

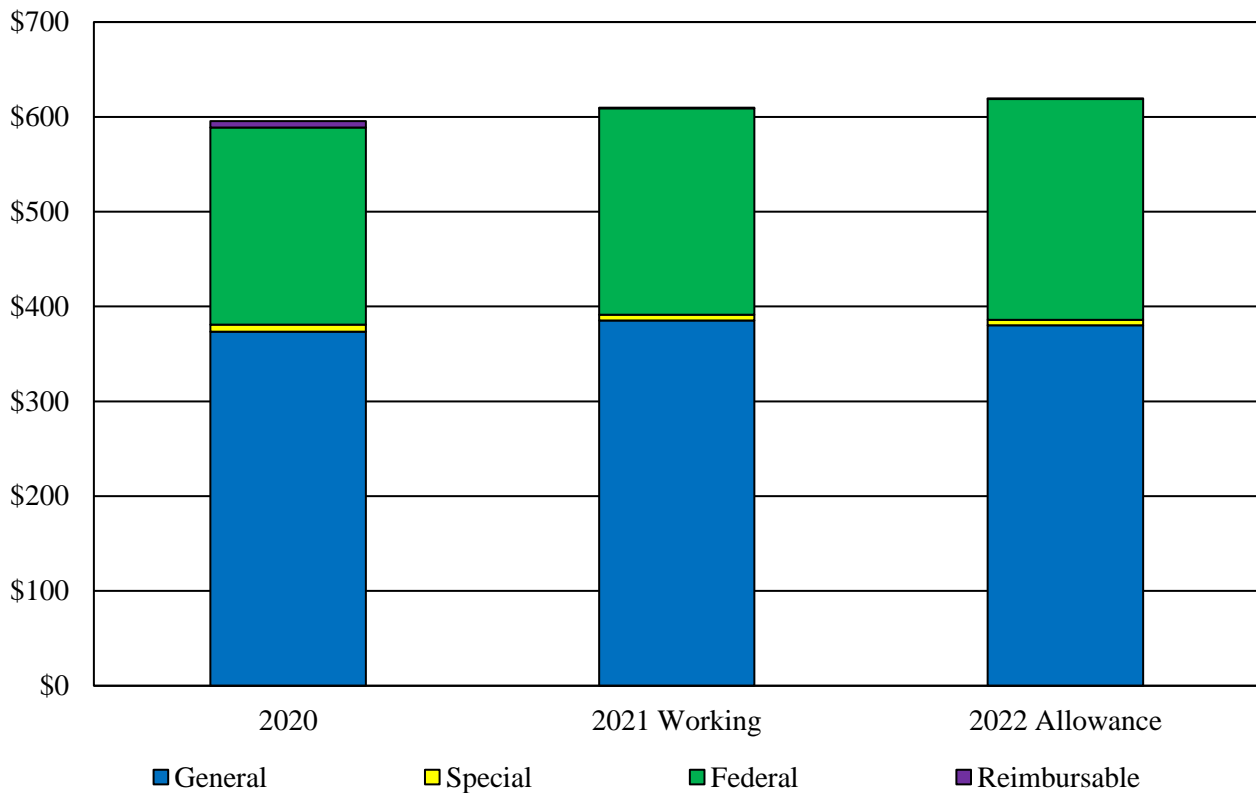
N00B
Social Services Administration
Department of Human Services

Executive Summary

The Department of Human Services (DHS) Social Services Administration (SSA) supervises child welfare programs, including foster care, subsidized adoptions, and subsidized guardianships, as well as programs to protect vulnerable adults and individuals with disabilities.

Operating Budget Summary

Fiscal 2022 Budget Increases by \$9.8 Million, or 1.6%, to \$619.6 Million
(\$ in Millions)



Note: Fiscal 2021 includes deficiency appropriations, planned reversions, and general salary increases. Fiscal 2022 includes contingent reductions, annual salary review adjustments, and annualization of general salary increases.

- The increase in SSA’s fiscal 2022 allowance of \$9.8 million largely results from an increase in Foster Care Maintenance Payments of \$10.2 million. The largest components of the increase in these payments are in monthly placement costs for purchased institutions (group home) placements to better align with recent trends and a higher estimated number of regular foster care placements. Although spending in the program increases, the Department of Legislative Services forecasts a shortfall of approximately \$5.3 million, primarily due to an expectation of a return to more typical levels of education and day care expenditures, as well as higher placement costs for purchased institution placements.
- Despite the higher overall budget for foster care, the general fund spending for these costs decreases by approximately \$1.5 million. Federal funds for foster care increases by \$12.2 million largely driven by the increased reliance on Temporary Assistance for Needy Families (TANF) (\$7.4 million). As a result of this increase, TANF support used for foster care maintenance payments is the highest since fiscal 2002.

Key Observations

- ***COVID-19 Impacts on Child Welfare:*** Following the closure of in-person schooling and other limitations on activities, the number of child maltreatment reports dropped substantially beginning in March 2020 compared to prior year levels. These lower levels of reports have continued, also leading to reductions in entries into care. In addition, fewer youth have exited care due to a moratorium on aging out of care, as well as court closures and other reductions in court operations. The lower activity has assisted the State in meeting Child Welfare League of America caseload to worker ratios in areas of the State previously experiencing difficulties by reducing the number of positions needed to meet these ratios.
- ***Limited New Information on Hospital Stays and Efforts to Reduce the Length of Stay:*** The General Assembly sought to continue to monitor youth in out-of-home placements in hospital settings. However, DHS indicated that it was unable to provide data for the period after September 2019, providing no new data compared to the prior year report, due to issues related to the public behavioral health system. DHS, along with the Maryland Department of Health, also did not provide the requested number of additional licensed placement beds needed to prevent hospital overstay, as a comprehensive review was not completed prior to submission of a required report.
- ***Implementation of Families First Prevention Services Act (FFPSA):*** Local departments of social services continue to implement a variety of evidence-based prevention services practices as authorized in the FFPSA, most of which are included in the State’s approved Title IV-E Prevention Plan or expected to be soon. However, DHS lags in efforts to implement the Qualified Residential Treatment Program requirements. In addition, the State does not yet have an approved Cost Allocation Plan, limiting their ability to claim federal funds for certain placements and prevention services.

Operating Budget Recommended Actions

	<u>Funds</u>
1. Add language restricting general funds until a report is submitted on hospital stays, emergency room visits, and placement after discharge.	
2. Adopt committee narrative requesting an update on the implementation of the Families First Prevention Services Act.	
3. Add language restricting the general funds in Foster Care Maintenance Payments to that purpose only.	
4. Adopt committee narrative requesting information on the implementation of the new provider rate structure.	
5. Adopt committee narrative requesting information on the Foster Youth Savings program and conservation of funds on behalf of youth.	
6. Add language restricting the general funds in Child Welfare Services to that purpose.	
7. Adopt committee narrative requesting information on child welfare caseloads.	
8. Delete a general fund deficiency appropriation for provider rate increase due to surplus funding in program.	\$ 1,543,103
Total Reductions to Fiscal 2021 Deficiency Appropriation	\$ 1,543,103
Total Reductions to Allowance	

N00B
Social Services Administration
Department of Human Services

Operating Budget Analysis

Program Description

The Department of Human Services (DHS) Social Services Administration (SSA) supervises child welfare programs that are intended to prevent or remedy neglect, abuse, or exploitation of children; preserve, rehabilitate, or reunite families; help children to begin or continue to improve their well-being; prevent children from having to enter out-of-home care; and provide appropriate placements and permanency services. SSA is also responsible for policy development, training, and staff development and oversight and maintenance of the child welfare information system. SSA supervises programs to protect vulnerable adults and individuals with disabilities, promote self-sufficiency, and assist in avoiding or delaying unnecessary institutional care. Services are provided through the local departments of social services (LDSS), arms of DHS in each jurisdiction.

The goals of the department related to SSA are that (1) Maryland residents are safe from abuse, neglect, and exploitation and (2) Maryland children live in permanent homes, and vulnerable adults live in the least restrictive environment.

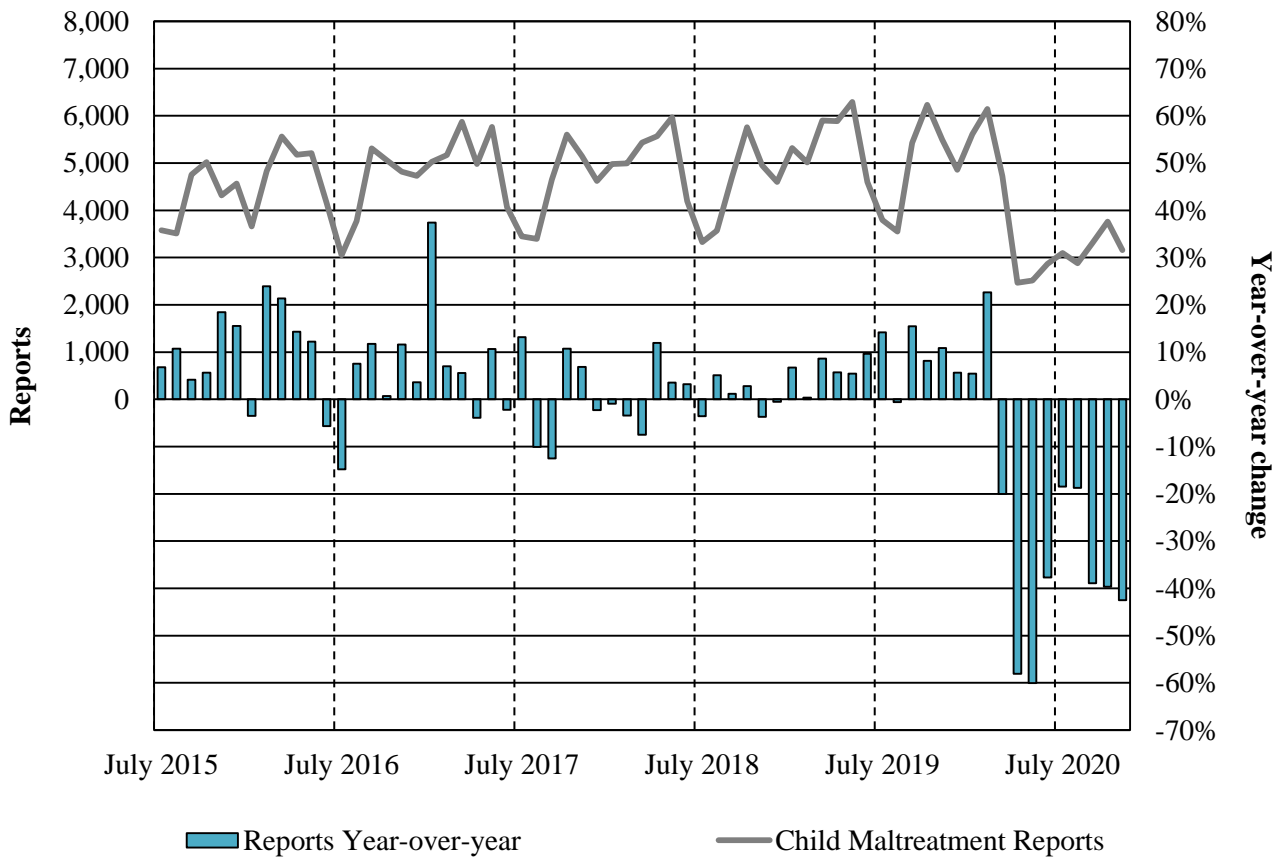
Performance Analysis: Managing for Results

1. Reports of Maltreatment Decline during Pandemic

During the pandemic, consistent with nationwide trends, Maryland has experienced substantial declines in reports of maltreatment/abuse for both children and adults. These declines result primarily from the closures/reduced operations of locations for in-person activities from which reports are often made, including schools, child care facilities, medical appointments, and adult day programs. DHS has focused on public service announcements to encourage continued reporting of maltreatment.

Exhibit 1 provides information on the number of child maltreatment reports by month and year-over-year change in these reports. Reports typically fluctuate throughout the year, with the fluctuation driven largely by the school schedule. In general, there are fewer reports during the summer months and higher levels immediately before the end of the school year and after it begins again. As a result, it is unsurprising that the pandemic-related closures have contributed to significant reporting declines. Although the number of reports increased by approximately 52% between April 2020 and October 2020, the number remains near or below typical summer levels. In addition, in each month from September through November 2020, reports were approximately 40% or more below the prior year level.

