



INDIANA ASSOCIATION OF RESOURCES  
AND CHILD ADVOCACY

## **Family & Children Fund Position Paper**

Prepared by Cathy Graham, Executive Director, approved by IARCA Board of Directors 11-9-16

**Our Position: Indiana and its vulnerable children and families need strong, financially-secure, private agencies with highly qualified staff in every area of the State to provide the services that are desperately needed. Children and families are harmed and achieve less successful outcomes when they do not receive the right services at the right time for the right length of time.**

The Department of Child Services (DCS) assesses whether child abuse occurred, and DCS refers children to private agencies for the daily care and treatment of children and for services to families whose children remain at home.

- **Available annual state funds for the daily care and treatment of abused, neglected, and delinquent children and for services to families have declined** from CY 2008 to SFY 2016. DCS has been able to access additional federal funds to temporarily fill the gap in dollars needed. State funding must keep pace with the growth in the number of Children in Need of Services (CHINS) and the intensity of their needs.
- **The number of CHINS has grown tremendously as a result of improvements to the hotline, increases in substance abuse/use by parents, the complexity of families' situations, and other emerging societal factors.**

**Partnership and Progress:** Indiana's abused, neglected, and delinquent children require a strong partnership between the public and private sectors. DCS, formed in 2005, is charged with intervening to protect abused and neglected children, providing them a permanent family, and furthering the children's overall well-being. After DCS and the Juvenile Court make decisions about the needs of the child, private agencies provide the daily care and supervision of the children, case management, family reunification services, adoption services, and behavioral health treatment. When it is determined that abused/neglected children can remain safely at home with services, those services are provided by private agencies who work with the families on a weekly or more frequent basis. DCS family case managers oversee the case progress and make home visits at least once/month.

The partnership between the public and private sectors has been strengthened over the past four years. We acknowledge the efforts of DCS to secure additional federal funding. Progress was made when rates for home-based case management and therapy in DCS contracts were increased effective July 2015. IARCA has worked closely with DCS leadership to build capacity to meet the needs of children and improve the payment rates for residential and foster care providers.

We also note that progress has been made through the action of the Indiana General Assembly and Governor Pence. The State Adoption Subsidy was funded in SFY 2015 and for the next two years. The Children's Mental Health Initiative to address the needs of children who are a danger to themselves or others was piloted in late 2012 and funded for statewide expansion in 2013. Legislators approved funding for additional family case manager and supervisory positions to enhance the operations of the

child abuse hotline and to meet the statutory requirements for minimum caseloads. These steps led toward a system that is more responsive to the needs of abused, neglected, and delinquent children.

**Continuing Needs:** However, the acuity of needs of Indiana's most vulnerable children continues to intensify due in large part to the increase in substance abuse and mental health issues facing families. Whereas important systemic strides have been made, the resources available for agencies to respond to these trends and provide qualified services have not kept pace with the needs of Indiana's abused, neglected, and delinquent children and their families. Private agencies continue to struggle to increase their capacity to meet the complicated daily needs of children in their care and to strengthen families. The need for expanded capacity in substance abuse treatment, trauma treatment, and comprehensive family support models is the strategic focus for Indiana's private agencies. It is critically important that both the public and private sectors receive the resources that are necessary to fulfill their respective roles. With the increase in the number of Children in Need of Services (CHINS) and the challenges that abused, neglected, and delinquent children bring on admission to providers' care, additional resources are needed to support the role of the private sector.

**Changes in Array of Services and Joint Efforts to Build Capacity:** As early as 2008, some agencies reduced the number of programs that they offered and retracted the geographic areas that they serve as the result of budget constraints. Some agencies closed their doors. As fewer agencies were available to provide care and treatment for children, some areas of the state have particularly suffered the consequences:

- Rural and less populated areas of Indiana have suffered greater closure of agencies, including Kokomo, Columbus, North Vernon, Madison, Connersville, New Castle, Shelbyville, Jeffersonville, Noblesville, Lexington, New Albany, and Logansport.
- There has been a shortage of emergency shelter beds in central Indiana, necessitating the placement of children in shelters several hours away.
- Residential programs now have waiting lists, and children who could be placed in therapeutic foster family homes have fewer options for their care.

DCS and IARCA share the goals of (1) securing the right placements and services for children and their families, (2) improving outcomes for children through services which support the safety and stability of the child, and (3) improving the overall well-being of children. DCS and IARCA continue to work with other partners, including some Juvenile Courts, to increase the capacity of the provider community to meet the needs of the influx of abused, neglected, and delinquent children in the system.

