

CHAPTER 1: INTRODUCTION

In October 1997, Ohio implemented “ProtectOhio,” the Title IV-E Child Welfare Demonstration project. As one of a score of Title IV-E Waiver programs in the country, ProtectOhio experiments with flexible use of federal IV-E dollars. The underlying premise of the Title IV-E Waiver is that changes to federal child welfare eligibility and cost reimbursement rules will change purchasing decisions and service utilization patterns in ways that are favorable to children, families, and communities. ProtectOhio adopts a managed care approach to increase the efficiency and effectiveness of the child welfare system, focusing on reducing use of out-of-home placement, increasing reunification and permanency, and improving family functioning, while also maintaining a cost-neutral budget.

Since the Waiver began, the local public child-serving agencies (PCSA) in fourteen Ohio counties have taken advantage of considerable flexibility in how they use Title IV-E funds. The flip side of this flexibility, however, is risk: counties participating in ProtectOhio have taken on most of the financial risk for the cost of child welfare services. These counties have traded unlimited federal participation in the costs of out-of-home care for the flexibility to spend limited funds on a range of child welfare services. Their commitment signals a desire for systemic change in the management of child welfare services, as the vehicle for improving child and family outcomes.

To provide insight into the effects of the Waiver demonstration, in July 1998, the Ohio Department of Job and Family Services (ODJFS) contracted with a team of researchers led by Human Services Research Institute (HSRI) to conduct a five-year evaluation. For evaluation purposes, evaluation team worked with ODJFS to create a group of 14 comparison counties, by matching a similar county to each of the 14 demonstration counties. Exhibit 1.1 lists the variables considered in matching the comparison counties.

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

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

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

This fifth annual report of the Waiver evaluation represents the culmination of the five-year study. The report serves a dual purpose: it incorporates new findings arising from the latest evaluation tasks and it summarizes significant findings from prior years, consolidating what has been learned about the impact of the Waiver on child welfare practice in Ohio.

1.1 OVERVIEW OF EVALUATION DESIGN AND RECENT ACTIVITIES

The evaluation project consists of four related studies, each of which assesses the central program hypothesis from different perspectives. The various members of the evaluation team have carried primary responsibility for one or more of these studies.

1.1.1 Process Implementation Study

HSRI leads the Process Implementation Study. With support from the Institute for Human Services Management (IHSM) and a private consultant in Ohio, the study team has examined the activities that have occurred in each of the 14 demonstration counties as they have implemented their own distinctive Waiver plan. The team has also tracked contemporaneous developments in the comparison set of 14 non-Waiver counties. Through site visits and other primary data collection methods, the Process Implementation Study team has documented the evolution of Waiver-generated changes in state and local plans and explored how the varying approaches and implementation trajectories have affected the achievement of desired outcomes for children and families.

In Year 5 of the evaluation, the Process Study team targeted its new data collection efforts to a few key areas of importance: prevention initiatives, mental health services, the PCSA-juvenile court relationship, and interagency collaboration. Team members conducted telephone interviews with selected counties and fielded a survey of child-serving agencies in each county. The Process Implementation Study Team’s findings are presented in Chapter 2 and Chapter 3 of this report.

1.1.2 Community Impact Study

HSRI leads the Community Impact Study, with support from IHSM. The study team has addressed how changes in each demonstration PCSA affect the larger community’s service infrastructure and dynamics, noting changes over time and between demonstration and comparison counties. In Year 5 of the evaluation, the Community Impact Study has been

merged into the Process Study, through the aforementioned agency survey addressing changes in interagency collaboration during the Waiver period (See Section 2.2 Methodology).

1.1.3 Fiscal Outcomes Study

Chapin Hall Center for Children, at the University of Chicago, has primary responsibility for the Fiscal Outcomes Study. The fiscal analysis has examined whether or not counties changed child welfare spending patterns as a result of receiving Title IV-E foster care funds as unrestricted child welfare revenue and, if so, how expenditure patterns changed. The fiscal outcomes study consists of the compilation and analysis of state and county-level aggregate expenditure information for child welfare services in each demonstration and comparison county from 1996, 2 years prior to the Waiver, through 2002, the fifth year of the Waiver. In Year 5 of the evaluation, the study team collected and analyzed expenditure data for thirteen demonstration and thirteen comparison counties. Fiscal Outcome Study findings are reported in Chapter 4 of this report.