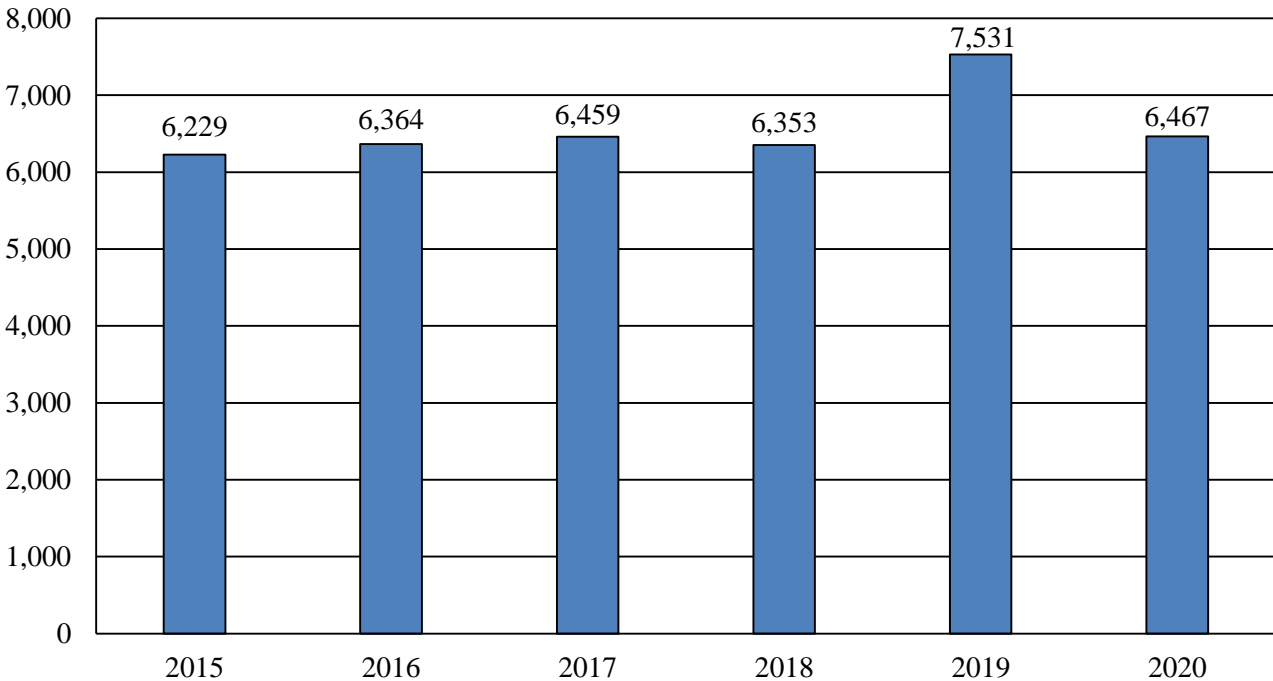
Exhibit 1
Child Maltreatment Reports
July 2015 through November 2020



Source: Department of Human Services; Department of Legislative Services

As shown in **Exhibit 2**, the number of reports of adult abuse returned to more historic levels in fiscal 2020, after increasing by 18.5% in fiscal 2019. DHS reported that the increase in fiscal 2019 was the result of increased education related to the reporting of suspected abuse along with increases specific to reporting of financial abuse. In fiscal 2020, DHS indicates that the decline is consistent with nationwide trends during the pandemic primarily due to closures of adult day programs.

**Exhibit 2
Adult Abuse Reports
Fiscal 2015-2020**



Source: Department of Human Services; Department of Budget and Management; Governor’s Fiscal 2019-2022 Budget Books

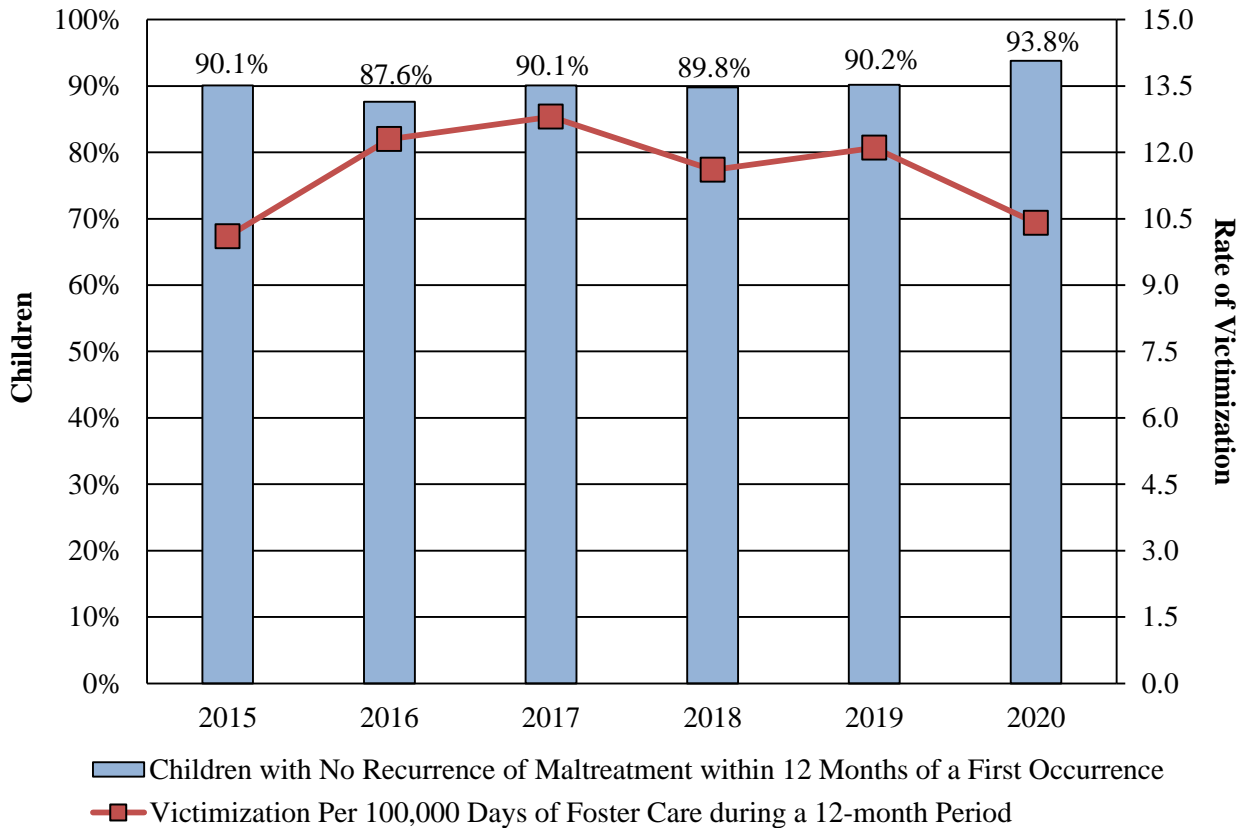
2. Performance in Child Safety Measures Improves

DHS reports two primary measures related to child safety: (1) the percentage of children with no recurrence of maltreatment within 12 months of a first occurrence; and (2) the rate of victimization per 100,000 days of foster care during a 12-month period. The rate of victimization includes all instances of maltreatment while in foster care and is not limited to foster parents or facility staff members.

DHS has a goal of 90.9% of children having no recurrence of maltreatment within 12 months of a first occurrence. As shown in **Exhibit 3**, in fiscal 2020, after being near the goal in fiscal 2019, DHS exceeded this goal for the first time in recent years. DHS indicates that the fiscal 2020 improvements result from a continued focus on prevention service prior to removal with additional engagement with families allowing for provision of support services that reduce future maltreatment. In addition, DHS noted that with the implementation of the new Child, Juvenile, and Adult

Management System (CJAMS), staff began using new risk assessment tools that identify families by risk level, assist the worker in determining whether additional incidents are likely without intervention, and allow the agency to focus resources on higher-risk families.

**Exhibit 3
Child Safety
Fiscal 2015-2020**



Source: Department of Human Services; Department of Budget and Management; Governor’s Fiscal 2019-2022 Budget Books

The department’s goal is a rate of victimization of 8.5 or less per 100,000 days of foster care during a 12-month period. DHS has not met this goal in any recent year. However, the fiscal 2020 rate of 10.4 was the lowest since fiscal 2015. DHS attributes the improved performance to efforts to ensure parents are provided required training on discipline and behavior management and other skills-based training. In addition, DHS indicates that the implementation of CJAMS allows the agency to better separate out reports that it receives of maltreatment while a youth is in care between whether the maltreatment occurred during foster care or before entry but reported during care. This improvement allows for a better calculation of this metric and DHS anticipates that this new functionality will result in continued improvement in this metric.

Fiscal 2021

Proposed Deficiency

As enacted, the fiscal 2021 budget included \$3.1 million to support an increase in rates up to 2% for providers who have rates set by the Interagency Rates Committee (IRC). The Budget Reconciliation and Financing Act (BRFA) of 2020 limited the rate increases for those providers to 2% over the rates in effect on June 30, 2020. As part of budget balancing actions, on July 1, 2020, the Board of Public Works (BPW) approved a reduction of the funding for the fiscal 2021 rate increase from the SSA budget. As such, rates for providers generally stayed the same, unless specific program adjustments were made by IRC.

The budget includes one deficiency appropriation for SSA, which provides \$1.5 million in general funds to support a temporary 2% rate increase for these providers from January 1, 2021, through June 30, 2021. The rate increase applies to all IRC providers, except those that received a program adjustment, to prevent the providers from exceeding the cap imposed in the BRFA. However, as discussed in the proposed budget section of this analysis, DHS has sufficient funding within the Foster Care Maintenance Payments Program in fiscal 2021 to fund the temporary rate increase. **Therefore, the Department of Legislative Services (DLS) recommends deleting the general fund deficiency appropriation while still providing the temporary rate increase.**

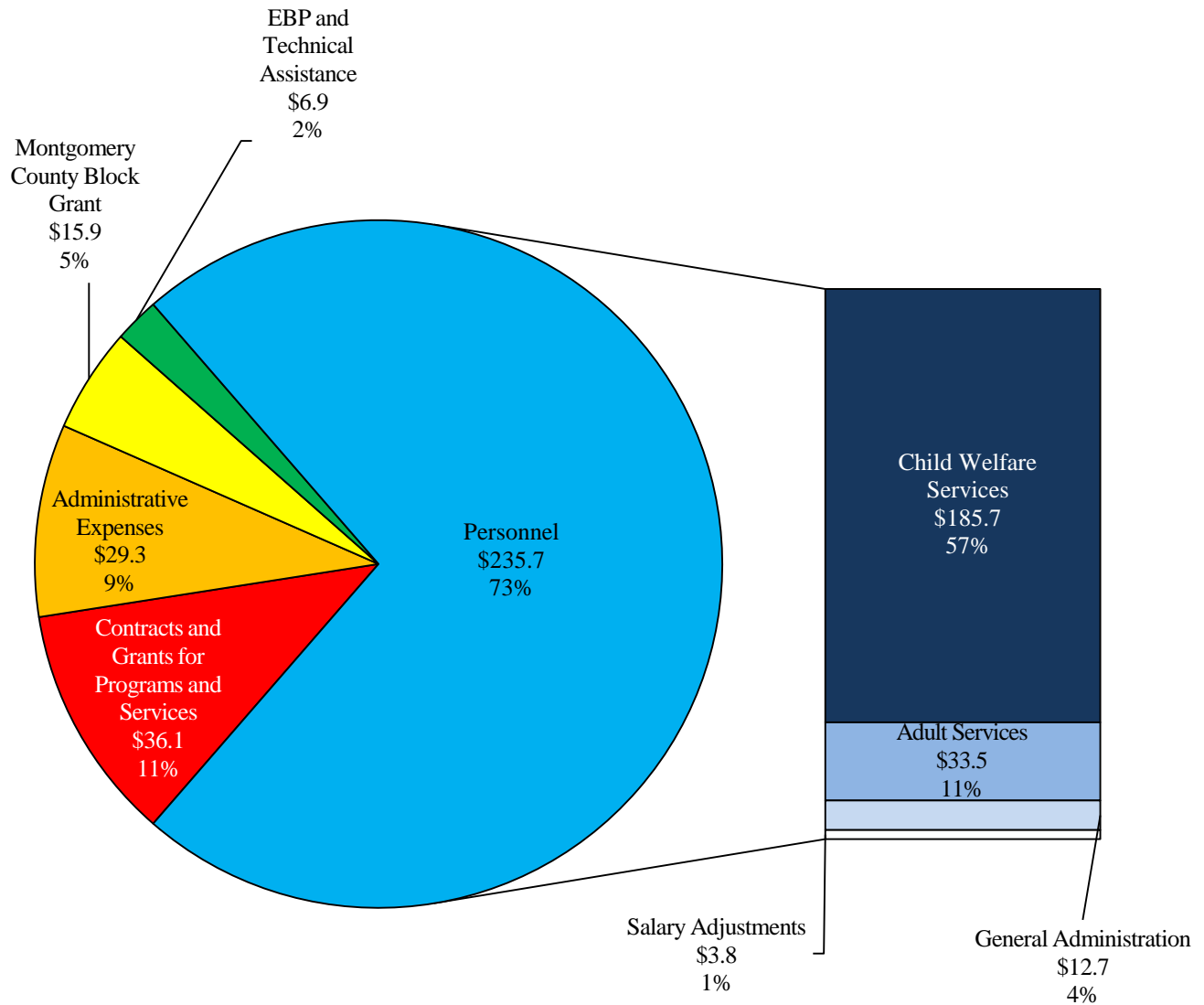
Cost Containment

In addition to the reduction related to provider rates, SSA's budget was reduced by an additional \$421,817 (\$257,546 in general funds, \$3,735 in special funds, and \$160,536 in federal funds) as part of the actions approved by BPW on July 1, 2020, for a statewide action to eliminate State agency unemployment insurance contributions.

Fiscal 2022 Overview of Agency Spending

The fiscal 2022 allowance of SSA totals \$619.6 million after accounting for statewide employee compensation adjustments. Foster Care Maintenance Payments account for 48% of the fiscal 2022 allowance, including funding for both placement costs and related costs for these children (for example, day care and educational expenses). Excluding Foster Care Maintenance Payments, the budget of SSA totals \$324.0 million, as shown in **Exhibit 4**, with personnel expenses accounting for 73% of this spending, most of which is for the local child welfare services program. The annualization of the 2% general salary increase provided on January 1, 2021, and annual salary review adjustments account for 1% of the spending.

Exhibit 4
Overview of Agency Spending, Excluding Foster Care Maintenance Payments
Fiscal 2022 Allowance
(\$ in Thousands)



EBP: evidence-based practices

Note: Numbers may not sum due to rounding. Annual salary review adjustments and the annualization of the general salary increase provided on January 1, 2021 are included in the budget totals.

Source: Governor’s Budget Books; Department of Legislative Services

N00B – DHS – Social Services Administration

The Montgomery County Block Grant accounts for 5% of SSA’s non-Foster Care Maintenance Payments spending. Montgomery County receives a block grant for child welfare, adult services, family investment, and administrative expenses. This block grant provides the county with the ability to provide higher pay and other flexibility. In SSA, the block grant includes the child welfare and adult services components. The activities budgeted through this block grant are similar to those that would be split between personnel, contracts, and administrative expenses for the other LDSS. DHS pays the portion of the salaries equivalent to what those positions would earn if they were State employees.

