

FIRST ANNUAL REPORT: EXECUTIVE SUMMARY

Chapter 1: Introduction

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.

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. The selected comparison counties include: Allen, Butler, Clermont, Columbiana, Hancock, Hocking, Mahoning, Miami, Montgomery, Scioto, Summit, Trumbull, Warren, and Wood.

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. 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. Initial findings are presented in Chapter 2.

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. Preliminary analyses are presented in Chapter 3.

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. Initial findings are combined with the Process findings in Chapter 2.

The ***Cost-Benefit Study*** identifies cost savings and changes in expenditure patterns arising from the use of managed care technologies. It 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. 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. Chapter 4 presents preliminary findings from the fiscal outcomes analysis.

Overview Of Year One Activities

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

1. Meeting with the ProtectOhio Consortium;
2. With ODHS, establishing the set of comparison counties;
3. Interviewing state-level staff regarding statewide initiatives and standard policy and practice in child welfare;
4. Telephone interviewing of key county staff responsible for administrative and fiscal data;
5. Obtaining needed FACSIS files and documentation;
6. Conducting an information audit to determine how revenue and expenditure data are currently tracked by counties;
7. Initial telephone interviewing of lead program staff in each PCSA to obtain basic information, and scheduling of site visits;
8. Developing site visit tools, conducting site visits to each demonstration and comparison county, and preparing written profiles of each study county.

Chapter 2: Process Implementation and Community Impact Analysis

The Process Implementation study examines 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 the comparison set of 14 non-Waiver 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 PCSA. The evaluation team's findings in these two areas are addressed in this section, providing descriptive information about the current status of county services for children and families, as well as initial findings concerning changes that the counties in the evaluation are beginning to make. Information for this chapter comes primarily from the site visits conducted by HSRI, IHSM, and MCG. Two-person teams spent two to three days in each county, talking with PCSA staff, other child-serving agency staff, and key players in county collaboration.

Descriptive Findings from the Site Visits

In exploring the nature of the demonstration model, it is important to understand how the demonstration counties compare with comparison counties and the rest of the state, using standard demographics and socioeconomic statistics. Demonstration counties constitute nearly one-third of Ohio's population, and a slightly smaller proportion of the state's child population (32%), while comparison counties include only a quarter of these two statewide populations. In examining statistics on child welfare activity, a pattern of contrast is evident between the demonstration counties, as a group, and the comparison counties: demonstration sites have more reports of abuse and neglect, more children in out-of-home care, and more children in custody than comparison counties. While this may reflect differences in proportion of overall state and child population, the demonstration counties also show substantially higher abuse & neglect reports per thousand children than do comparison counties. On factors relating to the county environment, demonstration counties show higher unemployment rates and teen birth rates than comparison counties, but the groups are similar in juvenile crime and high school graduation rates.

Service System

The key question in this section concerns the availability of services for families and children, and the development of new services to fill existing gaps. Overall, demonstration counties indicated the existence of slightly more types of services available in county (i.e. mental health/substance abuse services, placement services, in-home services, other services), compared to comparison counties. The services most often not available in a specific county tend to be either more expensive in-patient services or preventive services.

Some PCSAs rely on contracting with private providers for services utilized by PCSA clients, to more effectively and efficiently provide services. Other PCSAs avoid developing contracted services, often for political reasons. Contracted services can include adoptions, foster care networks, independent living, parenting classes,

drug/alcohol screening, mental health services, and job services. Among the study sites, eight demonstration and eight comparison PCSAs use little to no contracted services. However, among the PCSAs who do use contracting, demonstration counties rely on it more extensively than comparison counties. Counties use a number of different types of contracts, including traditional fee-for-service, program contracts, and case-rate contracts.

Internal PCSA Configuration

To gain a better understanding of the current structure and activities of the PCSA, the site visit team explored the internal structure and dynamics of the PCSAs. Demonstration counties are more often located within DHS (seven demonstration vs. four comparison counties) and are more often part of triple-combined agencies (five demonstration counties vs. three comparison counties). PCSA leaders in more than half the counties reported receiving good support from the DHS director/ CSB Board (eight demonstration and ten comparison counties) and from the County Commissioners (eight demonstration and ten comparison counties). Over 60 percent of the evaluation counties (nine demonstration and eight comparison counties) indicate that the PCSA administrator is a strong leader, able to guide system reform, forge collaborative relationships, and build a strong and united PCSA agency.

