
SB 758 Foster Care Capacity-Building Progress Report

A Report from
**The Texas Department of Family
and Protective Services**

September 1, 2009

Introduction

Senate Bill (SB) 758, by Senator Jane Nelson and Representative Patrick Rose, passed by the 80th Texas Legislature, was developed as the continuation of the Texas Department of Family and Protective Services' (DFPS) reform. A central part of this reform was to increase DFPS' ability to provide a safe, nurturing placement to every child in foster care that will meet his or her needs and services to help him or her achieve permanency – this aspect of reform is often referred to as “capacity-building”.

The Child Protective Services (CPS) Improvement Plan, as outlined in SB 758 Section 51 Subdivision (8) Subsection (b) must include expanding substitute and adoptive placement quality and capacity in local communities through the procurement of a statewide needs assessment and through implementation of recommendations for expanding and improving provider capabilities. Subsection (c) of SB 758 further directs DFPS to ensure that the recommendations for expanding and improving provider capabilities include:

- provisions for start-up funding for providers to build necessary capacity in the state;
- partnerships with community leaders to identify local resources to support building capacity; and
- the development of pilot projects to procure regional capacity development.

At the end of each fiscal year, DFPS is directed to prepare a progress report that details activities to implement the recommendations. The report must include regional data regarding the number of children in state conservatorship who are placed in their home region separated into classifications based on levels of care. This is the second report to be submitted.

DFPS Foster Care Capacity-building Efforts To Date

In the SB 758 Foster Care Capacity-building Progress Report submitted September 2008, DFPS provided information on a chartered project called "Moving Foster Care Forward." The project was initiated to integrate elements of CPS reform with ongoing efforts to build foster care capacity into a single, directed effort and to ensure stakeholder involvement. The project included the procurement of the needs analysis required by Senate Bill 758 and development of a strategic plan. Other initiatives within the project were aimed at capacity-building efforts that could be done in the short-term in anticipation of the needs analysis and strategic plan. The initiatives that were formally chartered in March 2008 are as follows:

1. Statewide Placement Quality and Capacity Needs Analysis and Strategic Plan
2. CPS Placement Process Enhancements
3. DFPS Foster/Adoptive Home Process Improvements
4. Coordination and Support of Residential Childcare Services
5. Defining the Case Management Role for Future Outsourcing Efforts
6. Improving the Effectiveness of Purchased Client Services Delivery

DFPS described these initiatives in the 2008 report to indicate immediate work underway while the needs analysis was being conducted. The outcome of these efforts is therefore described here. The Moving Foster Care Forward project charter was closed in June 2009 with the following accomplishments:

Statewide Placement Quality and Capacity Needs Analysis and Strategic Plan

- Completed the needs analysis and developed the Statewide Quality and Capacity Strategic Plan.

CPS Placement Process Enhancements

- Facilitated a workgroup of internal and external stakeholders to examine the functionality of the Child Placement Vacancy database. The workgroup suggested ways to make the system more beneficial for both private contracted providers and CPS placement staff. DFPS is currently working to enhance this system.

DFPS Foster/Adoptive Home Process Improvements

- Completed mapping and analysis of the verification process for DFPS foster/adoptive homes. A group developed a model which expedites the verification process to less than 120 days between the date a family submits an application to the date the family is ready to provide foster or adoptive care for a child.

Coordination and Support of Residential Childcare Services

- Conducted the Joint Licensing Inquiry Meeting pilot in Regions 3 and 8. This pilot was a collaboration between residential child care licensing, residential child care contracts, and child protective services to provide information to prospective providers about application processes and capacity needs. The pilot is continuing in two additional regions.

Defining the Case Management Role for Future Outsourcing Efforts

- Developed three potential case management privatization pilot models based on research of national models and input obtained from internal and external stakeholders.

Improving the Effectiveness of Purchased Client Services Delivery

- Expanded the eligibility requirements for providers interested in contracting services through the Intensive Psychiatric Transition Program.
- Expanded the Retroactive Initial Service Level payment to providers meeting certain criteria.
- Began planning for a Public Private Partnership as a vehicle for ongoing communication between DFPS and residential childcare providers.

Statewide Placement Quality and Capacity Needs Analysis and Strategic Plan

DFPS contracted with the University of Houston (UH) to complete a statewide needs analysis on foster care placement quality and capacity. The needs analysis explored the demographics of the general substitute care population including characteristics of eight (8) specific populations identified by DFPS, compared existing placement quality and capacity to the specific needs of the current and projected substitute care population, and identified DFPS systems and processes that impact capacity development. Based on an analysis of the data and information collected, UH suggested alternatives and solutions to address the gaps and needs in the substitute care system and provided a foundation for the drafting of a strategic plan to address the identified issues. A copy of the strategic plan, which outlines DFPS' current efforts to address capacity, is included as an addendum to this report.

Conclusion

DFPS is continuing a pilot to coordinate the efforts of Residential Childcare Licensing, Residential Contracts and Child Protective Services to support prospective providers through the application process at the regional level. DFPS is moving forward with the development of a Public Private Partnership with residential childcare providers as a vehicle for working together to improve foster care capacity. DFPS is also initiating a long-term project to identify system changes that would improve foster placement resources. The project includes input and participation from providers through the partnership. The result will be the establishment of a new sustainable system that allows DFPS to identify appropriate, least restrictive placement resources for children in their home communities. More information on each of these efforts is provided in the strategic plan. Currently there are no resources to pursue start-up funding as recommended in SB 758. Funding was also not allocated to continue to pursue a pilot project for outsourcing of case management services.

APPENDIX I

SB 758 directed that the progress report must include regional data regarding the number of children in state conservatorship who are placed in their home region separated into classifications based on levels of care. Table 1 below shows that children across all service levels are placed outside their regions of conservatorship. Some regions (e.g., 6, 8 and 10) are better able to maintain children with basic, moderate and specialized service levels in their home regions. Others (e.g., region 2, 4, and 9) struggle to place children in region, especially at the moderate, specialized and intense service levels. Only regions 6 and 8 place more than half of children with intense levels of care inside their home regions. These regional trends are consistent with those identified in the 2008 report.

