

Delaware Children's Department

Fiscal Year 2013 Budget Hearing

Vivian L. Rapposelli

Cabinet Secretary

Good morning Director Visalli, John Frazer, OMB Staff and members of the public. On behalf of the staff of the Department of Services for Children, Youth and Their Families (DSCYF), that I will herein reference as The Children's Department, I would like to present our FY13 budget request.

Allow me to present members of my leadership team: Mary Kate McLaughlin, Chief Policy Advisor; Karryl McManus, Director of Management Support Services (DMSS); Susan Ccyk, Director of the Division of Prevention and Behavioral Health Services (PBH), Carlyse Giddins, Director of the Division of Youth Rehabilitative Services (YRS) and Victoria Kelly, Director of the Division of Family Services (DFS). The Deputy Directors are Michael Alfree, Steve Yeatman, Rick Shaw and Rodney Brittingham, respectively. We appreciate the opportunity to represent our staff and our partners who dedicate their time and talent to fulfilling our Department's mission.

Thank You



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As I begin my remarks, I would like to thank you for your past support of the Children's Department and our work to transform the way we provide services to better accommodate the complex and difficult needs facing the populations we serve. Your support of our efforts has been invaluable, and we stand ready to continue the hard work despite the continuing economic challenges facing our state and nation.

I am extremely proud of what has been accomplished and am grateful for the dedication of our staff during these most difficult economic times.



In September, I had an opportunity to meet with members of the Department's management team, from across the State and throughout the four divisions. It was the first time we've met in a similar setting since November 2009.

The theme for the day was, "Building Bridges, Strengthening Children and Families." A theme not just appropriate in describing what we hoped to accomplish for that day, but also what we hope to collectively accomplish in the months and years ahead. In speaking about our future, I took this gathering as an opportunity to address the vision of our Department.

Through public service announcements, media releases and other materials, both internal and external, "**Our Children. Our Future. Our Responsibility.**" is repeated often and seems to resonate well with others. It has become a clear and consistent message about the value and importance of the work done by our Department, with the support of our many partners.

As a result, and in consultation with our Department leadership, I am pleased to share with you the Department's new vision statement:

Our children. Our Future. Our Responsibility. We are strengthening foundations for children and families by giving them the tools and support they need to be successful. By forging community partnerships and being responsive to the needs of those we serve, we will provide long-term, sustainable solutions for our youngest Delawareans.

Meeting Challenges

- Implementing Effective Strategies
- Expanding Partnerships
- Seamless Department Services



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Since I took this position in January '09, we have faced the constant challenge of the financial realities of our economy. For the past few years, the Department has experienced a series of cuts to our base budget and we've managed to absorb those reductions without impacting direct client services. In fact, we are committed to enhancing the quality of our services despite the fiscal downturn.

Specifically, we've employed a number of innovative strategies to contain costs and leverage federal resources, and we have expanded partnerships to ensure our kids get services to help them succeed.

Some examples of this include:

- This year, through consolidation, the Contracts Unit coordinated the issuance of 16 RFP's, developed 57 new contracts, transferred 252 contracts from the service Divisions and processed over 200 contract amendments to support the 2% provider increase.
- We continue to increase community capacity across divisions to reduce the number of residential placements.

Our story, while a good one, is not without its challenges. As I will discuss in this presentation, the numbers of children we serve who have complex needs has increased, and with that, there has been an increase in the use of our higher-cost residential services. Fortunately, we were prepared to serve them. Had we not strengthened our local community-based service system, those costs would have risen even further.



DMSS Highlights

- Title IV-E Backlog Eliminated
- SSI and SSA Eligibility Project
- Supporting the Frontline

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Turning to the accomplishments of our Department since we met last year, I'll update you on the specifics from the Divisions, starting with the Division of Management Support Services (DMSS).

DMSS continues to work in the background to provide the necessary resources and supports needed to enable our operating Divisions to do their critical work. I spoke last year of the reduction in the backlog in our Title IV-E client eligibility. The Cost Recovery Unit has since completely eliminated the backlog and increased the rate at which we are reimbursed for costs by the Federal Government for foster care to 32%. This means that as more children are found eligible for partial federal funding of their foster care costs, we will avoid more costs to state funds.

The Cost Recovery Unit also recently implemented a vendor contract to provide screening and application services used to establish eligibility for financial assistance for children in foster care under federal social services programs. Again, increased eligibility for these children will mean enhanced federal reimbursement for the care of these children, now and into the future.

The other support units within DMSS have been working to maximize training opportunities, formalize disaster recovery and business continuity plans, and process payments in a timely fashion. Our Facilities Management Unit finalized our multi-year effort to upgrade the infrastructure on the main campus.