Proposed Budget Change

As shown in **Exhibit 5**, the fiscal 2022 allowance for SSA increases by \$9.8 million, or 1.6%, compared to the fiscal 2021 working appropriation after accounting for statewide employee compensation adjustments and deficiencies. Excluding Foster Care Maintenance Payments, SSA’s fiscal 2022 budget decreases by \$362,834, or 0.1%. This net decrease results primarily from personnel adjustments (\$2.2 million) that are more than offset by decreased rent due to efforts to reduce office space (\$1.9 million) and funding for activities to wrap-up the Title IV-E Waiver that have been completed (\$0.9 million).

**Exhibit 5
Proposed Budget
DHS – Social Services
(\$ in Thousands)**

How Much It Grows:	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimbursable Fund</u>	<u>Total</u>
Fiscal 2020 Actual	\$373,535	\$7,200	\$208,052	\$6,709	\$595,495
Fiscal 2021 Working Appropriation	385,180	6,219	217,557	828	609,784
Fiscal 2022 Allowance	<u>380,291</u>	<u>5,760</u>	<u>232,699</u>	<u>828</u>	<u>619,578</u>
Fiscal 2021-2022 Amount Change	-\$4,889	-\$459	\$15,142	\$0	\$9,795
Fiscal 2021-2022 Percent Change	-1.3%	-7.4%	7.0%		1.6%

Where It Goes:

Personnel Expenses

	<u>Change</u>
Regular earnings primarily due to the fiscal 2021 annual salary review adjustment for social worker positions not yet reflected in the agency budget.....	\$2,949
Annualization of the fiscal 2021 general salary increase.....	2,021
Restoration of a one-time reduction in state agency unemployment contributions	427
Annual salary review adjustments for fiscal services classifications.....	64
Workers’ compensation	-567

N00B – DHS – Social Services Administration

Where It Goes:	<u>Change</u>
Abolition of 19 long-term vacant positions	-1,201
Employee and retiree health insurance	-1,729
Other fringe benefit adjustments.....	244
Foster Care Maintenance Payments	
Higher estimated placement costs for purchased institution placements to better align with recent payment levels.....	12,636
Funding to support a maximum 4% rate increase for providers with rates set by the IRC, net of the fiscal 2021 funding for a temporary 2% rate increase	4,457
Estimated 6.4% increase in regular foster care placements and higher estimated placement costs to align with recent experience	1,579
Subsidized adoptions due to higher estimated placement costs partially offset by a 3.4% decrease in placements.....	1,120
Subsidized guardianships due to a 6.5% decrease in estimated placements partially offset by an increase in placement costs	-861
Other foster care placements due to placement mix and cost changes	-1,381
Flexible spending primarily for educational and day care costs to align with recent experience	-3,071
4.25% decrease in purchased home placements and lower estimated placement costs ...	-4,322
Other Expenses	
Office of Administrative Hearings allocation.....	290
Travel to align with experience.....	-79
Title IV-E Waiver technical assistance and evaluation costs due to completion of activities	-949
Rent due to statewide efforts to reduce office space.....	-1,881
Other Changes	46
Total	\$9,795

DHS: Department of Human Services
 IRC: Interagency Rates Committee

Note: Numbers may not sum to total due to rounding. Fiscal 2021 includes deficiency appropriations, planned reversions, and general salary increases. Fiscal 2022 includes contingent reductions, annual salary review adjustments, and annualization of general salary increases.

Foster Care Maintenance Payments

The fiscal 2022 allowance for Foster Care Maintenance Payments increases by \$10.2 million, or 3.6%, after accounting for the deficiency appropriation supporting a temporary provider rate increase. A federal fund increase of \$12.2 million is partially offset by a decrease in special funds (\$0.5 million) to align with recent experience, and general funds (\$1.5 million). Federal fund growth primarily occurs among Temporary Assistance for Needy Families (TANF) (\$7.4 million). Aside from

the increase in TANF, the largest increase in federal funds in Foster Care Maintenance Payments is in Title IV-E funds (\$3.8 million) due to higher anticipated attainment.

In fiscal 2022, TANF budgeted for Foster Care Maintenance Payments is \$31.0 million, the highest level since fiscal 2002. In recent years, DHS has more heavily relied on TANF in this program to relieve general fund pressure, particularly as the State transitioned away from the Title IV-E Waiver to claiming under the regular federal Title IV-E program. At a time of declining Temporary Cash Assistance (TCA) caseloads, the rationale for this was clear. In fiscal 2022, when TANF is more limited with the fund balance effectively exhausted, and a substantial need in TCA due to higher caseloads, this fund swap simply leads to increased general fund spending in Assistance Payments rather than in Foster Care Maintenance Payments.

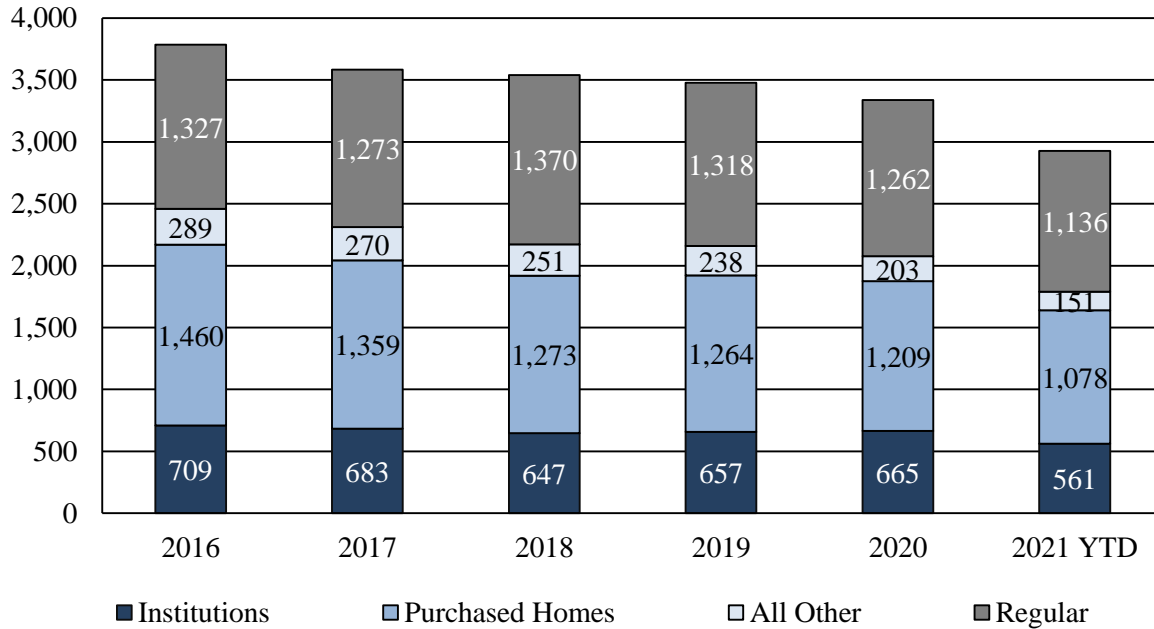
Payments for Youth Placed in Hospital Settings

Language in the fiscal 2021 Budget Bill required DHS and the Department of Budget and Management (DBM) to include in its budget submission subprogram detail that separately identifies actual and anticipated payments by DHS for youth in hospitals that are not covered by Medicaid due to not being medically necessary. Subsequent to the budget submission, in January 2020, DBM informed DLS that the requested subprogram has been created. In fiscal 2020, approximately \$1.4 million in hospitalization costs were paid by DHS. The fiscal 2022 allowance includes \$0.76 million for this purpose, the same level as in fiscal 2021. **DLS recommends the release of the \$100,000 in general funds restricted for this purpose and will process a letter to this effect if no objections are raised at the budget hearing.**

Caseload Trends and Estimates

As shown in **Exhibit 6**, the number of youth in out-of-home placements paid for by DHS has decreased each year since fiscal 2016. After relatively slow rates of declines in the prior years, the average monthly number of placements decreased by 4% in fiscal 2020. However, not all placement types experienced a decline in that year. The number of purchased institution (group home) placements increased by 1.2%, the second consecutive year of an increase for these placements. Through the first half of fiscal 2021, the rate of decline for placements paid by DHS has been larger, greater than 12%. These trends may be influenced by factors outside of the total overall number of youth in care, such as reduced movement between placements, provider rate increase impacts that distorted fiscal 2020 figures, and placements that are not paid for through this program (such as kinship care and certain behavioral health related placements), which leads these figures to decline even as overall out-of-home placements slightly increase.

Exhibit 6
Foster Care Caseload
Average Monthly Caseload
Fiscal 2016-2021 YTD (through December 2020)



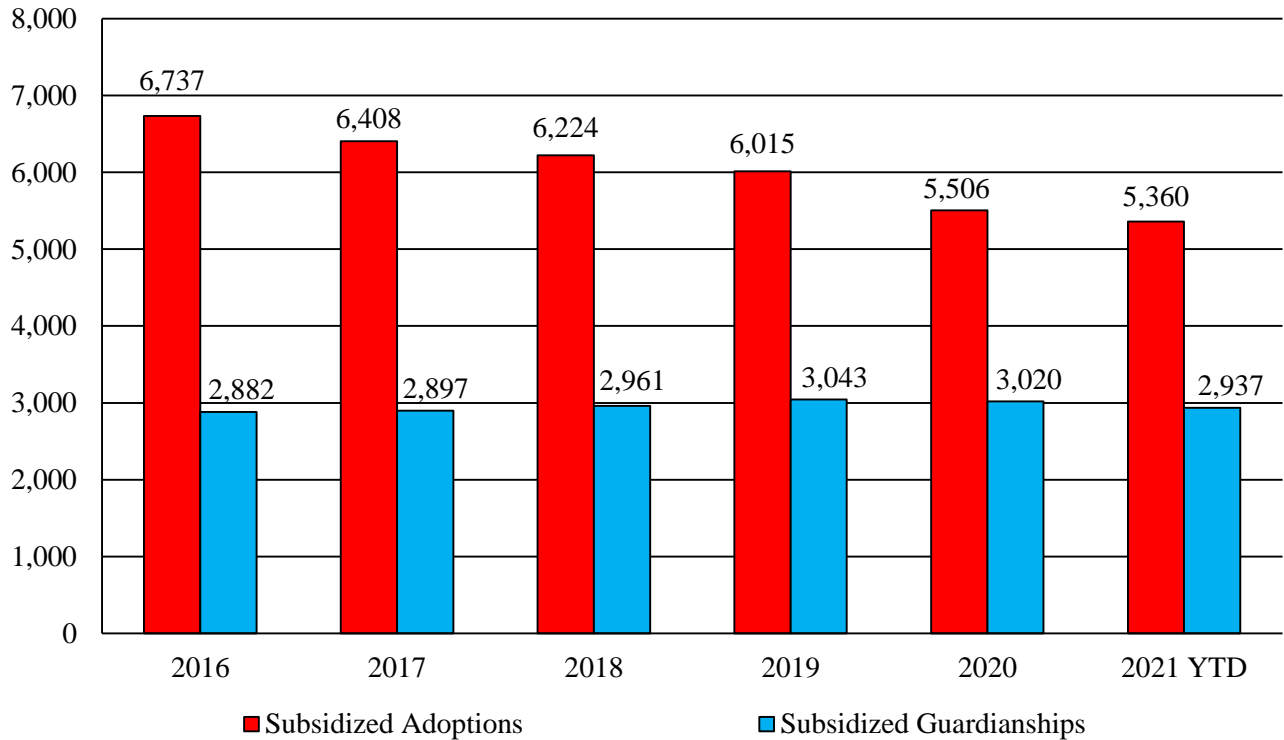
YTD: year to date

Note: Excludes placements that are paid for in other areas of the State budget, such as kinship care, Regional Institutes for Children and Adolescents, and some hospitalizations. Figures represent payments for placements, so that if a youth is moved between placements in a month that would appear as two placements. In addition, timing of provider rate increases, which can in some years result in a second payment to a provider in a month, can distort average monthly placements.

Source: Department of Human Services; Department of Legislative Services

As shown in **Exhibit 7**, the average monthly number of subsidized adoptions and guardianships also deviated from recent history in fiscal 2020 and through December in fiscal 2021. Average monthly subsidized guardianships which had increased in each year for more than a decade, decreased slightly in fiscal 2020 and are 2.6% lower in fiscal 2021. Subsidized adoptions, which declined on average by 3.5% per year between fiscal 2014 and 2019, decreased by 8.5% in fiscal 2020. The rate of decrease for subsidized adoptions has returned to more typical levels in fiscal 2021 through December. These placements have been impacted by court closures and reductions in court activity that have reduced the exits from care into these types of placements since March 2020.

Exhibit 7
Subsidized Adoptions and Guardianships
Average Monthly Caseloads
Fiscal 2016-2021 YTD (through December 2020)



YTD: year to date

Source: Department of Human Services; Department of Legislative Services

Exhibit 8 presents a comparison of the DLS estimate for the average monthly number of placements and the caseload estimate on which the budget is based for fiscal 2021 and 2022. For fiscal 2021, DLS forecasts a substantially lower caseload overall, primarily due to factors related to the impacts of COVID-19 on the program that were not known during the development of the fiscal 2021 budget. In fiscal 2022, overall, the DLS forecast of placements is similar to that on which the budget is based. However, there are some differences in placements by type, generally related to the degree to which each placement will rebound in fiscal 2022 after the unusual factors currently influencing placements of youth. Although largely offsetting in total, the individual factors influence the total estimated cost for placements, particularly for regular foster care, emergency foster care, and subsidized adoptions.

Exhibit 8
Caseload Projections by Placement Type
Average Monthly Caseload
Fiscal 2020-2022 Est.