Placements made out of home region sometimes occur when the department cannot secure needed capacity within a region. This is especially true for children with higher service levels needing more specialized services, such as residential treatment, that cannot be located within region. Of the 1,434 children placed in residential treatment on March 31st, 31.80% were placed in their home region. Statewide, the percentage of children placed in home region decreases as service level increases. Since the 2008 report, however, there has been an increase in children with a specialized service level placed in region from 53.92% to 56.16% and an increase in children with an intense service level placed in region from 34.59% to 39.27%.

Other times, out of region placements can provide the best placement option for children in substitute care. DFPS has dedicated more resources to locating and supporting kinship placement in recent years that has resulted in an increase in kinship placements. Of the 24,825 children in substitute care on March 31st, 7,594 (30.6%) of placements were in kinship homes, both within and out of children's home regions. This compares to 21.5% of children in substitute care living in kinship placements at the end of March four years ago in 2005. In addition, 850 children were placed in adoptive homes or in independent living settings, which may or may not be in their region of conservatorship.

Table 1
Percent of Children Placed In Home Region by Service Level

Region	Basic Service Level Placements	Basic Service Level % Placed In Region	Moderate Service Level Placements	Moderate Service Level % Placed In Region	Specialized Service Level Placements	Specialized Service Level % Placed In Region	Intense Service Level Placements	Intense Service Level % Placed In Region	Intensive Psychiatric Transition Placements	Intensive Psychiatric Transition % Placed In Region	Unknown Service Level Placements	Unknown Service Level % Placed In Region
1	949	87.88	313	69.33	186	30.65	25	12.00	0	N/A	165	91.52
2	360	73.33	131	55.73	107	28.04	9	11.11	0	N/A	57	84.21
3	2550	88.43	867	80.51	659	57.06	64	39.06	4	0	266	92.86
4	787	74.84	191	52.88	171	27.49	18	27.78	1	0	213	88.73
5	447	77.63	89	62.92	85	43.53	7	0.00	1	0	74	74.32
6	3169	87.95	781	86.81	598	80.94	59	50.85	1	100	1405	95.44
7	1427	81.57	463	73.00	385	59.22	60	48.33	2	0	439	85.42
8	2270	87.22	643	79.63	447	71.36	60	70.00	5	0	621	95.17
9	368	49.73	164	31.71	108	22.22	8	0.00	0	N/A	118	83.90
10	272	91.18	82	89.02	72	69.44	7	14.29	0	N/A	22	95.45
11	1214	91.43	312	76.92	198	47.98	23	13.04	2	0	182	95.05
Unknown	400	11.75	142	15.49	111	8.11	14	0.00	0	N/A	31	0.00
	14213	83.08	4178	73.24	3127	56.16	354	39.27	16	6.25	3593	91.57

***Placement data reflects point in time (March 31, 2009)

***Children are categorized by level of care according to their most recent level of care authorization as of the point of this report. That level of care authorization may be technically expired prior to the date of this report. If no new level of care is needed, as in the case of unpaid (i.e., relative placements), no new authorization is created. However, in these cases, the last authorized level of care still indicates the service needs of the child.

APPENDIX II

**Texas Department of
Family and Protective Services**



**Statewide Placement Quality and Capacity
Strategic Plan**

Fiscal Years 2010 - 2014

**A plan to strengthen Statewide Placement Quality and Capacity to
meet the needs of children and youth in foster care
September 1, 2009**

Introduction and Background

In 2007, the 80th Texas Legislature passed Senate Bill SB 758 requiring the Texas Department of Family and Protective Services (DFPS) to procure a statewide analysis of substitute care placement quality and capacity needs of children in the conservatorship of DFPS.

DFPS determined that the analysis must address current substitute care quality and capacity issues, provide projected needs for substitute care placement capacity and related services, and identify gaps in substitute care placement capacity and related services. The analysis was to serve as the foundation for the identification of alternatives and solutions to substitute care placement quality and capacity issues, from which DFPS would develop a strategic plan to address these issues.

DFPS entered into an inter-agency contract (IAC) with the University of Houston Graduate College of Social Work in August 2008 to complete the statewide analysis. The contract was concluded in December 2008 after the University provided recommendations of alternatives and solutions and a draft strategic plan. These deliverables laid the foundation for DFPS to develop a final strategic plan that focused on meeting the needs of children and youth in care by strengthening Statewide Placement Quality and Capacity.

The DFPS Placement Quality and Capacity Strategic Plan prioritizes the statewide analysis recommendations to align with strategies from a variety of DFPS initiatives that have developed or progressed over the past year to build substitute care quality and capacity. In addition, the final plan is adapted to respond to the changing nature of the capacity issue, which has shifted focus as a result of improvements in some areas. Finally, the DFPS Placement Quality and Capacity Strategic Plan was developed to ensure alignment with the HHS System Strategic Plan 2009-2013; the Texas' Child and Family Services Review Improvement Plan; the Title IV-B and IV-E State Plans and all state and federal mandates.

Results of the Statewide Analysis

The Statewide Placement Quality and Capacity Needs Analysis was divided into five (5) Deliverables. The University of Houston produced five (5) Reports, each corresponding to one of the deliverables.

Deliverable 1

The purpose of this report was to lay the foundation for more detailed analyses in subsequent reports, enabling the development of a sufficiently comprehensive understanding of the characteristics of both the children and the substitute care system.

The three data collection methods used in analysis were 12 point-in-time data sets from 2002 to 2008 provided by DFPS; DFPS Data Books (2002 – 2007); and multiple sources of publicly available demographic information. The descriptive data focused on demographics of the general substitute care population and characteristics of eight (8) specific populations identified by DFPS.

Specific populations identified were:

1. children and youth who have stayed in a setting supervised by CPS staff
2. children and youth placed out of their legal region
3. children and youth not placed with siblings
4. children and youth with challenging needs
5. youth aging out of care and youth who have aged out of care but wish to remain in care
6. children and youth in care more than three years
7. children and youth of different ethnicities
8. Disproportionality of African American children and youth

FINDINGS

(From: Texas Department of Family and Protective Services. (2008). Statewide Placement Quality and Capacity Needs Analysis Deliverable 1 Report. Austin, TX: Leung and Cheung.)

Demographics of Children In Substitute Care:

- Data on August 31, 2007 show that 18,462 children in foster care were served in Texas, which was a 24.38% increase compared to 14,843 children in foster care served on August 31, 2002.
- The trend from 2002 to 2006 showed an increase in numbers of children served in foster homes; however, this trend showed a decrease in 2007.
- Foster children were distributed relatively evenly by age group as defined in the state data source.

