

Children and families in New Mexico face persistent and generational low socio-economic outcomes and high risk for maltreatment. Many families interact with public services such as Medicaid, public health offices, Women, Infants, and Children (WIC), home visiting, childcare, and Temporary Assistance for Needy Families (TANF) before they reach a point of crisis resulting in maltreatment. Building a more robust early prevention system that supports family stability early could drastically improve long-term outcomes for children and families.

In New Mexico, child maltreatment and repeat maltreatment rates are among the highest in the nation. Previous Legislative Finance Committee evaluations found substance use among the highest related causes for child maltreatment. Nearly 70 percent of children who enter care of the Children, Youth and Families Department are a result of neglect, 44 percent of which are a result of parental substance use. Due to the rising need of families who come in to contact with CYFD and persistently continually poor outcomes the Legislature has steadily increased state resources to the department in recent years. However, these investments have not reduced child maltreatment. Reaching families early with support services can prevent more expensive and possibly less effective intervention services later, once harm has occurred. Additionally, many systems that could be better utilized as early prevention are federally funded or have federal match rates.

New Mexico Child Protective Services Spending and Outcomes

Between state fiscal year 2015 and 2020 state general fund revenue for the Protective Services Program has risen from \$77.3 million to \$104.9 million, or 35.7 percent. These funding increases were significantly higher than general fund appropriations growth, signaling the legislature’s priority to serve at-risk children and families. A majority of increased spending focused on increasing personnel for Protective Services to reduce caseloads and staff turnover and providing additional funding for care and support. Personnel funding and the number of FTE approved by the legislature increased.

While spending for personnel has increased, turnover rates and vacancies have also remained persistently high. As of April 2019, the Protective Services Program reported statewide turnover of 50.3 percent and a vacancy rate of 22.1 percent. Turnover rates of key field positions in FY19 were higher than in recent years, near 40 percent. While high turnover rates are common in child welfare agencies, the Casey Foundation estimates a national average of 30 percent. High turnover can contribute to poor continuity in care. According to the State Personnel Office monthly personnel report (SPO Tool Report), vacancy rates for the Protective Services Program have ranged between 10 to 13 percent annual since FY15. The U.S. Department of Labor reported wages in 2018 for protective services workers nationally average close to \$45.5 thousand and New Mexico reported an average of \$42.2 thousand. However, according to the CYFD personnel data as of July 2019, the average annual salary for non-supervisory protective service workers

AGENCY: Children, Youth and Families Department (CYFD)

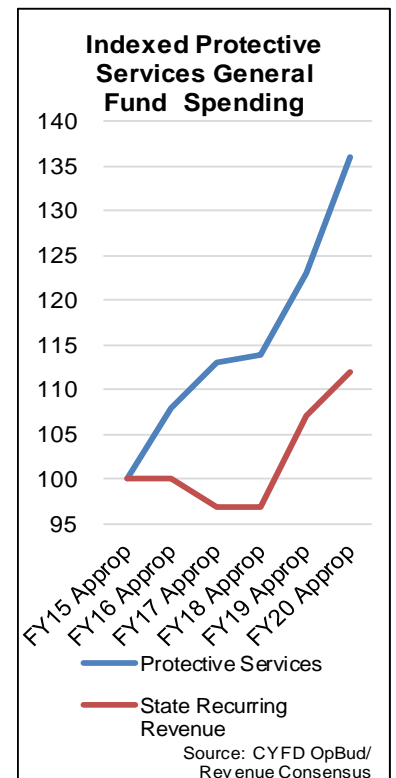
DATE: August 29, 2019

PURPOSE OF HEARING: Update Child Protective Services

WITNESS: Brian Blalock, Secretary CYFD

Percent of Children with 3 or more Adverse Childhood Experiences	
National Average	New Mexico
11 Percent	18 Percent

Source: Child Trends



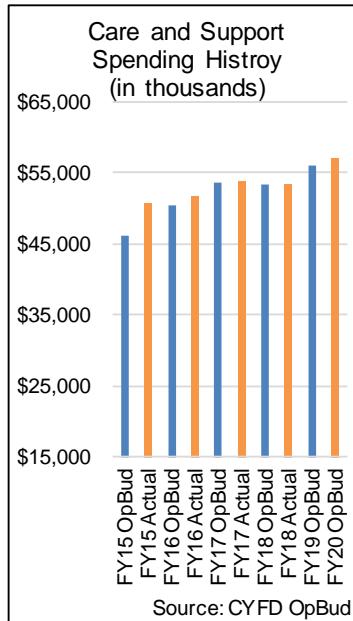
Fiscal Year	Turnover Rate for Protective Service Workers
FY15	29.0%
FY16	29.7%
FY17	25.0%
FY18	28.2%
FY19 Q1	37.0%
FY19 Q2	38.3%
FY19 Q3	38.6%

