

CHAPTER 1: INTRODUCTION

In October 1997, Ohio implemented “ProtectOhio”, the Title IV-E Child Welfare Demonstration project. As one of a score of Title IV-E Waiver programs in the country, ProtectOhio experiments with flexible use of federal IV-E dollars. 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. ProtectOhio adopts a managed care approach to increase the efficiency and effectiveness of the 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.

Since the Waiver began, fourteen Ohio counties have taken advantage of considerable flexibility in how they use Title IV-E funds. The flip side of this flexibility, however, is risk: counties participating in ProtectOhio have taken on most of the financial risk for the cost of child welfare services. These counties have traded unlimited federal participation in the costs of out-of-home care for the flexibility to spend limited funds on a range of child welfare services. Their commitment signals a desire for systemic change in the management of child welfare as the vehicle for improving child and family outcomes. This fourth annual report of the evaluation illuminates some changes that are occurring and highlights some issues impinging on the change process.

1.1 OVERVIEW OF EVALUATION DESIGN

In July 1998, the Ohio Department of Job and Family Services contracted with a team of researchers led by Human Services Research Institute (HSRI) to evaluate the impact of ProtectOhio on outcomes for children and families in the child welfare system. The five-year evaluation project consists of four related studies, each of which assesses the central program hypothesis from different perspectives. The various members of the evaluation team carry primary responsibility for one or more of these studies:

1.1.1 Process Implementation Study:

HSRI has leadership of the Process Implementation Study. With support from the Institute for Human Services Management (IHSM) and a private consultant in Ohio, the study team is examining the activities that occur in each of the 14 demonstration counties as they move toward implementing their own Waiver plan. The team is also tracking contemporaneous developments in a comparison set of 14 non-Waiver counties. Through site visits and other primary data collection methods, the Process Implementation study team seeks to document the evolution of Waiver-generated changes in state and local plans and to explore how the varying approaches and implementation trajectories impact the achievement of desired outcomes for children and families.

1.1.2 Participant Outcomes Study:

Westat bears primary responsibility for conducting the Participant Outcomes Study. This research effort examines the impact of ProtectOhio on the children and families served by the child welfare system. The design requires defining measurable outcomes for clients of the local public child-serving agency (PCSA). Service utilization and outcomes are compared for participants over the five-year period of the Waiver, primarily through analysis of administrative data on all families served.

1.1.3 Fiscal Outcomes Study:

Chapin Hall Center for Children, at the University of Chicago, has primary responsibility for the Fiscal Outcomes Study. The fiscal analysis examines whether or not counties changed child welfare spending patterns as a result of receiving Title IV-E foster care funds as unrestricted child welfare revenue and, if so, how expenditure patterns changed. The fiscal outcomes study consists of the compilation and analysis of state and county-level aggregate expenditure information for child welfare services in each demonstration and comparison county from 1996, 2 years prior to the Waiver, through 2002, the fifth year of the Waiver.

1.1.4 Community Impact Study:

HSRI leads the Community Impact Study, with support from IHSM. This study examines the broader effects of the demonstration in participating counties, not just the effects on the children and families served by the PCSAs. The study team seeks to address 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 Community Impact Study will not be discussed in this report, but will be explored further and reported next year.

The ProtectOhio evaluation includes 14 demonstration counties that chose to enter the Title IV-E Waiver. These counties represent a broad spectrum of the 88 counties in Ohio. When the evaluation first began, the evaluation team developed a set of criteria to guide the choice of the 14 comparison counties. Exhibit 1.1 lists the variables considered in choosing the comparison counties. The comparison counties mimic the characteristics of counties involved in the Waiver, allowing for closer examination of distinctions between demonstration and comparison counties.

Exhibit 1.1: Variables Used in Choosing Comparison Counties
<ul style="list-style-type: none">• County population• Percent of county considered rural• Percent of children in population on Aid to Dependent Children (ADC)• Percent of child welfare spending coming from local government• Child abuse and neglect reports per 1,000 children in county population• Out-of-home placements per 1,000 children in the county• Median placement days

Exhibit 1.2 lists the demonstration and comparison counties participating in the evaluation of Ohio’s Title IV-E Waiver.

