



DCS State Budget Committee Presentation

Dec. 14, 2022



MISSION:

The Indiana Department of Child Services leads the state's response to allegations of child abuse and neglect and facilitates child support payments. We consider the needs and values of all we serve in our efforts to protect children while keeping families together whenever possible.



VISION:

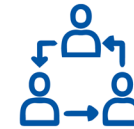
Children will live in safe, healthy and supportive families and communities.



VALUES:

- »Respect for all
- »Racial justice
- »Diversity and inclusion
- »A culture of safety and transparency
- »Continuous improvement

OPERATIONAL GOALS



Improve employee experience to attract and retain a diverse and high-performing workforce in a safe learning culture.



Interact with families at the right time, in the appropriate way, and provide the best service to fit their needs while ensuring racial equity, diversity and inclusion.



Ensure services meet the needs of children and families, while maintaining the agency's fiscal responsibility.



Upgrade systems to build a process-driven organization with alignment of people, processes and technology.

Accomplishments

→ Child safety

- Fewer children in care
 - Since agency high point (2017):
 - 54% decrease in residential placements
 - 45% fewer children in foster care

→ Approved prevention plan

- Allows DCS to access new IV-E federal funding to support prevention programming
- Effective date: October 2021

→ Adoption subsidies floor

- All eligible adoption negotiations start at 50% of foster care maintenance payment
- Average adoption subsidy is 76% of foster care maintenance payment in SFY 2022



Accomplishments *(continued)*

- **Improved transparency**
 - Public dashboards showcase agency metrics
- **Out-of-state background checks**
 - Created new position dedicated to assisting providers experiencing delays when seeking out-of-state child protective services (CPS) history checks for prospective employees
 - DCS staff member will follow up with out-of-state child welfare agency to expedite CPS history check completion
- **Pre/post guardianship, adoptive services**
 - Services began July 1
 - Provided to support families
 - Embracing guardianship; family-based permanency
- **Launched studies to evaluate service provider rates**
 - Home- and community-based rate review (Milliman Inc.)
 - Residential/LCPA rate-setting review (Maximus)



Decisions within a DCS case

Right
family

Report: Do the allegations about this family rise to the level of abuse or neglect?

Assessment: Did the investigation produce evidence that abuse or neglect occurred?

Place: Can the child be kept safe at home with family by adding resources? If not, what foster home best meets the child's needs?

Reunification: What services and skills does the family need to safely reunify?

Permanency: Can the family be reunified? Is guardianship or adoption the best option for the child?

Right
service

Right
method

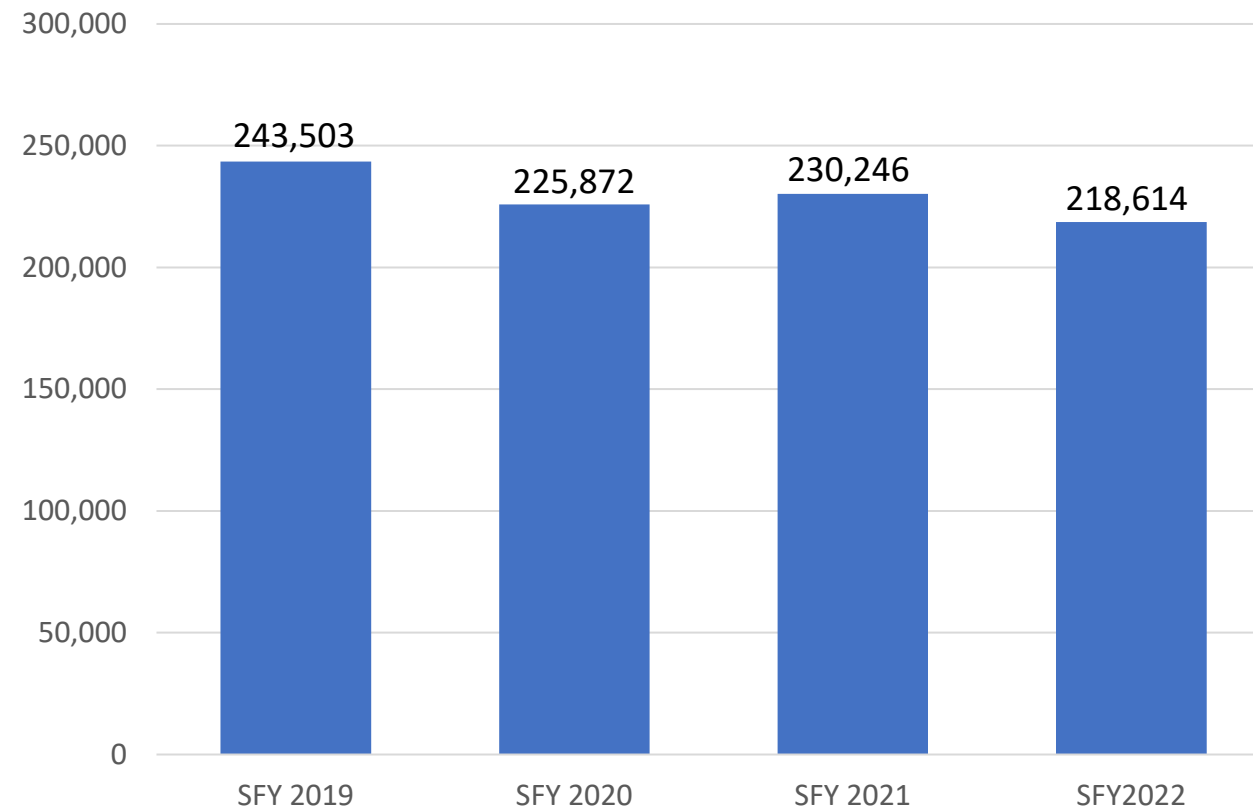
Case: Does this family need court involvement to assure child safety right now?