Education Highlights

Education Unit

- On-line Credit Courses
- Enhanced Educator
- Training
- Internship
- Opportunities



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Now, I'll highlight the work of our Education Unit, which is housed in the Office of the Secretary. The education team has been working hard to find and expand opportunities for youth in our care to successfully complete their education.

By hiring a Curriculum Coordinator, we are maximizing the education that kids in our care are receiving and striving towards helping kids be successful and earn the credits they need to graduate. We have also purchased several on-line curriculums, which allow students who work best that way to recover and accelerate earning high school credits while in our care. Further, we developed a partnership with Diploma at a Distance so students will have a plan and a way prior to leaving our care to continue their programs in the community and for graduation (with a diploma).

All Education Unit staff members were trained in DOE's Common Core Curriculum Standards and Learning Focused Strategies. This alignment of our curriculum with DOE and local schools strengthens student transitions back to the public schools.

Five students completed a four week Public Allies Pilot Program internship that provided experiential job training. Others participated in Young at Art, a partnership with the Delaware Girls Initiative and the Center for Justice, which allows students to sell their art work, earn money, and provide additional resources for foster care youth.

PBH Highlights



Prevention and Behavioral Health Services (PBH)

- Working with Very Young Children
- Training/Capacity Building
- Community Based Treatment
- Leverage Federal Dollars

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The Division of Prevention and Behavioral Health Services began the fiscal year as a new Division with 293 employees deployed across communities, schools and offices throughout the state. I'm pleased to report that the team has successfully integrated prevention, early intervention and treatment into one Division, working together to strengthen children, families and communities.

Each year, PBH is extremely successful in leveraging federal dollars to enhance and expand our service array and this year was no exception. The Division continues its implementation of a six-year, \$9M Substance Abuse and Mental Health Services Administration (SAMHSA) grant to develop a statewide mental health system of care for young children and their families. These funds fill a critical gap in our service system and allow us to serve children ages 2-5 years old. The Division was also awarded a \$1.5M Suicide Prevention grant from SAMHSA. Focused primarily on middle school students, their parents and caregivers, and school staff, the grant continues previously-funded training for adults who work with youth and specialized supports for military families.

The Division disseminates extensive training in the community through eight, evidence-based approaches, transforming treatment by changing how treatment is provided. Of note is Parent Child Interaction Therapy (PCIT), a highly effective mental health treatment for young children with challenging behaviors. As a direct result of our training, in the past year, we have seen a dramatic increase in access to treatment. Early Childhood Mental Health Consultants improved the outcomes for children within early education settings, and Extended Hours in Community Centers reduced violence among youth. I will discuss both these critical projects later.

YRS Highlights

Youth Rehabilitative Services (YRS)

- Juvenile Justice Collaborative
- Enhanced Community Services



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Turning to the Division focused on our juvenile justice system, the Division of Youth Rehabilitative Services (YRS) has enhanced its community capacity with a concentration on providing better outcomes for kids. YRS continues its work with the Juvenile Justice Collaborative (JJC), which is comprised of agency partners including the Family Court, Justice of the Peace Court, Attorney General's Office, the Public Defender's Office, Criminal Justice Council and numerous non-profit agencies. As I've reported previously, the JJC works in partnership with the Annie E. Casey Foundation as a replication site for the Juvenile Detention Alternatives Initiative (JDAI). The primary goal of the JJC is to improve the effectiveness and efficiency of Delaware's juvenile justice system.

Current initiatives within YRS include:

- Restructuring of YRS Community Services;
- Establishing a formal effort to address disproportionate minority contact within the juvenile justice system;
- Reducing the school to juvenile justice pipeline;
- Focusing on developing front-end services to reduce the need for deeper-end services, especially residential placement;
- Improving data collection and analysis; and
- Developing legislation to support and sustain juvenile justice reforms.

Since becoming a JDAI replication site, Delaware has significantly reduced the instances of inappropriate and unnecessary detentions and strengthened agency and community partnerships statewide.

This work, and various ongoing initiatives, has positioned Delaware to become a model juvenile justice system.

DFS Highlights

Division of Family Services (DFS)

- Record Volume
- External Workload Pressures



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Now I would like to provide some highlights of the Division of Family Services, including two important initiatives for system reform that will help us effectively address challenges commonly experienced by child welfare systems.