Exhibit 1.2: ProtectOhio Evaluation Counties					
	<u><i>Demonstration</i></u>			<u><i>Comparison</i></u>	
Ashtabula	Franklin	Muskingum	Allen	Hocking	Summit
Belmont	Greene	Portage	Butler	Mahoning	Trumbull
Clark	Hamilton	Richland	Clermont	Miami	Warren
Crawford	Lorain	Stark	Columbiana	Montgomery	Wood
Fairfield	Medina		Hancock	Scioto	

1.2 HIGHLIGHTS OF LESSONS LEARNED

The following section provides an overview of the findings from previous years of the evaluation, in particular the findings from the Third Annual Report.

1.2.1 Findings from Year 3: Process Implementation Analysis

During the third year of the ProtectOhio evaluation, the Process Study team continued to explore the implementation of the Title IV-E Waiver in the 14 demonstration counties, as well as system reform efforts in the 14 comparison counties, with particular attention to the use of managed care strategies.

Use of Managed Care Strategies

Findings revealed substantial activity in most areas of managed care:

- *Service Array:* Overall, service availability appeared to be improving, with little difference between demonstration and comparison counties in sufficiency of services. Both demonstration and comparison counties actively developed new services, often with a preventive focus (e.g. home-based and support services).
- *Financing:* Demonstration counties were using IV-E Waiver flexibility to develop capitated contracts to a greater extent than comparison counties. Four demonstration counties had capitated or case rate contracts in place (a decrease from six counties in Year 2); no comparison counties had implemented such contracting arrangements.
- *Competition:* Both demonstration and comparison counties were offering incentives to enhance their own foster care networks, most often by increasing per diem rates, but also providing other perks to entice families in the community to become foster parents.
- *Utilization Review:* Demonstration counties were using more utilization review strategies, including pre-placement and periodic review processes, although comparison counties were increasingly active in this area. Both demonstration and

comparison counties were also beginning to develop management information systems (MIS) to improve decision making processes.

- *Quality Assurance:* This area showed significant growth during the third year of the evaluation. While demonstration counties began the year more engaged in quality assurance activities than were comparison counties, in Year 3 the difference between the two groups lessened. In certain areas, however, demonstration counties remained more focused than comparison counties – in having designated QA staff and in making greater use of outcome data.

Overall, in year 3 the demonstration counties continued to incorporate managed care strategies into their system reform efforts to a greater extent than comparison counties, but comparison counties were beginning to close the gap.

External Factors Influencing Caseload

The study team examined several external factors that could affect PCSA caseloads in ways similar to the Waiver. Little difference emerged in the impact of these activities on demonstration and comparison counties in Year 3.

- The Adoption and Safe Families Act (ASFA) affected both demonstration and comparison counties, often in positive ways, encouraging PCSAs to develop their own systems to more quickly move cases to permanency.
- Inappropriate referrals from juvenile courts continued to be more of an issue for comparison counties than for demonstration counties, although in Year 3 several comparison counties adopted specific strategies that improved the situation.
- Ohio Works First (OWF) sanctions had a relatively minor impact on PCSA caseloads, perhaps because both demonstration and comparison counties were proactive in developing responses to potential new cases where clients had been sanctioned. The increase in availability of flexible funds through TANF enabled comparison counties to keep pace with the demonstration counties, developing new ways to address family needs before they reach crisis.

1.2.2 Findings from Year 3: Participant Outcomes Analysis

In Year 1, the team assessed the quality of available secondary data, especially in the state's management information system, the Family and Child Information System (FACIS). In Year 2, the study team extensively analyzed caseload trends in the demonstration and comparison counties, comparing the baseline period of 2 years prior to Waiver implementation (October 1, 1995 through September 30, 1997) with the first 2 years of the Waiver (October 1, 1997 through September 30, 1999). Many variables that were examined did not yet show significant change over time, nor contrasts between groups; since many PCSAs were only beginning to implement managed care strategies and to make structural changes, it was too early to expect established outcome trends to have responded.