	2020	2021			2022 Est.		
	<u>Actual</u>	<u>Budget</u>	<u>DLS</u>	<u>2021 DLS – 2021 Budget Difference</u>	<u>Budget</u>	<u>DLS</u>	<u>2022 DLS – 2022 Budget Difference</u>
Regular	1,262	1,210	1,173	-37	1,288	1,220	-68
Other Placements	204	236	173	-63	216	180	-36
Purchased Home	1,209	1,253	1,112	-141	1,200	1,201	1
Purchased Institution	665	701	578	-123	703	636	-67
Total Subsidized Adoptions/ Guardianships	8,526	8,792	8,369	-423	8,406	8,620	214
Total Combined	11,866	12,192	11,405	-787	11,813	11,857	44

DLS: Department of Legislative Services

Note: Numbers may not sum due to rounding. Purchased institution placements are generally higher levels of care and include placements more commonly referred to as group homes. Purchased home placements are generally treatment foster homes requiring higher levels of care. Other placements include emergency foster care, minor mother programs, and other higher levels of care.

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

Provider Rates

The fiscal 2022 allowance includes funding for a maximum 4% provider rate increase for providers who have rates set by IRC (\$6 million). This funding level is consistent with Section 3 of the BRFA of 2021 that limits rate increases for providers who have rates set by IRC to no more than 4% over the rates in effect on December 31, 2020 (the rates prior to the temporary rate increase).

The fiscal 2022 allowance does not include funding for an increase in the monthly board rate for family foster care or an increase in monthly rates for subsidized guardianship or adoptions.

Placement Costs

Although DLS forecasts a substantially lower caseload in fiscal 2021, the forecast for average monthly placement costs partially offsets the savings that might otherwise be achieved due to the lower caseload. These differences, in part, are due to supports for providers related to COVID-19 factors that appear to have influenced costs in some months. However, as shown in **Exhibit 9**, the largest factor in the higher estimate is purchased institution placements. The fiscal 2021 budget did not fully account for the annualization of unexpectedly high fiscal 2020 rate increases for some providers in this placement type. As a result, DLS forecasts a \$2,884 higher average monthly placement cost in fiscal 2021, in line with the current average of \$12,336. The fiscal 2022 allowance more closely reflects the current average monthly placement cost for purchased institution placements but remains well below this average. As a result, the DLS forecast for the average monthly cost for these placements exceeds the amount upon which the budget is based by more than \$1,400.

Exhibit 9
Average Monthly Placement Cost Projections
Fiscal 2020-2022 Est.

	2020	2021			2022 Est.		
	<u>Actual</u>	<u>Budget</u>	<u>DLS</u>	<u>2021 DLS – 2021 Budget Difference</u>	<u>Budget</u>	<u>DLS</u>	<u>2022 DLS – 2022 Budget Difference</u>
Regular	\$883	\$843	\$933	\$90	\$894	\$883	-\$11
Other Placements	3,086	3,441	3,471	30	3,315	3,566	251
Purchased Home	4,320	4,469	4,364	-105	4,493	4,493	0
Purchased Institution	10,703	9,340	12,224	2,884	11,152	12,587	1,435
Total Subsidized Adoptions/ Guardianships	838	808	838	30	848	838	-10
Total Combined	\$1,584	\$1,580	\$1,701	\$121	\$1,744	\$1,759	\$15

DLS: Department of Legislative Services

Note: Purchased institution placements are generally higher levels of care and include placements more commonly referred to as group homes. Purchased home placements are generally treatment foster homes requiring higher levels of care. Other placements include emergency foster care, minor mother programs, and other higher levels of care. In both fiscal 2021 and 2022, the monthly cost accounts for the level of provider rate increase assumed in the budget.

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

Forecast

As shown in **Exhibit 10**, DLS forecasts a surplus of funding of \$2.9 million, primarily due to the lower estimated number of placements in fiscal 2021 than could have been known at the time of budget development, despite higher placement costs. DLS projects a larger surplus among general funds (\$5.2 million) due to a higher estimated level of various federal funds. However, given the uncertainty in actual federal funding levels, particularly for Title IV-E in the first full fiscal year without the waiver funding, caution is warranted when interpreting this difference. Language annually included in the budget bill requires any general fund surplus in the program to be reverted. In contrast, DLS forecasts a \$5.2 million total fund shortfall in fiscal 2022 but a shortfall of \$4.0 million in general funds. This shortfall is primarily due to the higher estimated placement costs for purchased institutions, higher estimated number of subsidized adoption placements, and a return to more typical levels of spending for education and day care.

Exhibit 10
Foster Care Maintenance Payments Program Expenditure Forecast
Fiscal 2020-2022
(\$ in Millions)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>% Change</u> <u>2021-2022</u>
Budgeted Expenditures				
General Funds	\$202.3	\$207.8	\$206.2	-0.7%
Total Funds	\$293.8	\$285.4	\$295.6	3.6%
DLS Forecasted Expenditures				
General Funds	\$202.3	\$202.5	\$210.2	3.8%
Total Funds	\$293.8	\$282.5	\$300.8	6.5%
General Fund Surplus/Shortfall (Compared to Budget)		\$5.2	-\$4.0	
Total Surplus/Shortfall (Compared to Budget)		\$2.9	-\$5.3	

DLS: Department of Legislative Services

Source: Governor’s Fiscal 2022 Budget Books; Department of Legislative Services

Personnel Data

	<u>FY 20 Actual</u>	<u>FY 21 Working</u>	<u>FY 22 Allowance</u>	<u>FY 21-22 Change</u>
Regular Positions	2,653.45	2,648.45	2,629.45	-19.00
Contractual FTEs	<u>3.57</u>	<u>2.50</u>	<u>2.50</u>	<u>0.00</u>
Total Personnel	2,659.52	2,650.95	2,631.95	-19.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	185.38	7.05%
Positions and Percentage Vacant as of 12/31/20	237.00	8.95%
Vacancies Above Turnover	51.62	

- The fiscal 2022 allowance abolishes 19 regular positions within SSA. These positions were long-term vacant positions, and as a result, there is no expected impact on agency operations. Of these 19 positions, only 1 was listed as a caseworker position in September 1, 2020 personnel detail for Child Welfare Services; therefore, there is no impact on the ability to meet Child Welfare League of America (CWLA) standards.
- After accounting for the abolished positions, SSA would have 218 vacant positions, a vacancy rate of 8.3%. DHS could fill 32.6 vacant positions and still meet its turnover expectancy. Of the 237 vacant positions, 78.5% (186) are within Child Welfare Services.

Issues

1. Hospital Stays and Increased Psychiatric Beds

Over the last several years, significant concern has been raised about the length of stays in hospitals for youth in State custody, particularly for youth who remain in hospital settings longer than is deemed medically necessary. During the 2020 session, additional discussion occurred related to emergency room (ER) visits and the length of stay in ERs for youth in State custody. Language in the fiscal 2021 Budget Bill sought additional information on this subject by restricting funds for DHS, the Maryland Department of Health (MDH), and Department of Juvenile Services (DJS) (for some of this information only) until certain information in two reports was submitted.

The two reports were submitted in November 2020, and the funds were released. However, the reports as submitted did not fully respond to the requests for a variety of reasons.

Youth Served in Hospital Settings

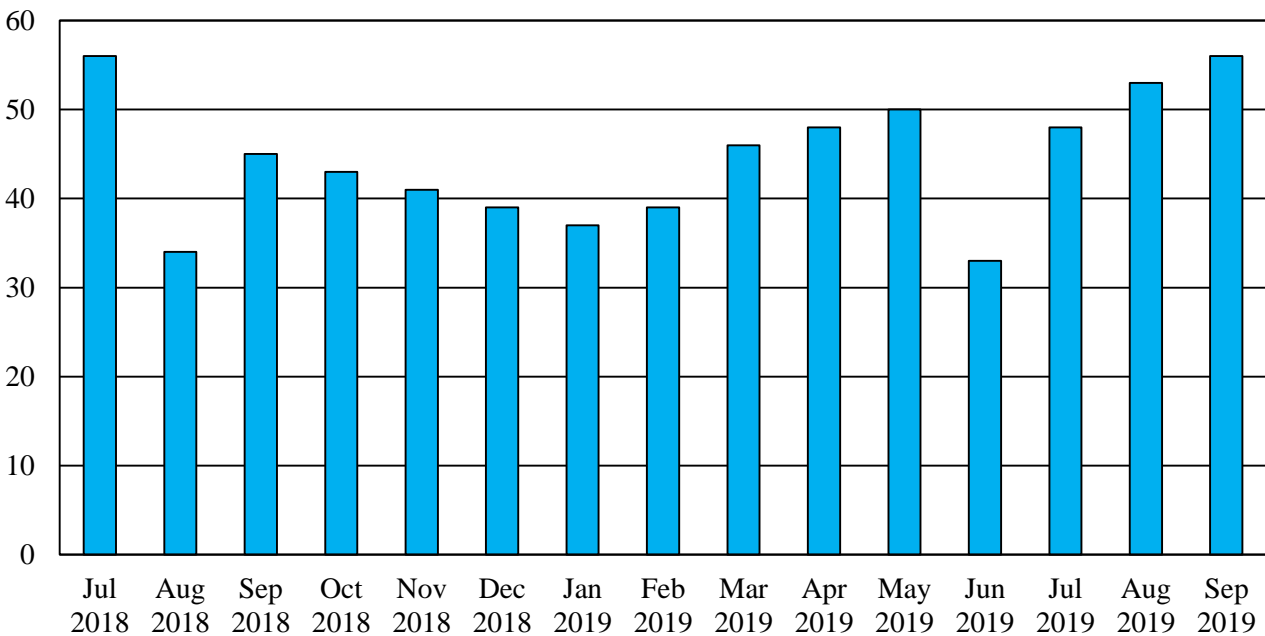
DHS had previously submitted data regarding youth in out-of-home placements served in hospitals by hospital type, average length of stay (ALOS) by hospital type, and length of stay beyond medical necessity for the period from January 2017 through November 2019. For the report submitted in response to the fiscal 2021 Budget Bill language, DHS changed the source of the data used in the submission to data focused exclusively on youth in hospitals for behavioral health reasons. Although the source of the prior data was never specified, differences in the data make clear the sources were different. The exclusive use of the public behavioral health system data resulted in two issues: (1) data for overlapping months were not the same; and (2) the transition of the Administrative Services Organization (ASO) contract for the public behavioral health system prevented reporting of data after September 2019. As such, no new months of data were included in the submission, though DHS subsequently provided a hand count of this data. However, the hand count data showed substantially lower numbers of youth per month in hospital settings than the other reported data, indicating that it is likely incomplete. These changes also impact the availability and comparability of ALOS data.

The *FY 2020 State of Maryland Out-of-Home Placement and Family Preservation Resource Plan* submitted by the Governor's Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) included data on hospitalizations for youth in out-of-home placements, which includes all medical hospital stays. This report explained that during fiscal 2020, there were 791 total hospitalizations for youth in the custody of DHS (331 medical and 460 psychiatric). Of these hospitalizations, 57% of youth with medical hospitalizations and 31% of youth with psychiatric hospitalizations have just one visit. The remainder had more than 1 hospitalization. However, the report notes that a small number of youth had 5 or more hospitalizations (7 for medical and 18 for psychiatric) and represented a large share of the total hospitalizations.

ER Visits Due to Psychiatric Crisis/Evaluation

ER visits were also counted using the public behavioral health system data, and, therefore, also limited by the ASO issue for data after September 2019. However, this data had not previously been requested. As shown in **Exhibit 11**, for the 15 months of data, DHS reported 50 or more ER visits for psychiatric evaluation or crisis in 4 months and between 40 and 50 in 6 additional months. DHS reports that the ALOS in an emergency room in fiscal 2019 and 2020 (through December 31, 2019) was less than one day, 17.3 and 19.4 hours, respectively.

Exhibit 11
Emergency Room Visits for Psychiatric Evaluation or Crisis
Fiscal 2019-2020

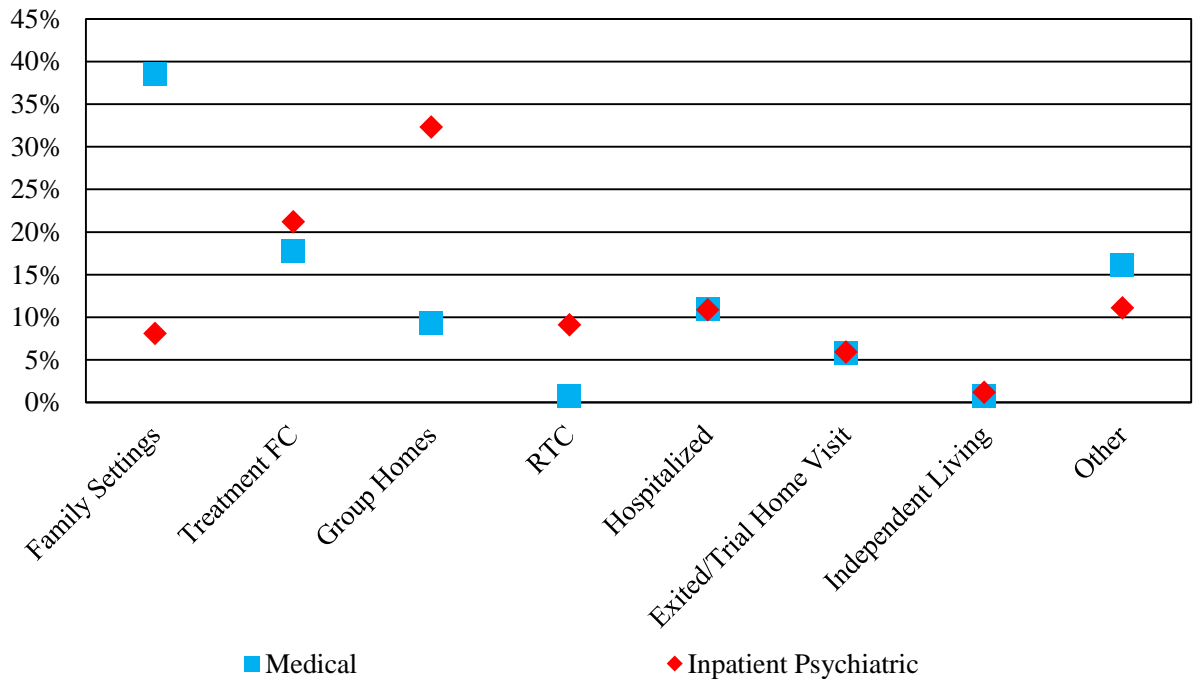


Source: Department of Human Services

Placement Type after Discharge

Combined in fiscal 2019 and 2020, DHS reported 1,043 placements after discharge, of which 539 were from medical hospitals and 504 from psychiatric hospitals. Few of these youth were discharged from the hospital to a placement out-of-state (7 from psychiatric and 8 from medical). As shown in **Exhibit 12**, there were a few notable differences in the share of placements after discharge in fiscal 2019 and 2020 between medical hospitals and inpatient psychiatric hospitals. In particular, a higher proportion of discharges from medical hospitals in these two years were to family settings, while inpatient psychiatric discharges had higher shares placed in group homes or residential treatment centers (RTC). Also of note, 10.9% of placements after discharge from both hospital types were to another hospital setting, emphasizing the concern about repeat hospitalizations among some youth highlighted in the GOCPYVS annual report on out-of-home placements. The degree of repeat hospitalizations and discharges to other hospital settings raises questions about the quality of discharge planning and whether the environments into which youth are being placed are likely to prevent future crises.