Key Metrics



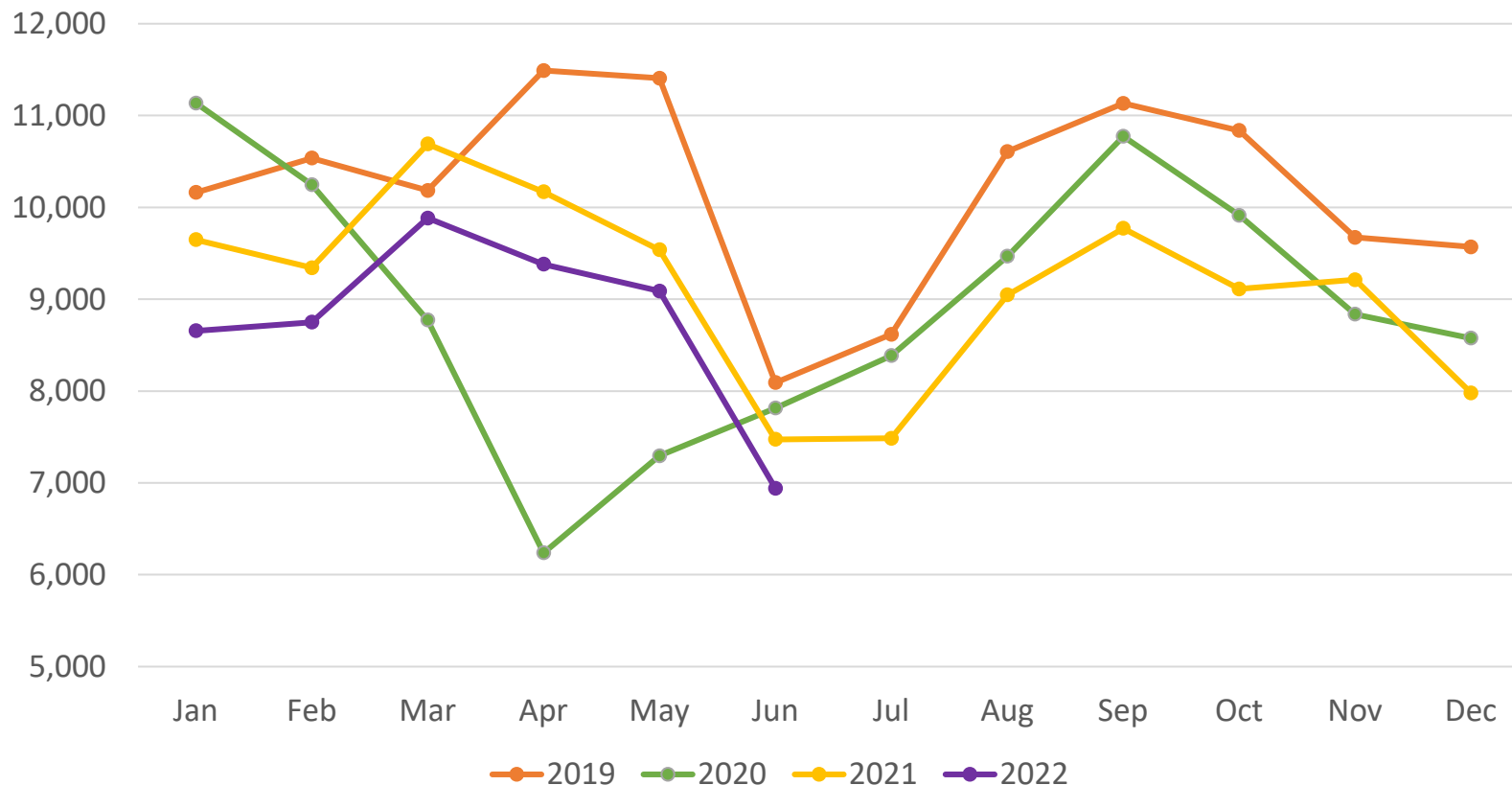
Hotline Reports

SFY 2019 to 2022



Assessments Opened Each Month

