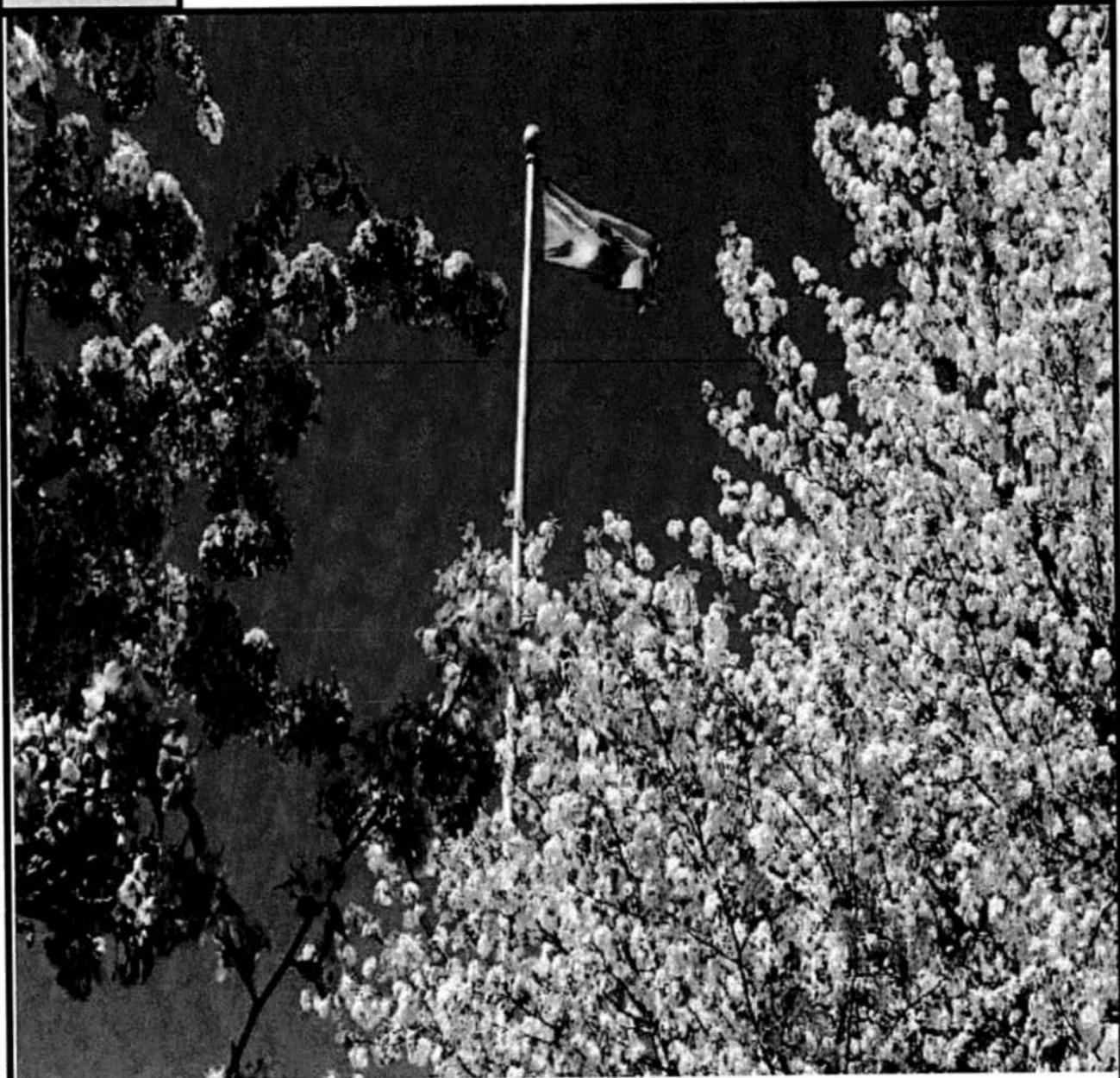




Report  
to  
The LEGISLATIVE FINANCE COMMITTEE



Children, Youth and Families Department  
Protective Services Division  
June 15, 2011

Report #11-06

**LEGISLATIVE FINANCE COMMITTEE**

Senator John Arthur Smith, Chairman  
Representative Luciano "Lucky" Varela, Vice-Chairman  
Senator Sue Wilson Beffort  
Senator Pete Campos  
Senator Carlos R. Cisneros  
Representative William "Bill" J. Gray  
Senator Stuart Ingle  
Representative Rhonda S. King  
Representative Larry A. Larrañaga  
Senator Carroll H. Leavell  
Senator Mary Kay Papen  
Representative Henry "Kiki" Saavedra  
Representative Nick L. Salazar  
Representative Edward C. Sandoval  
Senator John Sapien  
Representative Don L. Tripp  
Representative James P. White

**DIRECTOR**

David Abbey

**DEPUTY DIRECTOR FOR PROGRAM EVALUATION**

Charles Sallee

**PROGRAM EVALUATION TEAM**

Sarah Amador  
Jon Courtney  
Valerie Crespín-Trujillo  
Jack Evans  
Brenda Fresquez, CICA  
Pamela Galbraith  
Maria Griego  
Matthew Pahl  
Michael Weinberg

## Table of Contents

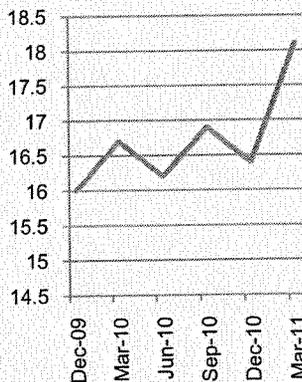
	<u>Page No.</u>
<b>BACKGROUND INFORMATION</b> .....	8
<b>FINDINGS AND RECOMMENDATIONS</b> .....	12
<b>Performance Data Show Areas Of Progress As Well As Opportunities For Further Improvement In Safety Outcomes For Children</b> .....	12
<b>The Combination Of Turnover, Management Inefficiencies, And Duplicative Systems Has Resulted In Dangerously High Caseloads</b> .....	17
<b>Reallocating Existing Resources To Family Preservation Services Will Improve Child Safety</b> .....	26
<b>Protective Services Division Is Rich In Data But Could Better Use It To Improve Performance</b> .....	33
<b>AGENCY RESPONSES</b> .....	38
<b>APPENDIX A: PSD Reports, Placement and Permanency</b> .....	44
<b>APPENDIX B: Protective Services Division Regions</b> .....	45
<b>APPENDIX C: FY06 State Comparison of Federal Funding Percentages</b> .....	46
<b>APPENDIX D: 2007 CFSR Indicators</b> .....	47
<b>APPENDIX E: Management Dashboard Excerpt – August 2010</b> .....	51
<b>APPENDIX F: Indian Child Welfare Act</b> .....	53
<b>APPENDIX G: Adoption</b> .....	54
<b>APPENDIX H: Glossary of Terms</b> .....	56

**Approximately 500 thousand children are under the age of 18 in New Mexico, 25 percent living below the poverty rate.**

**PSD accepted 17 thousand reports of abuse and neglect in 2010.**

**In 2010, 3,632 children were in foster care, almost 1 percent of New Mexico's total child population.**

**Number of Cases per Permanency Planning Caseworker**



Source: PSD

**Within six months of a CYFD intervention, 361 children were abused or neglected in 2010.**

The Protective Services Division (PSD) of the Children, Youth, and Families Department (CYFD) plays a critical role in ensuring the safety, permanency, and well-being of New Mexico's children. The stakes are high - from investigating allegations of abuse and neglect to protecting children whose safety cannot be assured in the home. With many families economically stressed, rates of maltreatment have risen. In the face of these challenges, PSD's performance is similar to other states yet must improve to meet national standards. Recognizing the importance of PSD, the Legislature has minimized child welfare funding reductions and maintained its general fund appropriation of approximately \$58 million. The Legislative Finance Committee evaluated PSD to ensure those funds are expended efficiently and effectively to protect New Mexico's children and families.

While PSD has thorough policies and procedures guiding all functions - intake, investigations, permanency planning, foster care, and adoptions - human judgment is integral at each step. Improving child safety overwhelmingly hinges on making sure caseworkers are prepared, supported, and given the time necessary to make sound decisions. An executive hiring freeze created an acute increase in workloads, but worker turnover, inefficient management structures, duplication of efforts, and other systemic issues have contributed to chronic case overloads that compromise child safety. This report focuses on specific opportunities to reallocate existing fiscal and human resources to maximize the number of front-line caseworkers and improve their effectiveness.

Research shows that investing in families before it is necessary to remove children, also known as preservation services, is a safer, more cost-effective approach. While federal funds are geared toward back-end services like foster care, this report suggests several ways PSD can reallocate a greater percentage of general fund dollars to preserve families and protect children through in-home services.

Finally, significant efforts in response to the *Joseph A.* consent decree as well as several rounds of federal child and family services reviews (CFSR) have helped PSD identify strengths as well as opportunities for growth. The percentage of children maltreated while in foster care, for example, decreased from 0.51 percent in 2007 to 0.35 percent in 2010; these 13 children, however, highlight the pressing need for continuous improvement. This report recommends specific strategies for revising aspects of the data PSD collects and the way it learns as an organization.

*High agency turnover is associated with failure to meet established standards for investigation response, timely investigation completion, case plan completion, worker contact with children and families, maltreatment recurrence, and timely permanency (GAO, 2003).*

*“The shortage of workers and increase in required paper work...makes this job difficult at best.” PSD caseworker from LFC survey*

**FACTS Data Entry by Worker Type**

Worker	Average percent of time spent on FACTS data entry
Investigations	22%
In Home Services	23%
Placement	33%
Permanency	18%
All Caseworkers	22%

Source: LFC Survey

## KEY FINDINGS

### **The combination of turnover, management inefficiencies, and duplicative systems has resulted in dangerously high caseloads.**

Based on standards of best practice, New Mexico’s caseloads are high, degrading the quality of services children receive. One short-term reason for these caseload increases is the executive hiring freeze. More systemic challenges, however, include worker turnover, duplicative programs, and an imbalance in the ratio of managers to caseworkers.

***Caseworker turnover is costly and reduces safety.*** Turnover increases costs to hire and train new workers, strains the existing workforce, and negatively impacts services to families. PSD’s turnover rate for caseworkers in 2010 was 18 percent and cost \$1 million to \$2 million. This turnover, along with the executive hiring freeze, has contributed a growth in the backlog of pending investigations from 38 in July 2010 to 108 in January 2011. Each of these represents a child at risk.

High caseloads also limit supervision of children in foster care. These foster care caseload averages have increased to 18.1 in 2011, higher than the Child Welfare League of America’s recommendation of 12 to 15 cases per worker. This is particularly alarming, given that in 2005, 33 of the 40 victims of maltreatment while in foster care did not have a documented home visit by the agency in the three months prior to the report.

***Using technology to decrease the amount of time caseworkers spend entering data will increase the amount of direct services children receive.*** Based on LFC survey data, caseworkers spend an average of 22 percent of their time, or nine hours each week, entering data.

Opportunities exist to streamline the types of data required to be entered, such as replicating the same information for multiple children in the same family. The ability to enter this data remotely from the field, rather than through the additional step back at the office, would also dramatically shift the time caseworkers could allocate to serving children.

***Reorganizing the management structure could reduce duplication of efforts and greatly reduce caseloads by allowing PSD to reallocate up to 43 additional FTE to casework positions.*** Eliminating a layer of duplicative upper-level management represents between \$225 thousand and \$610 thousand in salary and benefit costs that could be redirected to hire an additional four to 11 caseworkers. Similarly, mid-management functions held by county office managers (COM) and supervisors could be consolidated in at least five counties, resulting in approximately \$350

***“I would completely abolish the AART team and hold COMs and regional managers accountable for making sure cases moved at an appropriate speed and within PS policy and procedures.” PSD caseworker from LFC survey***

***PSD employees leave most often because of lack of compensation, job stress, limited supervisor support, and unreasonable caseloads.***

thousand that PSD could reallocate to hire six to seven caseworkers. Finally, the supervisor-to-caseworker ratio could be increased from its current 1-to-3.65 to the Child Welfare League of America’s recommendation of 1-to-5. This would save \$1.7 million from supervisory salary and benefits that could be reallocated to hire an additional 25 caseworkers, resulting in 97 supervisors and 480 caseworkers.

***Eliminating outdated and duplicative programs will allow PSD to shift fiscal and human resources.*** Adolescent and Adoption Resource Team reviews (AART) duplicate case management actions that COMs and supervisors have integrated into their standard policies and procedures. In 2010, PSD spent \$335 thousand on personnel for AART and more on caseworker and supervisor staff time associated with the reviews. AART is intended to speed up permanency for children whose plan includes adoptions. In 2007, 35 percent of eligible children were adopted, but by 2010, that had declined to 25 percent. Eliminating AART will save fiscal and human resources to provide more direct resources to children and families. Similarly, targeted case management (TCM) is a duplicative process no longer needed to qualify for federal funds. Caseworkers spend 14 percent of their time on case management activities such as TCM, and eliminating this will give caseworkers more time to provide services to families and children.

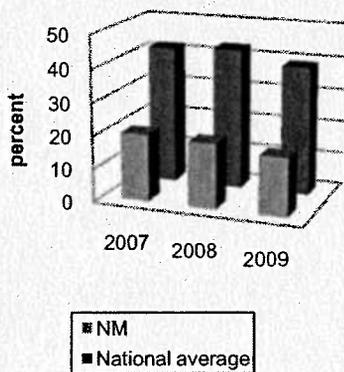
***Streamlining and modifying certain human resource functions could create a more prepared and stable workforce.*** Given the challenges caseworkers face and the significant investment required to train each worker before they are able to assume a full caseload, hiring workers who are likely to effectively contribute to PSD over time is crucial. Three strategies can help PSD get the right people in the door: one, providing realistic job previews to potential employees; two, developing standardized, research-based hiring practices; and three, using existing exit survey data to identify retention issues, such as lack of supervisory support.

***Differentiating core training offered to new workers will reduce costs and decrease caseloads.*** While training increases worker effectiveness, all new hires currently receive eight weeks of core training, regardless of experience or education, before they are eligible to handle cases. Differentiating the training required of all new hires based on the worker’s background and intended role within PSD could reduce costs and allow some workers to assume caseloads sooner.

**Reallocating existing resources to family preservation services will improve child safety.** Family preservation efforts, such as in-home services, are safer and less expensive than removing children. Rates of

***In 2010, 13 children were maltreated while in foster care in New Mexico.***

**Percent of Victims Who Received In-Home Services**



Source: USDHHS

**Minnesota Differential Response Cost Comparison, 2006**

Cost Type and Group	Total
Differential Response	\$3,688
Control	\$4,967

Source: Institute of Applied Research

substantiated abuse in foster care are up to four times higher than for the general population. A Utah study found each foster care placement costs \$46 thousand a year, compared with \$1.7 thousand per in-home service case, and the average duration of foster care cases is nearly four times longer than in-home cases.

In New Mexico, the percentage of victims who receive in-home services is less than the national averages. While other states, such as Missouri, have collected data demonstrating the effectiveness of these in-home services, PSD is in the early stages of developing these reports.

In FY11, PSD spent \$20 million on in-home services, an increase from the \$14 million expended on these services in FY07. In FY11, \$14 million, or 69 percent, came from New Mexico's general fund, while the remaining \$6 million came from federal funds. Overall, roughly half of New Mexico's child welfare funds are federal Title IV-E dollars, and use is limited to certain foster care and adoption expenses. The state faces a disincentive to reduce these populations and must use general fund dollars to do so. Reallocating resources from these back-end services to family preservation efforts, however, can save the state money in the long-run while improving safety for children.

***Coordinating in-home services with CYFD's Early Childhood Division's home-visiting services could leverage federal resources to increase the effectiveness of family preservation efforts.*** In FY10, New Mexico received \$950 thousand from the federal home-visiting initiative and will likely receive additional appropriations through FY14. Assuming an average cost of \$3 thousand per family receiving home-visiting services, this new money will allow the state to reach approximately 300 additional families. Successful intervention with these families will reduce the number of referrals, investigations, and placements for PSD. The alignment in the federal home-visiting initiative and in-home services represents an opportunity to leverage resources, potentially serving as a pilot for further collaboration across the state.

***Implementing a differential response system provides better outcomes for children, more positive experiences for families, and long-term cost savings.*** Research has shown that differential response, an alternative to an investigation in low-risk cases, lowers costs to the child welfare system over time and improves safety outcomes by reducing out-of-home placements. In Ohio, out-of-home placements dropped by more than 50 percent and recurrence of maltreatment within one year was reduced by 16 percent. A similar 2006 study in Minnesota found families that received assessment services rather than investigations cost the state 26 percent less than those subject to investigations.

***Families who accepted New Mexico's assessment services had almost half as many repeat reports compared with families who declined services.***

***As of 2006, New Mexico had the third highest ratio of federal to state funds.***

**Safety Concerns for Children in Foster Care or Remaining in the Home, 2010**



Source: CYFD QA Supplemental Review

***Section 2-5-7 NMSA 1978 directs agencies to "furnish and make available to the legislative finance committee such documents, material or information as may be requested by the members of the committee or its director or staff which are not made confidential by law."***

PSD's modified version of a differential response pilot from 2005 to 2007 showed families that accepted assessment services had a lower rate of repeat maltreatment reports. That pilot also demonstrated that families that accepted assessment services had fewer children removed to foster care. Legislative changes to New Mexico's Children's Code, similar to those enacted in 30 states, could expand the impact of differential response to low-risk cases screened into the system.

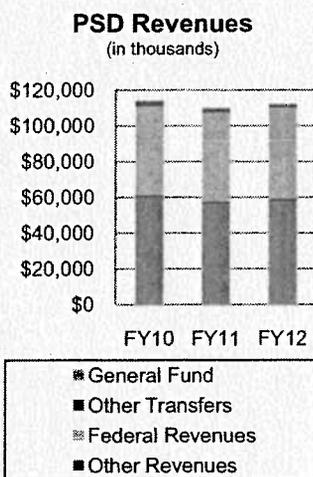
***Maximizing access to federal funds will allow PSD to reallocate a greater percentage of general fund dollars to family preservation efforts.*** In 2006, New Mexico received Title IV-E reimbursements for foster care maintenance payments for 73 percent of children in out-of-home placements. While this penetration rate is high relative to national averages, PSD's upcoming participation in a voluntary federal audit might identify further opportunities to refine how it claims costs for these funds. Also, recently introduced federal legislation might provide an opportunity for New Mexico to apply for a Title IV-E waiver to reallocate these funds toward family preservation.

**PSD is rich in data but could better use it to improve performance.** Statewide quality assurance reviews (QA), modeled on the federal CFSR process, critical incident reviews (CIR), and family automated client tracking system (FACTS) reports are vital PSD process improvement tools. Potential changes in each area will more efficiently allocate resources and create a safer child welfare system.

***The quality assurance process is well-aligned to the federal CFSR but could be improved to provide more technical assistance to field offices.*** This internal review process rotates among counties and focuses on in-home services cases, foster care cases, and legal cases. Expanding the scope of these reviews to include intake and investigations cases would provide performance data in crucial areas not measured by the CFSR. Additionally, the process could include increased technical assistance and, in keeping with PSD's policies and procedures, an expectation that counties implement action plans based on this feedback.