A number of factors were explored to understand the current environment of the PCSA. Supervisor/worker ratio, caseload, PCSA leadership, physical environment, and morale appear to vary across the PCSAs, both between demonstration and comparison groups and among the members of each group. The only general pattern seems to be that (1) supervisors are more satisfied than workers, (2) workers in comparison counties are more satisfied than workers in demonstration counties, and (3) agency morale is linked, in complex ways, with worker/supervisor morale, supervisor/worker relationship, and internal PCSA turmoil. These variables will be further explored in upcoming years.

Several statewide child welfare initiatives have been implemented in the evaluation counties. Each of these initiatives has a basic philosophy, complementary to system reform ideas, for changing the way a PCSA provides services. *AdoptOhio* seeks to reduce the time children remain in custody by involving both private and public entities in developing adoption opportunities; ten demonstration and thirteen comparison PCSAs have AdoptOhio contracts. *Families for Kids* is a nationwide Kellogg Foundation project focusing on aggressively developing permanency plans for children awaiting placements, utilizing a team approach; four demonstration counties and two comparison counties participate. *Family to Family*, an Annie E. Casey Foundation project, focuses on developing strategic plans to create family-centered, neighborhood-based child protection services to avoid out-of-community care; six demonstration and five comparison counties are involved in Family to Family. Counties choose to become involved in these and other initiatives because they see them as opportunities to be creative in the way they do business; other counties are less involved because they have chosen to focus efforts in other areas (i.e. managed care efforts). For these reasons, involvement in initiatives is seen as one, but not the only, way to change the way PCSA services are provided.

During the course of the site visits, it became clear that PCSAs vary quite a bit in the types of custody and placements options they utilize. These choices are often guided by local environmental factors such as the attitude of the local juvenile court and the availability of local placement settings. The court can play a large role in the number of children placed in PCSA custody. Some PCSAs are trying to control the number of custody cases coming from the court: three demonstration counties and one comparison county have entered into agreements with the juvenile court, enabling the court to keep custody of the child and still receive foster care maintenance funds through the PCSA. Counties are also focusing on alternatives to placement such as assisted guardianships, and developing different methods to subsidize a relative who is able to care for a child on a permanent basis. This topic is further discussed in Chapter 3.

Financing

PCSAs receive funds from a number of sources to support their child-serving activities. Local funding typically comprises over 50% of available PCSA funds. Over 60 percent of the evaluation counties (ten demonstration and eight comparison counties) rely solely on the local levy to support children's services. Such heavy dependence can be risky; of the counties supported by a local levy, less than half report that the most recent levy passed easily (six demonstration and six comparison). Some PCSAs also have access to Title XX-Social Services Block Grant Funds, but availability of these funds is dependent on local DHS decisions. The collection of child support also contributes to PCSA budgets to some extent in slightly over half of the counties (43% of demonstration and 64% of comparison counties). Lastly, in efforts to draw more funds into the county, some PCSAs are quite involved in identifying and securing additional funds from grants, foundations, and state/federal sources; almost 40% of the counties (five demonstration and six comparison) report efforts to obtain these sorts of special grants. The Fiscal Impact study will examine this in more detail in the future years of the evaluation.

Management Tools

The site visit team explored methods that PCSAs use to collect data and determine how the PCSA is operating, as well as how agencies plan for quality improvement. Slightly under half of the evaluation counties (six demonstration and six comparison counties) are developing some sort of quality assurance, often modeled after the State's monitoring process. Counties are also beginning to look beyond compliance and are focusing on good practice and quality of service issues. Several counties have developed a staff position dedicated to gathering data to report on quality. Half of the counties (eight demonstration and six comparison counties) are monitoring agency outcomes by using CPOE data provided by ODHS, with most counties using it to conduct cross-county comparisons. Over half the evaluation counties (eight demonstration and eight comparison counties) are also thinking about developing outcome measures of their own, with demonstration counties more often reporting some or extensive work on developing measures, an indication of the managed care emphasis in several Waiver counties.

