

**Repeat maltreatment is the most important indicator of how well a state’s child protective agency’s interventions work. The measure’s strength is that it informs leaders of whether the state’s interventions are working within a short timeframe. Because many of New Mexico’s children and families face socioeconomic challenges, a risk factor for child maltreatment, the state spends millions each year on programs to intervene when families experience crises. Findings in a recent LFC evaluation determined the state sometimes intervenes with foster placements when less traumatic and costly alternatives are available.**

## What about Prevention?

Measuring repeat maltreatment does not speak to how a child or family ended up in the protective services system or how maltreatment could have been prevented or stopped from recurring. Research indicates upstream evidence based prevention services effectively reduce family interactions with state child protective service agencies and demonstrate positive returns on investment due to reductions in foster placements and other long-term permanency solutions. The state’s challenge is to implement tools to effectively support families.

**The federal government funds prevention services.** Recognizing positive outcomes associated with preventative services, in 2018 the federal government passed the Family First Prevention Services Act (FFPSA). The act created incentives for states to move money from back-end services to front-end prevention services. Prior to FFPSA, states were restricted to use federal Title IV-E funds for foster care placements. Now states are encouraged to use these funds to reduce foster placements as long as programs are evidence based and approved by the Title IV-E Prevention Services Clearinghouse. In alignment with this strategy, for FY22 the Legislature earmarked \$3.7 million in general fund revenue for evidence based prevention and early intervention services.

**The Children, Youth and Families Department (CYFD), is the lead agency in implementing preventive services.** CYFD, through its Protective Services, Juvenile Justice Services, and Behavioral Health Services programs, is the lead agency responsible for providing an array of prevention, intervention, rehabilitative and after-care services. In New Mexico a foster care placement costs around \$21 thousand a year, compared with \$3.7 thousand for in-home services, and the average duration of foster care is longer than in-home cases. However, most spending for Protective Services occurs in foster care placement and adoption.

By increasing preventive care, the state could save significantly by diverting families early while also improving long-term outcomes. For CYFD and Child Protective Services, meeting the longtime legislative priority of improving long-term outcomes for children requires successfully shepherding the transition from intervening after maltreatment occurs to establishing a statewide system for child wellbeing and prevention. As CYFD expands the delivery of preventive services communities, state agencies, and providers will need to work together to ensure preventive services are supported, connected, and held accountable.

**AGENCY:** Children, Youth and Families Department

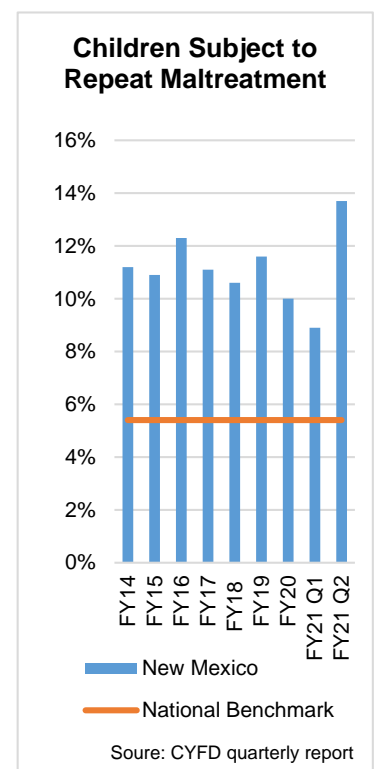
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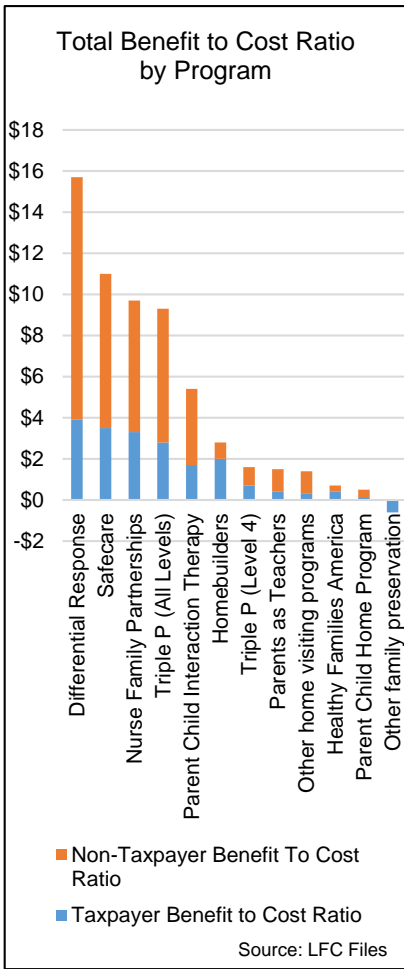
**PURPOSE OF HEARING:** Update on Child Protective Services