***It is unclear how PSD uses its critical incident reviews to reduce the likelihood of child maltreatment resulting in death.*** Though PSD indicates that it conducts approximately 10 to 12 CIRs annually following serious child injuries or fatalities, LFC staff was denied access to the reports issued and is unable to comment on their effectiveness. The open release policies in other states, such as Florida and Illinois, allow them to publish information from their critical response protocols in annual reports or on their websites.

***In January 2011, 12 of the state's 31 county offices had documented caseworker visits with all children on their caseloads, while four counties met with less than 90 percent of children.***



Source: LFC

***PSD could improve oversight of contract services by following up on corrective action plans sooner and providing technical assistance when the service array is limited.*** PSD annually spends \$10 million for contracted services such as family support, adoption assistance, training for children and families, family mental health services, and coordination of care for children of incarcerated or absent parents. Four of the seven applicable contracts reviewed by PSD were found to not be in full compliance, including a lack of documentation and timely services to clients. Though contractors found to be deficient submitted corrective action plans, performance was not re-evaluated until the following fiscal year; in some cases, these issues have persisted for years. Given the limited service array, particularly in rural areas of the state, PSD lacks alternatives and might need to provide more technical assistance to these vendors.

***Data is regularly distributed, but reports are cumbersome with limited expectations surrounding their use.*** PSD's central office produces 35 reports county office managers (COM) each month: 19 monthly reports and four weekly reports. Just as caseworkers spend too much time entering data, based on their feedback on the LFC survey, local managers are overwhelmed with excessive amounts of data. PSD should determine which reports and metrics, such as monthly caseworker visits, are most critical to local-level success. This should also lead to improved supervisory support, an issue noted frequently by caseworkers who have left or are likely to leave PSD.

## KEY RECOMMENDATIONS

### ***Legislature***

Revise the New Mexico Children's Code to allow differential response for low-risk cases screened into the system.

### ***CYFD***

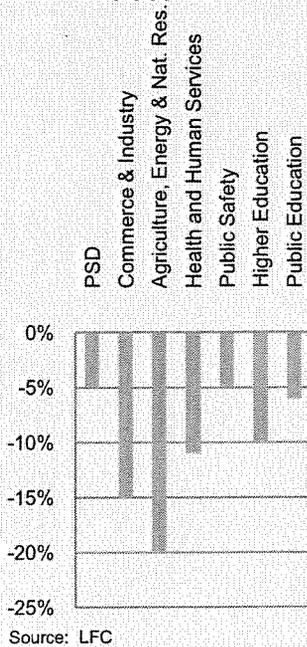
Implement research-based hiring practices (i.e. realistic job preview, committee membership, interview format, uniform rating systems, exit survey analysis) while allowing for county-level flexibility;

Differentiate training for new workers based on educational backgrounds, prior experiences, and intended roles;

Analyze current organizational structure, vacancies, and strategic needs to reallocate up to 43 additional caseworkers;

Eliminate the Adolescent and Adoption Resource Team and targeted case management to reallocate approximately \$335 thousand, reduce workloads, and improve safety;

**Recurring  
Appropriation  
Reductions FY08-  
FY11**



Propose amendments to the Children’s Code and implement a differential response program;

Collect data related to the effectiveness of family preservation services to develop a demonstration project if Title IV-E waivers become available to states;

Expand quality assurance reviews to include intake and investigations;

Conduct quality assurance reviews that provide more specific technical feedback and collaborate with counties to develop improvement plans;

Redact confidential client or personnel information and publicly release key findings and recommendations from critical incident reviews;

Evaluate the kinds of data COMs should be monitoring, create combined or consolidated reports, and eliminate unnecessary reports;

Coordinate in-home services and home-visiting services; and

Make remote data entry possible for caseworkers.

## BACKGROUND INFORMATION

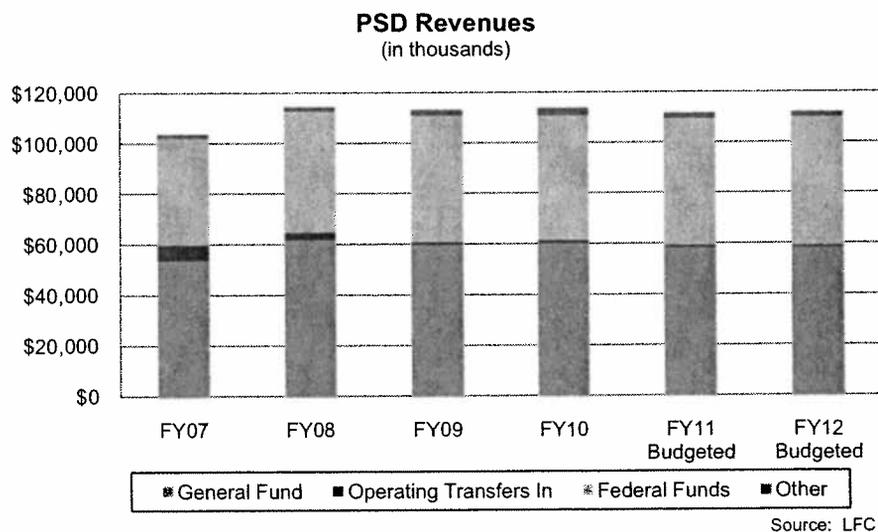
### BACKGROUND

Children, Youth, and Families Department (CYFD) is responsible for state policies and programs to support children, youth, and families in need; to promote self-sufficiency; and to coordinate an integrated system of care among various state agencies. CYFD includes five programs: Juvenile Justice Facilities, Protective Services, Early Childhood Services, Youth and Family Services, and Program Support.

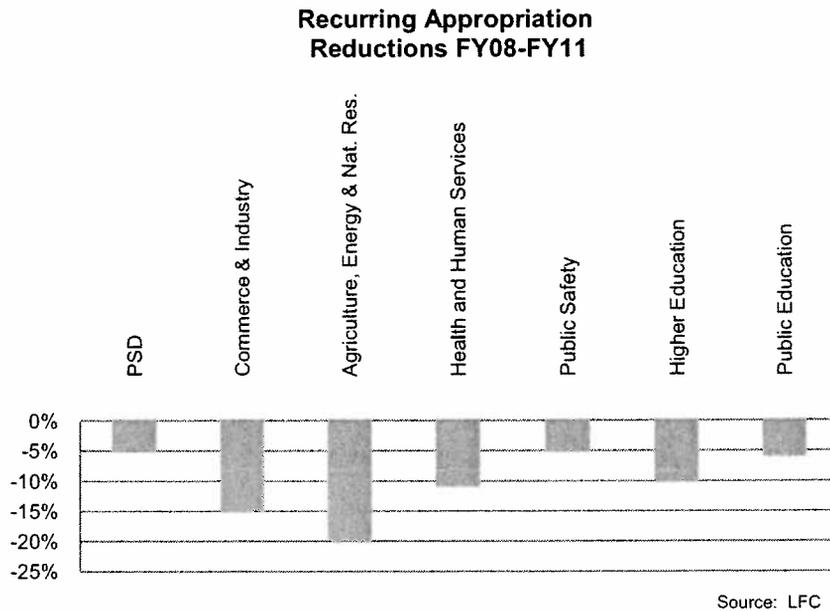
CYFD's Protective Services Division (PSD) administers child welfare services in New Mexico. PSD is mandated, in accordance with the New Mexico Children's Code, Section 32A-4 et seq. NMSA 1978, to receive and investigate reports of children in need of protection from abuse or neglect by their parent, guardian, or custodian and to take action to protect those children whose safety in the home cannot be assured. PSD addresses this mandate through the following services: front-end services such as intake, investigations, and in-home services; permanency planning that includes foster care and adoptions; youth services; and recruitment, licensing, and support of foster and adoptive parents (see **Appendix A** for an overview of PSD reports, placement, and permanency). Administration of PSD is centralized with direct services offered statewide through county offices located within five designated regions (**Appendix B**).

Given the vital role the PSD plays within the state of New Mexico, the Legislative Finance Committee is continuing its practice of evaluating government agencies to ensure efficient and effective use of public resources. To date, the committee has completed similar evaluations of early childhood services, domestic violence programs, and juvenile justice front-end services.

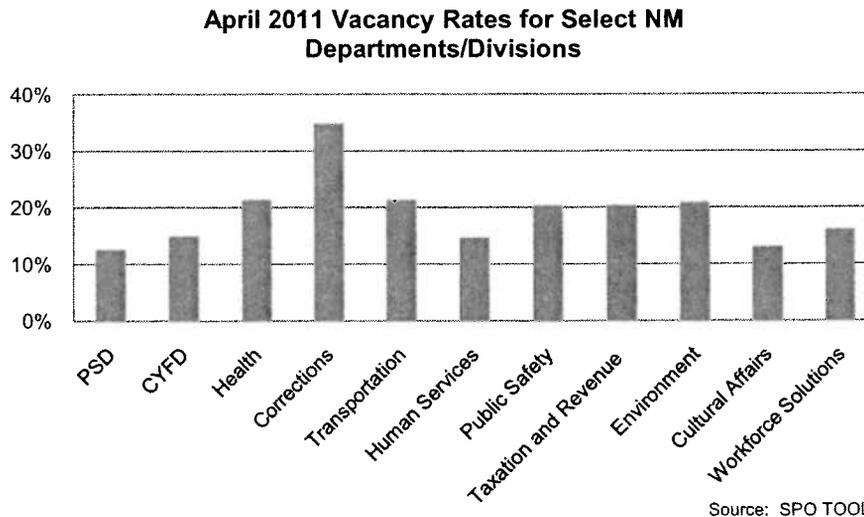
**Funding.** Despite recent revenue shortfalls, the Legislature has shown a commitment to child protective services by minimizing reductions to PSD and maintaining general fund appropriations between FY07 and FY12. The FY12 budget, \$58.3 million, restores funding to FY11 levels and puts PSD budget on par with its original FY11 budget, though this amount is still \$2.6 million below the FY08 high point.



From its FY07 general fund appropriation of \$53.8 million, PSD's state funding peaked at \$61.7 million in FY08. The 5 percent reduction between FY08 and FY11, \$3.2 million, was less than those experienced by other agencies.

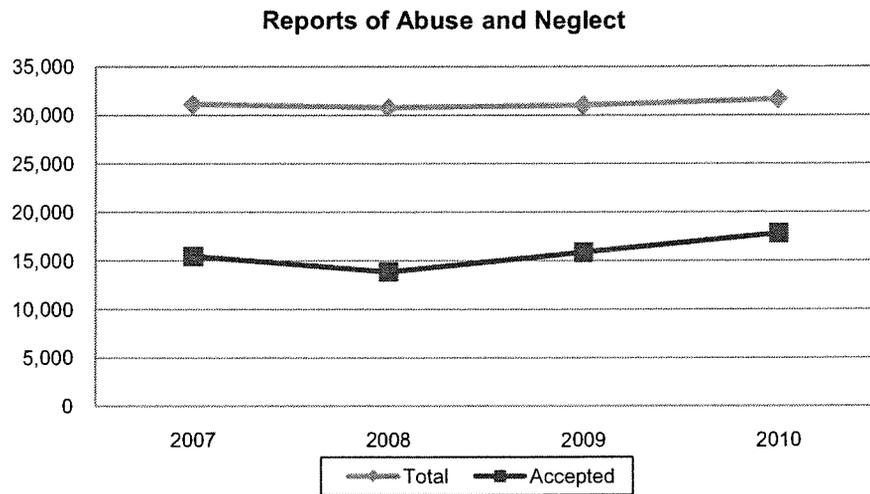


PSD's relatively stable budget allocation has allowed the agency to keep a low vacancy rate when compared with other state agencies. In April, 2011, the executive branch's average vacancy rate was 2 percent higher than PSD's rate of 13 percent, and when compared with other large state agencies, PSD's vacancy rate is markedly lower.



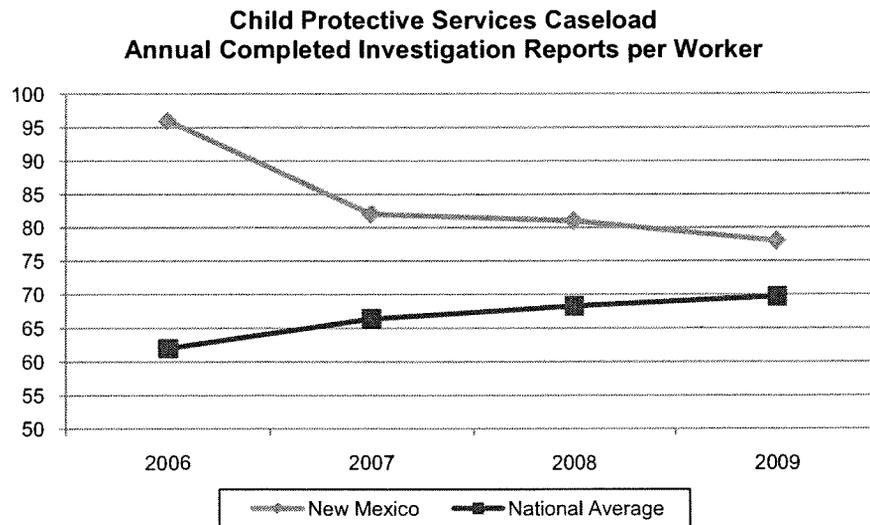
Federal funds, accounting for 46 percent of PSD's revenues, increased by \$1.5 million from FY09 to FY11, from \$48.1 million to \$50.9 million. As of 2006, New Mexico had the third highest ratio of federal to state funds (see **Appendix C**). For FY12, 52 percent, or \$58.3 million, of PSD's revenues come from New Mexico's general fund.

**Demand for protective services.** Accepted reports of child abuse have risen from 13 thousand in 2008 to 17 thousand in 2010.



Source: PSD

Along with caseload increases, child welfare cases have become more complex, involving families whose children are diagnosed with disabilities, parents who are incarcerated, and families lacking adequate housing.



Source: USACF

The quantity and severity of caseloads has led to high turnover. Additionally, an executive hiring freeze from October 2010 to March 2011 led to a May 2011 vacancy rate of 15 percent, 7 percentage points higher than it was at the end of FY09.

## PROJECT INFORMATION

### Evaluation Objectives.

- **Resource allocation.** Analyze revenue sources and spending practices across front-end services (intake, investigations, and in-home services); permanency planning (foster care and adoptions); youth services; and recruitment, licensing, and support of foster and adoptive parents.
- **Performance oversight.** Assess the performance, effectiveness, and outcomes of front-end services (intake, investigations, and in-home services); permanency planning (foster care and adoptions); youth services; and recruitment, licensing, and support of foster and adoptive parents.
- **Staffing.** Examine how recruitment, retention, caseload, and other staffing issues affect operational effectiveness.

### Scope and Methodology.

- Reviewed:
  - Applicable laws and regulations;
  - LFC file documents, including all available project documents;
  - Relevant performance evaluations from other states;
  - Information obtained from outside sources, including Casey Family Programs; and
  - Federal and PSD performance measure data.
- Interviewed agency management, field office staff, case workers, and constituents; and
- Electronically surveyed approximately 600 caseworkers and attorneys (LFC survey).

**Authority for Evaluation.** LFC is authorized under the provisions of Section 2-5-3 NMSA 1978 to examine laws governing the finances and operations of departments, agencies, and institutions of New Mexico and all of its political subdivisions; the effects of laws on the proper functioning of these governmental units; and the policies and costs. LFC is also authorized to make recommendations for change to the Legislature. In furtherance of its statutory responsibility, LFC may conduct inquiries into specific transactions affecting the operating policies and cost of governmental units and their compliance with state laws.

### Evaluation Team.

Michael Weinberg, Lead Program Evaluator  
Tracy Hughes, Program Evaluator  
Valerie Crespín-Trujillo, Program Evaluator  
Matthew Pahl, Program Evaluator

**Exit Conferences.** The contents of this report were discussed with CYFD on June 6, 2011.

**Report Distribution.** This report is intended for the information of the Office of the Governor; Children, Youth, and Families Department; Office of the State Auditor; and the Legislative Finance Committee. This restriction is not intended to limit distribution of this report, which is a matter of public record.



Charles Sallee  
Deputy Director for Program Evaluation

## FINDINGS AND RECOMMENDATIONS

### PERFORMANCE DATA SHOW AREAS OF PROGRESS AS WELL AS OPPORTUNITIES FOR FURTHER IMPROVEMENT IN SAFETY OUTCOMES FOR CHILDREN

**The federal child and family services reviews help PSD measure their progress relative to other states.** PSD reports a large amount of performance data to the U.S. Department of Health and Human Services focused on improving safety, permanency, and well-being for children.

The federal child and family services reviews (CFSR), authorized by titles IV-B and IV-E of the Social Security Act, are conducted in partnership with state child welfare agency staff and are structured to help states identify strengths and areas needing improvement.

New Mexico's performance on the seven CFSR performance outcomes can be seen below in **Table 1** (see **Appendix D** for an overview of all 23 indicators). New Mexico scored below the national standard in each of these outcomes, with the biggest gap in the area of establishing permanency and stability for children in their living situations.

**Table 1. 2007 New Mexico CFSR Performance Outcomes**

CFSR Outcome Measure	National Standard	New Mexico
Safety outcome 1: Children are first and foremost protected from abuse and neglect.	95%	88%
Safety outcome 2: Children are safely maintained in their homes when possible and appropriate.	95%	71%
Permanency outcome 1: Children have permanency and stability in their living situations.	95%	38%
Permanency outcome 2: The continuity of family relationships and connections is preserved for children.	95%	75%
Well-being outcome 1: Families have enhanced capacity to provide for their children's needs.	95%	63%
Well-being outcome 2: Children receive appropriate services to meet their education needs.	95%	81%
Well-being outcome 3: Children receive adequate services to meet their physical and mental health needs.	95%	81%

Source: U.S. DHHS

The CFSR also assesses seven aspects of child welfare agency operations; New Mexico conformed with three of the seven factors.

**Table 2. 2007 New Mexico CFSR Systemic Factors**

CFSR Systemic Factor	Substantial Conformity	Score*
Statewide information system	Yes	4
Case review system	No	2
Quality assurance system	Yes	4
Training	No	2
Service array	No	1
Agency responsiveness to the community	Yes	4
Foster and adoptive parent licensing, recruitment, and retention	No	2

\* A score of 1 or 2 means that the factor is not in substantial conformity; 3 or 4 means that the factor is in substantial conformity.