External Environment: Family & Children First and Interagency Collaboration

This section explores the range of contextual factors in a county that may influence the implementation of the Waiver or systems reform. One of the major initiatives that has affected county collaboration is the Ohio Family and Children First (FCF) initiative, developed to coordinate county efforts to better serve multi-need families. Developed out of the Interdepartmental Cluster for Youth, FCF has three levels in most counties --- an executive planning committee, the full FCF council including many private and non-profit providers, and the case review level where multi-need cases are reviewed. The case review level is consistently seen as the strongest functioning level of FCF. The creation of FCF has strengthened collaboration in 17 counties, while four counties (one demonstration and three comparison counties) indicate that the addition of another formalized structure has impeded some collaboration.

FCF efforts are supported in a variety of ways. Counties receive a small amount of funding from the state, sometimes used to support an FCF coordinator. Funds also come from the County Commissioners, membership of the FCF Council, and state contributions for individual cases. However, most funds come from the local agencies that are the primary service providers for these children. Funds from these agencies may be committed for individual cases, earmarked for specific programs, or pooled together to serve any multi-agency cases. While most counties report using shared funds on an individual basis, slightly more than 40 percent of the counties (eight demonstration and four comparison counties) report pooling funds for multi-system cases, indicating a willingness and trust to share control over funds.

While FCF provides the basis for broad community collaboration, the individual relationships that PCSAs have with major child-serving agencies in the county can significantly influence the PCSAs ability to serve children. The site visit team explored PCSA relationships with mental health, juvenile court, MR/DD and schools. The juvenile court tends to have a love-hate relationship with the public child welfare system, offering essential legal authority to support child welfare decisions, yet sometimes overruling child welfare and ordering different action. Almost two thirds of the evaluation counties (eight demonstration and eleven comparison) report strong to very strong relationships with the juvenile court. Overall, PCSAs have better collaborative relationships with mental health providers than other child-serving agencies in their county: over 70 percent of the evaluation PCSAs (nine demonstration and eleven comparison) report strong to very strong collaboration with mental health. The relationship between PCSAs and schools tends to be more confrontational than some other PCSA relationships, with less than half the counties (four demonstration and seven comparison) reporting a collaborative relationship. Lastly, the relationship between PCSAs and MR/DD agencies tend to be less strong than PCSA relationships with other child-serving agencies, often due to the limited number of clients they have in common. About a third of the counties (three demonstration and seven comparison counties) indicate positive collaborative relationships between MR/DD and the PCSA.

Changes Which Have Occurred Since the Waiver Began

The dominant theme of the Process Implementation study is systems change, whether through participation in the Title IV-E Waiver or through other means. This section examines ways in which the demonstration and comparison counties have already begun making changes, especially their use of managed care strategies, the central thrust of the Ohio Title IV-E Waiver.

Counties' Decision about Joining the Waiver

Following the initial ProtectOhio presentations by ODHS in December 1995, counties began to explore the benefits and drawbacks of entering the Waiver. Counties offered multiple reasons for their decision to enter or not to enter the Waiver. A number of counties (four demonstration and five comparison) were influenced by their IV-E penetration rate: high penetration rates indicated the possibility of a substantial sum of money in the flexible form, while low penetration rates made the flexible pot too small to be worth the risk. Placement days/costs were another consideration (five demonstration and eight comparison sites): some counties felt that it was difficult to control placements, and thus risked losing money, while others felt that they could reduce placements and/or wanted to stabilize their current IV-E revenues. The most common reason for entering the Waiver was the opportunity for flexible funding (mentioned by 13 demonstration counties), especially because it meant receiving funds up front rather than as reimbursement for expenses. Seven comparison counties expressed a general lack of interest in engaging in any more major initiatives: they were already trying enough new practices and/or they felt things were already going well in the agency.