**WITNESS:** Brian Blalock, Secretary, Children, Youth and Families Department

**PREPARED BY:** Eric Chenier

**EXPECTED OUTCOME:** Inform Committee of progress in implementing evidence based services, Kevin S. Settlement progress, and monitoring performance.

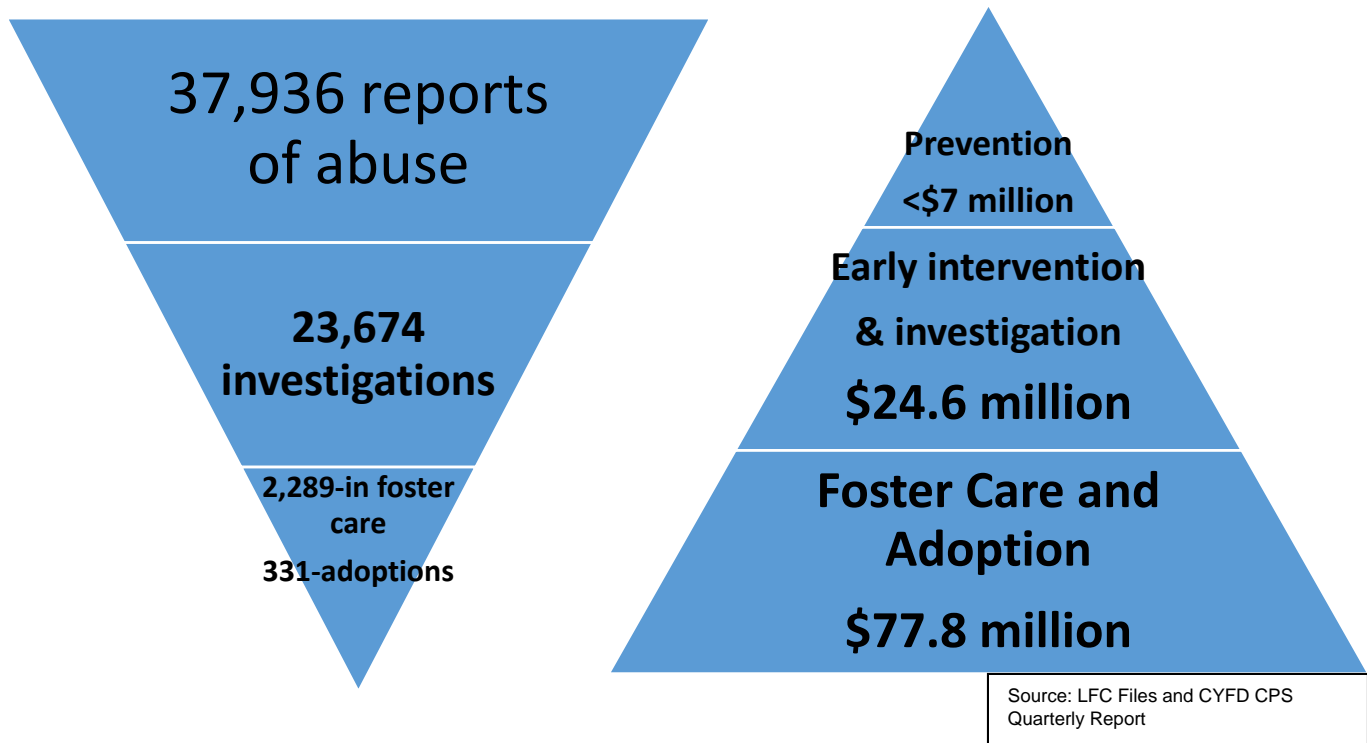




**In FY21, CYFD began implementing differential response (DR), an evidence based process shown to reduce foster care placements.** DR is an alternative process for responding to alleged child maltreatment where there is low risk and where investigations may not be appropriate. DR allows Protective Services to provide services to a child’s family without removing the child from the home. When a report of neglect or abuse is received, the department will be required to conduct an evaluation to determine whether there is an immediate concern for the child’s safety. Under this program, rather than investigating or not responding to a low risk referral, the family is put in touch with a support worker to conduct an assessment and provide services. A pilot differential response program was run in Bernalillo County from 2005-2007 to assess multilevel response and found that families who accepted assessment services saw a lowered rate of maltreatment, had fewer children removed and placed in foster care, and had almost half as many repeat maltreatment reports as families who refused services. Other states have also seen positive effects of DR and the approach is becoming more widely used nationally

**In 2020 the state enacted Section 32A-4-4.1 requiring CYFD create a multilevel response (or DR) system.