Exhibit 12
Share of Placement after Discharge by Hospital Type
Fiscal 2019-2020



FC: foster care
 RTC: residential treatment centers

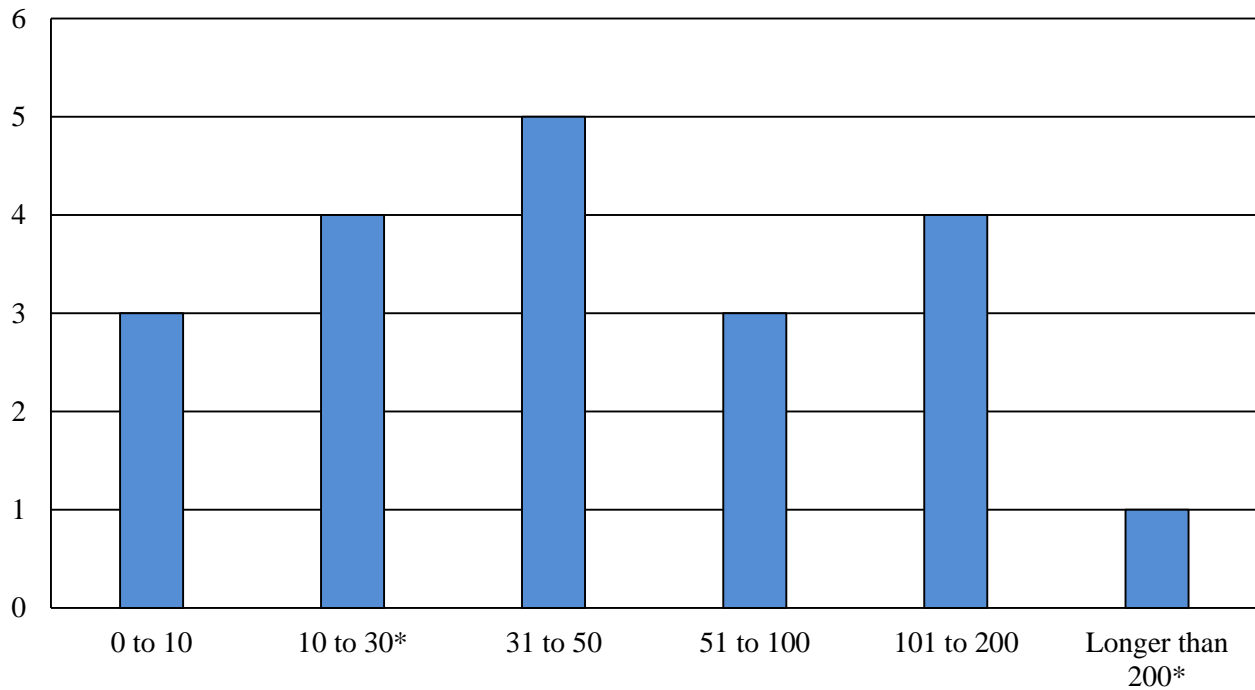
Source: Department of Human Services; Department of Legislative Services

Stays Beyond Medical Necessity

For calendar 2019, DHS reported four youth with stays beyond medical necessity (two medical and two psychiatric). Two of the youth with medical overstay from calendar 2019 remained in the hospital as of September 17, 2020, with overstay exceeding 300 days each. DHS anticipated that these youth would be discharged in November 2020. The youth with psychiatric overstay were no longer in the hospital, but each had overstay exceeding 100 days. DHS indicated that the COVID-19 pandemic complicated discharge due to lack of placement resources and the potential impact on their health.

For calendar 2020 (through September 17, 2020), DHS reported beyond medical necessity stays for 20 youth (6 medical and 14 psychiatric). **Exhibit 13** presents a summary of the length of overstay for the calendar 2020 hospitalizations. Of the 20 youth, 8 had overstay of longer than 50 days (7 inpatient psychiatric and 1 medical), of which 1 was still in the hospital at the time of the report.

Exhibit 13
Length of Stays in Days Beyond Medical Necessity
Calendar 2020 (through September 17, 2020)



*Indicates one of these youth remained in the hospital as of September 17, 2020.

Source: Department of Human Services; Department of Legislative Services.

Service Gaps

The fiscal 2020 out-of-home placement report submitted by GOCPYVS described the findings from a review intended to help address discharge challenges for patients in acute care settings. According to GOCPYVS, that review identified specific service gaps that led to overstays in acute settings and delays in obtaining proper placement and treatment. As described by GOCPYVS, the youth most in need of specialized services are those with:

- autism spectrum disorder paired with aggression or sexualized behaviors;
- developmental delay or disability paired with aggression or sexualized behaviors; and
- youth with histories of highly aggressive behavior, sexually reactive behaviors, fire-setting behaviors, or victims of human trafficking.

These youth often require RTC placement. However, RTCs in Maryland do not offer necessary programming. In addition, some youth are rejected by RTCs due to minimum IQ requirements or highly aggressive behaviors. According to GOCPYVS, the child serving agencies noted that youth recommended for RTC care are sometimes rejected for admission to placements despite available capacity but also noted that a provider closed reportedly due to a lack of placements. GOCPYVS acknowledged that modifying programming could require regulatory reform and a modification of rates.

Psychiatric Placement Bed Capacity

At the time of submission, DHS noted that an initial review indicated that 10 additional psychiatric respite beds were needed for diversion from hospital settings or placement after discharge. However, the agencies indicated that they could not provide a complete listing of all additional placement beds that would be needed, such as additional RTC beds or therapeutic group homes, because of limitations on data related to the specific needs of youth requiring placements.

While no specific initiatives to increase capacity were discussed in the report, the fiscal 2022 allowance includes \$5 million for a new initiative to address hospital overstays in the budget of MDH's Behavioral Health Administration (BHA). Specifically, BHA indicates that the funds are expected to be used for a potential grant program under which one or more nonprofit RTCs would receive gap funding to support enhanced provider services above Medicaid RTC rates to assist with higher acuity patients. The awards would be based on the number of patients/patient days of service. MDH has released a request for expression of intent (REOI) to solicit proposals from providers in line with this grant program. Although the departments were previously unable to determine the number of beds that would be needed to address hospital overstay issues, in the REOI MDH anticipated an initial need for 18 beds to admit and treat adolescents waiting in hospitals for placement, but potentially an estimated 25 patients annually. This REOI would cover youth in a broad range of diagnostic and psychosocial/behavioral categories. To accept the grant award, a provider would have to accept patients that align with the enhanced services model. **DHS should discuss how it is working with BHA on**

this initiative and how the estimated number of beds needed was determined given that the agencies indicated a comprehensive review of additional beds needed was not yet complete in November 2020.

In the report, the agencies described some efforts developed by an interagency team under the Children’s Cabinet to address some issues related to ER visits and hospital overstays, though no specific timeline for completing the activities was provided. The plan includes steps such as:

- collaborating with local care teams and hospitals to develop a comprehensive discharge plan and uniform statewide notification protocols;
- expanding the bed registry for adults to include children and adolescents to reduce wait times and ease burdens for ER staff seeking to find available beds;
- identifying regulatory differences in licensure and other requirements under each agency and working to increase uniformity with the goal of greater flexibility in bed capacity; and
- creating comprehensive mobile crisis and crisis stabilization services to improve uniformity across the State (preventing hospital visits).

Although the restricted funds related to both reports were released, at the time, DLS was concerned that specific timeframes for developing plans or requested reviews were not provided. Nor was it clear why DHS limited its sourcing for hospital stay and ER visit data to one that was known to have gaps in data for portions of the period requested. The new budget initiative alleviates some concerns as it indicates that active steps are being taken to increase capacity, but concerns remain about the lack of data on hospital stays. **DLS recommends budget bill language restricting funds until DHS submits recent data on hospital stays, ER visits, and placements after discharge.**

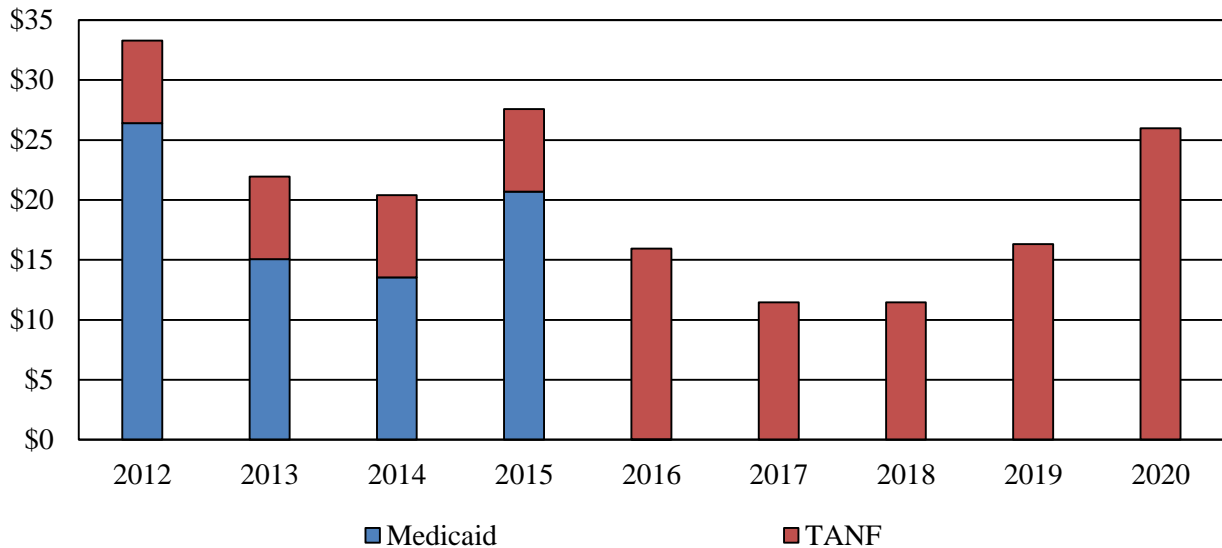
2. Maryland May Miss Out on Millions in Federal Funding Due to Delays in Rate Reform and Implementation of Qualified Residential Treatment Programs

Medicaid Reimbursement for Foster Care Placements

Under the existing rate-setting process, providers who have rates set by the IRC (generally residential child care and child placement agency providers) receive one annual rate for allowable costs. Rates are set individually based on program-specific costs. Programs also identify their level of intensity. In addition to the annual rate, programs are designated as preferred or nonpreferred based on whether their costs and levels of intensity differ substantially from similar programs. Rates are reviewed annually, though the budget sometimes limits the extent to which rates can increase.

Between fiscal 2012 and 2015, on average, DHS claimed \$16.4 million of Medicaid funds to support foster care maintenance payments. In these years, the Medicaid reimbursement ranged between approximately 5% and 9% of the total spending on these payments. In fiscal 2015, DHS claimed \$20.7 million of Medicaid for these payments. However, having only one rate per provider that covers costs of care and clinical costs has prevented DHS from claiming Medicaid reimbursement for services that would otherwise be eligible since fiscal 2015. As shown in **Exhibit 14**, subsequent to the end of claiming Medicaid dollars for foster care, DHS has increased spending from TANF in the program, increasing from \$6.9 million in fiscal 2015 to a minimum of \$11.4 million afterwards. The use of TANF relieves general fund pressure that resulted from the end of Medicaid reimbursement. However, it prevents the use of these dollars on other budgetary purposes.

Exhibit 14
Medicaid and TANF Spending in Foster Care
Fiscal 2012-2020
(\$ in Millions)



TANF: Temporary Assistance for Needy Families

Source: Governor’s Fiscal 2013-22 Budget Books; Department of Budget and Management

Planned New Rate Structure Separates Clinical Care Costs

The State has been working on developing a new rate methodology for providers who have rates set by IRC in the years following the federal audit that prohibited claiming under the current rate structure, but no new rate structure has been finalized. The failure to modify payment rates to allow for Medicaid claiming was included in an Office of Legislative Audits fiscal compliance audit for the DHS Office of the Secretary and related units released in November 2020.

Beginning with fiscal 2020, the budget of SSA has included funding to support an interagency agreement to develop a revised rate-setting process. Language in the fiscal 2021 budget (Chapter 19 of 2020) restricted funds in SSA until a report was submitted on the planned new foster care rate structure. The report was submitted in October 2020, and the funds were subsequently released. The report describes a proposed rate structure that has two key differences from the existing rate structure. First, the proposed rate moves away from individual rates toward rates based on classes/tiers of programs. The classes/tiers would be based on program characteristics. Second, programs would receive two rates, which should allow the department to begin claiming Medicaid funds when implemented:

- **Direct Care:** This rate covers operating and other costs related to care of children (food, clothing, transportation, utilities, activities, supervision, etc.). The rate would be adjusted for classes based on personnel costs (qualifications, staffing ratios, level of supervision, etc.) and the “therapeutic milieu.”
- **Clinical Care:** This rate would cover a certain volume of interventions. The rates would vary by class based on the duration, frequency, and who offers the services. Programs in a particular class will provide services of a similar intensity by individuals with similar qualifications. DHS anticipates higher clinical rates would be available for providers using evidence-based practices. The rates could be modified for factors such as regional cost of living, but it would be limited to continue to move away from individual rates.