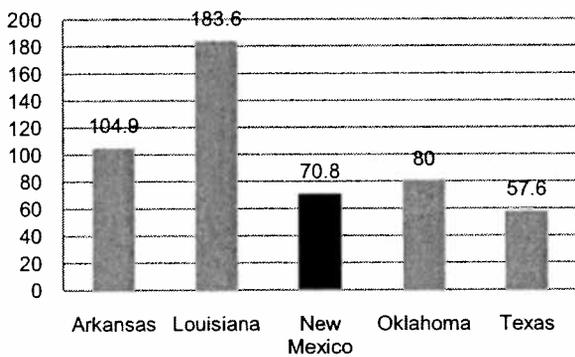
Source: U.S. DHHS

Following both rounds of CFSRs, no state has substantially conformed with all seven outcomes or systemic factors. In response, each state developed a Program Improvement Plan (PIP). One aspect of New Mexico's PIP, the Piñon Project, is an effort funded through the Children's Bureau to develop a practice model that will align PSD's policies, procedures, training, supervision, and quality assurance with its mission, vision, values, and strategic plan.

In 2010, New Mexico became the first state to meet its target goals for all measures by the end of the PIP implementation period. This does not, however, mean that New Mexico has attained national proficiency in each category. In some cases, the state went from substantial conformity in 2002 to not being in substantial conformity in 2007. An overview of New Mexico's performance in key CFSR indicators is presented below.

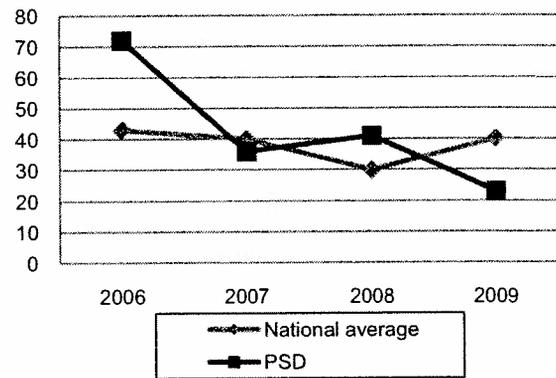
**Investigations.** Within its region, the time it takes PSD to begin an investigation, 71 hours, ranks second. Between 2006 and 2009, PSD's number of days until initiation of services decreased from 72 to 23 days, bringing New Mexico below the national average of 40 days.

**Graph 1. Average Hours to Initiation of Investigations of Reports of Maltreatment**



Source: NCANDS/AFCAR

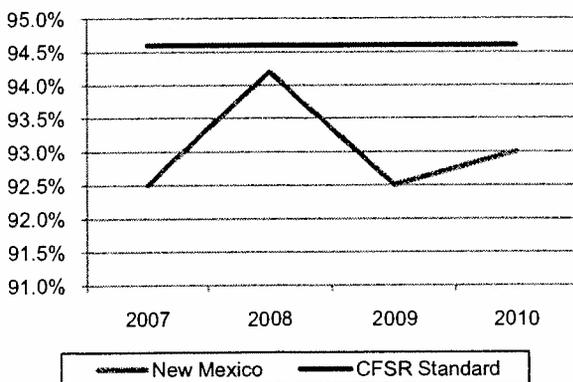
**Graph 2. Number of Days until Initiation of Service**



Source: HHS Annual Report

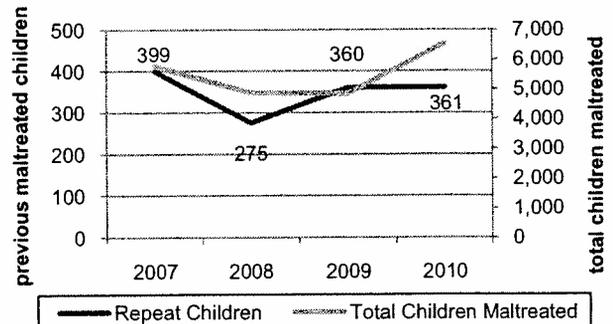
**Maltreatment.** The recurrence of maltreatment within six months of a previous report to PSD is another important indicator of the effectiveness of PSD interventions. In 2009, the state ranked 43<sup>rd</sup> on this outcome, and between 2007 and 2010, PSD showed little improvement in preventing the recurrence of maltreatment. In 2010, approximately 7 percent, or 361 children, experienced a recurrence of maltreatment within six months of a previously substantiated report.

**Graph 3. No Recurrence of Maltreatment within Six Months**



Source: PSD Fact Book

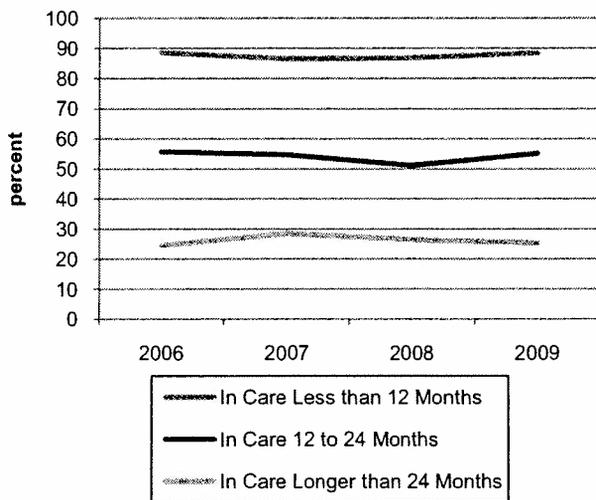
**Graph 4. Number of New Mexico Children Maltreated within Six Months of Previously Substantiated Report of Maltreatment**



Source: PSD Fact Book

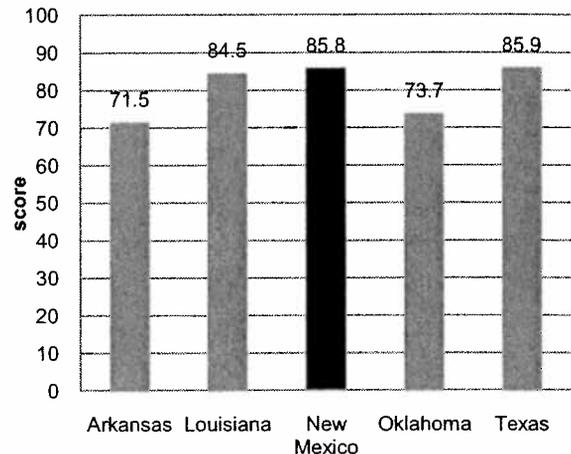
**Placement Stability.** A measure of the number of times a child moves while in the state’s custody, lack of placement stability is associated with the following negative outcomes: increased mental health costs, child developmental problems, detriments in child well-being, increased juvenile delinquency for males, and increased use of emergency departments for children. New Mexico’s placement stability rates have remained constant from 2006 to 2009 and are similar to other states in this region.

**Graph 5. Two or Fewer Placements by Time in Care**



Source: AFCAR

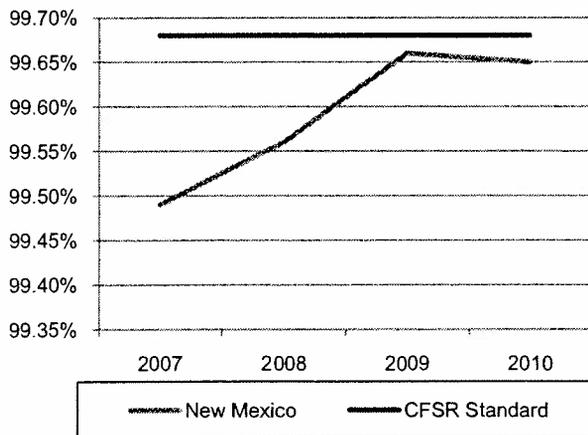
**Graph 6. Placement Stability of Children in Foster Care**



Source: NCANDS/AFCARS

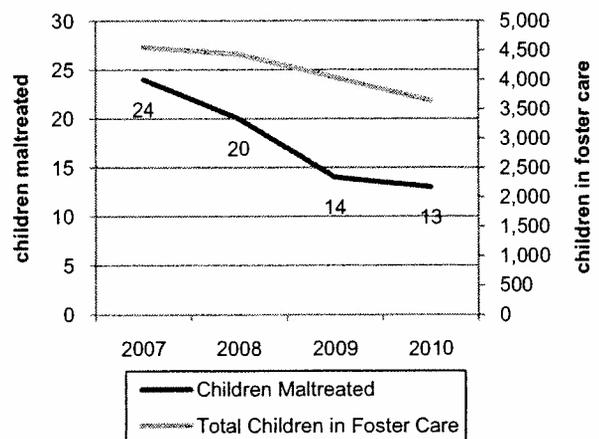
**Foster Care.** PSD has improved the rate of children not maltreated in foster care from 99.49 percent to 99.65 percent from 2007 to 2010; this, however, still represents 13 confirmed cases of maltreatment in foster care in 2010 and highlights the importance of regular home visits from PSD caseworkers. Though New Mexico has not met this CFSR standard, the state ranked 14<sup>th</sup> nationally on this metric in 2009.

**Graph 7. Percent of Children Not Maltreated in Foster Care**



Source: PSD Fact Book

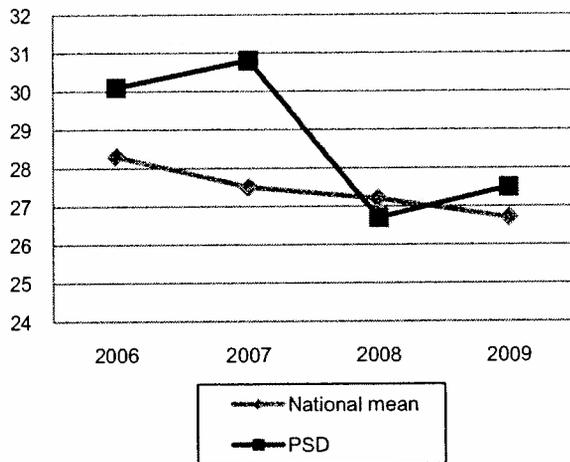
**Graph 8. Number of New Mexico Children Maltreated in Foster Care**



Source: PSD Fact Book

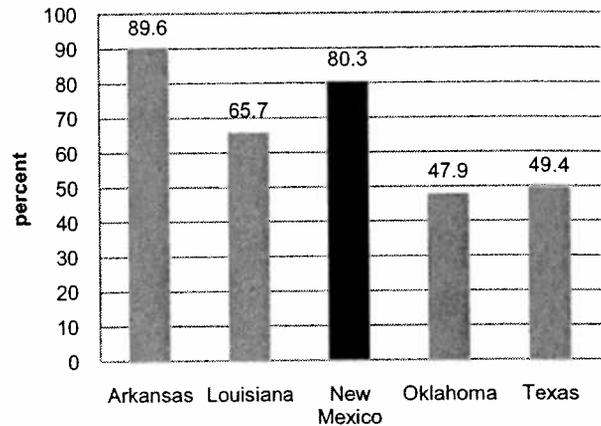
PSD has reduced the average number of months a child spends in foster care, moving from over 30 months in 2006 to 27.5 in 2009, though this is still greater than the national average. Within 12 months, New Mexico reunites 80 percent of children who have been in foster care longer than eight days, the second highest rate in its region.

**Graph 9. Number of Months in Foster Care**



Source: PSD and AFCAR

**Graph 10. Children in Foster Care Reunited with their Family in Less Than 12 Months**



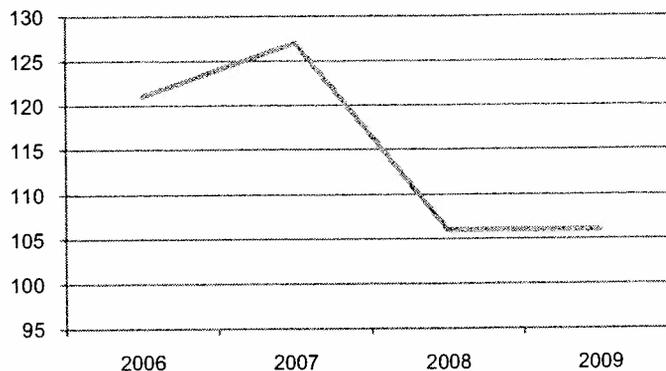
Source: NCANDS/AFCAR

Many outcomes for children who exit foster care to emancipation, or “age-out,” are negative. A study by the University of Chicago showed that by age 24:

- 37 percent have been homeless;
- 52 percent are unemployed;
- more than 75 percent of women have been pregnant; and
- 45 percent of men have been (or are) incarcerated.

In New Mexico, while the number of children who aged-out of foster care decreased to 106 by 2009, these children are at great risk to the outcomes described above.

**Graph 11. Number of Children Exiting to Emancipation**



Source: AFCAR Foster Care File

**PSD lacks reports regarding the effectiveness of in-home services.** In recent years PSD has begun to direct more resources to family preservation through in-home services, a lower-cost alternative to foster care that improves permanency and safety outcomes. Between 2007 and 2011, PSD increased its general fund allocation to in-home services by 68 percent. Reports to measure effectiveness of these services, such as the percentage of families who received in-home services that were subsequently involved in an investigation, are not yet available.

### **Recommendations**

PSD should develop reports to measure the effectiveness of in-home services.

**THE COMBINATION OF TURNOVER, MANAGEMENT INEFFICIENCIES, AND DUPLICATIVE SYSTEMS HAS RESULTED IN DANGEROUSLY HIGH CASELOADS**

**Reducing caseloads by increasing retention of high-quality caseworkers will improve child safety.**

All functions within PSD - intake, investigations, in-home services, and permanency - degrade as caseloads increase. In foster care, for example, stakeholders attribute maltreatment of children to the high caseloads of CYFD caseworkers. A quality assurance unit review of the 40 cases in which children were known to have been victims of maltreatment while in foster care during 2005 found that 33 of the victims did not have a documented home visit by the agency in the three months prior to the report and 76 percent of the foster parents did not have a documented home visit by the agency in the three months prior to the maltreatment report (CFSR, 2007). Research has shown that the frequency of worker case contacts with parents and children has a significant positive correlation with placement stability, receipt of child mental health or educational services, and the timely achievement of permanency (Administration for Children and Families, 2006).

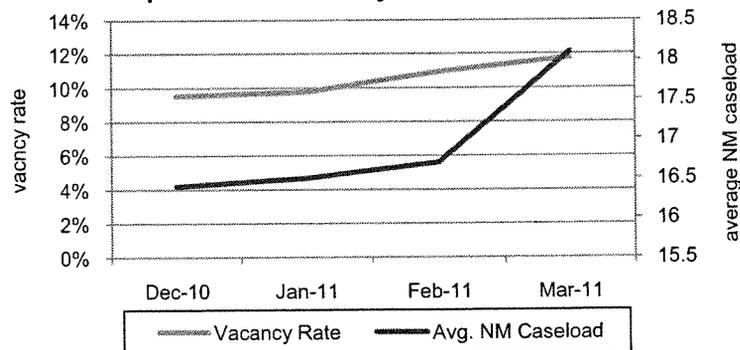
**Caseworker turnover reduces safety and increases costs.** PSD suffers from high turnover rates among its caseworkers; in 2010, the turnover rate for PSD caseworkers was 18 percent. Because of the difficult and emotionally demanding nature of child welfare casework, departments across the country experience turnover rates ranging from 20 percent to 40 percent. In 2007, the U.S. Government Accountability Office found that recruitment and retention of child welfare caseworkers was the second-most identified challenge of child welfare agency directors. Other states, such as Georgia, have had 28 percent of caseworkers leave the agency within six months of their hire date. New Mexico has experienced similar challenges retaining caseworkers; in 2010, turnover for beginning-level caseworkers was 22 percent.

***High turnover costs PSD up to \$2 million annually.*** These costs represent the amount of staff work time used to phase out a separated employee, recruit and train new employees, and the lost amounts of productivity caused by new employees learning their positions. Estimates on the cost of PSD’s high turnover rate range from a minimum of \$1 million to more than \$2 million.

***Caseworker instability and a depleted workforce put New Mexico children at risk by affecting PSD’s ability to provide timely, complete services.*** Vacant positions, combined with the reduced productivity of newly hired caseworkers, reduce PSD’s overall workload capacity. Recently, turnover, compounded by the hiring freeze, increased caseloads and backlogged reports.

Since December 2010, PSD’s vacancy rate has risen and permanency planning workers’ average caseloads have increased from 16.4 to 18.1, exceeding the Child Welfare League of America’s recommendation of between 12 and 15.

**Graph 12. PSD Vacancy Rate and Caseloads**



Source: PSD

High vacancy rates also correspond with caseworkers' inability to keep up with the amount of screened-in calls to PSD, resulting in the backlog of investigations pending more than 30 days increasing from 38 cases in July 2010 to 108 cases in January 2011. According to the Children's Resource Center (2009), "A backlog that increases each month ... may indicate chronic understaffing, since workers are not meeting a basic agency case management standard."

***PSD's challenges with turnover will likely continue because 39 percent of PSD workers are at least somewhat likely to leave the agency in the next six months.*** In the LFC survey, 116 of 299 PSD employees indicated that they were either "somewhat likely" or "very likely" to leave PSD within the next six months. Thirty-one percent of supervisors and 47 percent of caseworkers indicated they were somewhat or very likely to leave PSD within six months.

**Table 3. PSD Caseworker Responses to the Question: "Within the next 6 months, how likely are you to leave PSD for reasons other than retirement?"**

Primary Caseworker Responsibility	Not Likely	Somewhat Likely	Very Likely	% Somewhat or Very Likely to Leave
Permanency planning	22	20	4	52%
Investigations	25	12	11	48%
In-home services	10	4	4	44%
Placement services	10	5	2	41%

Source: LFC Survey

***Survey results indicate caseworkers leave PSD because of high caseloads.*** Eighty-one of the 116 PSD employees, 70 percent, who indicated they would be leaving PSD within six months noted that the number of cases assigned to them is unreasonable. A 2005 report on caseworker retention in *Children and Youth Services Review* confirmed the impact caseloads have on retention, stating, "Every additional unit of average organizational caseload size decreases the odds of retention by 6 percent."

**Streamlining and modifying certain human resource functions could create a more prepared and stable workforce.** Resources and staff time are drained because some new hires do not understand the realities of working with PSD and leave quickly after arriving. Poor new-hire retention wastes training resources without a return on investment.

***One best practice to improve new-hire retention is a realistic job preview.*** Examples of realistic job preview techniques include allowing an applicant to shadow a current caseworker and producing a low-cost video featuring staff sharing the difficulties and rewards of being a caseworker. These realistic job previews improve awareness of the commitment and stress associated with the position.

***Different county hiring practices increase the risk of unfair hiring practices.*** PSD's county offices differ in the criteria they use to select caseworker candidates, the questions they ask applicants, and the personnel assigned to conduct interviews. Currently, county offices receive a list of qualified caseworker applicants from the State Personnel Office and use their own processes to interview and select candidates.

Autonomy is important for county offices to hire caseworkers with skills and experiences applicable for that locality. For example, the Dona Ana County office might prefer a Spanish-speaking caseworker candidate, while the managers in San Juan or McKinley counties might prefer candidates with experience working with the Navajo community. Overall, however, the decentralized nature of PSD’s county-level hiring practices presents risks for unfair hiring practices and might not result in selecting the most qualified caseworkers.

***PSD has data it could use to inform human resource decisions.*** Exit survey data from departing employees, for example, is currently collected by CYFD but is not used to determine which employee needs are not being met. A sample of 18 recent exit surveys shows that PSD employees left most often because of issues they had with compensation and job stress. Departing employees also indicated that they were not sure about opportunities for advancement in the organization. Such employees generally gave supervisors lower marks for how they treat employees and develop a team atmosphere.

