

# Financing the Future of Child Welfare

## Meeting One—July 25

### NOTES

#### Attending:

Riaz Aziz  
David Benson  
Judith Brumfield  
Patricia Coldwell  
Robert DeBoer  
Harvey Linder  
Justice Sam Hanson  
Tom Henderson  
Suzanne Koepplinger  
Kate Lerner  
Edward McBrayer  
Bob Meyer  
Judge Susan Miles  
Rhonda Porter  
Rose Robinson  
Rob Sawyer  
Jerry Soma  
Stella Whitney-West

#### From DHS:

Michelle Basham  
Katie Burns  
Jenny Ehrnst  
Jim Huber  
Chuck Johnson  
Lori Munsterman  
Bette O'Donnell  
Vernon LaPlante  
Erin Sullivan Sutton  
Dave Thompson  
Bill Wyss

The first meeting of the Financing the Future of Child Welfare in Minnesota took place on July 25, 2006. Prior to the meeting, members had received a Briefing Book presenting background information about the Child Welfare system as it currently functions in Minnesota. Materials distributed at the session are attached with these notes, including:

- Presentations for the day
- Presentation of information from Anoka County
- Contact list for all persons attending
- One-page project newsletter to be shared with other stakeholders to disseminate information about the project and to solicit input

These notes capture the highlights of the session.

Co-chairs Chuck Johnson, DHS, and Jerry Soma (Anoka County) shared their insights about the purposes and challenges of the project. Their comments included:

- Child welfare is a critical service in Minnesota as in other states.
- The drop in Federal funding available through Medicaid for targeted case management is important, but it is not all that is driving the need to examine the future financing for the child welfare system.
- Child welfare services across Minnesota have improved over the past few years, including risk management and alternative response. We want to maintain the direction of improvement.
- We will consider many options as a task force, but final decisions will depend on the Governor and the Legislative branches of government.
- There has been an extremely good working relationship between the counties and the state regarding child welfare. That relationship sets the foundation for this work.
- Reductions in funding are having an effect on prevention and early intervention activities, yet we know that best outcomes arise from early intervention with children and families.
- Social, economic, and demographic issues are increasing demand for child welfare services. This includes meth use and other stresses that affect families and children.
- Counties appreciate that DHS has committed to initiate this important conversation.

The group shared their understandings of the current need for this conversation and for rethinking financing structures for child welfare. They reflected on how others at the meeting saw things in similar and different ways.

Same	Different
Sustainability is vitally important Concern about impacts of change Concern for our communities Families have resilience to do the work Want to maintain what we've learned Need to prove the negative case: What happens if we don't do something? Briefing book as resource Elections influence decision making Prevention is effective Least hard to prove prevention influence, so later interventions are funded more Complexity of multiple needs Difficulty measuring outcomes Legal constraints	Levels in understanding of current system Different perspectives Roles (initiate, react, stages) Size of communities Level of engagement Policy/finance entry Marketing message County commitment 87 counties How we define and use prevention in context of safety

- Lori Munsterman from DHS presented information and answered questions about information contained in the Briefing Book regarding outcomes and measures.
- Bette O'Donnell from DHS presented information and answered questions about information contained in the Briefing Book regarding financing structures.
- Jerry Soma, of Anoka County, presented information about child welfare programs in Anoka County.
- Judith Brumfield, of Scott County, presented information about child welfare programs in Scott County.
- Tom Henderson, of Brown County, presented information about child welfare in Brown County.
- Bette O'Donnell of DHS talked about funding of child welfare from DHS's perspective.

Together the group identified trends and events that will affect the work of refinancing the future. They are listed below.

- Meth use driving increase in demand, but increase is "cooling" and shifting into urban areas.
- Reduced county ability to be flexible with funding
  - Child welfare is only part of social services at county
  - Staff reductions
  - Focus on serious maltreatment
  - Increasing demand on com. Agencies
- Needs will not go away
- Child mental health case management can pick up some child welfare, but few additional children will qualify. Limits on case size is also a barrier to this option
- Performance measures are increasingly important
- Controlling Medicare costs is a priority
- Rise of managed care in human services to control cost.
- Fed government "retreating to core mission." Medicaid only committed to Health Care
- Child welfare system utilization:
  - 50% behavioral/ mental health issues
  - 50% parental issues
- Immigrant communities:
  - Increase in number of non-profits to serve
  - Funding pool shrinking
  - Conversation with philanthropic organizations to coordinate or explain the expanded need
- Donor fatigue in philanthropic communities
- Many new people running for county offices, and many of them are focused on reducing taxes.
- Reduce number of cases in foster care.
  - LCTS funding reductions may reverse trends
- Strength-based collaboration interventions. Find what works.