In Year 3, the study team again analyzed caseload trends in the demonstration and comparison counties. In this year, the baseline period of 2 years prior to the Waiver implementation (October 1, 1995 through September 30, 1997) was compared with the first 3 years of the Waiver (October 1, 1997 through September 30, 2000). Observations about the caseload changes included:

- ✓ Child Abuse/Neglect Reports: During the 3 years of the Waiver period, the number of incidents slowly fell for both the demonstration and comparison counties.
- ✓ Ongoing Caseloads: During the Waiver period, the overall number of children in ongoing cases increased by 19% in the demonstration counties and decreased by 10% in the comparison counties.
- ✓ Custody Caseloads: From the baseline period through the end of the third program year of the Waiver, the number of children in custody increased overall, for both demonstration and comparison counties.
- ✓ Placement Caseloads: During the 3 years of the Waiver period, both demonstration and comparison counties experienced growth in the number of children in placement.
- ✓ Use of Relatives: Overall, the number of children in relative care increased by 15% between the end of the second year of the baseline period and the end of the third year of the Waiver period, in both the demonstration and comparison counties
- ✓ Use of Group Care: Both the demonstration and comparison counties showed similar increases in their use of group care.

Highlights of findings about outcomes included:

- ✓ Safety: It did not appear that children were harmed by the Waiver, as reflected in recidivism rates. Changes in the recidivism rate of abuse/neglect appear similar for the demonstration and comparison groups.
- ✓ Use of In-home Services: Improving permanency for children through the Waiver showed mixed outcomes after the third year of the Waiver. The demonstration counties saw more children as clients, resulting primarily from the increase in non-abuse neglect cases, which were likely court or service referrals. Most of the comparison counties are seeing fewer children and fewer in placement.
- ✓ Foster Care Length of Stay: For large demonstration counties, the Waiver has shortened the length of stay. During the Waiver period, foster care children in the large demonstration counties exited from their first placement at a 32 percent higher adjusted daily rate than children in the large comparison counties.¹

1.2.3 Findings from Year 3: Fiscal Analysis

The purpose of the fiscal outcomes analysis is to determine whether activities of demonstration county staff are shifting expenditures from out-of-home care to

¹ This finding has been corrected from the Year Three Report.

community-based services. In Year 1 of the evaluation, Chapin Hall conducted a fiscal audit of the data available at the state and county level. The team determined that most state data sources were not well suited to answering the fiscal impact questions.

In Year 2 of the evaluation, the fiscal study team used the only state sources of reliable data available—the Social Services Random Moment Survey (SS-RMS) data and paid placement days information from FACSIS—to evaluate fiscal outcomes. The SS-RMS revealed that both the demonstration and comparison groups were increasing direct county costs. Paid placement day figures were used as a proxy for actual foster care expenditures and revealed small differences between demonstration and comparison counties. The data indicated that demonstration and comparison counties were similar in placement day utilization in all years except one year after the Waiver began, where demonstration counties were able to reduce paid placement day utilization.

In Year 3 of the evaluation, the fiscal study team developed its own methods for collecting and analyzing county fiscal data. Year 3 presented the aggregate expenditure information for five demonstration and five comparison counties for the years 1996 – 2000. Results of the aggregate expenditure review found that both demonstration counties and comparison counties were increasing foster care board and maintenance expenditures at a similar rate. However, non-board and maintenance expenditures grew at a faster rate among demonstration counties than among comparison counties, fueled mainly by an increase in the administration of foster care programs and, to a lesser extent, in more preventive/non-foster care services. Year 3 also found that four out of five demonstration counties received more federal IV-E revenue through the Waiver than they would have received in absence of the Waiver, and that this money was spent on non-board and maintenance services.

1.3 CURRENT OHIO CONTEXT

While the Title IV-E Waiver offers the 14 demonstration PCSAs considerably more flexibility in their use of IV-E funds than is afforded other Ohio child welfare agencies, ProtectOhio is but one of many factors influencing child welfare practice throughout the state. Over the years of the evaluation, the complexity of the county-administered child welfare system in Ohio has become more evident, and the challenge of distinguishing the effects of the Waiver from the effects of other efforts underway at both state and local levels has similarly increased. Hence it is important to identify the major factors in the overall child-serving environment and consider their probable influence on the findings of the Waiver evaluation.

