

CHAPTER 4: HOW HAVE SPENDING PATTERNS CHANGED? FINDINGS FROM THE FISCAL OUTCOMES STUDY

4.1 INTRODUCTION AND SUMMARY

This chapter presents the findings to date of the Fiscal Outcomes Study. The first section of the chapter describes the data collected and issues that arose in interpreting the data. The second section addresses changes in foster care board and maintenance expenditures and related data. The third section presents data on spending for child welfare services other than foster care board and maintenance. In presenting these findings, the fiscal study team is addressing one of the primary outcome measures for the ProtectOhio evaluation (see Chapter 1, Section 1.5):

- ◆ Shift in expenditures from out-of-home care to non-foster care services

The purpose of the Fiscal Outcomes Study is to judge whether or not demonstration county PCSAs changed child welfare expenditure patterns as a result of receiving Title IV-E foster care funds as unrestricted child welfare revenue, and if so, how expenditure patterns changed. As with the other studies that comprise the ProtectOhio evaluation, the fiscal study used the group of comparison county PCSAs to represent what would have happened with the group of demonstration counties in the absence of the Waiver. Using the data available to date, the team examined whether or not the group of thirteen demonstration counties showed evidence of different child welfare spending patterns than the thirteen comparison counties¹. If a significantly different range of expenditure patterns existed among demonstration counties compared to comparison counties, the team concluded that it was possible that the differences between the two groups arose as a result of receiving Title IV-E foster care funds as unrestricted child welfare revenue. However, the likelihood of finding a significant difference between the two groups was reduced by the small number of counties studied, the variability in the size of county child welfare programs, the variability of expenditures from year to year within counties, and issues in data accuracy.

Given these facts, it is not surprising that the analysis of available foster care expenditure and related data for demonstration and comparison counties from 1996 to 2001 did not reveal significantly different growth rates of annual foster care board and maintenance expenditures, paid placement days purchased, and unit costs of foster care board and maintenance during the Waiver period, for the two groups.

However, in one area, demonstration counties showed a significantly different pattern of expenditures. For a variety of reasons, demonstration counties did receive more federal Title IV-E revenue through the Waiver funding formula than they would have received under normal Title IV-E foster care board and maintenance reimbursement rules. All but

¹ Crawford and Hancock have been excluded from this year's analysis. Crawford was excluded because data has not yet been finalized. Hancock was excluded because accurate expenditure information is not available.

three of the demonstration counties spent all additional Waiver revenue on child welfare services other than board and maintenance. As a result, the percent increase in all other child welfare services increased significantly more for demonstration counties than comparison counties.

The study team analyzed three components of non-board and maintenance expenditures: county staff and related costs, foster care case management costs, and family and community based services (predominantly cash and material support for families and relatives and contracts for family support and mental health services). Foster care case management costs did increase significantly more among demonstration counties. It is possible that significant differences in expenditures for other types of services occurred, but the fiscal study was not able to analyze all service types of interest.

The Fiscal Outcomes Study findings indicate that the Waiver did not cause demonstration counties to have meaningful differences in foster care expenditures as compared to comparison counties. However, this does not suggest that individual demonstration counties did not moderate foster care expenditures through investments in child welfare services as a result of the Waiver; indeed, the county profiles presented in Chapter Five offer some insight into the individual experiences under the Waiver. Nor do these findings mean that the child welfare services system was not improved in the demonstration counties in other ways. In fact, Chapter Five reports that staff from each demonstration county said that they had made investments in family and community-based services that they would not otherwise have made in the absence of the Waiver. Additionally, during the interviews for the fiscal study, each demonstration county fiscal officer also noted the administrative benefits of receiving Title IV-E board and maintenance revenue as flexible funds. Therefore, these findings show that the Waiver stimulus either had no significant, systematic effect on foster care expenditures in a majority of demonstration counties, or that an effect occurred in a majority of counties that was too small to be clearly revealed in the comparison of aggregate data between the demonstration and comparison counties. Further years of data may reveal patterns that are not apparent at this stage. However, given the variability of yearly foster care expenditure data, unless the longer term effects of the Waiver on expenditures are large, even additional years of data will not be illuminating.

4.2 METHODOLOGY

4.2.1 Rationale for Data Collection Approach

The fiscal study team chose county budget and expenditure documents as the primary source of fiscal data for several reasons. First, county budget documents maintained more consistency over time than state reporting systems. Second, county budget categories were created to suit each county's own unique needs, and the case study approach adopted by the fiscal team accommodated the often unique situations found in each county. Additionally, county fiscal and program staff were able to provide

interpretations of their expenditure data, while at the state level no staff person had such a thorough knowledge of all the counties' operations.

Perhaps the biggest limitation facing the fiscal study team was that the state and, for the most part, the counties lack financial tracking systems with the sophistication to track child welfare expenditures over time, by service type and by child, and to link expenditures for services to program outcomes. As a result, the evaluation team concluded that studying each county's aggregate expenditure data would provide the most accurate picture of child welfare expenditures.²

4.2.2 Data Collected

The fiscal outcome team collected aggregate expenditure information for child welfare services for thirteen demonstration and thirteen comparison counties. Where data was available, expenditure information was compiled and analyzed from 1996, two years prior to the Waiver, through 2001, the fourth year of the Waiver and the last year that information was available. However, because of missing data, many comparisons between the demonstration group and the comparison group included ten demonstration counties and eleven comparison counties.

The team obtained expenditure information from county staff, reviewed county expenditure documents, and had a series of conversations with county staff to understand and verify interpretations of each county's fiscal data. This process resulted in the completed data collection for the 26 counties found in Appendix IV. To the extent possible, the study team organized internal county expenditure data into service categories, thereby facilitating a comparison of trends over time and across counties. The fiscal study team created four expenditure categories for most counties: foster care board and maintenance, county staff and administration, family and community-based services purchased by the county, and adoption subsidies and services purchased by the county. The family and community-based services category included money spent to purchase family preservation, family support and mental health services from other public or private agencies, and cash and material support to families and relatives caring for related children. Counties then reviewed the spending amounts grouped into these categories and confirmed their accuracy. In a few cases, county staff was able to further divide county staff and administration expenditures by program area, such as family preservation, foster care, and adoption. The remaining counties did not separately track the costs of programs delivered or managed by county staff.

The expenditure information collected from county staff was supplemented by several state reports. First, counts of paid placement days from FACSIS were used both to better understand foster care expenditures, to illuminate out-of-home care utilization, and to compute unit cost figures for foster care. Paid placement days were studied both overall and within categories of placement types, such as foster care, group care and residential

² Other sources of data were explored. As noted in the First, Second, and Third Annual ProtectOhio reports, the availability of detailed and reliable expenditure data at the state level is very limited.

treatment. Second, the Social Services Random Moment Survey (SS-RMS) provided information necessary to compute foster care case management unit cost figures. Finally, state reports of Title IV-E foster care eligibility rates and ProtectOhio awards were also used to tabulate any demonstration counties' savings earned from participating in the Waiver.

4.2.3 Interpreting Expenditure Data

Trends in aggregate expenditure data for demonstration and comparison counties from 1996 to 2001 were compared to discover any differences in the trends among counties in one group compared to counties in the other group. Because of the small number of counties in each group, variability in county size, and variability of expenditure data from year to year, the fiscal study team judged differences in trends for individual counties and between the two groups by methods developed specifically for these data. Each section provides an explanation for the method used to evaluate potential differences between the two groups.

In most cases, for each type of data, the average of the two years prior to the Waiver implementation (1996 and 1997) provided the baseline against which data from 1998 to 2001 were compared. For most types of data, two methods were used to generate statistics for each county. One method was a variation on the sign test.³ The sign test examines the sign, but not the magnitude of a difference or change score. The sign test variant was used to generate a score of 0-4 for each county, where a county scored 1 for each year from 1998-2001 that was below the baseline. Then, the number of demonstration counties that were below the baseline in three or four out of four years was compared to the number of comparison counties that were below the baseline in three or four out of the four years. If the difference between the percentage of demonstration counties with three or four years below the baseline and the percentage of comparison counties with three or four years below the baseline was more than 50 percent, the data signaled the possibility that the Waiver had caused demonstration counties to reduce foster care expenditures.

The advantage of this score was that it characterized the trend for each county in all four years. The disadvantage was that it did not account for differential rates of growth above the baseline. To account for the magnitude of changes in the data analyzed, the percent difference in the measure between the baseline and 2001 was calculated. The percent differences for each county were compiled and sorted, and the Tukey's "Quick Test" was applied. Tukey's Quick Test is a nonparametric test used to compare two independent samples to determine if a significant difference in the two samples exists.⁴ This test provides a standard for evaluating the differences between the demonstration and comparison groups.

³ Howell, DC. (1992) *Statistical Methods for Psychology*, Third Edition. Duxbury Press: Belmont, Canada.

⁴ *Nonparametric Methods for Quantitative Analysis*, 3rd Ed. by Jean E. Gibbons, American Science Press, 1997.

The Quick Test is based on the assumption that the distribution of counties from each group, when placed in order of magnitude of change, should be random. If the distribution is random, then several counties from the same group should not be found together on one side of the distribution or the other. However, if data for at least seven of the counties from one group are clustered at the low or high end of the distribution, then sufficient evidence (probability = 0.95) exists to indicate that two samples have differing trends. If counties from one group or another are not clustered at either end of the distribution in this way, then the data does not provide sufficient evidence for difference between the two groups.

For a variety of reasons, the fiscal study team has been conservative in the interpretation of the trends in expenditure data presented in this chapter. First, counties differ widely in their ability to track expenditures by program type and many counties' accounting systems provided insufficient information for the purposes of the Fiscal Outcomes Study. For example, some line items as reported by the county contained expenditures that spanned multiple expenditure categories. Resolving such difficulties sometimes required estimations, and some counties were better able to resolve certain difficulties than others. Therefore, the data presented are a general representation of program costs for each county rather than an exact accounting of expenditures.

Additionally, counties' ability to interpret expenditure trends also varied significantly. The fiscal study team compiled each county's expenditure data, and presented it to county fiscal staff in the format found in Appendix IV. Some counties had difficulties interpreting their own historical data, and many had not previously viewed expenditure information in any summarized format. When counties are unable to provide an explanation for expenditure trends, it limits the strength of any findings.

Third, not all counties participating in the Waiver were included in the analysis, and sometimes counties were not able to provide information for all years studied. Therefore, the missing data also limits the fiscal study team's ability to interpret trends between groups.

Finally, observed changes in aggregate expenditures among demonstration counties could have been caused by a variety of factors other than the ProtectOhio Waiver. For this reason in particular, in order to conclude that there was a different experience in demonstration counties as a result of the Waiver and not as a result of other factors, it was necessary that a strong trend differentiate the two groups.

In sum, due to the imprecision of the data provided by the counties, counties' inability to interpret trends in fiscal data, other factors influencing child welfare, and the missing data, the fiscal team's ability to interpret expenditure trends was limited, and all trends are interpreted conservatively.

4.3 CHANGES IN FOSTER CARE EXPENDITURES

Summary: Patterns of change in foster care expenditures, paid placement days, unit costs of foster care, or residential care usage for the years 1996 to 2001 did not differ significantly among demonstration and comparison counties. Foster care expenditures and unit costs grew faster than the rate of inflation in most counties in most years from 1998 - 2001. Trends towards increasing foster care expenditures and increasing paid placement days occurred among some comparison counties, but the number of counties was not large enough to support a definitive conclusion of a differing trend between the demonstration and comparison county groups.

Since the core purpose of the Waiver is to allow counties to make administrative, case management and service provision changes to reduce the use of foster care without losing federal Title IV-E revenue, the first question addressed by the Fiscal Outcomes Study is whether or not demonstration counties reduced the costs of foster care from where they would have been in the absence of the Waiver. This section presents data comparing gross foster care expenditures for the demonstration and comparison groups from 1996 through 2001 to determine if any differences in foster care spending emerged. This section also presents data comparing the two components of foster care expenditures: the total number of placement days purchased and the unit costs of those days.