Expectations for Change

Counties share several common themes in their philosophy of change and their vision of an improved child welfare system. First and foremost, counties view the Waiver as providing flexibility, innovation, and freedom from having to use placements to generate IV-E funds. Another important dynamic of the Waiver is increased collaboration, sharing of resources, attention to quality, and ultimately, better outcomes for children and families. These areas of agency change will be followed systematically in the future years of the evaluation, to see how counties adapt to the Waiver. Thus far, leadership in demonstration counties is more significantly committed to system reform than in comparison counties (11 demonstration vs. five comparison counties). Demonstration counties are also doing more significant planning around system reform principles than comparison counties (9 demonstration vs. three comparison).

Managed Care Strategies

The Process Implementation study explicitly explores how the demonstration and comparison counties are making use of managed care strategies. Managed care offers a broad array of technical mechanisms to improve and simplify service systems. While some counties are trying a "standard" managed care approach, a capitated contract with an outside entity, much more common is some type of restructuring of service units or

case flow, changes which are less obvious examples of managed care. Overall, demonstration counties are more likely to be using or considering several managed care strategies than comparison counties.

- *Financing Methods/Capitation and Risk:* At the heart of any managed care approach is capitation, the process whereby a fixed amount of money is paid in advance to cover the costs of services needed by eligible individuals or families. Less than a quarter of the evaluation counties (five demonstration counties and one comparison county) are experimenting with these types of financing methods, usually involving a fairly conventional managed care case rate contract, and even fewer are experimenting with risk corridors.
- *Provider Competition:* Use of managed care financing arrangements often leads to alteration of the provider marketplace through consolidation, mergers, and/or creation of formal networks of providers. In addition, some counties have tried to attract more providers into the area by offering increased rates or other incentives. A quarter of the evaluation counties (five demonstration and two comparison counties) have made changes or are planning changes that will affect provider competitiveness.
- *Monitoring and Quality Assurance:* Changes in monitoring and quality assurance is one of the areas of greatest managed care activity in the 28 study counties. As counties explore managed care contracting arrangements, thus giving up some control of case-level decision making, they must develop stronger oversight of service quality and service utilization. Over half of the evaluation counties are currently thinking about or actually developing monitoring systems (eight demonstration and seven comparison counties). Many counties are also beginning to implement in-depth case review processes, sometimes done by peers, addressing not only compliance issues but also conformance to best practice.
- *Service Array:* Making services increasingly available in a county is one step toward serving children and families more efficiently and effectively. About 40% of the counties (eight demonstration and three comparison) are planning or implementing significant changes in their services array, as a conscious decision to improve their service system. Changes tend to include the expansion of preventive services.
- *Process of Handling Cases:* The most prevalent managed care activity is change in the process of handling cases. Classic managed care calls for case managers or gatekeepers to oversee individual services. Thirteen demonstration counties have made changes in case management responsibilities for moving cases through the system, in contrast to only three comparison counties.
- *Targeting a Particular Population:* Deciding who should receive services has a vast impact on the efficiency of the child welfare system. Six demonstration sites are actively targeting a particular population in their reform efforts, in contrast to only two comparison counties. Populations are often targeted through managed care contracts: three demonstration counties have managed care contracts geared to high-

need children. Three more demonstration counties have targeted permanency activities for specific populations.

- *Caseload Analysis*: Caseload analysis is a standardized service delivery methodology compatible with managed care, which categorizes the needs of families by intensity and duration, in order to equitably distribute cases among workers. About a third of the evaluation counties (eight demonstration and one comparison) are planning to use or currently use caseload analysis, with two sites adopting their own version (rather than the state's system). Because all are at different phases of implementation, it is premature to draw any conclusion about the impact on PCSA activities.

Changes Made in the First Year of the Waiver

Since October 1997, demonstration counties have made more changes in a variety of areas than their comparison counterparts. Many counties have made changes in the way cases flow through the PCSA system: over 80% of the counties (13 demonstration and ten comparison counties) have made changes in the intake process (screening, abbreviated assessment, triage, and intake enhancement), case transitioning (timing of case transfers, integrated teams), and ongoing case practice (team meetings, home-study practice). Two-thirds of the PCSAs (12 demonstration and seven comparison counties) have made changes in staffing structure (new roles for existing workers or creating new positions). Less than half the evaluation counties (eight demonstration and four comparison counties) have made some change in the role of the PCSA, most often toward a more preventive focus. Even fewer counties made changes in the variety of services available in a community (eight demonstration and three comparison counties).

