

Program Budget Comparison

The following table summarizes the total executive budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	369.15	369.15	382.65	382.65	369.15	382.65	13.50	3.66%
Personal Services	18,606,388	19,002,027	20,721,744	20,744,459	37,608,415	41,466,203	3,857,788	10.26%
Operating Expenses	5,601,408	5,652,448	5,752,728	5,764,356	11,253,856	11,517,084	263,228	2.34%
Equipment & Intangible Assets	32,220	14,240	32,220	32,220	46,460	64,440	17,980	38.70%
Grants	7,181,939	6,338,025	7,181,939	7,181,939	13,519,964	14,363,878	843,914	6.24%
Benefits & Claims	29,832,885	32,142,537	32,470,486	33,744,883	61,975,422	66,215,369	4,239,947	6.84%
Debt Service	1,527	130,912	1,527	1,527	132,439	3,054	(129,385)	(97.69%)
Total Costs	\$61,256,367	\$63,280,189	\$66,160,644	\$67,469,384	\$124,536,556	\$133,630,028	\$9,093,472	7.30%
General Fund	31,865,778	33,318,418	35,389,865	36,419,876	65,184,196	71,809,741	6,625,545	10.16%
State Special	2,278,381	2,604,754	2,278,381	2,278,381	4,883,135	4,556,762	(326,373)	(6.68%)
Federal Special	27,112,208	27,357,017	28,492,398	28,771,127	54,469,225	57,263,525	2,794,300	5.13%
Total Funds	\$61,256,367	\$63,280,189	\$66,160,644	\$67,469,384	\$124,536,556	\$133,630,028	\$9,093,472	7.30%

Program Description

The Child and Family Services Division (CFSD) administers child protective services, child abuse and neglect services, prevention services, domestic violence grants, and other programs designed to keep children safe and families strong. CFSD is composed of three bureaus and five regions that administer programs and are advised by Local Family Services Advisory Councils, which serve as the link between local communities and DPHHS. CFSD is the primary user of the statewide Child and Adult Protective Services (CAPS) computer system.

Statutory authority for the program is provided in Titles 41, 42, and 52, MCA, and 45 CFR, Parts 1355, 1356, 1357 and 1370.

Program Highlights

Child and Family Services Division	
Major Budget Highlights	
◆	The executive projects an increase in foster care and subsidized caseloads of about 5.8% and 8.2%, respectively - \$3.3 million general fund (\$5.2 million total funds)
◆	Initiatives in the executive budget include: <ul style="list-style-type: none"> ● The addition of 13.5 permanent FTE - \$0.9 million general fund (\$1.2 million total funds) ● Provider rate increases of 2% each year - \$0.6 million general fund (\$0.9 million total funds) ● Tribal foster care support - \$0.4 million general fund ● Restoration of overtime and other personal services at about \$0.3 million general fund (about \$1.0 million total funds) ● Vehicle and office lease costs of about \$0.2 million general fund (\$0.4 million total funds)

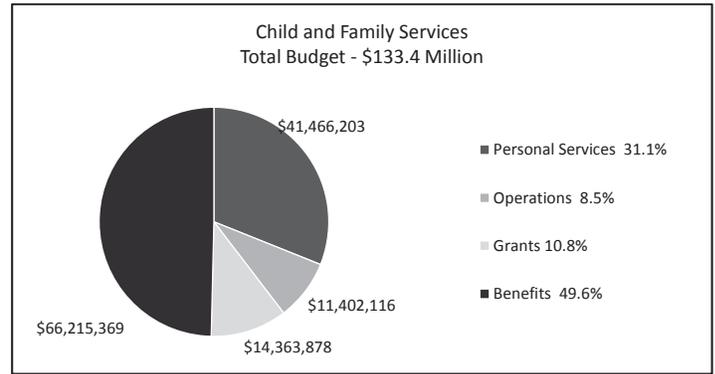
Program Discussion

Technical Note

A CFSD statutory appropriation of \$91,231 was mistakenly included in HB 2 in the Governor’s November 15, 2012 budget submission. It will be corrected in the December 15th version when the HB 2 state special revenue fund for adoption services will be decreased to increase statutory authority.