The foster care expenditures discussed in this section reflected each county's best attempt to isolate the total costs for services that would have been eligible for Title IV-E board and maintenance reimbursement. These costs usually included all private foster care contracts for group care (including residential treatment) or foster homes, the costs of any county-operated group care facility, and the costs of foster care board and maintenance payments for children supervised by the county. These costs did not include any county staff costs associated with managing the foster care program.

Table 4.1 Annual Foster Care Board and Maintenance Expenditures

Total Foster Care Expenditures	1996	1997	Baseline	1998	1999	2000	2001	Lower Expenditures than average of 1996 and 1997, adjusted for inflation?*				
								1998	1999	2000	2001	Total
Demonstration												
Ashtabula	Not Available	\$ 1,788,000	\$ 1,788,000	\$ 1,836,000	\$ 1,842,000	\$ 2,550,000	\$ 2,257,000	0	1	0	0	1
Belmont	\$ 820,000	\$ 973,000	\$ 896,500	\$ 845,000	\$ 894,000	\$ 720,000	\$ 1,156,000	1	1	1	0	3
Clark	\$ 3,843,000	\$ 3,769,000	\$ 3,806,000	\$ 3,936,000	\$ 3,658,000	\$ 3,912,000	\$ 3,793,000	0	1	1	1	3
Fairfield	Not Available	\$ 921,000	\$ 921,000	\$ 934,000	\$ 993,000	Not Available	Not Available	1	0	N/A	N/A	N/A
Franklin	\$32,490,000	\$36,734,000	\$34,612,000	\$42,499,000	\$48,600,000	\$50,134,000	\$61,345,000	0	0	0	0	0
Greene	\$ 1,664,000	\$ 1,857,000	\$ 1,760,500	\$ 1,977,000	\$ 2,171,000	\$ 2,384,000	\$ 2,516,000	0	0	0	0	0
Hamilton	Not Available	\$18,302,000	\$18,302,000	\$19,915,000	\$19,546,000	\$20,429,000	\$23,698,000	0	0	0	0	0
Lorain*	Not Available	Not Available	\$ 3,193,000	\$ 3,193,000	\$ 3,307,000	\$ 3,335,000	\$ 3,926,000	N/A	0	1	0	1
Medina	Not Available	Not Available	Not Available	Not Available	\$ 758,000	\$ 637,000	\$ 1,104,000	N/A	N/A	N/A	N/A	N/A
Muskingum	\$ 1,872,000	\$ 1,927,000	\$ 1,899,500	\$ 2,028,000	\$ 2,299,000	\$ 2,210,000	\$ 2,573,000	0	0	0	0	0
Portage	\$ 2,877,000	\$ 3,487,000	\$ 3,182,000	\$ 3,192,000	\$ 3,235,000	\$ 3,275,000	\$ 3,481,000	1	1	1	1	4
Richland	\$ 2,002,000	\$ 2,141,000	\$ 2,071,500	\$ 2,183,000	\$ 2,751,000	\$ 2,698,000	\$ 2,795,000	0	0	0	0	0
Stark	\$ 8,471,000	\$ 7,996,000	\$ 8,233,500	\$ 7,570,000	\$ 8,366,000	\$ 8,711,000	\$11,567,000	1	1	1	0	3
Comparison												
Allen	\$ 2,000,000	\$ 1,700,000	\$ 1,850,000	\$ 1,574,000	\$ 1,612,000	\$ 1,580,000	\$ 2,006,000	1	1	1	1	4
Butler	\$ 9,569,000	\$ 9,328,000	\$ 9,448,500	\$ 8,965,000	\$ 8,395,000	\$ 8,528,000	\$ 8,303,000	1	1	1	1	4
Clermont*	Not available	Not available	\$ 3,765,000	\$ 3,765,000	\$ 3,816,000	\$ 4,036,000	\$ 3,523,000	N/A	1	0	1	2
Columbiana	\$ 959,000	\$ 808,000	\$ 883,500	\$ 992,000	\$ 1,362,000	\$ 1,421,000	\$ 2,081,103	0	0	0	0	0
Hocking	\$ 194,000	\$ 278,000	\$ 236,000	\$ 318,000	\$ 377,000	\$ 571,000	\$ 512,000	0	0	0	0	0
Mahoning	\$ 2,204,000	\$ 1,889,000	\$ 2,046,500	\$ 2,193,000	\$ 2,244,000	\$ 2,685,000	\$ 2,524,000	0	0	0	0	0
Miami	\$ 1,068,000	\$ 1,313,000	\$ 1,190,500	\$ 1,462,000	\$ 1,991,000	\$ 2,028,000	\$ 2,237,000	0	0	0	0	0
Montgomery	\$11,278,000	\$14,118,000	\$12,698,000	\$17,665,000	\$20,833,000	\$20,667,000	\$21,166,000	0	0	0	0	0
Scioto	\$ 664,000	\$ 700,000	\$ 682,000	\$ 872,000	\$ 1,241,000	\$ 926,000	\$ 1,047,000	0	0	0	0	0
Summit	\$ 7,819,000	\$ 9,139,000	\$ 8,479,000	\$ 8,785,000	\$ 9,726,000	\$ 9,935,000	Not Available	0	0	0	N/A	0
Trumbull	\$ 3,649,000	\$ 3,620,000	\$ 3,634,500	\$ 3,790,000	\$ 3,854,000	\$ 4,236,000	\$ 4,587,000	0	0	0	0	0
Warren	\$ 646,000	\$ 701,000	\$ 673,500	\$ 748,000	\$ 894,000	\$ 991,000	\$ 1,076,000	0	0	0	0	0
Wood	\$ 1,840,000	\$ 1,759,000	\$ 1,799,500	\$ 1,450,000	\$ 1,383,000	\$ 1,060,000	\$ 831,000	1	1	1	1	4

Source: PCSA Budget Documents

* 1998 expenditures were used as the baseline for Lorain and Clermont counties

** Average inflation rates during the years analyzed were 3.0 % in 1996, 2.3 % in 1997, 1.6 % in 1998, 2.2 % in 1999, 3.4 % in 2000, and 2.8% in 2001. Source: Bureau of Labor Statistics, Consumer Price Index-All Urban Consumers (CPI-U).

Table 4.2 Percent Change in Annual Foster Care Board and Maintenance Expenditures

	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	Growth Baseline - 2001
Demonstration						
Ashtabula	-	3%	0%	38%	(11%)	26%
Belmont	19%	(13%)	6%	(19%)	61%	29%
Clark	(2%)	4%	(7%)	7%	(3%)	(0%)
Fairfield	-	1%	6%	-	-	-
Franklin	13%	16%	14%	3%	22%	77%
Greene	12%	6%	10%	10%	6%	43%
Hamilton	-	9%	(2%)	5%	16%	-
Lorain	-	-	4%	1%	18%	-
Medina	-	-	-	(16%)	73%	-
Muskingum	3%	5%	13%	(4%)	16%	35%
Portage	21%	(8%)	1%	1%	6%	9%
Richland	7%	2%	26%	(2%)	4%	35%
Stark	(6%)	(5%)	11%	4%	33%	40%
Comparison						
Allen	(15%)	(7%)	2%	(2%)	27%	8%
Butler	(3%)	(4%)	(6%)	2%	(3%)	(12%)
Clermont	-	-	1%	6%	(13%)	-
Columbiana	(16%)	23%	37%	4%	46%	136%
Hocking	43%	14%	19%	51%	(10%)	117%
Mahoning	(14%)	16%	2%	20%	(6%)	23%
Miami	23%	11%	36%	2%	10%	88%
Montgomery	25%	25%	18%	(1%)	2%	67%
Scioto	5%	25%	42%	(25%)	13%	54%
Summit	17%	(4%)	11%	2%	-	-
Trumbull	(1%)	5%	2%	10%	8%	26%
Warren	9%	7%	20%	11%	9%	60%
Wood	(4%)	(18%)	(5%)	(23%)	(22%)	(55%)

Table 4.2 (a) Tukey's Quick Test for Change in Annual Foster Care Board and Maintenance Expenditures

Group	County	Growth Baseline - 2001
Comparison	Wood	(55%)
Comparison	Butler	(12%)
Demonstration	Clark	(0%)
Comparison	Allen	8%
Demonstration	Portage	9%
Comparison	Mahoning	23%
Comparison	Trumbull	26%
Demonstration	Ashtabula	26%
Demonstration	Belmont	29%
Demonstration	Richland	35%
Demonstration	Muskingum	35%
Demonstration	Stark	40%
Demonstration	Greene	43%
Comparison	Scioto	54%
Comparison	Warren	60%
Comparison	Montgomery	67%
Demonstration	Franklin	77%
Comparison	Miami	88%
Comparison	Hocking	117%
Comparison	Columbiana	136%

Source: PCSA Budget Documents

4.3.1 Differences in Foster Care Expenditures for Demonstration and Comparison Counties.

Table 4.1 displays the foster care expenditures for demonstration and comparison counties for the years 1996 through 2001 for each county, where data were available. Table 4.2 lists the percent change in foster care expenditures from year to year, as well as the total percent change from the baseline (the average of 1996 and 1997 expenditures) to 2001.

The data in Table 4.1 illustrates the variety of expenditure levels on foster care board and maintenance across the study group. Many of the remaining data presented in this chapter will show a similar, wide range in the size of county child welfare programs. For example, Franklin County spent \$61.3 million of foster care board and maintenance in 2001. The next highest level of expenditure on board and maintenance during that year was \$21.2 million (Montgomery), a third of Franklin's expenditures. The demonstration county with the lowest expenditures in 2001 spent \$1.1 million (Medina), and the comparison county with the lowest expenditures in 2001 spent \$.5 million (Hocking). This range in expenditure levels on board and maintenance implies a similar range in county operating contexts.

Among both demonstration and comparison counties, most counties' foster care expenditures increased dramatically from the baseline to 2001. Only two counties decreased foster care expenditures during this time period. Wood and Butler, both comparison counties, lowered foster care costs by 55% and 12%, respectively, from the baseline to 2001. Clark County, a demonstration county, held foster care expenditures to approximately a 0% growth rate over the same time period.

Was there a meaningful difference between the growth rates among demonstration counties and the growth rates among comparison counties? As described in the previous section, the study team used two summary measures to answer this question: a sign test summarizing whether foster care expenditure growth was or was not below the rate of inflation, and a change figure showing the percent change in foster care expenditures from the baseline to 2001.

The sign test did not reveal a difference in the number of counties with foster care expenditure growth rates below the rate of inflation. As Table 4.1 indicates, only four demonstration counties (Belmont, Clark, Portage, and Stark) and three comparison counties (Allen, Butler, and Wood) held foster care expenditure growth below the rate of inflation in most years from 1998 to 2001.

Table 4.2 (a) shows the distribution of changes in foster care board and maintenance expenditures from the baseline to 2001. Both ends of the distribution are held by comparison counties: two comparison counties created the largest decreases in foster care expenditures, and three comparison counties showed the largest increases in expenditures. Applying the Tukey's Quick Test, no grouping of seven demonstration and comparison counties is clearly visible at either end of the spectrum. If Franklin County were removed from the analysis, six comparison counties would have had the largest

increases in foster care expenditures, still short of the seven data points required for a significant finding of difference between the two groups. Therefore, the evidence is too weak to support a definitive conclusion of differences between the two groups.

4.3.2 Differences in Paid Placement Day Usage for Demonstration and Comparison Counties.

The study team analyzed the number of placement days purchased by counties each year to determine whether counties used more foster care or less foster care, and how large the change was from 1996-2001. The paid placement days analysis included all types of placement days in FACSIS for which the county child welfare department usually incurs an expense. Excluded from this count were days for children in the custody of the juvenile court and days for children in non-licensed relative placements. Juvenile court days were not included because these days do not generally fall under the jurisdiction of the child welfare agencies. Non-licensed relative placement days were excluded from this analysis because many of these days are unpaid, and FACSIS did not separate paid from unpaid days in this placement type.