1.1.4 Participant Outcomes Study

Westat bears primary responsibility for the Participant Outcomes Study. This research effort examines the impact of ProtectOhio on the children and families served by the child welfare system. The design requires defining measurable outcomes for PCSA clients. Through analysis of administrative data on all families served, the study team has compared service utilization and outcomes for participants over the five-year period of the Waiver, by county group and county size. In addition, the team conducted a survey of all active caseworkers in Year 4 about their background, attitudes, and a randomly selected open case. In Year 5 of the evaluation, the team has used survival analysis methods to examine how child and family outcomes would have differed in the absence of the Waiver, with a focus on differences in the length of first placement by specific exit outcomes. Participant Outcomes Study results are presented in Chapter 5 and Chapter 6 of this report.

1.1.5 Other Evaluation Efforts

To gain a fuller understanding of the overall effectiveness of the Waiver, the evaluation team has also focused more closely on a small group of demonstration counties, selected based on their significant findings in the Participant Outcomes and/or the Fiscal Outcomes Studies. Meetings with key stakeholders in each selected PCSA yielded information to link the outcomes findings with concrete county activities, enabling the evaluation team to develop “case studies” that integrate the findings from all portions of the evaluation. Case studies are included in Chapter 7 of this report.

1.2 CURRENT OHIO CONTEXT

While the Title IV-E Waiver has offered the 14 demonstration PCSAs considerably more flexibility in their use of IV-E funds than is afforded other Ohio child welfare agencies, ProtectOhio has been but one of many factors influencing child welfare practice throughout the state. Over the years of the evaluation, the complexity of the county-administered child welfare

system in Ohio has become more evident, and the challenge of distinguishing the effects of the Waiver from the effects of other efforts underway at both state and local levels has similarly increased. Hence it is important to identify the major factors in the overall child-serving environment and consider their probable influence on the findings of the Waiver evaluation.

First, the Ohio child welfare system is county-administered, potentially leading to enormous variations among the counties in the demonstration and comparison groups. Where analysis occurs at the county level, the study team has limited ability to tease out the effects of competing programmatic initiatives when the sample size is only 14 demonstration sites and 14 comparison sites.

Second, the evaluation sites vary greatly in size; the demonstration and comparison groups each contain two large metro counties. When aggregating changes in individual level data across all the sites, the fact that many of the 28 counties are relatively small means that small fluctuations in numbers of children may result in large percentage changes in particular outcomes. This situation increases the volatility of individual county-level changes over time. In addition, it reduces the usefulness of aggregate figures across the 14 counties in each group, because one large county's performance can easily dwarf what is occurring in several small counties. The study team has developed some valuable analytic approaches for minimizing these two problems, but statistical significance remains difficult to achieve in a small set of varied counties.

Third, a relatively small amount of unrestricted revenue comes to the counties from the state. Ohio counties fund a majority of child welfare services through local funds, many through a dedicated tax levy¹. These two sources combined give Ohio counties a significant amount of flexible revenue without the Waiver.

Fourth, federal Welfare Reform brought new funds to all Ohio counties that could be used for family support and community-based services. The Ohio Works First program (OWF) initially decreased welfare rolls dramatically, and thus made available to counties some amount of Prevention, Retention and Contingency (PRC) funds. In many counties, PRC funds were used to support programs utilized by PCSA clients; sometimes the local DJFS allocated PRC funds directly to the PCSA. During the last year of the Waiver, however, this funding source declined, directly due to the rebound in welfare rolls, and caused contraction or elimination of many of the PRC-funded services.

Fifth, as in other states, local child welfare programs in Ohio are intricately related to both the mental health and the juvenile justice systems. Changes that occur in those systems at the state level affect child welfare practice all over the state; in addition, changes made by individual county juvenile courts or mental health boards can have varying impact on individual PCSAs. In the last two years of the Waiver, both the Ohio Department of Mental Health and Department of Youth Services experienced severe budget cuts, with consequent dramatic effects on PCSAs. The nature and magnitude of the impact on the PCSA may vary substantially by county, depending on the nature of the relationship between the PCSA and the local agency subject to the budget

¹Nearly all the study counties – 12 demonstration sites and 10 comparison sites – currently have a Children Services levy.

shortfall. For example, the local Juvenile Department may choose to protect particular diversion programs for teens, because it has made a commitment to the PCSA to maintain that effort; or the local mental health board may choose to reduce its funding for specific child outpatient services because it knows that the PCSA can use flexible funds to pay for the service. Such decisions significantly impact service availability in the PCSA and add yet another variable to the equation regarding Waiver impact on PCSA practice.

