

CHAPTER 1: INTRODUCTION

I. INTRODUCTION TO THE TITLE IV-E WAIVER IN OHIO

In October 1997, the Ohio Department of Human Services (ODHS) received federal authorization for the Title IV-E Waiver demonstration. The underlying premise of the Title IV-E Waiver is that changes to federal child welfare eligibility and cost reimbursement rules will change purchasing decisions and service utilization patterns in ways that are favorable to children, families and communities. The increased flexibility of the Waiver will lessen the current fiscal incentives to place and keep children in out-of-home care. Ohio's Title IV-E Waiver program, ProtectOhio, adopts a managed care approach to increase the efficiency and effectiveness of its child welfare system, focusing on reducing use of out-of-home placement, increasing reunification and permanency, and improving family functioning, while also maintaining a cost-neutral budget.

The ProtectOhio demonstration project unhooks federal reimbursement from specific child welfare service categories, leaving the 14 demonstration counties with considerable discretion in how to manage care for the children and families they serve. Instead of fee-for-service reimbursement, counties receive a fixed pool of funds that can be allocated across an array of services unspecified by either the federal or state governments. Each demonstration county fashions its own managed care approach, potentially leading to unique arrangements regarding any of the key managed care components -- eligibility, payment mechanisms, risk-sharing, care criteria, provider networks, care coordination, utilization management, and quality assurance (Kimmich & Feild, forthcoming).

Ohio's waiver application proposes to redesign the service delivery system, through the use of managed care technologies, to focus on participant-based outcomes consistent with the values and practice of child welfare, and demonstrate the effectiveness of public-private partnerships. The central purpose of ProtectOhio is to test whether the change in the basis of payment and in service system responsibilities improves the way counties structure and manage their child welfare systems, and as a result, improves the cost effectiveness of outcomes for children and families at risk.

Because children's services in Ohio are county-administered, much variation exists among the 88 county public child serving agencies (PCSAs). The Title IV-E Waiver provides an opportunity for PCSAs to explore innovative approaches to meeting the needs of children and families in their community. Fourteen counties chose to participate in the Title IV-E Waiver: Ashtabula, Belmont, Clark, Crawford, Fairfield, Franklin, Greene, Hamilton, Lorain, Medina, Muskingum, Portage, Richland, and Stark.

In obtaining the Title IV-E Waiver, Ohio committed to conduct a rigorous evaluation of the ProtectOhio demonstration. Essential to the evaluation is examination of 14 comparison counties, chosen for their similarities to the demonstration counties (see discussion of the selection process in chapter 2). The comparison counties include: Allen, Butler, Clermont, Columbiana, Hancock, Hocking, Mahoning, Miami, Montgomery, Scioto, Summit, Trumbull, Warren, and Wood.

II. OVERVIEW OF EVALUATION DESIGN

Human Services Research Institute (HSRI), in collaboration with Westat, Chapin Hall Center for Children, Institute of Human Services Management (IHSM), and Mid-America Consulting Group (MCG), are under contract with the Ohio Department of Human Services to evaluate the ProtectOhio demonstration project. Fourteen county PCSAs have committed to fundamentally redesign their child welfare service delivery systems, through the use of managed care strategies. The evaluation consists of four related studies, each of which assesses the program hypothesis from different perspectives.

The ***Process Implementation Study*** examines the activities which occur in each of the 14 demonstration counties as they move toward implementation of their own Waiver plans, and documents contemporaneous developments in a comparison set of 14 non-Waiver counties. It also identifies actions at the state level that influence local child welfare practice. The primary focus of the Process Implementation study is to document the evolution of Waiver-generated changes in state and local plans, and to explore how the varying modes and implementation trajectories impact the achievement of desired outcomes for children and families. This study describes what has occurred at the state level and in each of the demonstration counties, compared to what was planned. It also compares the various demonstration models to each other and to the 14 comparison counties. This approach is primarily descriptive, relying on qualitative as well as quantitative data.

The Process Implementation Study has two components. The *ongoing process analysis* explores changes that occur in the way counties manage and purchase services to children and families at risk. The *long-term process analysis* identifies patterns in the evolution of system changes, as well as factors, both internal and external, which distinguish the managed care demonstration counties from the comparison counties.

The ***Participant Outcomes Study*** examines the impact of ProtectOhio on the children and families served by the child welfare system. The design requires that measurable outcomes be defined for consumers served by the system. Service utilization and outcomes are compared for participants over the 5-year period of the Waiver, through analysis of administrative data on all families served. In addition, in the fourth year of the evaluation, the study team will gather interview data on a sample of families in selected demonstration and comparison counties.