Data on paid placement days were available from 1996 through 2001, and are displayed in Tables 4.3 and 4.4, and in Figure 4.1. To compare placement day utilization over the years, the study team compared all years after 1997 to the baseline (an average of 1996 and 1997 placement day utilization), to determine whether or not placement day utilization has increased or decreased since the baseline. A similar number of counties in each group – seven demonstration and five comparison - stood out for lowering placement day utilization for three or four years compared to the baseline. Among demonstration counties, Belmont, Clark, Crawford, Lorain, Medina, Muskingum, and Portage lowered placement day counts in at least three of the four years. Among comparison counties, Allen, Butler, Mahoning, Trumbull, and Wood also made similar decreases in placement day utilization.

Figure 4.1 illustrates the trends in large and small demonstration and comparison counties over time using the same size groupings used in the analyses of foster care utilization in Chapter 3. As can be seen from the chart, no clear, strong patterns of decreased placement days can be seen in any of the four groups. Both small demonstration and small comparison counties show a slight decrease in placement days, while both large demonstration and large comparison counties show a slight increase. Overall, however, the pattern is of little significant change.

Table 4.4(a) further illuminates this finding by placing counties in order of their change in paid placement day utilization from the baseline to 2001. As seen from the table, demonstration and comparison counties are interspersed in the order of utilization changes. Both demonstration and comparison counties were located at the lower end of the distribution of change in paid placement days. More comparison counties experienced larger increases in paid placement days than demonstration counties. However, the number of comparison counties at this end of the distribution was not high enough to indicate a significant difference between the two groups.

Table 4.3 Paid Placement Days as Recorded in FACSIS

Does not include days in unlicensed care or court custody

Fewer paid placement days than average of 1996 and 1997?

(1 means "Yes", 0 means "No")

	1996	1997	Baseline	1998	1999	2000	2001	1998	1999	2000	2001	Total
Demonstration												
Ashtabula	44,656	44,225	44,441	42,408	44,827	47,644	43,584	1	0	0	1	2
Belmont	26,280	27,149	26,715	21,561	16,881	15,892	18,960	1	1	1	1	4
Clark	94,986	93,668	94,327	88,594	82,754	82,454	73,980	1	1	1	1	4
Crawford	20,365	17,477	18,921	15,173	16,527	18,503	22,160	1	1	1	0	3
Fairfield	29,771	34,606	32,189	28,479	27,430	34,975	41,251	1	1	0	0	2
Franklin	687,412	758,542	722,977	815,258	874,295	934,148	1,003,756	0	0	0	0	0
Greene	33,295	33,172	33,234	34,587	36,103	42,128	39,694	0	0	0	0	0
Hamilton	489,556	495,714	492,635	494,004	470,722	485,777	506,413	0	1	1	0	2
Lorain	105,014	87,880	96,447	80,384	79,584	76,946	85,407	1	1	1	1	4
Medina	15,842	16,069	15,956	15,532	14,838	13,460	18,741	1	1	1	0	3
Muskingum	37,232	36,061	36,647	27,585	25,910	25,454	23,247	1	1	1	1	4
Portage	51,722	55,747	53,735	53,507	52,843	49,944	50,168	1	1	1	1	4
Richland	57,621	59,980	58,801	52,715	65,075	70,714	64,875	1	0	0	0	1
Stark	274,465	252,719	263,592	245,882	258,752	265,187	267,959	1	1	0	0	2
Comparison												
Allen	47,121	38,236	42,679	39,027	38,585	37,420	39,893	1	1	1	1	4
Butler	203,416	204,731	204,074	208,961	178,672	159,034	143,557	0	1	1	1	3
Clermont	58,358	63,314	60,836	67,128	67,559	67,846	66,085	0	0	0	0	0
Columbiana	23,694	21,462	22,578	23,673	24,894	28,341	29,749	0	0	0	0	0
Hancock	5,765	6,867	6,316	9,087	10,179	11,915	13,564	0	0	0	0	0
Hocking	10,983	10,271	10,627	9,781	12,368	12,542	11,404	1	0	0	0	1
Mahoning	88,683	78,705	83,694	78,027	74,690	66,973	60,920	1	1	1	1	4
Miami	36,605	36,611	36,608	38,683	42,367	47,008	50,186	0	0	0	0	0
Montgomery	361,187	408,262	384,725	470,172	484,285	472,980	475,637	0	0	0	0	0
Scioto	21,369	22,333	21,851	28,142	31,363	26,734	27,372	0	0	0	0	0
Summit	291,467	332,807	312,137	378,070	401,344	392,143	408,554	0	0	0	0	0
Trumbull	89,327	73,183	81,255	61,333	60,323	62,158	64,185	1	1	1	1	4
Warren	19,378	20,418	19,898	23,669	25,506	25,940	29,205	0	0	0	0	0
Wood	31,337	27,092	29,215	23,426	21,052	15,974	13,183	1	1	1	1	4

Table 4.4 Paid Placement Days as Recorded in FACSIS, including yearly change figures

	1996	1997	1998	1999	2000	2001	Change 1996-97	Change 1997-98	Change 1998-99	Change 1999-00	Change 2000-01	Change Baseline to 2001
Demonstration												
Ashtabula	44,656	44,225	42,408	44,827	47,644	43,584	(1%)	(4%)	6%	6%	(9%)	(2%)
Belmont	26,280	27,149	21,561	16,881	15,892	18,960	3%	(21%)	(22%)	(6%)	19%	(29%)
Clark	94,986	93,668	88,594	82,754	82,454	73,980	(1%)	(5%)	(7%)	(0%)	(10%)	(22%)
Crawford	20,365	17,477	15,173	16,527	18,503	22,160	(14%)	(13%)	9%	12%	20%	17%
Fairfield	29,771	34,606	28,479	27,430	34,975	41,251	16%	(18%)	(4%)	28%	18%	28%
Franklin	687,412	758,542	815,258	874,295	934,148	1,003,756	10%	7%	7%	7%	7%	39%
Greene	33,295	33,172	34,587	36,103	42,128	39,694	(0%)	4%	4%	17%	(6%)	19%
Hamilton	489,556	495,714	494,004	470,722	485,777	506,413	1%	(0%)	(5%)	3%	4%	3%
Lorain	105,014	87,880	80,384	79,584	76,946	85,407	(16%)	(9%)	(1%)	(3%)	11%	(11%)
Medina	15,842	16,069	15,532	14,838	13,460	18,741	1%	(3%)	(4%)	(9%)	39%	17%
Muskingum	37,232	36,061	27,585	25,910	25,454	23,247	(3%)	(24%)	(6%)	(2%)	(9%)	(37%)
Portage	51,722	55,747	53,507	52,843	49,944	50,168	8%	(4%)	(1%)	(5%)	0%	(7%)
Richland	57,621	59,980	52,715	65,075	70,714	64,875	4%	(12%)	23%	9%	(8%)	10%
Stark	274,465	252,719	245,882	258,752	265,187	267,959	(8%)	(3%)	5%	2%	1%	2%
Comparison												
Allen	47,121	38,236	39,027	38,585	37,420	39,893	(19%)	2%	(1%)	(3%)	7%	(7%)
Butler	203,416	204,731	208,961	178,672	159,034	143,557	1%	2%	(14%)	(11%)	(10%)	(30%)
Clermont	58,358	63,314	67,128	67,559	67,846	66,085	8%	6%	1%	0%	(3%)	9%
Columbiana	23,694	21,462	23,673	24,894	28,341	29,749	(9%)	10%	5%	14%	5%	32%
Hancock	5,765	6,867	9,087	10,179	11,915	13,564	19%	32%	12%	17%	14%	115%
Hocking	10,983	10,271	9,781	12,368	12,542	11,404	(6%)	(5%)	26%	1%	(9%)	7%
Mahoning	88,683	78,705	78,027	74,690	66,973	60,920	(11%)	(1%)	(4%)	(10%)	(9%)	(27%)
Miami	36,605	36,611	38,683	42,367	47,008	50,186	0%	6%	10%	11%	7%	37%
Montgomery	361,187	408,262	470,172	484,285	472,980	475,637	13%	15%	3%	(2%)	1%	24%
Scioto	21,369	22,333	28,142	31,363	26,734	27,372	5%	26%	11%	(15%)	2%	25%
Summit	291,467	332,807	378,070	401,344	392,143	408,554	14%	14%	6%	(2%)	4%	31%
Trumbull	89,327	73,183	61,333	60,323	62,158	64,185	(18%)	(16%)	(2%)	3%	3%	(21%)
Warren	19,378	20,418	23,669	25,506	25,940	29,205	5%	16%	8%	2%	13%	47%
Wood	31,337	27,092	23,426	21,052	15,974	13,183	(14%)	(14%)	(10%)	(24%)	(17%)	(55%)

Figure 4.1 Annual Counts of Paid Placement Day Usage by Group and County Size

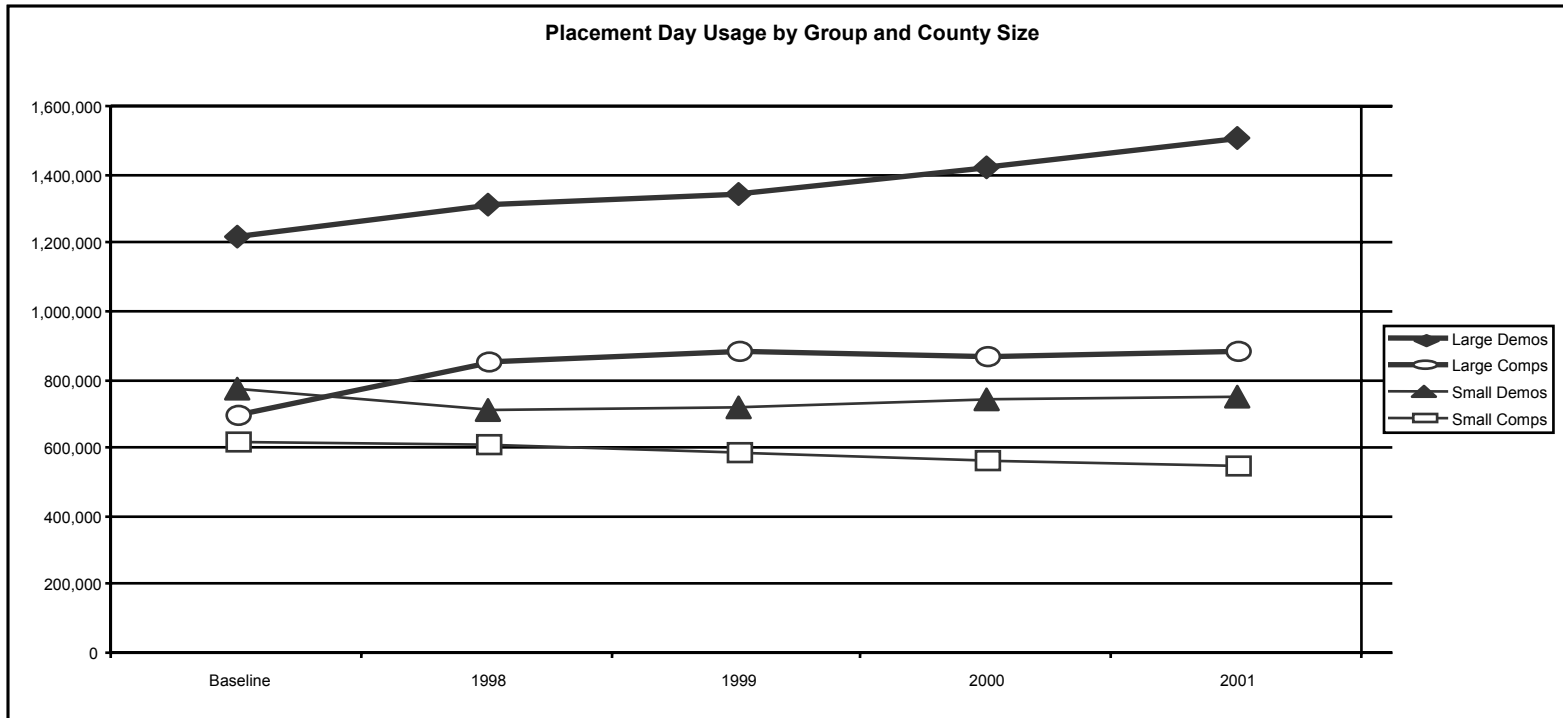


Table 4.4 (a) Tukey's Quick Test for Change in Annual Number of Paid Placement Days