The most significant issue facing DFS is the continued record volume. This trend began in 2007 and, not only continues, but promises to exceed the increase we projected for the coming year. For each of the last four years, DFS experienced a 10 to 12% increase in volume. We projected an 11.4% increase for FY12, but the first quarter data suggests we may be headed for an increase of as much as 14% this year. The result: this increased demand has consistently pushed us beyond our mandatory caseload standards, which were created by state statute to help us meet our over-arching goal of ensuring child safety.

In addition to this record volume, our DFS workers continue to experience increased workload pressures as the demands on them multiply. The cumulative result is that the challenges on our front line workforce have never been greater. Despite these challenges, the efforts of our staff have earned Delaware the spot of 5th in the nation on prevention of a recurrence of maltreatment. I must take a moment to thank and congratulate them on this achievement.

Last year, with your support, DFS was able to find resources to help manage caseloads in investigation and provide some additional support at the report line. Unfortunately, due to turnover, these additional staff resources became more of a pipeline of trainees who move into vacant positions with already established caseloads than a stable group of workers who could assume new caseloads. This has benefitted DFS by minimizing the time between a new vacancy and when we have a fully-trained worker ready to assume caseloads. However, it did not provide the additional caseload relief for new cases. With the number of new cases increasing, our situation is the same this year. Instead of seeking additional employees to provide caseload relief, we believe there are other strategies more effective in addressing the increased volume while still helping us maintain our excellent safety record.

DFS Highlights



Division of Family Services (DFS)

- Structured Decision Making[®]
- Differential Response (DR)

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As I mentioned, the Department is pursuing two important initiatives to address the challenges I just spoke about. The first of these is the implementation of a research-based approach called Structured Decision Making. This simple, objective and reliable set of tools will provide our caseworkers and managers with pertinent information, which will help us make the best decisions for individual cases. We are working with the nationally recognized Children's Resource Center and have begun planning for implementation of Structured Decision Making at our report line by January 2012.

We are also excited about the opportunity to begin developing a local plan for Differential Response, an approach that allows DFS workers to refer low-risk cases where there are no immediate safety concerns for the child to build community-based services. I will discuss this initiative further when I get to our budget request.

By pursuing Structured Decision Making and Differential Response as a unified approach, we hope to continue our success in ensuring child safety, while connecting families to the most the appropriate level of service for their needs, and ultimately reducing DFS caseloads.

Door Opener

	Inflation/ Volume	Structural Changes	
Periodic Treatment	\$ 570.0	\$ 750.0	\$ 1,320.0
24 Hour Treatment	\$ 350.0	\$ 750.0	\$ 1,100.0
Total	\$ 920.0	\$ 1,500.0	\$ 2,420.0

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Now that I have provided the Department highlights, let me turn to the budget request.

DSCYF requests Contractual Services Inflation & Volume increases to PBH Periodic Treatment of \$570.0 and to PBH 24 Hour Treatment of \$350.0 to provide relief from ongoing client-driven deficits. We have addressed part of this door opener with \$1.5M in structural changes from personnel lines, projected to be in surplus, into these Contractual Services lines. Rather than requesting the full amount of \$2.4M in new funds, through these structural changes, the door opener request was reduced to just \$920.0.

I'd like to discuss some of the reasons why this funding is critical.

PBH Periodic Treatment



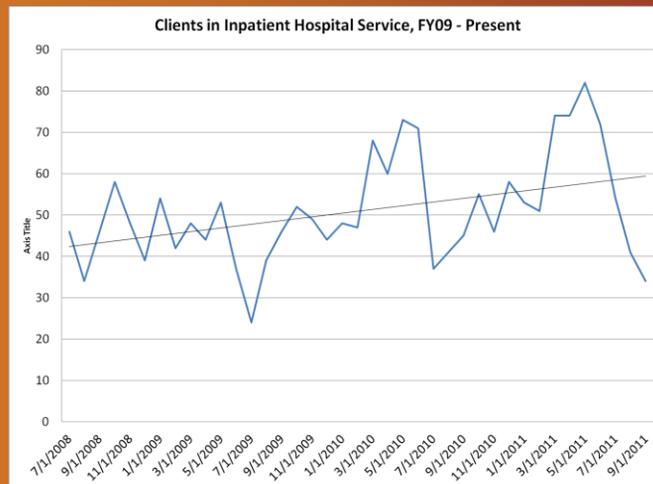
- Between FY08 and FY 11, the number of clients served by IOP increased by 47%.
- Between FY10 and FY11 alone, the IOP client count rose 21%.

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In Periodic Treatment, community-based service expenditures have increased an average of 4.5% each year over the past five years, driven by increasing numbers of children and youth served. The most dramatic increases have occurred in Intensive Outpatient Services (IOP), a community-based, outcome-proven alternative to more restrictive residential treatment. Utilizing IOP has been a cornerstone of the Department's efforts to treat more youth in least restrictive settings in the community. It is the service most frequently requested by families and other referral sources. Between FY08 and FY11, the number of clients served by IOP per year climbed from 323 to 475 – a 47% increase.