** The law requires the department provide an annual implementation and outcomes report to LFC and the Department of Finance and Administration (DFA). No later than July 2022, if the department implements the system on a pilot basis the department is required to submit a plan to LFC and DFA setting forth how to expand the system statewide. Implementing the bill, the department has entered into three sole source procurements with Evident Change Incorporated, totaling \$1.3 million. These procurements are intended to allow the department to implement the system using a structured decision making tool. The tool allows protective service workers and others to make research based decisions for children and families in the protective services system.

### FY20 CYFD Protective Services Child Welfare Statistics and Spending Estimates



## Unnecessary short-term foster placements can traumatize children and are costly

A May 2020 LFC evaluation found that over the last six years, approximately 40 percent of children placed into foster care in New Mexico stay for less than 30 days, the highest short term placement rate in the nation. Most of these children only stay in foster care for 8 days or less. Serious abuse and neglect make it necessary to remove unsafe children from their homes; however, in recent years, researchers have identified some of these “short-stayers” as unnecessary removals from the home that could have been avoided with better strategies or additional resources.

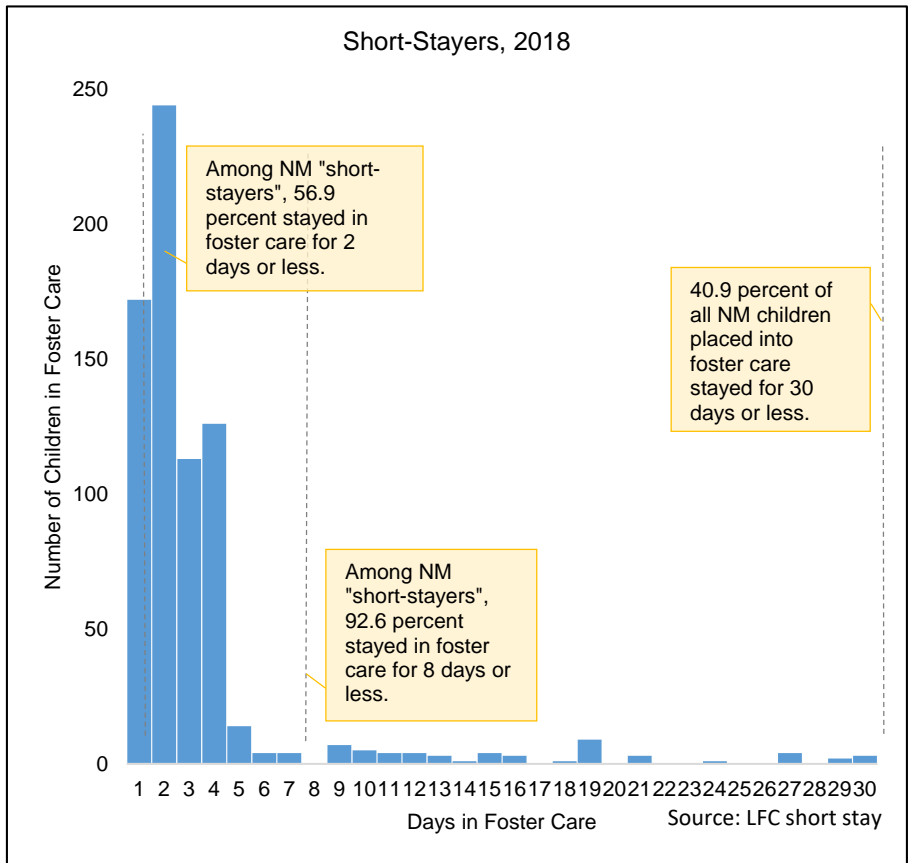
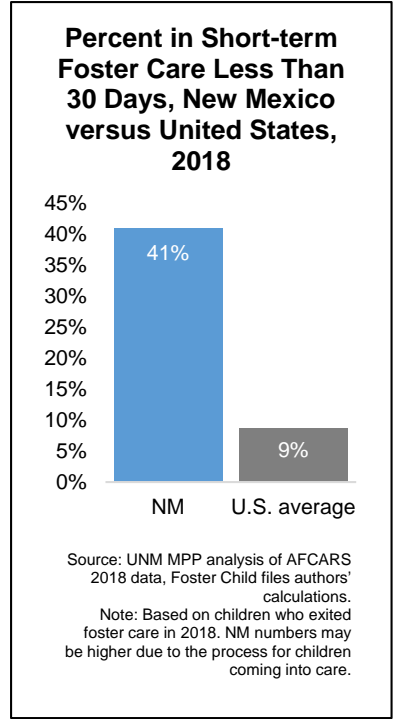
**Removal from the home is often a traumatic experience for children that is associated with negative outcomes.** Interviews with children removed from the home due to suspected abuse and neglect indicate removal is a traumatic experience for the child. Children report they were not warned they were being removed, were provided with little information or support about their foster care placement, and experienced feelings of fear and confusion. However, in many cases removal is absolutely necessary.