First, numerous state agencies have absorbed substantial cuts in state resources over the last 2 years, impacting many child and family serving agencies in both demonstration and comparison counties. Most relevant to this study are the cuts in services provided through the Department of Youth Services and the Department of Mental Health, reducing the range of services available in many communities. The recent decrease in

funds from the federal welfare program, Temporary Assistance to Needy Families (TANF), due to reduced welfare rolls, has also greatly affected a number of programs accessed by children and families in Ohio counties. The Department of Job and Family Services' Prevention, Retention and Contingency (PRC) funds, in particular, had been used to create a number of programs utilized by PCSA clients; many of these programs have since been reduced or eliminated. (See Section 2.3.2 below for details.) While many Ohio counties are fortunate in having local levies to replace lost state revenues or to smooth the transition to lower budgets, the cuts have nonetheless significantly altered the ability of PCSAs and other child serving agencies to provide needed services to children and families.

Second, the budget cuts occur in a county-administered system, so the magnitude of the impact may vary substantially across the evaluation counties, depending on the nature of the relationship between the PCSA and the agency subject to the budget shortfall. For example, the local Juvenile Department may choose to protect particular diversion programs for teens, because it has made a commitment to the PCSA to maintain that effort; or the local mental health board may choose to reduce its funding for specific child outpatient services because it knows that the PCSA can use flexible IV-E funds to pay for the service. Such decisions significantly impact service availability in the PCSA.

Third, directly related to the previous point, the nature of the budget cuts in a particular demonstration county may dramatically affect how that PCSA decides to use its IV-E funds. While most counties in both groups have access to flexible levy funds, demonstration counties may also tap IV-E funds when facing cutbacks in state funding streams.

The state budget cuts and the resulting changes in county expenditure patterns may dramatically alter the way demonstration counties use their IV-E flexibility. These reductions in resources may affect the willingness of a county to try a particular system reform effort. Further, demonstration counties may divert Waiver funds to other efforts, in order to make up for loss of funds in other areas. Consider the recent TANF/PRC cuts: while comparison counties had been able to use PRC funds flexibly in the second and third years of the Waiver, many of these efforts have since been eliminated. All these factors make it more difficult to isolate the impact of the Waiver per se. In particular, it may take additional years of the Waiver to see how these changes impact fiscal and participant outcomes.

There is another dimension to the evaluation challenges—the nature of the demonstration and comparison counties themselves, and the impact of county characteristics on analytic approaches. First, the fact that there are only fourteen counties in each group makes it difficult to draw statistical inferences. More significant however, is the fact that many of the 28 counties are relatively small, so small fluctuations in numbers of children may result in large percentage changes in particular outcomes. This presents two challenges—it increases the volatility of individual county-level changes over time; and it reduces the usefulness of aggregate figures across the 14 counties in each group, because

one county's performance can easily balance out what is occurring in another small county. The study team has developed some valuable analytic approaches for minimizing some of these problems, but statistical significance remains difficult to achieve in county-level analyses.

This year's report strikes a better balance between providing information on an aggregate level and giving appropriate attention to individual county-level variations. The majority of the report presents aggregate comparisons of the demonstration counties to the comparison counties, supported by some explanations regarding individual counties. However, the first part of Chapter 5 provides "county profiles" of two demonstration counties, tying together the information on how the PCSA has changed its system, on the shifts occurring in child welfare expenditure patterns, and on changes in participant outcomes. The material is highly speculative at this stage, primarily highlighting the possibilities that the data offer to examine overall Waiver effectiveness.

1.4 YEAR 4 ACTIVITIES

During the fourth year of the evaluation, the evaluation team continued to explore key policy and practice issues relevant to one or more of the principal studies comprising the overall evaluation. The following section describes the major activities that occurred during the period July 1, 2001 through June 30, 2002.