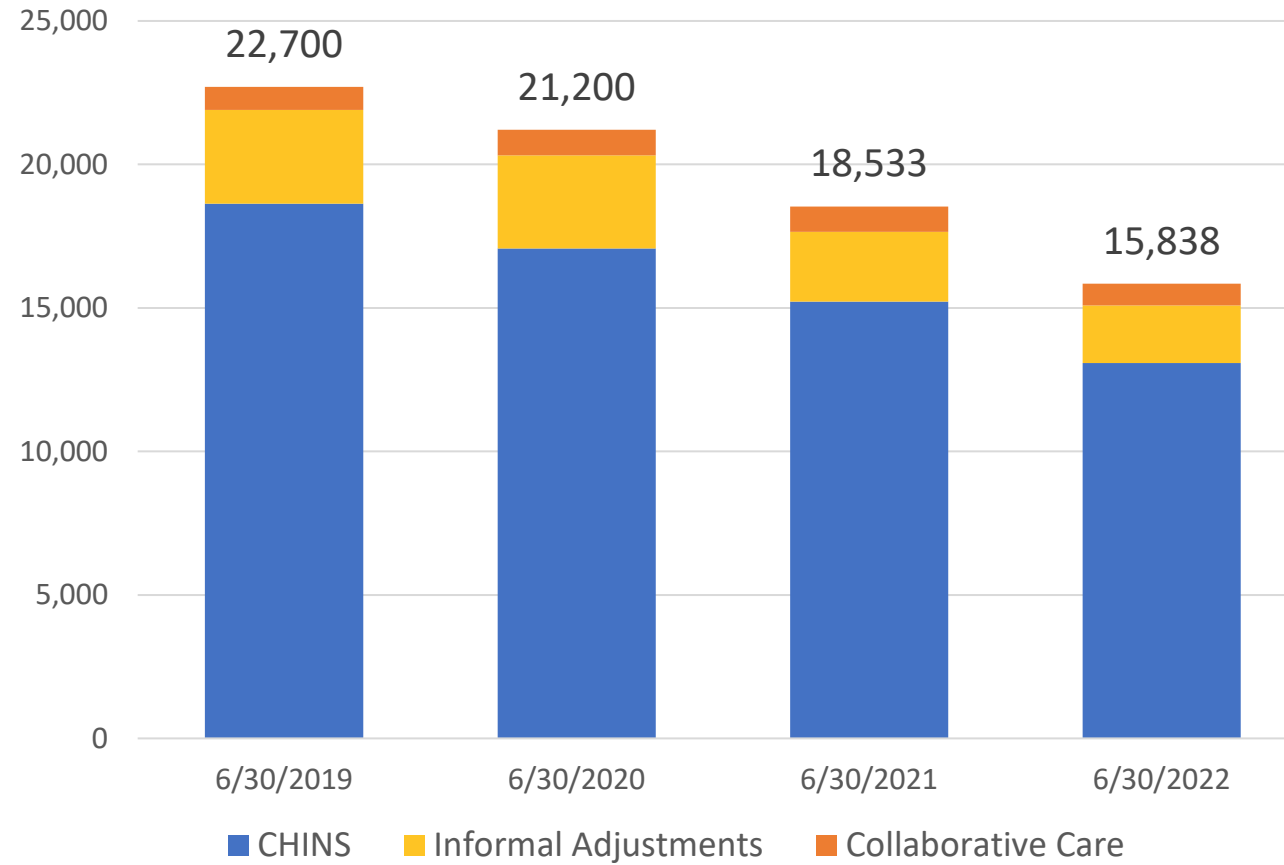
- DCS opens more assessments during the school year
- Overall assessments have decreased by 15% from 2019 to present