- One fourth of the foster children were in the 14-17 age group, which represented the highest percentage among all age groups.
- Nearly 2% of the foster children were “aged-out” youth aged 18-20. This percentage was highest in 2007 because youths of 21 years were included in the statistics presented on August 31, 2007.
- More foster children were male than female in most years except in 2004.
- Hispanic children represented the highest percentage among all children in substitute care.
- While African-American children also showed a high percentage in foster care during the years studied, this percentage decreased in 2003 and leveled off from 2003 to 2007.
- Children in substitute care were on the average almost 9 years old, with a standard deviation of 5 years.
- Proportionally, more male than female children were in care at all 12 points-in-time.
- One third of the children in substitute care were Anglo, a little less than one third were African-American, one third were Hispanic children, and about 1-2% were of other races. Proportional to the total, a higher percent of Hispanic children were represented in the population of children in substitute care.
- About 12-14% of the children in care were 16 years of age and older; of this group of children over 10% were 18 and older. The 18 years of age and older children were 1-2% of the total children in care.
- On the average in these point-in-time data, the children in substitute care had 3-4 placements, about 300 days in current placements, and 800 total days in care.
- Since September 2003, the service level has been authorized at four major levels—Basic, Moderate, Specialized and Intense. Most of the children in substitute care (63.62%) in the data of September 2003 to March 2008 were authorized with the Basic service level of care. On the 1-4 scale (where 1=Basic, 2=Moderate, 3=Specialized and 4=Intense), the average service level in these seven years was 1.52.

Confirmed Victims of Child Abuse/Neglect

- Based on the seven years of data, the top four most frequently occurring types of abuse/neglect were neglectful supervision, physical abuse, physical neglect and sexual abuse.
- The ratio of occurrences of abuse/neglect per confirmed child victim was 1.19, meaning that multiple types of abuse (more than one) occurred among some of these confirmed victims in 2002-2007.
- Regions with the highest percentage of child abuse/neglect in Texas were Regions 3, 6, and 11.

Removal Reasons

The most frequently reported removal reasons are similar across all groups.

- Top five child removal reasons:
 - Neglectful Supervision (57.46%)
 - Physical Abuse (31.21%)
 - Physical Neglect (25.13%)
 - Sexual Abuse (11.11%)
 - No Parent Responsibility (11.03%)
- In addition, three other reasons also received frequent attention:
 - Medical Neglect (8.01%)
 - Abandonment (5.88%)
 - Emotional Abuse (4.29%)
- Instead of sexual abuse, the fourth removal reason for African-American children differed from that of other ethnic/racial groups—medical neglect (7.99%).

Increasing Trend in Substitute Care

- There has been a numeric increase in children in substitute care in the entire state of Texas. Comparing the data between FY2002 and 2007, there was an increase of children in substitute care in Texas, both in absolute number (+16,826) and in population proportion (+.23% of child population).
- Although the proportion of children in substitute care to the total child population was not high, there was evidence of an increase in this proportion in most regions.
- Regional increases leveled off in eight regions in 2007.

- Two regions (San Antonio and Midland) had the highest consistent increases in substitute care needs, shown both in absolute number and in the proportion of the population in substitute care between 2002 and 2007.
- The top ten counties with the greatest absolute number of increases were: Bexar, Harris, Tarrant, Bell, Hidalgo, Cameron, Webb, Denton, Lubbock, and Montgomery.
- Over half of the increases between FY2002 and 2007 (8,729 or 51.87%) came from these top ten counties.
- Harris (Houston) and Bexar (San Antonio) counties are the two metropolitan counties which ranked in the top ten counties for the absolute numerical increase in children in substitute care. Dallas (Dallas) and Travis (Austin) counties also had large numerical increases although they are not among the top ten counties.
- Comparing the data between FY2002 and 2007, the top ten counties with the greatest proportional increases were: Crockett, Kent, Briscoe, Dickens, Brooks, Real, Culberson, Zapata, Frio, and Brown.
- The greatest proportional changes fell into three smaller counties that had no prior history of substitute care: Kent, Briscoe and Real. Because the baseline (2002) of these counties contained zero data, a small number of children in substitute care resulted in significant proportional increases.
- Based on data from 12 different time points, we identified 15-16% of children who were placed out-of-region. Region 9 tended to have more children placed out-of-region and reached an average of 43.88% within the 12 time periods. Further analysis showed that these out-of-region children were proportionally more male and Anglo, were older, stayed in the current placement for a longer period of time, and had a longer history in substitute care than other children did.
- The trend in all regions has been consistent throughout the six years in that Residential Treatment (63.84%) had the highest out-of-region percentages.
- Close examination of data from each region, revealed that the three highest out-of-region percentages were associated with the same two types of arrangements (Residential Treatment, Other Substitute Care), except in Region 6, Region 7, Region 9, and Region 10.
 - Region 7: High percentage in Basic Child Care (41.18%)
 - Region 9: High percentage in Basic Child Care (61.9%), Emergency Shelter (59.6%) and Contracted Foster Home (51.49%)
 - Region 10: High percentage in Emergency Shelter (66.67%)

- Analyses of placements with siblings indicate that DFPS has made efforts to place siblings together in the same placement. 'Sibling group placement effort' is defined in this study as the proportion of the number of siblings staying together with the child in the same placement; 44% average sibling group placement effort was found in the combined data set of 12 data points, with Region 10 showing the highest percentage (55.16%) and Region 6 the lowest (37.61%). Compared to children placed with all siblings, children not placed with all siblings who were also in substitute care tended to be older, had more siblings in care, had been in more placements but had shorter stays in the current placement and a shorter history of total days in care. It was also found that both African-American and Hispanic children were placed without all siblings at a higher proportion than Anglo and other racial/ethnic groups. The trend from the September 2002 to March 2008 data showed that the percentage of children not placed with all siblings had declined since March 2006.
- Findings show that if a child has no siblings in care, the likelihood of the child being placed out-of-region will be increased by an average of 36.5%.
- If a child has been placed with all siblings, it is 25.8% more likely that the child also has been placed within region.
- Over half (54.48%) of the substitute care children who had siblings in care were placed with one or more of their siblings; 45.52% were not placed with any siblings. Among the percentages for those with siblings placed together, 34.2% were placed with all siblings in care; 1.49% were placed with 1-20% of their siblings; 6.92% with 21-40% of their siblings; 7.98% with 41-60% of their siblings; 3.74% with 61-80% of their siblings; and .16% with 81-99% of their siblings.
- The findings from logistic regression analysis presented earlier (related to "Out-of-Region Placement" analysis) show that when all siblings were placed together, the likelihood of the child being placed out-of-region will be decreased. In other words, efforts have been made to ensure that children with siblings in care are placed together within their legal region.
- Compared to those children in Basic/Moderate service levels, children in substitute care who received Specialized and Intense service levels tended to be male and older, had experienced a higher number of placements, and had a lower percentage in sibling group placement effort. Statistical analyses revealed that Anglo children tended to receive a higher average level of care, and Hispanic children tended to receive a lower level of care. Children receiving Specialized and Intense service levels were found to be in placements longer than those in Basic and Moderate level of care.