Primary Functions

The chart shows that the \$133 million biennium total funds budget primarily includes funding for personal services and grants and benefits. Programs serving foster care, subsidized adoption, subsidized guardianship, and a myriad of activities to support the division’s mission to keep children safe and support their families in reunification efforts comprise over 60.0% of the total budget. Personal services and operations costs support the field staff in five regional offices, centralized intake (all general fund), and administration.



CFSD Personal Services Hours Budgeted and Used				
	FTE	Hours Budgeted	Hours Used	Percent of Usage
Administration	8.50	18,479	14,802	80.1%
Central Intake	20.50	42,804	36,522	85.3%
Fiscal	17.50	36,540	32,853	89.9%
Programs	19.00	39,672	37,402	94.3%
Region 1	38.63	80,660	80,934	100.3%
Region 2	58.00	121,104	117,845	97.3%
Region 3	67.25	140,418	136,943	97.5%
Region 4	65.25	136,242	134,336	98.6%
Region 5	74.17	154,867	159,928	103.3%
	368.80	770,786	751,565	97.5%
FY 2012 Actual FTE	369.15			

Budgeted Hours

The following table shows the budgeted hours and the hours worked by CSED staff. When the actual personal services expenditure is translated into working hours it represents 368.80 FTE at 2,088 hours for 770,786 budgeted hours prior to the application of vacancy savings of 4%. The actual hours worked were 751,565. The difference of 19,221 hours reflects usage of 2.5% for hours budgeted that were not used, compared to the legislatively imposed 4% vacancy savings rate.

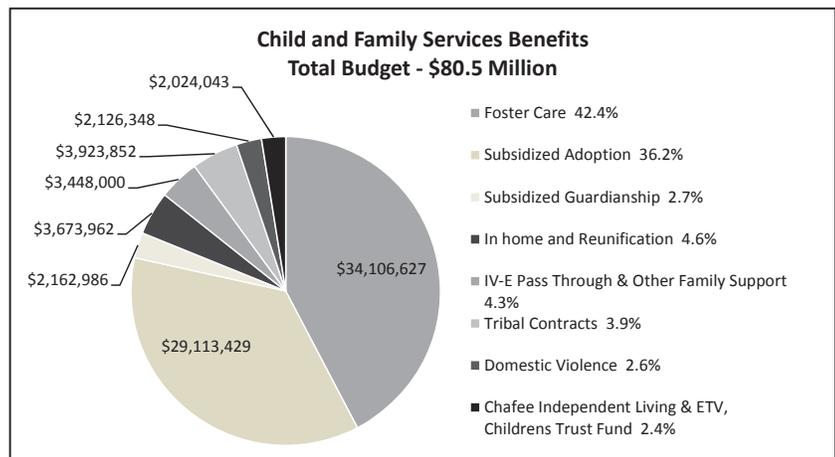
As the figure shows, the percentage of usage is higher in the regions, reflecting the division’s efforts to maintain caseworkers in the field. CFSD also addresses this concern with a request to make modified positions permanent. It is discussed in the new proposal section later in the write-up. (DP 30301)

There were two modified positions listed on the usage report outside of the HB 2 FTE that were working under budget amendment authority, one of whom worked the equivalent of just over 0.26 FTE and the other under 0.08 FTE. Both are also referenced in the new proposal.

Staff of the division received the general salary increase provided to other employees of the agency. For a further discussion, see the Summary section of this agency’s narrative.

Benefits and Grants

Benefits and Grants account for \$80.5 million of the entire budget. As the chart reflects, foster care, subsidized adoption, and subsidized guardianship represent 81.1% of the benefit and grant support budget.



Funding for grants and benefits serving children and families throughout the state ranges from in-home and reunifications services at 4.6% of the total benefits to grants for Tribal Contracts at 3.9%, with independent living and the Children’s Trust fund at 2.4%.

During the interim the executive made an adjustment related to benefits, grants, and services with the approval of \$110,000 general fund to the Zero the Three Project which addresses child abuse with a focus on shaken baby syndrome. It was part of the transfer of Medicaid benefits to other uses discussed in the agency overview. Funds were transferred from Medicaid Hospital Services benefits.