Given these situations that can complicate the overall analysis of Waiver effects, the Year 5 report offers a balance of aggregate information and attention to individual county variations. The majority of the findings from prior years of the evaluation focus on aggregate comparisons of the demonstration counties to the comparison counties, supported by some explanations regarding individual counties. The Year 5 findings tend to highlight differences among individual demonstration counties, in particular the case studies presented in Chapter 7. The case studies tie together information on how the PCSA has changed its system, shifts occurring in child welfare expenditure patterns, and changes in participant outcomes. The material is speculative at this stage, suggesting the possibilities that the data offer to examine overall Waiver effectiveness.

1.3 DEMONSTRATION COUNTY PRIORITIES

At several points during the evaluation, the study team has asked the 14 demonstration PCSAs to reflect on the major ways they have sought to utilize the Waiver to make changes in practice. In the early part of the second year of the evaluation, the counties identified a set of outcome measures that they believed to be most important to pursue with Waiver flexibility. Table 1.1 lists the 12 domains and 22 outcome measures that were prioritized by at least half of the demonstration counties.² In the fall of 2002, in the final year of the evaluation and after five years of Waiver activity in the counties, the evaluation team again surveyed the demonstration counties, this time asking them to specify areas where they had focused strongly during the Waiver. The counties selected from a limited list of areas in which the evaluation team had observed substantial change. Table 1.2 shows the relative emphasis given to each of these areas.

² For a more detailed description of this entire process, see the *Second-Annual Report*, August 2000, chapter 1.

Table 1.1: Outcome Priorities	
Outcome Domain *Outcome Measures	Number of counties prioritizing outcome
Permanency	
* Increase in permanency of children in foster care	12
* Reduction in Length of Stay (LOS) in foster care	11
Placement Stability:	
* Reduction in number of placements	11
* Increase in use of less restrictive placements	10
Child Safety	
* Reduction in recurrence of child abuse and/or neglect	9
Relative/Kinship Care	
* Increase in placements with relatives	7
Case Management	
* Increase in family decision-making involvement	9
* Use of team conferencing	8
Interagency Collaboration	
* Improvement in PCSA interactions w/ other service agencies	7
* Improvement in relationship between PCSA & mental health	7
Managed Care: Provider Competition	
* Increase in foster/ adoptive parents recruited	8
Managed Care: Financing Methods using Capitation & Risk	
* Increase in variation in use of IV-E funds	8
Managed Care: Service Array	
* Development of new services, especially prevention, early intervention	10
* Improved availability and quality of services	9
* Increase in service capacity relative to need	9
* Timely access to services	9
Managed Care: Utilization Review and Quality Assurance	
* Increase in attention to outcomes	11
* Increase in activity related to controlling use of out-of-home care	9
* Greater implementation of CLA model	7
* Improvement in county-specific data management systems	7
Revenues & Expenditures	
* Shift in expenditures from out-of-home care to non-foster care services	14
* Increase in variation in use of IVE funds (also under Financing, above)	8
Cost Effectiveness	
* For a given level of expenditure, outcomes achieved	10

Table 1.2: Emphasis Placed on each Focus Area by Demonstration Counties (n=11)	
Focus Area	# of Counties
Supplementing adoption subsidies &/or using subsidized guardianship	8
Front-loading of home- & community-based services	10
Family Group Conferencing	9
PCSA Offering assessments at intake	10
IV-E Court Agreement	4
Paying for placements of children not in PCSA custody	10
Case rate contracting/risk-sharing	2
Targeting of new services to areas identified as insufficient in the past	2
Intensive services provided early, leading to earlier identification of children with high needs	7
Services to special populations	4
School Social Workers and other school-based services	4
Quality Assurance	4
Utilization Review	8
Data-driven decision-making, attention to data management	9
Caseload Analysis	7