Evaluation Group	County	Growth Baseline - 2001
Comparison	Wood	(55%)
Demonstration	Muskingum	(37%)
Comparison	Butler	(30%)
Demonstration	Belmont	(29%)
Comparison	Mahoning	(27%)
Demonstration	Clark	(22%)
Comparison	Trumbull	(21%)
Demonstration	Lorain	(11%)
Demonstration	Portage	(7%)
Comparison	Allen	(7%)
Demonstration	Ashtabula	(2%)
Demonstration	Stark	2%
Demonstration	Hamilton	3%
Comparison	Hocking	7%
Comparison	Clermont	9%
Demonstration	Richland	10%
Demonstration	Crawford	17%
Demonstration	Medina	17%
Demonstration	Greene	19%
Comparison	Montgomery	24%
Comparison	Scioto	25%
Demonstration	Fairfield	28%
Comparison	Summit	31%
Comparison	Columbiana	32%
Comparison	Miami	37%
Demonstration	Franklin	39%
Comparison	Warren	47%
Comparison	Hancock	115%

4.3.3 Differences in unit costs for demonstration and comparison counties.

Unit cost figures are an important component of foster care expenditures because they also incorporate placement day utilization. Therefore, changes in unit cost figures can help illuminate trends behind total foster care expenditures. Unit cost figures are also important to study because they can be influenced by higher cost services such as residential care. In fact, one way that demonstration counties can lower their expenditures and their placement day per diems is by lowering the proportion of residential care in their overall foster care utilization. Therefore, any study of foster care expenditures must include an examination of unit cost figures and residential placement usage.

Table 4.5 displays foster care unit cost figures for each county from 1996 through 2001. Unit cost figures are the average per diem paid for all types of foster care - foster boarding homes, group homes, residential placement, and county homes – purchased by the county. Unit cost figures were determined by dividing the total foster care expenditures seen in Table 4.1 by the placement day usage recorded in Tables 4.3 and 4.4. Table 4.5 also lists the total growth from the baseline to 2001 as well as the average annual per diem rate for demonstration and comparison groups as a whole.

As Table 4.5 shows, the average total growth in unit cost differed little between demonstration and comparison counties. Demonstration counties, as a group, increased unit costs by 40% from the baseline to 2001, and comparison counties increased unit costs by 41%. Additionally, the unit cost of paid foster care grew at the rate of inflation or faster than the rate of inflation in most counties in most years from 1998-2001. Therefore, most counties saw substantial increases in their foster care unit costs, and this pattern did not differ significantly between demonstration and comparison counties.

Table 4.5(a) places counties in order of their annual change in per diem foster care costs, to determine if any difference between demonstration and comparison groups existed. However, as the table indicates, only three comparison counties were located at the lowest end of the change figures, and one demonstration county was located at the high end of the change figures. Additionally, demonstration and comparison counties were disbursed throughout the listing, suggesting that no real differing trend between demonstration and comparison counties occurred.

Table 4.5 Per Diem Costs - Foster Care Placement

	1996	1997	Baseline	1998	1999	2000	2001	Growth Baseline - 2001	Lower Per Diem than average of 1996 and 1997, adjusted for inflation?*				Total	
									1998	1999	2000	2001		
Demonstration														
Ashtabula	N/A	\$40.43	\$40.43	\$43.29	\$41.09	\$53.52	\$51.79	28%	0	1	0	0	1	
Belmont	\$31.20	\$35.84	\$33.52	\$39.19	\$52.96	\$45.31	\$60.97	82%	0	0	0	0	0	
Clark	\$40.46	\$40.24	\$40.35	\$44.43	\$44.20	\$47.44	\$51.27	27%	0	0	0	0	0	
Fairfield	N/A	\$26.61	\$26.61	\$32.80	\$36.31	N/A	N/A	N/A	0	0	N/A	N/A	N/A	
Franklin	\$47.26	\$48.43	\$47.85	\$52.13	\$55.59	\$53.67	\$61.12	28%	0	0	0	0	0	
Greene	\$49.98	\$55.98	\$52.98	\$57.16	\$60.13	\$56.59	\$63.38	20%	0	0	1	0	1	
Hamilton	N/A	\$36.92	\$36.92	\$40.31	\$41.52	\$42.05	\$46.80	27%	0	0	0	0	0	
Lorain*	N/A	N/A	\$39.72	\$39.72	\$41.55	\$43.34	\$45.97	N/A	N/A	0	0	0	0	
Medina	N/A	N/A	N/A	N/A	\$51.09	\$47.33	\$58.91	N/A	N/A	N/A	N/A	N/A	N/A	
Muskingum	\$50.28	\$53.44	\$51.86	\$73.52	\$88.73	\$86.82	\$110.68	113%	0	0	0	0	0	
Portage	\$55.62	\$62.55	\$59.09	\$59.66	\$61.22	\$65.57	\$69.39	17%	1	1	0	0	2	
Richland	\$34.74	\$35.70	\$35.22	\$41.41	\$42.27	\$38.15	\$43.08	22%	0	0	0	0	0	
Stark	\$30.86	\$31.64	\$31.25	\$30.79	\$32.33	\$32.85	\$43.17	38%	1	1	1	0	3	
Average, Demos	\$42.55	\$42.52	\$42.54	\$46.20	\$49.92	\$51.05	\$58.88	40%						
Comparison									0	0	0	0	0	
Allen	\$42.44	\$44.46	\$43.45	\$40.33	\$41.78	\$42.22	\$50.28	16%	1	1	1	0	3	
Butler	\$47.04	\$45.56	\$46.30	\$42.90	\$46.99	\$53.62	\$57.84	25%	1	1	0	0	2	
Clermont*	N/A	N/A	\$55.78	\$55.78	\$56.18	\$58.94	\$53.31	N/A	N/A	1	1	1	3	
Columbiana	\$40.47	\$37.65	\$39.06	\$41.90	\$54.71	\$50.14	\$69.96	79%	0	0	0	0	0	
Hocking	\$17.66	\$27.07	\$22.37	\$32.51	\$30.48	\$45.53	\$44.90	101%	0	0	0	0	0	
Mahoning	\$24.85	\$24.00	\$24.43	\$28.11	\$30.04	\$40.09	\$41.43	70%	0	0	0	0	0	
Miami	\$29.18	\$35.86	\$32.52	\$37.79	\$46.99	\$43.14	\$44.57	37%	0	0	0	0	0	
Montgomery	\$31.22	\$34.58	\$32.90	\$37.57	\$43.02	\$43.70	\$44.50	35%	0	0	0	0	0	
Scioto	\$31.07	\$31.34	\$31.21	\$30.99	\$39.57	\$34.64	\$38.25	23%	1	0	0	0	1	
Summit	\$26.86	\$27.45	\$27.15	\$23.19	\$24.26	\$25.38	N/A	N/A	1	1	1	N/A	3	
Trumbull	\$34.70	\$43.29	\$39.00	\$55.74	\$57.32	\$58.03	\$60.57	55%	0	0	0	0	0	
Warren	\$33.34	\$34.33	\$33.83	\$31.60	\$35.05	\$38.20	\$36.84	9%	1	1	0	1	3	
Wood	\$58.72	\$64.93	\$61.82	\$61.90	\$65.69	\$66.36	\$63.04	2%	1	0	1	1	3	
Average, Comp	\$34.80	\$37.54	\$37.68	\$40.03	\$44.01	\$46.15	\$50.46	41%						

Source: PCSA Budget Documents and FACSIS

* 1998 expenditures were used as the baseline for Lorain and Clermont counties

** Average inflation rates during the years analyzed were 3.0 % in 1996, 2.3 % in 1997, 1.6 % in 1998, 2.2 % in 1999, 3.4 % in 2000, and 2.8% in 2001. Source: Bureau of Labor Statistics, Consumer Price Index-All Urban Consumers (CPI-U).

Table 4.5 (a) Tukey's Quick Test for Change in Annual Per Diem Foster Care Costs

Evaluation Group	County	Growth Baseline - 2001
Comparison	Wood	2%
Comparison	Warren	9%
Comparison	Allen	16%
Demonstration	Portage	17%
Demonstration	Greene	20%
Demonstration	Richland	22%
Comparison	Scioto	23%
Comparison	Butler	25%
Demonstration	Hamilton	27%
Demonstration	Clark	27%
Demonstration	Franklin	28%
Demonstration	Ashtabula	28%
Comparison	Montgomery	35%
Comparison	Miami	37%
Demonstration	Stark	38%
Comparison	Trumbull	55%
Comparison	Mahoning	70%
Comparison	Columbiana	79%
Demonstration	Belmont	82%
Comparison	Hocking	101%
Demonstration	Muskingum	113%

Table 4.6 displays the percent of paid placement days that were purchased for residential treatment each year. It also shows the difference between the percent of residential treatment days purchased at the baseline and 2001. As the table shows, both demonstration and comparison counties, as a group, did not significantly change their usage of residential treatment. The average change of demonstration counties was 0%, while comparison counties changed their usage only 1%. Therefore, as a group, residential usage has not changed meaningfully for either demonstration or comparison counties.

However, a few individual counties were able to decrease their dependence on residential care. Table 4.6 shows that five demonstration and four comparison counties were able to reduce their total percentage of residential usage below their baseline. Among demonstration counties, Ashtabula, Clark, Lorain, Portage, and Richland Counties were able to reduce their residential usage in at least three of the four years. Similar reductions were found among Allen, Columbiana, Hancock, and Summit. Therefore, while some counties were able to reduce residential placement usage, the average effect is one of no overall change for either demonstration or comparison counties.

In conclusion, the evidence to date that the Waiver caused demonstration counties to reduce foster care expenditures or either of its component parts -- the number of purchased placement days and unit costs -- is limited. No significant differences were seen between demonstration and comparison counties in foster care expenditures, the number of placement days purchased, or in unit cost figures. Members of the comparison county group accounted for the largest increases in foster care expenditures and utilization of paid placement days, but the number of counties was too small to support a conclusion of significant difference between the two groups.

