

---

# **Indiana Title IV-E Child Welfare Waiver Demonstration Project**

## **Final Evaluation Report**

---

**Prepared for  
Division of Family and Children  
Family and Social Service Administration  
State of Indiana**

**Prepared by  
Institute of Applied Research  
St. Louis, Missouri**

**September 2003**

---

Copyright © 2004 by the Institute of Applied Research  
111 N Taylor  
St. Louis, Missouri 63122  
(314) 966-5101  
email: [iar@iarstl.org](mailto:iar@iarstl.org)  
website: <http://www.iarstl.org>

This document may be copied and transmitted freely. No deletions, additions or alterations of content are permitted without the express, written consent of the Institute of Applied Research.

## Table of Contents

Executive Summary .....	i - xiv
1. Introduction.....	1
Overview.....	1
Evaluation Methods .....	3
2. Process Study	
Part 1. Planning, Implementation and Utilization of the Waiver.....	9
County Waiver Plans and Planning Partners .....	11
New Opportunities and Initial Challenges .....	14
Utilization of the Waiver .....	17
Part 2. Experiences, Perspectives and Variations in County Waiver Programs .....	30
Variations and Early Implementers .....	30
Process Study Counties.....	32
Active Waiver Use and Model Fidelity .....	37
Attitudes, Assessment and Perspectives .....	39
Slots and Capped Allocation.....	61
Population of Children and Waiver Utilization .....	62
Part 3. Characteristics of Children Assigned to the Waiver .....	65
Summary of Process Study Findings .....	75
3. Outcomes and Impacts of the Waiver .....	76
Effects of the Waiver on Services to Families.....	77
Effects of the Waiver on Placement Avoidance .....	84
Effects of the Waiver on Out-of-State Placement.....	86

Effects of the Waiver on Distance from Home to Placement Setting.....	88
Effects of the Waiver on the Length of Placement .....	89
Outcomes of Placements.....	93
Effects of the Waiver on Reunification with Parents.....	94
Effects of the Waiver on Time to Termination of Parental Rights .....	95
Adoption .....	96
Independent Living .....	96
Subsequent Placement Episodes .....	96
Recurrence of Child Abuse and Neglect.....	98
School Performance .....	99
Family Satisfaction .....	102
Summary of Impact Study Findings .....	104
4. Cost-Effectiveness Study .....	106
Costs.....	108
Cost Effectiveness Analysis.....	110
5. Conclusions and Recommendations .....	113
Appendices.....	124
1. Waiver Assignments and Matching Procedures .....	125
2. Sampling and the Case-Specific Survey .....	129
3. Calculation Steps for the Cost Neutrality Analysis .....	136

## **Chapter 1**

### **Introduction**

#### **Overview**

The Department of Health and Human Services, under Section 1130 of the Social Security Act, approved the State of Indiana's request for a waiver on July 18, 1997 to operate a statewide child welfare demonstration project. Implementation of the IV-E-FC project was begun on January 1, 1998, administered and operated by the Indiana Division of Family and Children (DFC) of the Family and Social Service Administration (FSSA). The demonstration project ran for five full years, 60 months, through December 31, 2002.

Waivers granted by DHHS allowed the state to expand both eligibility and services beyond what was otherwise permitted under title VI-E. Provisions of the Social Security Act and Program Regulations waived for this demonstration were Sections 472(a), Section 474(a)(3)(E), and 45 CFR 1356.60(c)(3). Under the waiver, the state was permitted to expend IV-E funds 1) on children who were not judicially removed from the home, 2) on children who remained in the care and custody of a parent, 3) to prevent out-of-home placement of a child, and 4) for proposed services otherwise not included in the definition of maintenance costs. Cf. 42 USC 672(a)(1-3) and 42 USC 675(a) and (b).

The Indiana Child Welfare Waiver Demonstration was designed to provide home and community-based alternatives to group and institutional care and to insure children are protected in safer environments with supportive services. Its focus was on reducing out-of-home placements and, when placements were made, on expediting family reunification. A particular goal of the waiver was reducing the use of out-of-state residential facilities and its accompanying disruption to families and high fiscal costs to taxpayers. The project was envisioned as both a more cost effective response to child abuse and neglect and adolescent delinquency and one that was expected to lead to improved family functioning and child well-being.

The federal Terms and Conditions of the waiver limited the demonstration to serving a maximum of 4,000 children at any one time. These were referred to as waiver “slots” in Indiana’s program. Different children could be assigned successively to the same waiver slot, but only one child could occupy a particular slot at any one time.

One-quarter of the 4,000 waiver slots were set aside for children who were not eligible for Title IV-E services under the existing eligibility rules which are based on family income. Without the waiver, reimbursement could not have been received under the traditional IV-E program for such cases. While this permitted local offices greater flexibility in serving children and families, the state remained responsible for maintaining the cost-neutrality of the waiver program.

The pool of children allowed to be served under the waiver and targeted by the state included: 1) children identified through the agency’s Child in Need of Services (CHINS) placement process; 2) children involved in substantiated reports of child physical abuse, sexual abuse, and neglect; 3) adjudicated delinquent children; and 4) other children identified as being “at risk” of abuse, neglect, or delinquency.

The terms and conditions of the Indiana waiver effectively permitted any child being served by DFC to be selected for waiver services, within the limits of the slots made available to a particular county. The inclusion of delinquent children under the waiver was a continuation of ongoing collaboration between local DFC offices (each referred to as the Office of Family and Children or OFC) and local Juvenile Probation offices. Under the system in existence before the introduction of the waiver, delinquents and status offenders were assigned to DFC by the juvenile judge, either as “place and pay” or as “supervision and service” cases. By including delinquents under the waiver, federal reimbursement could also be received in these cases for children who remained in their homes or in other settings and for services not normally funded under Title IV-E.

In December 1998, FSSA contracted with the Institute of Applied Research (IAR) of St. Louis, Missouri to plan and conduct an evaluation of the demonstration. The evaluation was composed of three distinct but related studies: a process study that examined the implementation of the waiver demonstration; an impact study that focused on outcomes and changes in the lives of children and families as a result of the waiver; and a study of the cost effectiveness of the demonstration.

This document is the final evaluation report on the demonstration project. Earlier reports included a Work Plan/Research Design, an Interim Evaluation Report at the

project's mid-way point, an Implementation Status Report, and semi-annual progress reports. A map of the state is provided at the end of this chapter for reference purposes. The map shows the names of counties and outlines the six administrative regions of the Family Social Services Administration (FSSA) as they were configured during the time the waiver demonstration project took place.

## **Evaluation Methods**

The following is a brief overview of the evaluation methods used in the evaluation. Major data sources for the evaluation included extractions from the Indiana Child Welfare Information System (ICWIS); detailed case-specific information collected from family case managers on a sample of cases; cost information collected from county bookkeepers on a second sample of cases; site visits to county offices coupled with interviews of OFC staff and other stakeholders; surveys of county OFC administrators at the beginning, mid-point and end of the demonstration; surveys of case managers and community stakeholders within communities in the first year of the demonstration and again at its conclusion; surveys and interviews with waiver and control-group families throughout the demonstration; interviews with state-level and regional administrators of DFC; and a review of a wide variety of documentary material.

The process and impact studies, while distinct, overlapped in a number of critical ways, including research methods, data collection and analysis. In addition, because the process study yielded information pertaining to variations in the program across the state, differences in the intervention or treatment being assessed in the impact study, the two studies became integrally linked. The impact study was quasi-experimental in design. Variations in the program represented differences in the experimental treatment. Findings from the process study about these variations were therefore introduced into outcome analyses in the impact study.

The process study undertaken in this evaluation monitored implementation of the demonstration, assessed the diversity of local office approaches to the waiver, and identified process and operational factors that were judged to influence program outcomes. In assessing the similarities and dissimilarities in the way counties approached the demonstration, the study focused on the organizational, service, situational and community dimensions of the program. Throughout the evaluation, waiver utilization patterns were tracked and challenges assessed.

Because the demonstration in Indiana was statewide and encompassed all 92 counties, the initial design of the process study called for a more detailed examination of the demonstration in six selected counties with a broader process review statewide. This design guided the process study through the first half of the evaluation. In the second half, the focus of the process study was broadened, with site visits to other counties that appeared to be making substantial and innovative use of the waiver. The number of planned surveys was also increased so that the experiences and perspectives of local OFC's could be better monitored. Primary research methods utilized for the process study included the following:

1. Interviews were conducted throughout the demonstration with state-level administrators involved in the planning and implementation of the demonstration and state-level DFC staff responsible for conducting regional meetings and training sessions related to the waiver. A wide range of documentary material pertaining to the waiver was collected and reviewed and a variety of demographic, census and agency case data were analyzed. DFC regional consultants who provided technical assistance and support to local OFC administrators and their staffs were also interviewed.
2. The formal IV-E waiver demonstration project plans for each of the state's 92 counties were collected and reviewed.
3. Data contained in ICWIS extracts provided to the evaluators were analyzed to monitor statewide and county-specific waiver utilization patterns throughout the demonstration.
4. Annual site visits were made to each of the six original process counties during the first three years of the demonstration and was broadened to include other counties in subsequent years. During these visits, interviews were conducted with OFC directors and family case managers and supervisory personnel. Interviews were also conducted with key informants in these counties, particularly members of inter-agency waiver project teams. Forms and other materials developed for the demonstration were collected and reviewed.
5. Statewide surveys of county OFC administrators were conducted at three points during the demonstration: at the beginning of year two, at the mid-point of the project, and immediately after the conclusion of the 60-month demonstration period. These surveys were augmented by selected telephone interviews.



6. A sample of family case managers was surveyed during year two and at the conclusion of the demonstration.

7. Surveys of community stakeholders and waiver planning partners were conducted during year two and at the end of the demonstration. Included in these surveys were juvenile judges, probation officers, and representatives of county mental health centers, schools, Step Ahead Councils, and service providers, among others.

8. A sample of cases was drawn and family case managers were surveyed about them as part of the impact study. Parts of this survey provided useful data for the process study.

The impact study undertaken in this evaluation was intended to determine whether the implementation of the waiver in Indiana affected the welfare of children and families served by the Division of Family and Children (DFC). The study was designed to determine the effect of the waiver on:

- Placement avoidance
- Out-of-state placement
- Distance from home to placement setting
- Placement outcomes, including:
  - Reunification with parents
  - Time to termination of parental rights
- Recurrence of child abuse and neglect
- Services to families
- Satisfaction of families with program changes
- Well-being of children

The impact research design was quasi-experimental and was based on a pair-matching methodology. The nature of the waiver demonstration project in Indiana (its statewide character and the broad discretion given to counties in the assignment of cases to the waiver) precluded both the random assignment of experimental and control cases or the selection of comparison cases from areas of the state not participating in the waiver. The issue of control cases, therefore, was addressed through a process of case matching in which evaluators matched each child assigned to a waiver slot with a corresponding non-waiver child. This process yielded a control group of non-waiver children comparable to the experimental group children assigned to the waiver. A description of the pair-matching procedures utilized in the evaluation is provided in Appendix 1.

The research design provided that certain analyses would involve all waiver children and their control matches statewide. Others were to be based on samples of children and families. Statewide analyses utilized data extracted from the Indiana Child Welfare Information System (ICWIS). Data for sample analyses were collected through various methods of follow-up on sample cases. This approach was modified as evaluators became aware of variations in waiver utilization among counties and in their fidelity to the intensive services model of the demonstration. Another reason for design modifications was concern about the comprehensiveness of information on services being entered by local offices into the ICWIS system.

Two primary data sources were utilized for the impact analyses: ICWIS data extractions and case-specific surveys of family case managers. Cumulative data files were transferred from the ICWIS system each month to the evaluators. The dataset consisted of a large number of related data tables providing information on family demographics, abuse and neglect reports and findings, new cases and case histories, out-of-home placements and placement history, juvenile court hearings and their outcomes, services to families and children, and family assessments of case managers. The ICWIS data centered on children, which were the units of analysis for many evaluation questions. Information was also provided on other family members to permit other research questions to be addressed.

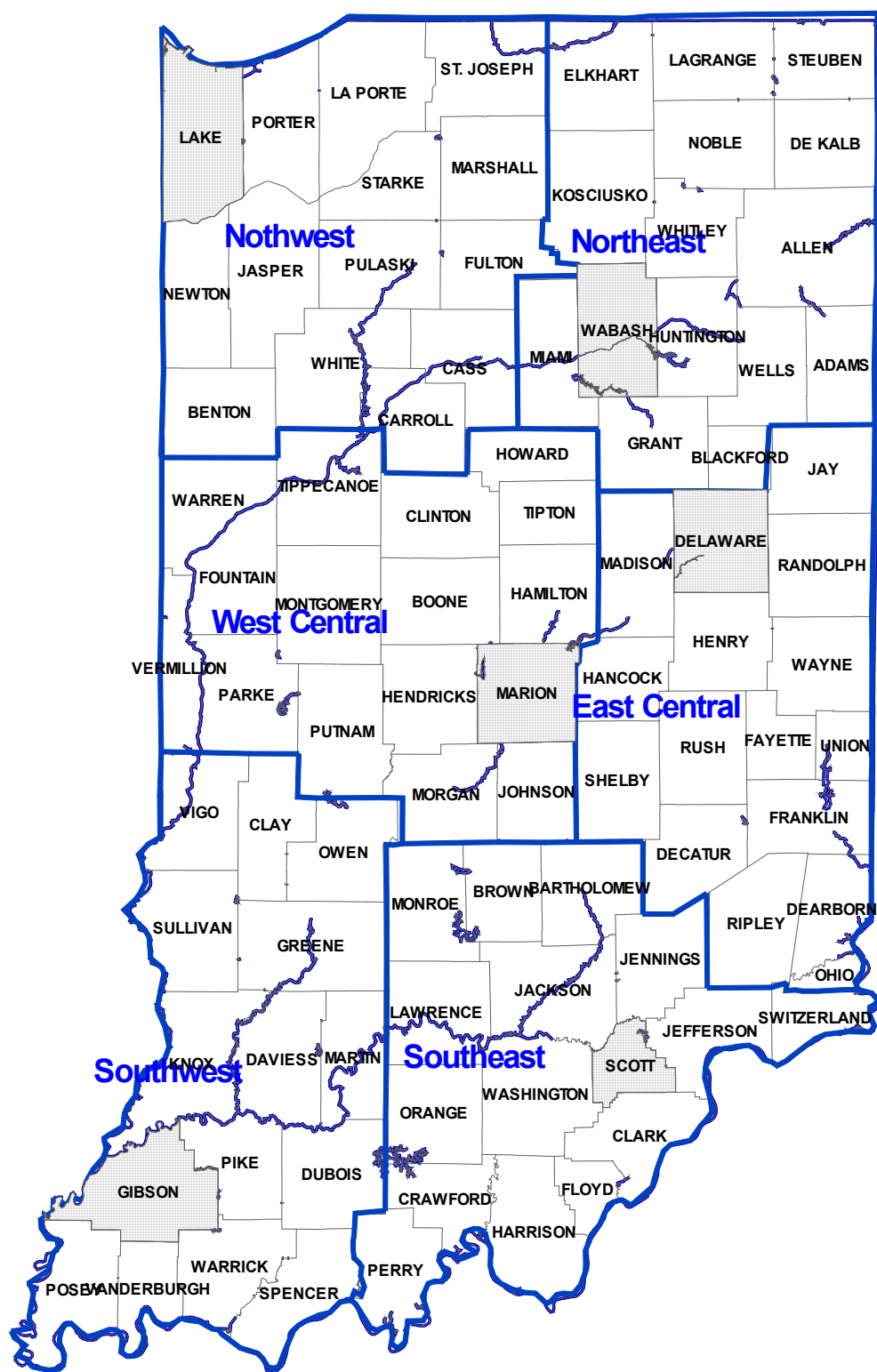
ICWIS data were converted and transferred to evaluation databases constructed by the evaluator. The data were cumulative to permit histories to be constructed on each child. Over 10,000 children were tracked using this method.

Certain outcome data were not readily available through the ICWIS system, and for this reason, random samples were selected of waiver and control children to permit measurement of those outcomes. Data were collected on sample cases through case-specific surveys of case managers. These surveys allowed for the collection of more detailed and intensive data on sample cases than was available on the full study population in ICWIS. A total of 1,021 completed case-specific instruments were analyzed as part of the impact study. Analyses indicated general comparability of the waiver and control samples. Nonetheless, in impact analyses utilizing these data, statistical controls were introduced to increase waiver-control comparability. A description of sampling procedures and the case-specific survey are provided in Appendix 2.

Throughout the demonstration as cases closed, a sample of waiver and matched-case families across the state were surveyed and interviewed. By the end of the data-gathering period a total of 406 families had been surveyed successfully and interviews were conducted with 90. There were a total of 846 children in these families. Through this feedback the perspectives of families was obtained on a number of key issues, including: 1) their satisfaction with program changes, 2) the services and assistance they received, 3) their views on how CPS intervention affected the well-being of the family unit and their children, and 4) the school performance of the family's children.

The cost study was originally designed to be a cost-benefit analysis consistent with the terms and conditions of the state's waiver. However, based on guidance provided by James Bell and Associates, the technical assistance contractor for the state IVE waiver demonstration projects, it was changed to a cost-effectiveness study. A description of the change process and its implications, along with the cost study methodology and analysis are provided in Chapter 6.

Although the evaluation contractor also conducted the state's cost neutrality analysis, the cost neutrality and cost-effectiveness analyses were completely separate and distinct. The prescribed methodology and formula for the cost-neutrality analysis in Indiana was established prior to the development of the evaluation design and both were complicated by a lack of randomly selected control cases or cases in comparison counties. As described above, the method for establishing study control cases for the impact evaluation involved pair matching that coupled a specific non-waiver case to each waiver case. The methodology for determining cost neutrality utilized historical data and national growth figures combined with costs associated with all waiver and all non-waiver cases. Neither the methods nor the data used for the cost-effectiveness study and the cost-neutrality analysis overlap to any usable degree. A description of the cost neutrality calculation procedures is provided in Appendix 3.



Map 1. Indiana Counties and FSSA Administrative Regions

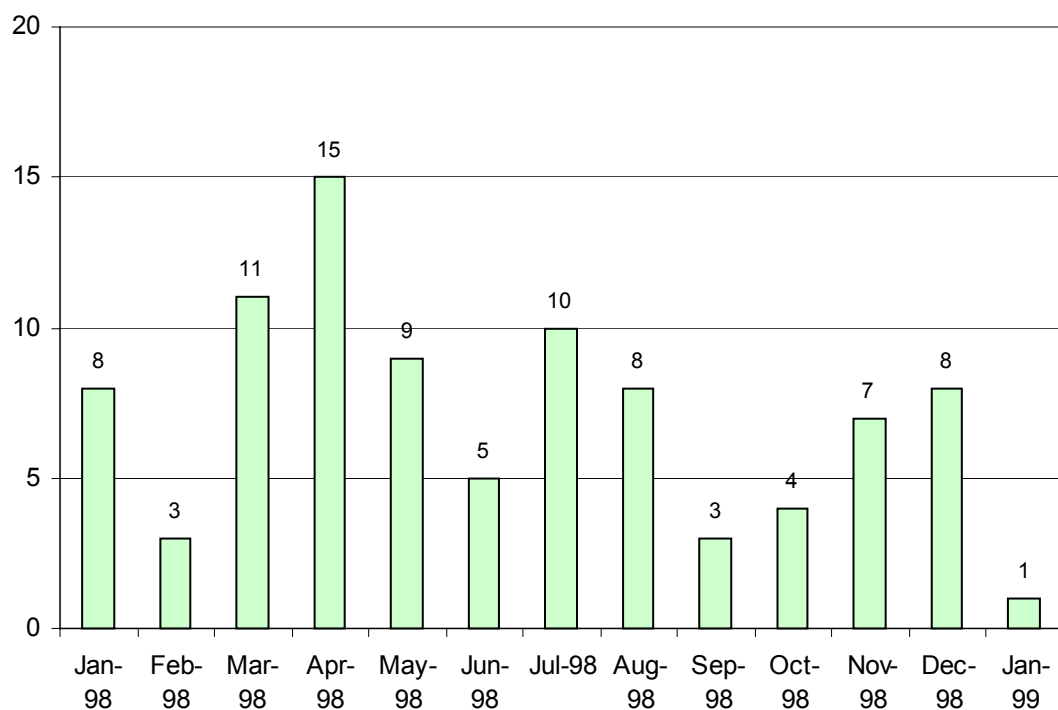
## **Chapter 2**

### **Process Study**

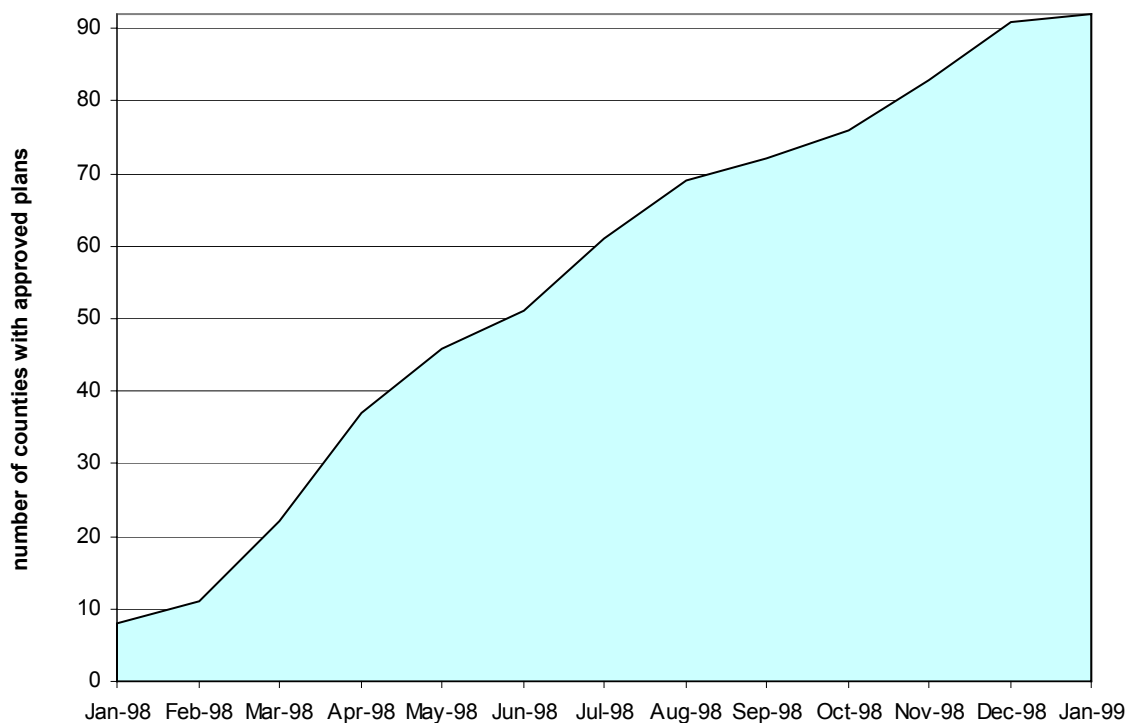
#### **Part 1. Planning, Implementation and Utilization of the Waiver**

Indiana received approval for its waiver demonstration on July 17, 1997 and implementation began on January 1, 1998. Unlike most states, the waiver in Indiana was statewide and operated in all 92 counties. Each county Office of Family and Children (OFC) was given considerable flexibility in the development and operation of the local waiver program. County OFC's were required to submit an implementation plan for approval by the state Division of Family and Children (DFC). The official start date for the waiver program in a county was the date its waiver plan was approved by the Director of the Division of Family and Children. All 92 counties had their waiver plans formally approved between January 1998 and January 1999. Figure 1 shows the number of counties that had their waiver plans approved each month during this 13-month period. Figure 2 shows the cumulative number of counties with approved plans during this period.