County Strengths and Barriers

The site visit team explored the nature of strengths and barriers that foster or inhibit implementation of the Waiver or other reform efforts, and ultimately affect accomplishment of the county's system reform objectives.

The strengths most commonly cited in evaluation counties include (in order of frequency mentioned): interagency collaboration (12 demonstration and 12 comparison counties), service array (nine demonstration and seven comparison), PCSA leadership (12 demonstration and three comparison), and PCSA relationship with the community (six demonstration and five comparison). Other strengths indicated in fewer counties include training, data management, financing, court relationship, and PCSA morale.

Evaluation counties also discussed barriers to implementing change (in order of frequency mentioned): interagency turf battles (eight demonstration and six comparison), community education (five demonstration and eight comparison), service gaps (five demonstration and three comparison), placement costs (four demonstration and four comparison), and PCSA turmoil (three demonstration and five comparison). Other barriers mentioned less often in counties included worker communication, differing agency philosophies, and lack of adequate cross training.

Conclusion

Chapter 2 described the basic operations of the child welfare systems in the demonstration and comparison counties. The two groups of counties show many similarities and many differences, in the range of services available; in the internal structure of the PCSA; in the financing, contracting, and monitoring methods used; and in the larger community environment of child-serving agencies. The study findings also indicate a significant amount of change already occurring in the counties, from exploring the use of managed care strategies, to embarking on other system reform activities, to keeping steadfast on a change agenda conceived prior to the Waiver.

The major themes emerging from this chapter include the following:

1. Most counties, demonstration and comparison alike, increasingly focus on service provision at the “front end” of the system, sponsoring more prevention-oriented activities in the community and providing more home-based services to intact families with children at risk of placement. Accompanying these preventive efforts, counties are also using creative approaches to screening and assessment of children and families referred because of alleged abuse or neglect.
2. Counties are experimenting with many different managed care strategies, ranging from capitated contracts and risk-sharing, to restructuring of case management responsibilities and case flow. Not surprisingly, the demonstration counties are much more active in adopting managed care techniques, beginning to take advantage of the flexibility they have in use of Title IV-E funds.
3. Many PCSAs are struggling to deal with unruly and delinquent youth, who are often placed in PCSA custody. This not only imposes a financial burden on the child welfare agency, but often also creates tension between the Juvenile Court and the PCSA regarding casework decision-making.
4. The counties vary tremendously in the nature of interagency collaboration, although most counties see it as a notable strength in their community. The Family and Children First Councils, a major player in most counties, take many different organizational forms, and have varying ability to pull together the major child-serving agencies for joint planning and financing activities.
5. Counties seem to be giving increasing attention to data management and to quality assurance, with a number of PCSAs developing their own data systems and others expanding the scope of their quality assurance activities.

Chapter 3: Participant Outcome Analysis

The Participant Outcome analysis assesses the impact of "ProtectOhio" on the outcomes for children and families served by the 28 participating PCSAs. In the first study year, Westat has explored the caseloads and selected outcome measures for a two-year baseline period, October 1995 through September 1997, prior to the start of ProtectOhio.

Through telephone interviews with lead staff in each of the demonstration and comparison counties, Westat conducted an assessment of available secondary data, especially in the state's Family and Children's Information System (FACSIS) system. Most counties in Ohio use the State's Micro-FACSIS software and upload data to the host FACSIS system at ODHS. Three participating counties (Franklin, Hamilton, and Summit) have their own electronic systems, separate from Micro-FACSIS. Westat's assessment indicates that many factors complicate the use of state FACSIS data for the participant outcome analysis, including duplication of cases, purging practices, data quality assurance, variations in definitions across counties; variation in documentation of use of relatives for placement, county-defined values, county events, differing data management procedures, and electronic transmittal problems.