The FTE proposal and others related to CSED functions, benefits, and grants are discussed in the present law and new proposal sections later in the write-up.

Caseload

The following discussion relates to the Governor’s budget recommendations for foster care, subsidized adoption, and subsidized guardianship. The first part reflects the budget requests for benefit increases. This is followed by charts showing the historical changes in the number of foster care and subsidized adoption clients and related costs.

Child and Family Services Present Law and New Proposal Requests									
	FY 2014 Requests				FY 2015 Requests				
	FY 2012 Base	General Fund	Federal Funds	Total Funds	Increase over Base	General Fund	Federal Funds	Total Funds	Increase over Base
<u>Present Law Requests for Caseloads</u>									
Subsidized Guardianship	\$897,534	\$89,591	\$56,258	\$145,849	16.2%	\$128,999	\$79,453	\$208,452	23.2%
Subsidized Adoption	13,118,575	500,124	575,599	1,075,723	8.2%	766,423	877,072	1,643,495	12.5%
Foster Care	15,448,896	729,288	176,017	905,305	5.9%	1,088,638	143,751	1,232,389	8.0%
<u>New Proposals</u>									
Tribal Foster Care	15,448,896	200,000	0	200,000	1.3%	200,000		200,000	1.3%
2% Provider Rate Increases									
Subsidized Guardianship	897,534	23,746	28,261	52,007	5.8%	48,009	57,045	105,054	11.7%
Subsidized Adoption	13,118,575	2,686	1,823	4,509	0.0%	5,429	3,679	9,108	0.1%
Foster Care	15,448,896	153,014	69,218	222,232	1.4%	309,196	139,716	448,912	2.9%
In Home Services	206,225	<u>31,976</u>	<u>0</u>	<u>31,976</u>	<u>15.5%</u>	<u>64,591</u>	<u>0</u>	<u>64,591</u>	31.3%
Total Increase to Base		\$1,730,425	\$907,176	\$2,637,601		\$2,611,285	\$1,300,716	\$3,912,001	

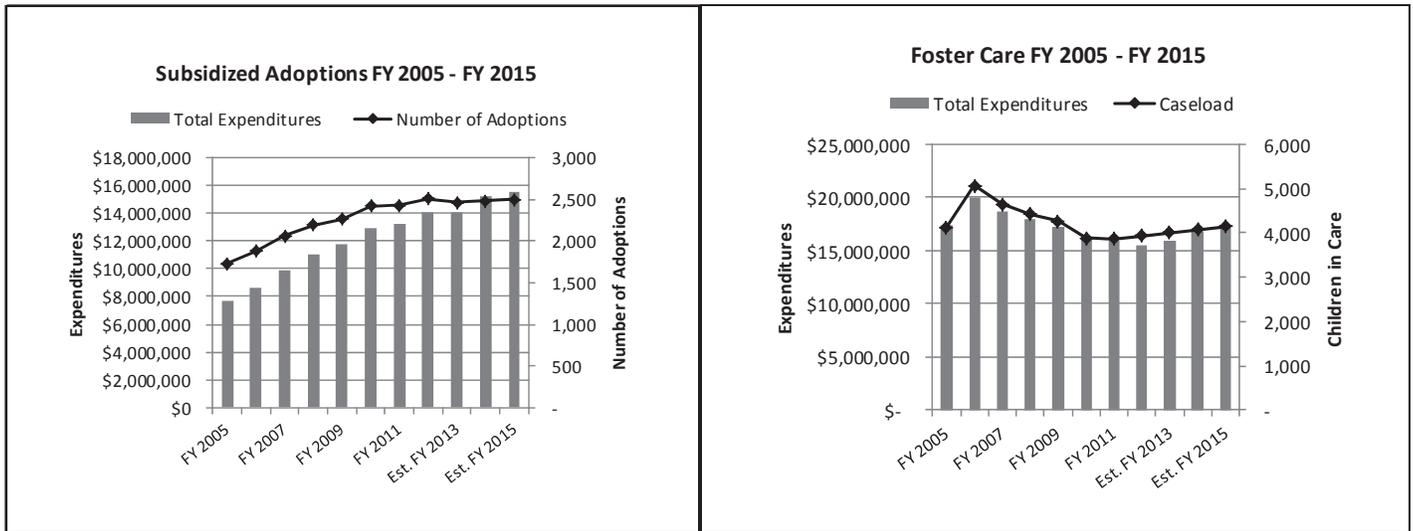
The executive addresses a gradual increase in projected benefits through FY 2015 and submits a budget that reflects increased efforts in family services supporting family reunification and efforts to unite children with relatives through subsidized adoption and guardianship as well as relative foster placements.