- Model (forensic investigation)
  - Grew from expectations of neglect. These families don't respond to monitor and consequences.
  - Adversarial vs. collaborative
  - Viewed now as nice but not necessary.
  - Alternative response
  - Early intervention
  - Targeted and high risk children
- Increase in permanency cases (geometrical)
- Decline in resources for prevention/ early intervention. Resources only available to cover mandates
- Using paraprofessionals to save money and hold quality. Professional credentialing continues to be important
- Accountability on the rise
- More families in alternative response. Not equally used by people of color.
- Increase in rule 5
- Funding drawn out of the placement option to reduce cost.
  - Best financial practices look at out of home placement
- Increase in juvenile crime. Increased referrals from schools.
- CJI shorten legal timeline for permanency. In some ways the shorter timeline limits options
- Reduction of number staff in child welfare. How do we move to reunification with reduced staffs?
- Recent reforms toward working with families with chemical issues and bringing parents into process.
- Creative partnerships and pilots
  - High risk kids taken by agencies (Hennepin)
  - Redesign of service delivery to reduce staff need (Hennepin)
  - Low-level offenders working with integrated services
- Close personal networks reduce what happens to friends/relatives. Connectivity reducing society wide.
- Care taking professionals having increased demands and controls. (They are being forced to ask, "What more can we not do? Consequences to people in the professional work force issues/balances
- Policy makers lack respect/ credibility for field and work. This leads to increasing demand for evidence-based practice?
- CHIPs hearing requires reasonable efforts for reunification. What if staff's not available to give it?
- YWCA (active efforts) standards for performance and care.
- Immigrant outreach
  - Avoid errors from misunderstanding system
  - Available when eligible
  - Listen to needs of community
- Evidence based support for collaborative/developmental models. Well being of kids depends on Well Being of families. Best resource for safety

- Agencies still work under legacy of punishment rather than support
- Integration of services responds to the family-oriented services
- Technology for data sharing
- Development of Tribal Courts and implications of new roles and relationships
- DHS including Tribal influence in service delivery
- Instability of funding affects service definition and delivery
- Community collaboration is rising at state and fed levels
- Possible retroactive disallowance of Medicare funding for targeted case management.
- Minnesota Audit report expected soon as well as other states’.
- New regs and effective date. (this summer) law passed in Feb. Need time for interpretation
- Preliminary levy required for counties mid-September. Final by December. (can only be maintained or reduced)
- Elections to come
- This year no statewide cap set for property tax.

#### More Positive Trends

- Early childhood development interest growing in Minnesota
- Evidence-based practice supports early intervention and family involvement
- Parent seeing need to do something for kids. Need motivates.
- Partnerships → public/private, government/community, county/state
- Parents respond best to county and community than either one alone
- Options for business partnerships. Volunteers
- State wide mental health screening protocol (yet another partnership)
- We responded constructively and learned from welfare devolution. We can use those lessons now.

#### Questions to address in the future:

- What is the correlation between funding and outcome measures for county child welfare?
- What information is coming from other states regarding what is included in child welfare funding? Check the Urban Institute web site (<http://www.urban.org/>) for more information.
- What is included in “net taxing capacity” for counties?
- What is the trend in relationships of number of placements and funding for placements?
- What are the other states doing with regard to the cuts in targeted case management funding?
- What are policy thinkers saying about the role of the state in supporting child welfare? What are the pros and cons of state supervised county administered system of child welfare?
- What are some concrete examples of where the money comes from and how it is used?

- How can we build a case for targeted case management that focuses on kids rather than administration?
- What happens if we don't get money/funded?

What went well about this session?

- Diversity of voices in the room
- Amount and clarity of information provided
- Open and frank dialogue
- Briefing Book
- Note taking during conversations

What could have gone better?

- Hearing stories or contextual explanations for what the data means to kids, families, counties, and the state
- Inclusion of representatives from the legislative branch (The decision was made by the steering committee to include legislative communication later in the process).