For the preliminary analysis, the FACSIS data were aggregated by demonstration counties versus comparison counties, by size groupings of counties, and by individual counties. The four largest counties in the evaluation, Franklin and Hamilton Counties in the demonstration group and Montgomery and Summit Counties in the comparison group, represent approximately half of the children's population in the 14 counties of each respective group. The caseload characteristics of these Metro counties are sometimes vastly different from the remaining (smaller) counties. Where applicable, these contrasts are identified in the discussion below.

This chapter summarizes caseload statistics and outcome indicators using FACSIS data. Topics covered include investigations of abuse and neglect, ongoing caseloads, court caseloads and outcomes, and placement information. All measures refer to the two-year baseline period.

Overall Caseload Contrasts

The number of children and clients in the demonstration counties is greater than in the comparison group, in all types of caseloads. Based on 1995 data for children under age 18, the demonstration counties contain 57% more children than the comparison group (908,169 children and 577,128 children, respectively). This larger pool of potential clients is reflected in most of the caseload differences. The caseloads for the demonstration group are, as expected, much larger than the comparison group. However, the percentage difference varies greatly from the 57% population difference. For example, the monthly average percentage of incidents of child abuse/neglect shows the demonstration group having only 38% more incidents than the comparison group. This might be a result of screening and reporting practice, or reflective of true incidence differences.

The size difference in the aggregate caseloads between the demonstration and comparison groups is not, in itself, a concern for the evaluation. Because the cost-neutrality analysis and participant-outcome analysis will be based on the children served/client level, it is important to look at caseload characteristics as they distinguish the demonstration group from the comparison group.

Abuse and Neglect Incidents

Child welfare discussions often center on "the front door," usually referring to hotline calls in each county which bring child abuse/neglect incidents to the attention of each PCSA. Both demonstration and comparison groups actually serve approximately a quarter of their clients without an abuse/neglect incident in their history (22% clients for demonstration group, 27% for comparison group). Counties in both groups address steady numbers of cases coming directly from the courts, the community, or from other sources.

In regard to characteristics of the abuse/neglect data, the two groups are similar. Both groups have similar combined substantiation/indication rates: 40% for the demonstration group and 42% for the comparison group. The ages of victims in incidents are almost identical: 20% of children are age 2 or younger; 21% are 3-5 years old; 39% are 6-12 years old; and 20% are over 12 years of age.

Children in the four Metro counties were more likely to be involved in multiple incidents of child abuse/neglect during the baseline period than were children in other counties. The Metro counties also have lower rates of indication and substantiation, which may be explained by the greater number of children with multiple incidents. Children could appear several times in an incident, until there is adequate evidence for substantiation or indication.

Ongoing Caseload

County caseloads remained fairly steady throughout the two-year baseline period, with the demonstration group consistently 50% higher than the comparison group at the end of each quarter. This trend is significantly affected by the Metro counties.

The mix of new, reopened and long-term cases is similar in the demonstration and comparison groups. Almost half of clients served in both groups during the entire baseline were already active in cases on the first day of the baseline (47% of clients in the demonstration group and 44% in the comparison group). There are some differences in how cases were initiated. Looking at first case type for all clients in the baseline, the comparison group used voluntary services (10% of all caseload) more frequently than the demonstration group (4%). Conversely, the demonstration group more frequently used protective service orders as a first case type (67% compared to 64% for comparison sites). The court appears to have a bigger role in the initiation of cases in the demonstration counties.

The primary role of the PCSA is its protective role with all families brought to its attention. Protective services are the most frequently used as case type for new cases (51% for demonstration group; 45% for comparison group). Custody, as a case type, is used equally in both groups (25% in the demonstration group and 27 % in the comparison group).

Like the other counties, the Metro counties had a majority of long-term cases during the baseline period. Protective Services were used frequently by all four counties in the

Metro counties; voluntary services were used rarely. The data also begins to show the use of the new agreements for court custody in two demonstration counties, Hamilton and Greene. ODHS reports that several more counties have begun using this case type. Reimbursement for court custody is not included for demonstration counties in their IV-E Waiver reimbursement methodology.