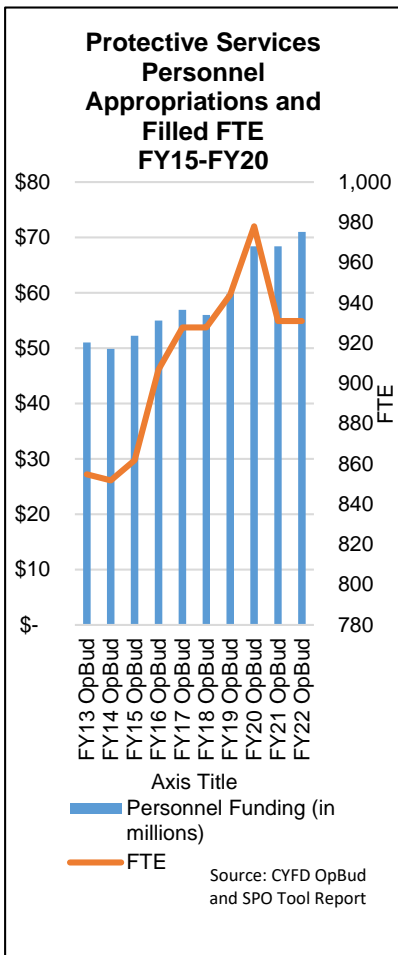
**The state should continue focusing on initially placing children with relatives, especially in emergency placement situations.** The LFC evaluation recommended CYFD continue expanding its focus on relative placements especially for emergency placements by using tools shown to work in other states to quickly assess relatives for safety when a child needs an emergency placement. Data regarding non-relative placement rates should be tracked by CYFD to help determine how to improve the placement experience for children in care for a short period of time and whether a placement was needed.

CYFD says it is working to roll out a tool but there is no one size fits all solution and evaluation is needed to ensure safety.

**Short-term placements in foster care for eight days or less cost the state about \$14 million.** Based on Results First Modelling, one short-term placement in foster care from child abuse and neglect costs New Mexico up to \$20.3 thousand through losses to both the state and the child. In 2018, 677 children stayed in foster care eight days or less. If New Mexico was able to reduce the rate of short-term placements in foster care to the 2018 national average, the state would save up to \$11.8 million annually.