Total DCS Cases

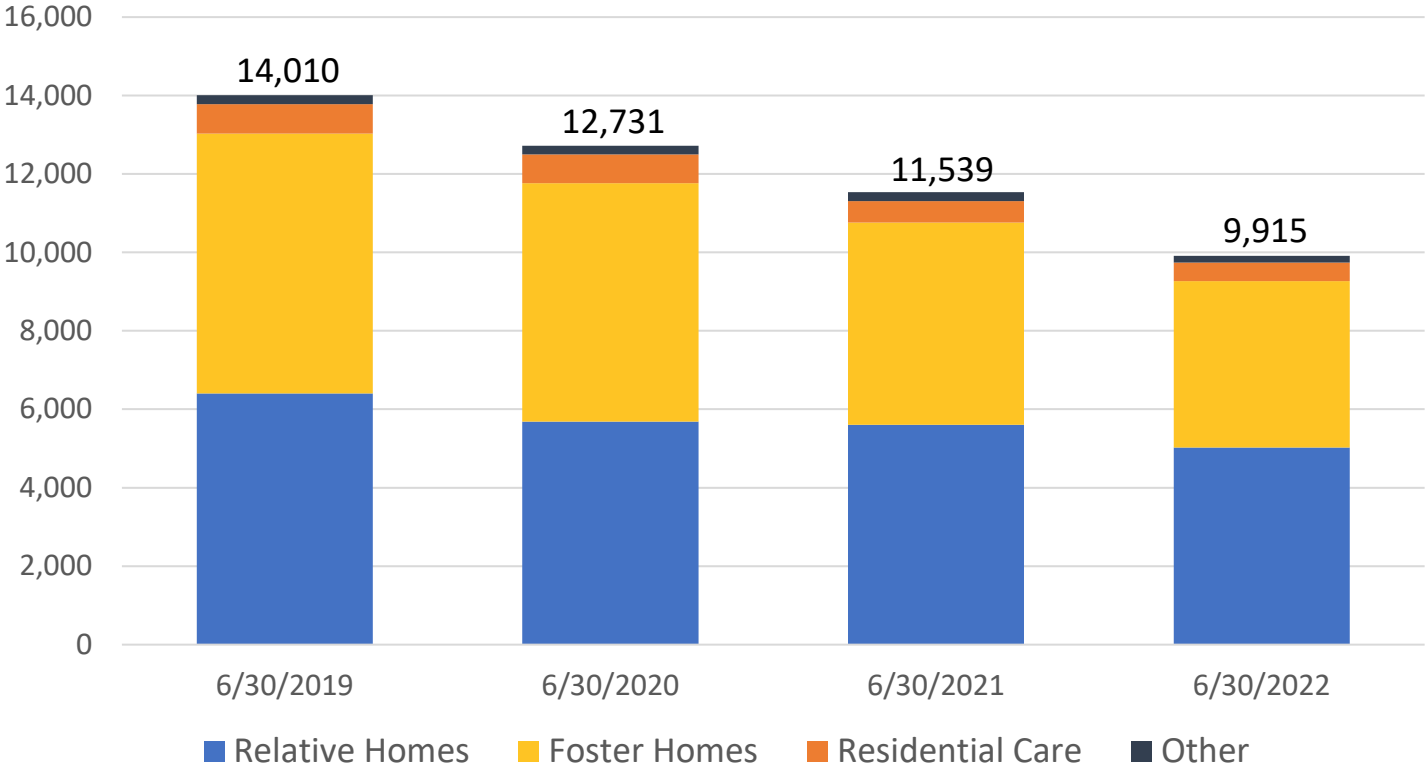
(CHINS, Informal Adjustments, Collaborative Care)