Court Outcomes

The court role in the demonstration counties appears to be more assertive than that in comparison counties. First, the use of types of adjudication was examined. Both groups use dependency most frequently. Dependency represents 69% of all adjudication types for the comparison group compared to 58% for the demonstration group. There is a greater use of delinquency and unruly/status offender adjudication in the demonstration group (18%) compared to the comparison group (4%). Looking at the outcomes of dispositional hearings, custody is more frequently given to relatives in the comparison group -- 34% of dispositional outcomes compared to 16% in the demonstration group. The most likely dispositional outcomes in the demonstration group are protective services (34%) and custody (47%); in contrast, the comparison group figures are 21% and 43%, respectively. There appears to be much more pressure on the demonstration group counties for PCSA custody and protective services.

In the Metro counties, dependency is similarly the major type of adjudication, but there is more balance between the use of dependency and abuse and neglect adjudications -- 55% and 28%, respectively, for the Metro counties, compared to 73% and 23% for non-Metro counties as a group.

Custody and Placement

The greater proportion of unruly/delinquent children likely affects the placement activity in each group. Of the children placed during the baseline in the demonstration group, more of them are over 13 years of age -- 34% versus 24% in the comparison group. Overall, the majority of children are placed into home settings in both groups (73% of first settings in the demonstration group versus 83% in the comparison group). However, consistent with the greater percentage of older children, the demonstration group uses group homes and CRCs more frequently than the comparison group for first placement (23% of placement types in the demonstration group and 13% in the comparison group, respectively).

The Metro counties used relative placement somewhat more frequently as an initial placement, 26% compared to 19% for non-Metro counties as a group. The four counties also tend to use group homes and CRCs more frequently as first placement, 22% compared to 14% for non-Metro sites. In particular, Hamilton County placed 22 percent children in group homes and 10 percent into CRCs. The use of group homes and CRCs corresponds to the greater number of teenagers requiring placement during the baseline in the Metro counties. In fact, 40 percent of children placed in Hamilton are over 13 years of age.

In relation to outcomes of custody and placement, demonstration and comparison groups appear similar, including the duration of care for both placement and nonplacement cases and similar duration for adoption finalization. There is a higher rate of reunification for the demonstration group of children discharged during the baseline period (46% versus 37% in the comparison group).

The concerns voiced in the counties about the level of court activity in placing children directly into more restrictive (and expensive) placements, action which both attracted and dissuaded counties to participate in the Waiver, is supported in the preliminary analysis of caseload and system conditions in the demonstration and comparison counties.

Race/Ethnicity

The race/ethnicity of children in child abuse and neglect incidents is similar for both the demonstration and comparison groups. Approximately 70% of children identified in both groups were white, approximately one-quarter of children identified were African-American, and one percent were Hispanic. Almost five percent of children in the demonstration group and three percent in the comparison group are listed as "other." In addition, five counties are excluded due to missing data and Hamilton County is not included because 59% of the children are listed as "other."

The distribution of race/ethnicity for all children in placement looks somewhat different. Approximately half of the children in a placement during the baseline period are white. The percentage of African-American children is 39% in the demonstration group and 44% in the comparison group. In both groups, the proportion of non-white children is greater for those children placed in foster care versus the children at the time of the abuse/neglect incident. Whether race/ethnicity increases the likelihood of placement must be examined in the coming years of the study, looking at patterns of service through each county system for both abuse/neglect and non-abuse/neglect cases.

CHAPTER 4: FISCAL IMPACT ANALYSIS

The Fiscal Impact Analysis examines how counties spend Title IV-E funds and the collateral effect this has on child welfare expenditures overall.

The methodology used in this analysis includes a conceptualization of the data needed to answer the research questions and a fiscal information audit to determine what existing information resources state and county officials could use to construct a database of expenditure and units of service data. Based on the fiscal information audit, a database was constructed using existing statewide sources of data.