Similarly, LFC survey data shows that PSD regions with high reports of intent to leave are more likely to rate their supervisors lower and to report unreasonable caseloads. Southeast and Southwest field offices are generally more satisfied than other regions, most notably the Northwest and Northeast.

**Table 4. Measures of Job Satisfaction by Region**

Survey Question	SW Region	SE Region	ABQ Region	NE Region	NW Region
% that are “somewhat likely” or “likely” to leave PSD within 6 months	21%	42%	44%	58%	47%
I receive adequate direction from my supervisor	4.2	3.9	3.8	3.8	3.8
The number of cases assigned to me is reasonable	3.0	2.9	2.1	2.4	2.6
My supervisor and co-workers foster a positive work environment	4.0	3.9	3.4	3.4	3.6
Management makes adjustments to staff caseloads when necessary	3.7	3.5	3.3	3.1	3.0

\*Numerical values are based on a 5-point scale, with 5 being the highest rating

Source: LFC Survey

Such information can guide PSD toward strategically improving retention of caseworkers. Leveraging the internal best practices of PSD regions and field offices with high caseworker satisfaction will increase statewide caseworker satisfaction.

***New Mexico can better use federal Title IV-E funds to educate and train its child welfare workforce.*** An estimated \$2.7 million of New Mexico’s federal Title IV-E funding in 2010-2011 supported public university/CYFD training partnerships. Students pursuing a bachelor of social work or master of social work can apply for a stipend to defray educational costs. In return, upon graduation students must accept PSD employment in counties with the greatest needs. In other states, strong collaboration between child welfare agencies and universities has successfully retained qualified workers.

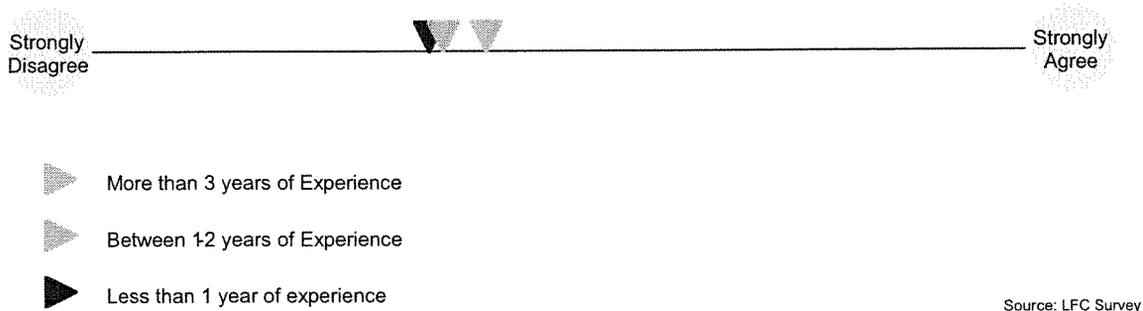
PSD reports annual data on average agency vacancy rates, Title IV-E stipends awarded, and the hiring status of stipend graduates. In its current form, it is difficult to use the data to evaluate the effectiveness of training provided to Title IV-E stipend recipients, to make comparisons between the general PSD staff population and stipend recipients, and to ensure students repay the stipend, if they decline placement at PSD.

**Differentiating core training offered to new workers could help decrease caseloads.** Since 2009, PSD has required all 164 of its new hires to complete a revised version of its basic training (core).

This eight-week training, made of up 15 modules, includes an overview of federal and state legal requirements, worker safety, human development, case planning, substance abuse, PSD’s data system, and more. While providing in-depth training likely increases worker effectiveness, it also represents a substantial cost for PSD and delays the time before a new worker is eligible to assume a caseload.

PSD only recently began evaluating core training’s impact. Based on LFC survey data, workers who have been with PSD for two years or less (red and yellow) are less satisfied with the revised core than those who received the previous, shorter version (green).

**Figure 1. Average Level of PSD Employee Agreement with the Following Statement:  
“The initial training I received from PSD adequately prepared me for work responsibilities.”**

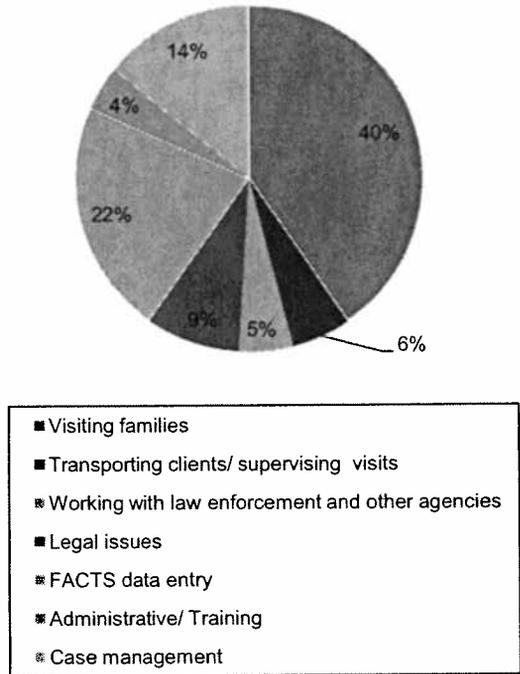


Given the range of backgrounds and intended assignment of new hires, PSD could base each worker’s training requirements on their educational background, prior experiences, and intended role within PSD. Since the overhaul to basic core training in 2009, for example, PSD has hired 46 workers who have received Title IV-E stipends; the training and practicum experiences these workers receive prior to being hired should shorten their transition and training time when compared with those new to the field.

Under this differential training scenario, all new workers would receive an abbreviated orientation to PSD and depending on need, complete all or part of the remaining individual modules. Currently, specialized training is offered for supervisors, in-home services workers, and placement staff. On a change in placement (i.e. from intake to investigations), individual workers could receive this type of additional training.

**A significant amount of caseworker time is spent inefficiently documenting case files.** One factor contributing to worker burnout and decreasing child safety is the amount of paperwork or data entry caseworkers are required to complete. Given federal reporting requirements, a significant amount of workload that goes into each case is consumed with data entry. On average, caseworkers spend 22 percent of their time, or nine hours each week, entering data into FACTS.

**Figure 2. Average Time Distributions for Caseworkers**



Source: LFC Survey

Some caseworkers, such as in-home services and placement, spend an even higher percentage of their time entering data into FACTS.

**Table 5. FACTS Data Entry by Worker Type**

Worker	Average percent of time spent on FACTS data entry
Investigations	22%
In Home Services	23%
Placement	33%
Permanency	18%
All Caseworkers	22%

Source: LFC Survey

Caseworkers generally disagreed with the LFC survey statements that they have enough time to provide needed services for the children and families and that they can keep up with documentation.

*“The shortage of workers and increase in required paper work...makes this job difficult at best.” PSD caseworker from LFC survey*

PSD’s database, known as FACTS, is generally positively perceived by staff. Caseworkers’ agreement scores are high when asked if the information they are required to enter is important and if the system allows them to do their work more effectively. According to one caseworker, “FACTS is a good system WHEN you have time to sit and enter the work.”

**FACTS is regularly updated and improved, but opportunities to make the system more user-friendly continue to exist.** Caseworkers’ agreement levels are low with the statement that the amount of information they are required to enter into FACTS is reasonable. One frequently named improvement is eliminating entering the same information for multiple children in the same family. Also, some narrative sections, such as descriptions of the home environment in the investigations process, could be improved in quality and efficiency by offering drop-down menus.

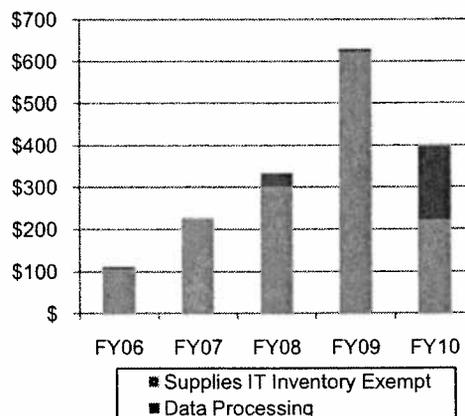
**The process of collecting and entering data is cumbersome and inefficient.** Currently, caseworkers manually collect data, such as a risk assessment, in the field, then return to the office to enter that data electronically into PSD’s server-based system. In some cases, workers are able to use SpeakWrite, a dictation system that costs the state \$250 thousand annually, to transfer their notes into an electronic format.

Other states, such as Texas and Michigan, have moved to web-based systems that allow users to input data remotely. In Michigan, workers are issued electronic tablets to allow them to enter their data as they conduct investigations or work with families. This dramatically reduces the amount of “desk time” required for each case.

To accomplish this efficiency, PSD would first need to transfer its existing server-based system to a web-based platform. CYFD has developed a proposal for such a system, the Enterprise Provider Information Constituent Services (EPICS) Business Processes. EPICS phase 2 will allow staff to remotely document client information in a way that is still linked to FACTS. Estimated costs to fully implement EPICS over five years are \$10 million.

Information technology expenditures at PSD, including excess federal revenues, have steadily increased from \$111 thousand in FY06 to \$396 thousand in FY10, peaking at \$629 thousand in FY09.

**Graph 13. Technology Expenditures**  
(in thousands)



Source: PSD

PSD recently requested to use Title IV-E funds to increase its FY11 technology budget by \$810 thousand to replace desktop computers. This money, combined with amounts already budgeted, could be leveraged toward the technological efficiencies described.

**Reorganizing the management structure could reduce duplication of efforts and allow PSD to reallocate up to 43 additional FTE to casework positions.** PSD currently has five layers of management.

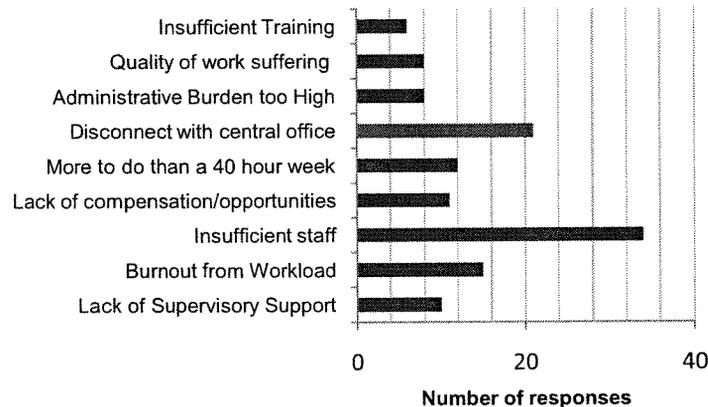
**Table 6. PSD Management Ratios**

Position	Number	Direct reports	Ratio
Agency Director	1	3, plus legal, IHS Coord.	1:5
Deputy Directors	3 (plus legal)	21	1:7
Regional Managers	5	33	1:6
County Office Managers	25	115	1:4
Supervisors	115	455	1:4
Caseworkers	455		

Source: SPO, LFC

Based on LFC survey open response comments, one frequently-identified caseworker concern is a perception that PSD is top-heavy and that the central office staff are disconnected from the field.

**Graph 14. Area for Improvement Identified by PSD Staff**



Source: LFC Survey

PSD's salary and benefit expenses are divided evenly between caseworkers and non-caseworkers. In April 2011, PSD employed 411 caseworkers, 60 percent of its total staff, at a cost of approximately \$21 million; the 282 non-caseworkers employed by PSD cost approximately \$22 million. Of these 282 non-caseworkers, 59 can be classified as management at the county office level or higher. In contrast, in Washington, 65 percent of its child welfare staff provided direct services.

*Upper-level management salary and benefit expenditures could be reallocated to increase the number of caseworkers.* As currently described in the performance evaluations, both the regional managers and the field deputy directors are responsible for supervising county office managers, presenting an opportunity for reducing duplication of efforts. Eliminating one of these layers represents

between \$225 thousand and \$610 thousand in salary and benefit costs that could be redirected to hire an additional four to 11 caseworkers. Existing vacancies within the organization could facilitate this realignment without disrupting existing positions.

***Mid-management functions held by county office managers and supervisors could be consolidated in some counties.*** PSD currently designates 25 FTE as county office managers at an average salary and benefit cost of \$85 thousand per year. While some counties are combined with others under a single county office manager, because of the hiring freeze, many smaller offices have been functioning with a supervisor acting as a county office manager. In five county offices, deliberately moving to this COM/supervisor role could eliminate the need for five supervisor salaries, saving PSD approximately \$350 thousand that it could reallocate to hire six to seven caseworkers.

***At a local level, expenditures could be reallocated from supervisors to caseworkers.*** The Child Welfare League of America (CWLA) recommends a minimum of one supervisor per five caseworkers. In New Mexico, there are approximately 115 supervisors and 455 caseworkers, a 1-to-4 ratio. The ratio is even smaller, 1-to-3.65, given current vacancies. Reaching CWLA's standard would require 91 supervisors, 24 less than the current figure.

The average salary and benefit cost per supervisor is approximately \$70 thousand and \$55 thousand per caseworker. This represents \$1.7 million from supervisory salary and benefits that could be reallocated to reduce caseloads, though this might require boosting pay to retain senior caseworkers. Maintaining CWLA's recommended ratio of one supervisor to five caseworkers, this means PSD could hire an additional 25 caseworkers, resulting in 97 supervisors and 480 caseworkers.

**Eliminating outdated and duplicative programs will allow PSD to shift fiscal and human resources.** Federal mandates and interventions have a large impact on PSD. The stipulated exit plan in the consent decree, *Joseph and Josephine A. v. Bolson* (No. 80-623 JB, D.N.M., July 25, 1980) placed PSD under heightened scrutiny from 1998 to 2005. Such oversight led the department to develop new programs to comply with federal mandates. As federal guidelines and involvement have changed, however, some of these programs now have limited use or are duplicative with other administrative processes and should be eliminated.

***Adolescent and Adoption Resource Team (AART) reviews are duplicative and are no longer legally required.*** AART was developed under the *Joseph A.* consent decree in 2003 to improve the timeliness of adoptions. For children with plans of reunification or adoption, the AART meets every 60 days with PSD stakeholders to determine whether that child's permanency plan should be amended or changed. Children placed in foster care longer than 13 months or those over the age of 15 receive AART reviews. In 2007, 35 percent of eligible children were adopted, but by 2010, that declined to 25 percent.

Additionally, such reviews duplicate case management actions that COMs and supervisors have integrated into their standard policies and procedures. The COMs regularly review permanency plans with caseworkers to determine whether the plan is appropriate and if additional actions are needed to ensure permanency for the child.

*"I would completely abolish the AART team and hold COMs and regional managers accountable for making sure cases moved at an appropriate speed and within PS policy and procedures." PSD caseworker from LFC survey*

In 2010, PSD spent \$335 thousand on personnel for AART and more on caseworker and supervisor staff time associated with the reviews. Eliminating AART will save fiscal and human resources that can be shifted to establish new programs to increase the timeliness of adoptions or provide more direct resources to children and families.

***Targeted case management is no longer needed to qualify for federal funds.*** In 2007, the federal government proposed to disassociate Medicaid funding from TCM. After the proposal was made, PSD stopped using TCM documentation to obtain Medicaid funding. Despite no longer using the documentation to get federal funding, caseworkers continue to spend up to 14 percent of their time on case management activities such as TCM. While it creates unnecessary paperwork, TCM does not lead to additional services for clients with special needs. Caseworkers already supply their qualified clients with these services by identifying needed services, finding providers, and monitoring and evaluating services delivered.

*“During crisis we should direct our work to our primary function and that is protecting children. We are even required by Santa Fe to complete TCM work which is no longer revenue producing but since we have a nice report we have to keep doing it.”*

PSD caseworker from LFC survey

### **Recommendations**

Implement research-based hiring practices (i.e. realistic job preview, committee membership, interview format, and uniform rating systems) while allowing for county-level flexibility;

Encourage strong collaborations with public universities to ensure caseworkers are prepared for the challenges of working for PSD;

Improve data collection to track students receiving Title IV-E stipends to study the effects on workforce recruitment, preparation, and retention;

Evaluate the effectiveness of core training and adjust the modules, accordingly;

Differentiate the core training new workers receive based on workers' educational backgrounds, prior experiences, and intended roles;

Require completion of exit surveys by all workers and analyze data from those surveys to address worker retention issues;

Use the LFC survey data to identify additional opportunities to streamline data collection in FACTS;

Analyze current organization structure, vacancies, and strategic needs to reallocate up to 43 additional caseworkers;

Eliminate the AART and TCM to reallocate approximately \$335 thousand; and

Make remote data entry possible for caseworkers.

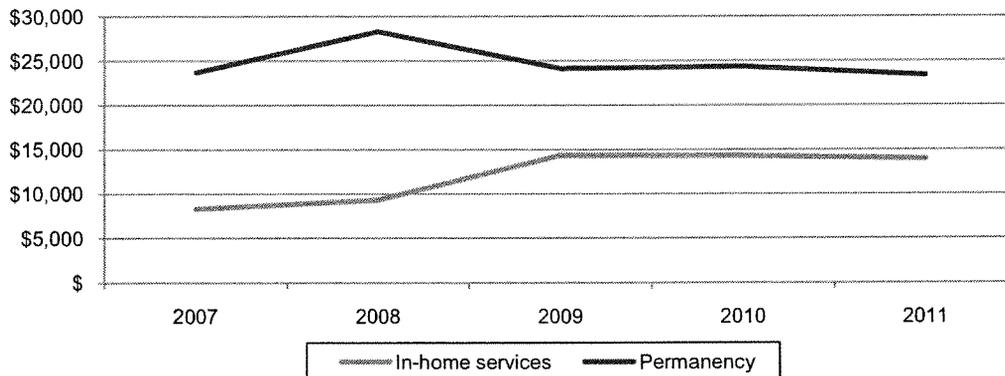
## REALLOCATING EXISTING RESOURCES TO FAMILY PRESERVATION SERVICES WILL IMPROVE CHILD SAFETY

**Family preservation efforts, such as in-home services, allow children to safely remain with their families of origin and the state to avoid the costly and time-intensive process of removal.** Studies have shown rates of substantiated abuse in foster care are up to four times higher than for the general population. Additionally, a recent audit from Utah found a foster care placement costs \$46 thousand a year, compared with \$1.7 thousand for in-home services, and the average duration of foster care cases is nearly four times longer than in-home cases.

***Federal Title IV-E funds, a significant source of revenue for New Mexico, are restricted to foster care and adoption expenses, not in-home services.*** Reallocating or leveraging general fund dollars from back-end services to family preservation efforts saves the state money in the long-run while improving safety measures for children.

In FY11, PSD spent \$20 million on in-home services, an increase from the \$14 million expended in FY07. In FY11, \$14 million, or 69 percent, came from New Mexico's general fund, while the remaining \$6 million came from federal sources. In contrast, 62 percent, \$23 million, of the \$38 million PSD spent on foster care and adoption came from state funds; this amount has remained steady since FY07.