1.4.1 Overall Team Activities

Ongoing contact with Ohio stakeholders: Throughout the fourth year of the evaluation, the evaluation team maintained ongoing contact with Ohio Department of Job and Family Services (ODJFS) staff and ProtectOhio Consortium members. One or more representatives of the evaluation team attended all bi-monthly Consortium meetings, learning about recent activities in the state and in particular ProtectOhio counties, gathering feedback on initial evaluation products and findings, and keeping Consortium members informed about ongoing evaluation activities. The project director and other evaluation staff also met with ODJFS staff several times during the course of the year to discuss issues related to progress of the evaluation and modifications to the evaluation design, and presented evaluation findings to state and national audiences.

Evaluation team retreat: At the beginning of October of 2001, all members of the evaluation team met to identify topics to explore in Year 4 and ensure that the different components of the evaluation could be integrated. These conversations assisted the development of the site visits and guided subsequent work on the participant outcomes and fiscal studies.

County debriefing: Many of the 28 evaluation counties have expressed a strong desire to be kept informed about the findings of this evaluation as they become available. For this reason, the team held "county debriefings" which were viewed as very successful in Year 3. In October 2001, staff from HSRI and Westat conducted a single ProtectOhio Evaluation debriefing in Columbus for both the demonstration and comparison counties.

This debriefing provided the team with an opportunity to share findings from all 3 years of the evaluation, as well as receive feedback from county staff. PCSA staff of all levels were invited to attend, enabling line staff, supervisors, and administrators to learn about Waiver efforts in other counties. Over 30 people attended this debriefing, representing nine demonstration counties and four comparison counties, as well as ODJFS state and regional offices.

Reports: The evaluation team collaborated to produce several reports this year: the *Executive Summary of the Third Annual Report* was prepared shortly after the release of the full report; the *Third Semi-Annual Report* was submitted to ODJFS in January 2002; and this *Fourth Annual Report* is being submitted in June 2002.

1.4.2 Process Implementation Study Activities

In the fourth year of the evaluation, the Process Implementation study continued to collect information from the 28 evaluation counties, building on information collected in prior years. Specifically, efforts include:

Site Visits and Focus Groups: In the fourth year of the evaluation, the Process Implementation team conducted a site visit to each of the 28 evaluation counties. These visits took place from October of 2001 through May of 2002 and were conducted by two-person teams from HSRI, IHSM, and a consultant from Ohio. Prior to these visits, the team met at the October retreat to determine which areas of interest should be pursued during the visits. From these discussions, the team developed a detailed interview guide to consistently gather information in all 28 counties. A copy of this interview guide is included in Appendix I-1.

To gain a complete understanding of the dynamics of the PCSA and the local community, the site visits this year included interviews with staff both internal and external to the PCSA. During these site visits, the teams interviewed the following personnel: PCSA director and management, PCSA supervisors, representatives from the local mental health board and the juvenile court, Families and Children First staff, as well as any other local stakeholders who could provide a perspective about changes in the PCSA since the Waiver. In these interviews, the team continued to explore many of the issues that have been pursued throughout the course of the evaluation (e.g., changes in case flow, use of managed care strategies, and other system reform efforts).

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| <p>Sample of Topics Explored in Year 4</p> <ul style="list-style-type: none">➤ System reform➤ Unit structure➤ Team conferencing➤ Service availability➤ Managed care strategies➤ Interagency relationships |
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This year the team also conducted focus groups in most of the 28 counties in order to gain an understanding of how the Waiver is impacting people who are delivering and receiving child welfare-related services. In 14 demonstration counties and 12 comparison counties, the study team conducted focus groups with front-line workers to explore staff perceptions of how the PCSA has changed since the implementation of the Waiver. In 11 demonstration counties and 10 comparison counties, the site visit team conducted focus

groups with community members who interact with the PCSA to understand the clients' perspective on changes that have taken place over the last 5 years. These groups usually included clients with active or past PCSA cases, as well as some foster and adoptive parents. The site visit team used the information gathered in both of these forums to clarify the impact of Title IV-E on both front-line staff and on PCSA clients. (Topics discussed during the focus groups are detailed in the last two pages of the site visit guide included in Appendix I-1.)

Data Analysis: HSRI compiled the information collected during the site visits and analyzed it qualitatively and quantitatively using SPSS and Nudist. These analyses are the basis for Chapter 2 and Chapter 5 in this report.