Once their plans were approved, counties were free to begin assigning cases to the waiver. Of the 4,000 waiver slots that were allowed under the federal terms and conditions, 3,700 were allocated to counties and 300 slots were retained by the state to be used at the discretion of the director of DFC. Slots were retained by the state for possible use by the Department of Correction, the FSSA Division of Disability, Aging & Rehabilitation, the FSSA Division of Mental Health, or the Indiana Department of Education under a State interagency agreement. Slots to be utilized by counties were allocated through a formula based on the number of CHINS cases in the county, child abuse and neglect rates, and county poverty rates. One-quarter of the slots assigned to each county were set aside for children not eligible for Title IV-E services while the remaining slots could be used only for IV-E eligible children.



**Figure 1. Number of Counties Gaining Approval of Waiver Plans by Month**



**Figure 2. Cumulative Number of Counties with Approved Waiver Plans**

With cost neutrality limits in mind, the state limited the amount that could be expended annually for a child or children assigned to each slot to a maximum of \$9,000. Of this, local offices could receive a IV-E reimbursement of approximately 61 percent or \$5,400.

During the first year of the demonstration, 44 of the state's 92 counties used the waiver, assigning at least one child to it. For counties that utilized the waiver, the number of assigned cases during the first year ranged from 1, in 10 counties, to 229 in Lake County. By the end of the second year, the number of counties using the waiver had risen to 74. By the end of the third year, the figure was 84 counties. By the end of the five-year waiver demonstration period, all but three counties (Fountain, Fulton, and Starke) had assigned at least one family to the waiver.

A factor that complicated the initial development of the waiver project in Indiana was that the Indiana Child Welfare Information System (ICWIS) had not been fully implemented by the time the waiver began. Implementation of ICWIS went slower than expected and numerous system errors and related problems were encountered in 1998 as the system was being installed in local offices. The ICWIS testing period extended for several months into 1998 as program modifications were made. This complicated waiver implementation in local offices because ICWIS was designed to handle information on waiver cases, in particular expenses to be charged to the waiver.

## **County Waiver Plans and Planning Partners**

While county OFC agencies were given broad latitude in the design, development and operation of the waiver in their localities, their plans were required to conform to parameters laid down by DFC. The state's original waiver application to HHS was developed with help from an interagency working group. Individual counties, in turn, were required to convene their own planning group to develop an inter-agency agreement and implementation plan. The plan specified the population targeted for services, the services to be provided, and the collaboration expected among key county institutions and agencies. This last requirement was viewed as an important aspect of the demonstration in Indiana and, in most counties, was built upon existing community-level, inter-agency collaboratives. The role of county judges was particularly critical because the legal charge for assignment of children to the waiver group resided with Circuit Court Judges.

During 1998, DFC conducted 24 meetings throughout the state and provided an overview of the waiver demonstration. At these meetings, background information was provided on the purpose of the waiver, services that could be provided, how it would be implemented, and county planning requirements. DFC provided guidelines to counties on planning procedures and gave them a prototype of an inter-agency agreement and implementation plan. Technical assistance was made available that included state administrative and training personnel and county-to-county assistance was also provided.

To ensure a basic level of inter-system collaboration, county plans had to have a minimum of four signatures before they would be approved by the state. DFC required all plans to be signed by the Circuit Court Judge responsible for juvenile cases, the county Chief Probation Officer responsible for juvenile probation, a representative of the educational system (most often a superintendent of schools), as well as the director of the county Office of Family and Children. Beyond this, many planning groups included representatives of community mental health centers, the county Step Ahead Council, and community-based organizations and service providers. In addition, some groups included members of county and city councils and other county and city personnel, along with a variety of other persons. County planning groups averaged 7 members outside the OFC and no group had fewer than 5 participants from outside the state agency; 18 counties had more than 10 participants.

During the planning phase, a number of counties entered into special relationships with juvenile courts for the purposes of the demonstration. In all cases, the juvenile judge was required to approve the assignment of each child to the waiver. Along with the juvenile justice system, schools in a number of counties were intended to be key sources of referrals for children to be included under the waiver.

All plans developed by counties followed guidelines provided by DFC and, as a result, were very similar in structure and form. There was also considerable similarity in the substance of plans, including services that would be provided under the waiver, the method of assigning children and tracking costs, and benefits that were expected. The plans of many counties closely followed a model provided by DFC and were quite similar to one another in all respects. In parts of the state, clusters of neighboring counties, following meetings within their regions, developed plans that were similar to each other in their essential elements. A minority of counties, primarily those where planning groups represented strong, pre-existing collaborative bodies, developed plans that arose from a uniquely local vision and built on ongoing cooperative arrangements.



The waiver plans of all counties allowed for the probability that a broad set of services would be provided under the waiver—including individual and group counseling, behavior management, substance abuse treatment, conflict resolution, respite care, caretaker support services, independent living services, etc.—with the determination of which services to provide to be made through a case management approach on a case-by-case basis. Counties with specific targeting plans sometimes emphasized certain services that were expected to be needed, particular in-home services or independent living services, for example. Other, more unique services considered by some counties included per diems for guardians, English as a second language and interpreter services, one-to-one care-giving, electronic monitoring, and the development of alternative school programs.

The plans of most counties indicated an intention to assign children to IV-E waiver slots who were either in out-of-home placement settings or at risk of out-of-home placement, trying either to shorten the length of time in placement or preventing it altogether. The plan of Wabash County, for example, indicated that it would target children in placement who were within one or two months of returning to the community and children at home who were at risk of placement without intensive in-home services. Even more sharply focused, Marshall County's plan set a goal of shortening or preventing institutional placements. A number of county plans identified specific subsets of children in out-of-home placement or at risk of it, and in this can be seen the diversity of the waiver across the state. For example, juvenile delinquents were specifically targeted in five counties, Cass, Delaware, Madison, Wabash and Wayne counties. Youths who were substance abusers and at risk of placement were targeted in Brown, Gibson, Howard, Knox, and Posey counties. Children expelled or suspended from school or at risk of being expelled or suspended were targeted in Fountain, Vigo, Gibson, Knox, and Posey counties. Children at risk of abuse or neglect although no reports had been substantiated were to be a special focus in Dubois, Owen, Parke, Putnam, Spencer, Sullivan, Warren, and Warrick counties. Children in adoptive placement and/or at risk of adoption disruption were targeted in Dubois, Owen, Parke, Perry, Spencer, Sullivan, Vigo, and Warrick counties. Children preparing for independent living were a focus in Dubois, Owen, Parke, Perry, Spencer, Sullivan, Vigo, and Warrick counties. Pregnant teens were targeted in Gibson, Knox, and Posey counties. Families who voluntarily request supportive services were identified in Gibson, Knox, and Posey counties. And runaway children at risk of placement were targeted in Vigo County.

## New Opportunities and Initial Challenges

Throughout the demonstration period, evaluators monitored the implementation and utilization of the waiver through analyses of ICWIS data, site visits, interviews and surveys. During the first year of the evaluation, initial site visits were made to the OFC offices in counties targeted in the process study. During the second year of the demonstration—1999, the first full year in which all counties had approved waiver programs—in order to gain an early and systematic understanding of how the waiver was being initially implemented across the state, all county OFC directors were surveyed or interviewed. Administrators from a majority (51) of the state’s 92 counties reported that they had developed collaborative arrangements with some community institutions or agencies as part of the waiver demonstration. Forty-four reported having a waiver-related collaborative relationship with juvenile courts, 34 reported they had established a working relationship with area schools, and 36 had a collaborative arrangement in place with some community, county or regional organization (such as a Mental Health center, probation office, or service provider). These arrangements were facilitated in many cases by the planning partnerships required to establish the waiver program in each county.

A little more than a third of the counties reported that the waiver and the planning process associated with it provided new service or programming opportunities for their county. This involved providing services not previously provided to the target population, providing more intensive services to avoid or shorten placement, establishing new programs in conjunction with other agencies, expanding in-home services to children and their families, and utilizing new service providers. One county noted that the waiver allowed them to enhance and routinize their use of multidisciplinary teams that review cases, allowing them to focus more closely on the child’s best interests and bringing in a wider set of “new players” including mental health and schools for monthly staffings. A few counties were using the waiver to link in-home services and residential placement, providing wrap-around services at home to shorten placement. A number of counties were targeting family members for services to try to preclude the need for placement. One county reported that an alternative school was made possible by the waiver. A number indicated that they had expanded the types of services they were providing to target families, including such practical things as transportation, home repair, child care, mentoring and tutoring services, paying guardianship fees, providing rent and utility assistance, helping with groceries and prescription costs, helping with car repairs, facilitating enrollment into special schools. One county noted that they had developed family preservation services through collaboration with Mental Health.

When describing the services they were providing under the waiver, one in four counties reported that they were providing new or expanded community services, sometimes employing new providers. Services included counseling, childcare, parenting classes, and respite care and a variety of practical assistance. About one in four also reported that they were providing new or expanded in-home services (including such things as home-making, in-home family counseling and mentoring) to waiver families, often employing providers they had not previously utilized, or intensifying in-home services they had previously provided. A number of counties reported that they had begun to provide wraparound services to waiver families. In-home services were provided as part of placement diversion efforts as well as reunification preparation or support. For children in placement, in-home counseling services were sometimes provided to family units during weekend visits or to parents and children separately prior to reunification and together following the child's return home. The expanded involvement of other agencies in waiver cases was sometimes cited as a benefit of the demonstration whether or not it had been a program goal at the outset.

One in five counties reported that they provided practical assistance to waiver families (including such things as rent, repairs, and transportation). Such help was seen by some administrators and staff beyond the ordinary purview and service options of DFC but were made available by the waiver to help address the immediate needs of families whose most basic problem was poverty. Addressing such needs was often viewed as what was most needed, sometimes all that was really needed, to help the family remain together through difficult times. (It should be noted at the same time that staff in some other counties did not believe such practical assistance was allowable under the waiver.)

The range of services provided under the waiver showed the variation in the approach that counties were taking and provided a glimpse of the waiver's potential to reshape or augment child protection programming. However, while some counties employed a wide range of interventions depending upon what was needed in particular cases, others limited what they provided under the waiver, sometimes assuming restrictions that did not exist in what was allowable despite the intended flexibility built into the state's waiver demonstration.

While the waiver provided counties with new opportunities to improve their child protection programs, a number of counties experienced problems implementing it. By the end of the second year (1999), 20 percent of the counties had not yet assigned any cases to the waiver and most were not utilizing all the slots allocated to them. Over half (55 percent) reported some problem associated with assigning children to waiver slots.

The most common problem, reported by 29 percent of the counties, was identifying a sufficient number of IV-E eligible children. This problem was often cited in relation to diminished TANF rolls and low county unemployment rates. Other counties reported a variety of practical problems related to staff work or the still relatively new management information system, ICWIS. About one in three county administrators noted increases in staff workload as a result of the waiver. This frequently involved ICWIS but increases in casework time related to the waiver were also cited--such as time involved in screening cases or tracking families. Four counties indicated they had too few family case managers to operate the waiver. Other process-related problems were reported by a quarter of the county administrators who described waiver-related procedures as complicated, confusing or cumbersome.

One county administrator in five reported having problems related to the planning process itself or in working with specific members of the planning group. Some administrators (14 percent) reported problems related to the probation office. These related variously to long-standing lack of coordination or communication with the OFC, internal problems in the probation office, disinterest in using the waiver or waiver services, or unwillingness to put work into the waiver. Fewer administrators (6 percent) identified problems involving Juvenile Court. When these were cited they tended to involve judges who were viewed as uncooperative, uncommunicative, uninterested, or new.

A minority of county administrators reported not understanding some underlying policy or practice issue related to the waiver. About one in 10 indicated that their county was already providing adequate services without the waiver and did not need it. Three small counties reported implementation problems related to upfront county expenditures. This involved the inability of a county to provide and pay for services prior to being reimbursed.

Challenges experienced by counties during the early stages of the demonstration were overcome by some counties but not all. As will be seen in the next chapter, many of the problems identified during the initial round of interviews and surveys persisted throughout the demonstration. At the same time, counties generally became more adept at utilizing the waiver as time went on, and the waiver became a catalyst for new collaborative arrangements in many places.

## Utilization of the Waiver

During the five-year demonstration period, the number of unduplicated children assigned to the waiver was 5,277.<sup>1</sup> The cumulative number of waiver children over the 60 months can be seen graphed in Figure 3. The diagonal line that stretches from the lower left corner of the graph to the upper right corner shows the cumulative number of cases assigned to the waiver over the 60-month period. At the end of the first year, during which counties were bringing their waiver projects online, the number of children assigned to the waiver was 923. By the end of the second year, the figure had risen to 1802. After three years it was 2,832 and after four years it was 4,171. These figures represent the number of new children added to the waiver pool throughout the demonstration period.

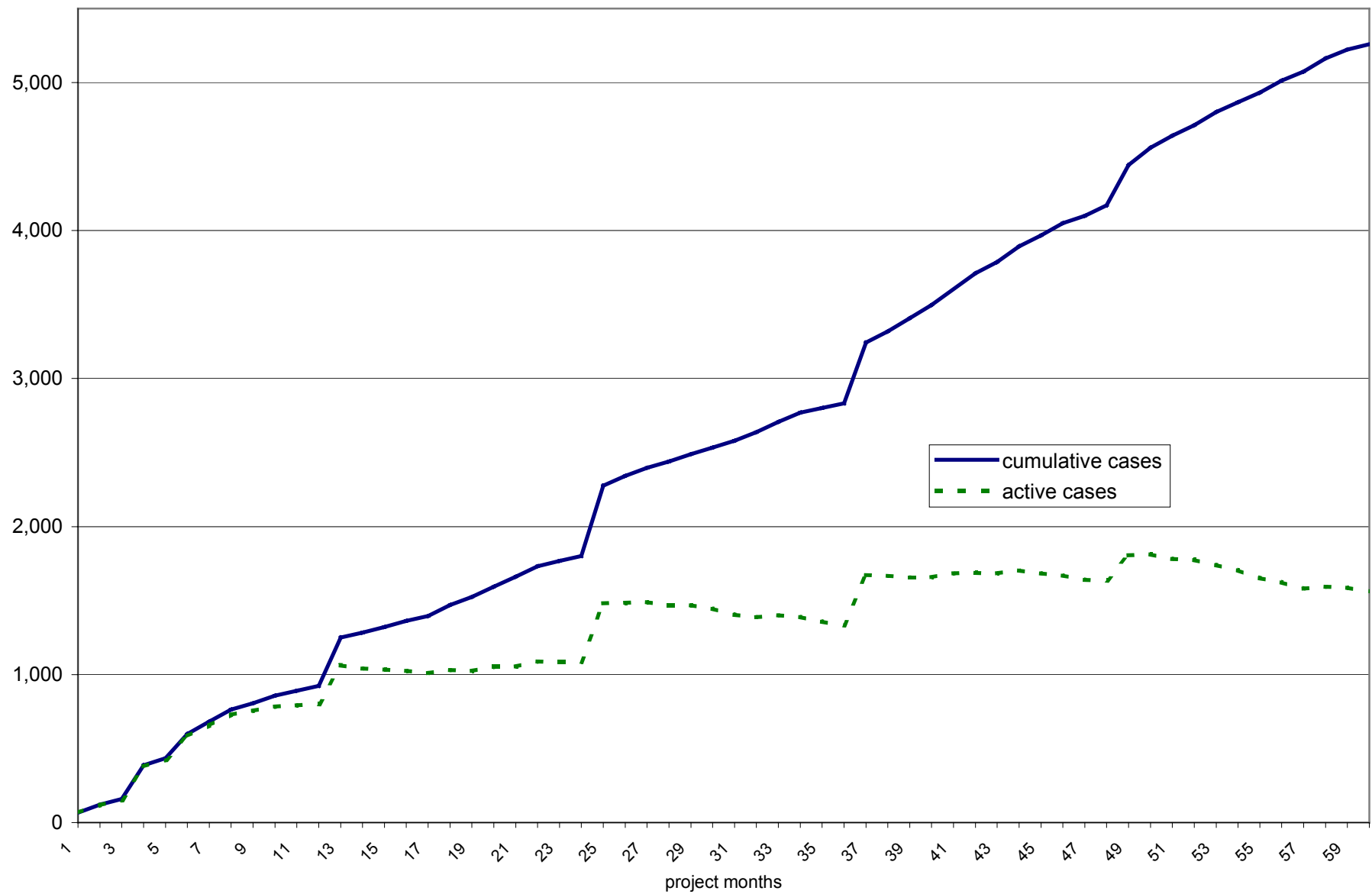
The second and lower line in Figure 3, plots the number of active waiver children, or filled slots, each month of the project. As can be seen, the project gained some momentum over time and the number of active increased. The number of active waiver children peaked in February 2002 at 1,813.

**Average Daily Count.** A measure of waiver usage is the daily average number of waiver children. A cap of 4,000 children at any one time was placed on the waiver in Indiana. Actual waiver usage fell well below this figure. Throughout the five-year period, the average daily number of waiver children was 1,112. As Figure 4 shows, this figure increased as time went on. The average daily number of waiver children in the first year was 641.<sup>2</sup> In the second year it increased to 940. In the third year it rose to 1,257 and in the fourth year to 1,376. In the fifth year, the average daily number of filled waiver slots was 1,349.

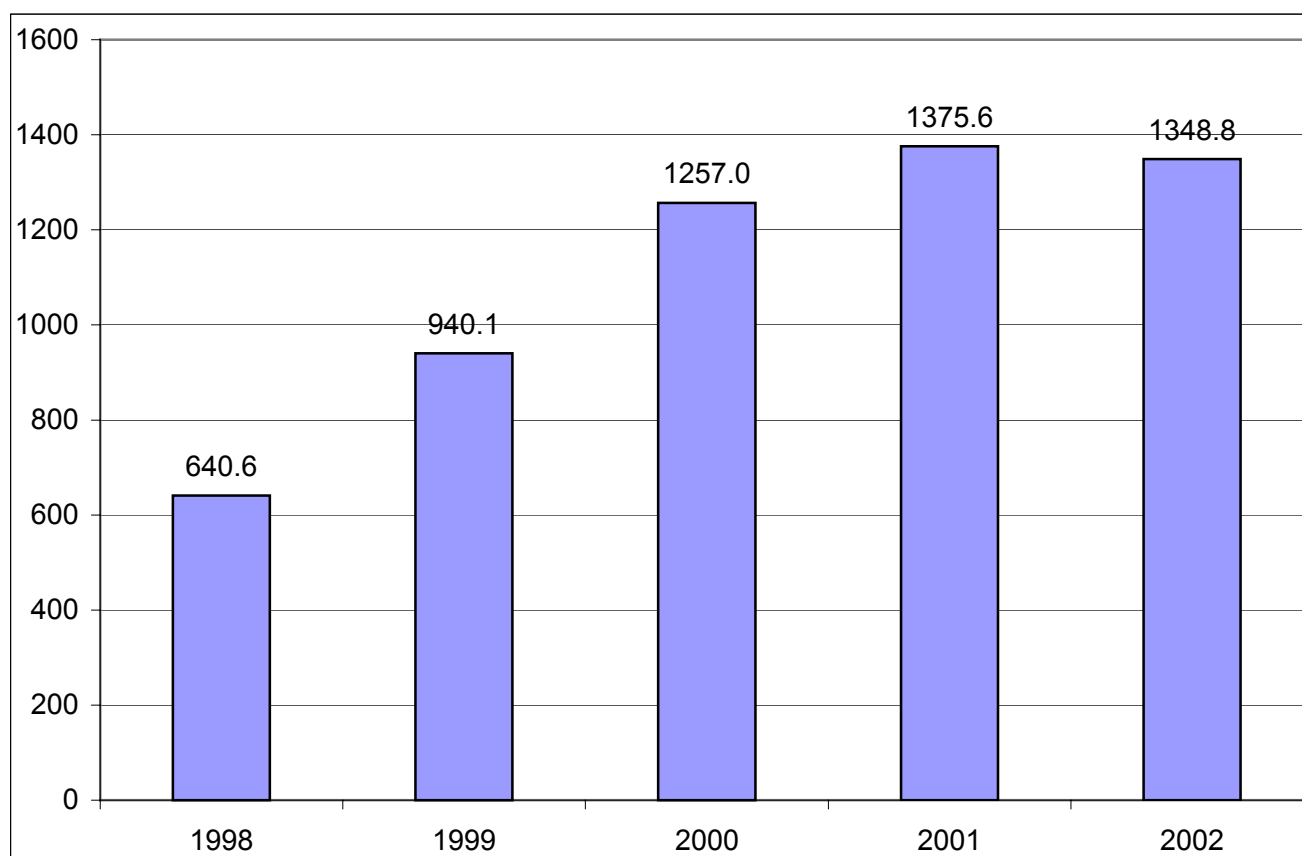
Counties varied considerably not only in how they used the waiver but in how much they used it. Some utilized a higher percentage of the waiver slots allocated to them while others used fewer. Variation among counties in waiver usage can be seen in Table 1. The first data column in the table shows the number of slots originally allocated

<sup>1</sup> Based on ICWIS extractions through July, 2003.