Between FY10 and FY11 alone, the IOP client count rose 21%. Let me be clear that I see this as a positive shift. In addition to IOP, utilization of Day Treatment has also increased. These annual increases in expenditures for necessary and critical services have resulted in Periodic Treatment contractual services deficits in each of the past four years, reaching a high of \$1.3M in FY11. In general, across the board in the Periodic Treatment service continuum, there are more clients, and we expect the numbers to continue to grow, which is why the base budget adjustment is critical.

PBH 24 Hour Treatment



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In 24 Hour Treatment, note the graph on this slide shows the unpredictability of this population and associated costs. What we can say is that we are seeing clients who require more intensive inpatient hospital or residential treatment. Between FY08 and FY11, the overall number of clients requiring residential services remained relatively flat, while the number of clients requiring out-of-state services rose 16% over the same period, and rose by 37% between FY10 and FY11.

Typically, only the clients with the most complex needs who cannot be served by our in-state service continuum require out-of-state treatment; thus, the complexity of our clients' needs is driving up costs. To give you some context of how costly these services are, the high-end cost to serve a client requiring a deep-end residential placement averages \$800.00 a day, for an average length of stay of 180 days, which amounts to \$144.0 per stay, per child. Some placements can cost up to \$600.0 annually for one child's treatment.

The requested increases to Periodic Treatment and 24 Hour Treatment are necessary for the Department to provide critical, mandated treatment services to our clients.

FY13 Initiatives

Division	IPU	Name	Amount
DFS	37-06-40	Differential Response	\$ 750.0
DPBHS	37-04-20	Community Centers Extended Hours	\$ 200.0
DPBHS	37-04-10	Early Childhood Mental Health Consultants	\$ 200.0
DYRS	37-05-50	Secure Care Improvements	\$ 156.9
		TOTAL	\$ 1,306.9

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I'd like to turn to our new initiatives for FY13, listed here in priority order.

As previously mentioned when I highlighted DFS, to address a critical emerging issue for the Division of Family Services, the Department is seeking \$750.0 to implement Differential Response. Also called Alternative Response, this is essentially a triage approach that provides alternative ways for vulnerable families to access needed services when there is no child maltreatment present.

These families struggle with risk factors of poverty, substance abuse, mental health concerns, and other family problems. They need support and intervention, but the risks inherent in their situations have not risen to the level that they pose imminent safety concerns for their children. Their issues can be addressed in a more responsive and less stigmatizing way by linking them with services provided by our community partners. That way, problems can be more effectively resolved before they escalate into safety concerns and child maltreatment. At any point safety issues do emerge, the families can then be referred back to DFS. Given the increased volume of reports to DFS hotline and caseloads, Differential Response offers a critical opportunity for DFS to better leverage its child welfare expertise and limited resources to focus on cases with demonstrated safety issues.

FY13 Initiatives

- Community Centers (200.0)



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Next, let me turn to a success story and the basis for why we are requesting \$200.0 to help fund year-round extended hours at certain community centers. In July and August 2011, the Department funded extended hours in ten community centers in the City of Wilmington, allowing them to provide substantive activities to youth, and in some cases, their families. The scope of the initiative was for an additional two hours per day for three days per week, to include either a Friday or a Saturday evening. As the two months were ending, we allocated additional funds so each center could provide extended hours through the end of the summer. Wilmington residents reported feeling safer in their communities, and kids were getting in less trouble. The total cost to fund this initiative year-round with an additional center in another part of the State is \$990.0. We are committed to working with other interested stakeholders to secure the necessary funding to continue this popular and highly successful initiative. This is prevention at its very best where we can already report on the successful outcomes of this effort.

FY13 Initiatives

- Mental Health Consultants
(200.0)



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Turning to another area of prevention, I'd like to speak about our early childhood education initiatives. As you know, the Governor recommended and the General Assembly approved a \$22M investment focused specifically on this area in an effort to bring quality education to children who have the highest needs. One of the ways we have helped to support the emotional and developmental needs of the children, ages 0-5, is through our successful early childhood mental health consultants. The current program is funded through the Division of Social Services and provides four full-time and one part-time consultants. PBH partnered with the Department of Education in the development and implementation of this service. To date, the success rate of the consultants in preventing expulsion of children from early childhood education settings is 99%.

