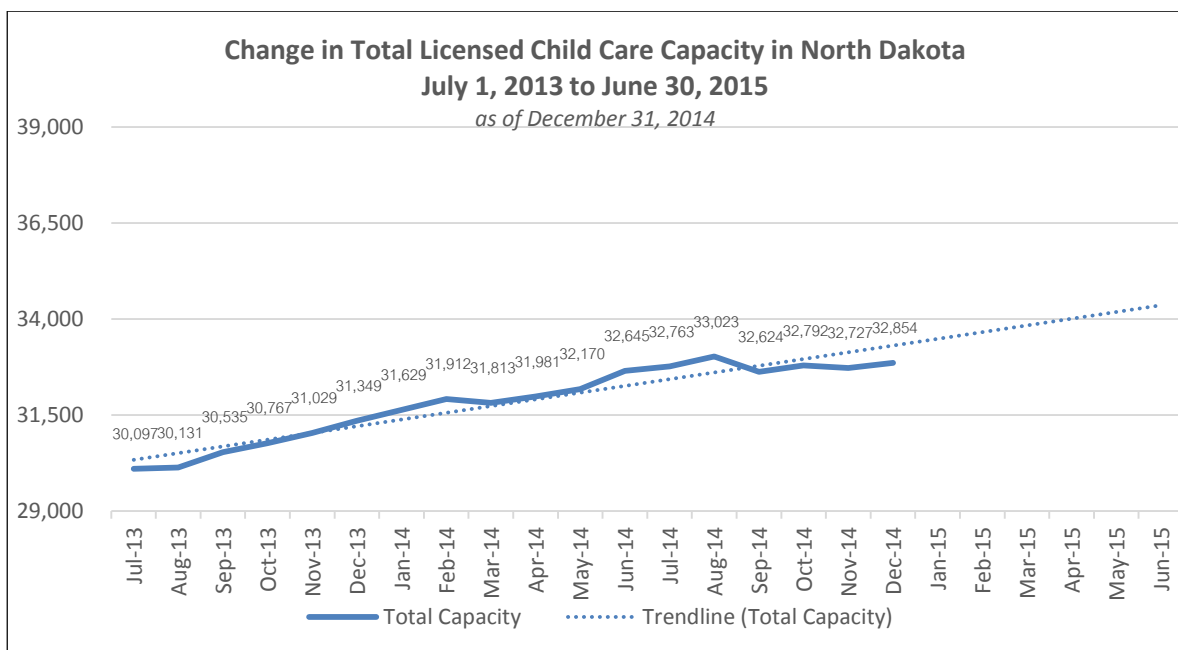
Early Childhood Services

Improving the availability of childcare across the state remains a focus of the Department. There are currently 1,454 licensed early childhood programs in the state:

- Family 341
- Group Homes 726
- Group Facilities 115
- Centers 172
- School-age 40
- Preschool-age 60

TOTAL	1,454
-------	-------

These facilities provide a licensed capacity for 32,854 children. While the child care capacity has increased over the past biennium, the increased population in our state has created an increasing demand for childcare. A large proportion of North Dakota mothers with children ages birth to five in the labor force (73.8%) has created an increased demand for safe child care settings.



SOURCE: ChildCare Aware North Dakota

From July 2013 to December 2014, more than 2,700 new licensed childcare slots were added in the state. There are 29 counties in which the licensed capacity meets less than 30% of the demand for child care. There are two counties exceeding the recommended 50% of capacity to meet the demand

Trauma-Informed Practice Model

CFS is collaborating with MHSA to develop and implement a state-wide, cross-systems, trauma-informed system of care. Child welfare specific trauma-informed training has been incorporated into the child welfare certification process at the University of North Dakota Child Welfare Training Center. County child welfare social workers and group facility providers have been provided trauma-informed training sponsored by MHSA's System of Care Expansion Grant. The training and ongoing consultation with the facilities focuses around quality improvements in the care provided to children with an emphasis on sustaining positive outcomes post placement. Because trauma can fundamentally affect how a young person grows and develops, a treatment approach that acknowledges the role trauma plays in people's lives is being developed and refined as a method of treatment. Our goal is to ensure that everyone working in child welfare is aware of and sensitive to the significance of trauma on children and families and how it impacts behaviors and relationships.

Child and Family Services Plan

In June 2014, CFS submitted the 2015-2019 Child and Family Services Plan (CFSP). The CFSP is a five-year plan for child welfare services developed in collaboration with stakeholders representing various agencies across the state. The priorities identified included: increasing the availability of family preservation services; developing strategies to address early intervention and family engagement (with an emphasis on Native American families);

further developing the state CQI process; decreasing the number of children placed in facilities out of state; and strengthening the child welfare workforce. CFS's success in accomplishing the goals are measured and reported to the federal office annually.

Continuous Quality Improvement

In August 2012, the Administration for Children and Families issued an Informational Memorandum encouraging states to establish and maintain a continuous quality improvement (CQI) process. Since that time, CFS has been working to develop the components of CQI. CFS utilizes the Child and Family Services Review (CFSR) process to assure quality child welfare practice statewide. CFSRs are conducted annually for counties, DJS agencies, and tribal child welfare agencies within all eight regions. During the 2013-2015 biennium, 187 cases have been reviewed to date and CFS has convened stakeholder meetings in six regions (two regions per year).