<sup>2</sup> For the first project year, the average daily number of waiver cases was calculated from the date a county's plan was approved, not the entire 12 month period.



**Figure 3. Cumulative Number of Waiver Cases and the Number of Active Cases Each Month of the Project**



**Figure 4. Average Daily Number of Waiver Cases by Year**

to each county at the start of the demonstration period. The second data column shows the number of unduplicated children each county assigned to the waiver over the five - year period. In order to gain some perspective of waiver use that allows for comparisons across counties, the last column in the table shows the average daily number of waiver children as a percent of allocated slots. This might be considered a usage index. If a county had each of its allocated slots filled with a waiver case each day of the 60-month period, its usage index would be 100 percent—realistically, an unattainable figure. As will be noticed, however, two counties, Clinton and Wabash, have figures in excess of 100 percent. This resulted from a certain amount of slot reassignment as the project proceeded—as some counties did not use or were unable to use all the slots assigned to them and other counties requested additional slots.

**Table 1. Number of Allocated Slots and Waiver Case Assignment by County**

<i>County</i>	<i>Allocated slots</i>	<i>Total waiver assignments</i>	<i>Average number of daily waiver children as a percent of slots</i>
Adams	24	22	11.2%
Allen	223	454	58.1%
Bartholomew	47	71	29.9%
Benton	5	10	53.8%
Blackford	8	15	37.9%
Boone	8	32	48.8%
Brown	7	21	68.9%
Carroll	7	12	28.0%
Cass	24	66	42.5%
Clark	74	33	10.9%
Clay	12	8	26.1%
Clinton	15	111	144.1%
Crawford	9	24	97.3%
Daviess	15	4	11.0%
Dearborn	18	16	21.6%
Decatur	12	18	17.4%
DeKalb	28	68	47.9%
Delaware	142	159	6.8%
DuBois	16	31	21.1%
Elkhart	155	18	2.3%
Fayette	30	32	27.4%
Floyd	59	16	4.9%
Fountain	7	1	3.7%
Franklin	14	9	8.2%
Fulton	8	0	0.0%
Gibson	18	112	99.1%
Grant	38	23	17.1%
Greene	25	88	58.2%
Hamilton	13	7	9.3%
Hancock	16	49	60.8%
Harrison	20	2	4.8%
Hendricks	30	8	8.3%
Henry	34	6	3.3%
Howard	66	21	7.2%
Huntington	19	3	2.9%
Jackson	12	18	34.7%
Jasper	10	13	14.0%
Jay	13	5	10.2%
Jefferson	12	33	50.8%
Jennings	28	30	16.5%
Johnson	33	38	14.6%
Knox	25	95	63.2%
Kosciusko	23	4	5.7%
LaGrange	20	42	58.1%
Lake	509	345	27.5%



Laporte	75	118	25.5%
Lawrence	20	32	38.6%
Madison	130	288	32.2%
Marion	398	1000	66.3%
Marshall	33	2	0.7%
Martin	8	22	38.0%
Miami	23	77	47.7%
Monroe	47	201	96.1%
Montgomery	15	41	64.6%
Morgan	28	38	14.8%
Newton	9	10	12.0%
Noble	22	10	7.5%
Ohio	5	10	22.0%
Orange	19	2	2.0%
Owen	19	17	26.7%
Parke	12	36	84.3%
Perry	9	3	20.0%
Pike	6	21	50.5%
Porter	86	5	0.9%
Posey	5	12	83.2%
Pulaski	10	18	24.4%
Putnam	17	35	35.3%
Randolph	18	34	38.1%
Ripley	19	22	13.1%
Rush	9	5	15.7%
Saint Joseph	139	34	3.1%
Scott	25	45	38.6%
Shelby	32	53	30.7%
Spencer	8	10	22.0%
Starke	15	0	0.0%
Steuben	16	8	7.7%
Sullivan	14	7	5.1%
Switzerland	7	4	8.3%
Tippecanoe	99	224	44.7%
Tipton	9	22	47.4%
Union	5	3	12.6%
Vanderburgh	124	231	32.3%
Vermillion	8	4	20.1%
Vigo	69	45	21.9%
Wabash	19	93	110.9%
Warren	6	7	18.7%
Warrick	19	12	7.4%
Washington	13	10	16.0%
Wayne	66	27	8.7%
Wells	22	32	20.2%
White	6	9	27.2%
Whitley	7	15	42.9%

Many of the counties with high usage figures received additional slots from low usage counties. Counties with high usage figures are counties that made great use of the waiver throughout the entire demonstration period. This would include—in addition to Clinton and Wabash—Crawford, Gibson, and Monroe (all with figures over 96 percent) and Park and Posey (with 83 percent). Other counties with usage figures over 50 percent for the entire demonstration period were Brown, Marion, Hancock, Montgomery, Knox, LaGrange, Allen, Greene, Benton, Jefferson and Pike. Map 2 shows the variation in waiver usage among counties. The percentage shown in the legend refers to the usage index, that is, the average daily number of waiver slots used as a percent of slots originally allocated to counties.

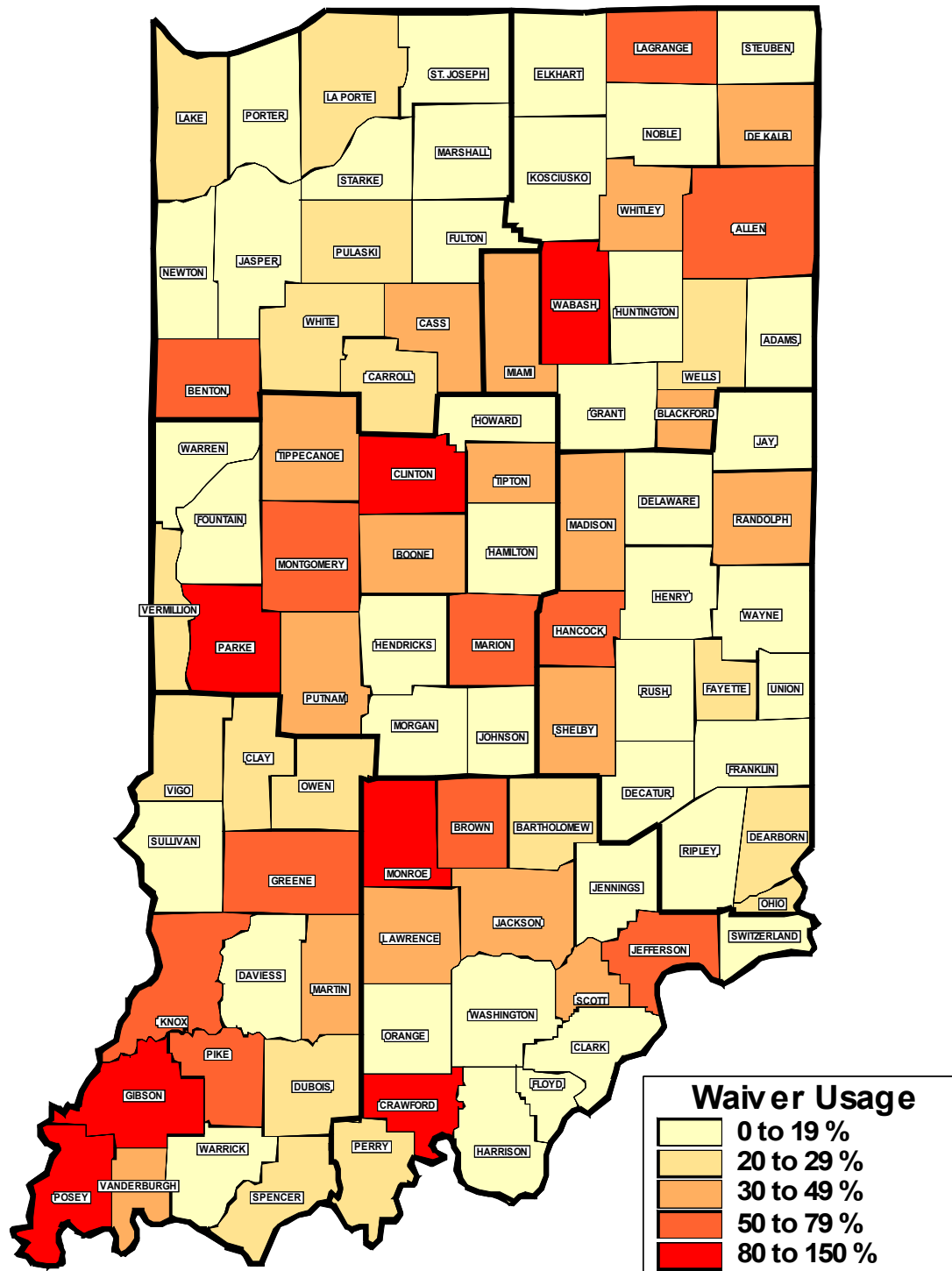
The state agency reserved 300 of the 4,000 waiver slots to be used at its discretion. Throughout the 60 months of the demonstration, there were 112 children assigned to the waiver by the state.

**Increased and Decreased Use of Waiver.** A number of counties expanded their use of the waiver a great deal over the course of the demonstration. Some of these counties had high overall usage (such as Clinton, Crawford, Wabash, Posey, Brown, Marion, Parke, Montgomery and Hancock). There were also counties that were less quick to take advantage of the waiver initially but increased their use of it substantially over time. These “late bloomers” included Lawrence, DeKalb, Pike, Martin, Miami, Blackford, Owen, Johnson, and Boone.

One indication of increased usage of the waiver by counties can be seen in Table 2. Here the usage figure for the first year of the project (1998) has been subtracted from the usage figure for the fifth year (2002).<sup>3</sup> As can be seen, only a few counties had a lower daily number of waiver cases in the fifth year than in the first (most notably Tipton, Dearborn, Carroll, Lake, Allen, and Vermillion counties). Figure 5 depicts the data in Table 2 in a bar graph. In the figure, counties with the greatest increase in waiver usage are at the bottom while those that decreased their use are at the top of the graph. The bottom bar in the figure shows Clinton County’s increase of 254 percent, and the top bar shows Tipton County’s decrease of 36 percent. Overall, as can be seen, many more counties increased their usage of the waiver from the first to the last year of the demonstration than decreased it.

---

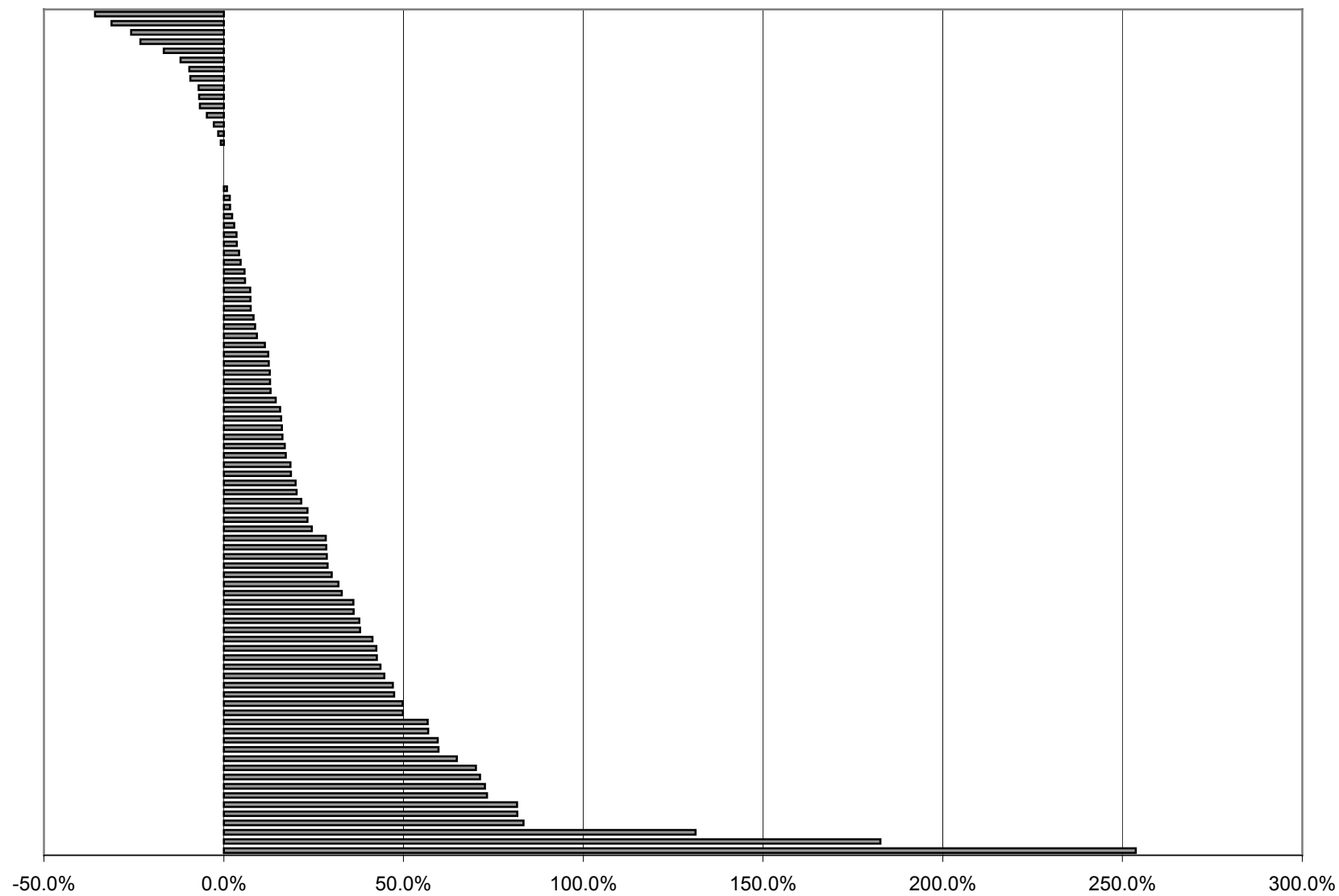
<sup>3</sup> Calculation of the usage figure for 1998 takes into account the actual start date of individual counties, which varied.



**Map 2. Waiver Usage Index**  
**Average Daily Number of Waiver Slots Used**  
**as Percent of Slots Originally Allocated to Counties**

**Table 2. Difference between Waiver Usage from 1998 and 2002**

<i>County</i>	<i>2002-1998</i>	<i>County</i>	<i>2002-1998</i>
Clinton	253.7%	Decatur	16.2%
Parke	182.7%	Shelby	15.9%
Wabash	131.2%	Grant	15.7%
Lawrence	83.4%	Switzerland	14.4%
Pike	81.7%	Jasper	13.0%
Marion	81.5%	Wayne	12.9%
Martin	73.3%	Steuben	12.8%
Crawford	72.7%	Clark	12.5%
DeKalb	71.3%	Posey	12.4%
Miami	70.2%	Perry	11.4%
Blackford	64.9%	Delaware	9.2%
Putnam	59.8%	Noble	8.7%
Brown	59.6%	Floyd	8.3%
Whitley	56.9%	Scott	7.5%
Boone	56.8%	Morgan	7.4%
Laporte	49.8%	Rush	7.3%
Montgomery	49.8%	Saint Joseph	5.9%
Wells	47.4%	Elkhart	5.8%
Gibson	47.1%	Hendricks	4.7%
LaGrange	44.7%	Harrison	4.3%
Hancock	43.6%	Spencer	3.6%
Vanderburgh	42.6%	Orange	3.5%
Washington	42.5%	Bartholomew	2.9%
Ohio	41.4%	Huntington	2.3%
Adams	37.9%	Marshall	1.8%
Owen	37.7%	Jennings	1.7%
Randolph	36.1%	Jackson	0.9%
Pulaski	36.1%	Fountain	0.0%
Ripley	32.8%	Fulton	0.0%
Jefferson	31.9%	Starke	0.0%
Newton	30.0%	Warrick	0.0%
Clay	28.9%	Porter	-0.8%
Warren	28.7%	Henry	-1.6%
Greene	28.6%	Howard	-2.7%
Cass	28.4%	Fayette	-4.7%
DuBois	24.5%	Sullivan	-6.6%
Monroe	23.3%	Kosciusko	-6.8%
Madison	23.3%	White	-7.0%
Knox	21.6%	Daviess	-9.3%
Jay	20.3%	Benton	-9.6%
Union	20.0%	Vermillion	-12.0%
Franklin	18.7%	Allen	-16.7%
Vigo	18.6%	Lake	-23.2%
Johnson	17.3%	Carroll	-25.7%
Hamilton	17.0%	Dearborn	-31.2%
Tippecanoe	16.3%	Tipton	-35.8%



**Figure 5. Percentage Increase or Decrease in County Waiver Usage Index Between 1998 and 2002**

**Eligible and Non-Eligible Cases.** While the number of cases assigned to the waiver fell below what was permitted under the terms and conditions, this primarily involved cases of families who met title IVE eligibility criteria. According to OFC administrators, the reduction in the number of families on public assistance as a result of welfare reform legislation and the relatively healthy economy in the first years of the demonstration, reduced the pool of eligible families. Such families may also have other funding streams attached to them that may be utilized by counties. Families who did not meet title IVE eligibility criteria, a population that was composed of many near poverty and working-poor families, would often fail to meet eligibility criteria of other funding streams as well.

Over the course of the demonstration, there were more cases assigned to the waiver that involved families who were not eligible for IVE services (2,985) than families who met IVE eligibility criteria (2,292). Figure 6 shows the cumulative number of cases involving eligible and non-eligible families. As the graph shows, the relative ratio of the two groups remained fairly consistent throughout the demonstration. Table 3 shows the number and percent of eligible and ineligible cases assigned to the waiver by each county. Counties with the largest percentage of eligible families among those assigned to the waiver were Warrick and Lake. Two-thirds of the cases these two counties assigned to the waiver were IVE eligible. Other counties where IVE eligible families accounted for 60 percent or more of all waiver cases were Knox, Clay, Floyd, Washington, Tippecanoe, and Monroe.

The number of IVE eligible families assigned to the waiver outnumbered the number of ineligible families in 18 counties. Equal numbers of eligible and ineligible families were assigned in 6 counties. In 66 counties there were more ineligible than eligible families assigned to the waiver—including 12 counties that did not assign any eligible families to the waiver. Two counties assigned no cases to the waiver, eligible or ineligible.

Why counties did not assign more IVE-eligible families to the waiver is considered in the next chapter along the experiences and attitudes of county Offices of Family and Children with the waiver and variations in waiver usage across the state. Chapter 4 also discusses how what was learned in the process study was used to sharpen the focus of impact analyses.

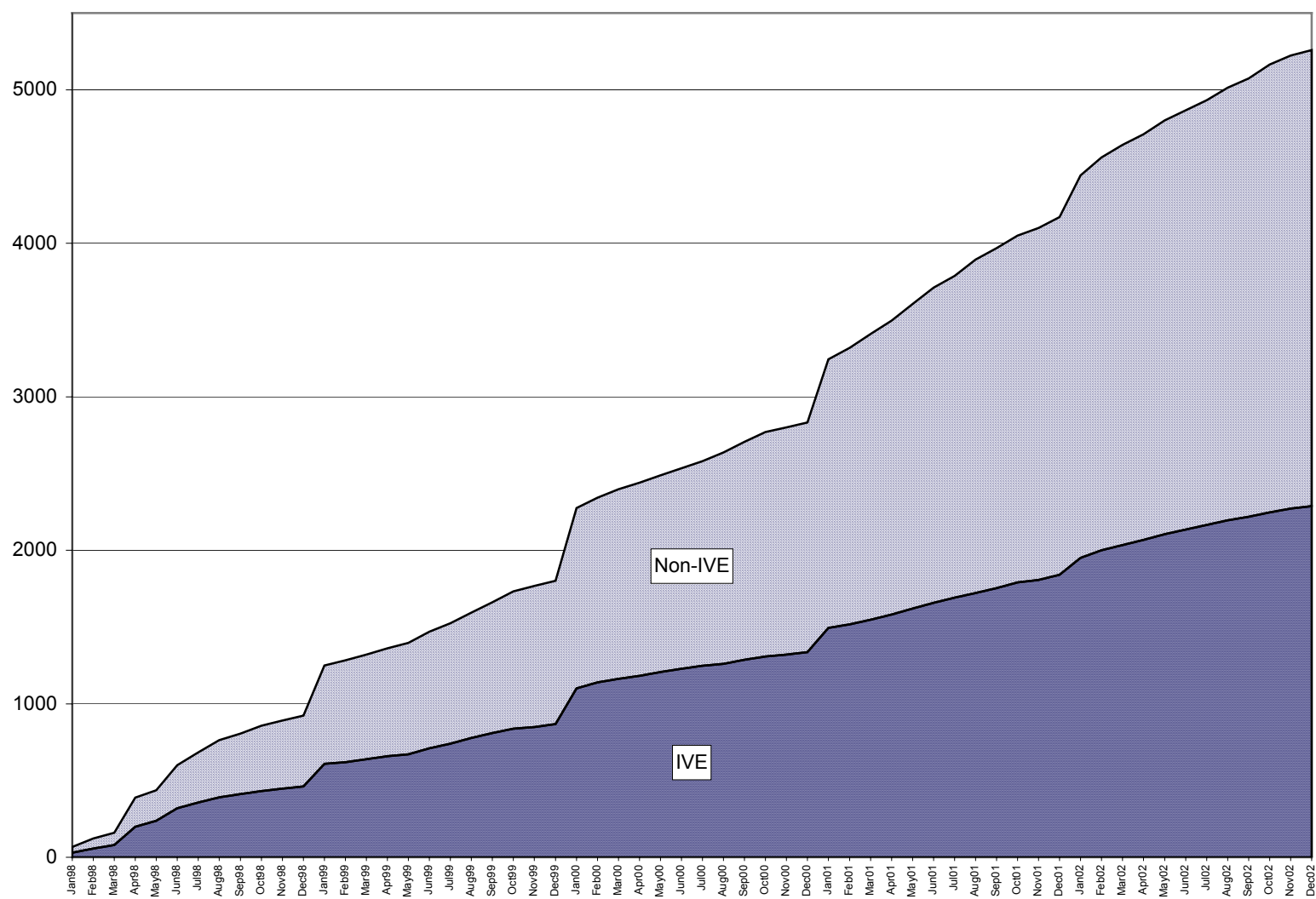


Figure 6. Cumulative Number of IV-E Eligible and Non-Eligible Cases Assigned to the Waiver