Source: CYFD Quarterly Report

Protective Service Worker Wages	
State	Annual Mean Wage (in thousands)
Arizona	\$ 47.4
Colorado	\$ 50.0
Texas	\$ 45.8
West Virginia	\$ 36.6
New Mexico	\$ 45.5
National Average	\$ 45.5

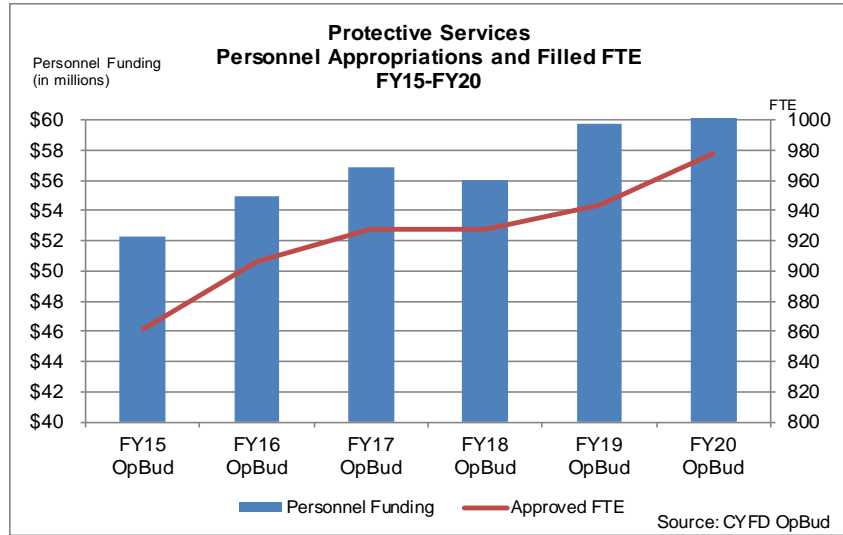
Source: U.S. DOL 2018 data/CYFD FY20 OpBud

In FY20 CYFD received an additional \$5 million from the general fund and federal revenues to increase personnel. More than 20 additional FTE were authorized, effectively increasing the vacancy rate.



Source: CYFD OpBud

was closer to \$45.5 thousand: placement, permanency, investigators, adoption workers, social and human services assistants, in-home support, youth transition coordinators, and mediators were included in this analysis. The Protective Services Program provided a 4 percent increase to most protective service workers at the end of fiscal year 2019 in addition to the 4 percent increase provided to all state employee in FY20.



Source: CYFD OpBud

FY20 Non-Supervisory Protective Services Personnel					
	Filled FTE	Vacant FTE	Vacancy Rate	Average Salary-Filled FTE	Average Compa Ratio-Filled FTE
All Direct Service FTE	508	95	15.8%	\$ 45.5	1.00
Investigator	148	26	14.9%	\$ 50.2	0.98
Permanency	139	39	21.9%	\$ 43.1	0.94
Placement & Adoptions	82	13	13.7%	\$ 49.5	1.05
Youth Transitions	11	2	15.4%	\$ 47.9	0.96
In Home Services	30	6	16.7%	\$ 51.9	1.05
Social & Human Service Assistant	55	3	5.2%	\$ 30.0	1.21
Mediator	6	1	14.3%	\$ 46.4	0.93
Statewide Central Intake	37	5	11.9%	\$ 43.2	0.95

Source: CYFD OL

FY20 Supervisory Protective Services Personnel					
	Filled FTE	Vacant FTE	Vacancy Rate	Average Salary-Filled FTE	Average Compa Ratio-Filled FTE
All Direct Service Supervisory FTE	134	17	11.3%	\$ 69.7	1.06
Investigator	40	5	11.1%	\$ 67.9	1.03
Permanency	28	6	17.6%	\$ 61.1	1.09
Placement & Adoptions	15	2	11.8%	\$ 62.4	1.12
In Home Services	6	1	14.3%	\$ 66.1	1.18
Statewide Central Intake	8	2	20.0%	\$ 60.2	1.08
Other*	37	1	2.6%	\$ 83.9	1.04