**High caseloads are another contributing factor to undesired protective services outcomes**



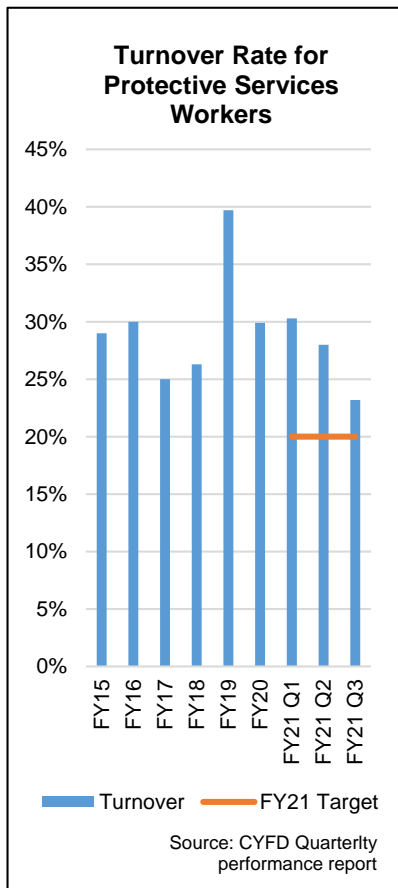


The May 2020 LFC evaluation found the child protective services regions with the highest caseloads also have the highest rates of short-term placements in foster care. Supporting this finding, a federal Governmental Accountability Office report stated that protective services caseworkers in every state visited said turnover and staffing shortages made it harder to make timely and supported decisions regarding child’s safety.

Since FY14, funding for protective services personnel increased about 40 percent and in FY19 the department reverted \$4.6 million and in FY20 reverted \$2.6 million.

**Protective Services has difficulties recruiting and retaining investigative staff.** According to the May 2020 LFC evaluation, the statewide average budgeted caseload is 11.5 compared with the average filled caseload (the caseload per actual worker) of 15.9. The caseloads vary by region and range from 20.7 in the Metro region to 12.6 in the Southeast region. These caseloads are on average four cases per worker higher than the budgeted caseloads and four cases per worker higher than the national standard.

**New Mexico is currently focusing on improving retention through the Title IV-E scholarship, improving tracking of turnover, and focusing on worker self-care.** In its 2015 report, Casey Family Programs recommended CYFD should continue to pursue its 2014 Annual Report and Strategic Plan initiative of implementing improved retention strategies, with the goal of developing new strategies to retain and recruit employees and streamline the hiring process. As shown below, the vacancy and turnover rate for all caseworkers at CYFD has decreased since last spring; however, the vacancy rate has decreased more than the turnover rate. Therefore, CYFD should continue to invest in strategies to reduce both turnover and vacancy rates but should prioritize turnover.



The May 2020 LFC evaluation made several recommendations to improve recruitment and retention including:

- Continue to regularly report caseloads, and when caseload standards are not met, include an action plan on how to meet the caseload standard through a variety of retention activities;
- Pilot retention activities that have worked in other states, including increased training and mentorship, telecommuting or alternative work schedules to accommodate caseworkers;
- Require Protective Services’ Research and Assessment Bureau to assess the impact of pilot retention activities and report on effectiveness; and
- On determining effective practices, create an expansion plan to implement the retention strategy statewide and present this to the Legislature.

**The state funded prevention services in FY22 while recognizing federal revenue and savings from reduced foster placements**

Protective Services received general fund revenues totaling \$97 million, a 1 percent reduction from the program’s FY21 operating budget. The appropriation moves savings from foster care and support, resulting from an increase in the federal funds and lower caseloads, into contracts to fund evidence-based prevention and family support services. Due to both the human and fiscal costs associated with the removal of children from their homes, CYFD’s goal is to

ensure children only come into custody when they cannot be maintained safely at home.

In FY21, Protective Services received \$1 million to expand family reunification services and \$2 million to implement a differential response system, which provides a path for families coming into contact with CYFD to be evaluated and receive services if there is no imminent risk to safety. The new program, named Family Resource Connections, will begin in FY22 in selected counties. However, gaps in services available in many New Mexico communities mean crucial prevention, intervention, and reunification services for CYFD-involved families may not be available. The additional FY22 funding earmarked to expand access to community based preventive services will support the roll out of the new program.