SFY 2019 to 2022

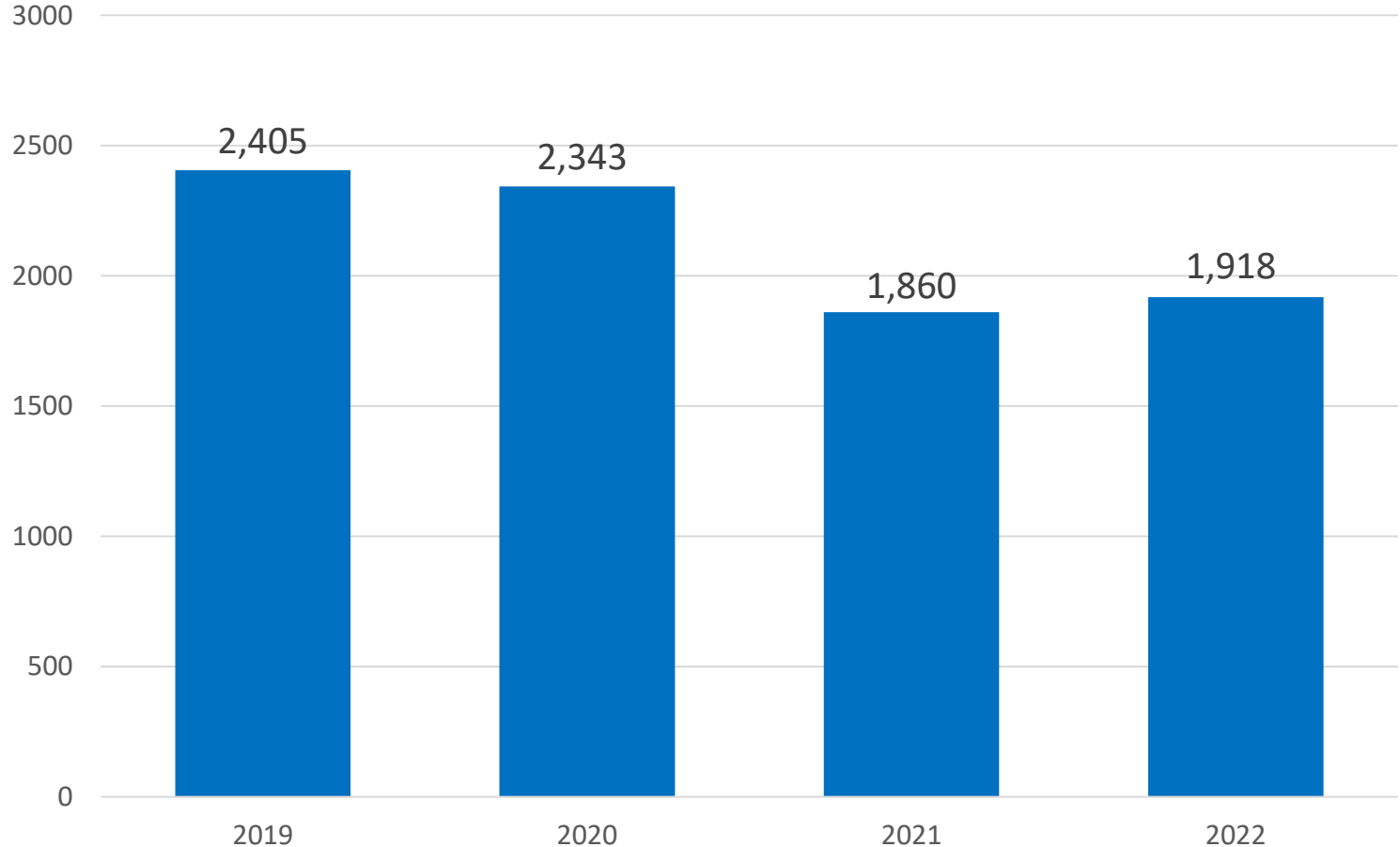


Children in Foster Care

End of SFY 2019 to 2022

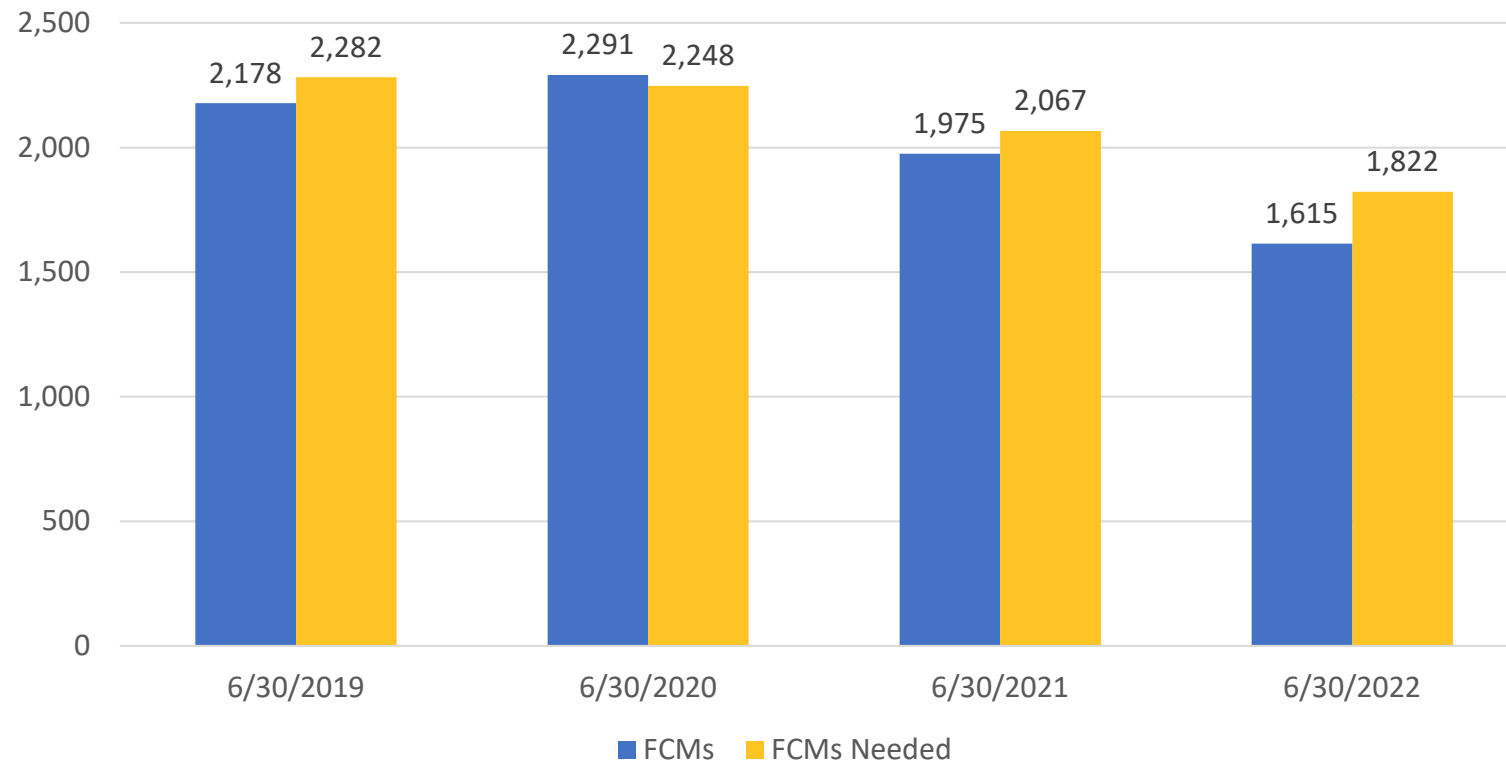


DCS Adoptions By State Fiscal Year



Caseload-Carrying FCMs

- Family case managers (FCMs) on staff at end of SFY compared to number needed to meet 12/12/13 standard
- 2019 data based on older 12/17 standard