In October and November 2015, DCS hosted meetings with residential providers and agencies providing foster care services to identify the gaps in the service array. Further, DCS profiled the characteristics of 97 children for whom they had difficulty finding the right residential treatment facility in Indiana to serve the child. DCS also identified the need for additional foster families, particularly for children under the age of four, and issued a Request for Information (RFI) for therapeutic foster care for children under the age of 10. DCS continues to quantify and qualify emerging needs, and new strategies are being successfully deployed. The expansion of the use of placements of CHINS with relatives led to the identification of the need for the public and private sectors to work together to increase supportive services to kinship families to reduce disruptions of the children's placement with kin. DCS and IARCA continue to work collaboratively to build Indiana's capacity to meet the unique and increasingly complicated needs of vulnerable children and their families.

**Private Sector Needs associated with quality of care and treatment:** Salaries to retain and recruit qualified staff to work in the private sector with children have suffered, even as the public and other social service sectors have increased salaries:

- **Provider child care worker salaries: \$25,293** in 2014.
- **Provider case manager salaries: \$33,451** in 2014.
- **DCS family case manager (FCM) starting salary** for 2016: **\$35,776.**

IARCA and DCS have discussed the importance of recruiting and retaining qualified staff, as well as addressing staff turnover. **Research studies have indicated that if children have the same therapist, social worker, or case manager, they achieve more positive outcomes.** Children are more likely to achieve a timely permanent placement with the family and exit the child welfare system. Staff turnover negatively impacts a child's progress toward permanency and successful completion of their treatment.

DCS reported a negative **family case manager turnover rate of 24.1%** for September 2015, while IARCA's survey in June 2015 showed a **turnover rate of 36% for member agency direct care workers and case managers.** The national Alliance for Strong Families and Communities reported a turnover rate of **25.2% for direct service staff and 27% for all staff** in a survey of 164 providers. Staff turnover is an increasing challenge for Indiana providers.

Agencies are experiencing staff turnover and difficulty hiring new employees to take these difficult jobs of working with vulnerable children who have suffered multiple adverse experiences in their lives. The estimated cost of bringing the over 1,720 agency case managers to the minimum starting salary of DCS family case managers is approximately \$4 million/year. The estimated cost of bringing 2,000 child care workers to an average salary of \$31,200 (\$15/hr) is \$11.8 million/year.

### **Critical Need for Home-based Services**

Abused or neglected children who remain at home with their families require immediate and intensive services to both keep the family intact and to safeguard the children in the home. Private agencies are in the home on a weekly or more frequent basis, while DCS family case managers are often only in the home once/month. It takes skilled and qualified agency staff who are adequately compensated to perform these services. Many rural areas are unserved or underserved, with waiting lists for families to be seen. The travel time to access family homes in most rural counties is not adequately compensated.

### **Additional Funds Needed to Address FLSA Requirements**

IARCA surveyed its member agencies about costs related to implementation of the Fair Labor Standards Act (FLSA) rules regarding overtime, exempt, and nonexempt employees. Based on survey results, agencies expect to pay \$7.7 to \$17.7 million annually in additional wages and salaries after December 1, 2016, plus an additional \$1.5 million in costs not associated with staff compensation.

### **What we are asking:**

- As DCS works to respond to the increasing number of children coming into the child services system and the increasing acuity of children's needs, that legislators and policy makers quickly respond to any call from DCS for increased appropriations to the Family & Children's Fund, so that the entire system of care for abused, neglected, and delinquent children can deliver appropriate services to those vulnerable children and their families without delays. IARCA pledges to continue to work with DCS to identify and access available federal funds, including Medicaid funding.

- That Members of the General Assembly understand the role of providers in taking care of the daily needs of children, providing treatment to the children and their families, finding and preparing foster and adoptive families, and providing services in the homes of abused/neglected children to enable them to safely remain in the home.

**About IARCA:**

IARCA's 88 member agencies are serving about 4400 children every day in foster homes, group homes, and residential treatment facilities. An additional 8100 children are being served in their families' homes. Of the 4,852 children discharged from services in 2015, over 77% had a positive educational outcome and 63% achieved their required permanency plan. At 6 months follow-up, 98% of children had not suffered new abuse or neglect; and 85% had not been involved with the courts for new offenses.