### **Through various initiatives the federal government funds protective services**

Most Protective Services revenue is a combination of state general fund and federal revenues such as Titles IV-B and IV-E of the Social Security Act. Title IV-B includes the Stephanie Tubbs Jones Child Welfare Services Program and the Promoting Safe and Stable Families Program. Title IV-E includes Foster Care, Adoption Assistance, Guardianship Assistance, and the John H. Chaffee Foster Care Independence programs. Other significant revenues streams for child welfare also include Medicaid, Temporary Assistance for Needy Families (TANF), the Social Services Block Grant (SSBG). Title IV-E revenues represent a significant portion of federal funds in the Protective Services Program.

### **In March 2020, the state reached a settlement agreement with foster youth and child advocates**

The lawsuit, Kevin S., et al. v. Blalock, et al. filed in 2018, alleged trauma-impacted children and youth in New Mexico foster care lacked safe, appropriate, and stable placements and behavioral health services to meet their needs in the state system. The settlement agreement appointed three co-neutrals to serve as evaluators to determine whether the state is meeting implementation targets and outcomes stipulated in the agreement. The settlement requires the state to pay plaintiffs' attorney fees of \$2.4 million and to pay for the cost of the co-neutrals. Implementation targets and outcomes are based on developing a trauma-responsive system of care, providing the least restrictive and appropriate placements, adhering to the Indian Child Welfare Act, and providing behavioral health services. The agreement required the state to provide a baseline report by December 1, 2020, then phase in the remaining stipulations over a 3-year period.

**The state delivered the baseline report on December 1, 2020.** According to the report, the state made progress meeting most if not all deliverables required by the December 1 deadline. However, the co-neutrals are required to validate the report. One stipulation required the state to establish a functional trauma assessment tool for access to intensive home based services. The report stated that CYFD met with co-neutrals regularly and received technical assistance from the Praed Foundation to finalize the tool. Documentation of the development of the tool were delivered by the deadline.

**The state is making progress at improving placements as required by the settlement.** Another agreement stipulation stated that no child under 18 will be placed in any hotel, motel, out-of-state provider, office of a contractor, or state

#### **Select Risk Factors for Adverse Childhood Experiences**

##### **Families With:**

- Low income
- Low educational attainment
- Parental stress (economic)
- Isolation
- High conflict

##### **Communities with:**

- High crime and violence rates
- High poverty rates and limited opportunities
- Easy access to drugs and alcohol
- Widespread food insecurity
- High unemployment rates

Source: Centers for Disease Control

#### **House Bill 202 from the 2021 Legislative session, sought to codify in law select provisions of the Kevin S. Lawsuit Settlement by:**

- Requiring the state provide trauma-responsive services,
- Prohibit placement of children in hotels, and
- Prohibit more than three changes of placement within 1,000 days.

#### **House Bill 257 from the 2021 Legislative session, which did not pass, sought to clarify how placements in the Juvenile Justice System are to be done by specifying when children are placed on probation:**

- That they are placed in the custody of the parent or guardian or
- If not the parent or guardian, because of concern for the welfare of the child, responsibility for temporary placement is with Juvenile Justice Services.

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agency office unless in extraordinary circumstances. The state reported that no child had been placed in a hotel during 2019 but had placed one 18 year-old youth and another youth very close to her 18<sup>th</sup> birthday in hotels during 2020. As of the report time no child had been placed in a hotel since. The state also revised its out-of-state placement policy and submitted it to the co-neutrals taking effect on December 1, 2020.

## Potential discussion topics and questions

1. The federal government recently began distributing expanded advance child tax credits to U.S. families. The credits allow families to receive the payments on a monthly basis prior to filing taxes at the end of the year. How does the department expect these payments to affect their work?
2. Earlier in the pandemic reports of abuse and neglect decreased due to reduced child contact with mandatory reporters such as teachers and doctors. What has the department done to ensure potential victims are safe?
3. The department is currently in the process of developing a new child welfare information system (CWIS), as required by the federal government. The department procured the software from Binti Incorporated through Binti's general services agreement (GSA) with the federal government, sidestepping the competitive process. The system is envisioned to improve the department's case management and will allow the department to continue providing child protective services data to the federal government. The plan for CWIS needs to be approved by the federal government and may not be approved at this time.
4. How does the department plan to roll out the new differential response system and which evidence based programs will be used? When will LFC and DFA receive the first annual report on the department's roll out of differential response?