- Analyses of the data on the children preparing to age out of substitute care revealed that all were enrolled in or had already completed one or more educational or training programs in order to prepare themselves for independence. No significant gender or race/ethnicity differences were identified, and post-training assessment scores showed significant improvement compared to pre-training scores.
- Children who had aged-out of substitute care (18 years of age or older) but wished to remain in or return to substitute care were more likely to be male, Anglo or African-American, and had stayed in substitute care longer than the general population of children in substitute care. They were also more likely to have received higher levels of service.
- Over 20% of the children in substitute care had been in placements for three or more years. These children tended to be older, male, disproportionately African-American, placed out-of-region, more likely to be placed with all siblings, and likely to have more challenging needs than the general substitute care population. More female (56.7%) than male children were in care for three or more years, which was consistent with the data indicating that more female children were 16 or older.
- In terms of ethnic disparity, African-American children tended to be disproportionately represented in all capacity issues specified in this study: children without placements, out-of-region, not placed with all siblings, with challenging needs, in placement three or more years, aging-out, aged-out, and participating in PAL program. Anglo children, male children and those in more placements tended to be the recipients of higher levels of services. Anglo children were disproportionately higher in the out-of-region group. While similarities were found among the quality/capacity issues that contributed to child removal and longer stay, an unusual pattern was also found. This pattern is related to the increasing representation of Hispanic children in the system. Although they are not proportionally overrepresented, their numbers have been increasing and they have not been placed with all siblings at levels proportional to their population.
- With the twelve point-in-time data, logistic regression analyses predict two sets of variables and their connections to out-of-region placements and high (Specialized/Intense) service levels. First, children who are male, Anglo and older, and who have experienced more placements and have no siblings in care, will have a higher likelihood to be placed out-of-region. Likewise, the same predicting variables also apply to explain high service level in that children who are male, Anglo and older, and who have experienced more placements and have no siblings in care, will have a higher likelihood to be assigned Specialized/Intense service levels.

- When all factors are taken into consideration, the study concluded that there has been a trend that has helped children to stay closer to their siblings and a familiar environment within their legal region; and that efforts to continue this trend should be expanded.

[Leung and Cheung, pp. 2-3; 16; 19; 22; 25-27; 36; 41; 64; 73; 76; 82; 151-153]

Deliverable 2

Deliverable 2 reported the data and forecast analysis of DFPS' and providers' substitute care placement capacity and services providing an inventory and identification of gaps.

Substitute care capacity data has various limitations that restrict the ability to analyze absolute capacity for placement of children in DFPS conservatorship. DFPS data currently is limited to the licensed capacity of facilities and homes. There is no measure of operational capacity nor is there a department-wide definition of operational capacity. The lack of data regarding operational capacity and other limitations to theoretical capacity imposed by providers of substitute care and others severely limits the ability to analyze capacity in any meaningful way.

The University of Houston's approach to the reporting and data analysis of substitute care placement capacity used existing paid claim data to forecast trends in the specific populations of children identified in the Placement Quality and Capacity Issues. A database engine was built to provide a query mechanism (variable combination) with the capability to generate forecasts up to May 2013 using a variety of data types with forecasting at the county, region, or statewide level.

- Using the database engine, forecasts can be extended beyond May 2013 and new data can also be added to update the forecasts.
- The software was provided to DFPS. It has the capacity and capability to provide DFPS the forecasting data DFPS needs to plan and direct placement capacity activities; it will provide forecasting information that can be used to direct data-driven decisions about placement capacity development based on the needs of children in substitute care.

FINDINGS

(From: Texas Department of Family and Protective Services. (2008). Statewide Placement Quality and Capacity Needs Analysis Deliverable 2 Report. Austin, TX: Leung, Granato, and Mayes.)

Current totals are based on data that ends on May 2008. Forecasted totals are for data that end on May 2013.

This study faced some important data limitations. The limitations mean that the conclusions must be viewed as tentative. With these issues in mind, we [UH] report findings across geographic, demographic, and quality of service dimensions.

In strictly geographic terms we find the following regional results. When we examine the number of children with challenging needs by region the forecasted changes tend to be fairly stable. Regions 6 and 8 however do show an increase. More than half of the regions are also forecasted to show an increase in the number of children in sibling groups. Regions 2, 3, 4, 6, 7, 8, and 11 show increases. On the other hand, Regions 1, 5, 9, and 10 are either stable or declining. A final examination of regional changes is in the forecasted number of children. Most regions show an expected increase. The exceptions are Regions 1, 8, and 10.

Demographic variation is also evident in the forecasts. In terms of the total number of placements we forecast initial declines up to 2010 for African American, Anglo, and Latino children. These three groups then show an increase for the remainder of the forecast period. These increases surpass the prior peaks in 2006 and 2007. We also find that the number of children listed as having unknown race and ethnicity is steadily increasing.

The forecasted gender breakdown shows approximately equal increases in both males and females. Males remain the larger group. A final forecasted demographic category is age. Based on our classification, we forecast that the age range for increase is between the ages of 2 and 18. Children, aged 2 or below or older than 18 are forecast to show, if anything a slight decrease.

We classify living arrangement, being placed out of the legal county or region, and the level of non-optimal service as quality of service indicators. The forecasted living arrangements for children show constancy for all group codes with the exception of DFPS, — which first shows a decline until 2010, but then accelerates afterward to 2013. Children placed out of their legal county show a forecasted increase after experiencing a decline in the 2007-2010 period.