**Table 3. Number and Percent of Eligible and Non-Eligible Cases Assigned to the Waiver by County**

<i>County</i>	<i>IV-E eligible</i>	<i>IV-E non-eligible</i>	<i>Total</i>	<i>Percent eligible</i>	<i>Percent non-eligible</i>
Adams	4	18	22	18.2%	81.8%
Allen	190	264	454	41.9%	58.1%
Bartholomew	24	47	71	33.8%	66.2%
Benton	1	9	10	10.0%	90.0%
Blackford	5	10	15	33.3%	66.7%
Boone	16	16	32	50.0%	50.0%
Brown	11	10	21	52.4%	47.6%
Carroll	5	7	12	41.7%	58.3%
Cass	12	54	66	18.2%	81.8%
Clark	6	27	33	18.2%	81.8%
Clay	5	3	8	62.5%	37.5%
Clinton	57	54	111	51.4%	48.6%
Crawford	12	12	24	50.0%	50.0%
Daviess	0	4	4	0.0%	100.0%
Dearborn	4	12	16	25.0%	75.0%
Decatur	5	13	18	27.8%	72.2%
DeKalb	19	49	68	27.9%	72.1%
Delaware	19	140	159	11.9%	88.1%
DuBois	9	22	31	29.0%	71.0%
Elkhart	3	15	18	16.7%	83.3%
Fayette	6	26	32	18.8%	81.3%
Floyd	10	6	16	62.5%	37.5%
Fountain	0	1	1	0.0%	100.0%
Franklin	3	6	9	33.3%	66.7%
Fulton	0	0	0		
Gibson	52	60	112	46.4%	53.6%
Grant	11	12	23	47.8%	52.2%
Greene	32	56	88	36.4%	63.6%
Hamilton	3	4	7	42.9%	57.1%
Hancock	17	32	49	34.7%	65.3%
Harrison	1	1	2	50.0%	50.0%
Hendricks	0	8	8	0.0%	100.0%
Henry	2	4	6	33.3%	66.7%
Howard	6	15	21	28.6%	71.4%
Huntington	0	3	3	0.0%	100.0%
Jackson	6	12	18	33.3%	66.7%
Jasper	7	6	13	53.8%	46.2%
Jay	0	5	5	0.0%	100.0%
Jefferson	13	20	33	39.4%	60.6%
Jennings	14	16	30	46.7%	53.3%
Johnson	15	23	38	39.5%	60.5%
Knox	60	35	95	63.2%	36.8%
Kosciusko	0	4	4	0.0%	100.0%
LaGrange	20	22	42	47.6%	52.4%



Lake	227	118	345	65.8%	34.2%
Laporte	64	54	118	54.2%	45.8%
Lawrence	9	23	32	28.1%	71.9%
Madison	109	179	288	37.8%	62.2%
Marion	494	506	1000	49.4%	50.6%
Marshall	0	2	2	0.0%	100.0%
Martin	10	12	22	45.5%	54.5%
Miami	17	60	77	22.1%	77.9%
Monroe	120	81	201	59.7%	40.3%
Montgomery	24	17	41	58.5%	41.5%
Morgan	13	25	38	34.2%	65.8%
Newton	1	9	10	10.0%	90.0%
Noble	2	8	10	20.0%	80.0%
Ohio	5	5	10	50.0%	50.0%
Orange	1	1	2	50.0%	50.0%
Owen	7	10	17	41.2%	58.8%
Parke	10	26	36	27.8%	72.2%
Perry	0	3	3	0.0%	100.0%
Pike	12	9	21	57.1%	42.9%
Porter	1	4	5	20.0%	80.0%
Posey	7	5	12	58.3%	41.7%
Pulaski	8	10	18	44.4%	55.6%
Putnam	11	24	35	31.4%	68.6%
Randolph	20	14	34	58.8%	41.2%
Ripley	11	11	22	50.0%	50.0%
Rush	2	3	5	40.0%	60.0%
Saint Joseph	10	24	34	29.4%	70.6%
Scott	24	21	45	53.3%	46.7%
Shelby	21	32	53	39.6%	60.4%
Spencer	2	8	10	20.0%	80.0%
Starke	0	0	0		
Steuben	1	7	8	12.5%	87.5%
Sullivan	3	4	7	42.9%	57.1%
Switzerland	0	4	4	0.0%	100.0%
Tippecanoe	134	90	224	59.8%	40.2%
Tipton	7	15	22	31.8%	68.2%
Union	0	3	3	0.0%	100.0%
Vanderburgh	121	110	231	52.4%	47.6%
Vermillion	0	4	4	0.0%	100.0%
Vigo	20	25	45	44.4%	55.6%
Wabash	34	59	93	36.6%	63.4%
Warren	0	7	7	0.0%	100.0%
Warrick	8	4	12	66.7%	33.3%
Washington	6	4	10	60.0%	40.0%
Wayne	2	25	27	7.4%	92.6%
Wells	9	23	32	28.1%	71.9%
White	4	5	9	44.4%	55.6%
Whitley	3	12	15	20.0%	80.0%

## **Process Study**

### **Part 2. Experiences, Perspectives and Variations in County Waiver Programs**

#### **Variations and Early Implementers**

Given the statewide nature of the demonstration and the flexibility granted to counties in the design of the program to fit local conditions and priorities, it was not surprising to find significant variations in the way the waiver was approached from one county to another. While there were many similarities in the waiver plans of a large number of counties, due mainly to the prototype plan provided by DFC, there were also important differences in their focus. There were differences in the types of cases targeted, services emphasized and inter-agency agreements entered into. There were differences as well in the composition, strengths and histories of the county collaboratives that formed the basis of most planning groups.

For a variety of reasons, there were also differences in how quickly counties were able to implement the waiver as well as differences in the degree to which the waiver was integrated into local child protection systems. Some counties found a place for the waiver arrow in their CPS quiver quickly, a few never did. Some of the quick starters requested additional waiver slots beyond what they were originally allocated, most often slots for non-eligible cases. Such re-allocation was possible because there were other counties that were slower to begin using their waiver slots and many that were using fewer than they were given.

A number of factors affected the ability and, in some cases, the inclination of local offices to begin to utilize the waiver. These included: the resource base within the county, the receptivity of Juvenile Judges (a critical waiver participant in Indiana), the willingness of the local probation offices to participate in the program, the extent of prior inter-agency collaboration involving schools and other key institutions, the local OFC

office culture and the experience and receptivity of local OFC administrators, pre-existing caseload demands, and the economic health of the county. All of these factors and more impacted the initial utilization of the waiver by a county.

During the early stages of the demonstration, for the first 12 to 18 months, what might be understood as the relative maturity of the child welfare waiver demonstration in Indiana counties varied a great deal, ranging along a programmatic dimension from less developed to more developed or, said another way, from less-fully implemented to more-fully implemented.

Responding to this reality, by the second year of the project evaluators began distinguishing certain counties as “early implementers” when compared to other counties. The distinction was based on a number of key indicators, including utilization of slots that had been allocated, specificity of targeting or prioritizing cases, utilization of a specific approach to intervention or case planning, collaborative arrangements with key institutions such as juvenile court and the probation office that reflected local conditions and needs, recognition of some new programming opportunities represented in the waiver, and identifying particular operational effects that the waiver was having on the county child welfare system and staff. Every county could be plotted somewhere along the spectrum of each of these dimensions. Counties identified as “early implementers” were more likely to be found on one end of the spectra and were distinguishable because of it.

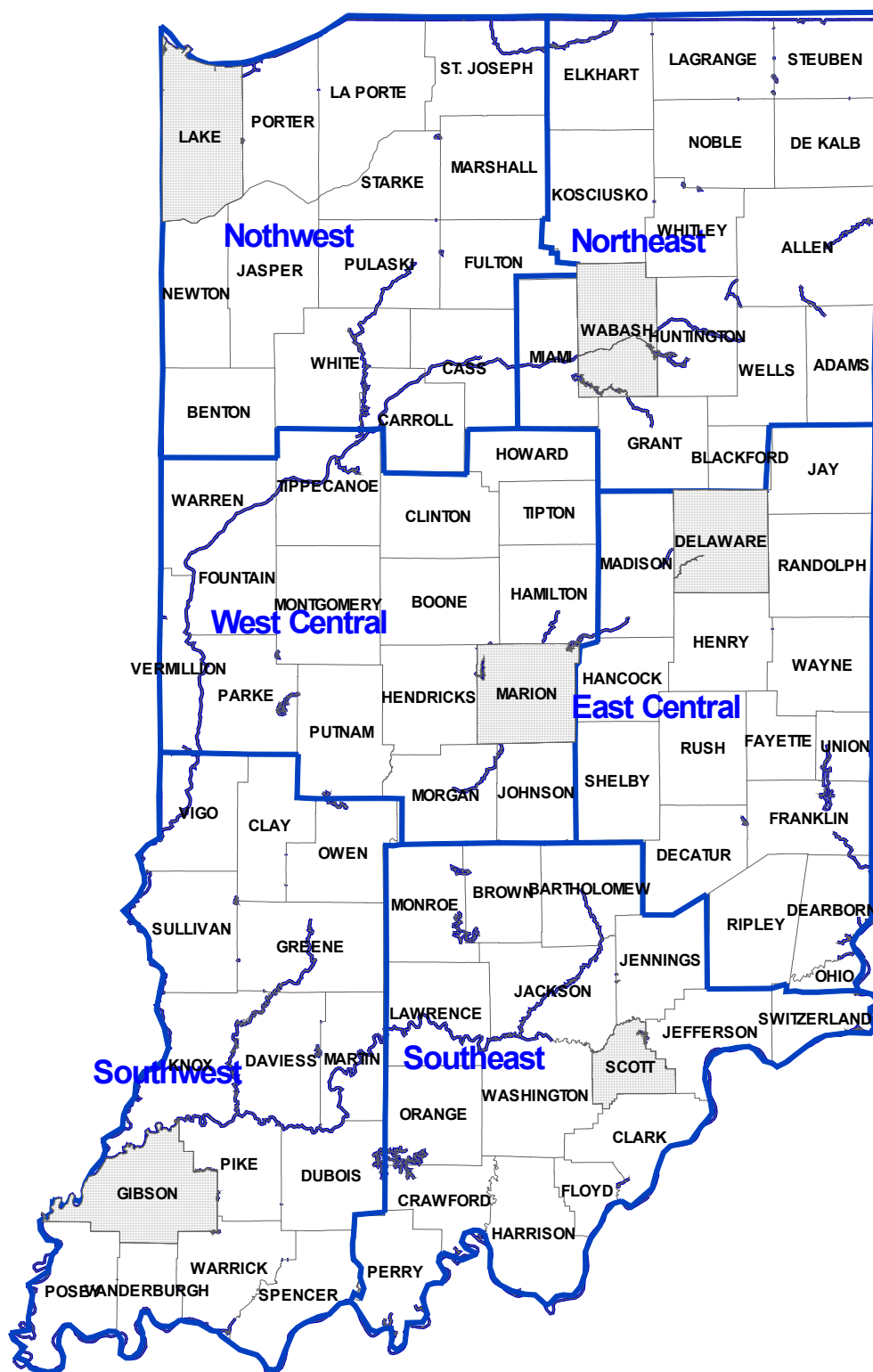
The recognition of certain counties as early implementers had implications for the evaluation of the project. The research design of the impact study was quasi-experimental in nature. The program variations represented differences in the “experimental treatment” within the quasi-experimental design. There were essential assumptions in that design— that the flexibility allowed through the waiver would result in new or different types of case planning, new or different menus of services, and/or new or different modes of service delivery that would be available to cases assigned to the waiver but not to non-waiver cases approached in the traditional manner. Only on this basis would one expect to detect outcome differences between waiver and matched comparison cases. Where these elements of the program were undeveloped or not fully implemented, case-specific experimental effects could not reasonably be expected. How these issues were integrated into the impact study and analyses has been described in semi-annual reports and in the interim report and is discussed again in Chapter 6 of this report. The most noteworthy aspect of this was limiting the major study sample of waiver cases to 28 counties identified as early implementers of the waiver.

## Process Study Counties

In the original research design, six counties were identified as the primary focus of the process study. Six were chosen in order to include one county in each of the six DFC administrative regions and to represent the geographic and population diversity of the state as a whole. The group included Lake and Marion, the state's two most populous counties, Delaware, a mid-sized county, and three small, primarily rural counties, Gibson, Scott and Wabash. Annual site visits were made to these counties during the first three years of the evaluation and to some of them in subsequent years when visits began to be made to a wider set of counties. A review of these programs demonstrates the wide variation that existed in the way the waiver was implemented and utilized at the county level in Indiana. The map on the following page shows where these six counties are located. A description of the waiver program in the six counties was provided in the interim report. A brief discussion here, focusing primarily on two of the counties, will show both the variation in how the waiver was utilized by counties and the potential of the waiver to impact child protection services, sometimes realized and sometimes not.

Delaware County is located in the east-central part of the state, ranks 11<sup>th</sup> among the state's 92 counties in population and contains the moderately sized city of Muncie. At the start of the waiver, reported incidents of child abuse and neglect were 24 per 1000 children, well above the state average (13.9 per 1000) and higher than any of the 10 counties in the state with a greater population.

Delaware County took a unique approach to the waiver and, with few exceptions, focused completely on probation cases. Within these cases the county decided to concentrate particularly on status offenders and delinquent youths who 1) had been sent to the Youth Opportunity Center in Muncie and 2) came from family situations where there is a history or indication of some substance-abuse related problem. A full range of affordable services were seen as already available to CHINS children who remained at home and so the waiver was judged not to be needed for these cases. Limiting waiver cases to this single case type resulted in the county using only a small fraction of the slots originally allocated to it, about 7 percent over the course of the demonstration. The approach taken by the county made the Chief Probation Officer a key participant in the waiver and this person expressed satisfaction with the working relationship among his office, Juvenile Court and the OFC. The Juvenile Court Judge initially saw the eligibility and documentary requirements of the waiver as hindering its effects. However, the scope of waiver usage in this county was most impacted not by restrictions on the number of non-eligible families or the demands of record keeping but by the tight limitations imposed by the OFC itself on potential participants.



Map 3. Six Original Process Counties

The waiver was primarily viewed in this county as a new funding stream rather than as a way to provide services to children and families that might not otherwise receive them. As a result, other than in those juvenile probation cases for which the waiver was utilized, the waiver did not significantly impact this county's child protection or foster care program during the demonstration period.

Gibson is a relatively small county in the rural southwestern part of the state. The reported instances of child abuse and neglect in the county were approximately half that of the state as a whole as the demonstration got underway, 7.5 reports per 1000 children. An inter-agency work group that pre-dated the waiver in Gibson County served as the waiver planning team. Twenty professionals signed off on the plan, representing one of the largest planning teams in the state. The heart of the waiver demonstration in this county was an emphasis on "wrap-around services" and the establishment of a wrap-around team of professionals. The wrap-around team consisted of the OFC director and representatives of Juvenile Court, the probation office, area schools, the community mental health center, and service providers along with the head of the county Step-Ahead Council who functioned as the group's coordinator. While the inter-agency work group pre-dated the waiver in Gibson County, the wrap-around team activity was a new function for it. Assignments to the waiver were made by consensus of the wrap-around team.

The primary focus of the waiver demonstration in Gibson County was on children and families who would not have otherwise received services. During interviews OFC case managers and members of the wrap-around team agreed that this was occurring, and that a wider set of children were being served by the county because of the waiver. Waiver funds were frequently used for services provided in the home by community-based providers—one of the goals of the demonstration in Indiana. The waiver was also used to fund assisted guardianship. Both the Juvenile Court and the probation office reported having a strong working relationship with the OFC due in part to the waiver. Both the court and probation office viewed the waiver as effective in addressing child abuse and neglect in the county and in producing longer-term positive outcomes that are the goal of the demonstration.

Gibson is an example of a county that took advantage of the new opportunity provided by the waiver and upgraded its child protection system. A goal of the Indiana waiver was to expand the provision of community-based, wraparound services to children, and in Gibson County this goal was achieved. Throughout the course of the demonstration, the county utilized all the waiver slots allocated to it and requested

additional slots. The use of the inter-agency wrap-around team represents an exemplary practice that could be a useful model for other counties.

Among the remaining four counties targeted in the process study, Wabash is a second example of how the waiver can contribute significantly to a county's child protection program. Wabash County was one of the first to implement the waiver and the OFC director provided waiver-related training in other counties. The county consistently utilized the waiver slots allocated to it and requested and utilized another 10 percent. The Juvenile Judge in the county reported that the waiver was responsible for reducing out-of-home placement of children and reducing time in placement for children in waiver cases, central goals of the waiver program in the county.

The waiver programs in Lake and Marion counties, on the other hand, never reached their potential. Both are large, multi-faceted counties and the waiver appears never to have registered very high on the programmatic radar screen in either. By the middle of the demonstration period, however, Marion had begun to utilize the waiver more aggressively, eventually using about two-thirds of the slots available to it. The decision on waiver usage, nonetheless, remained in the hands of fiscal rather than program or child protection staff. The waiver was used less to deflect children from out-of-home placement than to fund and maintain a costly project. This does not mean children did not benefit from the waiver in Marion County, but that the benefits tended to be narrowly channeled.

Lake County used about 28 percent of its waiver slots overall and was hobbled by persistent staff shortages coupled with a high percentage of complex and high risk cases throughout the demonstration period. There was confusion over waiver policies among the staff, uncertainty about what waiver funds could and could not be used for. After a relatively quick start and the hope that the waiver would become a vehicle for a new, more effective working relationship with county schools, the demands of everyday crises pushed the waiver into the background. Lake County used the waiver less during the fifth year of the demonstration than during the first year.

Scott was a relatively slow implementing county. At the start of the demonstration, the prevailing perception was that additional or different services were not needed and thus the waiver was not a high priority. This in a county where, proportionately at the time, there were more child abuse and neglect reports than in any other in the state (37.6 per 1000) and where the number of reported instances of sexual abuse exceeded reports of other types of physical abuse. Over the course of the demonstration the Scott County OFC utilized 39 percent of its allocated slots. One

outcome of the demonstration in this county was the development of additional community-based service providers, a goal of the waiver. At the start of the demonstration, a single vendor provided nearly all contracted services. The inclusion of a wider spectrum of county resources increased the likelihood that services provided in individual cases were appropriate and effective. By the end of the five-year period, the Juvenile Judge in Scott County held a high opinion of the waiver, viewing it as effective in preventing placement in certain cases and increasing the appropriateness of services to children and their families.

By the end of the third year of the demonstration, the implementation of the waiver in the six counties targeted for the process study had reached a kind of equilibrium. In Gibson and Wabash counties, the waiver had become fully integrated into the child protection system, arrangements with other agencies had become routinized, and family case managers knew how to take advantage of the flexibility that the waiver offered. In Marion County there was a substantial increase in the use of the waiver within the third year, but there were no major new programmatic developments or initiatives. Similarly in Scott and Lake counties, the waiver reached a programmatic plateau by the mid-point of the demonstration and there were few subsequent developments or modifications.

By the mid-point of the demonstration, based on analyses of ICWIS data and interviews with state and regional DFC administrators, it was becoming clear that there was a group of counties around the state that were making substantial and innovative use of the waiver. As a result, the focus of the process study during the last two years broadened, with site visits to counties other than the original six that had been originally targeted, and with a greater use of statewide surveys and telephone interviews to try to gain a better picture of waiver utilization statewide.

Site visits made to Greene, Hancock, Madison and Monroe counties in particular revealed exemplary waiver programs similar to what was the case in Gibson and Wabash counties. During interviews, supervisors and case managers spoke of the usefulness of the waiver in providing services to children and their families that better suited their situation and needs and about being able to prevent placement through the provision of in-home services, a central goal of the waiver in Indiana. As the staffs of these counties became increasingly knowledgeable of how the waiver could be utilized, more comfortable with its usage, and more familiar with its potential benefits, they also became more liberal with it, in the assignment of cases and in the breadth of services provided. They became more proactive in engaging families and more inventive in identifying services that would make a difference in difficult or complex situations.



Some described significant breakthroughs in their work with families that had been long-term cases because they were able finally to bring to bear the type and level of services that were needed to make a difference. These often involved meeting very practical but long-standing needs that were barriers to allowing a child to remain in the home and cared for by his or her natural parents.

### **Active Waiver Use and Model Fidelity**

As the waiver progressed, many of the counties identified as early implementers continued to operate active waiver programs that utilized a high percentage of their slots and remained faithful to the intensive services model originally envisioned by the state. There were other counties that had been initially designated as early implementers that did not use the waiver as much as early plans suggested they might or, in their operations, focused primarily on fiscal rather than programmatic opportunities provided by the demonstration. At the same time, there were counties that, after a more measured start, made above average use of the waiver and, importantly, focused on the programmatic opportunities the waiver provided and maintained a high degree of fidelity to the intensive services model and the primary purposes of the demonstration. These counties saw the waiver as much more than a new way to pay for the same thing.

By the final year of the demonstration it was possible to distinguish a group of 25 counties firmly established at the high end of the active-use and model-fidelity spectra. These counties augmented their child protection programs in specific ways to take advantage of opportunities presented by the waiver. Frequently this involved expanding ongoing, local initiatives, most often focused on community-based and in-home services. It often involved new initiatives to bring needed services to children who would not have otherwise received them. Virtually always it involved finding new ways to increase the nature and extent of available services aimed at avoiding or shortening out-of-home placements. Distinguishing counties along these two dimensions—active utilization and fidelity to the intensive services model—resulted in the recognition of fundamental program variations that were interpreted as differences in the experimental treatment being studied in this evaluation.

As was the case with the earlier designation of “early implementing” counties, this final distinction among counties in the development and operation of their waiver programs was introduced into process analyses (as will be seen below) and into impact and cost analyses (as will be seen in Chapters 6 and 7) to better understand the effects of the waiver when it was implemented more fully and with greater fidelity to the original vision. Although the variations among counties should be understood as representing

degrees along two waiver usage dimensions, the distinction is utilized as a categorical variable in subsequent analyses. Because the underlying distinctions are matters of degree, it should be recognized that there were other counties that came very close to being included in this group of 25.