Table 4.6 Percent of Paid Placement Days Categorized as Residential

Lower percent residential days purchased than average of 1996 and 1997?
(1 means "Yes", 0 means "No")

	1996	1997	Baseline	1998	1999	2000	2001	Growth Baseline - 2001	1998	1999	2000	2001	Total
Demonstration Counties													
Ashtabula	16%	13%	14%	9%	8%	9%	8%	(6%)	1	1	1	1	4
Belmont	3%	2%	3%	2%	5%	6%	4%	1%	1	0	0	0	1
Clark	9%	9%	9%	9%	7%	6%	7%	(3%)	1	1	1	1	4
Crawford	24%	21%	23%	26%	26%	23%	22%	(1%)	0	0	0	1	1
Fairfield	4%	3%	4%	4%	4%	3%	4%	0%	0	1	1	0	2
Franklin	8%	8%	8%	8%	9%	10%	11%	4%	0	0	0	0	0
Greene	3%	7%	5%	5%	3%	5%	7%	2%	1	1	0	0	2
Hamilton	9%	10%	9%	10%	10%	11%	11%	1%	0	0	0	0	0
Lorain	8%	7%	7%	7%	5%	4%	4%	(3%)	0	1	1	1	3
Medina	4%	3%	4%	5%	3%	4%	6%	2%	0	1	0	0	1
Muskingum	19%	18%	19%	26%	26%	24%	28%	9%	0	0	0	0	0
Portage	14%	17%	16%	18%	15%	13%	11%	(5%)	0	1	1	1	3
Richland	10%	10%	10%	12%	10%	9%	9%	(1%)	0	1	1	1	3
Stark	1%	0%	1%	1%	1%	2%	3%	3%	0	0	0	0	0
Average, Demos	9%	9%	9%	10%	9%	9%	10%	0%					
Comparison Counties													
Allen	17%	18%	17%	15%	15%	17%	19%	2%	1	1	1	0	3
Butler	4%	3%	3%	3%	4%	5%	7%	3%	0	0	0	0	0
Clermont	11%	11%	11%	13%	11%	11%	10%	(1%)	0	1	0	1	2
Columbiana	20%	22%	21%	21%	21%	21%	20%	(1%)	0	1	1	1	3
Hancock	3%	7%	5%	6%	4%	5%	4%	(1%)	0	1	1	1	3
Hocking	0%	4%	2%	4%	4%	12%	3%	1%	0	0	0	0	0
Mahoning	4%	2%	3%	3%	5%	6%	7%	3%	1	0	0	0	1
Miami	3%	8%	6%	11%	12%	8%	8%	2%	0	0	0	0	0
Montgomery	2%	3%	3%	3%	4%	4%	5%	3%	0	0	0	0	0
Scioto	3%	2%	2%	2%	3%	1%	4%	2%	1	0	1	0	2
Summit	15%	15%	15%	13%	12%	13%	12%	(3%)	1	1	1	1	4
Trumbull	10%	11%	11%	12%	13%	15%	13%	2%	0	0	0	0	0
Warren	13%	15%	14%	11%	12%	15%	15%	1%	1	1	0	0	2
Wood	8%	10%	9%	7%	10%	18%	8%	(1%)	1	0	0	1	2
Average, Comp	8%	9%	9%	9%	9%	11%	10%	1%					

Source: FACSIS

4.4 CHANGES IN ALL OTHER CHILD WELFARE EXPENDITURES

Summary:

Most demonstration counties received more revenue through the Waiver than they would have received through normal Title IV-E reimbursement for foster care board and maintenance reimbursement. All but three of the demonstration counties spent additional Waiver revenue on child welfare services *other than* board and maintenance payments. As a result, spending on all other child welfare services increased significantly more among the group of demonstration counties than among the group of comparison counties. Possibly as a result of the increased revenue, the demonstration county group increased the per diem costs of county foster care case management significantly more than the comparison county group.

The second question addressed by the Fiscal Outcomes Study is whether, as a result of the ProtectOhio Waiver, the group of demonstration counties shifted expenditures from foster care board and maintenance to other services to protect children and support families. The first section of this chapter showed that the demonstration counties did not appear to be experiencing significantly different growth rates in foster care expenditures than comparison counties. Without a change in foster care expenditures relative to the comparison counties, the demonstration counties would not have foster care savings to shift to other child welfare services. It would appear that no further analysis is necessary, and that the answer to the second question is that the demonstration county group did not shift expenditures from foster care to child welfare services other than foster care board and maintenance. However, demonstration counties received Waiver revenue based on a different calculation and a different group of counties, and most demonstration county fiscal staff reported that they received *more* Title IV-E revenue through the Waiver than they would have received through normal Title IV-E reimbursement. The findings of the Fiscal Outcomes Study confirm this conclusion, and most demonstration counties examined to date did have revenue available for new spending as a result of participation in the Waiver.

This section addresses the impact of the Waiver on demonstration county spending on “all other child welfare expenditures”. These included all county program and administrative staff performing child protective, foster care case management, adoption and family preservation functions. These expenditures also included money spent to purchase family preservation, family support and mental health services from other public or private agencies, and cash and material support to families and relatives caring for related children. Hereafter, those services are referred to as family and community based services.

The first part of the section presents estimates of the additional Title IV-E revenue that demonstration counties received as a result of participation in the Waiver. The second section shows whether or not that revenue has been used to reduce the county's own expenditures on child welfare services, or whether that revenue has been used to support expansions in county child welfare programs. The second section also identifies

expansions in county child welfare programs funded by other revenue sources, and compares these to expansions in comparison counties. The third section shows the areas where counties expanded, indicating where additional Title IV-E revenue may have been spent.

Due to the difficulties already noted in obtaining complete data, only a limited analysis of the components of all other child welfare expenditures is possible. The study team analyzed three components: expenditures on county staff and related costs; foster care case management costs; and family and community based services, predominantly cash and material support for families and relatives and contracts for family support and mental health services.

4.4.1 Revenue for Flexible Spending from ProtectOhio Waiver

Demonstration counties could have received additional revenue through the Waiver for a variety of reasons. First, ProtectOhio revenue allocations were based on average changes in the placement day use and unit costs of a group of cost neutrality control counties.⁵ For practical reasons, the resultant average growth rates were used to set the growth rates for each demonstration county's Waiver award, without a separate evaluation of the statistical significance of the difference. Because the demonstration counties demonstrated a range of changes in placement day use and unit costs, the average growth rates for the cost neutrality control counties may have been higher than an individual demonstration county's growth rates. For example, if the growth rate in placement day utilization was 5% for the cost neutrality counties and a demonstration county increased placement day utilization by 1%, this county would receive revenue for an additional 4% of placement days.

Second, counties where non-Title IV-E eligible children tended to be placed in higher cost care benefited from the Waiver's use of one Title IV-E eligibility rate for all expenditures. Under normal Title IV-E reimbursement rules, eligibility is determined for each individual child, and the expenditures for each Title IV-E eligible child are totaled and submitted for Title IV-E reimbursement according to the applicable federal share of expenditures. However, under the Waiver calculation, Title IV-E eligibility and reimbursement are not calculated individually, but across all children in all types of foster care settings. This averaging of eligibility rates results in additional Title IV-E revenue for some counties, because the average eligibility rate being applied to higher cost services is sometimes higher than the actual eligibility rate.

Third, counties had some ability to use alternative revenue sources for foster care board and maintenance costs that were included in the base expenditures for the Waiver. For example, starting in 1999, Clark County financed a portion of their placement expenditures through an agreement with the county juvenile court. The agreement allowed the Clark County juvenile court to claim federal Title IV-E reimbursement

⁵ The group of cost neutrality control counties is not the same as the comparison counties analyzed for this evaluation, and their identity is only known to the certain state and federal officials.

outside the Waiver, for children covered under the agreement (see Chapter 2, Section 2.10.1). Another example is Franklin County: Starting in 1999, as a result of a decision by the federal Department of Health and Human Services, Franklin County increased the portion of the administrative costs of purchased foster care billed to Title IV-E administration.

To estimate the amount of additional revenue each demonstration county received to spend on services other than foster care board and maintenance, the fiscal study team estimated the amount of Title IV-E reimbursement a county would have received for foster care expenditures during 1998-2001. This amount was compared to the actual Waiver award to determine how much was left over for flexible spending. For all demonstration counties except for Franklin, Portage, and Ashtabula, the estimate of what the county would have received in absence of the Waiver was calculated by multiplying total foster care expenditures by the average annual Title IV-E eligibility rate and the federal participation rate. Fiscal staff in Franklin, Portage and Ashtabula counties had more sophisticated expenditure histories than other counties, and calculated their own estimates of Title IV-E claims by applying eligibility rates within types of foster care placements (county foster care, purchased foster care, group care, and institutions).

According to these calculations, almost all the demonstration counties received more Title IV-E revenue through the Waiver than they would have received through normal Title IV-E reimbursement. Table 4.7 displays the total amount of additional ProtectOhio revenue received from 1998-2001 for each demonstration county. The fourth column shows what percent this revenue was of total child welfare expenditures in the county during the same period. As the estimates in Table 4.7 show, all counties except Greene County received Waiver awards in excess of what they would otherwise have received through Title IV-E reimbursement. The size of excess revenue received ranged between 0% and 9% of the county's expenditures. Greene County staff estimated that the county received slightly less revenue than it otherwise would have received without Waiver participation.

Table 4.7 ProtectOhio Revenue for Flexible Spending, 1998-2001

	Estimated Expenditures Eligible for Title IV-E Foster Care Board and Maint Reimbursement 1998-2001	ProtectOhio Waiver Award 1998-2001	Total ProtectOhio Revenue Available for Reinvestment 1998-2001	ProtectOhio Revenue as a Percent of Total Expenditures
Demonstration				
Ashtabula	\$1,958,000	\$3,399,000	\$1,441,000	7%
Belmont	\$1,971,000	\$2,463,000	\$492,000	4%
Clark	\$7,456,000	\$9,772,000	\$2,316,000	7%
Fairfield	\$667,000	\$697,000	\$30,000	1%
Franklin	\$62,216,000	\$73,564,000	\$11,348,000	2%
Greene	\$3,932,000	\$3,902,000	(\$30,000)	0%
Hamilton	\$42,071,000	\$59,259,000	\$17,188,000	7%
Lorain	\$5,013,000	\$6,879,000	\$1,866,000	4%
Medina	\$1,163,000	\$1,220,000	\$57,000	1%
Muskingum	\$4,366,000	\$4,822,000	\$456,000	2%
Portage	\$4,540,000	\$6,573,000	\$2,033,000	9%
Richland	\$5,087,000	\$5,150,000	\$63,000	0%
Stark	\$18,620,000	\$20,581,000	\$1,961,000	3%

Notes:

1. Expenditures for reimbursement, Waiver award, and revenue available for reinvestment for Fairfield not available for 2000 and 2001
2. Expenditures for reimbursement, Waiver award, and revenue available for reinvestment for Lorain not available for 1998
3. Expenditures for reimbursement, Waiver award, and revenue available for reinvestment for Medina not available for 1998

4.4.2 Impact of Waiver on All Other Child Welfare Expenditures

Almost all counties, demonstration and comparison counties alike, increased spending on county program and administrative staff and family and community-based services beyond the rate of inflation. Table 4.8 displays each county's total child welfare expenditures remaining after paying foster care board and maintenance costs, and the annual and total percent change in these expenditures is presented in Table 4.9.

As Table 4.8 indicates, all 26 counties increased all non-board and maintenance expenditures beyond the rate of inflation in most years between 1998 and 2001, compared to the baseline. Table 4.9 (a) does not show a clear differentiation between the trends in demonstration and comparison counties. The four counties that made the largest increases in all other child welfare services were all demonstration counties, and the one county that made the smallest increases in these expenditures was a comparison county. The sum of these figures does not surpass the required Tukey's Quick Test score of seven. However, of the eight counties with the least increase in family and community based services, seven of them are comparison counties. Table 4.10, discussed in more detail below, provides some additional weight. It displays trends in all other expenditures by summing increases and decreases in these expenditures since 1997 (column 1 of Table 4.10), and comparing these changes to the total expenditures during the same period (column 5 of Table 4.10). When taking into account all years, a clear differentiation between the demonstration and comparison counties appears.

How did the increases in child welfare expenditures compare to the additional revenue available to demonstration counties through the Waiver? In the nine of twelve counties that received at least some additional revenue as a result of Waiver participation (shown in Table 4.7), budget growth in all other child welfare services increased more than the amount of additional Waiver revenue (columns 1, 2 and 3, Table 4.10). This means that these counties did not use additional Waiver revenue to reduce child welfare expenditures, nor did counties use additional revenue to reduce the county's share of foster care board and maintenance costs. Instead, demonstration counties used additional Waiver revenue, along with other new revenue, to support expansion in county staff and programs and family and community-based services. Only three counties differed from this pattern. Ashtabula, Hamilton, and Portage Counties invested the majority of their Waiver savings in non-board and maintenance services, and used the remaining portion to fund foster care costs. By contrast, Greene, Richland and Medina Counties substantially increased spending on all other child welfare services using other revenue sources, despite having very little or no ProtectOhio revenue for reinvestment.