Placements out of the legal region are forecasted to remain roughly constant. But, the ethnic and racial breakdown of this variable shows that children of unknown ethnic or racial background are forecasted to increase. A final indicator is the forecasted level of non-optimal placements. We find a decline in the number of non-optimal placements between 2004 and 2007. These placements level off between 2007 and 2008. We forecast that only non-optimal placements for Anglo children and multi-racial children remain constant. All other categories show an increase, particularly African American and Latino children, who are expected to reach their 2004 levels.

[Leung, Granato, and Mayes, p. 27]

Deliverable 3

The purpose of Deliverable 3 was to identify and analyze the DFPS substitute care system and processes. The investigator used a variety of resources, including publicly available data and materials, DFPS data provided on request, and a focus group methodology to collect both qualitative and quantitative data.

While the focus group data is anecdotal and qualitative by nature, the issues raised by the focus groups are important and highlights issues known to DFPS.

Issues and concerns that were perceived to be results of licensing standards require further research to identify whether investigations, contract monitoring, Youth For Tomorrow (YFT) service level assessment CPA requirements and local codes are being perceived as licensing standards.

FINDINGS

(From: Texas Department of Family and Protective Services. (2008). Statewide Placement Quality and Capacity Needs Analysis Deliverable 3 Report. Austin, TX: Leung and Belanger.)

[Note: All issues discussed below should be noted as being the perceptions of respondents.]

The analysis of the substitute care system and processes includes an examination of public documents, interviews with DFPS personnel and providers, analysis of data collected and provided upon request by DFPS, results from a series of six focus groups in five locations across the state with 91 participants and a follow-up survey of participants related to focus group findings. In addition, the analysis provides a review of methodologies used in other states, best or promising practices, and relevant research findings.

Participants in focus groups believe that while the quality of care in the current substitute care system is acceptable (not in the good or exemplary rating), the quantity of substitute care placements is not sufficient, making child placement a difficult task. Five major issues surfaced.

1) The systems of oversight, and particularly residential child care licensing, have achieved their purpose of assuring an acceptable level of safety in out-of-home care. However, the new expansion of both the standards and their enforcement have placed additional financial and risk burdens on providers sufficient to negatively impact capacity of substitute care in the state, and possibly even the quality of care provided. In addition, the systems of oversight have extensive authority, but limited responsibility for outcomes of safety, permanency and well-being.

2) The current system of contracted authorization of levels of service to be provided and the resulting payment for care relies on documentation, and particularly documentation concerning the child's behaviors during the previous 30-day period; the 30-day period is considered too brief to provide an adequate assessment of the child's needs for services. In addition, payments for care in the current system of four

Authorized Service Levels (ASL's) as opposed to the previous 6-level Levels of Care (LOC's) are perceived to have resulted in payments that do not adequately compensate providers for care. This system is perceived by respondents as causing increased child moves, reduced capacity for care, and increased work for all parts of the substitute care system. While there is substantial authority in authorizing services to be provided to a child, there is no ultimate responsibility for outcomes for safety, permanency and well-being of the child within this system.

3) The current contracted managed health care system for children in substitute care still has multiple flaws and fewer contracted health providers, posing further difficulties for both caseworkers and residential care providers.

4) CPS conservatorship units are widely perceived as being characterized by unacceptably low pay, undesirable working conditions and excessive case loads. These conditions have resulted in high rates of employee turnover and worker transfers to other positions within DFPS, further exacerbating pressures for remaining staff, for residential care providers, and for the substitute care system. Since the conservatorship worker is responsible for gathering and completing the substantial paperwork related to determining levels of care, accessing health care, and assuring that providers have documents necessary for licensing visits, the high turnover, high workload, and worker inexperience only add to difficulties in recruiting and retaining adequate substitute care.

5) Licensing of residential child care, oversight of residential contracts, and oversight of service delivery for Authorized Service Levels (ASL's), provide a spectrum of monitoring and evaluation that assure quality services for children. However, these entities currently are not coordinated in a way or assessed as an entire system to assure that their separate functions work together to promote the permanency, safety and well-being of children in substitute care. Without a formal mechanism for ongoing monitoring and evaluation that includes all subsystems, including managed health care, and assesses their direct and indirect impacts on outcomes, DFPS may engage in system modifications that appear to resolve problems for the subsystem, but remain untested, may not resolve the difficulties of placing children in an adequate and effective manner, and may even inadvertently negatively impact the stability of the workforce and the quality and capacity of substitute care. DFPS needs to consider implementing a system of broader oversight that includes evaluation of the interactions of subsystems. Since Texas is such a large and diverse state with such complex subsystems, the design of a broad monitoring and evaluation system might best be accomplished with the assistance of an external evaluator.

[Leung and Belanger, pp. vii-viii]

Deliverable 4

The purpose of Deliverable 4 was to examine possible alternatives and solutions to address the gaps and needs in the substitute care system as identified in the data analyses in Deliverables 1, 2, and 3. Additional stakeholder input was obtained to provide alternative solutions to the eleven areas of concern identified from the previous Deliverables.

The recommendations from this report served as the basis of the strategic planning sessions conducted in the development of Deliverable 5.

Due to gaps and other issues in data, data collection, and data systems, DFPS could not produce certain data needed to substantiate or dismiss a number of concerns raised. DFPS should identify and remedy gaps and other issues in data, data collection and data systems to support the on-going analysis of the substitute care system. Additionally, the development of a structured communication system among service providers and between DFPS and service providers is needed to improve the current approach to the sharing of information and the receipt of feedback.

FINDINGS

(From: Texas Department of Family and Protective Services. (2008). Statewide Placement Quality and Capacity Needs Analysis Deliverable 4 Report. Austin, TX: Leung.

A comparison of the total licensed capacity of all foster homes and residential substitute care facilities to the total actual or projected number of foster children does not accurately reflect a capacity shortage because the specific substitute care placement and service needs of children vary. Capacity needs must be assessed by reviewing the individual needs of children and comparing their needs to the availability of appropriate substitute care placement within reasonable proximity of the children's homes. Limitations in the availability of related services that could prevent children from entering substitute care or that expedite the achievement of permanency outside the substitute care system compound the capacity shortage. Services that can decrease the number of children entering substitute care as well as services that can increase the number of children exiting substitute care can also directly impact substitute care placement capacity.

Recommended Solutions for Use in the Strategic Plan

Recommendation 1: Reestablish 6 levels of care.