The efforts in family support and reunification, as well as kin-care, impact budget increases while costs related to foster care caseload don’t accelerate as quickly.

As shown in the following foster care caseload chart, the caseload and expenditures increased from FY 2005 to FY 2006 due to a surge of adult addictive behavior that was primarily due to methamphetamine, alcohol, and prescription drugs and the related impact on families. The expenditures gradually returned to the \$15.4 million level by FY 2012 and are projected to near \$17.0 million by FY 2015 with the general fund match at about \$9.0 million

The increase in subsidized adoption expenditures relates to the number of children available for adoption and the negotiated cost plans. The children enter with cost plans based upon the economy at that time and families generally negotiate a higher cost plan for subsidies than those children already in the program. Parents that are already in the program may also negotiate subsidies for a higher level.

Costs reflect both the efforts toward permanent homes and the increase in cost plans. Subsidies are negotiated at a rate that can be no more than \$10 a month less than the foster care rate. CFSD estimates that there is currently about 226 children available for adoption whose parents' rights have been terminated.



Endowment For Children

Within the permanent Children's Trust Fund, there is an Endowment for Children managed by the Board of Investments. It was launched in FY 2000 and later received a \$1.0 million general fund legislative appropriation to provide a permanent source of funding to support the programs and services related to child abuse and neglect, including family services programs operated by nonprofit or public community-based educational and service organizations. The fund can accept donations.

Investment income is reinvested into the corpus of the trust. The value of the endowment as of November 30, 2012 was about \$1.3 million. Interest is available for the trust fund board to spend. In FY 2012 the board distributed about \$155,000 for grants throughout the state, consultants and professional services, and a small amount of travel.

Other

Long Range Planning Information Technology

CFSD has a potential long range information technology (LRIT) project that was originally requested in HB 4 in the May 2007 Special Session called the Montana Adult and Child Welfare Information System (MACWIS). It would be a redesign to replace the antiquated Child and Adult Protective Services system (CAPS) used in the monitoring of foster care cases, adoption cases, payment for service to providers, and reporting. The Governor did not include the system in the 2011 session. The original budget for MACWIS was \$27.1 million with \$15.2 million in LRIT funds and \$11.9 million in federal funds. Prior to placing the project on hold and reverting \$10.3 million to the general fund in the budget reductions, the Governor transferred \$3.4 million LRIT funds to the Medicaid Information System (MMIS \$2.9 million) and the system development supporting TANF and SNAP (food stamps) services(\$0.5 million) projects.

With the MACWIS funding on hold, CFSD continues its operations on the existing CAPS system and worked with the Technology Services Division (TSD) to address any federal program compliance issues. The federal Administration for Children and Families (ACF) is aware of the situation. While it has acknowledged the limitations of the CAPS system to easily comply with federal changes because it is programmed in the antiquated COBOL language, it is supporting CFSD reimbursement data.

Children and Families Interim Committee (SJR 30 Study)

Two bills have been proposed in response to the Senate Joint Resolution 30 Study of Childhood Trauma that if passed would:

- Create an Office of Child and Family Ombudsman and appropriate \$250,000 general fund to the Department of Justice for the biennium. Click to access the bill draft: LCCF04
- Seek Accreditation of Child Protective Services and appropriate \$100,000 general fund to DPHHS for Children and Family Services. Click to access the bill draft: LCCF05

There is also a proposal (presently LC0313.01) authorizing DPHHS to share limited information about an investigation into a report of child abuse or neglect with a mandatory reporter.

Funding

The following table shows program funding, by source for the 2015 biennium as recommended by the Governor.