After initial exploration of the state data sources and preliminary responses to a subset of the research questions, the Chapin Hall team determined that state data sources are generally not well-suited to answering the fiscal evaluation questions. Of the statewide financial data that were analyzed, only a small subset is presented. After extensive review, we deemed that the only state data reliable enough to support a report of preliminary results was data on direct county expenditures and staff activity.

Preliminary analysis of expenditures for county activities for one year before the Waiver and for the first year of the Waiver indicates that no appreciable shifts in county activities have taken place to date among the demonstration counties. The staff in demonstration counties are spending approximately the same share of time on foster care maintenance, family support services, training, and eligibility determination.

Since the demonstration began, demonstration counties are spending more money on direct county expenditures overall. However, without information on total child welfare expenditures, we cannot tell whether this growth is due to a growth in the total child welfare budget or due to an increasing public sector share of expenditures.

Both demonstration and comparison counties saw large increases in Title IV-E administration and training claims from FFY96 to FFY97. Since the beginning of the demonstration, however, these claims have risen significantly in the demonstration counties and have risen only slightly in the comparison counties. The demonstration counties have continued to increase their administration claims because these counties are spending more money on direct county expenditures.

Chapter 5: Conclusions and Next Steps

The first year of the ProtectOhio evaluation has been very revealing. Evaluation team members have spent significant time on site in the demonstration and comparison counties, and on the telephone with individual contact people, gathering baseline information about the operations of each PCSA. In addition, some of the information, especially in the Process Implementation study and, less so, in the Fiscal Impact study, gives a hint of changes that are already occurring in many of the counties.

Overall, the first year analysis of process, outcome, and fiscal data points to three conclusions: first, the demonstration counties and their comparison counterparts appear to be reasonably similar prior to the start of the Title IV-E Waiver; *second*, both demonstration and comparison PCSAs are making changes to their organizations and to the way cases are handled, with demonstration sites being more active in experimenting with managed care strategies; and *third*, the data limitations which the Participant Outcomes and the Fiscal Impact study teams have encountered are considerable, and must be addressed early in the coming year of the evaluation.

The evaluation team will continue to explore the key policy and practice issues of the four evaluation tasks. The site visit team (composed of staff from HSRI, IHSM, and MCG) will conduct a second and third round of visits to the 28 counties, focusing on questions raised in the first round, as well as pursuing issues related to the Community Impact study. In August 2000, the team will prepare the Interim Process Implementation Report, detailing the findings from the Ongoing Process Analysis and the Long Term Process Analysis.

Westat will continue to work closely with ODHS staff to obtain needed data files, and will engage selected evaluation counties to review the preliminary data output, in an effort to resolve issues that have surfaced in the FACSIS data.. The team needs to gather

more preliminary information about county data before continuing with the analysis of participant outcomes. During the second biennium, the team will collect additional information, use the administrative data to describe the case flow and patterns of service delivery in each county, and finalize the list of outcome measures. Activities will include a continued use of telephone surveys with state and county administrative data and systems staff, to clarify some of the questions raised in this first year; as well as in-person interviews with selected county staff, and work with the ProtectOhio Consortium.

Chapin Hall will similarly focus on remedying data problems, by working closely with 14 evaluation counties to develop needed expenditure and revenue information. All the study teams will maintain ongoing contact with ODHS and especially with the ProtectOhio Consortium, to solicit their opinions and to provide ongoing feedback on evaluation activities; and will collaborate on preparation of the Semi-Annual and Annual Reports in Years 2 and 3.

The following list highlights the new activities of the evaluation team:

- ❖ Conduct interviews with ODHS regional office staff, to develop a better understanding of the regional office role in supporting and monitoring PCSA efforts;
- ❖ Establish a process and framework for gathering information for the Community Impact study, and develop an initial database as part of the Second Annual Report;
- ❖ Compile a detailed list of individual and system-level outcomes, to be pursued in the Participant Outcomes study. This list would include some outcomes unique to one or a few counties, depending on their expressed “logic models”, which encompasses a PCSA’s philosophy of change and vision of an improved child welfare system;
- ❖ Design an integrated approach to the cost effectiveness analysis, linking together data on service utilization, costs, and outcomes; and begin to evaluate the cost effectiveness of the Waiver demonstration.