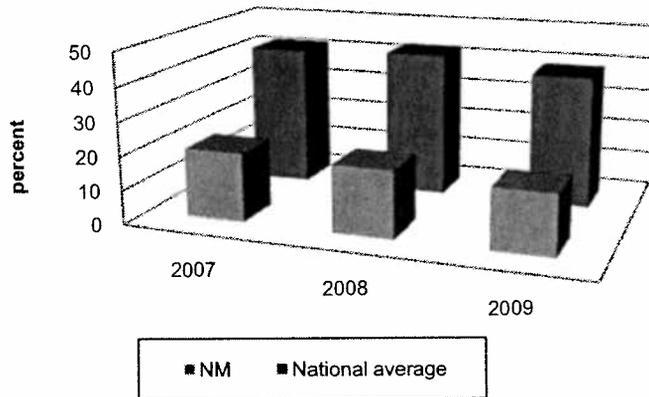
**Graph 15. General Fund Permanency and In-Home Services Expenditures**  
(in thousands)



Source: Children's Budget

The percentage of New Mexico victims who have received in-home services is below the national average, although this might be related to incomplete data collection.

**Graph 16. Percent of Victims Who Received In-Home Services**



Source: USDHHS

**Coordinating in-home services with CYFD’s Early Childhood Division’s home-visiting services could increase the effectiveness of family preservation efforts.** Home-visiting services and in-home services, though similar in their goals, are currently run as two separate initiatives within CYFD.

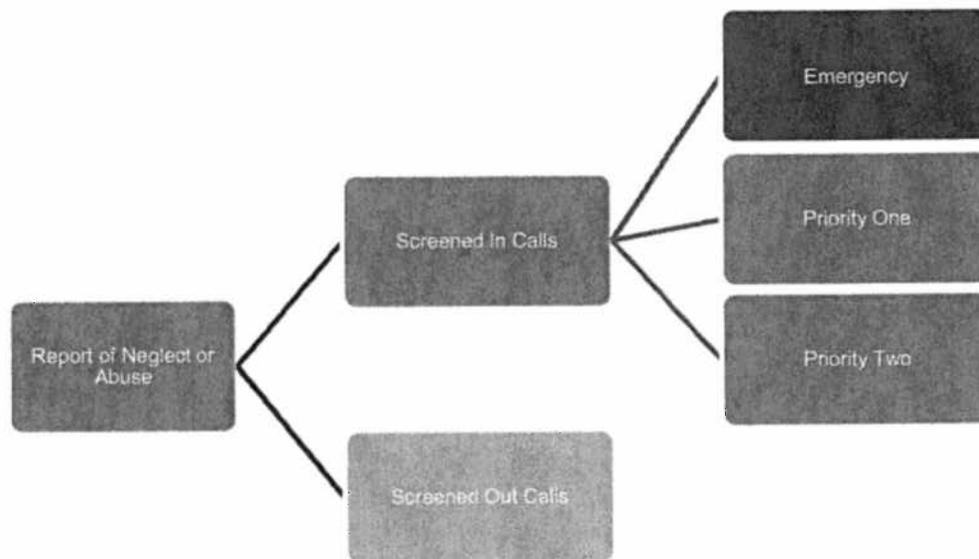
Home-visiting services, part of the Early Childhood Division, are defined as strategies to provide informational, educational, developmental, referral and linkage, screening and evaluation, and other direct intervention and support services for families with children up to 3 years old. The primary goals of home-visiting services include improving safety by identifying potential risks and connecting families with community-based service providers to create a comprehensive system of care. The delivery models vary across the state and are staffed by a range of specialists, including social workers. In FY11, the Early Childhood Division spent \$1.8 million on these home-visiting services. While the goals and purposes of home-visiting align closely with those of PSD’s in-home services, a backlog on the demand for home-visiting combined with immediacy in the need for in-home services has prevented coordination between the two offerings.

***New federal money presents an opportunity to pilot closer coordination between in-home and home-visiting services.*** The federal Affordable Care Act establishes the federal home-visiting initiative that allocates \$1.5 billion to states from FY10 to FY14. These funds will expand the implementation of evidence-based and promising home-visiting practices to achieve six identified outcomes, including preventing child abuse, neglect, or maltreatment.

A steering committee without PSD representation recently submitted a competitive application to use \$950 thousand in these federal home-visiting funds, focused on the South Valley of Albuquerque, McKinley County, and Santa Fe County. This new money allows the state to provide services to approximately 300 additional families, with that number increasing through FY14. Successful intervention will reduce the number of referrals, investigations, and placements for PSD. The alignment in the federal home-visiting initiative and PSD’s in-home services represents an opportunity to leverage resources between divisions of CYFD, potentially serving as a pilot for further collaboration across the state.

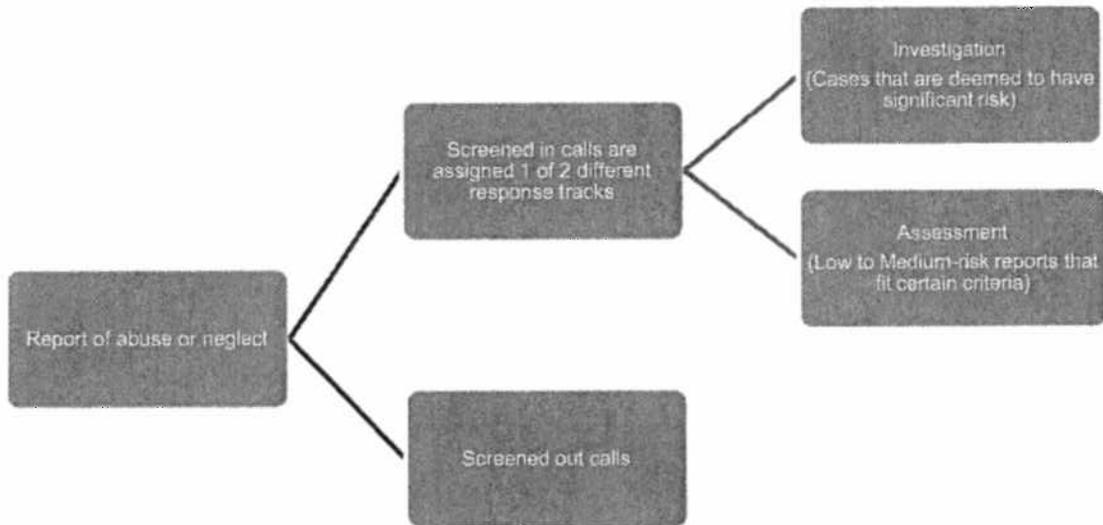
**Implementing a differential response system provides better outcomes for children, more positive experiences for families, and long-term cost savings.** Currently, PSD reacts to all screened-in calls with an investigation that gathers evidence to determine whether child maltreatment has occurred. Screened-in calls are placed into one of three categories based on severity: emergency, priority one, and priority two (**Figure 3**). Emergency calls must have an investigation initiated within three hours and priority one and two investigations must be initiated within one and five days, respectively.

**Figure 3. NM Protective Services Flow Chart for Reports of Abuse**



Differential response adds another way to react to screened-in calls based on factors such as the type and severity of the maltreatment, number and sources of previous reports, and willingness of the family to participate in services. Generally, responses fall into at least two categories: investigation and assessment. Investigations are still conducted on cases that pose significant risk. Assessment, usually applied to low and moderate-risk cases, determines the family's strengths and needs and offers services to support positive parenting without compromising the safety of children.

**Figure 4. Flow Chart for Reports of Abuse in a General Differential Response System**



By allowing two ways to engage clients, differential response aligns resources with family needs.

***Despite higher initial costs associated with differential response, the program produces long-run cost savings and improved outcomes.*** Initial costs are higher because differential response cases take longer to close and caseloads thereby increase. Because differential response involves referring families for services, it also creates a higher demand and cost for other poverty-related social agencies.

These initial increases in costs are offset in the long-term, however, because differential response programs have been shown to reduce costly out-of-home placements for children. A 2010 Ohio study, out-of-home placements were reduced by more than 50 percent and recurrence of maltreatment within one year was reduced by 16 percent. A 2006 Minnesota study found families receiving assessment services cost the state 26 percent less than those who were subject to investigations.

**Table 7. 2006 Average Costs Associated with Minnesota Sample Families with Follow-up Costs Split by Tracking Period**

Cost Type and Group	Initial Contact Period	1st Follow-up Period	2nd Follow-up Period	Total
Differential Response	\$1,142	\$830	\$1,716	\$3,688
Control	\$905	\$1,778	\$2,284	\$4,967

Source: Institute of Applied Research

***Studies have also concluded that caseworkers and families are more satisfied with differential response.*** Supervisors and caseworkers agree that differential response is a more respectful way to engage families. A 2006 study on North Carolina’s differential response system found that 60 percent of families felt good about the help they received from assessment services; other states report similar results.

*PSD's differential response pilot showed positive results and a modified approach could be successful statewide.* From 2005 to 2007, PSD conducted a differential response pilot program in Bernalillo County. Families who accepted assessment services had almost half as many repeat reports compared with families who declined services.

**Table 8. PSD Differential Response Pilot's Effect on the Reoccurrence of Investigations**

Did the client accept or decline Differential Response intervention?	Investigation After Contact	No Investigation After Contact	Re-Entry Rate
Accepted Assessment Services	57	355	14%
Declined Assessment Services	115	329	26%

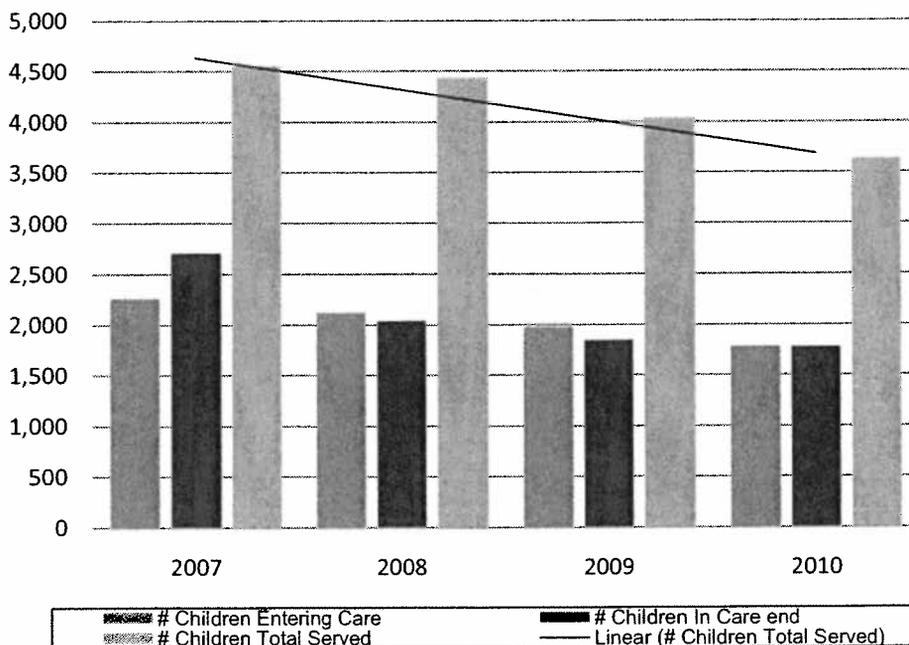
Source: PSD

Furthermore, families that did re-enter the system after accepting assessment services had their children returned to them more often after the children were placed on a 48-hour hold, meaning that fewer children were removed from their homes and put into costly foster care.

*Changes to the Children's Code are necessary to implement differential response.* PSD's differential response pilot differed from programs in other states by offering services only on reports that were screened out of the system (see green box in **Figure 3**), resulting in voluntary participation. To reap the full benefits of differential response, PSD must apply the assessment services to priority one and two cases screened into the system, requiring revisions to the Children's Code. Thirty states have made similar legislative changes.

**Maximizing access to federal Title IV-E dollars allows more general fund dollars to be spent on family preservation services.** In 2006, New Mexico received Title IV-E reimbursements of foster care maintenance payments for 73 percent of children in out-of-home placements compared with the national average of 57 percent. Under the current structure, relying on Title IV-E funds creates a disincentive to reducing foster care populations, a trend in New Mexico since 2007.

**Graph 17. Trend of Children Entering and Served in Foster Care**



Source: PSD Fact Book

Title IV-E is an uncapped entitlement program that provides states with funding for foster care maintenance, adoption assistance payments, youth transitioning out of foster care to adulthood (funded through the Chafee Act), administration and child placement, and training. New Mexico's matching rate for these funds ranges from 50 percent to 83 percent, depending on the state's per capita income, federal financial participation, and the percentage of Title IV-E eligible children.

***PSD has internal controls in place to maximize Title IV-E eligibility.*** PSD has a Title IV-E/ Medicaid unit responsible for conducting standardized reviews to determine Title IV-E eligibility of children in custody. The salary of these employees is paid, in part, by the allowable administrative reimbursement for Title IV-E. This unit is unique among state child welfare agencies because eligibility determination is typically a function of permanency or foster care workers. When children enter foster care, the Title IV-E unit reviews citizenship, mandatory court language, income level, and parental deprivation. Cases of children who are not initially Title IV-E eligible but receive Medicaid funds are reviewed every six months, as well, to verify that the initial Title IV-E determination was correct.

***PSD has been in substantial compliance with federal Title IV-E audits and volunteered to participate in a federal audit of their administrative costs under the program.*** Federal reviews on PSD's use of Title IV-E funds were conducted in 2002, 2005, and 2009. While the reviews found cases of improper Title IV-E payments, PSD substantially complied with federal guidelines. The reviews also highlighted some of PSD's strengths, including the timeliness of court orders and the quality of FACTS.

CYFD has volunteered to participate in a pilot of the Title IV-E foster care administrative cost review. The review will determine whether New Mexico's claimed costs for administration of the foster care program are Title IV-E allowable and allocable.

***Title IV-E waivers present an opportunity to reallocate federal funds toward family preservation services.*** Title IV-E waivers have been credited with increasing children and families' access to a wider array of child welfare services. As of 2010, nine states have Title IV-E waiver agreements, allowing them to flexibly use federal foster care maintenance funds. New Mexico used this waiver from 2000 to 2005 to create demonstration projects aimed at the tribal administration of Title IV-E funds as well as state and tribal assisted guardianships for Native American and non-Native American children. The United States Department of Health and Human Services may extend existing Title IV-E waivers, but congressional action is necessary to authorize the approval of new waivers. This type of waiver could allow New Mexico to reallocate federal funds from foster care to family preservation services.

### **Recommendations**

CYFD should include PSD in the federal home-visiting initiative to identify opportunities for collaboration and coordination between PSD's in-home services and Early Childhood's home-visiting services.

The Legislature should propose amendments to the Children's Code to allow for differential response for reports of neglect and abuse that have been screened into the PSD system.

#### ***PSD should***

Implement a full, statewide differential response program;

Continue to revise its policies to give clear, explicit guidance to state staff about Title IV-E eligibility criteria and allowable Title IV-E program costs;

Compare New Mexico's Title IV-E eligibility manuals or policies with other states in the same federal region to identify opportunities for policy changes in which federal funding can be directed toward areas needing increased support;

Use the findings and recommendations from the upcoming federal pilot audit to increase access to Title IV-E reimbursements; and

Collect data related to the effectiveness of family preservation services to develop a demonstration project should Title IV-E waivers become available to states.

**PROTECTIVE SERVICES DIVISION IS RICH IN DATA BUT COULD BETTER USE IT TO IMPROVE PERFORMANCE**

**Adjusting the quantity and design of PSD’s layers of reviews will improve child safety.** These procedures include

- Regular staffing at local levels between caseworkers and supervisors,
- TCM to determine eligibility for Medicaid funds,
- AART reviews of permanency plans,
- Statewide reviews of counties by PSD’s quality assurance (QA) unit, and
- Critical incident reviews (CIR) following child deaths or allegations of abuse in foster care.

While these processes are time-intensive and costly, if done effectively, they are vital to achieving the overall goals of safety, permanency, and well-being. Potential improvements represent not only opportunities to more efficiently allocate resources but to also create a safer child welfare system.

**The quality assurance process is well-aligned to the federal child and family service reviews (CFSR), but could be improved to provide more technical assistance to field offices.** Each year, the five members of the QA unit conduct 12 county reviews. New Mexico’s process replicates the CFSR and includes documenting information about timeliness and compliance for four in-home services cases, eight foster care cases, and a total of 20 legal cases. The process also involves conducting interviews with five or more participants such as children, parents, assigned workers, foster parents, and providers. The QA unit reviews Bernalillo County twice per year and rotates among the other large counties and clusters of smaller counties.

On completion of each review, the QA unit reports performance data relative to each outcome and a narrative of strengths and areas for further development. Given the sample sizes, in many counties the performance data varies from PSD’s CFSR.

**Table 9. NM Quality Assurance Calendar Year Summary Results**

Performance Outcome	2005	2006	2007	2008	2009	2010
Children are first and foremost protected from abuse and neglect	56.00%	64.00% ↑	59.70% ↓	44.88% ↓	78.79% ↑	65.63% ↓
Children are safely maintained in their home whenever possible and appropriate	51.00%	50.00% ↓	32.00% ↓	46.43% ↑	51.39% ↑	38.19% ↓
Children have permanency and stability in their living situations	50.00%	48.00% ↓	25.40% ↓	25.96% ↑	37.11% ↑	28.30% ↓
The continuity of family relationships and connections is preserved for children	42.00%	41.00% ↓	29.30% ↓	32.69% ↑	57.73% ↑	40.57% ↓
Families have an enhanced capacity to provide for their children's needs	28.00%	35.00% ↑	24.00% ↓	31.43% ↑	46.53% ↑	34.03% ↓
Children receive appropriate services to meet their educational needs	75.00%	73.00% ↓	65.70% ↓	76.99% ↑	82.69% ↑	81.90% ↓
Children receive adequate services to meet their physical and mental health needs	50.00%	58.00% ↑	45.50% ↓	64.06% ↑	72.92% ↑	59.57% ↓

Source: PSD

Based on LFC survey responses, many caseworkers question the value of the resources invested in the QA unit. Recommendations from county reports include the following:

- There is a need to increase overall efforts with disengaged fathers.
- There is a need to increase overall efforts with incarcerated parents.
- The use of texting providers and foster parents ... limited effective communication and seemed to be a barrier in the transfer of information.

QA does not suggest specific actions to address these deficiencies, and it is unclear how counties incorporate this information into their practices or how common themes result in changes to PSD policies, procedures, or training. PSD procedures call for the county office manager and staff to develop an improvement plan, though this practice is not consistently followed.

Best practices in the area of quality assurance include

- Alabama regularly reviews the intake and investigations cases.
- Florida's QA unit looks at 1,000 closed cases and 55 open cases per year and meets with local staff to address ongoing issues.
- Illinois and California involve all staff in the quality assurance process. Local teams of employees meet at least quarterly to assess standardized quality improvement items. Following the self-assessments, counties collaborate with other local partners to develop improvement plans that establish program priorities, improvement goals, and specific action steps.