Total Economic Security Services Branch Funding by Source of Authority 2015 Biennium Budget - Child & Family Services							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$71,809,741	\$0	\$0	\$71,809,741	53.7%		
State Special Total	\$4,374,300	\$0	\$182,462	\$4,556,762	3.4%		
02089 Child Abuse & Neglect Program	\$300,194	\$0	\$0	\$300,194	0.2%		
02209 Third Party Contributions-f.c.	\$3,860,262	\$0	\$0	\$3,860,262	2.9%		
02473 Assault Intervention & Trtmnt	\$196,444	\$0	\$0	\$196,444	0.1%		
02483 Adoption Services / Sa	\$0	\$0	\$182,462	\$182,462	0.1%	402-2-105	Direct
02496 Family Preservation Conference	\$17,400	\$0	\$0	\$17,400	0.0%		
Federal Special Total	\$57,263,525	\$0	\$0	\$57,263,525	42.9%		
03109 Tanf Benefits	\$3,953,300	\$0	\$0	\$3,953,300	3.0%		
03224 Access & Visitation Grt 93.597	\$196,490	\$0	\$0	\$196,490	0.1%		
03458 6901 - Chafee - Etv 93.599	\$338,198	\$0	\$0	\$338,198	0.3%		
03522 93.556 - Family Preservation	\$1,898,994	\$0	\$0	\$1,898,994	1.4%		
03526 93.643 - Child Justice	\$197,230	\$0	\$0	\$197,230	0.1%		
03529 Iv-e Guardianship	\$833,360	\$0	\$0	\$833,360	0.6%		
03530 6901-foster Care 93.658	\$15,165,978	\$0	\$0	\$15,165,978	11.3%		
03531 6901-subsidized Adopt 93.659	\$15,581,219	\$0	\$0	\$15,581,219	11.7%		
03532 93.669 - Child Abuse	\$329,305	\$0	\$0	\$329,305	0.2%		
03533 93.671 - Domestic Violence	\$1,695,410	\$0	\$0	\$1,695,410	1.3%		
03534 93.672 - Child Abuse Challenge	\$336,500	\$0	\$0	\$336,500	0.3%		
03536 93.674 - Iv-e Independent Livi	\$901,030	\$0	\$0	\$901,030	0.7%		
03593 03 Indirect Activity Prog 03	\$15,836,511	\$0	\$0	\$15,836,511	11.9%		
Total All Funds	\$133,447,566	\$0	\$182,462	\$133,630,028	100.0%		
Percent - Total All Sources	99.9%	0.0%	0.1%				

As noted earlier, state special revenue (02483 Adoption Services) will be reduced by \$91,231 in the December 15th executive budget and statutory authority will be increased by a like amount.

The division is funded from a variety of sources. The funding and federal matching rates vary by function. Some costs are allocated among funding sources through a complex federally approved cost allocation plan that considers such factors as the results of a random moment in time study of social worker time spent on various activities.

General fund comprises 53.7% of the budget, with most used as matching funds to draw federal funds. General fund supports benefits, grants and functions serving foster care, subsidized adoptions, and family reunifications as well as safe, non-violent environments for children. The only major activity of the division that is supported entirely by the general fund is the centralized intake function at about \$2.4 million over the biennium for 22.00 FTE. Over \$26.6 million over the biennium supports the five regional offices across the state with 315.30 FTE, and about \$5.2 million

over the biennium supports the 45.35 FTE and operating costs of central administration.

Federal foster care and adoption subsidy funds comprise over 23.0%, and federal funds obtained through the cost allocation process comprise about 13%.

State special revenue primarily supports the cost of foster care from a wide variety of third party contributions such as parental payments, collections from child support enforcement for children in foster care, and supplemental security income (SSI) for eligible children. It represents 3.4% of the budget.