In the rest of this chapter and in chapters that follow, the 25 counties designated as having more active and higher fidelity waiver programs are, for the sake of brevity, simply referred to as “program” counties and the other counties simply as “other” counties. The 25 counties that have been designated “program” counties are: Allen, Bartholomew, Boone, Brown, Cass, Clinton, Crawford, DeKalb, Gibson, Greene, Hancock, Jefferson, Knox, LaGrange, Lawrence, Madison, Monroe, Montgomery, Owen, Parke, Pike, Randolph, Shelby, Vanderburgh, and Wabash.

As will be seen later in this chapter, the administrators and family case managers in counties designated as program counties tended to have more positive attitudes toward the waiver than their counterparts in other counties, and they tended to see the flexibility afforded by the waiver as enabling case managers to intervene more effectively. In addition, community stakeholders from program counties were more likely to be knowledgeable about the waiver, to report that it had led to new service and programming opportunities, and to want to see it continued. In terms of basic indices of waiver usage discussed in the previous chapter, program counties tended to have much higher utilization figures, as can be seen in Table 4.

**Table 4. Waiver Utilization Figures on Major Usage Indicators by Program and Other Counties.**

<i>Waiver usage indices:</i>	<i>Program counties</i>	<i>Other counties</i>
Average number of daily slots used as percent of allocated slots throughout 60-month demonstration period	52.6%	23.8%
Average number of daily slots used as percent of allocated slots during final year of the demonstration (2002)	60.0%	28.8%
Number of waiver assignments throughout demonstration as percent of allocated slots	251.7%	95.6%
Number of waiver assignments of IVE eligible families throughout demonstration as percent of allocated IVE eligible slots.	148.3%	54.7%

## Attitudes, Assessment and Perspectives

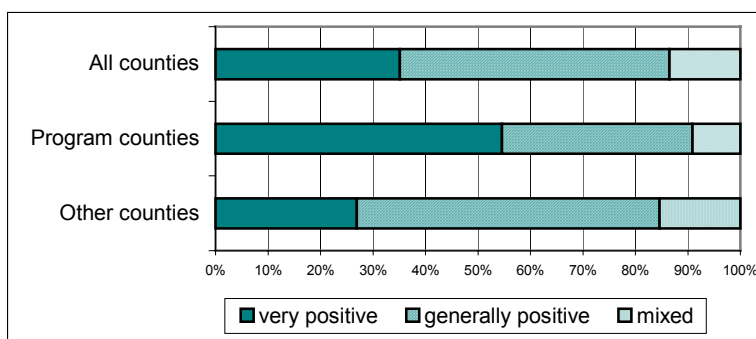
At the end of the 60-month demonstration period, a series of surveys were carried out of OFC county administrators, family case managers, and community stakeholders. OFC administrators had also been surveyed during the first year of the project and at the mid point and interviewed during site visits. Case managers and community stakeholders had been surveyed previously during the second year of the project and also interviewed during site visits. The results of these surveys and interviews were reported in the Interim evaluation reports as well as in semi-annual project reports.

This final round of surveys sought to obtain in a systematic manner the attitudes, assessment and perspectives of these key groups on the waiver and its effects at the conclusion of the demonstration. Seventy-five county OFC administrators participated in the survey (about 90 percent of the active administrators at the time), along with 233 family case managers and 117 community stakeholders. Among case managers, 93 percent were engaged in some aspect of child protection social work and 15 percent held CP supervisory positions. Seventy percent of the community stakeholders were either current or former members of county waiver planning teams and/or represented organizations actively involved in activities related to the waiver in their counties (25 percent were Juvenile Court Judges; 25 percent were Chief Probation Officers; 13 percent were school administrators or counselors.) The other stakeholders were professionals working in a variety of civic and community organizations and children's services agencies. This section contains the results of these end-of-demonstration surveys.

**Attitudes towards the Waiver.** An important element in practice is the attitude of administrative and direct service staff. Without a conviction that a certain approach to practice is effective, it is unlikely or, at least, much less likely, that it will be. The social psychological dynamic of the self-fulfilling prophesy impacts practice both positively and negatively.

While some (13.5 percent) OFC administrators had mixed feelings about the waiver as the demonstration period concluded, a large majority (86.5 percent) described their attitude toward the waiver as positive. This included over half (51.4 percent) who said their attitude was "very positive." None of the administrators described their attitude toward the waiver as negative. Many administrators (77 percent) also described the attitudes of their child protection staff towards the waiver as positive.

Administrators in counties with more active/higher fidelity waiver programs (that is, “program” counties) tended to express more positive attitudes toward the waiver than other administrators ( $p < .04$ ), with over half (54.5 percent) describing their attitude as “very positive.” (See Figure 7.)



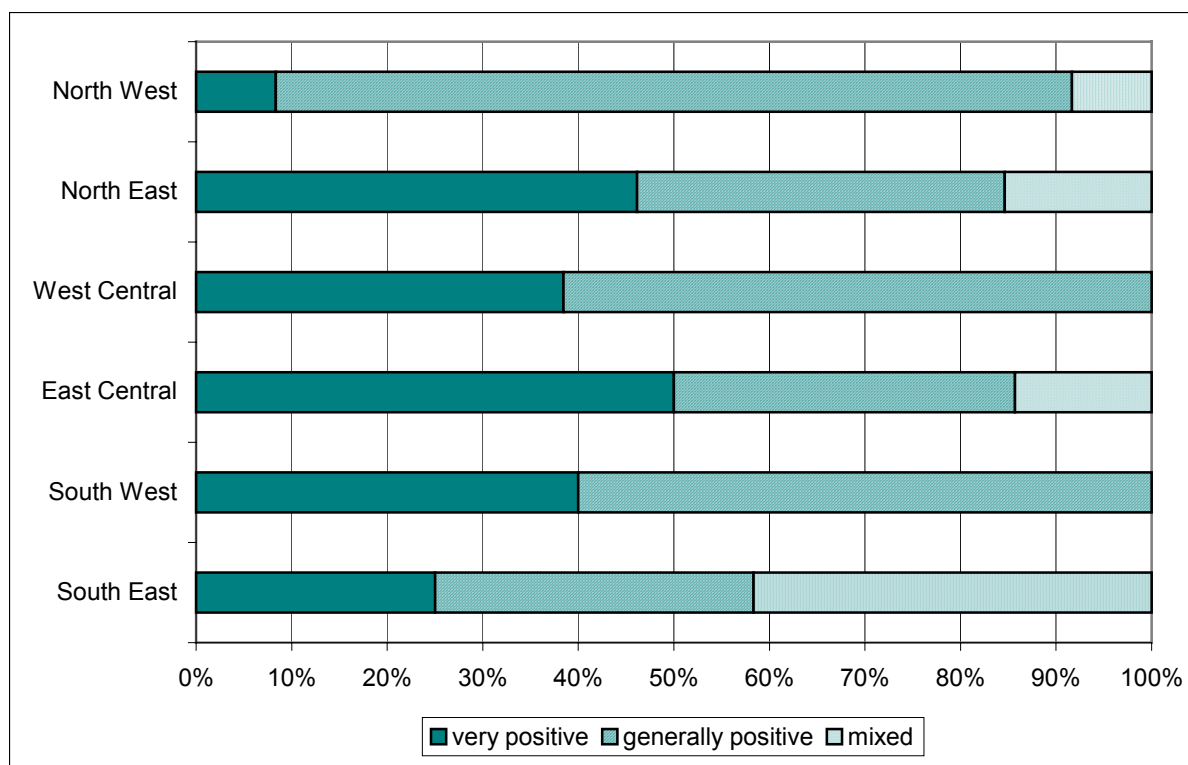
**Figure 7. Attitudes of Administrators in “program” and “other” Counties towards the Waiver.**

Figure 8 shows the combined responses of OFC administrators in each of the six FSSA regions. Overall, respondents from the West Central and South West regions were most positive in their attitudes. All of the respondents from these regions described their attitude towards the waiver as either very or generally positive; none as mixed or negative. As a group, respondents from the North East and East Central showed the most variation, some very positive and some with mixed attitudes. As a group, respondents from the South East region were somewhat less positive in their assessment, with over 40 percent describing their attitudes toward the waiver as mixed. At the same time, there were a number of counties in the South East region with strong waiver programs that are included in the active/higher fidelity group.

The comments and observations of administrators about the waiver that they made in the survey and during site visit interviews reflect this generally positive attitude about it. Here is a sample:

*“(The waiver) has become of utmost importance to our services and thus to the safety of children.”*

*“A number of children would have had to be placed if this flexible funding were not available.”*



**Figure 8. Attitudes of Administrators in Different FSSA Administrative Regions towards the Waiver**

***“I love the waiver. We would not be able to serve as many families without it. We have also expanded the program to be able to serve probation kids with home-based services using the waiver.”***

*“After a hard start it has become a useful part of the program especially useful for probation kids and families.”*

*“This is a good prevention program and assists in keeping at risk families together.”*

*“The flexibility has helped to keep children, CPS and Delinquents, in their homes and not be placed in foster care.”*

*“I think this is the best plan the Feds have approved for helping families solve problems with their children still in the community where the whole family can participate. Sometimes families only need a little help to stay out of the system, and this plan allows the flexibility and creativity to do that. Folks don't have to feel forced to participate, but there is a community team to help them, without the necessity of having their children removed. It is a cooperative venture between*

*families, kids, community and the government. I believe it has saved many placement dollars, maintained family connections, and allowed families to participate in problem solving... It has become a critical piece of how we do business."*

*"The waiver has offered this county the opportunity to provide services to families that would otherwise be left without services."*

Community stakeholders likewise reported an overall positive opinion of the waiver. Just 8 percent said their opinion was negative, while 51 percent said it was "very positive" and 41 percent said "somewhat positive." One child welfare professional described the waiver as "very valuable" and that its "flexibility is a plus." A mental health professional commented: "it should be expanded." A Circuit Court Judge cautioned: "If it is used and properly managed, then it can be effective. But it needs strong leadership to organize it."

Respondents from program counties were somewhat more likely to say their opinion of the waiver was "very positive" and less likely to say it was "somewhat negative" than stakeholders from other counties.

The bottom line question in terms of attitude about the waiver that was put to OFC administrators was this one: Would you like to see the waiver continued? Eight-two percent of the OFC administrators answered yes to this question, 15 percent said "yes, with reservations." Only one answered no and one said she was not sure. Representative comments from administrators who said they wanted to see the waiver continued were these:

*"We definitely want to keep the program. Because of the waiver, we've been able to keep families together and get children home faster."*

*"It has also allowed a place for community mental health, schools, probation, and our agency to use flexibility and creativity in helping families. It has become a critical piece of how we do business."*

*"Our county definitely wants to see this program continue. Our Juvenile Judge is very active in ordering services through the waiver and our probation is utilizing the slots more and more. I think the Waiver has been an excellent asset for counties, and that it would continue to be."*

Among administrators who answered "yes, with reservations," the most common comment involved the issue of IVE eligibility, either requesting the elimination of the requirement altogether or increasing the number of slots for non-eligible families. Other

comments had to do with the need for additional staff training (“With constant turnover in staff, there needs to be ongoing training in how to use this option effectively.”), the streamlining of the record keeping and accounting process, clearer guidelines on what is fundable through the waiver (“Locally we have an unclear understanding of what services can be used for the waiver”), and the elimination of the slots as the method of allocating county waiver participation and using a monetary allocation approach instead.

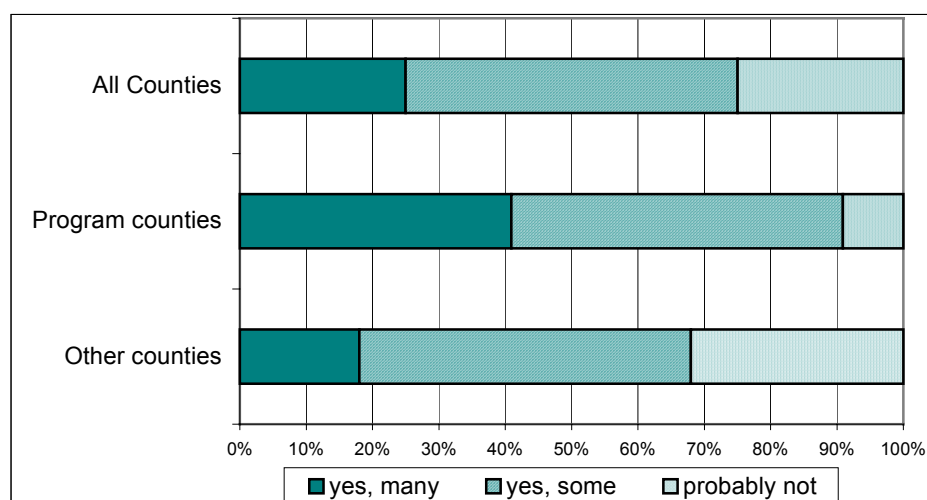
The response from administrators from program counties was somewhat more affirmative than that from administrators in other counties, as can be seen in Table 5 which also shows the response of community stakeholders to this question. A majority of community stakeholders reported that they would like to see the waiver continued, although one in five said they were unsure. Community stakeholders in program counties were both more knowledgeable of the waiver and more positive about it.

Stakeholders with reservations or simply unsure about the possible continuation of the waiver, often expressed limited information about the waiver. One mental health professional said, “We would to have more specific input in the program. We have a good working relationship with DFC and I appreciate this. But we just don't have any direct information on how and when IVE funds are used.” A school administrator recommended increased targeting of at risk children and their families. A Juvenile Judge, who expressed approval of the flexibility the waiver provided, said: “prevention and specialized care programs need to be promoted.”

**Table 5. Percent of OFC Administrators and Community Stakeholders  
in Favor of Continuing the Waiver**

	OFC administrators			Community stakeholders		
	<i>Program counties</i>	<i>Other counties</i>	<i>All counties</i>	<i>Program counties</i>	<i>Other counties</i>	<i>All counties</i>
Yes	92.8%	78.8%	82.4%	82.0%	62.3%	71.2%
Yes, with reservations	7.2%	17.3%	14.9%	6.0%	8.2%	7.2%
No	-	1.9%	1.4%	-	-	-
Unsure at this time	-	1.9%	1.4%	12.0%	29.5%	21.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Provision of Services.** Three out of four OFC administrators indicated that the waiver meant that at least some children and families in their county received services they would not have received before the waiver was available. Administrators from program counties were more likely to report this ( $p=.04$ ) and more likely to say it happened frequently. (See Figure 9.)



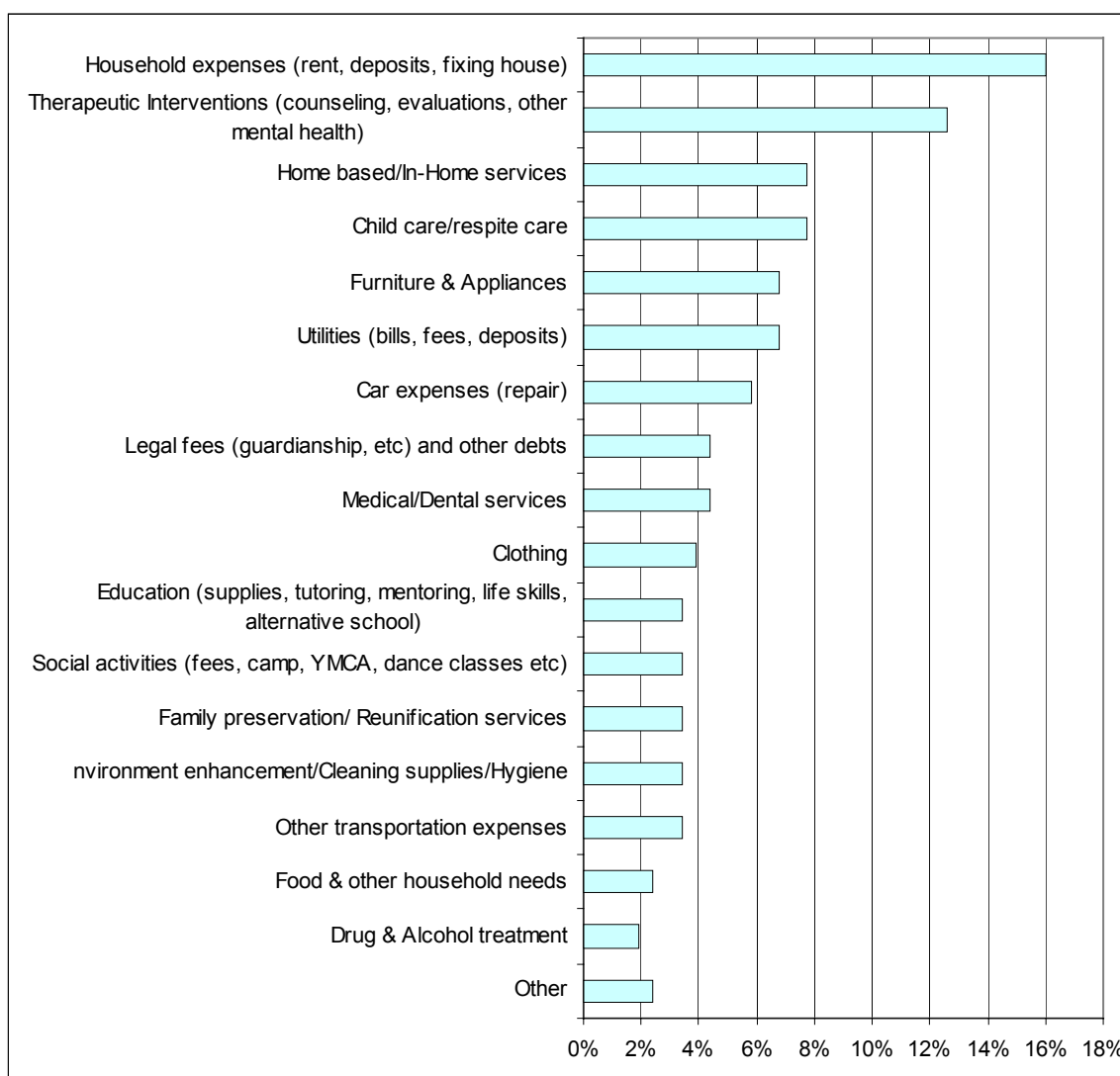
**Figure 9. Administrators Answer to Question: Have any waiver children or their families received services they would not have received without the waiver?**

Three out of four (77 percent) of community stakeholders from program counties said they were aware of children and/or families receiving services or assistance through the waiver that they would not have otherwise, 23 percent said they were not sure. In the other counties, 49 percent of stakeholders said the waiver had meant new services were provided, 11 percent said the waiver had brought no change in service provision and 40 percent said they did not know.

Family case managers were asked about the types of services children or their families assigned to the waiver may have received that they would not have received before the waiver was available. The most common response (see Figure 10) involved some type of practical assistance (payments for household-related items, car and transportation expenses, utility payments). Counseling and other therapeutic interventions were also mentioned with some frequency, along with other assistance that were health or school related or involved the provision of basic necessities, such as clothing or food.

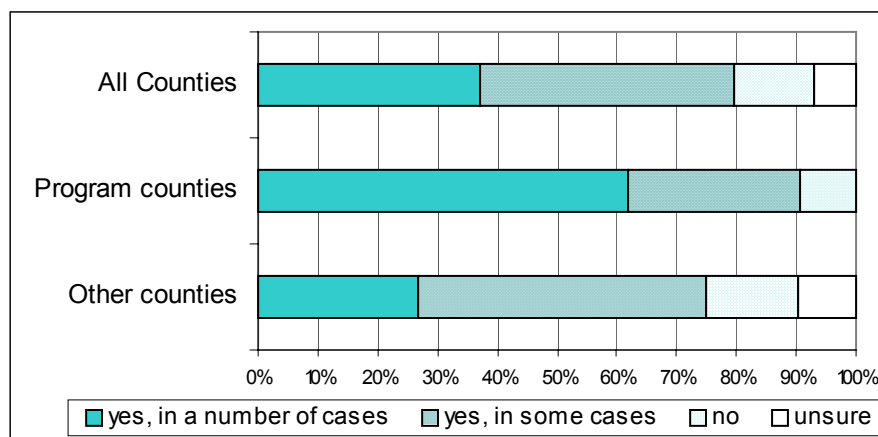


A majority (60 percent) of case managers reported that the waiver was used in their county to prevent out-of-home placement or to shorten it, although only 14 percent said this occurred frequently; 35 percent said it was done occasionally, and 11 percent rarely. Case managers in program counties were more likely to report the use of the waiver to prevent or shorten placement ( $p=.01$ ). Community stakeholders in program counties were also more likely to report that the waiver was used to prevent or shorten placement than were stakeholders in other counties (75 percent vs. 36 percent).



**Figure 10. Types of Assistance Provided to Families on the Waiver**

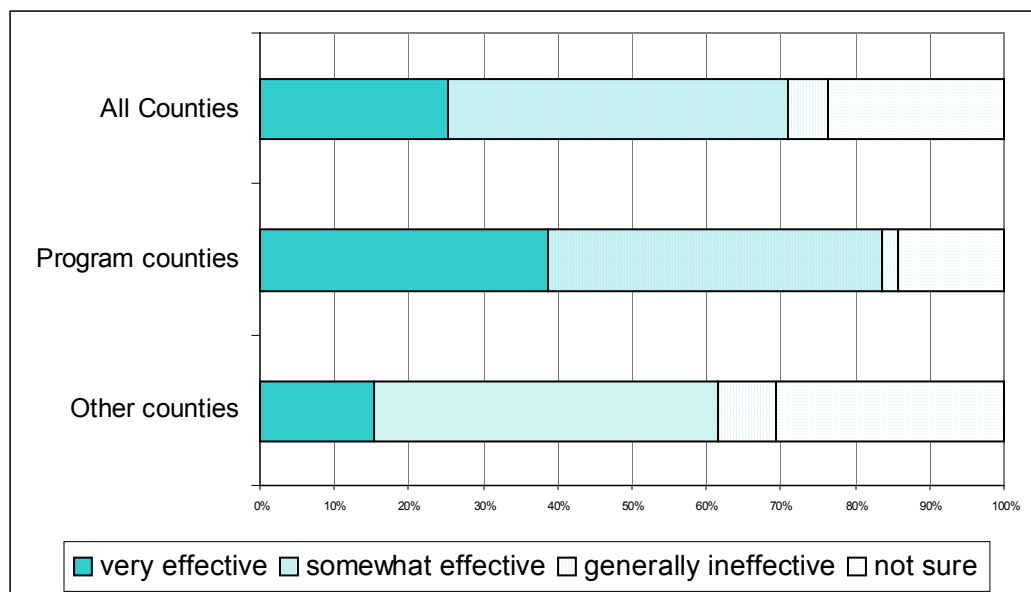
**Effectiveness.** OFC administrators in program counties were more likely to see the waiver as improving the appropriateness of services in child abuse and neglect cases as well as in juvenile delinquency cases than administrators in other counties. Similarly, program county administrators were more likely to report that the flexibility of the waiver helped their staff intervene more effectively ( $p = .015$ ). Across all counties, 78 percent of the administrators saw the waiver's flexibility as improving service effectiveness in at least some cases. (See Figure 11.)