As discussed in the report, the revised rate structure would have begun to be implemented in fiscal 2023 for residential child care providers and fiscal 2024 for child placement agencies. However, this timeline was dependent on an anticipated agreement with the Hilltop Institute to test and develop rates beginning in February 2021. In February 2021, DHS notified DLS that the Hilltop Institute will not be able to provide the assistance needed to develop and test new rates. As a result, DHS will seek another vendor for this work, which is likely to delay implementation. **DHS should discuss the new timeline and when it anticipates being able to claim Medicaid for foster care placements.**

Qualified Residential Treatment Programs

The Bipartisan Budget Act of 2018, which included the Family First Prevention Services Act (FFPSA) was signed into law on February 9, 2018. The FFPSA made a number of changes to the child welfare system, one of which was to limit federal Title IV-E reimbursement for placements in child care institutions to two weeks unless the program is a Qualified Residential Treatment Program (QRTP) (except for minor mother and independent living programs; youth who have been found to be or are at risk of becoming sex trafficking victims; or youth placed in a licensed residential family-based treatment facility for substance use). The FFPSA does not prevent placements that do not qualify as QRTPs, but reimbursement is unavailable after two weeks. The QRTP reimbursement rules went into effect on October 1, 2019.

As of this writing, DHS indicates that it has submitted a plan to the Children’s Bureau for approval, but that the plan is still under review. As a result, DHS cannot claim federal funds for the activities. However, Maryland is taking steps to implement the QRTP requirements. Legislation was

enacted in the 2019 session (Chapter 497) to establish some of the required QRTP-related review hearings in statute, as well as define QRTPs in Maryland statute. Although DHS has not yet identified any providers as a QRTP, the agency indicates that it is working with DJS and other partners to explore processes used by other states to certify QRTPs. In particular, DHS indicated it is looking to replicate Virginia’s approach which includes an application process. SSA anticipates having an application process in place by July 2021. The impact on federal fund availability due to the lack of a QRTP process remains unclear. However, given the higher placement costs for group home placements, it could potentially be significant. **DHS should comment on the potential impact of the delay in the QRTP process and the timing of beginning to claim for these placements.**

3. Families First Prevention Services Act

Traditionally, Title IV-E reimbursement was available only for administrative costs and costs of placements for eligible youth in out-of-home placements, subsidized adoptions, and subsidized guardianships. Under the FFPSA, states are eligible to receive funding for prevention services, but the state must have an approved Title IV-E Prevention Services Plan to receive reimbursement. In addition, eligible prevention services must be trauma-informed and evidenced-based. The services must fall under one of three categories: (1) mental health; (2) substance abuse prevention; or (3) in-home parenting skills). Services are eligible for reimbursement for youth that are identified in a prevention plan as a candidate for foster care or a pregnant or parenting youth. Eligible services must be rated by a newly established Title IV-E Prevention Services Clearinghouse as well supported, supported, or promising. As of the end of calendar 2020, 35 programs had been rated by the Title IV-E Clearinghouse of which 27 had a rating that would allow states to receive reimbursement if the state chose to implement it. The evaluation of practices is ongoing. Provisions were also made for states to request transitional payments for a practice in certain circumstances.

DHS Experience with Prevention Services

Prior to the FFPSA, DHS had operated under a Title IV-E Waiver from July 1, 2015, through September 30, 2019. This waiver allowed DHS to use federal Title IV-E funds for prevention services and for children that would not otherwise have been eligible for reimbursement. The ongoing waiver eased DHS’ efforts in transitioning to the ability to receive approval for and offer prevention services under the FFPSA. The number of practices implemented and jurisdictions implementing practices varied during the waiver period. Most, but not all, of the practices implemented under the waiver fell under the categories allowed under the FFPSA. In fiscal 2019 (the final full year of the waiver), 22 jurisdictions implemented at least 1 of 20 practices. The most commonly implemented practice was the Sobriety Treatment and Recovery Teams (START) implemented by 13 jurisdictions. In response to language in the fiscal 2020 Budget Bill, DHS indicated that it planned to continue 10 of these practices in fiscal 2020.

Practices Implemented and Youth Served under the FFPSA

DHS received approval of its prevention plan in February 2020, which was retroactive to October 1, 2019. The approved prevention plan only included 4 of the 10 programs that DHS indicated that it planned to continue. A fifth practice (Nurse-Family Partnership) included in the prevention plan was approved but was not implemented by any local departments through the waiver, and DHS did not identify any jurisdiction implementing it in fiscal 2021. This practice has been implemented in Maryland using other fund sources. DHS was also seeking transitional payments for three programs which were not yet rated, two of which were being implemented by local departments and one by DJS. Since that time, the two additional programs implemented by DHS have been rated. START was rated as Promising while the Nurturing Parenting Program did not meet criteria. DHS plans to submit an amendment to its Prevention Services Plan to include the START program in the future. Practices not included in the approved plan must be funded with general funds. **Exhibit 15** provides information on the evidence-based practices funded in fiscal 2021 and the jurisdictions in which the practices are being operated.

Exhibit 15 Evidence-based Practices Approval Status and Implementation by DHS Fiscal 2021

<u>Practice Name</u>	<u>Jurisdictions Implementing</u>	<u>Rating by Title IV-E Clearinghouse</u>	<u>Approved in Prevention Plan</u>	<u>Children/Families Served Fiscal 2020</u>	<u>Fiscal 2021*</u>
<i>Child Behavioral Health</i>					
Partnering for Success/Cognitive Behavioral Therapy Plus	Baltimore	N/A	No	82 Children	48 Children
Functional Family Therapy	Anne Arundel Baltimore Carroll Harford Howard St. Mary's	Well Supported	Yes	101 Families	50 Families
Multisystemic Therapy	Baltimore Frederick Prince George's Washington	Well Supported	Yes	46 Families	15 Families
Parent-Child Interaction Therapy	Anne Arundel St. Mary's	Well Supported	Yes	12 Families	9 Families

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<u>Practice Name</u>	<u>Jurisdictions Implementing</u>	<u>Rating by Title IV-E Clearinghouse</u>	<u>Approved in Prevention Plan</u>	<u>Children/Families Served Fiscal 2020</u>	<u>Fiscal 2021*</u>
<i>Parent Training/Support</i>					
Nurturing Parenting Program	Harford Queen Anne’s	Does Not Meet Criteria	No	34 Families	Services Interrupted Due to Pandemic
Circle of Security	Anne Arundel	N/A	No	8 Families (Only for First Quarter)	No Vendor
Healthy Families America	Kent Talbot	Well Supported	Yes	58 Families	38 Families
Strengthening Families	Prince George’s	N/A	No	8 Families	In Process of Executing Contracts
Nurse-Family Partnership		Well Supported	Yes		
<i>Substance Use Models</i>					
Safe Babies Court Team	Frederick	N/A	No	10 Families	16 Families
Sobriety Treatment and Recovery Teams	Anne Arundel Caroline Carroll Cecil Dorchester Frederick Harford Kent Montgomery Somerset Talbot Washington Worcester	Promising	Plan to Submit an Amendment to Include		

DHS: Department of Human Services

N/A: not applicable

*Data through November 2020, except for Healthy Families America for which data is available is through December 2020.

Note: Anne Arundel County intended to continue to implement Circle of Security but has had difficulties finding a vendor. Prince George’s County experienced delays in the implementation of the Strengthening Families practice due to COVID-19. St. Mary’s implemented Strengthening Families in fiscal 2020, but not fiscal 2021. The families served through that practice reflect both.

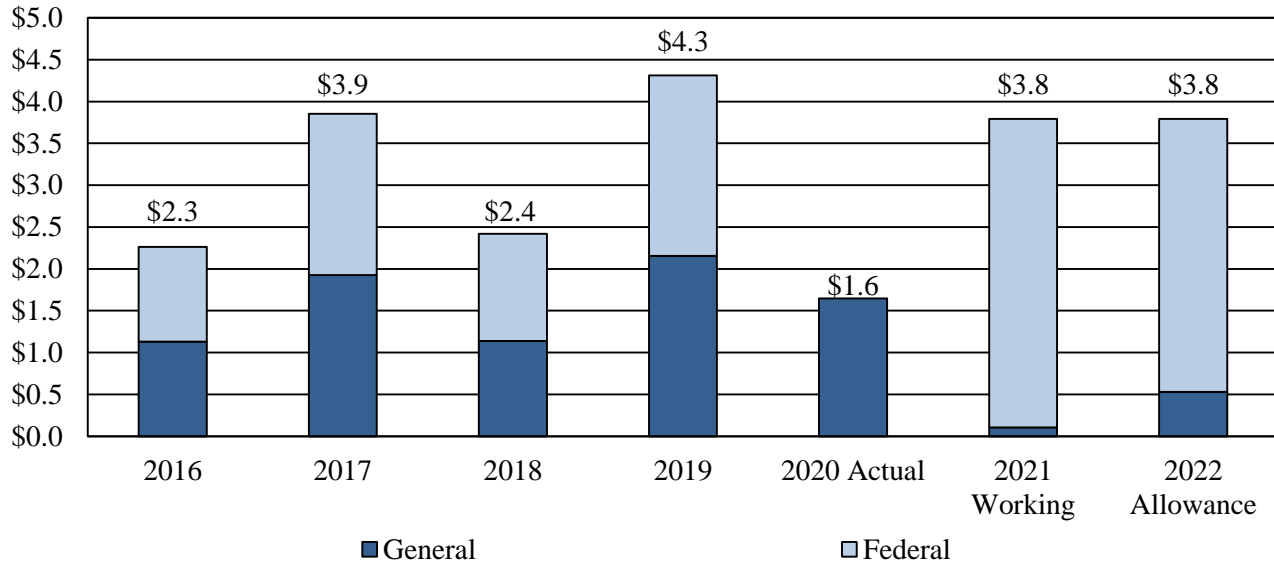
Source: Department of Human Services; Title IV-E Prevention Services Clearinghouse; Department of Legislative Services

The pandemic and need to socially distance impacted the implementation of prevention services temporarily, but DHS reports that most of the services have continued in a virtual setting. However, DHS reported one program (the Nurturing Parenting Program) did experience a disruption because it is a group-based intervention. As shown in Exhibit 15, in the first two quarters of fiscal 2021, most practices have served at least half of the number of children/families served in the full year during fiscal 2020, indicating that despite the continued effects of the pandemic, they are on track to serve at least the same number as fiscal 2020.

Spending on Prevention Services

As shown in **Exhibit 16**, expenditures on evidence-based practices and other prevention services by SSA fluctuated during the four full years of waiver implementation (fiscal 2016 to 2019). Fiscal 2019 had the highest expenditures, reflective of the larger number of jurisdictions implementing a larger number of practices. In each of those years, the funding was relatively evenly split between general and federal funds as expected given the matching nature of the fund source. The fiscal 2020 expenditures were the lowest level of any of the years likely impacted by the transition from the waiver to the FFPSA and the pandemic. In addition, the spending was exclusively general funds, despite the approved prevention plan. DHS indicates that despite the approved prevention plan, it does not yet have an approved Cost Allocation Plan and therefore cannot claim federal funds. DHS notes that it submitted the Cost Allocation Plan to the U.S. Department of Health and Human Services (HHS) in December 2020 and is still under review. If approved, it would be retroactive only to January 1, 2021. The fiscal 2021 and 2022 budgets anticipate a return to the higher levels of spending that occurred during the waiver. Despite these services not currently qualifying for federal funds, both the fiscal 2021 and 2022 budgets rely nearly exclusively on federal funds for evidence-based practices, which would be unusual. DHS indicates that it will work with DBM to address any shortfalls that result from this budgeting.

Exhibit 16
Evidence-based Practices Funding
Fiscal 2016-2022 Allowance
(\$ in Millions)



Note: General funds in fiscal 2021 and 2022 are only for the Sobriety Treatment and Recovery Teams, which is funded separately from the other evidence-based practices.

Source: Governor’s Budget Books; Department of Human Services; Department of Legislative Services

DHS should comment on when it anticipates receiving approval of its Cost Allocation Plan and any other plans or amendments needed to receive federal reimbursement for prevention services. In addition, DLS recommends committee narrative requesting DHS provide an update on the prevention services programs and QRTP implementation.

4. COVID-19 Impacts on Transitioning Youth

Background

Foster youth in Maryland are generally allowed to remain in care after the age of 18, up until the age of 21, as long as the youth is in school; enrolled in a training program or other program/activity to promote or remove barriers to employment; employed at least 80 hours per month; or disabled. Independent living after care services are available for youth exiting care after turning the age of 18, but before turning the age of 21, including financial assistance, assistance with utilities and room and board, educational and employment services, counseling, and other services to assist with self-sufficiency. These youth must sign a service agreement and follow the terms of the agreement.

These services are available for up to 180 days but may be extended, and youth may reapply for services until the age of 21.

There are two primary sources of federal funds that states can use to assist these youth or that can be used to assist transition age youth or youth aging out of care: (1) the John H. Chafee Foster Care Program for Successful Transition to Adulthood (Chafee funds); and (2) Education and Training Voucher funds (ETV). Chafee funds are available to be used for youth in foster care between ages of 14 and 21; youth who aged out of care and are between 18 and 21, youth who left care at the age of 16 or older for guardianship, or adoption until the age of 21. These funds are available to be used for educational assistance, certain job-related activities, mentoring, and other services. ETV is a federally funded program to assist youth who were or are in foster care at the age of 18, were adopted from foster care after the age of 16, or placed in guardianship from foster care after the age of 16. ETV provides funds for education-related expenses.