Recommendation 2: Consider documentation from the previous 90 days in determining level of care and supplement with consultations from DFPS staff.

Recommendation 3: Establish partnerships and collaborative efforts among service providers in order to insure that each child receives the required and varying levels of service, while remaining in the same environment and maintaining long-term relationships.

Recommendation 4: Adjust all CPS workers' salaries to be comparable to the teachers' salaries in Texas.

Recommendation 5: Develop partnership systems with Child Care Licensing, contracts, Youth for Tomorrow, and CFSSR (Child and Family Service Review) teams in order to address the differences in standards used to evaluate substitute care.

Recommendation 6: Establish ongoing communications with HHSC to provide feedback from DFPS workers regarding the positive as well as the negative impacts of STAR Health on the children in substitute care.

Recommendation 7: Provide cultural competence training for CVS workers and [foster] parents on working with African American children and dealing with issues specific to this population and actively recruit more service providers serving African American children.

Recommendation 8: Pursue options regarding ways to offer an indemnity (hold harmless) clause for providers to take hard-to-place children; in addition, consider the impact of additional monetary incentives to providers as compensation for taking hard-to-place children.

Recommendation 9: Contract with service providers for collaboration and the development of partnerships to offer multi-levels of care, allowing siblings with different levels of care to be placed together in close proximity or in the same facility (Continuity of Care).

Recommendation 10: Develop an outcome-based performance evaluation system for each child placement.

Recommendation 11: Hire a third party reviewer to evaluate the new minimum licensing standards.”

[Leung, pp. 1-7]

Deliverable 5

The purpose of Deliverable 5 was to use the analyses from the four previous reports to provide a foundation for the drafting of a strategic plan to address the identified issues.

The University of Houston (UH) conducted two Strategic Planning Meetings with DFPS staff in order to present a draft of strategic plan elements.

FINDINGS

(From: Texas Department of Family and Protective Services. (2008). Statewide Placement Quality and Capacity Needs Analysis Deliverable 5 Report. Austin, TX: Leung.)

UH facilitated review of the areas of concern and recommendations identified in Deliverable 4. DFPS staff recommended three additional concern areas [12; 13; 14] to identify a total of 14 areas of concern.

Concern 1: Current system for identifying Authorized Service Levels

Concern 2: Documentation used in determining the Assigned Service Levels

Concern 3: Concerns about collaboration among service providers and the need for strengthening communications among service providers

Concern 4: Salary levels and issues of turnover and tenure for CVS (Conservatorship) workers within DFPS

Concern 5: Current systems of licensing/contracting (partnership among Licensing, Contracts, Youth for Tomorrow, and Child and Family Services Review (CFSR) teams)

Concern 6: Current health care program (Lack of service providers in STAR Health)

Concern 7: The continuing disproportionality of African American children in the substitute child care system

Concern 8: Children without placements

Concern 9: Facilitating the placement of sibling groups

Concern 10: DFPS service contract system (Outcome-based performance)

Concern 11: The current licensing oversight system (A third party reviewer to evaluate the new minimum licensing standards)

Concern 12: Rates of Residential Child Care

Concern 13: Geographical Needs of Children

Concern 14: Lack of Mental Health Care

The concerns and recommendations were grouped into clusters of related issues.

Cluster 1

Rates of Residential Child Care, Authorized Service Levels and Documentation Used in Determining the Assigned Service Levels

- **Concern 1:** Current system for identifying Authorized Service Levels
- **Recommendation 1:** Reestablish 6 levels of care.
- **Concern 2:** Documentation used in determining the Assigned Service Levels
- **Recommendation 2:** Consider documentation from the previous 90 days in determining level of care and supplement with consultations from DFPS staff.

Cluster 2

Collaboration Among Service Providers, Partnership of Licensing/Contracting, DFPS Contracting Issues and Licensing Oversight

- **Concern 3:** Concerns about collaboration among service providers and the need for strengthening communications among service providers
Recommendation 3: Establish partnerships and collaborative efforts among service providers in order to insure that each child receives the required and varying levels of service, while remaining in the same environment and maintaining long-term relationships.
- **Concern 5:** Current systems of licensing/contracting (partnership among Licensing, Contracts, Youth for Tomorrow, and Child and Family Services Review (CFSR) teams)
Recommendation 5: Develop partnership systems with Child Care Licensing, contracts, Youth for Tomorrow, and CFSR (Child and Family Service Review) teams in order to address the differences in standards used to evaluate substitute care.
- **Concern 10:** DFPS service contract system (Outcome-based performance)
Recommendation 10: Develop an outcome-based performance evaluation system for each child placement.
- **Concern 11:** The current licensing oversight system (A third party reviewer to evaluate the new minimum licensing standards)
Recommendation 11: Hire a third party reviewer to evaluate the new minimum licensing standards.

Cluster 3

STAR Health and Lack of Mental Health Care

- **Concern 6:** Current health care program (Lack of service providers in STAR Health) and
- **Concern 14:** Lack of mental health care

Recommendation 6: Establish ongoing communications with HHSC to provide feedback from DFPS workers regarding the positive as well as the negative impacts of STAR Health on the children in substitute care.

Cluster 4

Disproportionality, Children Without Placements, Sibling Groups Issues and Geographical Needs

- **Concern 7:** The continuing disproportionality of African American children in the substitute care system
- **Recommendation 7:** Provide cultural competence training for CVS workers and [foster] parents on working with African American children and dealing with issues specific to this population and actively recruit more service providers serving African American Children.
- **Concern 8:** Children without placements
- **Recommendation 8:** Pursue options regarding ways to offer an indemnity (hold harmless) clause for providers to take hard-to-place children; in addition, consider the impact of additional monetary incentives to providers as compensation for taking hard-to-place children.
- **Concern 9:** Facilitating the placement of sibling groups
- **Recommendation 9:** Contract with service providers for collaboration and the development of partnerships to offer multi-levels of care, allowing siblings with different levels of care to be placed together in close proximity or in the same facility (Continuity of Care)

Cluster 5

Conservatorship Workers Issues

- **Concern 4:** Salary levels and issues of turnover and tenure for CVS (Conservatorship) workers within DFPS.

Recommendation 4: Adjust all CPS workers' salaries to be comparable to the teachers' salaries.