Table 4.8 County Child Welfare Expenditures, Not Including Foster Care Board and Maintenance – 1996-2001

	1996	1997	Baseline	1998	1999	2000	2001	Lower Expenditures than average of 1996 and 1997, adjusted for inflation?*				
								(1 means "Yes", 0 means "No")	1998	1999	2000	2001
Demonstration												
Ashtabula	Not Available	\$ 2,134,000	\$ 2,134,000	\$ 2,439,000	\$ 2,525,000	\$ 3,012,000	\$ 3,229,000	0	0	0	0	0
Belmont	\$ 917,000	\$ 1,394,000	\$ 1,155,500	\$ 1,697,000	\$ 2,168,000	\$ 2,917,000	\$ 2,935,000	0	0	0	0	0
Clark	\$ 2,974,000	\$ 3,379,000	\$ 3,176,500	\$ 3,759,000	\$ 4,334,000	\$ 5,351,200	\$ 6,873,000	0	0	0	0	0
Fairfield	Not Available	\$ 1,502,000	\$ 1,502,000	\$ 1,682,000	\$ 1,831,000	Not Available	Not Available	0	0	N/A	N/A	N/A
Franklin	\$46,140,000	\$50,386,000	\$48,263,000	\$51,355,000	\$62,926,000	\$69,629,000	\$70,065,000	0	0	0	0	0
Greene	\$ 1,898,000	\$ 1,892,000	\$ 1,895,000	\$ 2,252,000	\$ 2,235,000	\$ 2,498,000	\$ 2,772,000	0	0	0	0	0
Hamilton	Not Available	\$36,562,000	\$36,562,000	\$38,536,000	\$36,283,000	\$50,592,000	\$53,506,000	0	1	0	0	1
Lorain*	Not Available	Not Available	\$ 6,051,000	\$ 6,051,000	\$ 7,143,000	\$ 8,435,000	\$ 9,896,000	N/A	0	0	0	0
Medina	Not Available	Not Available	Not Available	Not Available	\$ 1,011,000	\$ 1,135,000	\$ 1,625,000	N/A	N/A	N/A	N/A	N/A
Muskingum	\$ 1,541,000	\$ 1,642,000	\$ 1,591,500	\$ 2,022,000	\$ 2,272,000	\$ 2,436,000	\$ 3,161,000	0	0	0	0	0
Portage	Not Available	\$ 2,340,000	\$ 2,340,000	\$ 2,199,000	\$ 2,010,000	\$ 2,269,000	\$ 2,662,000	1	1	0	0	2
Richland	\$ 3,239,000	\$ 3,227,000	\$ 3,233,000	\$ 3,630,000	\$ 4,376,000	\$ 4,675,000	\$ 5,047,000	0	0	0	0	0
Stark	\$ 6,826,000	\$ 6,367,000	\$ 6,596,500	\$ 6,457,000	\$ 7,947,000	\$ 9,347,000	\$11,461,000	1	0	0	0	1
Comparison												
Allen	\$ 1,497,000	\$ 1,684,000	\$ 1,590,500	\$ 1,926,000	\$ 1,968,000	\$ 2,026,000	\$ 2,481,000	0	0	0	0	0
Butler	\$ 6,711,000	\$ 6,875,000	\$ 6,793,000	\$ 7,114,000	\$ 7,394,000	\$ 9,280,000	\$10,634,000	0	0	0	0	0
Clermont*	Not Available	Not Available	\$ 1,457,000	\$ 1,457,000	\$ 1,493,000	\$ 1,983,000	\$ 2,316,000	N/A	0	0	N/A	N/A
Columbiana*	Not Available	Not Available	\$ 407,000	\$ 407,000	\$ 564,000	\$ 777,000	\$ 815,000	N/A	0	0	0	0
Hocking	\$ 633,000	\$ 768,000	\$ 700,500	\$ 732,000	\$ 863,000	\$ 831,000	\$ 932,000	0	0	0	0	0
Mahoning	\$ 5,062,000	\$ 5,291,000	\$ 5,176,500	\$ 5,943,000	\$ 5,976,000	\$ 6,529,000	\$ 6,904,000	0	0	0	0	0
Miami	\$ 1,362,000	\$ 1,392,000	\$ 1,377,000	\$ 1,439,000	\$ 1,419,000	\$ 1,528,000	\$ 1,769,000	0	1	0	0	1
Montgomery	\$19,317,000	\$23,251,000	\$21,284,000	\$22,047,000	\$27,040,000	\$25,282,000	\$28,648,000	0	0	0	0	0
Scioto	\$ 1,359,000	\$ 1,394,000	\$ 1,376,500	\$ 1,414,000	\$ 1,545,000	\$ 1,716,000	\$ 1,942,000	0	0	0	0	0
Summit	\$19,456,000	\$22,990,000	\$21,223,000	\$22,951,000	\$23,981,000	\$25,281,000	Not Available	0	0	0	N/A	0
Trumbull	\$ 6,100,000	\$ 6,288,000	\$ 6,194,000	\$ 6,121,000	\$ 6,499,000	\$6,344,000	\$ 6,887,000	1	0	1	0	2
Warren	\$ 1,487,000	\$ 1,642,000	\$ 1,564,500	\$ 1,856,000	\$ 1,990,000	\$2,121,000	\$ 2,262,000	0	0	0	0	0
Wood	\$ 1,032,000	\$ 932,000	\$ 982,000	\$ 910,000	\$ 1,059,000	\$ 1,213,000	\$1,493,000	1	0	0	0	1

Source: PCSA Budget Documents

* 1998 expenditures were used as the baseline for Lorain, Clermont and Columbiana counties

** Average inflation rates during the years analyzed were 3.0 % in 1996, 2.3 % in 1997, 1.6 % in 1998,

2.2 % in 1999, 3.4 % in 2000, and 2.8% in 2001. Source: Bureau of Labor Statistics, Consumer Price Index-All Urban Consumers (CPI-U).

Table 4.9 Percent Change in All Other Child Welfare Expenditures

	Growth					
	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	Baseline - 2001
Demonstration						
Ashtabula	-	14%	4%	19%	7%	51%
Belmont	52%	22%	28%	35%	1%	154%
Clark	14%	11%	15%	23%	28%	116%
Fairfield	-	12%	9%	-	-	-
Franklin	9%	2%	23%	11%	1%	45%
Greene	0%	19%	(1%)	12%	11%	46%
Hamilton	-	5%	(6%)	39%	6%	46%
Lorain	-	-	18%	18%	17%	-
Medina	-	-	-	12%	43%	-
Muskingum	7%	23%	12%	7%	30%	99%
Portage	-	(6%)	(9%)	13%	17%	14%
Richland	0%	12%	21%	7%	8%	56%
Stark	(7%)	1%	23%	18%	23%	74%
Comparison						
Allen	12%	14%	2%	3%	22%	56%
Butler	2%	3%	4%	26%	15%	57%
Clermont	-	-	2%	33%	17%	-
Columbiana	-	-	39%	38%	5%	-
Hocking	21%	(5%)	18%	(4%)	12%	33%
Mahoning	5%	12%	1%	9%	6%	33%
Miami	2%	3%	(1%)	8%	16%	28%
Montgomery	20%	(5%)	23%	(7%)	13%	35%
Scioto	3%	1%	9%	11%	13%	41%
Summit	18%	0%	4%	5%	-	-
Trumbull	3%	-3%	6%	(2%)	9%	11%
Warren	10%	13%	7%	7%	7%	45%
Wood	(10%)	(2%)	16%	15%	23%	52%

Source: PCSA Budget Documents

Table 4.9 (a) Tukey's Quick Test for Change in Annual All Other Child Welfare Expenditures

Evaluation Group	County	Growth
		Baseline - 2001
Comparison	Trumbull	11%
Demonstration	Portage	14%
Comparison	Miami	28%
Comparison	Hocking	33%
Comparison	Mahoning	33%
Comparison	Montgomery	35%
Comparison	Scioto	41%
Comparison	Warren	45%
Demonstration	Franklin	45%
Demonstration	Greene	46%
Demonstration	Hamilton	46%
Demonstration	Ashtabula	51%
Comparison	Wood	52%
Comparison	Allen	56%
Demonstration	Richland	56%
Comparison	Butler	57%
Demonstration	Stark	74%
Demonstration	Muskingum	99%
Demonstration	Clark	116%
Demonstration	Belmont	154%

Table 4.10 ProtectOhio Savings and Investment, 1998-2001

	Total New Spending on All Other Child Welfare Services	Total ProtectOhio Revenue Available for Reinvestment	Remaining Waiver Revenue	New Spending Financed By Other Revenue	Total New Spending as a Percent of Total Expenditures	Spending Financed by ProtectOhio Revenue as a Percent of Total Expenditures	Spending Financed by Other Revenue as a Percent of Total Expenditures
Demonstration							
Ashtabula	\$ 1,095,000	\$ 1,441,000	\$ 346,000	\$ 0	6%	6%	0%
Belmont	\$ 1,541,000	\$ 492,000	\$ 0	\$ 1,049,000	12%	4%	8%
Clark	\$ 3,494,000	\$ 2,316,000	\$ 0	\$ 1,178,000	10%	7%	3%
Fairfield	\$ 329,000	\$ 30,000	\$ 0	\$ 299,000	4%	1%	3%
Franklin	\$19,679,000	\$11,348,000	\$ 0	\$ 8,331,000	4%	2%	2%
Greene	\$ 880,000	(\$ 30,000)	\$ 0	\$ 880,000	5%	(0%)	5%
Hamilton	\$16,944,000	\$17,188,000	\$ 244,000	\$ 0	6%	6%	0%
Lorain	\$ 3,845,000	\$ 1,866,000	\$ 0	\$ 1,979,000	8%	4%	4%
Medina	\$ 614,000	\$ 57,000	\$ 0	\$ 557,000	10%	1%	9%
Muskingum	\$ 1,519,000	\$ 456,000	\$ 0	\$ 1,063,000	8%	2%	6%
Portage	\$ 159,000	\$ 2,033,000	\$ 1,874,000	\$ 0	1%	1%	0%
Richland	\$ 1,820,000	\$ 63,000	\$ 0	\$ 1,757,000	6%	0%	6%
Stark	\$ 5,094,000	\$ 1,961,000	\$ 0	\$ 3,133,000	7%	3%	4%
Comparison							
Allen	\$ 797,000			\$ 797,000	5%		5%
Butler	\$ 3,759,000			\$ 3,759,000	5%		5%
Clermont	\$ 859,000			\$ 859,000	5%		5%
Columbiana	\$ 408,000			\$ 408,000	5%		5%
Hocking	\$ 164,000			\$ 164,000	3%		3%
Mahoning	\$ 1,613,000			\$ 1,613,000	5%		5%
Miami	\$ 377,000			\$ 377,000	3%		3%
Montgomery	\$ 5,397,000			\$ 5,397,000	3%		3%
Scioto	\$ 548,000			\$ 548,000	5%		5%
Summit	\$ 2,291,000			\$ 2,291,000	2%		2%
Trumbull	\$ 599,000			\$ 599,000	1%		1%
Warren	\$ 620,000			\$ 620,000	5%		5%
Wood	\$ 561,000			\$ 561,000	6%		6%

Notes:

1. Waiver savings and new spending for Fairfield not available for the years 2000 and 2001
2. Waiver savings and new spending for Lorain not available for 1998
3. Waiver savings and new spending for Medina not available for 1998 and 1999
4. New spending for Clermont not available for 1998
5. New spending for Columbiana not available for 1998
6. New spending for Summit not available for 2001

Table 4.10 (a) Tukey's Quick Test for New Spending as a Percent of Total Expenditures