Source: CYFD OL

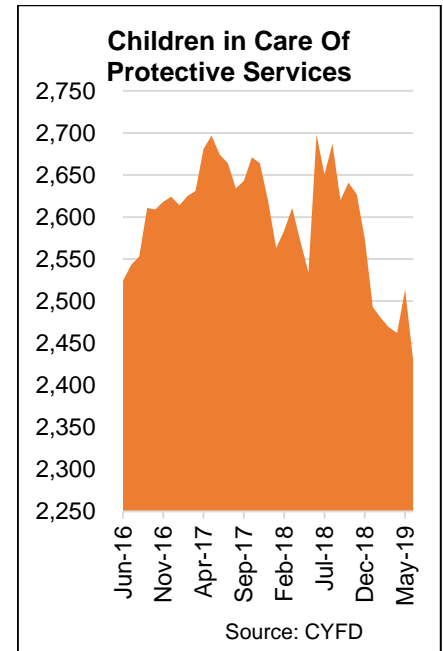
*Other includes senior management such county manager, division directors, deputy directors, and regional managers

In addition to increased spending for Protective Services personnel, funding for the care and support and services of families interacting with Protective Services has also increased in recent years. From FY15 to FY20 the operating budget for care and support spending has increased 23.7 percent.

Operating Revenue

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).

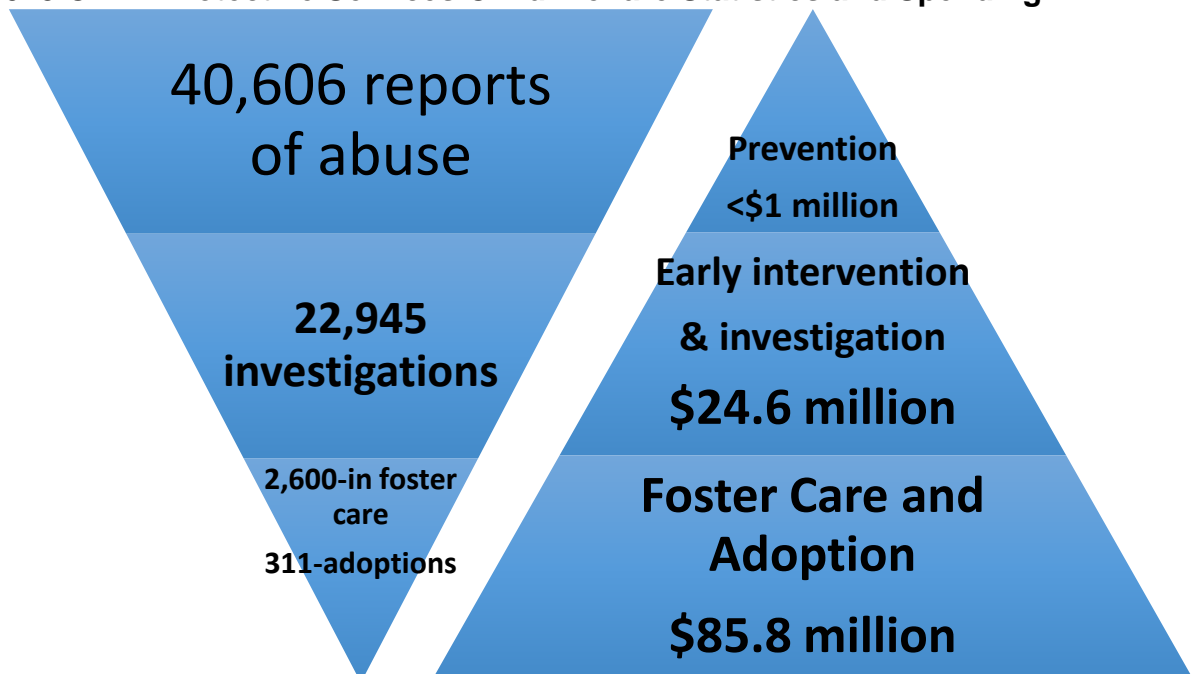
Title IV-E revenues represent a significant portion of federal funds in the Protective Services Program. However, like many states, New Mexico struggles to qualify families due to outdated federal income eligibility criteria resulting in the state’s increasing reliance on state revenues. General fund spending for Protective services grew 19 percent between FY18 and FY20, while major federal revenue sources grew 12 percent. Additional resources for Protective Services program will be necessary unless the state can stabilize and support families earlier to prevent children and families from reaching crisis.