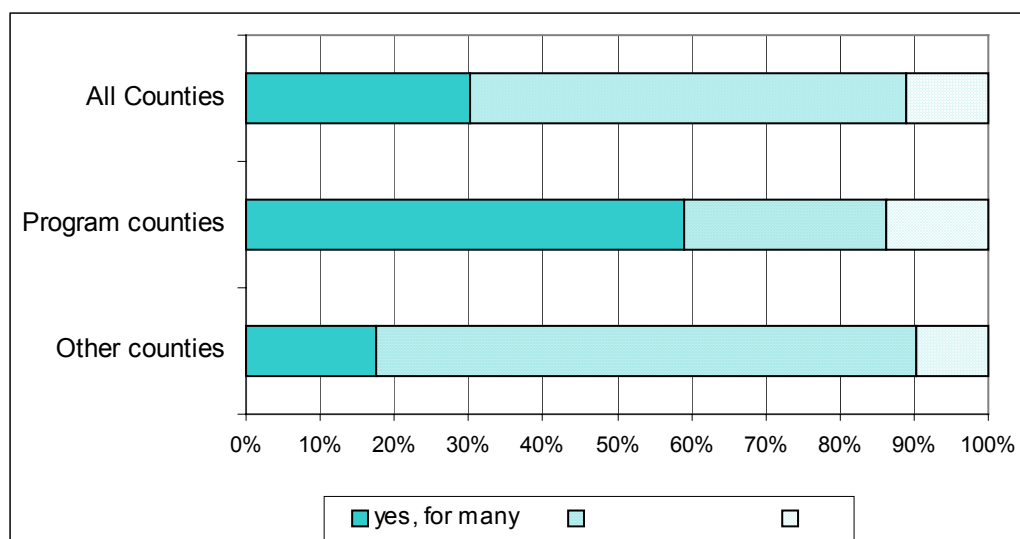
**Figure 11. OFC County Administrators response to question: Has the flexibility of the waiver helped your staff intervene more effectively in child abuse/neglect cases?**

Community stakeholders were asked how effective they thought the waiver was in their county in addressing problems arising in cases of child abuse and neglect. One in four (25 percent) said “very effective” and just under half said “somewhat effective.” Just 5 percent thought the waiver was generally ineffective while 24 percent said they were not sure. Stakeholders in program counties were more likely to view the waiver as effective ( $p = .01$ ), as can be seen in Figure 12.

**Positive Program Changes and Outcomes.** A majority of OFC County Administrators, particularly those from program counties ( $p = .01$ ), believed that the waiver resulted in substantial benefits to children and families on their child protection caseload. (See Figure 13.) While a high percentage of administrators (89 percent) believed that at least some children and families benefited, 59 percent of those from program counties thought the waiver made a major difference for “many” children and families. A significantly smaller percentage (18 percent) of administrators from other counties thought the waiver had made a major difference for many of their cases, although 90 percent thought it had made a major difference in some of them.

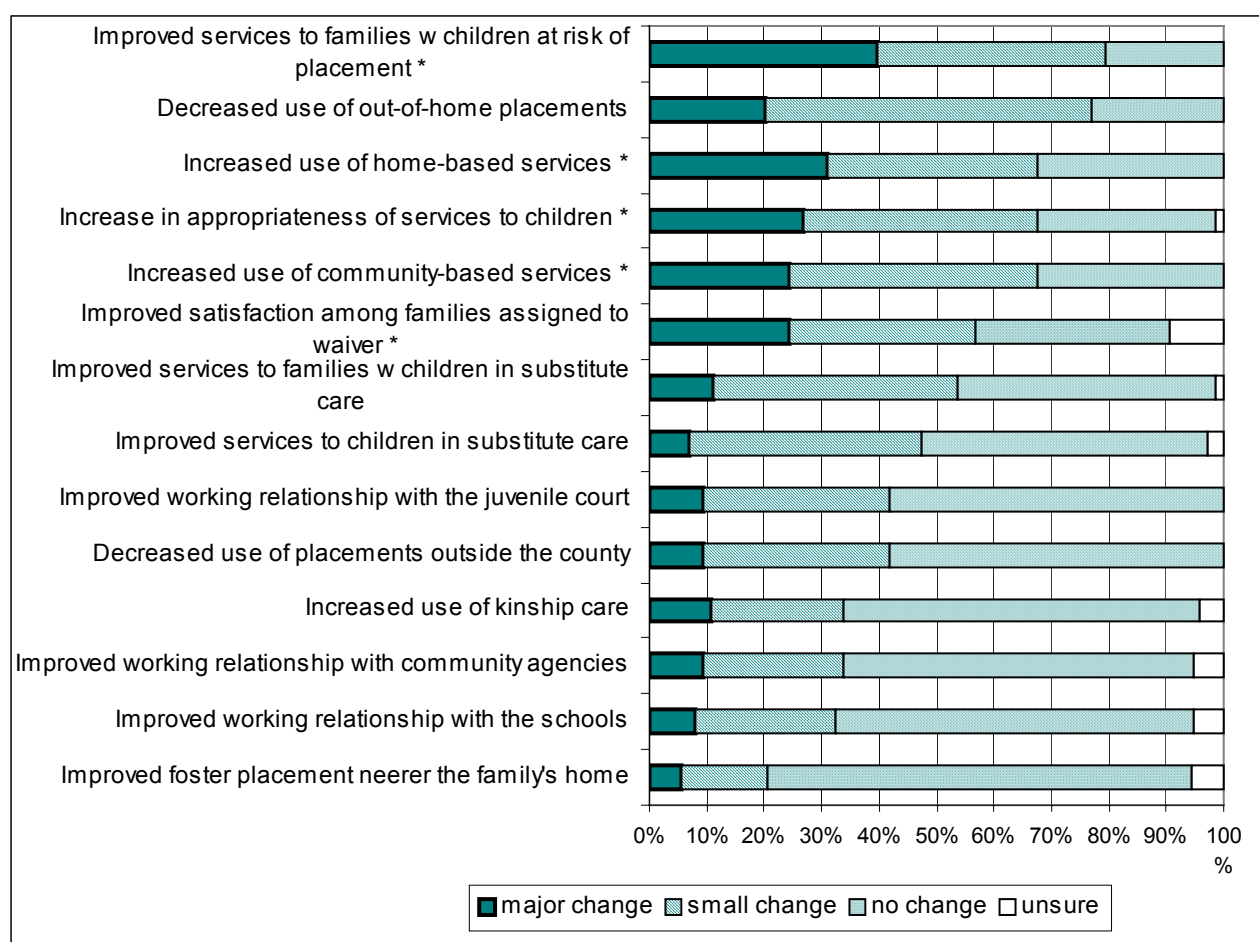


**Figure 12. Effectiveness of the Waiver in Addressing Problems arising in CA/N Cases according to the Community Stakeholders.**



**Figure 13. Has the Waiver Resulted in Significant Benefits to Children or Families on your Child Protection Caseload?**

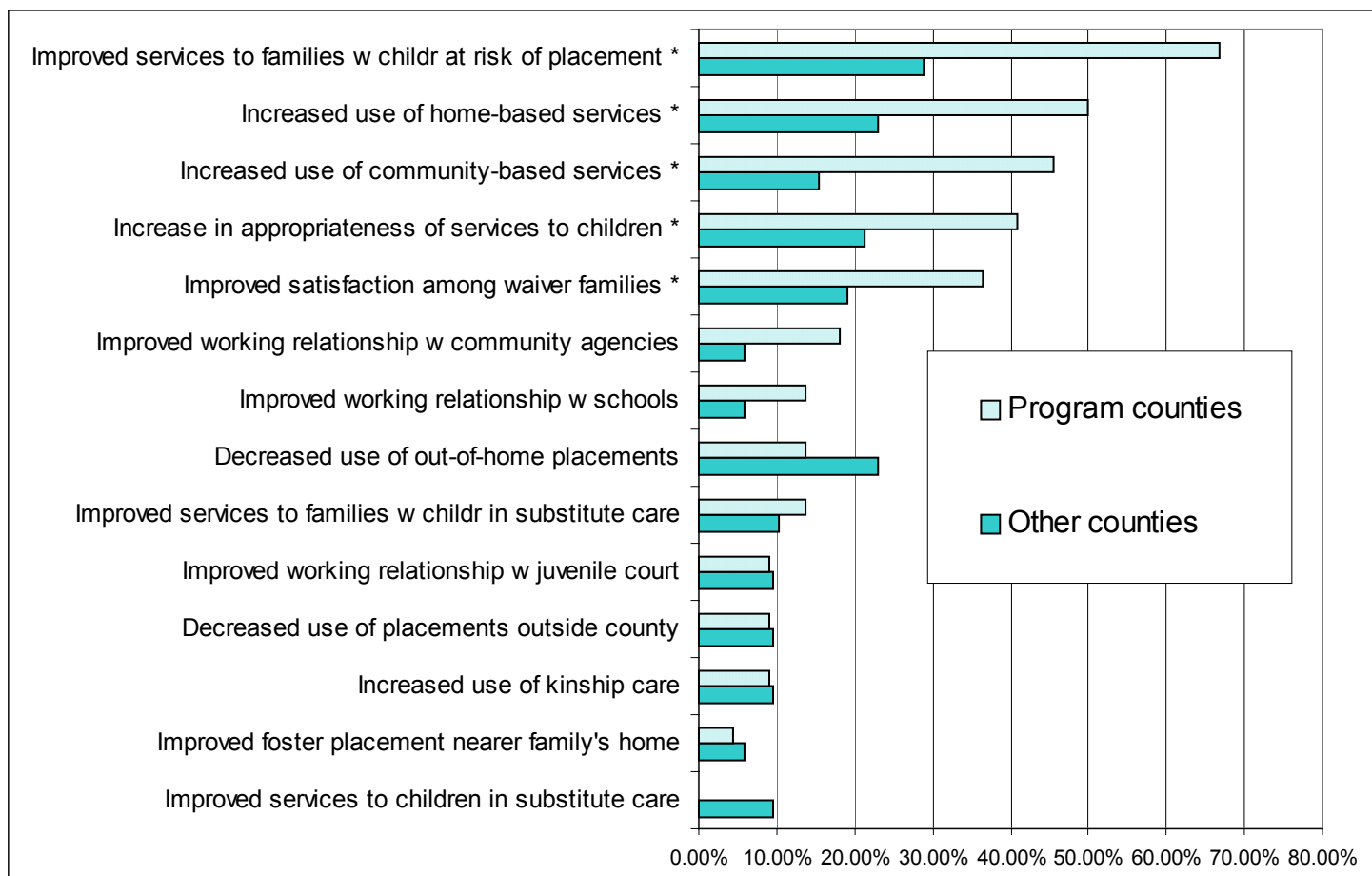
County OFC administrators reported a number of specific positive changes to the child protection program as a result of the waiver. (See Figure 14.) Nearly 8 in 10 (79.4 percent) indicated that there were improved services to families with children at risk of placement; 40 percent said this improvement was a major change for their program. High percentages also indicated that the waiver had contributed to the decreased use of out-of-home placement (77.1 percent; with 20 percent describing the change as major), an increase in home-based and community-based services (67.6 percent; 31 percent describing the change as major), a perceived increase in satisfaction among families assigned to the waiver (56.7 percent; 24 calling the change major), and improved services to families with children in substitute care (53.6 percent; 11 percent calling the change major). Other positive changes were credited to the waiver by smaller numbers of administrators as can be seen in Figure 14.



**Figure 14. Administrators Responses to Question:  
To what extent have you experienced any of the following changes  
in your county as a result of the waiver?**

In five of the areas listed in Figure 14 (shown with asterisks), administrators from program counties were significantly more likely to report that the waiver had result in a positive change ( $p < .04$ ).

The area in which the largest percentage of administrators (40 percent) reported a major change resulting from the waiver was improved services to families with children at risk of placement. Figure 15 shows the percent of administrators in program and other counties who indicated “major” changes that occurred in their child protection program due to the waiver. As can be seen, it was administrators from program counties who most frequently (67 percent) reported improved services to families with children at risk of placement. More than 40 percent of administrators from program counties also reported major changes due to the waiver in the use of home-based and community-based services and in the appropriateness of services provided to children.



**Figure 15. Percent of OFC Administrators in Program and Other Counties that Described Changes as “major”.**

County case managers and community stakeholders were also asked about changes that had occurred in local child protection programs as a result of the waiver. Their responses closely mirror those of county administrators. As was the case with administrators, stakeholders and case managers from program counties were most likely to report positive changes in child protection as a result of the waiver. Stakeholders from program counties, in particular, were more likely to report improved working relationships between the OFC and local schools, the county probation office and juvenile court as a result of the waiver.

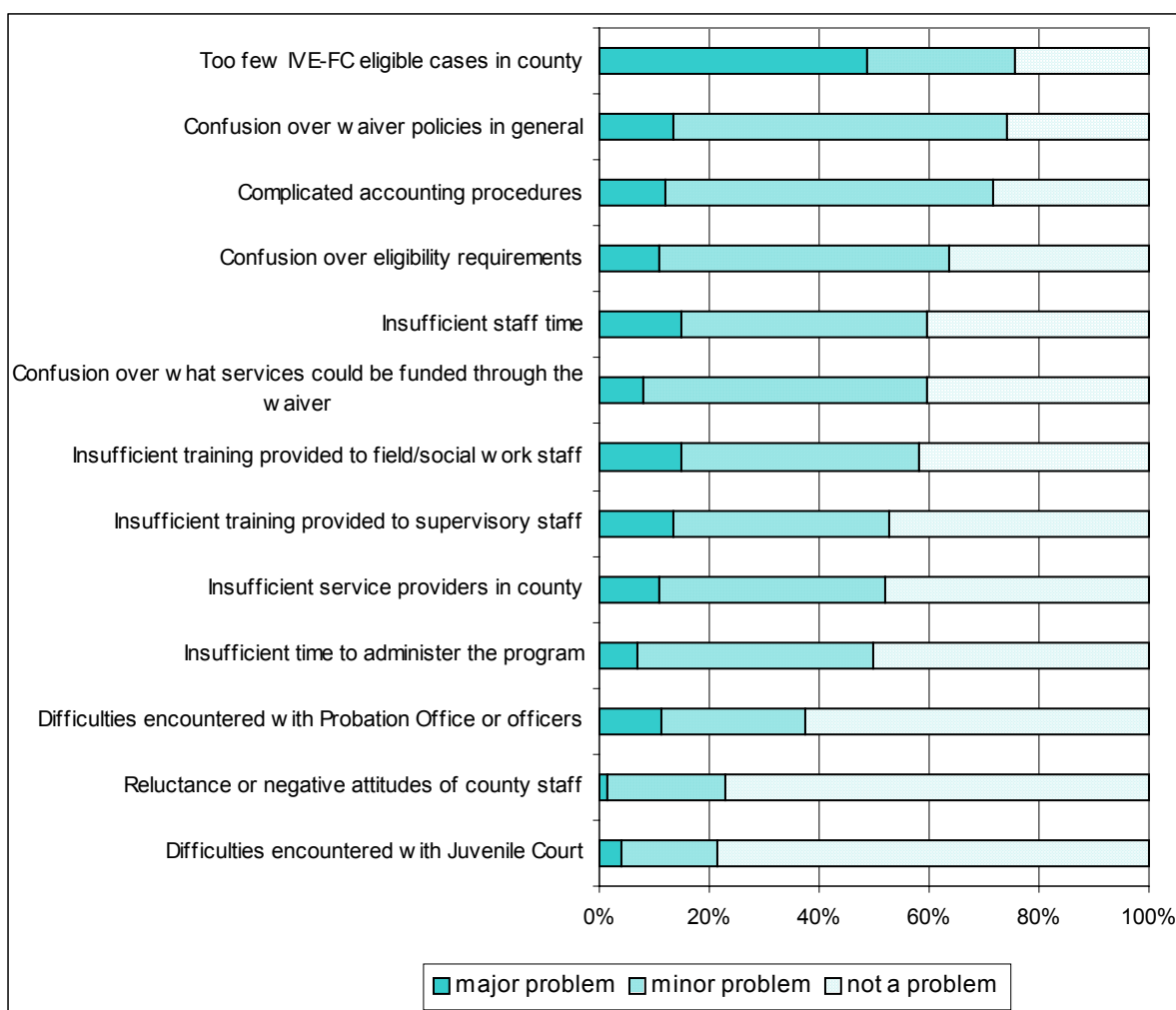
**Factors that Hindered Waiver Utilization.** When asked what may have hindered the use of the waiver in their county, the most frequent response of OFC administrators was an insufficient number of IVE eligible cases that they considered appropriate for the waiver. (See Figure 16.) This appears to have most affected the overall percentage of allocated waiver slots counties used and to have prompted frequent requests for additional non-eligible slots as well as recommendations for the elimination of the eligibility requirement altogether. Nearly half (48.6 percent) of the administrative respondents indicated that this was a “major” problem in their county and another 27 percent said it was a “minor” problem. Only 24.3 percent said it was not a problem. This issue was consistently identified as the most serious problem by administrators early in the project and at the mid-point as well and was reported in the interim and semi-annual reports.

Other factors, described mostly as minor problems, were cited by a high percentage of county administrators as hindering their usage of the waiver. These included confusion over waiver policies in general as well as what could be funded through the waiver, accounting procedures described as complicated, and too little training provided to field staff and supervisors. These problems were cited by over half of the administrators, although the percentage that described them as major problems was relatively low (between 8 and 14 percent).

At the other end of the spectrum were certain key issues that were infrequently cited as problems, major or minor, by county administrators. A solid majority of administrators (78.4 percent) reported having no difficulties with Juvenile Court over the waiver, and just 4.1 percent said Juvenile authorities represented a major problem for them. This was a critical matter in the demonstration because in Indiana, the legal charge for assignment of the children to the waiver resided with county judges.

Less critical, but important due to the inclusion of delinquent youths as a target group of the demonstration, was the relationship between county OFC’s and county

probation offices. While a majority (62.5 percent) of OFC administrators cited no problems with this relationship that impacted their use of the waiver, 37.5 reported some difficulties with the probation office in their county that impacted their use of the waiver—one in ten (11.1 percent) described these difficulties as a major problem.



**Figure 16. Percent of Administrators Reporting Factors that were a Major or Minor Problems in their Utilization of the Waiver**

Finally, administrators were asked whether any reluctance or negative attitudes on the part of their staff impeded their use of the waiver. A solid majority (77.0 percent) said no; just one administrator said this was a major problem.

While administrators from program counties tended to report such problems a little less often than their peers in other counties, the differences were not generally great or statistically significant. Thus, while these factors may have contributed to a lower than

expected use of the waiver, it is not evident that they represent the primary reasons why some counties made less use of the waiver than others. These factors may represent general attitudes more than causal factors distinguishing greater and lesser use of the waiver. Administrators who operated strong and active waiver programs, it would appear, did so because they saw the waiver as a mechanism for improving their county's child protection program whose potential benefits exceeded its costs (primarily costs associated with staff time and effort). At the same time, there were administrators who remained relatively satisfied with their existing child protection program and their ability to provide needed services to children and families on their caseload such that the relative gain they expected from the waiver was not considered worth the costs to utilize it more actively. In between there were administrators without a strong opinion about the waiver one way or the other who would have used the waiver more if they had received more technical assistance with these issues.

**Need for More Training.** In comments expressed throughout the survey and in interviews, many OFC administrators reiterated the need for additional training related to the waiver. As will be seen below, these views of administrators were echoed by case managers.