[Leung, pp. 1-5; 9; 13; 14-21]

Strategic Plan Development

UH facilitated the development of a draft goal and objectives to address the Clusters of concern areas. Cluster 5, relating to conservatorship worker issues, was not included in the strategic plan due to the existing DFPS Workforce Support and Retention Initiative, WSRI. The WSRI was created in response to the Legislature's directive to reduce employee turnover – particularly among caseworkers – and improve morale.

The University of Houston recorded the input and feedback from the Strategic Planning Meetings and produced a draft document of a strategic plan. DFPS revised and reorganized the information captured in the UH draft document to more closely align, in format, with existing DFPS strategic planning documents.

It is important to note that internal and external stakeholder input is an integral piece to the successful achievement of each Objective. It should also be noted that one of the assumptions in the development of the strategic plan is that DFPS is a Child Placing Agency (CPA) and is expected to meet all rules, regulations and standards promulgated for CPAs.

DFPS Statewide Placement Quality and Capacity Strategic Plan

Fiscal Years 2010 - 2014

The implementation of this Plan is at all times contingent upon availability of funding, legislative mandates, HHSC Directives, and DFPS Directives.

GOAL

Statewide Placement Quality and Capacity will be strengthened to meet the needs of children and youth in foster care.

OBJECTIVE 1

DFPS will increase its ability to meet the needs of children and youth in substitute care by providing continuity of care in placements which are the least restrictive and most appropriate for the child or youth.

Strategy 1.1. Advocate for the development of an efficient and effective rate structure and rate methodology.

Strategy 1.2. Define and implement an effective utilization review process.

Strategy 1.3. Develop and implement a performance based system to include incentives relative to outputs and outcomes.

OBJECTIVE 2

Promote best practices and innovations in purchased service delivery.

Strategy 2.1. Establish partnerships and collaborative efforts among service providers to ensure continuity of care for a child or youth while receiving needed services.

Strategy 2.2. Pilot innovative case management strategies based on available resources.

OBJECTIVE 3

Establish effective business and regulatory relationships with providers and stakeholders to share and strengthen accountability of outcomes by promoting internal coordination, program efficiencies, and communication practices.

Strategy 3.1. Develop partnership systems with Residential Child Care Licensing, Residential Contracts, Youth for Tomorrow and CPS teams.

Strategy 3.2. Develop a system that evaluates outcome-based performance for contractors related to health, safety and well-being of children and youth in substitute care.

Strategy 3.3. Operational capacity will be evaluated.

OBJECTIVE 4

Adequate health services will be available to meet the physical health and behavioral health needs of children and youth in state conservatorship.

Strategy 4.1. Consult with HHSC to determine DFPS role in and Enterprise approach to address Objective 4.

Strategy 4.2. DFPS will increase its ability to meet the behavioral health service needs of children and youth in conservatorship.

Strategy 4.3. Health resources are easily accessible to meet the needs of children and youth in state conservatorship.

OBJECTIVE 5

Outcomes of safety, permanency, and well being will not be disparate for children and youth regardless of race, ethnicity, or geographical location.

Strategy 5.1. Provide placements that maintain children's and youth's cultural, faith, and social connections.

Strategy 5.2. All children and youth will be provided safe and appropriate care.

Strategic Plan Implementation

DFPS is moving forward on a variety of fronts to address the issues raised in the UH analysis and pursue the strategic plan goal and objectives.

System Change for Foster Placement Resources Project

This project will draw on the experience and expertise of peers and individuals to change the way foster placement resources are distributed in Texas. The result of the project will be the establishment of a new sustainable system that allows DFPS to identify appropriate, least restrictive placement resources for children in their home communities. The project will study the impact that potential system changes have on both the provider community and DFPS. With input and participation from providers, DFPS will identify the system changes that best meet the needs of the families and children DFPS serves, which directly supports Objective 1 of the strategic plan. Once identified, a plan to implement changes will be developed. A new system to distribute local foster placement services, including services that meet the acute needs of the children in care, will help DFPS improve the safety, permanency and well-being of children in foster residential care.

A number of mechanisms to accomplish this project are being considered by DFPS. One of which is to pursue grant opportunities to support the project. DFPS is currently seeking a federal grant through The Mountains and Plains Child Welfare Implementation Center (Child Welfare Implementation Grant). DFPS submitted an application in the first round of awards, July 2009, but was not one of the states selected. DFPS has since received technical assistance through the Implementation Grant regional representatives to re-apply for the second round of awards. DFPS will submit this grant proposal August 2009. Grant awards are expected to be announced in September 2009 for implementation by October 2009.

The Residential Child Care Contracts (RCC) Performance Measures and DFPS/Provider Workgroup

A co-facilitated, DFPS and provider workgroup has been established to develop and implement contract performance measures related to residential service provider responsibilities that impact the safety, permanency, and well-being of children in care. Performance measures align with the Child and Family Service Review (CFSR) measures and the goal and objectives of the DFPS Placement Quality and Capacity Strategic Plan. The workgroup met four times in March and April 2009 to discuss measures for the fiscal year 2010 residential contract. The workgroup will continue to meet quarterly to develop additional measures for fiscal year 2011 and beyond.

Public Private Partnership

In the fall of 2008, DFPS began planning for a public/private partnership modeled in part on the success of the State of Illinois Child Welfare Advisory Committee (CWAC). DFPS held a forum that brought together staff, residential child care providers and other public partners, along with representatives from the Illinois CWAC to introduce and discuss the formation of a partnership as a vehicle for facilitating communication and collaboration between the state agency and providers. The attendees recognized

the value and opportunities for Texas and agreed to move forward with the development of the Public Private Partnership (Partnership).

The forum established two groups: a planning committee responsible for developing the Partnership structure and a collaborative workgroup to immediately begin to address improving outcomes for a subset of children in foster care that present the most difficult placement challenges and whose long term life success is most at risk. The planning committee is working to establish the vision and goals, rules for membership, and governance for the Partnership. DFPS anticipates the structure will be finalized and put into place by the fall of 2009. The Partnership will serve in an advisory function and will support the work of the Child Welfare Implementation grant, if awarded.

DFPS identified a list of 20 youth with high needs that are characteristic of the youth for whom DFPS has difficulty sustaining placements, including multiple hospitalizations and placements in residential treatment centers. Providers with whom these 20 youth were placed met with DFPS to identify opportunities for collaboration. The workgroup is already being credited with improved placement stability for the identified youth through a marked change in the collaboration and communication between private providers and DFPS. Providers are working directly with DFPS to act preventively before there is a disruption in a youth's placement. If a placement is disrupted, the youth is returned to the same provider following the incident or hospitalization if at all possible.