Present Law Adjustments

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					1,878,074					1,902,526
Vacancy Savings					(819,371)					(820,324)
Inflation/Deflation					(19,508)					(10,881)
Total Statewide Present Law Adjustments		\$844,247	\$0	\$194,948	\$1,039,195		\$988,102	\$0	\$83,219	\$1,071,321
DP 30200 - Guardianship Caseload	0.00	89,591	0	56,258	145,849	0.00	128,999	0	79,453	208,452
DP 30201 - Subsidized Adoption Caseload	0.00	500,124	0	575,599	1,075,723	0.00	766,423	0	877,072	1,643,495
DP 30202 - Foster Care Caseload	0.00	729,288	0	176,017	905,305	0.00	1,088,638	0	143,751	1,232,389
DP 30300 - Required Overtime / Holiday / Differential Pay	0.00	329,713	0	153,884	483,597	0.00	329,713	0	153,884	483,597
DP 30400 - Guardianship FMAP Adjustment	0.00	15,612	0	(15,612)	0	0.00	15,873	0	(15,873)	0
DP 30401 - Subsidized Adoption FMAP Adjustment	0.00	52,962	0	(52,962)	0	0.00	58,258	0	(58,258)	0
DP 30402 - Foster Care FMAP Adjustment	0.00	(1,762)	0	1,762	0	0.00	126	0	(126)	0
DP 30500 - Private Lease Adjustment	0.00	29,347	0	14,921	44,268	0.00	59,907	0	30,458	90,365
DP 30803 - Leased Vehicles	0.00	42,624	0	23,666	66,290	0.00	42,624	0	23,666	66,290
Total Other Present Law Adjustments	0.00	\$1,787,499	\$0	\$933,533	\$2,721,032	0.00	\$2,490,561	\$0	\$1,234,027	\$3,724,588
Grand Total All Present Law Adjustments	0.00	\$2,631,746	\$0	\$1,128,481	\$3,760,227	0.00	\$3,478,663	\$0	\$1,317,246	\$4,795,909

DP 30200 – Guardianship Caseload - The executive requests funding to cover projected increases in the number of finalized guardianships and the average cost per day. CFSD anticipates finalizing 29 guardianships by December 2012, which is a 16.0% increase over the current caseload.

DP 30201 - Subsidized Adoption Caseload – The executive requests funding to cover the projected increases in the number of finalized adoptions and the average cost per day in the Subsidized Adoption Program.

DP 30202 - Foster Care Caseload – The Governor requests funding to cover the projected increases in the number of children entering foster care. The request assumes a continuation of the trend for a decreasing number of children to be eligible for Federal IV-E funding.

DP 30300 - Required Overtime / Holiday / Differential Pay - This request would restore overtime, holidays worked, differential pay, and the corresponding benefits.

LFD COMMENT Overtime, holidays worked, differential pay, and the corresponding benefits are zero-based and must be requested in full each biennium. These costs are routinely requested each biennium along with retirement payouts and various taxes. This request also includes zero-based costs to restore compensatory time payouts that are primarily for the 24/7 child protective services provided throughout the state.

Child and Family Services Division Table for DP 30300 in Total Funds								
Category	Regional Office		Centralized Intake		Administration		2015 Biennim	
	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015
Overtime	\$98,575	\$98,575	\$36,637	\$36,637	\$764	\$764	\$135,976	\$135,976
Compensatory Time	263,072	263,072	5,481	5,481	7,422	7,422	\$275,975	\$275,975
Retirement / Other	25,532	25,532	3,325	3,325	578	578	\$29,435	\$29,435
Taxes / Other	32,295	32,295	4,206	4,206	731	731	\$37,232	\$37,232
Differential Pay	0	0	4,979	4,979	0	0	4,979	4,979
Total	\$419,474	\$419,474	\$54,628	\$54,628	\$9,495	\$9,495	\$483,597	\$483,597

Compensatory time payouts are legitimate expenses of any agency. However, they are not considered overtime, and are therefore not included as an ongoing expense in the budget base. Generally agencies pay these costs from vacancy savings or some other means, but if these costs are projected to be significant in the next biennium an agency may choose to request funding from the legislature.

The legislature may wish to have CFSD bring a separate proposal for the compensatory time and corresponding benefits.

DP 30400 - Guardianship FMAP Adjustment - This request would increase general fund by \$31,485 for the biennium with a corresponding decrease in federal funds.