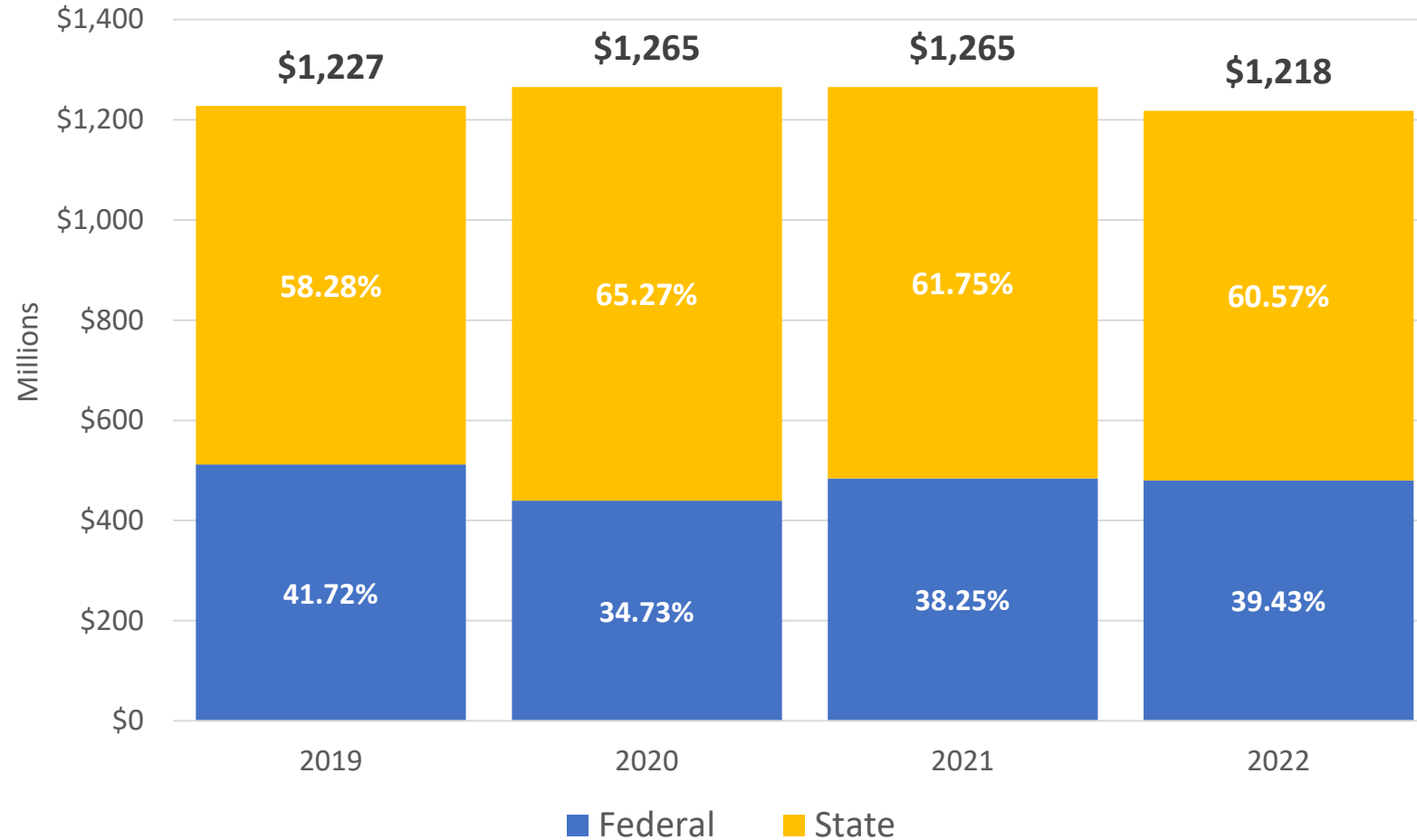


Issues/challenges

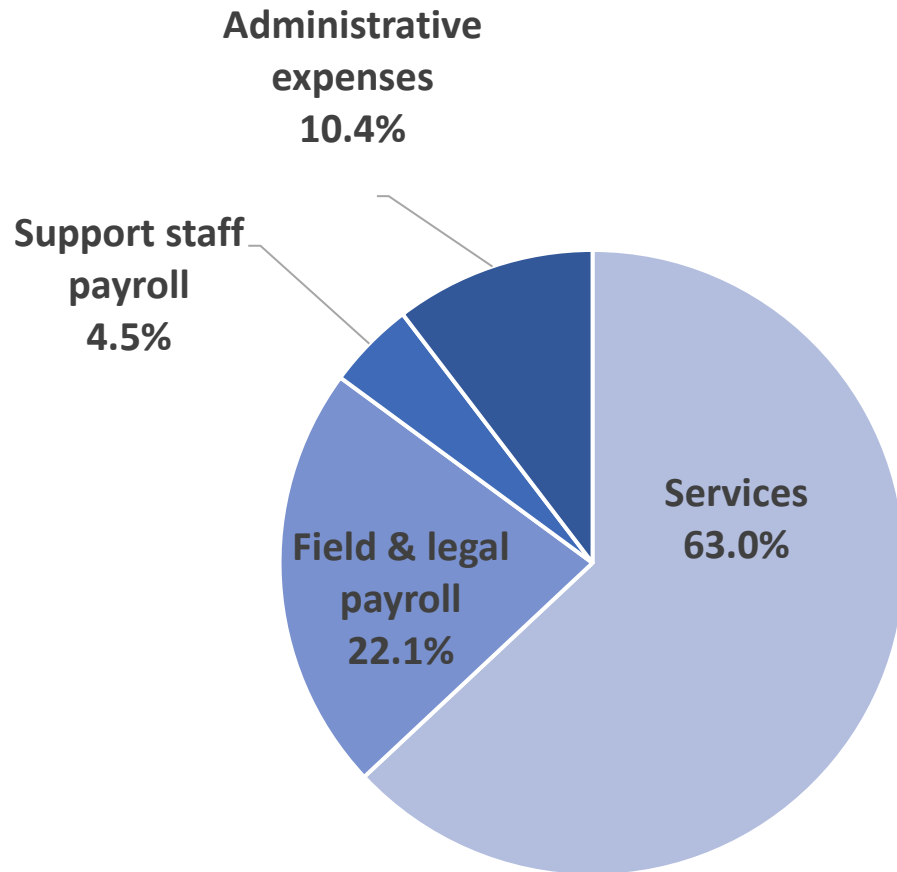
- **Recruitment and retention of family case managers (FCMs)/attorneys**
 - Lost 774 FCMs and 40 frontline attorneys in first 11 months of year
- **Access to appropriate treatment for youth with complex needs**
 - Locating the right service, right child, right time
- **Supports for unlicensed kinship caregivers**
 - Limited financial resources contribute to caregiver stress
- **Provider workforce**
 - Difficulty retaining/recruiting adequate staff
- **Recruitment and retention of foster parents**
 - Agency requires diverse pool of foster homes to adequately meet unique needs of youth in DCS care