Overview of Budget Changes

Description	2013-2015 Budget	Increase / (Decrease)	2015-2017 Executive Budget	Senate Changes	2015-2017 Budget To House
Salary and Wages	2,890,243	524,953	3,415,196	(57,021)	3,358,175
Operating	6,614,021	985,863	7,599,884	(69,899)	7,529,985
Grants	141,222,813	29,674,510	170,897,323	(1,798,552)	169,098,771
Total	150,727,077	31,185,326	181,912,403	(1,925,472)	179,986,931
General Fund	42,539,139	31,797,086	74,336,225	(1,110,205)	73,226,020
Federal Funds	85,384,548	10,813,980	96,198,528	(517,276)	95,681,252
Other Funds	22,803,390	(11,425,740)	11,377,650	(297,991)	11,079,659
Total	150,727,077	31,185,326	181,912,403	(1,925,472)	179,986,931
Full Time Equivalent (FTE)	17.5	1.5	19	0.0	19.0

Budget Changes from Current Budget to the Executive Budget:

The Salary and Wages line item increased by \$524,953 and can be attributed to the following:

- \$250,764 in total funds, of which \$229,801 is general fund, needed to fund the Governor's compensation package.
- \$50,236 in total funds, of which \$21,250 is general fund, needed to continue the employee increases approved by the last Legislative Assembly.
- \$194,406 in total funds of which, \$165,244 is general fund, to add 1.5 FTE for the change in federal child care laws, requiring expanded background checks. This 1.5 FTE would absorb the increased workload in order to continue to provide thorough and timely background checks.
- \$42,432 increase in temporary salaries due to increase in hours spent working the help desk; due to the volume of the calls received from the counties related to a variety of issues, including specific cases, FRAME system and licensing.
- The remaining decrease of \$12,885 is a combination of increases and decreases needed to sustain the salary of the 19.00 FTEs in this area of the budget.

The Operating line item increased by \$985,863 and is mainly attributed to the following:

- An increase of \$614,225 in Operating Fees and Services is mainly due to an increase of **\$276,867** for a 4% provider inflation each year of the biennium, **\$170,000** for a special needs adoption contract in the Jamestown region and **\$70,000** increase for additional foster care background checks.

- \$240,147 increase in Professional Development is primarily due to the following:
 - \$71,000 increase to provide two training opportunities each year for ND RCCFs, as requested by the facilities. These trainings will relate to the higher level of need some of the youth are presenting with and the tools to deal with certain behaviors. Additional trauma training will also be included as we move to a trauma informed system of care.
 - \$53,175 increase in honorarium rates for the Child and Family Services Review (CFSR) reviewers, in order to recruit and retain reviewers, considering the increased expectations with the release of the revised federal review instrument.
 - \$50,400 increase for honorariums related to the increased number of CFSRs based upon federal requirements.
 - \$41,425, increase in registration fees and stipends for conferences for training of new county and tribal workers. These stipends encourage local agencies to send workers to trainings that are not mandated but highly encouraged.
 - \$9,000 decrease in Chafee youth honorariums based on current participation rates.
 - \$11,700 decrease in RCCF licensing honorariums due to licensing visits taking less time.
- \$101,573 increase in Travel mainly due to **\$48,469** increased travel required for the 3rd round CFSRs required by the federal government and **\$68,572** increase in lodging and per diem rates.
- \$11,550 increase in Printing due to printing the Foster Care Handbook which is updated periodically and used for new foster parent training.

The Grants line item increased by \$29,674,510 and is mainly attributable to the following:

- [Attachment A](#) shows the grant changes in the Children and Family Services Budget from the 2013-2015 Appropriation to the 2015-2017 Budget to the Senate, and the 2015-2017 Budget to the House.
- Increase of \$3,900,000 all general fund to establish a grant program for counties that have historically needed to use the Emergency Human Services Levy, to cover the costs of county social services programs.
- Increase of \$1,432,469 for county administration reimbursement for their efforts in administering the Department's programs.
- Increase of \$1,278,944, all federal funding, for refugee medical screenings and an increase for the maintenance payments.
- Increase of \$474,987 for property tax relief for counties due to the state assuming the Child Welfare costs.
- Decrease of \$143,579 to Department of Corrections for juvenile case management based on our current average reimbursements due to a decrease in the cases.

The general fund request increased by \$31,797,086. \$31,612,194, or 99.4% of this is for the programs and services the counties were previously responsible to pay for, increase in costs and caseload and 4% provider inflation for each year of the biennium. The remaining increase of \$184,892, or 0.6% is due to other salary and operating changes for the Children and Family Services division as described above.

Federal funds increased \$10,813,980. \$10,458,528, or 96.7% increase related to increases in costs and caseload, 4% provider inflation each year, reimbursement to counties for increased costs to administer child welfare

programs, and medical screenings for refugees. The remaining \$355,452, or 3.3% is related to other salary, operating and grant changes for the Children and Family Services division as described above.

The other funds decreased \$11,425,740 which is mainly attributable to a \$11,143,496, or 97.5% increase related to county funds reduction for the programs and services the counties were previously responsible to pay for, increase due to 4% provider inflation for each year, increase due to reimbursement to counties for increased costs to administer child welfare programs, and increased cost and caseload of foster care.

Senate Changes:

\$57,021 in total funds, of which \$42,995 is general fund to decrease the Governor's compensation package to reflect a change in the state employee performance increase from 3% - 5% to 2% - 4%, remove market policy point equity increase, and to remove the 1% retirement contribution.

\$2,027,463, in total funds, of which \$1,271,820 is general fund to decrease the annual provider inflation from 4% to 3% each year of the biennium.

\$200,000 all of which is general fund to increase Child Care Provider Incentive and Specialist Grants.

\$89,180 all of which is general fund to increase the Chafee Independent Living Grant.

\$130,168, in total funds, of which \$84,570 is general fund to decrease Post Adoption Services.

This concludes my testimony on the 2015-2017 budget requests for CFS. I would be happy to answer any questions.