*"I would be glad to use this option more with additional training so it could be user friendly."*

*"We need better training and more updates on waived services, but overall it has been a very good new resource."*

*"It took too long for us to understand how to use the program with little training at beginning-bookkeeping should have received training at beginning instead of late last year."*

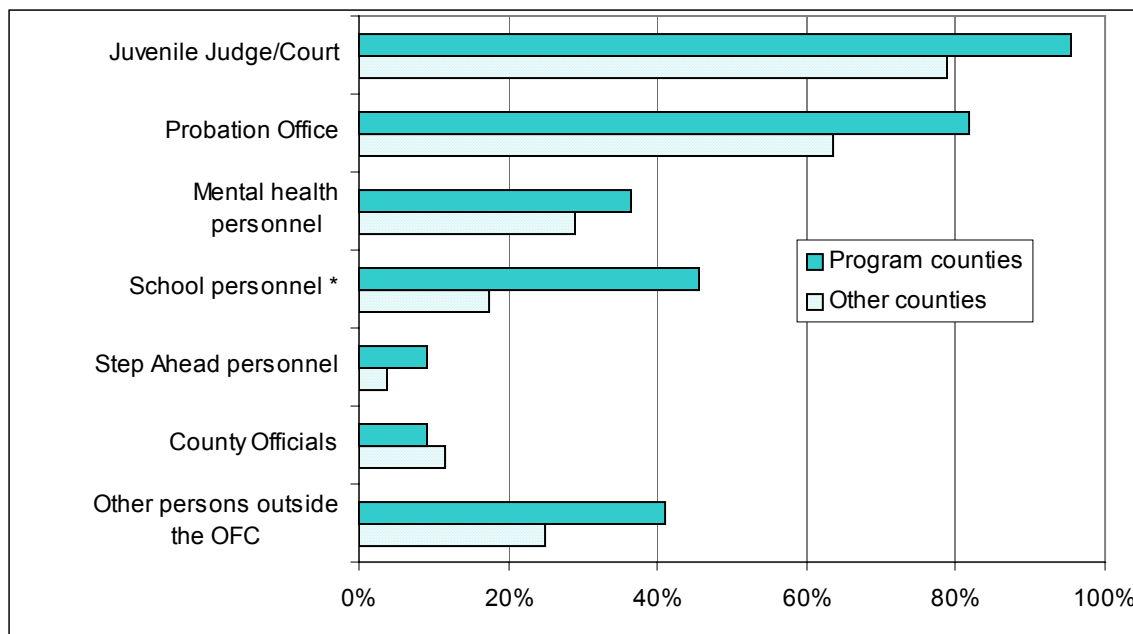
*"I would look for refresher training in use of the Waiver to be offered to the Local Offices. It would not be needed by all Local Offices and could be voluntary."*

One administrator, as well versed in the waiver as any person in the state said:

*"I believe the waiver concept is good for Indiana, I also believe that if the program continues, the central office should assure that someone on their staff is knowledgeable enough to provide training and answer questions for county staff. I have continued to receive calls from counties where account clerks and other staff have received no training and have only the vaguest idea of what the waiver is about."*

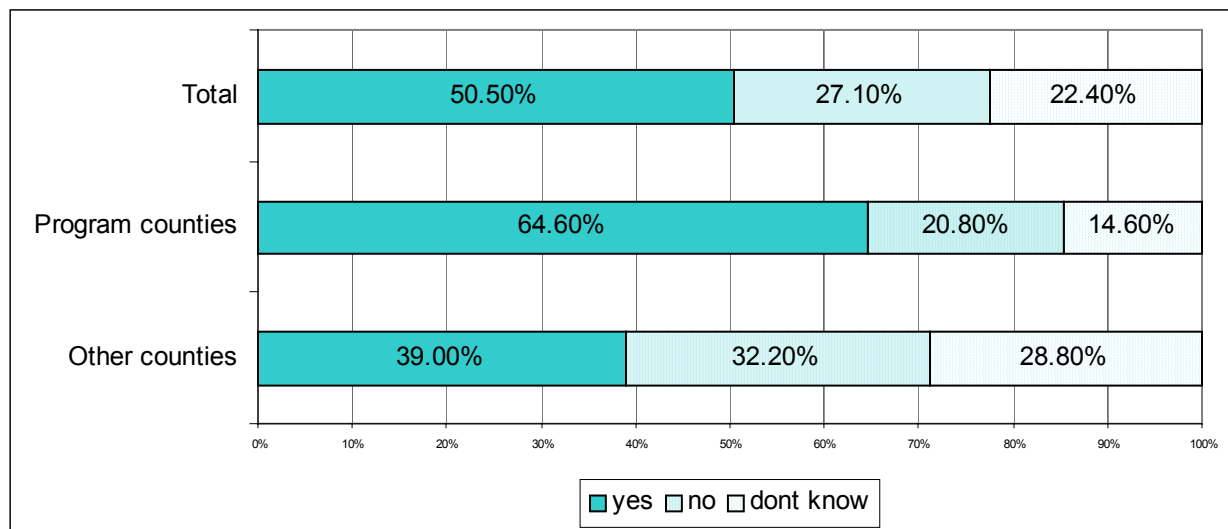


**Involvement of Planning Partners.** A central feature of the planning for the waiver in Indiana was the involvement of key community stakeholders, termed Planning Partners, a number of whom had to sign off on their county's plan before the waiver could begin. In some counties, these individuals continued to play a central role in the demonstration, while in others they had very little involvement once the planning phase was concluded. Juvenile Judges had an ongoing and mandated role in the waiver as they had the legal charge for assigning children to the waiver. Beyond this, judges in some counties took a more active role and worked more closely with the OFC in shaping the waiver and targeting waiver services. County probation offices often played a significant ongoing role because of the inclusion of delinquency cases in the waiver. The involvement of other planning partners varied substantially across the state once plans were approved. School personnel, mental health professionals and various community service providers played an active role in only a minority of counties. Overall, there tended to be greater ongoing waiver involvement of planning partners and other community stakeholders in program counties than in other counties. In a majority of counties the involvement of planning partners in the waiver quickly lessened after the planning phase ended. Figure 17 shows the percent of OFC administrators who reported that various key community stakeholders were either very or somewhat active in the waiver during the last year of the demonstration.



**Figure 17. Percent of Administrators who Reported Key Stakeholders were Very or Somewhat Active in the Waiver during the Last Year of the Demonstration.**

Half of the community stakeholders responding to the final survey reported that a collaborative agreement had been developed between their agency or office and the local OFC. This was more likely to have occurred in program counties than other counties ( $p=.046$ ). See Figure 18.



**Figure 18. Percent of Community Stakeholders who Reported that a Collaborative Agreement has been Developed between their Agency/Office and the OFC because of the Waiver**

**Case Manager Issues and Views.** In the survey of family case managers conducted during the second year of the demonstration a majority said they needed more training related to the waiver and only a small number described their understanding of the waiver as “thorough.” The survey conducted at the conclusion of the demonstration showed only modest change in such reports. Asked how well they understood the goals and philosophy of the waiver in their county, 8 percent said “thoroughly,” 54 percent said “adequately,” 29 percent said “not adequately,” and 10 percent said “poorly.” One case manager commented bluntly: “I do not understand the waiver program.” Altogether, forty-one percent of the family case managers surveyed said they needed additional training related to the waiver. One case manager commented:

“I feel I need more training. I am not saying that my supervisor or director is not providing what I need. I just have a lot of difficulty grasping the waiver procedure. Not understanding increases my stress.”

Just over half (51 percent) of the case managers surveyed said insufficient training had lessened the effectiveness of the waiver in their county, including 12 percent who said it had a major effect on the waiver. In addition, case managers generally had limited knowledge of how the waiver was used in other parts of the state (“I don't have any idea

how other counties have implemented the waiver. That information would be helpful.”) One commented on the changing information she received on the waiver: “The waiver was difficult because people came back from meetings with verbal information that was always changing.”

Case manager training and their understanding of the waiver would not have made a difference in some counties, however, because in some counties case managers never knew which cases were assigned to the waiver and which were not. In interviews with case managers and with administrators it was frequently indicated that the responsibility of case managers was to determine what services were needed by families or children and the responsibility of someone else to figure out how the services were to be paid for. The attitude frequently expressed was “we provide what is needed and find a way to fund it.” One case manager said: “I believe that the waiver program has not been used as much in our county because we have typically been able to find resources that already exist in our community.” At the same time, as noted above, administrators and case managers in many counties reported that the waiver made many services possible that would not have been otherwise.

About 40 percent of the OFC administrators reported that case managers in their county always knew which families were assigned to the waiver. About the same number (41 percent) reported that case managers were aware of waiver cases “most of the time.” A majority (72 percent) of case managers themselves reported that they knew which families on their caseload were assigned to the waiver all the time (50 percent) or most of the time (22 percent). Supervisors of case managers said they were aware of which families were assigned to the waiver either always (59 percent) or most of the time (20 percent). As these figures indicate, in a minority of counties, case managers rarely or never knew which families on their caseload may have been assigned to the waiver and could not have acted on this fact. A supervisor of case managers in one such county commented:

*“Case managers and supervisors have no way of knowing how the waiver money is being spent in this county. We submit the necessary papers to enroll the child (family) in the program and we have no idea of what happens after the paperwork. The waiver is just another way for the county to receive funding. Neither the FCM or supervisor has any idea how the money is spent or if it even goes to the services the family is receiving.”*

A number of case managers commented that they wished their county expanded the use of the waiver for services or families not covered. One said: “Children are in the home on the waiver, we should also extend some of these services to the parents whose

children are out of the home.” Some noted restrictions on the use of the waiver in their county without giving their opinion about it. (“Our county uses the waiver only for in-home services where children are in the home;” “We have utilized waiver services solely for reimbursement of funds expended for intensive home-based services;” “\_\_\_\_\_ County’s waiver program is specific to funding the alternative school and providing home based services to JD cases. Therefore, waiver funds are not used for the children on my caseload.”)

A number of case managers expressed enthusiasm for the waiver and its use in their county. One said: “The waiver opens the door for lots of possibilities and opportunities to help families faster and more effectively.” Others described how the waiver helped build working relations with key community assets.

*“We feel it has opened up many opportunities within the community for services to children. Other entities such as schools, physicians, and probation will now refer families for services in a non-threatening way, when, prior to this program, they would not realize this would even be a possibility and feel they couldn’t offer the family services.”*

*“Our waiver team consists of a person from probation, special education, mental health, county commissioners and a case manager supervisor. Usually families are involved with two or more agencies already. Our county also has an inter-agency “wrap around” team, so referrals also come from that committee which probation, special ed, mental health, the prosecutor and judge and others are also involved.”*

A majority of case managers indicated that the waiver had not had any substantial effect on their workload, caseload size, or job-related stress. A relatively small number (8 percent) reported a large increase in paperwork due to the waiver.

**Changes.** Administrators were asked if there were changes they would like to see in the waiver program, specifically changes that would enable them to use the waiver more frequently. As noted in Chapter 3, over half (55 percent) who responded to this question said they would like to see an increase in the number in ineligible slots or the elimination of eligibility as a requirement for waiver assignment. Three administrators suggested setting up some simple procedure or system for helping case managers identify potentially eligible families. One said: “Perhaps something on ICWIS that would gently force caseworkers to look at qualifying families for the waiver would help.” Another suggested: “creating a check list that could be reviewed when deciding whether or not a child would be appropriate for the waiver program.”

Other recommended changes put forward by OFC administrators included streamlining record keeping procedures and the waiver assignment process, and simplifying data entry into ICWIS. Some reiterated the need for additional staff training and others asked for additional clarification of waiver guidelines.

Community stakeholders were also asked what recommendations they had for improving the waiver program in their county. The three most common remarks involved the need for “more community education” about the waiver, greater involvement of a broader set of community players including school and child-agency professionals, and finding ways to expand the use of the waiver through additional training and support of OFC staff and key community professionals, and, as one respondent put it, “The local office needs more encouragement to look for ways to use this.”

**How the Waiver was Used.** Administrators were asked their basic view of the IVE waiver: Was it primarily a new funding stream to pay for services children and families have always received? Or, was it a way to provide services families or children might not otherwise receive? In reviewing the responses to this question, much was learned about how the waiver was utilized in individual counties. (Or, in a few instances, why it was not used; as in the case of one administrator who remarked: *“We have not had the time or understanding to use the funding in new or creative ways.”* And in another case: *“It is my understanding there is more flexibility in what one can pay for with these funds, but I am unsure.”*)

A small number of county administrators insisted that the waiver was essentially just a new funding mechanism for services already provided.

*“Services have been and always will be provided regardless of reimbursement status.”*

*“Our offer of services or determination of abuse or neglect is not based on a funding program.”*

*“We have used no new services, just used the services in a little different manner and gotten additional reimbursements.”*

Other administrators, who answered that they saw the waiver primarily as a funding stream, nevertheless qualified their response.

*“We have always been very pro-active in providing community based ‘wrap-around’ services, so primarily the waiver is a new funding stream for what we*

*were already doing. However, there are important instances where the waiver made services possible that would not have been otherwise."*

*"The waiver is mostly a funding stream but by saving some county dollars due to the waiver reimbursement, we have been able to offer or expand other services."*

*"It is mostly (a funding stream), but there are also important instances where families received services they would not have otherwise received."*

And there were respondents who said that they thought that both answers to the question were accurate.

*"I could have checked both of these items. We have traditionally provided whatever services were necessary and have a judge who orders services to be adequate so this has been primarily another funding option. However there have been many situations that have allowed us to pay for non-traditional services. This has enabled us to make a less intrusive intervention into children's lives and still assure their health and safety."*

*"Most services that the waiver has been used for are not new. But the waiver has, in some cases, helped by broadening the range of services considered. In some cases we have paid for things through waiver that were not considered prior to waiver."*

*"In the beginning, we thought this was new money. Much later via training we realized this was a partial reimbursement program in certain circumstances. We now spend money we would not have spent before."*

*"We have always relied on community and home based services, many paid by IV-B funds. The waiver provides reimbursement for services paid from county funds, allowing services to be provided to some children previously un-served."*

A number of other OFC administrators emphasized how the waiver allowed their county to provide services to children and families they would not have been able to otherwise.

*"Due to the waiver option, there are children under the co-supervision of probation and OFC that probably would not have gotten home based services, addictions services and parenting had the waiver not been available due to funding and family income."*

*"It has provided us with the opportunity to fund expanded services for children while they are still in their home."*

*"Through the community team, we are able to assist children and families about which we might not have had knowledge."*

*“Due to the poor economy, we would have some families literally on the streets--high stress levels that result in abuse and neglect—parents no longer able to go to counseling or afford medication for severe depression, etc. and because of the waiver, we've been able to keep families together. It's given us the ability to be creative and actually meet the families' needs whereas in the past, we only had specific services we could offer.”*

*“It is possible to provide services to families that would not have been otherwise provided, and may have resulted in a removal.”*

*“In the past, services to get a family set up in a home, repair a car (necessary for travel to work), etc., would not have been available.”*

*“We have attained a flexibility that other funding streams have not provided.”*

*“It has allowed us to be more creative in serving families where previously there might have been a “bright line” that said the family couldn't be served.”*

A number of respondents explained how they used the waiver to keep families together.

*“The waiver has given us the ability to use these dollars in creative and preventive ways to keep children going into placements outside of the community and it allows family participation in assessing their own needs and solutions. It also improves the image of the OFC in that we are working with families and communities to prevent removals and to solve family problems within the local community.”*

*“Small counties have limited resources and the wavier enabled us to keep families together. Removal would have been needed without assistance to obtain fuel, pay electric or hook up water.”*

*“We were able to pay rent; fix up unsafe homes and help families remain together.”*

*“We used the waiver for services to families at risk, who would normally be assisted, to prevent removal of children, etc.”*

*We have provided home repairs, car repairs, and other concrete services to families that have prevented placement of children or have helped families whose children are in placement--prior to the waiver we had no funding mechanism for these concrete services.”*

*“Often a family will need assistance to keep them intact or employed (such as a utility bill, rent, etc) or some other service we might not be able to normally pay for without a non-IV-E slot.”*

*“The waiver has enabled us to provide services to keep children, CPS and juvenile delinquents, in their homes instead of removing them.”*

There were other comments from administrators in response to this question. Often these described other advantages the waiver had given them. Some mentioned new arrangements put in place between the OFC and local schools. One said: *“We have opened the waiver plan to include referrals from school.”* Another said they had *“worked out a system to have the counselor or school personnel work with the family and give our office the needed information to determine slot eligibility.”* Another reported that the waiver allowed the county *“to open an alternative school.”* One administrator said his county had *“used this to encourage probation to use community based and in-home service instead of Placement.”* And another said the waiver *“complements and enhances our wraparound services.”*

**Importance of the Waiver.** Asked for any final comments they might have about the waiver, a number of OFC administrators expressed the value and importance it had become for their child protection programs.

*“Please keep the waiver and increase the non-eligible slots. It has increased services more than any other program in many years. Would hate to see this lost.”*

*“Best tool I have ever had to work with families the way I think we should, and it also happens to save money and human costs of stress from separation.”*

*“We have utilized waiver slots for the past 5 years and have worked out bugs in ICWIS system to make it work. We have a good accounting system through Excel to keep track of slots and services. We are very pleased with the program and definitely want to see it continue.”*

*“Please keep the waiver, we definitely want to keep it. It fills a gap in services that we are unable to provide through other funding sources. The reimbursement decreases the cost to the county and increases the overall services to children in the county.”*

*“It is an excellent program--we're learning more and more on how to use the program in effective, creative ways. We're now working on getting more services into the community and waiver would help pay for them. We feel it's very, very important to keep this program.”*



## Slots and Capped Allocations

During interviews and in survey responses, a number of county administrators expressed displeasure with the system of capped allocations and slots. A number of them suggested that the slot-based cap be eliminated altogether and replaced with either an annual county-specific ceiling for all waiver cases or a regional allocation that could be distributed to counties within regions on an as-needed basis or another procedure agreed to by the counties. In the process, the specific number of slots would become redundant and become a by-product of decisions made by counties or regions on the use of waiver dollars that were allocated to them. They argued that this would provide greater flexibility for counties that wanted to use the waiver more and prevent moving cases off the waiver because the \$9,000 limit was reached.

One administrator commented: *“The waiver should not be limited by slots. Each County could utilize the dollars better if each County was given an overall IV-E waiver budget. If the budget per County was being underutilized then those unutilized dollars could be allocated to other Counties prior to the end of the fiscal year.”*

Another administrator in a small county described the problem she had with the combination of limited slots and the cap per slot: *“Our major problem with the waiver is that we only have (6 slots). We might be able to use waiver more if the amount was less per slot. That way we would have more families we could serve and if one family needed more we could use more than one slot for the family, but would have the possibility of more families. We don't use waiver for some families because the amounts needed are smaller and we don't want to tie up our slots”.*

Undoubtedly, the combination of an overall slot limit and a dollar limit per slot as management devices had certain repercussions in the way the waiver was utilized. The more active a county was in using the waiver or the more active a county wanted to be, the more it had to juggle these limits. Some counties hesitated to assign children to a waiver slot if the anticipated costs of services for the child were likely to be modest; rather they waited for a more expensive case to come along, concluding that to do otherwise risked losing funds that might be available to them. In smaller counties with few slots, this was not an insignificant issue. Using a slot too quickly might jeopardize the ability to provide more costly intervention that was needed by another more complex and intractable case.

## Population of Children and Waiver Utilization

The terms and conditions of Indiana's waiver limited the number of children assigned to the waiver at any one time to 4,000. As has been seen, waiver utilization fell well below this figure. The average number of slots filled during the 60-month demonstration period was 1,112. This raises the question: Why were not more slots filled?

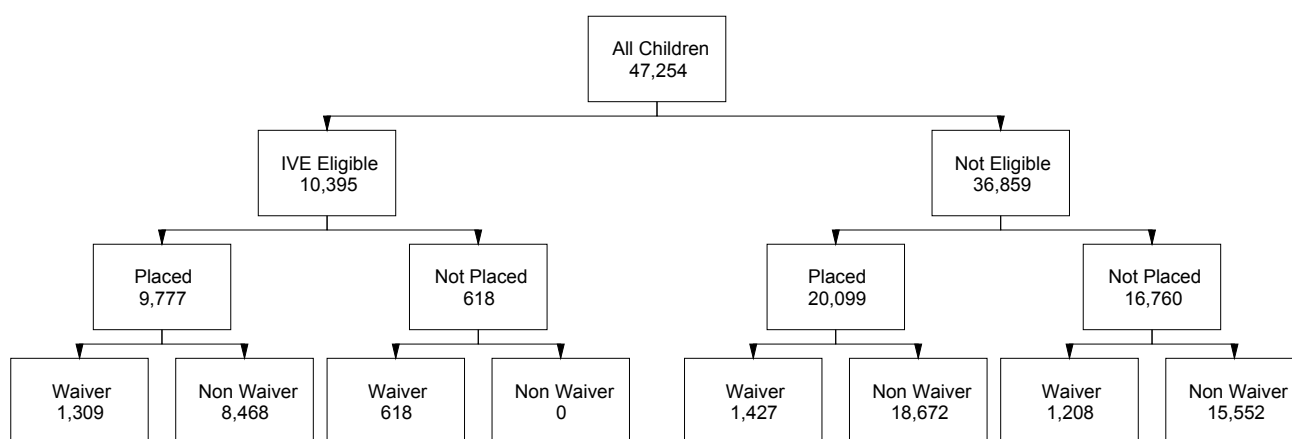
At this point, we have already discussed a number of factors that are part of the answer to this question, and they will be summarized below. But there is one issue that has not yet been examined.

Stepping back for a moment, we can consider the total pool of children that could have been assigned to a waiver slot. As noted, the state's terms and conditions allowed 25 percent of the allowed waiver slots to be filled by children from families that did not meet IV-E eligibility requirements. While this limited the total number of children from ineligible families who could be placed on the waiver at any one time, this feature of the waiver, coupled with its being statewide, meant that any child on the child protection caseload of DFC during the demonstration could have been assigned to the waiver. Additionally, the state was allowed to include adjudicated delinquents among those assigned to the waiver, further expanding the population of potential waiver children.

Throughout the demonstration period, evaluators received data downloads from ICWIS on all CA/N and delinquent children who had been placed along their siblings as well as all children assigned to the waiver whether or not they had been placed. The total number of children included in these data downloads who had an open case during the 60-month demonstration period was 84,797. Potentially, any of these children could have been assigned to the waiver. However, this number includes 37,543 children whose cases had been opened prior to the start of the demonstration in 1998 and extended into the demonstration period before they closed. Many of these cases would have been nearing case closure at the start of the demonstration and/or service and permanency plans for them would have been in place making them less appropriate for the waiver even if it had been logistically possible to assign them before their cases closed. In fact, however, 697 of these children were assigned to the waiver, 13.3 percent of the total number of waiver cases.

The greater portion of waiver assignments involved children whose cases did not open until after the start of the waiver. The total number of these cases, opened during

the 60-month demonstration period that ended December 31, 2002, was 47,254. Figure 19 provides a breakdown of these children three ways—by IVE eligibility, placement and assignment to the waiver. A total of 4,562 were assigned to the waiver. This included 1,927 determined to be IVE eligible, including, in turn, 1,309 who were placed and 618 who were not placed. The number of children from families that were not IVE eligible was 2,635 children and included 1,427 who were placed and 1,208 who were not placed.



**Figure 19. Number of Children with Cases that were Opened between January 1, 1998 and December 31, 2002.**

The most telling number in Figure 19 is the “0” for the group of IVE eligibles who were neither placed nor assigned to the waiver. This number can only result from a specific sequence of events and indicates that IVE eligibility determination was typically not done until after placement occurred. Such a sequence makes sense within the context of the pre-waiver IVE-FC program. The first priority would always be to decide what needs to be done to protect the safety of a child. If this involved removal then this information would trigger an eligibility determination. If removal was not required there would have been no need to do this because, prior to the waiver, IVE-FC would not have been involved as a potential funding source. The automated system, ICWIS, was designed with this sequence in mind: first comes placement, then eligibility determination. The ICWIS training manual states: “Once a case manager records the court’s findings of reasonable efforts and best interests...and there is a placement, the case is available for the eligibility determination process.”

Accordingly, eligibility determination was simply not done routinely in all cases, and prior to the waiver there was no reason to. With the implementation of the waiver, the automated system was modified so that the decision to assign a child to a waiver slot also signaled the need to proceed with the eligibility determination process. But as the waiver started, there was not a convenient, routinized eligibility determination process in

place and accessible to case managers to identify the pool of potential IVE-eligible assignees. Assigning cases to the waiver was, therefore, often done after case planning was completed rather than before or in conjunction with it, becoming more of a fiscal or accounting process than one that could have guided planning and broadened service options.