**It is unclear how PSD uses its critical incident reviews to reduce the likelihood of the most serious forms of child maltreatment.** According to PSD's general policies, a critical incident review (CIR) is an internal improvement tool to evaluate PSD's decision-making, policies, and procedures. Incidents subject to review include

- A serious injury to or death of a child in PSD custody or with a PSD history;
- A high profile case with PSD history or involvement;
- Abuse or neglect allegations involving a foster or adoptive parent; and
- Allegations involving PSD employees, stipend students, or volunteers.

From January to June 2010, 78 fatalities or serious injuries were reported to PSD through its statewide central intake system. Sixteen of those were known cases of maltreatment resulting in death; victims ranged from one month to four years old, with an average age of 12 months. CIRs are essential to protecting the youngest, most vulnerable children in New Mexico.

***The LFC evaluation team was denied access to CIRs and is therefore unable to make conclusions about how the process has improved safety.*** Section 2-5-7 NMSA 1978 directs agencies to "furnish and make available to the legislative finance committee such documents, material or information as may be requested by the members of the committee or its director or staff which are not made confidential by law." The LFC evaluation team requested to review the CIRs on site with confidential information redacted and offered to submit summary notes to PSD staff prior to leaving the premises. Based on changes made to PSD's policies and procedures during the evaluation, however, CYFD claimed attorney-client privilege without providing records of court decisions supporting this precedent.

As a result, although PSD indicates that it conducts approximately 10 to 12 CIRs annually, this evaluation is unable to comment on their effectiveness. In contrast, other states, such as Florida and Illinois, have "open release" policies, whereby they publish information from their critical response protocols in annual reports or on their websites.

**PSD could improve oversight of contract services by following up on corrective action plans sooner and providing technical assistance to under-performing vendors.** PSD pays \$10 million annually for contracted services, such as family support, adoption assistance, training for children and families, family mental health services, and coordination of care for children of incarcerated or absent parents.

*A majority of reviewed vendors did not fully comply with the terms of their contracts, endangering children and putting an unnecessary burden on PSD's resources.* Four of the seven contracts sampled from 2010 were found to not be in full compliance with contract requirements, including a lack of documentation and timely services to clients. Previous contracts with some of these non-compliant vendors showed the same deficiencies, with few signs of improvement. These contracts were for critical, time-sensitive services such as meeting face-to-face with a client within five days of a service request, having a foster parent assessment prepared within 14 days, having a family plan completed within 30 days, and preparing service treatment plans for pregnant or parenting teen girls.

*Limited oversight over contractors creates more risk for families served.* Contractors found to be less than compliant were required to submit a corrective action plan to address the deficiencies. PSD, however, did not follow-up on the corrective action plan until the evaluation in the following fiscal year.

*The limited service array of rural New Mexico might limit PSD's contract enforcement.* PSD might be reluctant to enforce certain contract parameters because of the limited number of rural services, resulting in retaining marginal providers.

**Data is regularly distributed to local-level management, but reports are cumbersome with limited expectations surrounding their use.** PSD uses and regularly distributes data to its county offices, but how this information aids in decision-making varies across the state.

*County office managers receive more reports from PSD's central office than they find useful.* PSD's central office produces 35 reports for COMs each month: 19 monthly reports and four weekly reports. Just as caseworkers spend too much time entering data, based on their feedback on the LFC survey, local managers are overwhelmed with excessive amounts of data. Determining which reports and metrics, such as monthly caseworker visits, are most critical to local-level success will improve supervisory support, an issue noted frequently by caseworkers who have left or are likely to leave PSD.

Monthly caseworker visits to children in the system, for example, effectively enhance a child's well-being and help establish permanency. PSD distributes a report to all county offices indicating that in January 2011, 12 of the state's 31 county offices had documented caseworker visits with all children on their caseloads, while four counties met with less than 90 percent of children.

**Table 10. January 2011 Documented Child Visits by County Office**

County	Region	# of children with documented monthly visits	# of children without visits documented	Total children	Percentage of children with a documented visit
Bernalillo Placement	Metro	47	0	47	100%
Chaves	SE	82	0	82	100%
Colfax/Union	NE	14	0	14	100%
Lincoln	SW	12	0	12	100%
NW Placement	NW	55	0	55	100%
Rio Arriba/Los Alamos	NE	23	0	23	100%
San Miguel/Mora/Guad.	NE	46	0	46	100%
SE Placement	SE	21	0	21	100%
Sierra	SW	11	0	11	100%
SW Placement	SW	23	0	23	100%
Taos	NE	26	0	26	100%
Torrance	NW	15	0	15	100%
Lea	SE	74	1	75	99%
McKinley	NW	67	1	68	99%
Dona Ana	SW	125	2	127	98%
Bernalillo West	Metro	151	4	155	97%
Valencia	NW	111	3	114	97%
Luna/Hidalgo	SW	30	1	31	97%
Eddy	SE	59	2	61	97%
San Juan	NW	84	3	87	97%
Cibola	NW	52	2	54	96%
Roosevelt	SE	24	1	25	96%
Quay/Harding/DeBaca	SE	21	1	22	95%
Grant/Catron	SW	19	1	20	95%
Bernalillo East	Metro	250	22	272	92%
NE Placement	NE	10	1	11	91%
Sandoval	NW	36	4	40	90%
Otero	SW	30	4	34	88%
Socorro	SW	5	1	6	83%
Santa Fe	NE	16	4	20	80%
Curry	SE	33	18	51	65%
<b>Totals</b>		<b>1572</b>	<b>76</b>	<b>1648</b>	<b>95%</b>

Source: PSD

Combining important outcome-based metrics such as these into one dashboard for COMs is a best practice currently used for upper-level management (**Appendix E**). Creating a similar report for COMs will allow them to focus on critical data and spend more time on direct supervision.

*County office managers lack consistent expectations and training on how to use data.* Training for supervisors and COMs does not currently include sessions relating to data analysis. As a result, some COMs use locally-created reports to ensure that each child in their region receives monthly visits, while other COMs are unsure of the reports' importance and do not have regular conversations about the data they contain.

## **Recommendations**

Expand quality assurance reviews to include intake and investigations;

Direct quality assurance reviews to provide more specific technical feedback and to collaborate with counties to develop improvement plans.

Redact confidential client or personnel information and publicly release key findings and recommendations from critical incident reviews;

Evaluate the kinds of data COMs should be monitoring, create combined or consolidated reports, and eliminate unnecessary reports;

Clarify expectations for using data in COM training; and

Increase the frequency of monitoring and amount of technical assistance provided to low-performing service contractors in areas with a limited service array.

## State of New Mexico CHILDREN, YOUTH and FAMILIES DEPARTMENT

**SUSANA MARTINEZ**  
GOVERNOR

**JOHN SANCHEZ**  
LIEUTENANT GOVERNOR



**YOLANDA BERUMEN-DEINES**  
CABINET SECRETARY

**EDNA REYES-WILSON**  
DEPUTY CABINET SECRETARY

June 10, 2011

Senator John Arthur Smith, Chairman  
Legislative Finance Committee  
State Capital Building, Suite 101  
Santa Fe, New Mexico 87501

Dear Senator Smith,

The Children, Youth and Families Department (CYFD) received a preliminary copy of the *Report to the Legislative Finance Committee, Children, Youth and Families Department Protective Services Division Report #11-06* dated June 15, 2011. The report describes the results of the program evaluation conducted by the Legislative Finance Committee Program Evaluation Team. The program evaluation had the following objectives:

- Analyze revenue resources and spending practices across front-end services (intake, investigations, and in-home services); permanency planning (foster care and adoptions); youth services and recruitment, licensing and support of foster and adoptive parents.
- Assess the performance, effectiveness and outcomes of the above stated services; and
- Examine how staffing issues, including recruitment, retention and caseload affect operational effectiveness.

The timing of the evaluation has presented some challenges to accommodate given that it was initiated during the legislative session and amidst preparation of reports for CYFD's federal plans, and efforts on our federal Implementation Center Project and Diligent Recruitment Grant. Staff made a concerted effort to provide the requested information to the evaluators in a timely manner. CYFD wishes to recognize the LFC staff involved in the evaluation. They demonstrated professionalism in their work and displayed an earnest desire to understand the complexities of the state child protective services program. CYFD also wishes to recognize the support we have received over the years from the LFC and the Legislature and their demonstrated commitment to the children and families of our State.

After reviewing the report we note that the evaluation did not fully consider all of the program functions of the Protective Services Division (PSD) of CYFD nor consider the comprehensive mission of the division. Recognizing that child safety is the agency's greatest priority, PSD is also responsible for child permanency and well-being outcomes. Thus, agency resources must be directed towards achievement of these outcomes in addition to safety outcomes. The licensing of private child placement agencies, the adult adoptee program, the administration of the interstate compacts, and the important role of the children's court attorneys are examples of some of the program functions that were not addressed within the program evaluation. Failure to consider permanency and well-being outcomes and other agency responsibilities impacts the soundness of some of the conclusions reached and the recommendations made.

PSD is only one component of the child welfare system in New Mexico. Achievement of good outcomes for children and families relies on our collaboration with other State agencies, the courts, foster parents, citizen review board, court appointed special advocates, the schools, tribal entities, physical and behavioral health care providers, private child placement agencies, law enforcement and child and family advocates. Collectively we comprise the child welfare system in New Mexico. An evaluation that does not consider these complex relationships has limitations.

The federal Child and Families Services Review (CFSR) provides a holistic assessment of a state's child welfare system and recognizes that achievement of good outcomes for the children and families is dependent upon entities outside of the state child welfare agency. We are pleased to report that New Mexico is one of four states to have completed the second round of the CFSR and the first to be released without financial penalties. CYFD recognizes that this could not have been done without the assistance of our child welfare partners and the support of the Legislature. New Mexico anticipates participation in round 3 of the CFSR beginning in federal fiscal year 2012.

Completion of the CFSR program improvement plan does not signal a cessation of program improvement efforts within the agency. PSD actively pursued and was awarded two federal funding opportunities for the purpose of making systemic changes. PSD is currently receiving technical assistance and support through a federal Implementation Center Award to develop a child welfare practice model for the purpose of improving consistency and increasing agency accountability. In September of 2010, PSD was awarded a federal Diligent Recruitment Award for the purpose of improving permanency outcomes for children through the recruitment and retention of foster and adoptive parents and improved customer service. It is in this light of ongoing program improvement that CYFD considers the recommendations within the LFC report.

CYFD concurs with a number of the recommendations made in the report. However, there are other recommendations with which we do not concur. Reasons for which we do not concur include insufficient information not being considered, inaccurate conclusions were drawn, restrictions on specific funding streams were not addressed, or anticipated decreases in federal funding were not represented (e.g., the elimination of American Recovery and Reinvestment Act funding). The following provides a high level response on the findings and recommendations contained in the report.

*PERFORMANCE DATA SHOWS AREAS OF PROGRESS AS WELL AS OPPORTUNITIES FOR FURTHER IMPROVEMENTS IN SAFETY OUTCOMES FOR CHILDREN*

- *PSD lacks reports regarding the effectiveness of in-home services and should develop reports.*  
PSD concurs with this finding and recommendation. In recent years PSD has revised our in-home services program and implemented a new safety management model. Efforts to develop reports to evaluate the effectiveness of this endeavor commenced two years ago with the improved functionality in our management information system to collect data on in-home services and safety assessments. Continuing efforts are needed to enhance data integrity and the identification of measureable program outcomes.

*THE COMBINATION OF TURNOVER, MANAGEMENT INEFFICIENCY, AND DUPLICATIVE SYSTEMS HAS RESULTED IN DANGEROUSLY HIGH CASELOADS*

- *Reducing caseloads and increasing retention of high quality caseworker improve child safety and reduces cost incurred because of employee turnover.*  
PSD agrees that providing reasonable caseloads is key to ensuring child safety, achieving permanency and improving child and family wellbeing outcomes. Limitations in hiring resulting from state budget cuts followed by the hiring freeze imposed at the end of 2010 adversely impacted PSD. Vacancies begat additional vacancies as staff felt the enormous pressures of growing caseloads and the assumption of additional duties. In May of 2011 the vacancy rate reached 15%. PSD has recently been allowed to hire

for caseworker positions. This has brought a sense of relief to our front line workers and is projected to reduce some of the turnover. However, it is important to note that significant burnout has been created and many experienced staff continue to report that they are overwhelmed.

- *Streamlining and modifying certain human resources functions could create a more prepared and stable workforce.*

PSD supports the recommendations to implement the research-based hiring practices while allowing for county-level flexibility. PSD recognizes that child protective services work is demanding and that not everyone is suited for the job. Some factors related to worker retention are outside of the control of the agency, i.e., worker compensation, and the emotionally demanding nature of the work. However, some of the factors influencing job satisfaction are within the control of the agency such as the effectiveness of the employee's immediate supervisor. PSD believes that the ability to hire new staff, including county office managers, will increase the supervisors' availability to their direct reports. In addition, the Implementation Center Project Practice Model includes strategies to strengthen the skill level of our supervisors. Exit surveys as well as retention surveys will play a role in PSD's evaluation of the success of our practice model implementation.

The report recommends strong collaboration with New Mexico public universities to ensure future social workers are prepared for work with PSD. PSD concurs that this is a critical component of ongoing recruitment and retention. CYFD has agreements with all the public universities in the State that have accredited social work programs. These agreements provide students pursuing BSW or MSW degrees who have agreed to work for PSD with an education stipend. As part of the educational experience, students complete practicum placements in PSD offices to gain first-hand experience in child welfare.

- *Differentiating core training offered to new workers could help decrease caseloads.*  
PSD is in partial agreement with this recommendation. The 2007 CFSR identified that PSD's training program was not in substantial conformity with federal requirements. PSD worked in partnership with New Mexico State University to overhaul our training program. Evaluation of the effectiveness of our program including the consideration of differentiating training requirements continues under the direction of the Training Advisory Council (TAC).
- *A significant amount of caseworker time is spent documenting case files.*  
We concur with the finding that the documentation required of caseworkers to meet both state and federal reporting requirements, and ensure continued federal funding is colossal. Caseworkers are hampered by aging and nonfunctional equipment and a software application that is outmoded and antiquated. Modifications to the system are costly and time consuming. Constant modifications are required to allow for program improvement and to meet the increasing demands of the federal government to preserve funding and avoid penalties. Redirecting the existing IT funding is not a feasible solution. Caseworkers cannot function without the maintenance of the existing system. Among other consequences, foster parents and other providers would not be reimbursed and federal revenues would be jeopardized.
- *Reorganizing the management structure could reduce duplication of efforts and allow PSD to reallocate up to 43 additional FTE to casework positions.*  
PSD does not concur with this recommendation. PSD believes that the evaluator's recommendation is based on an incomplete assessment of the duties and responsibilities of the agency. The recommendation does not consider the size and rural nature of our state and the challenges this creates in the distribution of FTE resources. It also does not consider that as supervisors assume additional duties they are less available to provide direct supervision to their reports. The front line supervisor position has been identified by child welfare experts as being the most essential child

welfare position for improving outcomes for children and families. Although these supervisors do not normally carry their own caseloads, they do each carry responsibility for the cases assigned to their units. This same logic must also be applied to the county office manager position. Eliminating some county office manager positions and reassigning those duties to supervisors is also counterproductive to caseworker retention, among other negative implications. It also reduces the amount of time that PSD has to work and collaborate with our communities to jointly address child maltreatment and child abuse prevention. CYFD firmly believes that it takes a family to raise a child, but that the family needs to be supported by a responsive community. County office managers play a critical role in organizing and coordinating community-based efforts. By decreasing the number of county office manager positions a significant decrease in community-based efforts to tackle the systemic problem of child maltreatment will occur. The new administration has provided PSD with the opportunity to evaluate our management structure. PSD is developing a plan for reorganization that emphasizes the allocation of resources to the field staff while building in mechanisms to provide for consistency and accountability for all county offices across New Mexico.

- *Eliminating outdated and/or duplicative programs will allow PSD to shift fiscal and human resources.*  
The Adolescent and Adoption Resource Team (AART) is part of PSD's quality assurance system and it was recognized by the federal government as an effective practice for promoting permanency for children with a plan of adoption and older youth in foster care. Over the past two federal fiscal years New Mexico has received federal adoption incentive awards in recognition of our achievements in the area of adoption. New Mexico was recently ranked 1<sup>st</sup> out of 47 states reporting on adoption federal composite ratings. New Mexico was ranked 6<sup>th</sup> out of 51 states/territories reporting on permanency outcomes for older youth in foster care. These improved permanency outcomes can in part, be attributed to the effectiveness of the AART. Through PSD Implementation Center Project Practice Model, PSD is developing strategies for increased supervisory and management skills including developing mechanism for increased accountability and the effective use of quality assurance and other data. PSD anticipates that with full implementation of the practice model the AART will no longer be necessary.

Targeted case management (TCM) provided access to Medicaid funding for eligible children in need of intensive behavioral or physical health services. More importantly it provided a structure to ensure that children in the foster care system with these intensive needs were provided initial and ongoing assessments and appropriate services. While the regulations issued for the Deficit Reduction Act of 2005 prohibited accessing these services and these funds for children in foster care, the structure was retained as it was correlated with improved performance in well-being outcomes. Recently the federal government has reversed its stance on the prohibition of accessing TCM for children in foster care. CYFD has begun exploration to determine the possibility of once again claiming Medicaid dollars to support this work. CYFD will weigh the benefits to the children served and the potential for increased federal revenue against the demand for caseworker time to determine whether or not to eliminate the TCM process.

#### *REALLOCATING EXISTING RESOURCES TO FAMILY PRESERVATION SERVICES WILL IMPROVE CHILD SAFETY*

- *Coordinating in-home services with CYFD's Early Childhood Services Division's homevisiting services could increase the effectiveness of family preservation efforts.*  
PSD concurs with this recommendation. PSD considers homevisiting programs as a valuable service for the prevention of child maltreatment. CYFD has modified initial homevisiting program requirements to allow for those families identified by PSD to be accepted for homevisiting services. A barrier to PSD-involved families receiving services has been provider capacity. While PSD did not sit on the steering committee that submitted the competitive application for federal funding, PSD provided some of the data used to identify the areas of need. PSD advocated ensuring that PSD-involved families with

children under the age of three are a priority population for homevisiting services. PSD believes that award of the additional federal dollars for homevisiting will benefit families that come to the attention of PSD.

- *Implementing a differential response system provides better outcomes for children, more positive experiences for families, and long-term cost savings.*

PSD does not concur with this recommendation. Effective implementation of a differential response system is highly dependent upon the existence of a comprehensive community-based service array in each jurisdiction of the state. In both round 1 and round 2 of the federal CFSR it was determined that New Mexico was not in substantial conformity with the Service Array systemic factor and received the lowest possible rating, verifying that a comprehensive service array does not exist. Therefore adoption of this recommendation is not a viable option at this time.