LFD COMMENT This request and the following two requests contain an FMAP adjustment from the base year expenses at the FY 2012 FMAP rate to the FY 2014 rate of 33.73% state funds and 66.27% federal funds, and the FY 2015 rate of 33.78% state funds and 66.22% federal funds. The total cost for the programs would not change. A further discussion is in the Agency Summary section.

DP 30401 - Subsidized Adoption FMAP Adjustment - The executive requests a funding increase in general fund of \$111,220 for the biennium with a corresponding decrease in federal funds.

DP 30402 - Foster Care FMAP Adjustment - The executive requests funding decreases to the general fund of \$1,636 in FY 2014 with a corresponding increase in federal funds. There is an increase of \$126 general fund in FY 2015 with a corresponding decrease in federal funds.

DP 30500 - Private Lease Adjustment - The executive requests \$134,633 in total funds for the 2015 biennium to pay the cost associated with lease adjustments in non-state owned buildings throughout the state.

LFD COMMENT The request supports offices in 26 locations with two locations in Helena. The largest increases are in Wolf Point, Billings, Helena, Bozeman, and Hardin. There is further information in the agency overview.

DP 30803 - Leased Vehicles - The executive requests \$132,580 in total funds for the 2015 biennium to replace aged, high-mileage vehicles currently owned by the division with leased vehicles available through the State Motor Pool.

New Proposals

Program	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 30301 - Protective Service FTE & Operations										
03	13.50	480,919	0	152,407	633,326	13.50	448,213	0	141,233	589,446
DP 30805 - Tribal Foster Care										
03	0.00	200,000	0	0	200,000	0.00	200,000	0	0	200,000
DP 30901 - PRI - Foster Care										
03	0.00	153,014	0	69,218	222,232	0.00	309,193	0	139,716	448,909
DP 30902 - PRI - Subsidized Adoption										
03	0.00	23,746	0	28,261	52,007	0.00	48,009	0	57,045	105,054
DP 30903 - PRI - Subsidized Guardianship										
03	0.00	2,686	0	1,823	4,509	0.00	5,429	0	3,679	9,108
DP 30904 - PRI - In Home Services										
03	0.00	31,976	0	0	31,976	0.00	64,591	0	0	64,591
Total	13.50	\$892,341	\$0	\$251,709	\$1,144,050	13.50	\$1,075,435	\$0	\$341,673	\$1,417,108

DP 30301 - Protective Service FTE & Operations - The Governor requests \$1.22 million total funds to make 13.50 modified FTE positions permanent. 9.50 FTE would provide additional services in the field using a combination of increased child protection specialists (CPS), social service technicians, and caseworker visitation specialists. 4.00 FTE would increase centralized intake (CI) staff to handle increased call volume through the 24/7 child abuse hotline, and to provide appropriate supervision of CI to ensure reports are correctly categorized and prioritized.

LFD COMMENT	These FTE would replace modified positions, two of which have been in the statewide human services system since FY 2008. They are listed as 0.75 FTE each in this request.			
	<p>The need for these positions was discussed with the interim Children, Families, Health and Human Services Interim Committee. The committee also discussed the CFSD plan to address child welfare issues across the state and the increased workload in centralized intake due to statutory changes and an overall increase in reports of suspected abuse and neglect. The division and executive have responded via the modified FTE proposal for FY 2012 and FY 2013.</p> <p>12.00 modified FTE were approved by the executive the end of FY 2012 with funding to come from any realized vacancy savings and/or any additional surplus in the Foster Care budget. The table shows the fund splits as submitted with the July request. The approved positions were primarily case aides to support the multiple needs of families ranging from transportation, family conferences, gathering critical documents, and working to unite children with kinship providers in areas of the highest referral base. This action was designed in part with a goal to free child protective workers to focus on investigations and referral assessments.</p>			

CFSD Modified Positions Requested July FY 2012			
	General Fund	Federal Fund Indirect	Total Funds
Approved in July FY 2012			
Centralized Intake 100% General Fund			
3.00	\$44,250	\$0	\$44,250
1.00	56,782	0	56,782
Regional Offices			
6.00	20,641	32,102	52,743
<u>2.00</u>	<u>30,011</u>	<u>46,674</u>	<u>76,685</u>
<u>12.00</u>	<u>\$151,684</u>	<u>\$78,776</u>	<u>\$230,460</u>

At the time of this writing, the division had half of the modified positions employed and was advertising for more. At the end of November there were six positions advertised; two for CI and four child protection specialists to serve Butte, Plentywood, Kalispell, and Missoula.