Additional outcomes of the workgroup include providers gaining a clearer understanding of STAR Health services and sharing of information between providers to identify best practices. DFPS plans to use the experiences of this group to make recommendations for changes that would support other youth with high needs.

Residential Childcare Licensing Procedures

Residential Child Care Licensing (RCCL) has developed specific procedures for abuse/neglect and minimum standards investigations that involve a youth with high needs targeted by the Public Private Partnership. These procedures require the investigator to staff the case with the Supervisor and Investigation Analyst prior to citing minimum standards and/or making an abuse/neglect finding, require the investigator to review the placement's safety plan for the child and require that any administrative reviews resulting from these investigations be conducted by Investigation Analysts in consultation with state office Licensing staff. RCCL staff have the option to use these special procedures for investigations involving other children as they deem appropriate.

In addition, regarding implementation and oversight of the RCCL minimum standards, Program Specialists in state office continue to answer emails from providers seeking clarification on the minimum standards. These questions and answers are regularly added to the DFPS web site in the form of Frequently Asked Questions. Starting in the summer of 2009, RCCL will also begin a minimum standards evaluation process, which will include opportunities for residential child care providers and other stakeholders to provide input regarding the minimum standards and/or attend forums

to offer feedback on the minimum standards. Any resulting rule revisions would likely be proposed in April 2010.

Disproportionality

DFPS is engaged in a variety of efforts to address the disproportionality of African American children in the child welfare system. These efforts support foster care capacity building in their similar commitment to keeping siblings together and maintaining connections for children. The very nature of Disproportionality work is family-focused recognizing the importance of culture, community, family, kin, sibling relationships; and the impact other systems have on children involved with CPS.

The foundation for Disproportionality work and impacting permanency for sibling groups is cultural competency training for employees and community stakeholders. Knowing Who You Are and Undoing Racism are workshops that help attendees gain a greater understanding of the importance of culture, family traditions, and the relationships that exist for children with parents and siblings.

A collaborative effort with the faith-based community, Disproportionality, and faith-based caseworkers has resulted in increased recruitment of foster and adoptive families for African American children and sibling groups in their home communities.

Permanency initiatives and community collaborations also address disproportionality and support maintaining family connections and keeping siblings together. Through the Permanent Managing Conservatorship (PMC) Without Termination Under Age Six Pilot, Disproportionality Specialists assist with cases where children remain in the system because the agency has PMC but parental rights have not been terminated. They work with the primary caseworkers, the families, the Court, and others to identify permanency options for these children. Disproportionality staff are also involved in the Intensive conservatorship (CVS) Practice and Permanency Initiative (IPPI) with Casey Family Programs. A focus of this initiative is to improve services to youth in residential treatment centers that are in the PMC of the department and to move them to permanency more quickly with more support and connections.

Partnership Systems with Residential Child Care Licensing, Residential Contracts, and Child Protective Services

DFPS has been working internally to identify opportunities for increased communication and coordination among its regulatory, contracting and program functions related to residential child care development and oversight. In the past fiscal year, DFPS developed a crosswalk of application requirements for residential child care licensing,

residential child care contracts and the third-party service level monitor. A joint presentation of these requirements is being piloted at licensing inquiry meetings to help prospective providers understand the processes and timeframes associated with obtaining both a child care license and contract from DFPS to provide residential child care services.

STAR Health

STAR Health is the legislatively supported, comprehensive statewide system designed to meet the medical, dental, and behavioral health needs of children in foster care, kinship care, young adults who have aged out of care but continue in the DFPS extended care program, or live independently. By contracting with a single managed care organization, HHSC and DFPS can better track a child's care and better account for the results of that care.

In summary, Star Health:

- provides each child with a primary care provider (PCP) or PCP team, referred to as the child's "medical home";
- promotes coordination of physical and behavioral health care;
- promotes preventative health care;
- improves access to health care through a defined network of health care providers;
- improves access to a child's health care history and medical records through what is known as an electronic Health Passport;
- provides caregivers and caseworkers with help lines for nursing and behavioral health services, seven days a week, 24 hours a day;
- establishes medical advisory committees to monitor the performance of medical providers;
- recruits providers that currently provide Medicaid services to children in foster care;
- provides for physical and behavioral health care;
- provides for dental services;
- provides for optical services;
- provides for attendant care (long-term service);
- provides service coordination;
- provides clinical service management and disease management;
- manages the child's Health Passport; and
- manages help lines for member and provider assistance.

Through the coordinated efforts of DFPS, HHSC, and DSHS a process has been implemented by which the administration of psychotropic medications to children in STAR Health is monitored, tracked and subsequently addressed as needed. These Psychotropic Medication Utilization Reviews (PMUR) are conducted to ensure that medications are being prescribed in accordance with best practice guidelines.

As a part of the on-going effort to improve health care for children in conservatorship, DFPS employs a Medical Director, eleven CPS Regional Nurse Consultants, a State Office Nurse Consultant, and seven CPS Well-Being Specialists. The roles and duties associated with these positions support the enhanced wellbeing of children in the Texas child welfare system.

Conclusion

As a result of work that has already begun, changes are occurring and a shift has taken place in the focus of the capacity issue. As of the date of this report, there are far fewer children without placements. The number of children without placements, which includes those children who have stayed in DFPS offices, has fallen to 4 or fewer children for each of the past 6 months (January to June 2009). This number had reached a high of 160 children in May 2007 and remained as high as 46 in February 2008. Efforts to partner with residential child care providers to better serve the most difficult to place children may have contributed to this decline, along with the new Residential Childcare Licensing procedures. DFPS is optimistic that the Public Private Partnership will continue to work to resolve communication issues identified in the UH analysis and DFPS and its partners can turn attention from crisis placement issues to addressing systemic issues where improvements will more profoundly impact placement quality and capacity for all children. The Child Welfare Implementation grant, if awarded, will support DFPS in this endeavor and will provide the tools necessary to test proposed system modifications, as identified by UH as a critical exercise. In addition, DFPS remains committed to addressing Disproportionality and to providing adequate health and mental health services for children and continues to dedicate staff and resources in these areas.

Periodic updates will be made to the implementation of the plan.