- *Maximize access to federal Title IV-E dollars allows more general fund dollars to be spent on family preservation services.*

PSD agrees with identifying opportunities to increase support for family preservation services. CYFD is third in the nation in our ability to access Title IV-E dollars and has a number of processes in place to ensure that we maximize our access to federal funding while also minimizing our exposure to penalties and repayments created by inappropriate claiming. The Title IV-E program is an entitlement program based upon reimbursement that requires general fund dollars be spent in the areas of foster care and adoption. The ability to increase federal Title IV-E dollars is not realistic. In actuality, federal Title IV-E dollars will decrease. The decrease is for the following reasons:

1. ARRA which provided an enhanced FMAP rate will end June 30, 2011. This results in decrease in the reimbursement rate in this upcoming state fiscal year.
2. The eligibility standard for IV-E is based upon the 1996 AFDC, now TANF, poverty rates. While the TANF rates have been adjusted over time, the Title IV-E has not. Fewer and fewer children qualify which in turn reduces the FMAP rate.
3. Recent clarification from the federal government has restricted states' ability to claim for children at risk of coming into foster care. The application of these restrictions was identified as part of CYFD's participation in the Title IV-E administrative audit. CYFD anticipates that this restriction could resolve in a reduction of federal Title IV-E administrative revenue of approximately \$3.2 million dollars annually.

- *Title IV-E waivers present an opportunity to reallocate federal funds towards family preservation services.*

PSD agrees that Title IV-E waivers provide opportunities to use federal funding in a more flexible manner. At this time new Title IV-E waivers are unavailable. New Mexico was successful in using a waiver from 2000 to 2005. The purpose of the waiver was to support subsidized guardianships for Native and non-Native children involved in the state or tribal foster care system. However, upon termination of the waiver all costs related to the project were assumed by the State. Therefore any waiver application must carefully consider the potential increased cost to the states upon waiver termination.

#### *PROTECTIVE SERVICES DIVISION IS RICH IN DATA BUT COULD BETTER USE IT TO IMPROVE PERFORMANCE*

- *The quality assurance process is well-aligned to the federal CFSR but could be improved to provide more technical assistance to field offices.*

PSD concurs. PSD acknowledges that we have only scratched the surface when it comes to the potential of our quality assurance efforts. Our work with the Implementation Center Practice Model

and the Diligent Recruitment Grant contemplates increased opportunities for technical assistance and training for field staff.

- *It is unclear how PSD uses its critical incident reviews (CIR) to reduce the likelihood of the most serious forms of child maltreatment.*

The evaluation incorrectly characterizes the purpose of the CIRs. While it is potentially possible that a CIR may identify practice changes or training needs, the primary purpose of the CIR is to identify performance issues and liability in potential or current litigation. As such, the document produced is subject of attorney-client privilege and not subject to discovery. PSD relies more heavily on quality assurance activities such as quality assurance reviews, management information reports and AART to direct practice improvement.

- *PSD could improve oversight of contract services by following up in corrective action plans sooner and providing technical assistance to under-performing vendors.*

PSD concurs with the recommendation and recognizes that effective oversight of contractors is essential to provide for improved safety, permanency and well-being outcomes. PSD does have challenges to accomplish this including limited staff resources and geographic distances. PSD is identifying opportunities for additional technical assistance and support however through securing evidence informed best practices made available through the federal National Resource Centers.

- *County office managers lack consistent expectations and training on how to use data.*

PSD concurs. Modules on how to interpret and effectively use data are included in the recently developed supervisory core training. PSD is working with New Mexico State University to develop additional advanced training opportunities targeted at enhancing managers' ability to understand and use data. Both the Implementation Center Practice Model and the Diligent Recruitment Grant contemplate the development of standards for using data in daily practice and decision making.

Thank you for the opportunity to comment on the program evaluation. We welcome further dialogue and collaboration with LFC staff on the matter. It is essential that all parties concerned with and involved in New Mexico's child welfare system have a clear understanding of the complexities of the system.

We look forward to our continued work together.

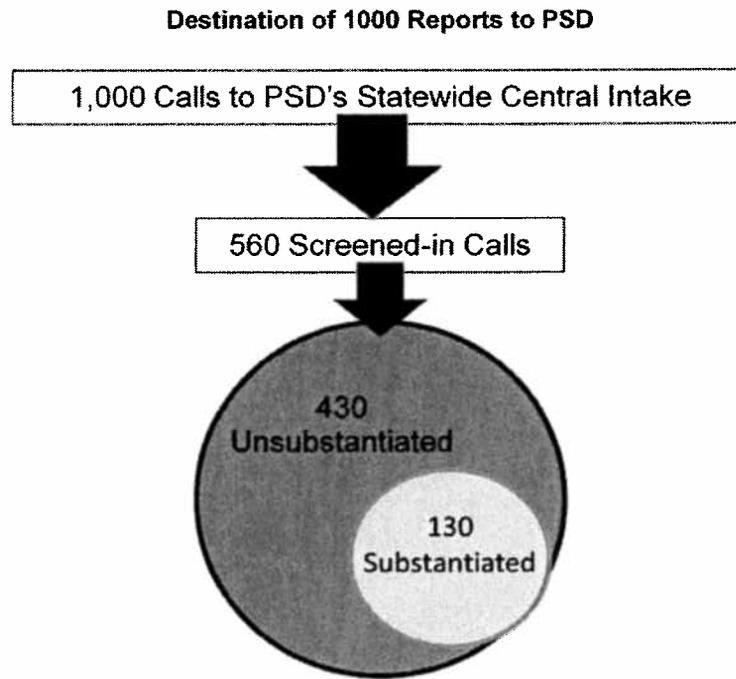
Sincerely,

 for Y. B. D.

Yolanda Berumen-Deines  
Cabinet Secretary  
Children, Youth and Families Department

**APPENDIX A: PSD Reports, Placement and Permanency**

In 2010, PSD received over 35 thousand reports of suspected child neglect or abuse; PSD substantiated 13 percent of those reports. The figure below shows how 1,000 calls are directed, based on 2010 figures:

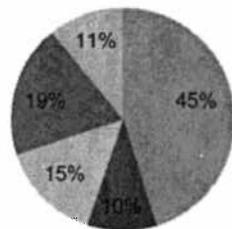


Source: PSD Fact Book

Five percent of screened-in calls, substantiated or unsubstantiated, receive in-home services.

In the first quarter of 2011, nearly half of children with out-of-home placements were in foster care, 21 percent in relative foster care, and 16 percent in treatment foster care. Half of children in PSD custody have a permanency plan to reunify with their families and 38 percent have adoption as their permanency plan.

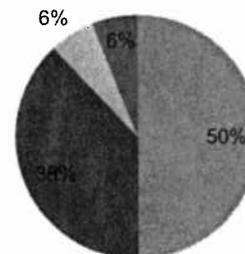
**2011 Out-of-Home Placement Type**



- Foster Care
- Other
- ⊗ Treatment Foster
- Foster Care Relative
- ⊗ Pre-adoption/Pre-adoption relative

Source: PSD

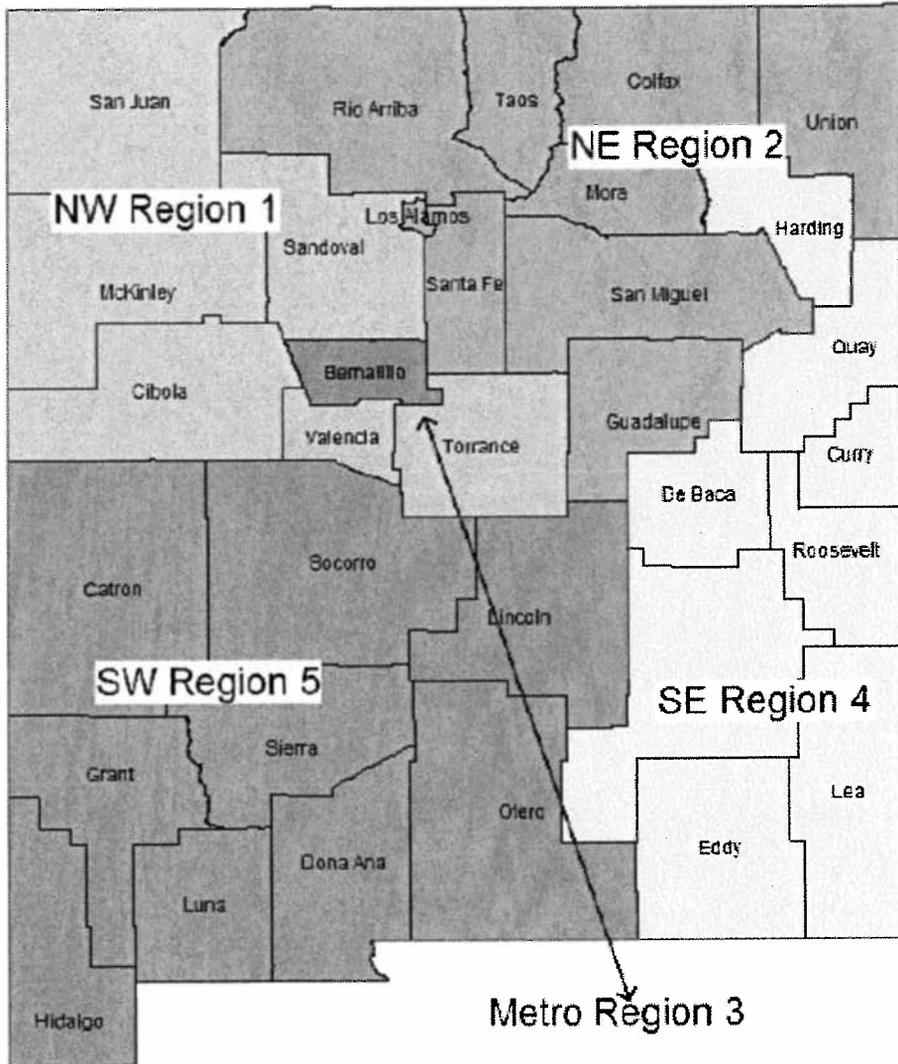
**2011 Permanency Plan for PSD Cases**



- Reunification
- Adoption
- ⊗ Planned Permanent Living Arrangement
- Other

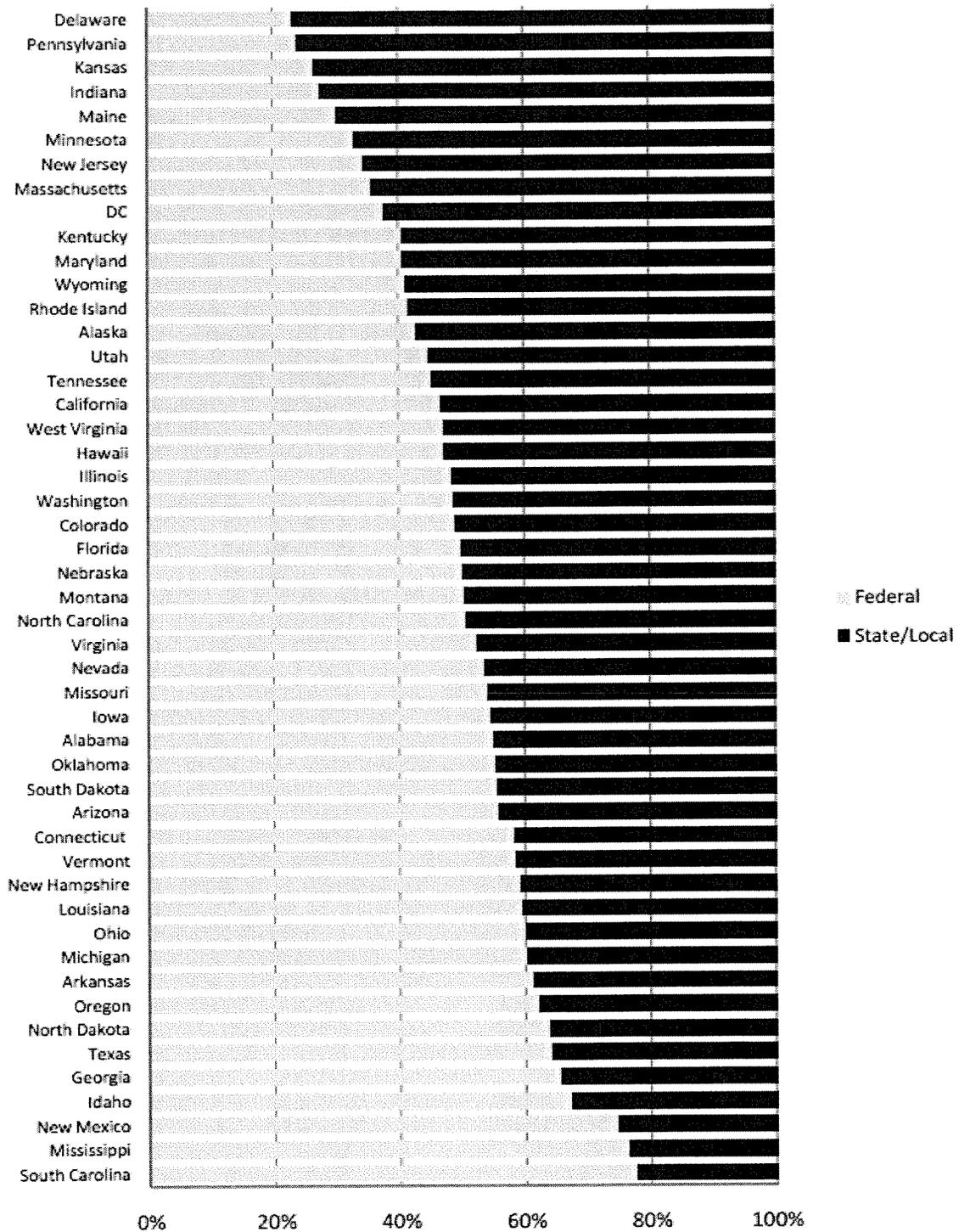
Source: PSD

**APPENDIX B: Protective Services Division Regions**



Source: PSD Fact Book

## APPENDIX C: FY06 State Comparison of Federal Funding Percentages



Source: Casey Family Programs, Annie E. Casey Foundation

## APPENDIX D: 2007 CFSR Indicators

CFSR Outcome Measure	National Standard (%)	New Mexico's Performance 2007 (% Substantially Achieved)*	Strength (%)**	Outcome Addressed by PIP
<b>SAFETY OUTCOME 1</b>	95	87.8		NM is not in substantial conformity. The State was also not in substantial conformity for the 2002 CFSR and addressed this factor in its PIP. State met its target goals for this outcome by the end of the PIP implementation period
Item 1: Timeliness of Initiating Investigations of Reports of Child Maltreatment			94	
Item 2: Repeat Maltreatment			89	
<b>SAFETY OUTCOME 2</b>	95	70.8		NM was in substantial conformity in both the 2002 and 2007 CFSR and therefore not required to address the outcome in its PIP
Item 3: Services to Family to Protect Child(ren) in Home and Prevent Removal			80	
Item 4: Risk of Harm to Child			72	
<b>PERMANENCY OUTCOME 1</b>	95	37.5		NM is not in substantial conformity. The State was also not in substantial conformity for the 2002 CFSR and addressed this factor in its PIP. State met its target goals for this outcome by the end of the PIP implementation period
Item 5: Foster Care Re-entries			91	
Item 6: Stability of Foster Care Placement			72.5	
Item 7: Permanency Goal for Child			65	
Item 8: Reunification, Guardianship, or Permanent Placement with Relatives			65	
Item 9: Adoption			21	
Item 10: Permanency Goal of Other Planned Permanent Living Arrangement			75	
<b>PERMANENCY OUTCOME 2</b>	95	75		Yes
Item 11: Proximity of Foster Care Placement			100	
Item 12: Placement with Siblings			86	
Item 13: Visiting with Parents and Siblings in Foster Care			68	
Item 14: Preserving Connections			78	
Item 15: Relative Placement			65	
Item 16: Relationship of Child in Care with Parents			71	
<b>WELL-BEING OUTCOME 1</b>	95	63.1		Yes
Item 17: Needs and Services of Child, Parents, Foster Parents			65	
Item 18: Child and Family Involvement in Case Planning			73	
Item 19: Worker Visits with Child			88	
Item 20: Worker Visits with Parents			70	

<b>WELL-BEING OUTCOME 2</b>	95	80.8		Yes
Item 21: Educational Needs of the Child			81	
<b>WELL-BEING OUTCOME 3</b>	95	81.2		Yes
Item 22: Physical Health of the Child			90	
Item 23: Mental Health of the Child			84	

\*95 percent of the applicable cases reviewed must be rated as having substantially achieved the outcome for the State to be in substantial conformity with the outcome.

\*\*For an overall rating of strength, 90 percent of the cases reviewed for the item (with the exception of item 21) must be rated as Strength because item 21 is the only item for Well Being Outcome 2, the requirement of a 95 percent strength rating applies.

Source: HHS/CFPSR

CFPSR Systemic Factor	Substantial Conformity	Score*	Item Rating**	Factor Addressed by PIP
<b>STATEWIDE INFORMATION SYSTEM</b>	Yes	4		NM was in substantial conformity in both the 2002 and 2007 CFPSR and therefore not required to address the factor in its PIP
State is operating a statewide information system, that, at a minimum, can readily identify the status, demographic characteristics, location, and goals for the placement of every child who is (or within the immediately preceding 12 months, has been) in foster care			Strength	
<b>CASE REVIEW SYSTEM</b>	No	2		NM is not in substantial conformity, but was rated as being in substantial conformity with this factor for the 2002 CFPSR. The State was not required to address this factor in the PIP
Provides a process that ensures that each child has a written case plan to be developed jointly with the child's parents that includes the required provisions			Area Needing Improvement	
Provides a process for the periodic review of the status of each child, no less frequently than once every 6 months, either by a court or by administrative review			Strength	
Provides a process that ensures that each child in foster care under the supervision of the State has a permanency hearing in a qualified court or administrative body no later than 12 months from the date the child entered foster care and no less frequently than every 12 months thereafter			Strength	
Provides a process for termination of parental rights proceeding in accordance with the provisions of the Adoption and Safe Families Act			Area Needing Improvement	
Provides a process for foster parents, pre-adoptive parents, and relative caregivers of children in foster care to be notified of, and have an opportunity to be heard in, any review or hearing held with respect to the child			Area Needing Improvement	
<b>QUALITY ASSURANCE SYSTEM</b>	Yes	4		NM was in substantial conformity in both the 2002 and 2007 CFPSR and therefore not required to address the factor in its PIP
The State has developed and implemented standards to ensure that children in foster care are provided quality services that protect the safety and health of children			Strength	
The State is operating an identifiable quality assurance system that is in place in jurisdictions where the services included in the CFPSR are provided, evaluates the quality of services, identified strengths and needs of the service delivery system, provides relevant reports, and evaluations program improvement measures implemented			Strength	

				NM is not in substantial conformity, but was rated as being in substantial conformity with this factor for the 2002 CFSR. The State was not required to address this factor in the PIP
<b>TRAINING</b>	No	2		
The State is operating a staff development and training program that supports the goals and objectives in the CFSP, addresses services provided under titles IV-B and IV-E, and provides initial training for all staff who deliver these services			Area Needing Improvement	
The State provides for ongoing training for staff that addresses the skills and knowledge base needed to carry out their duties with regard to the services included in the CFSP			Area Needing Improvement	
The State provides training for current or prospective foster parents, adoptive parents, and staff of State licensed or approved facilities that care for children receiving foster care or adoption assistance under title IV-E that addresses the skills and knowledge base needed to carry out their duties with regard to foster and adopted children			Strength	
				NM is not in substantial conformity. The State was also not in substantial conformity for the 2002 CFSR and addressed this factor in its PIP
<b>SERVICE ARRAY</b>	No	1		
The State has in place an array of services that assess the strengths and needs of children and families and determine other services needs, address the needs of families in addition to individual children in order to create a safe home environment, enable children to remain safely with their parents when reasonable, and help children in foster and adoptive placements achieve permanency			Area Needing Improvement	
The services are accessible to families and children in call political jurisdictions covered in the State's CFSP			Area Needing Improvement	
The services can be individualized to meet the unique needs of children and families served by the agency			Area Needing Improvement	
				NM was in substantial conformity in both the 2002 and 2007 CFSR and therefore not required to address the factor in its PIP
<b>AGENCY RESONSIVENESS TO THE COMMUNITY</b>	Yes	4		
In implementing the provisions of the CFSP, the State engages in ongoing consultation with tribal representatives, consumers, services providers, foster care providers, the juvenile court, and other public and private child- and family-serving agencies and includes the major concerns of these representatives in the goals and objectives of the CFSP			Strength	
The agency develops, in consultation with these representatives, annual reports of progress and services delivered pursuant to the CFSP			Strength	
The State's services under the CFSP are coordinated with services or benefits of other Federal or federally assisted programs serving the same population			Strength	
				NM is not in substantial conformity, but was rated as being in substantial conformity with this factor for the 2002 CFSR. The State was not required to address this factor in the PIP
<b>FOSTER AND ADOPTIVE PARENT LICENSING, RECRUITMENT, AND RETENTION</b>	No	2		

The State has implemented standards for foster family homes and child care institutions which are reasonably in accord with recommended National standards			Strength	
The Standards are applied to all licensed or approved foster family homes or child care institutions receiving title IV-E or IV-B funds			Strength	
The State complies with Federal requirements for criminal background clearances as related to licensing or approving foster care and adoptive placements and has in place a case planning process that includes provisions for addressing the safety of foster care and adoptive placements for children			Strength	
The State has in place a process for ensuring the diligent recruitment of potential foster and adoptive families that reflect the ethnic and racial diversity of children in the State for whom adoptive homes are needed			Area Needing Improvement	
The State has in place a process for the effective use of cross-jurisdictional resources to facilitate timely adoptive or permanent placements for waiting children			Area Needing Improvement	

\*Scores range from 1 to 4. A score of 1 or 2 means that the factor is not in substantial conformity. A score of 3 or 4 means that the factor is in substantial conformity.