Evaluation Group	County	Total New Spending as a Percent of Total Expenditures
Demonstration	Portage	1%
Comparison	Trumbull	1%
Comparison	Summit	2%
Comparison	Miami	3%
Comparison	Montgomery	3%
Comparison	Clermont	3%
Comparison	Hocking	3%
Demonstration	Fairfield	4%
Demonstration	Franklin	4%
Comparison	Mahoning	5%
Demonstration	Greene	5%
Comparison	Columbiana	5%
Comparison	Scioto	5%
Comparison	Warren	5%
Comparison	Allen	5%
Comparison	Butler	5%
Comparison	Wood	6%
Demonstration	Ashtabula	6%
Demonstration	Hamilton	6%
Demonstration	Richland	6%
Demonstration	Stark	7%
Demonstration	Muskingum	8%
Demonstration	Lorain	8%
Demonstration	Clark	10%
Demonstration	Medina	10%
Demonstration	Belmont	12%

Table 4.10 (b) Tukey's Quick Test for Other Revenue as a Percent of Total Expenditures

Evaluation Group	County	Other Revenue as a Percent of Total Expenditures
Demonstration	Ashtabula	0%
Demonstration	Hamilton	0%
Demonstration	Portage	0%
Comparison	Trumbull	1%
Demonstration	Franklin	2%
Comparison	Summit	2%
Comparison	Miami	3%
Comparison	Montgomery	3%
Comparison	Clermont	3%
Comparison	Hocking	3%
Demonstration	Clark	3%
Demonstration	Fairfield	3%
Demonstration	Lorain	4%
Demonstration	Stark	4%
Comparison	Mahoning	5%
Demonstration	Greene	5%
Comparison	Columbiana	5%
Comparison	Scioto	5%
Comparison	Warren	5%
Comparison	Allen	5%
Comparison	Butler	5%
Demonstration	Muskingum	6%
Comparison	Wood	6%
Demonstration	Richland	6%
Demonstration	Belmont	8%
Demonstration	Medina	9%

Table 4.10 also displays the amount of new spending for both demonstration and comparison counties that was financed by sources other than the Waiver. The first column shows the total increase in all other child welfare expenditures from 1998-2001 for both demonstration and comparison counties. These data show that comparison counties also increased spending on all other child welfare expenditures from 1998-2001. Among the most common sources of revenue counties used to finance additional growth in child welfare expenditures were federal Temporary Assistance to Needy Families (TANF) and Title XX dollars, state ESA dollars, and local PCSA levy funds. The fiscal study team did not analyze other sources of revenue in detail.

To allow comparisons across counties, Table 4.10 shows each increase in all other child welfare expenditures as a percent of total foster care expenditures for the same period. As noted in the table, in counties where there were missing data, the totals are for fewer years. Table 4.10 (a) and (b) show the results of two Tukey's Quick Tests, one for the total new spending as a percent of total foster care expenditures, and one for the new spending financed by sources other than additional Waiver revenue. For comparison counties, since no Waiver revenue was available, the percentages with and without Waiver revenue are the same.

As can be seen from the first Tukey's Quick Test, demonstration counties outspent comparison counties when all new spending is considered. Nine of the top spenders in all new spending were demonstration counties. In addition, the second Tukey's test, which lists all new spending financed by sources other than additional Waiver revenues, indicates no clear differences between the two groups. These data suggest that both demonstration and comparison counties acted similarly in accessing non-Waiver funding sources for all other child welfare expenses. Thus, the difference between demonstration and comparison counties in spending on non-board and maintenance expenditures appears attributable to the added revenues generated by demonstration counties through Waiver participation.

4.4.3 Types of Services Increased by New Spending

There are no restrictions on how demonstration counties may spend additional Waiver revenue. County budget staff can allocate Waiver revenue to child welfare expenditures in any way that makes sense for their budget process. Therefore, the costs the county actually charged to the Waiver funding stream may or may not have been the costs for the services in which the Waiver allowed investments. As a result, it is not possible to specifically identify what services the additional Waiver revenue actually bought.⁶ Instead, the fiscal study team selected components of child welfare expenditures that could be identified across counties and identified expansions and reductions in spending in these areas.

⁶ Chapter 2 notes the types of activities which management staff reported had expanded due to the availability of flexible IV-E funds, but management staff did not report expenditure amounts for these activities.

The first type of expenditure county staff was able to consistently identify were total expenditures associated with the public child welfare agency's operation. In some cases, county staff recommended the use of the cost pool used for the state's Social Services Random Moments Survey (SS-RMS). More often, the cost of county operations was derived from internal county budget documents. Changes in the expenditures associated with county staff and operations gives some sense of whether demonstration and comparison counties are making investments in public operations, or in other purchased supportive services.

Table 4.11 shows the total costs of county staff and related administrative expenses for demonstration and comparison counties from 1996 through 2001. These expenses included all county program and administrative staff performing child protective, foster care case management, adoption and family preservation functions. The pattern of change in expenditures for county operations found among almost all counties was one of increased spending beyond the rate of inflation. Table 4.11(a) shows the comparison of growth rates for both groups of counties. Demonstration counties account for the five highest increases in spending on county staff and related administrative expenses. One comparison county accounted for the lowest increases in these expenses. Six total counties fall just short of the seven counties required for the Tukey Quick Test. Therefore, differences in spending on county staff and administrative expenses were nearly significant between demonstration and comparison counties.

Table 4.11 Annual County Salary and Administrative Expenditures

Total Administrative Expenditures	1996	1997	Baseline	1998	1999	2000	2001
Demonstration							
Ashtabula *	\$ 1,848,000	\$ 2,025,000	\$ 1,936,500	\$ 2,257,000	\$ 2,311,000	\$ 2,637,000	\$ 2,896,000
Belmont*	\$ 854,000	\$ 1,256,000	\$ 1,055,000	\$ 1,555,000	\$ 1,862,000	\$ 2,157,000	\$ 2,249,000
Clark**	\$ 2,594,000	\$ 2,546,000	\$ 2,570,000	\$ 3,059,000	\$ 3,245,000	\$ 3,478,000	\$ 4,061,000
Fairfield**	\$ 1,351,000	\$ 1,287,000	\$ 1,319,000	\$ 1,450,000	\$ 1,665,000	\$ 2,216,000	\$ 2,376,000
Franklin**	Not Available	\$37,230,000	\$37,230,000	\$34,450,000	\$48,352,000	\$46,252,000	\$46,622,000
Greene**	Not Available	\$ 1,769,000	\$ 1,769,000	\$ 2,221,000	\$ 2,127,000	\$ 2,493,000	\$ 2,674,000
Hamilton*	Not Available	\$21,770,000	\$21,770,000	\$20,746,000	\$19,803,000	\$24,810,000	\$28,873,000
Lorain*	\$ 4,014,000	\$ 4,284,000	\$ 4,149,000	\$ 5,310,000	\$ 6,251,000	\$ 7,226,000	\$ 8,554,000
Medina	Not Available	Not Available	Not Available	Not Available	\$ 899,000	\$ 867,000	\$ 1,349,000
Muskingum*	\$ 1,508,000	\$ 1,535,000	\$ 1,521,500	\$ 1,823,000	\$ 2,035,000	\$ 2,213,000	\$ 2,904,000
Portage*	Not Available	\$ 1,855,000	\$ 1,855,000	\$ 1,863,000	\$ 1,651,000	\$ 1,738,000	\$ 1,855,000
Richland*	\$ 2,982,000	\$ 2,867,000	\$ 2,924,500	\$ 3,216,000	\$ 3,934,000	\$ 4,206,000	\$ 4,449,000
Stark*	\$ 6,051,000	\$ 5,572,000	\$ 5,811,500	\$ 5,554,000	\$ 6,687,000	\$ 8,051,000	\$10,332,000
Comparison							
Allen*	\$ 1,381,000	\$ 1,554,000	\$ 1,467,500	\$ 1,781,000	\$ 1,810,000	\$ 1,909,000	\$ 2,321,000
Butler*	\$ 5,401,000	\$ 5,648,000	\$ 5,524,500	\$ 5,827,000	\$ 6,112,000	\$ 7,565,000	\$ 8,648,000
Clermont**	\$ 1,176,000	\$ 898,000	\$ 1,037,000	\$ 1,041,000	\$ 963,000	\$ 882,000	\$ 912,000
Columbiana**	Not Available	Not Available	Not Available	\$ 198,000	\$ 310,000	\$ 478,000	\$ 560,000
Hocking*	\$ 482,000	\$ 497,000	\$ 489,500	\$ 576,000	\$ 644,000	\$ 686,000	\$ 763,000
Mahoning*	\$ 4,745,000	\$ 4,875,000	\$ 4,810,000	\$ 5,518,000	\$ 5,660,000	\$ 6,103,000	\$ 6,395,000
Miami*	\$ 1,045,000	\$ 1,081,000	\$ 1,063,000	\$ 1,124,000	\$ 1,106,000	\$ 1,195,000	\$ 1,397,000
Montgomery*	\$15,613,000	\$17,836,000	\$16,724,500	\$18,338,000	\$22,760,000	\$19,942,000	\$22,663,000
Scioto*	\$ 1,208,000	\$ 1,176,000	\$ 1,192,000	\$ 1,196,000	\$ 1,285,000	\$ 1,464,000	\$ 1,649,000
Summit**	Not Available	\$16,755,837	\$16,755,837	\$17,125,589	\$20,763,895	\$22,269,332	\$26,426,198
Trumbull*	\$ 5,844,000	\$ 5,919,000	\$ 5,881,500	\$ 5,789,000	\$ 6,138,000	\$ 6,013,000	\$ 6,364,000
Warren*	\$ 1,354,000	\$ 1,461,000	\$ 1,407,500	\$ 1,584,000	\$ 1,673,000	\$ 1,807,000	\$ 1,956,000
Wood**	\$ 763,000	\$ 694,000	\$ 728,500	\$ 714,000	\$ 784,000	\$ 807,000	\$ 831,000

* Figures obtained from PCSA Budget Documents

** Figures obtained from SS-RMS

Table 4.11 (a) Tukey's Quick Test for Change in Annual County Salary and Administration Expenses

Evaluation Group	County	Growth Baseline - 2001
Comparison	Clermont**	(12%)
Demonstration	Portage*	0%
Comparison	Trumbull*	8%
Comparison	Wood**	14%
Demonstration	Franklin**	25%
Comparison	Miami*	31%
Demonstration	Hamilton*	33%
Comparison	Mahoning*	33%
Comparison	Montgomery*	36%
Comparison	Scioto*	38%
Comparison	Warren*	39%
Demonstration	Ashtabula *	50%
Demonstration	Greene**	51%
Demonstration	Richland*	52%
Comparison	Hocking*	56%
Comparison	Butler*	57%
Comparison	Summit**	58%
Demonstration	Clark**	58%
Comparison	Allen*	58%
Demonstration	Stark*	78%
Demonstration	Fairfield**	80%
Demonstration	Muskingum*	91%
Demonstration	Lorain*	106%
Demonstration	Belmont*	113%

* Figures obtained from PCSA Budget Documents

** Figures obtained from SS-RMS

Table 4.12 presents estimates of the per diem costs of the county's foster care case management activities for each of the 26 counties. Case management costs were estimated by multiplying county staff costs by the percentage of time devoted to case management activities (as calculated by the SS-RMS), and then dividing this number by the total number of paid placement days. Table 4.12(a) shows the comparison of growth rates for both groups of counties. Demonstration counties account for four of the highest increases in per diem costs, and comparison counties account for seven of the lowest increases. With a total of eleven counties clustered on the ends of the distribution, it appears that the two groups were significantly different with respect to the per diem costs of foster care case management.

Table 4.13 shows estimates of the amount of money spent on family and community-based services, predominantly cash and material support for families and relatives and contracts for family support services and mental health services from 1996 to 2001. As noted at the bottom of the table, Greene, Franklin, and Summit's reporting mechanisms differed from other counties: reported expenditures also included the costs of county staff that deliver these services to families, as well as costs for county child protective services. For this reason, Greene, Franklin and Summit are not included in the comparison between the demonstration and comparison groups.