**LFD COMMENT
CONT.**

On November 13, 2012 the division listed 31.20 FTE positions as vacant, 24 of which were social workers. One position has been vacant for over 3,000 hours, but most were vacant for 800 hours or less reflecting the turnover in the positions.

While child and family social worker salaries are listed at 93% of market, interim testimony indicated elements beyond wage alone drove turnover. Items primarily ranged from the nature of the job related to trauma, long hours, and time away from family to some personnel issues.

The legislature may wish to consider options related to tracking the success of the hiring project. The process could start during the 2013 session with:

- A report to the Health and Human Services Appropriations Subcommittee on vacancies, recruiting, and hiring noting placements in the field and related successes in achieving stable social worker retention
- Reports to the Children and Family and/or the Legislative Finance interim committees

DP 30805 - Tribal Foster Care – The executive requests \$200,000 in general fund for each year of the 2015 biennium to make non-Title IV-E billable services available to Tribal children living on the reservation and equalize services with Tribal children living off of the reservations.

**LFD
COMMENT**

These funds are included in the Title IV-E general fund match.

The division notes that presently children in foster care living on reservations only have access to Title IV-E eligible foster care services and placements. Funding would expand any non-Title IV-E billable service including but not limited to counseling, respite care, dental and/or miscellaneous medical, case management, supervised visitation, special transportation.

The division presently provides Title IV-E contracts to the Tribes at about \$1.5 million federal funds and \$0.4 million general fund each year. This request would support the non-Title IV-E services.

However, as submitted, this request would be added to the \$7.8 million general fund that is match for the federal Title IV-E funds. If funds are unused they could be transferred to other purposes.

Should the legislature wish to approve the request, it may wish to consider:

- Designating the funding with a line-item appropriation so it can be tracked throughout the biennium
- Assigning the funding to another reporting level such as the one for Tribal contracts

DP 30901 - PRI - Foster Care – The Governor requests funding for a 2% provider rate increase in each year of the biennium for Foster Care services.

**LFD
COMMENT**

This decision package and the three that follow request funding for a 2% provider rate increase. The table shows the funding per program. Calculations account for the caseload increase. All rate increases are considered part of the benefit structure and would be distributed through the social assistance account.

Provider rates for CFSD are presently at the FY 2009 rate. They support services ranging from foster care family at rates up to about \$20 per day to intensive therapeutic group home services at over \$195 per day. Subsidized adoption rates must be \$10.00 less than what a child would receive entering foster care.

Provider Rate Reque:	Child and Family Services Division FY 2014			Provider Rate Increase FH 2015		
	General Fund	Federal Funds	Total Funds	General Fund	Federal Fu	Total Funds
Foster Care	\$153,014	\$69,218	\$222,232	\$309,193	\$139,716	\$448,909
In-Home Services	31,976	0	31,976	64,591	0	64,591
Subsidized Adoption	23,746	28,261	52,007	48,009	57,045	105,054
Subsidized Guardians	2,686	1,823	4,509	5,429	3,679	9,108
Total	\$211,422	\$99,302	\$310,724	\$427,222	\$200,440	\$627,662

The rates associated with in-home services are funded with a capped federal grant. All services beyond the \$0.9 million federal grant, about \$2.1 million each year of the biennium, are supported with general fund. Consequentially, the 2% increase is general fund for this category. Provider rates are also discussed in the agency overview.

DP 30902 - PRI - Subsidized Adoption – The governor requests funding for a 2% provider rate increase in each year of the biennium for Subsidized Adoption services.

DP 30903 - PRI - Subsidized Guardianship – The governor requests funding for a 2% provider rate increase in each year of the biennium for Subsidized Guardianship services.

DP 30904 - PRI - In Home Services – The governor requests general fund for a 2% provider rate increase in each year of the biennium for In-Home Services.