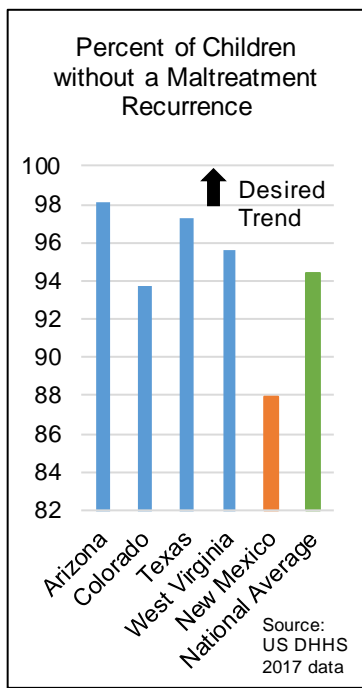


Prevention Spending

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 cases is typically much longer than in-home cases. However, most spending for the Protective Services Program occurs in foster care placement and adoption. By providing more preventative care the state could save significantly by diverting families early while also improving long-term outcomes.

2018 CYFD Protective Services Child Welfare Statistics and Spending





While CYFD currently dedicates little resources to prevention, state agencies such as the Human Services Department, Department of Health, and the new Early Childhood Education and Care Department should boost early prevention services such as behavioral health services, substance use treatment, and early childhood services intentionally to support family stability.

Families First Prevention Services Act (FFPSA)

The federal Family First Prevention Services Act (FFPSA) represents a change in the way federal foster care funding, Title IV-E, can be used by states. Previously this funding was used to help with the costs for foster care maintenance support, state administrative expenses, staff training, adoption assistance, and kinship guardianship assistance. The updated act will allow states to use these funds for some limited prevention services that would allow “candidates for foster care” to stay with their parents or relatives. FFPSA allows for Title IV-E prevention spending for mental health and substance use prevention and treatment services, and in-home parent skill-based programs for up to 12-months. Prevention services are available for children who are candidates for foster care, parent or kin caregiver of the child who is a candidate for foster care or youth in foster care who are pregnant or parenting. Prevention services must be categorized as promising, supported, or well supported by federal standards to be eligible for reimbursement and states are required to spend at least 50 percent of total claims for federal reimbursement for prevention services on well-supported programs. However, the federal government has been slow to review and authorize programs for states to begin planning for implementation.

State	Percent of Children With One Or More Recurrence
Oregon	13.9
New York	12.8
New Mexico	12.1
Alaska	11.8
Kentucky	10.4
Massachusetts	10.3
Iowa	9.3
Washington	9
Illinois	8.5
Ohio	8.5

Source: U.S. DHHS 2017 data

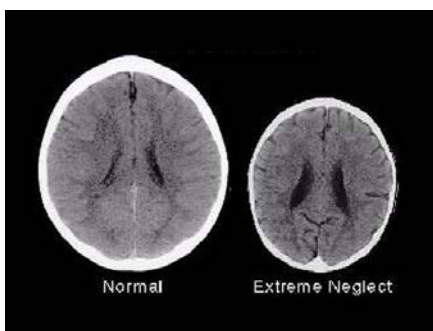
The act also seeks to curtail the use of congregate or group care for children and instead places a new emphasis on family foster homes. With limited exceptions, the federal government will not reimburse states for children placed in group care settings for more than two weeks. Approved settings, known as qualified residential treatment programs, must use a trauma-informed treatment model and employ registered or licensed nursing staff and other licensed clinical staff. The child must be formally assessed within 30 days of placement to determine if his or her needs can be met by family members in a family foster home or other approved setting.

New Mexico State Plan for FFPS Implementation

Each state must submit a five year plan to begin claiming Title IV-E for prevention services which it can amend at any time, however, the state plan must include service description including the evidence based standard, evaluation strategy, plan for monitoring child safety, plan for consultation and coordination with other agencies, and child welfare workforce training.