The ***Community Impact Study*** examines the broader effects of the demonstration in the participating counties, not just the effects on the children and families served by the PCSAs. This study addresses how changes in each demonstration PCSA affect the larger community's service infrastructure and dynamics, noting changes over time and between demonstration and comparison counties. The study team examines county-level indicators of social and economic well-being, relationships among child serving agencies and other social service agencies, status of other children's initiatives, and community perceptions of the demonstration. This analysis will lead to a better understanding of the broad effects that changes in the child welfare system have on the county as a whole.

The ***Cost-Benefit Study*** identifies cost savings and changes in expenditure patterns arising from the use of managed care technologies. The Cost Benefit Study has two components. The *fiscal outcomes analysis* examines changes in revenues and in service expenditures, both at the family/child level and at the system level (differentiating direct service, administrative, and training costs). The *cost effectiveness analysis* reveals how differing county "purchasing decisions" affects the number of people who use services, the level and duration of services, and whether those changes are cost-effective to children and families and the system that serves them. Data from each of the previous analyses – county structural changes, participant outcomes, community impact, and fiscal outcomes -- will be linked to show the cost-effectiveness of the changes taking place in Ohio, at both individual and county levels.

III. OVERVIEW OF YEAR ONE ACTIVITIES

A. Summary of Tasks Completed

In July 1998, shortly after the evaluation contract award, the evaluation team prepared a work plan, listing all of the specific tasks to be performed by one or more of the study team organizations. The tasks completed during the first biennium, July 1, 1998 through June 30, 1999, are briefly summarized below.

1. The evaluation team met on several occasions with the ProtectOhio Consortium to discuss the proposed evaluation activities, including the overall research design, initial plans for telephone interviews, and site visit arrangements.
2. The evaluation team worked closely with ODHS to establish a comparison set of counties (described fully in chapter 2).
3. The evaluation team conducted numerous interviews with state-level staff, to learn about statewide initiatives and standard policy and practice in child welfare, and to gather background materials on the Waiver, child welfare rules, and other relevant written documents.
4. The Participant Outcomes study team, Westat, and the Fiscal Impact study team, Chapin Hall, each conducted telephone interviews with key county staff responsible for administrative and fiscal data.
5. Westat worked closely with ODHS data management staff to obtain needed files and documentation.
6. Chapin Hall conducted an information audit to determine how revenue and expenditure data are currently tracked by counties; this report was discussed with ODHS, and a data collection plan was finalized.
7. The Process Implementation team conducted initial telephone interviews with each of the demonstration and comparison PCSAs, to obtain basic information; subsequent contacts were made to schedule site visits.
8. Site visit teams, composed of staff from HSRI, IHSM, and MCG, developed site visit tools, including questions for the Process Implementation study and the Community Impact Study, and conducted a two-to-three day site visit to each demonstration and comparison county. Following the visits, the teams prepared an initial written profile of each study county.
9. The evaluation team prepared this annual report.

B. Chapter Contents and Overview

The following chapters of this First Year Report describe the various findings of the Evaluation team. The chapters are organized as follows:

Chapter 2 describes the activities of the *Process Implementation study* and the *Community Impact study*, and their findings. The findings are in two sections: The first offers descriptive information about the demonstration and comparison counties, including the nature of the service system, the structure of the PCSA, and the character of the larger environment of children services in the counties. The second section provides information about changes which are already beginning to occur in the two groups of counties, including the decision about entering the Waiver, types of changes which are underway, and identified strengths and barriers to system reform.

Chapter 3 presents the methodology and findings of the *Participant Outcomes study*. These data are drawn exclusively from FACSIS, and begin to offer a baseline profile of the 28 evaluation counties, with some differentiation among size groupings and between demonstration and comparison counties. Significant attention is given to describing the data limitations affecting these initial findings, and the analytic needs for future evaluation work.

Chapter 4 examines the availability of state-level data for the *Fiscal Impact study*, and offers some initial findings on county-level fiscal activities. Because of data limitations, detailed in the chapter, the study team is at this time unable to present analyses of county-specific revenue or expenditure information. Plans for the coming year include engaging a discrete number of demonstration and comparison counties to examine the available data and supplement it with locally-generated information.

Chapter 5 pulls together the major findings from each of the studies, and outlines plans for the coming year.