1.4.3 Participant Outcome Study Activities

The study team conducted three main activities during the fourth year of the evaluation: obtained the fourth year FACSIS data; refined the length of stay analysis, and conducted of the caseworker survey.

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| <p>Participant Outcome Activities</p> <ul style="list-style-type: none">✓ Obtained Fourth Year FACSIS Data from ODJFS✓ Refined Analysis for Length of Stay✓ Conducted Caseworker Survey |
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Fourth Year FACSIS Data from ODJFS: In March 2002, Westat obtained updated FACSIS data from ODJFS including Federal Title IV-E eligibility information. The FACSIS data covered child welfare activity in the 28 counties through February 2002, including updates on all historical data. ODJFS provided Westat with approximately 81 data files regarding all aspects of child and family services as contained in FACSIS.

Analysis for Length of Stay: The study team refined the analysis of the length of first placement by differentiating specific exit outcomes. These outcomes included the length of first placement until reunification with parents or guardians, until custody transfer to a relative, until adoption, or until the child ran away.

Caseworker Survey: The evaluation team conducted a caseworker survey in February and March of 2002. The caseworker survey examined the activities and opinions of caseworkers from the 28 counties participating in the evaluation. It provides detailed information on service delivery, use of in-home and placement services, and permanency decisions. Of the 1,408 surveys distributed to county agencies, 1,053 were completed by caseworkers. Of those surveys, 992 provided a second section with information on an active child case. This count results in a response rate of 75% for completion of the first section and 73% for completion of both the first and the second sections of the survey.

1.4.4 Fiscal Study Activities

The fiscal study team gathered aggregate expenditure information from demonstration and comparison counties using a case-study approach. The team began working individually with county finance departments, beginning the fiscal analysis with each county's internal fiscal reports, without being constrained by state definitions of expenditures. The goal was to compile a database for each county containing aggregate

child welfare expenditure information for county fiscal years 1996 through 2002 (i.e., 2 years prior to the Waiver implementation, through the most recent year of the current Waiver demonstration).

Data for the aggregate expenditure case studies was gathered through a review of county expenditure documents and a series of conversations with county staff to understand and verify the study team's interpretations of the data. Supplementary data were also gathered from various sources, including FACSIS (placement day counts), SS-RMS data, and state reports of Title IV-E foster care eligibility rates. The steps to complete an aggregate expenditure case study included the following:

- *Conduct first interview.* In the first interview, the fiscal study team made contact with the appropriate county fiscal staff, discussed the budget process in that county and sources of data on expenditures, and selected documents to be sent to Chapin Hall for review for county fiscal years 1996 through the most recent year of data.
- *Review documents sent by county.* This initial review determined the completeness of the data, as well as the categories by which the county tracked fiscal data.
- *Conduct second interview.* In the second interview, the team asked for interpretations of the expenditure documents and for help categorizing expenditures into the broad evaluation categories. The content of this interview varied depending on the information provided by the county.
- *Complete draft template.* The study team prepared a draft template of expenditure information for the county based on information gathered in documents and interviews.
- *Conduct third and subsequent interviews.* The third and subsequent interviews took place after the study team gathered enough information to summarize county expenditures in the template. In the third interview, the team reviewed the template with the county fiscal officer, verified the information, and discussed the trends in the expenditure data from the county's perspective.
- *Complete template.* The team prepared a final template of expenditure information and accompanying narrative explanation and sent it to the county for review.
- *Incorporate county comments.* As necessary, the team incorporated county comments and finalized the aggregate expenditure case study through the most recent year.
- *Update templates as necessary.* For counties completed through 2000, the study team obtained information for the year 2001 and incorporated county explanations of new data where needed.

The team completed this data collection process and analyzed the expenditure data for eleven demonstration and twelve comparison counties.

1.5 OUTCOME PRIORITIES

In the second year of the evaluation, the evaluation team compiled an extensive list of factors that were expected to affect, or be affected by, the Title IV-E Waiver. The team then transformed these factors into measurable outcomes, determining how each of the evaluation studies could contribute to understanding each measure. Finally, the evaluation team asked for feedback from the ProtectOhio Consortium group, to obtain the counties' perspective on the appropriateness of these outcome measures. ProtectOhio Consortium members prioritized the measures, helping the evaluation team understand the relative importance that demonstration counties place on the various outcomes. A more detailed description of this entire process was provided in the first Semi-Annual Report. Table 1.1 lists the 11 domains and 24 outcome measures that were identified as priorities by at least half of the Consortium counties.