The Children, Youth and Families Department (CYFD) is currently developing the state plan for submission. CYFD is currently focusing the department’s strategic plan on appropriate placements including, prevention, and increased accountability, and increased staffing supports. FFPSA focus for CYFD will include congregate care reform, increasing community based mental health services, kinship care, and restructuring community based partnerships and behavioral healthcare supports for parents.

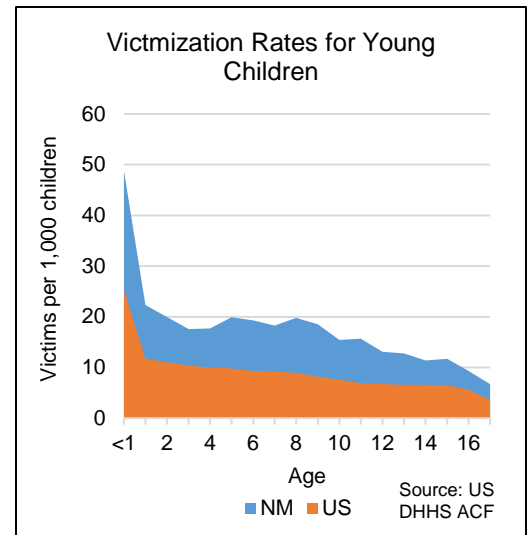
Brain Development Relating to Maltreatment



Child Safety

CYFD's challenge is to improve prevention and intervention services for children and families. New Mexico has one of the highest victimization rates in the nation for young children (0-5). In New Mexico, about 1 in 20 children under the age of one will be a victim of child maltreatment this year (compared to 1 in 40 nationwide). New Mexico has significantly higher maltreatment rates for young children, potentially reflecting lagging performance in other key outcome areas including health, education, and well-being.

According to the Administration of Children and Families, New Mexico's overall victimization rate has increased by 36 percent since 2013, but the victimization rate for young children has increased at a faster rate with victimizations for children under one rising by 55 percent. Additionally, research on adverse childhood experiences (ACE) shows that three of every five NM citizens has at least one ACE.

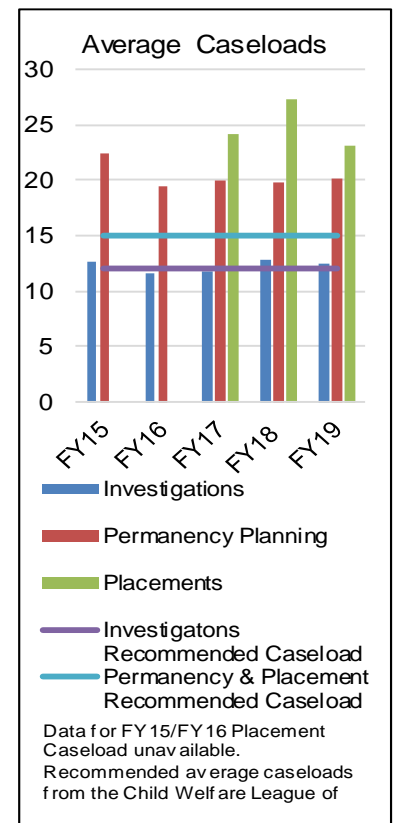


Services to stabilize families early and reduce long-term stress and harm are a key focus for policy makers to improve child welfare outcomes. U.S. Center for Disease Control (CDC) strategies to Preventing Child Maltreatment include:

- Strengthen family economic supports through policies that strengthen household financial security and family-friendly policies;
- Provide high quality early care and education services, including family engagement;
- Enhance parenting skills and healthy family relationships to promote healthy child development; and
- Intervene to reduce harm and prevent future risk through enhanced primary care, behavioral parenting training programs, treatment to lessen harms of maltreatment.

Increasingly high maltreatment rates and poor educational outcomes have made child well-being a priority investment for the state. In hopes of improving short- and long-term outcomes for children and families, the Legislature has increased investments in the early care and education system to support families. This includes programs such as home visiting, prekindergarten, Women, Infants, and Children (WIC), and childcare assistance as vehicles for providing early prevention services to New Mexico families with young children.