In previous annual evaluation reports, the list of prioritized outcomes has been used as the core analytical framework for the evaluation. With the maturing of the Waiver demonstration, information is now available about (1) counties' focus on particular areas of activity, as reflected in Table 1.1 and 1.2, and (2) areas of child welfare practice where the evaluation has found notable differences between demonstration and comparison sites. Table 1.3 offers a more comprehensive listing of key ProtectOhio process and outcome measures. This expanded array of 29 issues reflects both the highest expectations of Waiver participants and the evaluation hypotheses underlying those hopes. Column 3 of Table 1.3 notes which of the outcomes were strongly emphasized by a majority of the counties (per table 1.2), column 4 indicates whether the evaluation uncovered noteworthy findings, and column 5 shows the chapter(s) in which the topic is discussed.

Table 1.3: Evaluation Outcomes Focus

Outcome Domain *Outcome Measures	Priority Outcome Y2	Strong Focus Y5	Noteworthy Findings	Discussed in this chapter
Permanency				
* Increase in permanency of children in foster care	X	X	X	5,6
* Reduction in length of stay in foster care	X		X	5,6
Placement Stability:				
* Reduction in number of placements	X		X	5
* Increase in use of less restrictive placements	X		X	5
Child Safety				
* Reduction in runaways			X	5,6
* Reduction in recurrence of child abuse and/or neglect	X		X	5,6
Child & Family Well-Being:				
* Increase in children served in-home		X	X	5
Relative/Kinship Care				
* Increase in use of relative foster care placements	X		X	5,6
* Change in the use of discharge to guardianship of a relative		X		5
Managed Care: Financing Methods				
* Use of case rate contracting and risk-sharing			X	2
* Increase in variation in use of IV-E funds	X	X	X	2,4
Case Management				
* Increase in family decision-making involvement	X			2
* Use of team conferencing	X	X		2
* Changes in screening and intake processes		X	X	2
Managed Care: Provider Competition				
* Increase in availability of foster/ adoptive homes	X		X	2
Managed Care: Utilization Review and Quality Assurance				
* Increase in attention to outcomes	X	X	X	2
* Increase in activity related to controlling/ rationalizing use of out-of-home care	X	X	X	2
* Greater implementation of CLA model	X	X		2
* Improvement in county-specific data management systems	X	X		2
Managed Care: Service Array				
* Development of new services (prevention, early intervention)	X	X	X	3
* Improved availability and quality of services	X	X		3
* Increase in service capacity relative to need	X		X	3
* Timely access to services	X			3
Managed Care: Targeting				
* Services targeted to areas of most need	X		X	3
Interagency Collaboration				
* Improvement in PCSA interactions w/ other service agencies	X		X	3
* Improved relationship between PCSA and Juvenile Court		X		3
* Improvement in relationship between PCSA & mental health	X			3
Revenues & Expenditures				
* Shift in expenditures from out-of-home care to non-foster care services	X	X	X	4
Cost Effectiveness				
* For a given level of expenditure, outcomes achieved	X		X	7

1.4 ORGANIZATION OF THIS REPORT

The Fifth Annual Report integrates the findings from the various evaluation studies into topic areas. Each chapter begins with a detailed discussion of its topic; major findings are highlighted in a **Summary** description at the end of each section.

Chapter 2 summarizes the Process Implementation findings from the five years of the Waiver evaluation, exploring ways that demonstration and comparison PCSAs have modified their policy and practice. The chapter explores counties' use of a range of managed care strategies

Chapter 3 focuses on areas that the Process Study Implementation team explored in depth in Year 5, including service array, court referrals and interagency collaboration. For each of these topics, the text offers an overview of the previous four years of findings, followed by new insights from the current year's work.

Chapter 4 examines fiscal outcomes, specifically focusing on changes in county child welfare expenditures, paid placement days, and service mix. It offers cumulative findings from the five years of the Fiscal Study outcomes.

Chapter 5 summarizes key findings from Years 1-4 of the Participant Outcome Study, in the areas of permanency, stability, child safety, and child & family well-being.

Chapter 6 presents new findings regarding permanency and child safety, drawing on Year 5 analyses of children exiting first placements.

Chapter 7 offers insight into Waiver effectiveness through presentation of case studies in six demonstration counties.

Chapter 8 begins with a summary of the major findings from all five years of the evaluation. The chapter also offers a brief description of proposed research appropriate for a Waiver Extension.