Changes Due to COVID-19 Pandemic

Due to the COVID-19 pandemic, a State moratorium on youth aging out of care was instituted. However, as part of the federal December 2020 COVID-19 relief bill, a nationwide moratorium through September 2021 was instituted. The provision also allows states to continue to claim federal Title IV-E funds for these youth and ensures that in addition to age, they cannot be determined ineligible due to not meeting education or employment conditions. In addition, youth that left care during the pandemic are able to reenter care, effective January 21, 2021, for 90 days. States must provide notice of the option and conduct a public awareness campaign about the option for those that are not yet 22 and aged out of care in federal fiscal 2020 or 2021.

Despite the State moratorium, youth could still choose to age out voluntarily and leave care. DHS noted that it sought to encourage these youth to remain in care. DHS reports that between April and December 2020, 211 youth were eligible to age out of care, of which 151 remained in care (72%). On average, between April and October 2020, 17 youth per month aged out of care, with only 10 each aging out in September and October, compared to an average of 24 per month in the five prior months. **DHS should comment on its efforts to comply with the public awareness campaign requirements and to reengage with those youth that left care during the pandemic.**

In addition to the moratorium, the federal COVID-19 relief legislation made other changes to make it easier for youth to stay in care and for states to support these older youth. The COVID-19 relief legislation provided additional funding for and expansions on the use of Chafee funds and ETV and eliminated the state match for the supplemental funds. States are also specifically authorized to use the supplemental funds for costs related to youth remaining in care, or reentering care due to the moratorium subject to some limitations (until October 1, 2021). These temporary changes include:

- expanding eligibility for Chafee and ETV funds through age 26 for federal fiscal 2020 and 2021;
- removing a cap on the state use of Chafee funds on use for room and board, which is otherwise limited to 30%;

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- authorizing states to use the room and board amounts in the Chafee program for youth otherwise eligible who are between 18 and 26 and were in foster care at age 14 or older;
- authorizing Chafee funds to be used to provide driving and transportation assistance for youth between the ages of 15 and 26, up to \$4,000 per year, and disregarding this assistance when determining eligibility for other federal or federally-supported programs;
- increasing the maximum ETV award from \$5,000 to \$12,000 per individual through federal fiscal 2022;
- authorizing states to eliminate the requirement for youth receiving the award to be enrolled in a post-secondary education or training program or making satisfactory academic progress, if they are unable to do so as a result of the pandemic; and
- authorizing states to use ETV funds to help support youth remaining enrolled in post-secondary education or training programs, including expenses that are not part of the cost of attendance.

These efforts should assist transition-aged youth in dealing with the immediate concerns of the pandemic by allowing them to remain in care. However, due to the brief period since enactment, limited information is available at this time about how the provisions will specifically be implemented and benefit youth. As of mid-January, DHS was awaiting guidance from HHS Children’s Bureau on these changes. **DHS should comment on the status of its efforts to implement these changes and support older youth.**

5. Child Welfare Caseload

In 1998, the General Assembly passed the Child Welfare Workforce Initiative requiring that DHS and DBM ensure that the CWLA recommended caseload-to-staffing levels are met. The Child Welfare Accountability Act of 2005 reiterated this requirement. In recent years, annual committee narrative has requested that DHS report on caseloads and caseload ratios needed to meet the standard. Language in the fiscal 2021 Budget Bill required the reporting of this data as part of a broader requirement to demonstrate that DHS had reallocated positions to three jurisdictions (Baltimore, Carroll, and Prince George’s counties), to ensure that the combined number of filled and vacant caseworker and supervisor positions in those jurisdictions, is sufficient to meet the CWLA caseload standards.

CWLA recommended caseload-to-staffing ratios are a series of ratios based on the type of case or work being undertaken. For example, intake has a ratio of 1 worker per 122 cases, while investigations, out-of-home placements foster care, and out-of-home placement kinship care have a ratio of 1 worker per 12 cases. Therefore, the total number of caseworkers needed by a jurisdiction and year-to-year will vary based on the mix of cases as well as the number of cases. DLS has historically focused on the cumulative number of caseworkers needed to meet the ratios compared to filled positions both departmentwide and in individual jurisdictions. By looking at the cumulative level, it is possible

to determine whether the department (jurisdiction) has enough filled positions (or total available positions) to meet the standards. The actual meeting of individual caseload ratios by type and if there are enough total filled positions is a management function in the department and/or LDSS.

Positions Needed to Meet Standards Substantially Declines

As discussed earlier, the closures and limited availability of medical appointments due to the COVID-19 pandemic dramatically reduced the number of child maltreatment reports. The reduced reports impact investigations, new entries into care, new in-home service cases, and entries into care. Each of these factors impact the number of positions needed to meet CWLA standards. The average monthly caseload for all types was lower in the September 2019 to August 2020 data than the prior year data, with the most significant declines among intake/screening, investigations, and in-home services. For example, cumulatively (excluding Montgomery County whose employees are not in the State Personnel System and therefore excluded from this analysis), there were 1,015 fewer average monthly investigation cases. Given the 1 to 12 caseworker to case ratio for investigations, this reduction had a particularly large impact on the number of caseworker positions needed to meet standards (a reduction of approximately 84.6 positions). In total, 146.8 fewer caseworker and 29.4 fewer caseworker supervisors were needed to meet the caseload standards as a result of the declines in all case types.

Statewide, on September 1, 2020, there was a higher number of filled caseworker (16) and supervisor (12) positions compared to the same date the prior year. In total, 16 jurisdictions had more combined filled caseworker and supervisor positions. This increase was the result of both changes in the number of available positions (13.6), which can result from position reclassifications or reallocations, and a reduction in vacant positions (14.5).

As a result of both fewer positions needed to meet the standards and increases in filled positions in most jurisdictions, there was a reduction in the number of jurisdictions failing to meet the CWLA standards based on filled positions compared to the prior year. As shown in **Exhibit 17**, only 1 jurisdiction (Baltimore County) failed to meet the caseworker standard, compared to 4 in the prior period, and 5 jurisdictions failed to meet the supervisor standard, compared to 11 in the prior period. Baltimore County failed to meet either standard based on filled positions but had sufficient vacant positions that it could meet the standard if all were filled. Only 1 of the 4 other jurisdictions that failed to meet the supervisor standard had sufficient vacant positions to meet the standard if filled. However, of the remaining 3, 2 had shortfalls of less than 1 position and the fourth would had a gap between needed and vacant positions of less than 1 position.

DHS should comment on efforts to fill vacant caseworker and supervisor positions so that the department is well positioned to meet the standards when case activity returns to a more typical level.

Exhibit 17
Child Welfare Position Status by Local Department
August 2019 to September 2020 Caseload Data and September 1, 2020 Position Status

	Worker Positions Needed to Meet CWLA	Filled Worker Positions	Surplus/ Shortfall	Vacant Caseworker Positions	Supervisor Positions Needed to Meet CWLA	Filled Supervisor Positions	Surplus/ Shortfall	Vacant Supervisors
Allegany	17.2	39.0	21.8	0.0	3.4	5.0	1.6	0.0
Anne Arundel	57.7	79.3	21.6	11.0	11.5	14.0	2.5	2.0
Baltimore	136.4	126.5	-9.9	14.0	27.3	27.0	-0.3	1.0
Baltimore City	264.6	417.1	152.5	34.0	52.9	87.0	34.1	10.0
Calvert	15.2	18.5	3.3	1.0	3.0	4.0	1.0	0.0
Caroline	7.8	18.0	10.2	1.0	1.6	5.0	3.4	0.0
Carroll	21.6	26.0	4.4	0.0	4.3	5.0	0.7	0.0
Cecil	35.9	39.0	3.1	3.0	7.2	7.0	-0.2	1.0
Charles	20.1	26.5	6.4	6.5	4.0	6.0	2.0	1.0
Dorchester	9.8	16.0	6.2	1.0	2.0	3.0	1.0	0.0
Frederick	25.5	43.5	18.0	0.0	5.1	9.0	3.9	0.0
Garrett	12.0	15.0	3.0	2.0	2.4	2.0	-0.4	0.0
Harford	50.0	59.5	9.5	1.0	10.0	10.0	0.0	0.0
Howard	25.6	34.0	8.4	0.0	5.1	5.0	-0.1	0.0
Kent	3.0	6.0	3.0	0.0	0.6	2.0	1.4	0.0
Prince George's	120.8	122.5	1.7	9.0	24.2	17.0	-7.2	7.0
Queen Anne's	4.3	9.0	4.7	0.0	0.9	2.0	1.1	0.0
Somerset	8.4	16.0	7.6	0.0	1.7	3.0	1.3	0.0
St. Mary's	17.7	22.8	5.1	3.0	3.5	6.0	2.5	1.0
Talbot	5.8	15.0	9.2	0.0	1.2	4.0	2.8	0.0
Washington	35.0	60.0	25.0	1.0	7.0	11.0	4.0	0.0
Wicomico	24.5	33.0	8.5	3.0	4.9	5.0	0.1	0.0
Worcester	14.4	18.0	3.6	0.0	2.9	5.0	2.1	0.0
Statewide	933.3	1,260.2	326.9	91.5	186.7	244.0	57.3	23.0
Total Shortfall in Jurisdictions Not Meeting Standards:			-9.9				-8.1	

CWLA: Child Welfare League of America

Note: Montgomery County is excluded from the data because positions are not part of the State personnel system. Accounts for positions abolished in fiscal 2022.

Source: Department of Human Services; Statewide Personnel System; Department of Legislative Services

Operating Budget Recommended Actions

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

, provided that \$250,000 of the general fund appropriation in the General Administration – State program of the Department of Human Services (DHS) Social Services Administration made for the purpose of general operating expenses may not be expended until DHS submits a report to the budget committees on:

- (1) the number of youth in out-of-home placements served in emergency rooms for psychiatric evaluation or crises and the average length of stay (ALOS) by month for the period October 2019 through September 2021;
- (2) the number of youth in out-of-home placements served separately by medical hospitals and inpatient psychiatric hospital and ALOS by month for the period October 2019 through September 2021;
- (3) the number of days that youth in out-of-home placements served in hospitals were in the hospital longer than was deemed medically necessary by either the hospital or a judicial finding separately by type of hospital for calendar 2020 and 2021; and
- (4) the placement type after discharge separately by type of hospital, including identifying the number of youth placed out-of-state after discharge for fiscal 2021.

Data on youth served in medical hospitals should include all medical hospitalizations regardless of diagnosis. The report shall be submitted by November 30, 2021, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The General Assembly continues to be concerned about whether youth are remaining in emergency rooms or inpatient hospital settings longer than is medically necessary. The General Assembly has requested data on hospital stays for several years. However, DHS provided no updated information on hospital stays for fiscal 2020 beyond September 2019 due to limitations in the source of data used for the most recent report. In addition, the change in the source of the data related to youth in hospital settings and ALOS, made the data that was provided not comparable to prior years. This language restricts funds until recent data on hospital stays, emergency room visits, stays beyond medical necessity, and placement after discharge is submitted.

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Information Request	Author	Due Date
Report on emergency room visits, hospital stays, and placements after discharge	DHS	November 30, 2021

2. Adopt the following narrative:

Status of Implementation of the Families First Prevention Services Act: The committees are interested in understanding the impact of the Families First Prevention Services Act (FFPSA) on families served through the child welfare system and the State budget. The committees request that the Department of Human Services (DHS) submit a report on:

- the status of the approval of the State’s revised Cost Allocation Plan and other Title IV-E Plan amendments, including those to add new prevention services, to allow the department to claim Title IV-E Funds for prevention services and Qualified Residential Treatment Programs (QRTP);
- the implementation of an application or certification process for QRTPs;
- if applicable, the number of approved or certified QRTPs; and
- any changes in the evidence-based practices implemented in fiscal 2022 including new practices implemented, practices no longer implemented, or changes in the jurisdictions implementing practices.

Information Request	Author	Due Date
Status of implementation of the FFPSA	DHS	October 15, 2021

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

Further provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose. Funds not expended shall revert to the General Fund.

Explanation: This annual language restricts general funds appropriated for foster care payments to that use only. This restriction prevents a transfer of general funds to other programs that might create or increase a deficit in spending in the Foster Care Maintenance Payments program (N00G00.01).

4. Adopt the following narrative:

Implementation of the New Foster Care Rate Structure: In a response to language included in the fiscal 2021 Budget Bill (Chapter 19), the Department of Human Services (DHS) indicated that a new provider rate structure for providers who have rates set by the Interagency Rates Committee would begin to be implemented in fiscal 2023 for residential child care providers. However, a change in vendor appears likely to delay this timeline. The committees are interested in receiving updates on the timeline for implementation and monitoring the impact of the new rate structure on the budget. The committees request that DHS submit a report on the status of implementation, how the new rates impact the fiscal 2023 costs for residential child care providers, and the impact on the availability of federal funds. The report should also include an update on the status of any amendments to the State Medicaid Plan to allow for clinical care costs to be eligible for reimbursement. If the initial implementation will not begin in fiscal 2023 as expected, the committees request the report provide a revised timeline for implementation.

Information Request	Author	Due Date
Status and impact of the new provider rate structure	DHS	December 15, 2021

5. Adopt the following narrative:

Savings for Foster Youth: Recent programs have led to increased savings for foster youth. The Foster Youth Savings Program deposits funds into accounts for transition aged youth including annual deposits of varying amounts based on age and incentives for achieving specific goals. Chapters 815 and 816 of 2018 reduced the amount of federal benefits received on behalf of foster youth that can be used for the cost of care and required certain percentages of these funds to be conserved for youth based on age. The committees are interested in continuing to monitor these programs and request the Department of Human Services (DHS) to submit information on:

- the average number of accounts in which deposits have been made by jurisdiction and month as a result of Chapter 815 and 816 of 2020 for fiscal 2021 and 2022 year to date;
- the average amount conserved by age group in Chapter 815 and 816 for fiscal 2021 and 2022 year to date;
- total amount conserved by age group in Chapter 815 and 816 for fiscal 2021 and 2022 year to date;
- the number of youth receiving a deposit into a Foster Youth Savings account separately by age and whether it is a new, additional annual deposit, or incentive deposit by type of incentive for fiscal 2020, 2021, and 2022 year to date; and

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- the total amount deposited separate by age and whether it is an annual deposit or incentive for fiscal 2020, 2021, and 2022 year to date.