According to LFC research to improve child wellbeing, top programs include evidence-based home visiting, in home services, and an approach called alternative response, which creates a pathway for families encountering the system to be evaluated and receive services if there is no imminent risk to safety. The Legislature continues to fund home visiting and in 2019 passed legislation creating a framework for alternative response. In 2019 legislature also created the Early Childhood Education and Care Department (ECECD), as a cabinet department. Major programs in ECECD will include childcare assistance, home visitation, early prekindergarten, early educator professional development, and prekindergarten in collaboration with the Public Education Department. Prekindergarten will continue to be delivered both by PED and through private providers. The bill also designates the department as the lead agency for early



intervention programs, including physical development, communications development, adaptive development, social and emotional development, and sensory development programs designed to meet the developmental needs of eligible children.

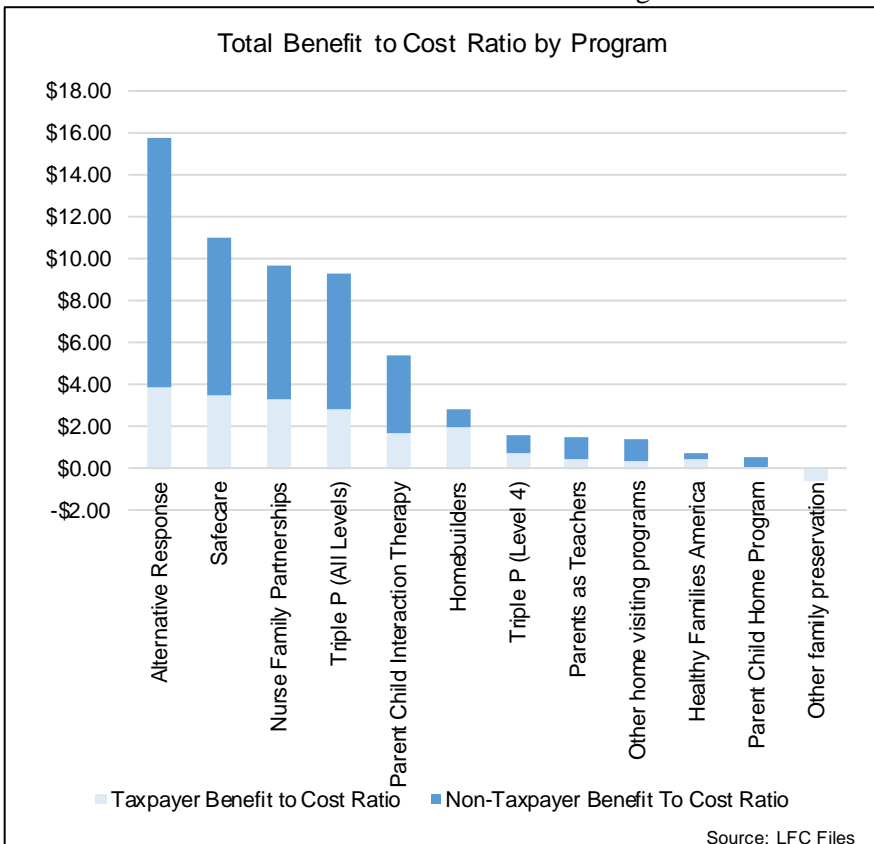
Services for Youth in Care

FFPSA allows states two major options to provide services to older youth in the child welfare system which include extending federal Chafee grant aftercare services to youth until age 23 if the state provides extended foster care and extending eligibility for education and training vouchers until age 26 for all states. In 2019, the Legislature passed a bill to extend foster care to the age of 21. The bill allows youth to opt in or out of extended care, and has phases in implementation over the next few years. Allowable services for the federal Chafee grant can include with education, employment, financial management, housing, emotional support and assured connections to caring adults for older youth in foster care.

FFPSA also allows greater flexibility to states to use Title IV-E funding for pregnant and parenting youth in care. FFPSA prevention funds can be used for expectant and parenting youth in care without their children being candidates for foster care. This represents a significant opportunity to first prevention services. The opportunity to enhance the services that these youth receive could aid in improving outcomes and opportunities for young parents who are very much in need of specialized support.

Child Welfare Prevention and Intervention Strategies Return on Investment

The CDC recognizes several broad strategies to reduce child maltreatment through



prevention and intervention services including supports for household financial security, parenting skills, and behavioral, and substance use services. Building a more robust prevention system will require the Human Services Department, Department of Health, and Early Childhood Education and Care Department to coordinate these types of services early before a point of crisis occurs requiring the Children, Youth and Families Department to intervene. Supporting family stability early and selecting high-quality evidence based programs can deliver the greatest return on investment and improve long-term outcomes for children and families.