The resulting *Matrix of Primary Outcomes* has been and will continue to be used as the core analytical plan for the evaluation, indicating how each of the evaluation studies contribute to assessing the impact of the Waiver. This matrix provides a framework for presenting the study findings in this report.

Table 1.1: Outcome Priorities		
Outcome Domain *Outcome Measures	Number of counties identifying outcome as primary	Chapter where outcome measure is discussed
Permanency		
* Increase in permanency of children in foster care	12	Chapter 3
* Reduction in Length of Stay (LOS) in foster care	11	Chapter 3
* Decrease in time from removal to permanency	11	Chapter 3
* Increase in foster/ adoptive parents recruited	8	Chapter 2
Placement Stability:		
* Reduction in number of placements	11	Chapter 3
* Increase in use of less restrictive placements	10	Chapter 3
Child Safety		
* Reduction in recurrence of child abuse and/or neglect	9	Chapter 3
Relative/Kinship Care		
* Increase in placements with relatives	7	Chapter 2
Case Management		
* Increase in family decision-making involvement	9	Chapter 2
* Use of team conferencing	8	Chapter 2
Interagency Collaboration		
* Improvement in PCSA interactions w/ other service agencies	7	Chapter 2
* Improvement in relationship between PCSA & mental health	7	Chapter 2
Managed Care: Caseload Analysis (CLA) (selected counties)		
* Greater implementation of CLA model	7	Not explored in Fourth Annual Report
Managed Care: Service Array		
* Development of new services, especially prevention and early intervention	10	Chapter 2
* Improved availability and quality of services	9	Chapter 2
* Increase in service capacity relative to need	9	Not explored in Fourth Annual Report
* Timely access to services	9	Not explored in Fourth Annual Report
Managed Care: Utilization Review and Quality Assurance		
* Increase in attention to outcomes	11	
* Increase in activity related to controlling/ rationalizing use of out-of-home care	9	Chapter 2 Chapter 2
* Improvement in county-specific data systems	7	Chapter 2
Revenues & Expenditures		
* Shift in expenditures from out-of-home care to non-foster care services	14	Chapter 4
* Increase in variation in use of IV-E funds	8	Chapter 2
* Increase in diversity of funding sources	7	Not explored in Fourth Annual Report
Cost Effectiveness		
* For a given level of expenditure, outcomes achieved	10	Chapter 5

1.6 ORGANIZATION OF THIS REPORT

The Fourth Annual Report is organized in a way that integrates the findings from the various evaluation studies into topic areas.

In each chapter, major findings are highlighted in a **Summary** description at the beginning of each section. This is followed by a more detailed discussion of each topic.

Chapter 2 describes the Process Implementation findings, exploring approaches that demonstration and comparison PCSAs have used in the last year. The chapter explores a variety of factors that might be impacted by the Title IV-E Waiver. The factors cover a range of managed care strategies and interagency collaboration, as well as reflecting on systemic issues.

Chapter 3 includes findings from the Participant Outcomes Study, based on FACSIS data. The chapter first explores selected caseload trends, such as child abuse and neglect incidents and in-home versus placement caseloads. The main findings concern duration in foster care: results of survival analysis illuminate patterns in the length of stay of children in their first foster care placement, with variations according to county size, exit destination, and other variables.

Chapter 4 examines fiscal outcomes, specifically focusing on changes in county expenditures, paid placement days, and service mix. This chapter provides findings from the aggregate case studies, drawing on expenditure information from eleven demonstration counties and twelve comparison counties.

Chapter 5 begins to answer the question, “what does this all mean?” It offers insight into what has been happening in two specific demonstration counties, and discusses how such county-specific profiles can be useful in addressing the larger questions of Waiver effectiveness.

Chapter 6 begins with a summary of the major Year 4 findings and implications for the three evaluation studies. The chapter also offers a brief description of the proposed next steps of the evaluation.