\*\*Items may be rated as a Strength or as an Area Needing Improvement.

Source: HHS/CFSR

# APPENDIX E: Management Dashboard Excerpt – August 2010

## DESKTOP REPORT FROM RESEARCH AND EVALUATION

### Number of Children in Care as of July 31, 2010 (Point-in-time Actuate Report)

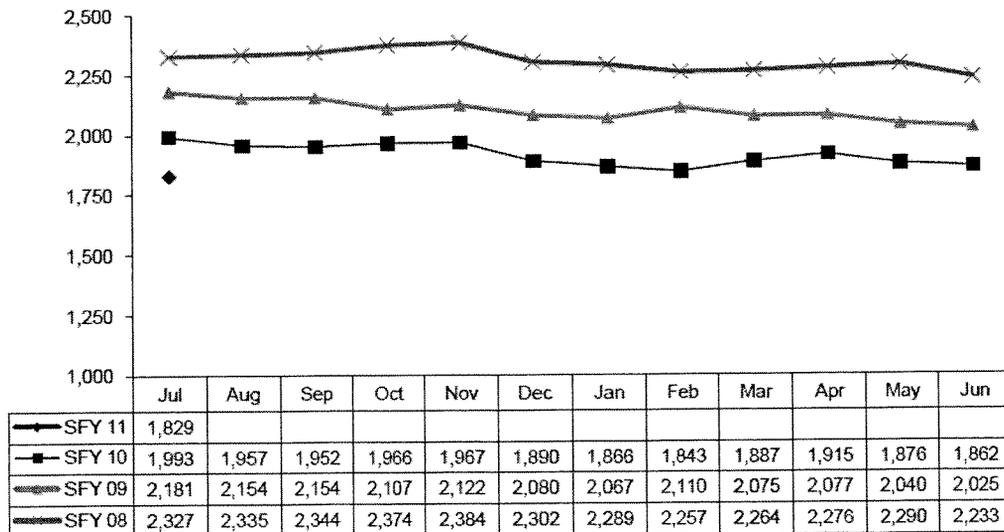
• Foster Care	=	732
• Foster Care Relative	=	307
• Pre-Adoption	=	128
• Pre-Adoption Relative	=	64
• Special Arranged\DD	=	22
• Treatment Foster Care	=	273
• Treatment Foster Care Relative	=	12
• Institutional Care	=	30
• Group Home	=	17
• Residential Treatment Care	=	43
• SIL 18 and over	=	172
• SIL under 18	=	29
<b>Total</b>		<b>1,829</b>

Of these 115 are in Out of State Placements. In addition, there are 105 Title IV-E Guardianships. These children are not in CYFD custody, but do receive subsidy payments.

There are also 20 Title IV-E Tribal agreement placements as of this data. These are joint power of agreements with the Native American tribes. These placements also receive foster care payments.

These numbers do not include children on a trial home visit.

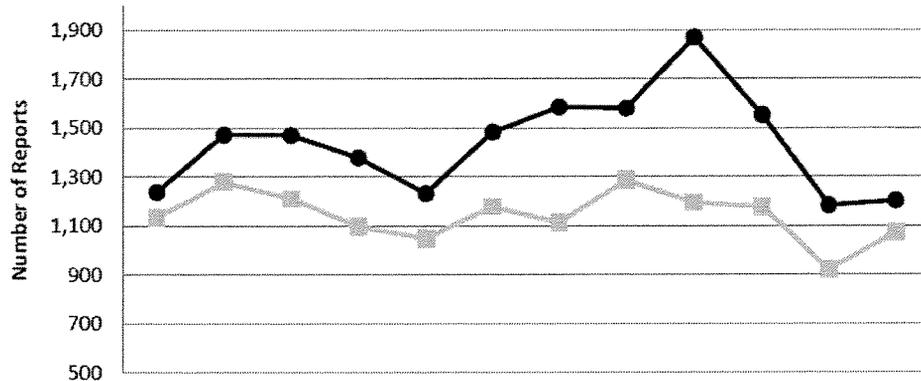
**Children In Foster Care - Point in Time**



Source: Actuate Report

**Number of Accepted Reports of Abuse and Neglect for July 2010:**

- Children Accepted 1,202
- Not Accepted 1,073



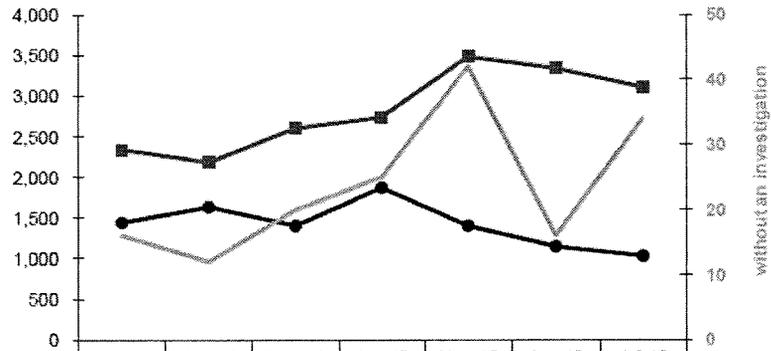
	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10
● Accepted	1,238	1,472	1,470	1,378	1,232	1,484	1,585	1,581	1,870	1,553	1,183	1,202
■ Not Accepted	1,133	1,279	1,212	1,095	1,048	1,177	1,111	1,288	1,194	1,176	921	1,073

Source: sm01a02

**Total Pending Investigations for July 2010:**

- Pending under 30 days 1,028
- Pending over 30 days 3,104
- Without an investigation over 30 days 34

**Number of CPS Pending Investigations**



Source: Sm06a01

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10
● Under 30 Days	1,442	1,633	1,402	1,870	1,400	1,144	1,028
■ Over 30 Days	2,338	2,183	2,603	2,737	3,482	3,338	3,104
□ Without an investigation over 30 days	16	12	20	25	42	16	34

Charts Rpt Aug 2010 PS 08/25/2010  
Published by Children Youth & Families Department, Protective Services, Research Evaluation/FACTS Bureau.

## APPENDIX F: Indian Child Welfare Act

The federal Indian Child Welfare Act of 1978 (25 U.S.C. 1901 et seq.) was enacted to protect the best interests of Indian children and preserve tribal integrity by reducing the destruction of Indian culture caused by the removal of children from Indian homes. When conducting an investigation, PSD is required to make an effort to determine whether an Indian child is involved. PSD is required by the Indian Child Welfare Act to notify the tribe if an Indian child is involved. When a report received by PSD involves an Indian child on the reservation or pueblo, PSD is required to transmit the information to tribal law enforcement or tribal social services. PSD only has jurisdiction to investigate allegations of child abuse or neglect involving Indian children who reside off the reservation or pueblo. When a child lives off the reservation, the state and the tribe both have jurisdiction.

If an Indian child enters PSD custody, care for the child must be handled in accordance with the placement preferences of the Indian Child Welfare Act. First, an Indian child is required to be placed within reasonable proximity to the child's home, taking into account any special needs of the child, and with a member of the child extended family if possible. If the child cannot be placed with a relative, then the child may be placed with a foster home approved by the Indian child's tribe, an Indian foster home approved by a non-Indian licensing authority, or an institution approved by an Indian tribe or operated by an Indian organization. The child's tribe may establish a different order of preference. By policy PSD follows the tribe's preference and documents it in the case record. A plan is developed by PSD to ensure that the Indian child's cultural ties are protected and fostered.

In cases involving the relinquishment of parental rights of an Indian child, state court has jurisdiction only if the parent lives off-reservation. Otherwise, the tribal court has exclusive jurisdiction. By regulation, PSD must support a request to transfer to tribal court for off-reservation Indian children absent good cause to the contrary, objection by either parent or declination by the tribal court.

PSD states that they include tribes in IV-E and other training, in the development of revisions to the Children's Code, and other important policy and program areas that impact tribes. As required in the State-Tribal Collaboration Act, PSD has developed policies to promote communication and cooperation between the state and New Mexico's 22 tribal governments and has designated a tribal liaison. PSD staff participates in Indian Child Welfare Act training and Adoption and Safe Families Act IV-E training for tribal court and social services personnel.

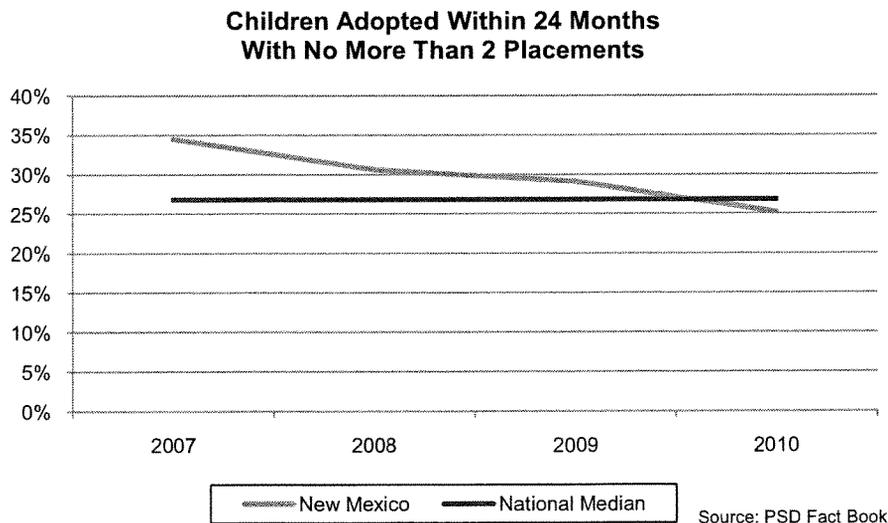
Prior to the enactment of the federal Fostering Connections Act in 2008, it was not possible for a tribe to administer its own IV-E foster care programs and claim federal reimbursement directly. The Navajo Nation is working toward administering the IV-E program but currently operates under a joint powers agreement with PSD. In FY09, 15 New Mexico tribes accessed IV-B-1 funds: Acoma Pueblo, Isleta Pueblo, Jemez Pueblo, Jicarilla Apache, Laguna Pueblo, San Felipe Pueblo, San Ildefonso Pueblo, Sandia Pueblo, Santa Ana Pueblo, Santa Clara Pueblo, Santo Domingo Pueblo, Taos Pueblo, Zuni Pueblo, San Juan Pueblo, and Mescalero Apache. PSD provides training, resources, and support to assist tribes in accessing Title IV-E funds. PSD also has an agreement with the Navajo Nation to provide a share of the state's Title XX Social Services Block Grant fund to the Nation to offer child and adult protective services.

A review of PSD policies recite the law and direct caseworkers to comply. Overall, it appears that PSD is in compliance with the Indian Child Welfare Act.

**Introduction.** Every child in the custody of CYFD is assigned a plan, based upon an assessment of the family and child’s needs and circumstances, for reunification, adoption, permanent guardianship or placement with a relative. A plan of adoption is considered when the efforts to reunite the child with their family have not been successful or is not in the child’s best interest. Under state regulation, a plan of adoption *must* be recommended if the child has been in CYFD custody for 15 of the most recent 22 months or if the child meets the criteria for abandonment or other aggravated circumstances. PSD then works to find an adoptive home. All placements for adoption are required by law to be made by PSD, a person licensed to place a child in a home, the parent of the adoptee or by other court order.

**Adoption.** The goal of adoption is to legally terminate the rights and duties of the biological parents, and to judicially establish such rights with another family. As part of its duties, PSD recruits and trains adoptive families for children in the custody of the CYFD. For adoptions, PSD has a policy preference for placement with relatives and also encourages adoption of children by their current foster parents. Both relative and non-relative adoptive applicants have the same requirements for adopting, including criminal records check, training, and a home safety check list.

The federal Child and Family Services Review (CFSR) measures the percent of children discharged to adoption in less than 24 months from the date of the latest removal episode from their home. The national median for this measure is 27 percent and New Mexico’s 2010 measure is 25 percent. The adoption rates for CYFD have varied from a high in 2005 of 50 percent of eligible children being adopted to a low in 2008 of 20 percent. The rate for 2010 was 32 percent.



The New Mexico 2010-2014 Child & Family Services Plan submitted to the U.S. Department of Health and Human Services in June 2009 finds PSD in substantial compliance with the Foster and Adoptive Parent Licensing, Recruitment, and Retention requirement. This requirement found that PSD complies with the federal requirements for criminal background clearances for approving adoptive placements and has in place a case planning process that includes provisions for addressing safety of foster care and adoptive placement for children. Additionally the state has in place a process for ensuring the diligent

recruitment of potential adoptive families who reflect the ethnic and racial diversity of children in the state for whom homes are needed. During the five years of New Mexico's last Child & Family Services Plan, PSD made considerable progress in terms of recruitment and retention of foster and adoptive parents.

PSD is moving from a medical model to a resiliency and strengths-based model, providing families the support they need to promote the safety, permanency and well-being of children in their care. PSD indicates that it is changing to a more child-focused, family-centered, trauma-informed, strengths-based, community-based, and culturally competent system and array of services and supports. While PSD has met its PIP goal in terms of placement stability, they have not yet achieved the national standard for this measure.

New Mexico has received adoption incentive payments during the past two federal fiscal years with funding being directed to enhance recruitment for foster-adoptive and adoptive parents. Efforts to date include purchasing supplies and equipment for the production of recruitment materials, purchasing materials to be used to identify and recruit adoptive homes and promote foster parent conversions, and enhancing electronic management information system to better collect and process information about children waiting for adoptive homes and eligible families. PSD has also used the funding to improve child specific recruitment capabilities on the CYFD website. Post-adoption support services are available through Title IV-E subsidies.

**Adoption Services.** PSD continues its partnerships with two non-profit organizations within the state. The Heart Gallery of New Mexico has supported the state and adoptive children in adoption recruitment efforts. The Adoption Means Love Foundation seeks to promote adoption and to provide for adoption stability. AML has been providing adoptive families with small grants to secure the training and supports needed by families to provide for placement stability and enhance the adoption experience. There are 9 licensed adoption agencies in NM.

New Mexico recently received \$538,000 in adoption incentive payments for expenditure through December 2011. Approximately 20 percent of these funds will be used for recruitment and retention in areas of the state in highest need of foster homes, including purchasing recruitment materials and conducting targeted marketing. The campaign will focus on grass roots approaches using current foster parents to help recruit.

## APPENDIX H: Glossary of Terms

**Adolescent and Adoption Resource Team (AART)** - Provides a quality assurance function for PSD by reviewing, amending, and approving individual plans for children that have been in custody longer than 13 months or are over the age of 15. The team's goal is to move qualified children towards their permanency goal or aid adolescents in successfully transitioning into adulthood.

**Child and Family Services Reviews (CFSR)** – A results-based process of federal oversight for state child welfare systems. The reviews enable the Children's Bureau to ensure conformity with federal child welfare requirements, determine what is happening to children and families engaged in child welfare services, and assist states to enhance their capacity to help children and families achieve positive outcomes.

**Children's Bureau** – Located within the Administration for Children and Families, United States Department of Health and Human Services, the bureau works with state and local agencies to develop programs that focus on preventing the abuse of children in troubled families, protecting children from abuse, and finding permanent placements for those who cannot safely return to their homes.

**Children's Code** - Refers to the New Mexico Children's Code, Section 32A-1-1, et. seq., NMSA 1978. This section of law establishes standards and guidelines for programs which serve the best interest of the clients, persons and property under the supervision or in the custody of CYFD.

**Critical Incident Report (CIR)** - An internal improvement tool used to document, monitor and evaluate PSD's decision-making, policies and procedures regarding certain serious occurrences.

**County Office Manager (COM)** – Manages the daily operation of a PSD field office. The primary function of this position is to monitor and supervise all functions of the local county office regarding programs, policies, procedures, service delivery, budget, and personnel.

**Consent Decree: *Joseph and Josephine A. v. Bolson* (No. 80-623 JB, D.N.M., July 25, 1980)** – Filed on behalf of children in New Mexico Department of Human Services custody, this action set forth a detailed scheme for restructuring New Mexico's foster care system to establish permanent plans for foster children within six months of their entry into care. In addition, the decree contained provisions governing employee qualifications, social worker training, case planning, caseload size, adoptions, computerized records, citizen review boards, and monitoring of compliance.

**Family Automated Client Tracking System (FACTS)** - The official statewide automated child welfare information system CYFD.

**Program Improvement Plan (PIP)** - To be developed by a state to address the areas of concern within an outcome from the CFSR for which it is not in substantial conformity.

**Quality Assurance Unit (QA)** - A unit within PSD responsible for providing reliable and valid performance and outcome data through ongoing case reviews that are used to improve service delivery and outcomes for children and families.