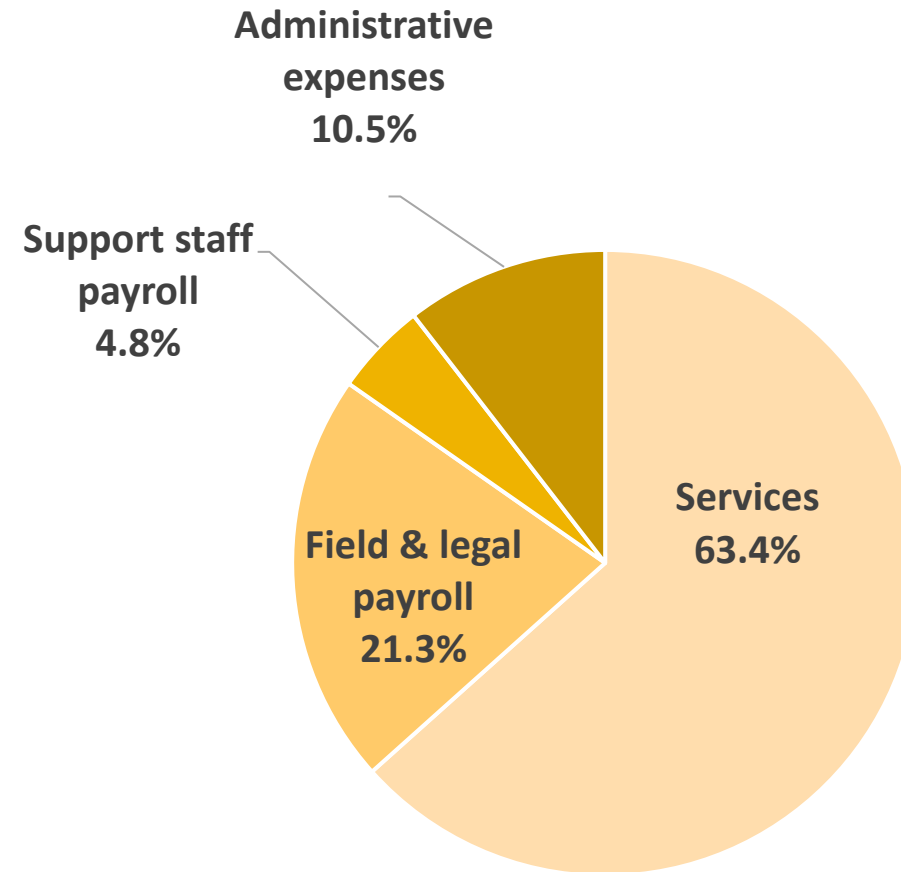
DCS Funding Sources (SFY)



DCS Expenses by Type



SFY 2021: \$1.265B



SFY 2022: \$1.218B



Budget Request

State Fiscal Year	General Fund
SFY 2023 Appropriation	\$885,634,062
Base Calculation	\$885,634,062
Request for SFY 2024	\$927,028,288
Request for SFY 2025	\$931,492,447

*Base calculation for SFY24 and SFY25 is equal to SFY23 appropriation levels



Family First Prevention Services Act

→ Required Indiana to adopt a prevention plan

- Indiana became the 22nd state to receive prevention plan approval on June 30, 2022
- Allows states to access new Title IV-E federal funds to provide prevention services
 - Approved prevention plan is a requirement to be able to access funds
- Restricts how funding can be used for non-family-based placements

→ Restricted use of federal dollars in non-family-based settings (residential facilities)

- Only qualified residential treatment programs are eligible for Title IV-E funding and only in specific circumstances
- Every qualified residential treatment program must be assessed to determine if it is an institution for mental diseases (IMD)
 - Medicaid dollars prohibited from funding services delivered in an IMD



Budget Request *(detailed)*

General fund impact	SFY24	SFY25
DCS base budget	\$ 885,634,062	\$ 885,634,062
Shift of funding to IV-E Prevention	\$ (20,000,000)	\$ (20,000,000)
Operating margin: non-profit licensed child placement agencies and residential facilities	\$ 4,738,102	\$ 4,738,102
Foster care maintenance per diem increase	\$ 3,069,022	\$ 3,069,022
Unlicensed kinship monthly stipend	\$ 13,840,000	\$ 13,840,000
Ongoing Hoosier Families First funding	\$ 650,000	\$ 2,650,000
Compensation study impact	\$ 34,523,262	\$ 34,523,262
Internal service and benefit increases	\$ 4,573,840	\$ 7,037,999
DCS requested budget	\$ 927,028,288	\$ 931,492,447

* Base calculation for SFY24 and SFY25 is equal to SFY23 appropriation levels



Budget Proposal/Changes

- **Establish operating margin for nonprofit providers**
 - Provides funding to nonprofits to support staffing needs, technology, infrastructure and evidence-based programming
- **Increase foster care maintenance payment rate**
 - Addresses challenge of recruiting high quality foster homes
- **Establish monthly stipend for unlicensed kinship caregivers**
 - Assists unlicensed kinship caregivers via monthly payments
- **Provide ongoing appropriation for Hoosier Families First changes**
 - Increases support for adoptions, guardianships and the prevention program Healthy Families Indiana
- **Fund internal agency charges and compensation study**
 - Includes health and benefit increases
- **Implement home and community-based rate study**
 - Anticipated draft rates completed by early January
 - Governor's recommended budget will request increase for adjustment





Questions?