These costs were the most difficult to identify and to compare across counties because of the variability in which services were provided, as well as because of the variety of services offered. In some counties, family support and community-based services are delivered by other local agencies, such as the mental health or substance abuse prevention agency. These amounts were not included in county expenditures, and it was beyond the capacity of the fiscal evaluation to account for expenditures outside the PCSA. In some counties, these types of services were delivered through the public assistance program. In only some of these cases, county fiscal staff was able to identify these costs for the evaluation.

Many types of family support and community based services could be found from county to county. The most common expenditure seen was family support/cash payment programs. Other typical services include Wraparound, family education programs, intensive home-based services to families, in-house psychologists, and family stability/family reunification programs.

As shown in Table 4.13, both demonstration and comparison counties increased spending on family support and community based services. The distribution of growth trends for comparison and demonstration counties was not significantly different from the baseline to 2001 (Table 4.13(a)). Only one comparison county (Hocking) significantly reduced spending on these services. Four demonstration and three comparison counties more than doubled expenditures on services of these types. Two demonstration counties, Belmont and Ashtabula, increased expenditures on these types of services by ten-fold and thirty-fold, respectively.

Table 4.12 Per Diem Costs - County Foster Care Case Management

	1997	1998	1999	2000	2001	Growth 1997 - 2001
Demonstration						
Ashtabula	\$22.43	\$23.41	\$23.78	\$24.39	\$34.04	52%
Belmont	\$17.55	\$28.16	\$38.17	\$50.53	\$49.82	184%
Clark	\$9.77	\$12.89	\$15.00	\$14.72	\$15.59	60%
Fairfield	\$18.10	\$21.17	\$21.89	\$31.77	Not Available	N/A
Franklin	\$24.12	\$20.80	\$29.35	\$26.56	\$26.13	8%
Greene	\$16.34	\$20.85	\$16.15	\$17.09	\$17.81	9%
Hamilton	\$17.81	\$18.71	\$15.15	\$18.68	\$22.18	25%
Lorain	\$19.86	\$25.63	\$28.89	\$34.06	\$39.68	100%
Medina	Not Available	Not Available	\$20.00	\$23.56	\$30.18	N/A
Muskingum	\$9.43	\$16.13	\$17.87	\$18.15	\$18.84	100%
Portage	\$13.31	\$15.67	\$14.37	\$15.66	\$16.64	25%
Richland	\$17.22	\$17.30	\$22.05	\$22.98	\$26.00	51%
Stark	\$9.95	\$10.97	\$13.12	\$17.42	\$18.48	86%
Comparison						
Allen	\$20.92	\$26.21	\$23.01	\$29.93	\$19.13	(9%)
Butler	\$13.77	\$13.24	\$14.03	\$18.58	\$22.50	63%
Clermont	\$4.71	\$5.69	\$5.87	\$5.87	\$4.51	(4%)
Columbiana	Not Available	Not Available	Not Available	Not Available	Not Available	N/A
Hocking	\$20.93	\$21.57	\$19.89	\$20.97	\$19.20	(8%)
Mahoning	\$20.41	\$21.27	\$22.25	\$26.71	\$28.69	41%
Miami	\$12.40	\$11.68	\$10.62	\$10.21	\$11.30	(9%)
Montgomery	\$15.54	\$14.14	\$18.93	\$20.11	\$24.04	55%
Scioto	\$25.34	\$19.22	\$21.33	\$22.74	\$23.82	(6%)
Summit	\$22.92	\$20.25	\$22.19	\$26.60	Not Available	N/A
Trumbull	\$25.44	\$26.46	\$23.54	\$21.67	\$23.46	(8%)
Warren	\$18.51	\$22.94	\$23.56	\$29.26	\$24.89	34%
Wood	\$12.22	\$11.40	\$18.48	\$22.10	\$11.07	(9%)

Source: PCSA Budget Documents, FACSIS, and SS-RMS

Table 4.12 (a) Tukey's Quick Test for Change in Annual Per Diem Cost of Foster Care Case Management

Evaluation Group	County	Growth 1997 - 2001
Comparison	Wood	(9%)
Comparison	Miami	(9%)
Comparison	Allen	(9%)
Comparison	Hocking	(8%)
Comparison	Trumbull	(8%)
Comparison	Scioto	(6%)
Comparison	Clermont	(4%)
Demonstration	Franklin	8%
Demonstration	Greene	9%
Demonstration	Hamilton	25%
Demonstration	Portage	25%
Comparison	Warren	34%
Comparison	Mahoning	41%
Demonstration	Richland	51%
Demonstration	Ashtabula	52%
Comparison	Montgomery	55%
Demonstration	Clark	60%
Comparison	Butler	63%
Demonstration	Stark	86%
Demonstration	Muskingum	100%
Demonstration	Lorain	100%
Demonstration	Belmont	184%

Table 4.13 Expenditures on Family Support and Community-Based Services

Total Expenditures for Contracts for Family Support and Community-Based Services **								Growth
	1996	1997	Baseline	1998	1999	2000	2001	Baseline - 2001
Demonstration								
Ashtabula	\$ 0	\$ 3,000	\$ 1,500	\$ 56,000	\$ 69,000	\$ 70,000	\$ 53,000	34.33
Belmont	\$ 27,000	\$ 75,000	\$ 51,000	\$ 70,000	\$ 117,000	\$ 637,000	\$ 562,000	10.02
Clark	\$ 147,000	\$ 226,000	\$ 186,500	\$ 240,000	\$ 281,000	\$ 762,000	\$ 1,452,000	6.79
Fairfield	Not Available	\$ 17,000	\$ 17,000	\$ 21,000	\$ 38,000	Not Available	Not Available	N/A
Hamilton	Not Available	\$ 7,033,000	\$ 7,033,000	\$ 7,257,000	\$ 6,599,000	\$14,211,000	\$16,044,000	1.28
Lorain*	Not Available	Not Available	\$ 162,000	\$ 162,000	\$ 227,000	\$ 276,000	\$ 171,000	0.06
Medina	Not Available	Not Available	Not Available	Not Available	\$ 18,000	\$ 99,000	\$ 97,000	N/A
Muskingum	\$ 3,000	\$ 59,000	\$ 31,000	\$ 149,000	\$ 142,000	\$ 134,000	\$ 197,000	5.35
Portage	Not Available	\$ 453,000	\$ 453,000	\$ 293,000	\$ 305,000	\$ 421,000	\$ 646,000	0.43
Richland	\$ 51,000	\$ 113,000	\$ 82,000	\$ 162,000	\$ 178,000	\$ 172,000	\$ 230,000	1.80
Stark	\$ 292,000	\$ 248,000	\$ 270,000	\$ 233,000	\$ 510,000	\$ 528,000	\$ 338,000	0.25
Comparison								
Allen	\$ 53,000	\$ 39,000	\$ 46,000	\$ 52,000	\$ 59,000	\$ 41,000	\$ 56,000	0.22
Butler	\$ 371,000	\$ 432,000	\$ 401,500	\$ 392,000	\$ 412,000	\$ 696,000	\$ 641,000	0.60
Clermont*	Not Available	Not Available	\$ 336,000	\$ 336,000	\$ 449,000	\$ 973,000	\$ 1,250,000	2.72
Columbiana*	Not Available	Not Available	\$ 198,000	\$ 198,000	\$ 237,000	\$ 276,000	\$ 232,000	0.17
Hocking	\$ 151,000	\$ 271,000	\$ 211,000	\$ 156,000	\$ 219,000	\$ 145,000	\$ 169,000	-0.20
Mahoning	\$ 237,000	\$ 323,000	\$ 280,000	\$ 340,000	\$ 239,000	\$ 319,000	\$ 414,000	0.48
Miami	\$ 9,000	\$ 12,000	\$ 10,500	\$ 13,000	\$ 11,000	\$ 10,000	\$ 12,000	0.14
Montgomery	\$ 708,000	\$ 1,207,000	\$ 957,500	\$ 999,000	\$ 1,683,000	\$ 3,146,000	\$ 3,611,000	2.77
Scioto	\$ 41,000	\$ 97,000	\$ 69,000	\$ 85,000	\$ 154,000	\$ 177,000	\$ 203,000	1.94
Trumbull	\$ 57,000	\$ 160,000	\$ 108,500	\$ 191,000	\$ 208,000	\$ 197,000	\$ 349,000	2.22
Warren	\$ 21,000	\$ 28,000	\$ 24,500	\$ 60,000	\$ 68,000	\$ 68,000	\$ 73,000	1.98
Total Family Support and Community-Based Services, Including Staff Expenditures***								Total Growth
	1996	1997	Baseline	1998	1999	2000	2001	Baseline - 2001
Demonstration								
Franklin	\$39,631,000	\$42,486,000	\$41,058,500	\$44,082,000	\$48,613,000	\$46,536,300	\$49,505,000	0.21
Greene	\$ 819,000	\$ 694,000	\$ 756,500	\$ 759,000	\$ 856,000	\$ 963,000	\$ 1,102,000	0.46
Comparison								
Summit	\$ 9,002,000	\$10,512,000	\$ 9,757,000	\$ 9,702,000	\$10,462,000	\$10,273,000	Not Available	N/A

* 1998 expenditures were used as the baseline for Lorain, Clermont and Columbiana counties

** These non-foster care expenditures include cash and material support for families and contracts for family support work, both before during and after placement

*** These non-foster care expenditures include county staff costs for child protection and family support work, as well as cash and material support for families and contracts for family support work.

Source: PCSA Budget Documents

**Table 4.13 (a) Tukey's Quick Test for Change
in Family and Community-Based Services Expenditures**

Evaluation Group	County	Growth 1997 - 2001
Comparison	Hocking	-0.20
Demonstration	Lorain*	0.06
Comparison	Miami	0.14
Comparison	Columbiana*	0.17
Comparison	Allen	0.22
Demonstration	Stark	0.25
Demonstration	Portage	0.43
Comparison	Mahoning	0.48
Comparison	Butler	0.60
Demonstration	Hamilton	1.28
Demonstration	Richland	1.80
Comparison	Scioto	1.94
Comparison	Warren	1.98
Comparison	Trumbull	2.22
Comparison	Clermont*	2.72
Comparison	Montgomery	2.77
Demonstration	Muskingum	5.35
Demonstration	Clark	6.79
Demonstration	Belmont	10.02
Demonstration	Ashtabula	34.33

*1998 expenditures were used as the baseline for Lorain, Clermont and Columbiana counties.

4.5 CONCLUSIONS

The findings presented in this chapter suggest that when additional sources of revenue were available, the officials and staff that operate child welfare programs in Ohio chose to increase expenditures on services other than foster care board and maintenance, with a notable increase in the cost of managing foster care placements. Counties also increased expenditures on family preservation and community-based services, but the amount of expenditures in these areas was smaller. The findings presented in this chapter also suggest that the demonstration and comparison county groups did not experience significantly different ranges in growth rates of annual foster care board and maintenance expenditures, paid placement days purchased, or unit costs of foster care board and maintenance during the Waiver period. These two findings taken together appear somewhat surprising, since demonstration counties did increase spending on child welfare services to a larger degree than comparison counties, and had the fiscal incentive to reduce foster care costs.

However, the stimulus of the Waiver does not provide any clear expectations of the types of changes anticipated under the Waiver, and the types of changes might be too small and incremental to result in meaningful and observable differences between the demonstration and comparison counties. In fact, many counties might have moderated their foster care or family support services in a manner too subtle to be detected in the Fiscal Outcomes Study. The small number of counties participating in the Waiver, the large degree of variability found among counties, and issues with data quality limit the fiscal study team's ability to detect small changes among demonstration counties. The two profiles of demonstration counties presented in Chapter 5 offer just two examples of the variety of contexts and experiences found in some counties.

In conclusion, the findings presented in this chapter show that the Waiver stimulus and associated increases in spending on foster care case management did not have a detectable effect on foster care expenditures in a majority of demonstration counties. However, these findings do not eliminate the possibility that more subtle changes occurred, or that significant changes occurred in a minority of counties, or the possibility of future differentiation between demonstration and comparison counties.