Given its success, the program is experiencing waitlists across the state. We request funding to build upon the success of the current program and reach more children in need of these important prevention services. Accordingly, we request \$200.0 to expand contracted capacity of licensed early childhood mental health consultants in Kent and Sussex Counties. The consultants will provide 548 days of early childhood mental health consultation in Kent and Sussex Counties during FY13. The consultants help early care and education providers to keep children with challenging behavioral problems in their centers.

FY13 Initiatives

- Secure Care Improvements (156.9)

- Nursing Coverage (106.9)

- Skill-Based Adolescent & Behavior Training (50.0)



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Finally, we request \$156.9 to implement two much-needed improvements to YRS Secure Care services.

\$50.0 of that amount is requested to contract with consultants to provide more in-depth, skill-based training on adolescent behavior for over 300 Secure Care staff. We are pleased that in this Administration, we were able to provide uniformity in our disciplinary approaches to our youth in care. Previously, one youth could be in NCCDC with a certain disciplinary system in place, only to then go to Ferris and then drop down to Mowlds Cottage to face 2 separate and distinct sets of rules. Now, we have one set of rules that applies across secure care residential settings – Cognitive Behavior Therapy. Since the implementation of Cognitive Behavior Therapy in our Secure Care facilities, staff now utilize better intervention techniques. While the techniques/rules are in place, staff need to better understand the connection between normal adolescent development and delinquent behavior, helping them better utilize such appropriate intervention techniques. The training will be coordinated and delivered in conjunction with the Center for Professional Development in the Department's Human Resources Unit.

The second part of the YRS request is focused on appropriate medical care. Currently, our nurses administer evening medications during daytime hours. Timely medical care is critical for youth in our facilities and it stands to reason that if youth are receiving their evening medications too early in the day, they may feel lethargic during the early evening hours. We are therefore requesting \$106.9 to provide additional contractual nursing coverage at New Castle County Detention Center, Ferris School and Stevenson House. This investment will allow the youth to be more engaged and receptive to the rehabilitative services we provide to them and allow them to receive effective medical treatment in a timely manner.

Capital Budget Request

Project Name	Amount
FACTS II	\$ 7,585.0
Roof Renovations	\$ 2,548.7
Minor Capital Improvement	\$ 1,500.0
Maintenance & Restoration	\$ 200.0

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Now, I would like to briefly discuss our Capital Budget Request.

Our first Major Capital Project is the development of FACTS II, the successor to our current Management Information System. As you may recall, funding was approved in Fiscal Year 2011, which allowed us to begin the project.

During this fiscal year, we released three RFPs for a contracted Project Manager, a Design, Development and Implementation vendor, and a Quality Assurance vendor in support of the project. The contracted Project Manager is in place; the Quality Assurance Vendor contract is completed and has been approved by the federal government; and the Design, Development and Implementation vendor is scheduled to begin this coming January.

Of course, OMB is a critical partner in this effort. A Stakeholders Kick-Off Meeting is scheduled for November 23rd to brief our other the key partners about their role in this major project. Secretary Sills and I, as Co-Executive Sponsors, are working together to bring our partners to the table, provide them information on our current status and engage them in this project.

The design and development phase of the FACTS II Project will begin in January 2012. The project remains on time and on budget, with the expected completion of the project still scheduled for June 2014.

Capital Budget Request

- Roof Renovations (2,548.7)
 - Ferris School
 - Terry Children's Center
 - Campus Facilities Building
- Minor Capital (1,500.0)
- Maintenance & Restoration (200.0)



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We are also requesting \$2.5M to replace the roofs at Ferris School, the Terry Children's Center and the Campus Facilities Building. The roofs have been evaluated by the state and are in need of replacement. A delay in replacing the roof could result in environmental issues, which would impact occupancy and potentially create health and safety issues.

In Minor Capital Improvement, we are requesting \$1.5M to perform a number of important projects across the Department, like upgrading the electrical and plumbing systems at the Terry Children's Center and installing electric and gas meters on the main campus to better monitor usage.

Finally, we are requesting \$200.0 for Maintenance and Restoration to enable the Department to carry out minor projects at any of the 15 state-owned facilities we maintain. These projects will delay the need for major work on our facilities in the future.

Children and Families Depend on Us



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I'd like to drive home a statement I made earlier. Our children are our future – our responsibility. It is a responsibility none of us take lightly, but all of us embrace passionately.

We work hard and think critically about how we operate, not just to adapt to a changing economic climate, but to continually improve how we serve children and families. They depend on us and they deserve our best.

Questions?



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Thank you for allowing me to present the FY13 Budget Request of the Children's Department. Our team will avail themselves to answer any questions you have.