Information Request	Author	Due Date
Youth savings under the Foster Youth Savings Program and Chapters 815 and 816 of 2018	DHS	December 30, 2021

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

. provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.01 Foster Care Maintenance Payments. Funds not expended or transferred shall revert to the General Fund.

Explanation: This annual language restricts general funds appropriated for the Child Welfare Services program to that use only or for transfer to N00G00.01 Foster Care Maintenance Payments.

7. Adopt the following narrative:

Child Welfare Caseload Data: The committees believe that maintaining an adequate child welfare workforce is essential to improving outcomes for children entering the State’s care. Therefore, in order to maintain oversight of this important issue, the committees request that the Department of Human Services (DHS) report to the committees on the number of cases and positions required based on the caseload to meet the Child Welfare League of America caseload standards, by jurisdiction, for the following caseload types current within 70 days:

- intake screening;
- child protective investigation;
- consolidated in-home services;
- interagency family preservation services;
- services to families with children – intake;
- foster care;
- kinship care;

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- family foster care;
- family foster homes – recruitment and new applications;
- family foster homes – ongoing and licensing;
- adoption;
- interstate compact for the placement of children; and
- caseworker supervision.

The committees also request that DHS provide information on reallocation of positions, including the number of positions reallocated by type (caseworker or supervisor) between jurisdictions and identifying the jurisdictions that these positions were transferred from and to, in order to assist jurisdictions to meet the caseload standard. DHS should also include information on efforts to fill vacant caseworker and caseworker supervisor positions in Baltimore and Prince George’s counties in order to assist those jurisdictions in meeting the caseload standards based on filled (not just available positions).

Information Request	Author	Due Date
Report on caseload data and filled positions assigned by jurisdiction for specified caseload types and reallocation and filling of vacant positions	DHS	December 1, 2021

	<u>Amount Reduction</u>	
8. Delete a general fund deficiency appropriation for a temporary provider rate increase because sufficient funding exists within the Foster Care Maintenance Program for these costs. The fiscal 2022 budget includes a deficiency appropriation to provide a 2% rate increase to providers who have rates set by the Interagency Rates Committee from January 1, 2021, through June 30, 2020. Due to declines in average monthly placements, the Foster Care Maintenance Payments Program is forecasted to have a surplus of approximately \$2.9 million. This surplus is sufficient	\$ 1,543,103	GF

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to fully fund the cost of the temporary 2% provider rate increase.

Total Reductions to Fiscal 2021 Deficiency **\$ 1,543,103**

Updates

1. Child Fatalities Remain at High Levels

DHS annually provides a listing by jurisdiction of the number of child fatalities that involved child abuse and/or neglect. **Exhibit 18** displays the data provided by the department for calendar 2015 through 2019. In calendar 2019, there were 44 such fatalities, an increase of 1, over calendar 2018. Calendar 2019 was third consecutive year that these fatalities exceeded 40 and is the highest level reported by DHS since at least 2001. In calendar 2019, the highest number of these fatalities occurred in Baltimore City (11). During the 2015 to 2019 period, Prince George’s County (36) and Baltimore City (33) had the highest number of fatalities.

Exhibit 18
Child Deaths Reported to DHS Where Abuse or Neglect Are Determined by
DHS Staff to be a Contributing Factor
Calendar 2015-2019

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Total</u> <u>2015-2019</u>
Allegany	1	3	1	2	2	9
Anne Arundel	1	2	3	2	5	13
Baltimore City	2	3	5	12	11	33
Baltimore	6	2	9	7	7	31
Calvert	0	0	3	2	1	6
Caroline	1	0	0	0	0	1
Carroll	1	1	1	0	1	4
Cecil	0	0	1	1	0	2
Charles	1	0	0	1	1	3
Dorchester	0	0	0	0	1	1
Frederick	0	1	2	2	0	5
Garrett	0	0	0	0	0	0
Harford	3	1	0	2	2	8
Howard	0	1	0	1	1	3
Kent	0	0	0	0	0	0
Montgomery	5	3	2	3	3	16
Prince George’s	5	10	10	6	5	36
Queen Anne’s	0	0	0	0	0	0
St. Mary’s	0	2	0	0	1	3
Somerset	0	0	1	0	0	1
Talbot	0	2	0	1	0	3
Washington	5	1	3	1	2	12
Wicomico	2	1	0	0	0	3
Worcester	0	0	0	0	1	1
Total	33	33	41	43	44	194

DHS: Department of Human Services

Source: Department of Human Services

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Of the calendar 2019 fatalities, the majority (30, or 68%) were of children age 1 or younger. Of the fatalities involving children age 1 or younger, 83.3% (25) were due to child neglect. Fatalities related to child neglect overall represented 70% of fatalities. In calendar 2017, DHS reported that the increase in fatalities resulted primarily from infant deaths resulting from unsafe sleeping arrangements. Following the increase in calendar 2017, DHS noted that it was working with MDH and other stakeholders to develop a plan to prevent fatalities and near fatalities. The plans were expected to include targeting pregnant or new parents for education around dangers of unsafe sleeping arrangements, such as co-sleeping. In addition, DHS indicated that SSA, LDSS, and others are developing education and prevention initiatives to address fatalities including State-led Child Maltreatment Fatality Reviews, policy updates, and revised incident reporting forms. Despite these efforts, DHS indicates that this remains the cause of the elevated level of fatalities

Appendix 1 2020 Joint Chairmen’s Report Responses from Agency

The 2020 *Joint Chairmen’s Report* (JCR) requested that the Department of Human Services (DHS) Social Services Administration (SSA) prepare nine reports. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***Planned New Foster Care Rate Structure:*** Further discussion of this data can be found in Issue 2 of this analysis.
- ***Planned Use of Adoption Savings:*** The fiscal 2021 budget includes \$2.6 million of savings from the expansion of availability for federal reimbursement of subsidized adoptions, a \$2 million increase compared to fiscal 2020. DHS reports that these funds will be used for (1) contracts with private adoption agencies to provide post-adoption counseling to families who have had an adoption/guardianship finalized with local departments of social services (\$1.4 million); (2) foster parent recruitment and retention activities including the creation of a resource parent Adoption/Guardianship Active Directory (\$1.1 million); and (3) expansion of an agreement with the Maryland Department of Health core service agencies to provide mental health stabilization crisis intervention services (\$0.2 million).
- ***Accounts/Trusts Opened as a Result of Chapters 815 and 816 of 2018:*** DHS reported that there were an average of 108 active accounts receiving deposits from federal benefits between November 2019 and October 2020. Baltimore County had the highest average of active accounts per month during this period at 35, followed by Baltimore City at 14.5. During this period, a total of 41 Special Needs Trusts were opened, which assist in preventing Supplemental Security Income recipients from exceeding asset limits while allowing conservation of the funds. In total, during this period, \$946,372 were conserved for youth ages 14 to 20, of which \$573,155 was for youth ages 18 to 20 when all funds received are required to be conserved.
- ***Impact of High Vacancy Rates on Child Welfare Outcomes and Quality of Services:*** DHS indicates that the caseworker vacancy rates (6.5% to 8%) are typically 2 to 3 percentage points below overall department vacancy rates (9% to 10.5%). DHS also notes that it has maintained staffing within the overall Child Welfare League of America caseload guidelines. As a result, the department does not believe that the vacancy and retention rates are correlated with various outcomes and that these have not impacted the quality of in home services.
- ***Child Placement Agency Worker Shortages and Options for Addressing the Shortages:*** DHS used the number of staffing violations determined by the Office of Licensing and Monitoring (OLM) in 2018 to 2019 as a measure of Child Placement Agency (CPA) worker shortages. OLM reported 27 violations among 14 providers (approximately 30% of the 47 providers), of which the highest share were for child placement workers. The average number of days to come into compliance was 42 (median 36). However, DHS indicated that providers cite issues with recruitment and retention, particularly due to preferences of graduate social workers to pursue

therapy or inability to compete with State government due to higher salaries and benefits including overtime and free Continuing Education Units. In addition, the providers noted staff move onto higher paid positions after obtaining hours needed to achieve a clinical license and lack of advancement opportunity. The providers indicate the current rate-setting process poses challenges in setting competitive salaries. The report indicated that SSA was amenable to certain recommendations of CPA providers through altering Code of Maryland Regulations requirements to (1) allow for the hiring of nonlicensed social workers with a limited time to achieve licensure; (2) allow for interns to carry caseloads under supervision of a licensed clinical social worker; and (3) allow for the hiring of other credentialed staff (professional counselors).

- ***Outcomes for Foster Youth Who Aged Out of Care:*** To describe these outcomes, DHS reported data from a Ready by 21 survey given to youth prior to exiting care for fiscal 2019 and 2020. The survey results showed similar trends to national data for youth who remain in care until the age of 21, including relatively high rates of completing high school (over 75%) and housing stability (greater than 85%). National level data provided showed differences of outcomes for those who leave care before the age of 19 and/or 21. In general, the national data noted worse outcomes including higher rates of experiencing homelessness (for example, at age 21 44% compared to 6.5% at age 19) and lower rates of employment (for example, at age 21 50% rather than 61% at age 19).
- ***Caseload Data and Filled Positions Assigned by Jurisdiction for Specified Caseload Types and Reallocations of Positions to Certain Jurisdictions:*** Further discussion of this data can be found in Issue 5 of this analysis.
- ***Increased Capacity for Psychiatric Care for Youth:*** Further discussion of this report can be found in Issue 1 of this analysis.
- ***Emergency Room Visits, Hospital Stays, and Out-of-state Placements for Youth with Psychiatric and Medical Conditions:*** Further discussion of this data can be found in Issue 1 of this analysis.

Appendix 2
Object/Fund Difference Report
Department of Human Services – Social Services

<u>Object/Fund</u>	<u>FY 20</u> <u>Actual</u>	<u>FY 21</u> <u>Working</u> <u>Appropriation</u>	<u>FY 22</u> <u>Allowance</u>	<u>FY 21 - FY 22</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
Positions					
01 Regular	2,653.45	2,648.45	2,629.45	-19.00	- 0.7%
02 Contractual	6.07	2.50	2.50	0.00	0%
Total Positions	2,659.52	2,650.95	2,631.95	-19.00	- 0.7%
Objects					
01 Salaries and Wages	\$ 236,437,755	\$ 229,675,421	\$ 229,799,263	\$ 123,842	0.1%
02 Technical and Spec. Fees	1,280,566	2,143,801	2,088,067	- 55,734	- 2.6%
03 Communication	2,326,611	1,609,275	1,570,653	- 38,622	- 2.4%
04 Travel	1,518,251	1,212,210	1,133,562	- 78,648	- 6.5%
06 Fuel and Utilities	855,322	841,550	845,580	4,030	0.5%
07 Motor Vehicles	1,337,823	1,777,089	1,776,151	- 938	- 0.1%
08 Contractual Services	60,553,682	63,617,245	61,887,524	- 1,729,721	- 2.7%
09 Supplies and Materials	1,603,868	1,063,774	1,145,086	81,312	7.6%
10 Equipment – Replacement	30,946	350,000	350,000	0	0%
11 Equipment – Additional	110,498	0	0	0	0.0%
12 Grants, Subsidies, and Contributions	278,687,193	291,758,346	304,581,773	12,823,427	4.4%
13 Fixed Charges	10,752,918	12,433,531	10,557,078	- 1,876,453	- 15.1%
Total Objects	\$ 595,495,433	\$ 606,482,242	\$ 615,734,737	\$ 9,252,495	1.5%
Funds					
01 General Fund	\$ 373,535,361	\$ 382,562,965	\$ 377,945,343	- \$ 4,617,622	- 1.2%
03 Special Fund	7,199,923	6,203,051	5,726,044	- 477,007	- 7.7%
05 Federal Fund	208,051,599	216,888,507	231,235,631	14,347,124	6.6%
09 Reimbursable Fund	6,708,550	827,719	827,719	0	0%
Total Funds	\$ 595,495,433	\$ 606,482,242	\$ 615,734,737	\$ 9,252,495	1.5%

Note: The fiscal 2021 appropriation does not include deficiencies, targeted reversions, general salary increases, or across-the-board reductions. The fiscal 2022 allowance does not include contingent reductions or annualization of general salary increases.

**Appendix 3
Fiscal Summary
Department of Human Services – Social Services**

<u>Program/Unit</u>	<u>FY 20 Actual</u>	<u>FY 21 Wrk Approp</u>	<u>FY 22 Allowance</u>	<u>Change</u>	<u>FY 21 - FY 22 % Change</u>
04 General Administration – State	\$ 28,382,283	\$ 33,039,249	\$ 31,521,442	- \$ 1,517,807	- 4.6%
01 Foster Care Maintenance Payments	293,818,449	283,895,448	295,595,924	11,700,476	4.1%
03 Child Welfare Services	228,427,336	242,507,722	241,492,377	- 1,015,345	- 0.4%
04 Adult Services	44,867,365	47,039,823	47,124,994	85,171	0.2%
Total Expenditures	\$ 595,495,433	\$ 606,482,242	\$ 615,734,737	\$ 9,252,495	1.5%
General Fund	\$ 373,535,361	\$ 382,562,965	\$ 377,945,343	- \$ 4,617,622	- 1.2%
Special Fund	7,199,923	6,203,051	5,726,044	- 477,007	- 7.7%
Federal Fund	208,051,599	216,888,507	231,235,631	14,347,124	6.6%
Total Appropriations	\$ 588,786,883	\$ 605,654,523	\$ 614,907,018	\$ 9,252,495	1.5%
Reimbursable Fund	\$ 6,708,550	\$ 827,719	\$ 827,719	\$ 0	0%
Total Funds	\$ 595,495,433	\$ 606,482,242	\$ 615,734,737	\$ 9,252,495	1.5%

Note: The fiscal 2021 appropriation does not include deficiencies, targeted reversions, general salary increases, or across-the-board reductions. The fiscal 2022 allowance does not include contingent reductions or annualization of general salary increases.