This meant, in effect, that the real pool of eligible children from which waiver assignments might have been made was typically not known before the act of assignment but only after it. Therefore, we do not really know how many of the 15,552 children shown in Figure 19 as not eligible, not placed and not assigned to the waiver actually were ineligible for IVE-FC reimbursement because, in all likelihood, their family's eligibility was never determined. And, therefore, we do not know how many of these children might have been assigned to the waiver had their eligibility been known at the time program options were considered and service plans developed. Not knowing whether or not these children were IVE eligible complicated the efforts of counties who were required to juggle the two types of slots allocated to them—eligible slots, of which there were more but the potential pool smaller, versus ineligible slots, of which there were fewer but the potential pool much larger.

The lack of a routinized, universal eligibility determination procedure was by no means the only reason waiver assignment fell below what had been anticipated. As described above, some counties set out purposefully to limit the waiver to a very particular subset of child protection or delinquency cases. And the waiver is a program that depends on the cooperation of other key stakeholders in the community, such as the Juvenile Judge and the Chief Probation Officer, who are beyond the control of the OFC. And counties experiencing tight fiscal budgets found the reimbursement procedures difficult to manage. But even counties operating exemplary waiver programs sometimes had a hard time keeping their eligible slots filled, and, statewide, most counties waged on ongoing battle with this problem. As we have seen, when asked what they would like to see changed in the waiver program, over half of the county OFC administrators who replied asked for an expansion of ineligible slots.

## Process Study

### Part 3. Characteristics of Cases Assigned to the Waiver

This section provides a description of the characteristics of cases assigned to the waiver. Counties were free to assign children to any or all of their slots according to their waiver program plan. This included children within any of the CA/N case types distinguished by DFC—CHINS, Informal Adjustment, Service Referral, and Service Cases—as well as delinquency and status offender cases. These case types represent variations in the assessed level of threat to the safety of children, the intensity of the protective and service responses to the family, and the level of involvement with the juvenile court. Because these case types are referred to below as well as in the impact study chapter, which follows, we will begin with a brief description of these five case types.

1) A **Service Case** involves substantiated abuse and neglect with no previous history in which participation in the case is not crucial to the safety of the children. Cases are designed to last 60 days unless there is evidence that the risk level to the children has increased. The case manager is required to provide service referrals or information regarding services in such cases. Parents sign statements regarding their intention to participate in services. The Office of Family and Children provides no reimbursement for services in such cases. When OFC paid services are required, cases must be opened at a higher level (SRA, IA, or CHINS). In certain court-involved cases the juvenile court may order that a service case be opened for the family. Otherwise, services cases are voluntary.

2) A **Service Referral (SRA)** case also involves substantiated abuse and neglect with no previous history. The family problems must be those that can be addressed by short term, focused counseling or services. Parents must acknowledge the problem and demonstrate that they will cooperate with services. Parents in SRA cases may lack the resources to obtain help without agency assistance. There is no court involvement but a written agreement is required. The perpetrator's name is entered into the state's Central Registry only if there is a lack of compliance with the terms of the agreement. Cases are

closed in the range of two to six months. Service and SRA cases are both opened in situations of lower risk.

3) An **Informal Adjustment (IA)** case involves substantiated abuse or neglect. Families in these cases may have a limited history of abuse or neglect. The child and parent must be able to remain together safely in the home in IA cases. Parents must acknowledge the problem and demonstrate that they will be minimally cooperative with services. The court approves the agreement with the parents and monitors the compliance of the family. The perpetrator's name is entered into the state's Central Registry. IA cases are considered to be medium risk.

4) A **Child in Needs of Services (CHINS)** case refers to a child in a substantiated abuse or neglect case whom the juvenile court has made a ward of the state or county. (However, a judge may determine that a delinquent youth should be adjudicated as a CHINS rather than as a delinquent.) In-home CHINS are cases of medium risk with a history of abuse or neglect, but typically not a recent history. Services can be provided for support of the family, and the family is monitored to insure child safety. Documentation must show that services are in place before the child is left in or returned to the home. Out-of-home CHINS involve cases in which the family has not been able to complete an IA or SRA agreement, where the children have been removed from the home, and where parents do not admit that abuse or neglect has occurred and do not demonstrate cooperation with services. These cases are considered high risk.

5) Finally, **Delinquent Wards** are youths that the juvenile court has adjudicated as delinquents or as status offenders but whose cases are administered by the local OFC. Traditionally, these have been the youths whom the court determined needed to be placed in substitute care, but not with state youth services. Under the IV-E waiver, however, it is possible to provide services to such youths who remain in their parents' homes. There are two types of cases. In "place and pay" cases, the OFC simply pays for substitute care while the juvenile probation officer remains the case manager. In "supervision and services" cases, an OFC worker becomes the case manager. Both types of cases are found in the waiver program.

**Waiver Assignment and Case Types.** Of the 5,277 children assigned to waiver slots during the five-year demonstration period, about one in four (1,343; 25.5 percent) were still receiving waiver services at the end of the demonstration period (December 31, 2002). Furthermore, of the 3,934 children whose waiver participation terminated, 663 remained as active cases.

Table 6 shows the proportions of children assigned to various statuses before and during the waiver. Because the case statuses of children changed at various times the table contains a certain level of case duplication across both columns and rows. Many children had been CHINS at some time prior to the waiver and 4 in 10 had this status at the time of waiver assignment. Others became CHINS during the period they were assigned to the waiver. In many instances, of course, this difference was simply a matter of the timing of court hearings and formal case openings. There is only minor duplication between the second and third cells in any given row, and they can safely be summed. Thus, about 52.0 percent of children assigned to the waiver were CHINS cases. A smaller percent of waiver cases involved children in the least severe child abuse and neglect cases (service cases and service referrals) and a quarter of them (21.5 percent) had been CHINS at some earlier time. A little more than 1 in 5 (22.2 percent) waiver cases involved delinquent youths. Of these, 8.3 percent had been CHINS cases at some point in their past history and 6.8 percent were CHINS at the time of waiver assignment.

**Table 6 Case Status of Children Before and During the Waiver**

<i>Types of cases</i>	<i>Ever prior to waiver assignment %</i>	<i>At time of wavier assignment %</i>	<i>After assigned to waiver %</i>
Service case (voluntary)	6.2	4.4	8.4
Service case (court-ordered)	1.6	1.0	2.8
Service referral (SRA)	5.6	2.5	2.8
Informal adjustment (IA)	13.2	8.2	6.5
Child in need of services (CHINS)	44.2	39.3	12.7
Delinquent/status offender (place and pay)	8.6	7.7	10.0
Delinquent/status offender (supervision and services)	2.0	1.7	2.8

These data illustrate the changing nature of child welfare cases when viewed over time, particularly cases at the more severe end of the child welfare spectrum like those more often assigned to the waiver. When the population is viewed at any one point in time, case statuses emphasize the differences between children. Viewed over time, greater similarity is evident.

**Removal and Placement.** The county-level waiver programs in Indiana served both children who remained in their homes, with the object of averting removal and placement, as well as children in out-of-home placements with a goal of facilitating permanency. A majority of the children (51.1 percent) assigned to the waiver had been removed and placed outside their homes at some time in their past lives before being assigned to the waiver. A slightly larger percentage (53.6 percent) had been wards of the court at some time in their past lives. Looking at entire placement episodes,<sup>4</sup> 40.4 percent had been removed one time; 10.7 percent had been removed two or more times.

The median number of days spent in placement by such children while actually residing with placement providers was 189, a little less than six months, over all placement episodes combined. The percent of placed children in particular types of facilities throughout all episodes was: foster care (56.1 percent), care by relatives (20.8 percent), group homes or institutions (40.6 percent), state hospitals or mental hospitals (13.0 percent), secured facilities (9.3 percent), and much smaller percentages in other types of facilities. Of those that had been placed, 39.9 percent had been in only one placement facility, 23.6 percent in two facilities, and 34.2 percent in three or more over their lifetimes.

A somewhat smaller proportion of children (40.3 percent) were actually in an out-of-home placement setting on the day they were assigned to the waiver. The final number of children living in a placement setting either on the day of waiver assignment or at some point while assigned to a waiver slot was 54.7 percent.

Of all waiver children, 68.9 percent were wards of the court at the time of assignment. An additional 12.5 percent became wards after assignment. There was some duplication, as a few children were removed from that status and later reassigned to it, leaving a total of 73.8 percent of all children on the waiver who were either wards of the court on the day of waiver assignment or were assigned while they occupied a waiver slot.

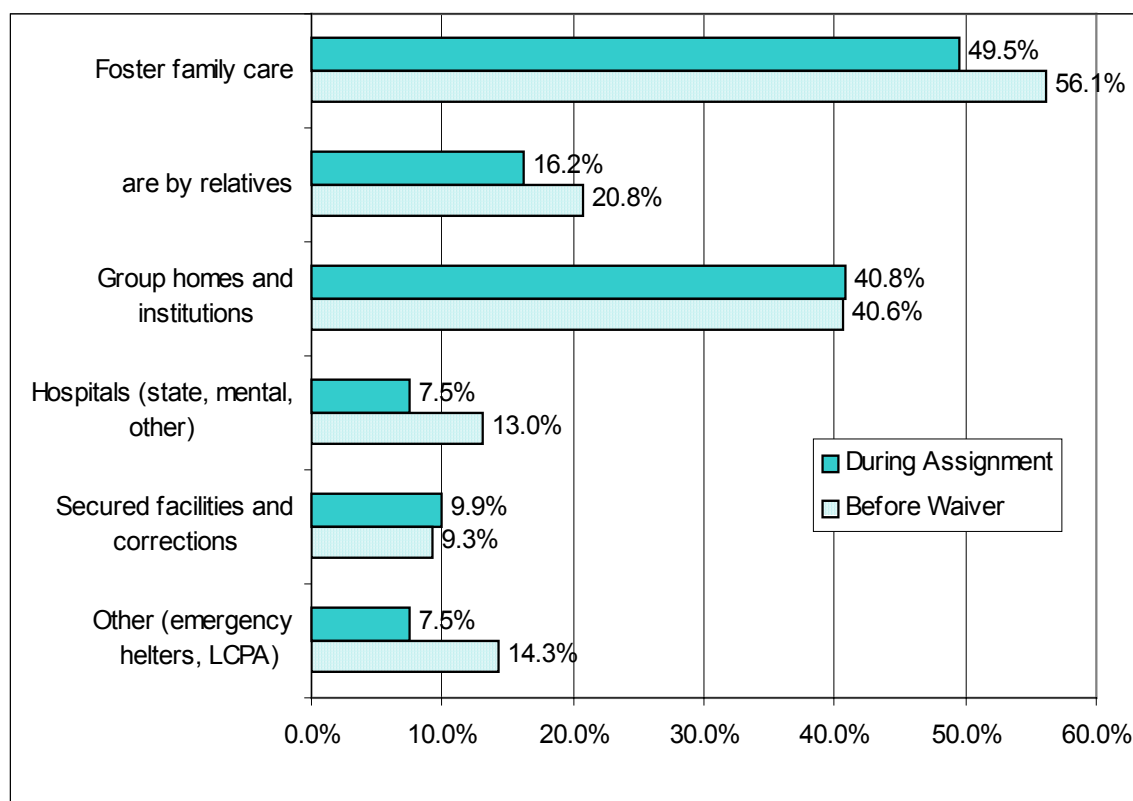
The same kinds of placement providers were utilized for children after waiver assignment as before. Of waiver children placed outside their homes, 49.5 percent were placed in foster care settings, 16.2 percent were placed in care by relatives, 40.8 percent

---

<sup>4</sup> “Placement episode” refers to a removal, along with court hearings (such as, detention, adjudication, disposition, reviews and permanency) and some resolution of the removal, usually reunification with parents. During a particular placement episode a child may be in only one or in many different placement settings (i.e., placement providers, such as foster families, group homes, hospitals, etc.)



were placed in group homes or institutions, 7.5 percent were placed in state hospitals or mental hospitals, and 9.9 percent were placed in secured/detention facilities. These figures are illustrated in the following graph (Figure 20). Each bar shows the proportion of children placed anywhere outside the home who experienced *at least one stay* in that type of placement setting before and during their waiver experience.



**Figure 20. Placement Experiences of Children Before and During Waiver Assignment (At Least One Stay in Type of Placement Setting)**

**Abuse and Neglect Incidents and Findings.** Substantiated findings of child abuse and neglect were available for 66.4 percent of the children assigned to the waiver from the period *before waiver assignment* of each child. The percent of these cases with specific maltreatment findings can be seen in Table 7. The major problem areas in the families of waiver children were parenting (supervision), the failure to provide for the basic health and living needs of the child, and the less severe forms of physical abuse. Sexual maltreatment had occurred in about one of every eight waiver families. The more extreme forms of physical abuse and endangerment were confined to a small minority of families. Substance abuse by children in the family (as a category of child maltreatment) was rarely if ever substantiated.

**Table 7. Percent of Families of Waiver Children by General Categories of Child Abuse and Neglect before Waiver Assignment (5277 Families)**

<i>Category of child maltreatment</i>	<i>Percent</i>
Medical, health-related	11.4
Parenting	26.6
Abandonment and confinement	5.6
Failure to provider for basic needs	36.9
Least severe physical abuse	18.9
Severe physical abuse	2.0
Most severe physical abuse	.1
Child substance abuse problems	.4
Sexual maltreatment	13.2

**Demographic and Geographic Characteristics.** Reflecting the child welfare population generally, more males were assigned to the waiver than females. Slightly less than two-thirds (64.2 percent) of waiver children were Caucasian, 27.6 percent were African-American, and there were very small proportions of other ethnicities represented. Nearly half (48.2 percent) of the children assigned to the waiver were over 13 years of age at the time of assignment. (See Table 8.)

**Family Members in Cases.** Over three-quarters of the cases (77.1 percent) involved from three to six case members, including the child and at least one caretaker. Other case members included siblings and a wide variety of other family members. Biological (and adoptive mothers) were present in 96.9 percent of waiver cases. Fathers were included in 91.3 percent of cases. Stepfathers were involved in 12.2 percent but only 3.1 percent of cases included stepmothers. Grandmothers were involved in 10.1 percent, grandfathers in 4.2 percent, and other relatives in 11.5 percent of cases. One or two siblings were present in nearly half the cases (49.5 percent), about evenly divided between brothers and sisters, while 27.4 percent of cases involved only the waiver child. Boyfriends and girlfriends of the parents were present in 6.9 and .7 percent of cases respectively.

**Table 8. Gender, Ethnicity, and Age of Children Assigned to the Waiver**

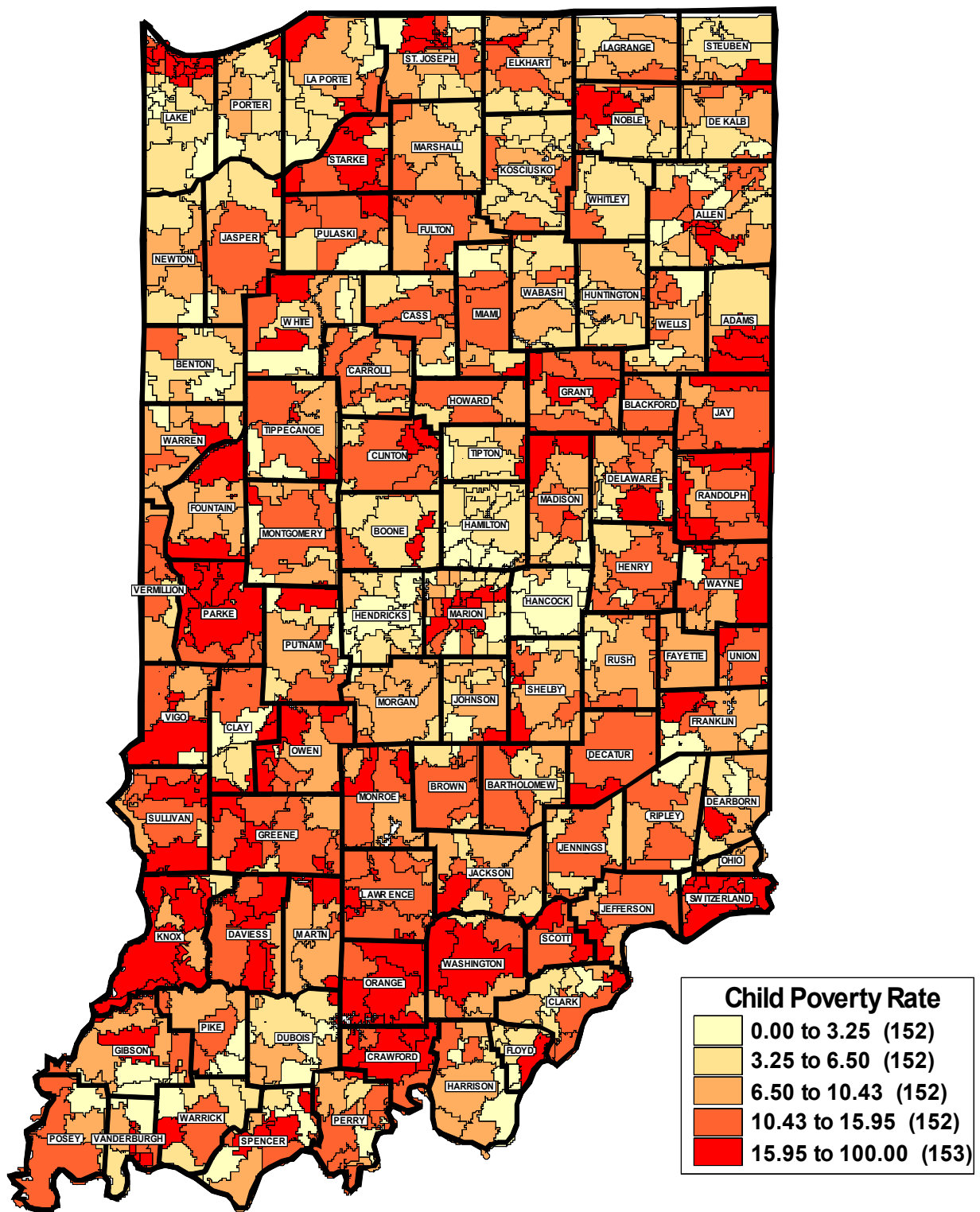
<i>Category of child maltreatment</i>	<i>%</i>
Gender	
Male	55.9
Female	44.1
Ethnicity	
Caucasian	64.2
African-American	27.6
Mexican-American	.9
Native American	.1
Puerto Rican	.1
Central/South American	.1
Other Hispanic	1.4
Asian/Indian	.2
Multi-Racial	3.0
Other	2.4
Age at time of assignment	
Less than one year old	11.7
1 to 2 years old	7.4
3 to 5	10.5
6 to 12	22.2
13 to 16	34.3
17 years or older	13.9

**The Waiver and the Geography of Poverty.** Because eligibility for Title IV-E was determined primarily by family income, counties with larger populations of low-income families were in a better position to assign IV-E eligible children to the waiver. Map 4, shows rates of child poverty (based on 2000 census figures) in zip code areas across the state. As can be seen, Indiana had high rates of rural child poverty in counties along its western border and in a broad southern tier of more sparsely populated counties. There were also rural counties with high rates of child poverty along the state's east-central border and in a band of counties stretching from these to the northwest corner of the state. The greatest numbers of children in poverty in the state, however, were found in the two largest urban areas, Indianapolis (Marion County) and East Chicago/Gary (in Lake County). Everything else being equal, these are areas where there was a great opportunity to utilize the waiver.

Some counties with high rates of child poverty made considerable use of the waiver, while others did not. Table 9 shows the child poverty rate for the 20 counties in the state with the highest rates. It also shows the waiver usage percentage for each of the counties. The usage percentage is the average daily number of waiver cases throughout the demonstration period as a percent of the number of slots originally allocated to the county. Crawford had the highest waiver usage percentage (97 percent) among these 20 counties with high child poverty rates, followed by Parke (84 percent), Marion (66 percent), Knox (63 percent), and Greene (58 percent). The other 15 counties all had waiver usage figures below 50 percent.

Counties with very high rates of child poverty that made very limited or no use of the waiver are Grant (with a waiver usage percentage of 17.1 percent), Union (12.6 percent), Adams (11.2 percent), Daviess (11.0 percent), Wayne (8.7 percent), Switzerland (8.3 percent), Delaware (6.8 percent), Sullivan (5.1 percent), Orange (2.0 percent), and Starke (0.0 percent). The other five counties with high rates of child poverty listed in the table—Lake, Randolph, Scott, Vanderburgh, and Vigo—had waiver usage percentages between 20 and 39 percent.

There were different factors at work in these counties preventing a greater use of the waiver. Delaware County, for example, limited the waiver essentially to cases involving a combination of juvenile delinquency and substance abuse. But the pattern of low waiver use in counties with large numbers of poor families, whether in inner cities or in rural parts of the state, suggests a need for more pro-active technical assistance.



Map 4. Child Poverty Rate by Zip Code Areas.

**Table 9. Child Poverty Rate and Usage Percentage for the 20 Counties with the Highest Child Poverty Rate**

<i>Count</i>	<i>Child poverty</i>	<i>Waiver Usage<sup>5</sup></i>
Crawford	25.4%	97.3%
Switzerland	20.8%	<b>8.3%</b>
Daviess	19.7%	<b>11.0%</b>
Knox	19.5%	63.2%
Parke	18.5%	84.3%
Lake	17.7%	27.5%
Scott	17.7%	38.6%
Vigo	17.4%	21.9%
Orange	16.6%	<b>2.0%</b>
Wayne	16.2%	<b>8.7%</b>
Grant	16.0%	<b>17.1%</b>
Delaware	15.8%	<b>6.8%</b>
Randolph	15.8%	38.1%
Marion	15.5%	66.3%
Starke	15.2%	<b>0.0%</b>
Greene	14.6%	58.2%
Vanderburgh	14.4%	32.3%
Sullivan	14.1%	<b>5.1%</b>
Union	14.1%	<b>12.6%</b>
Adams	14.0%	<b>11.2%</b>

<sup>5</sup> The usage percentage is the average daily number of waiver cases throughout the demonstration period (that is, from the date a county implemented the waiver through 12/31/03) as a percent of the number of slots originally allocated to the county.

## Summary of Process Study Findings

The results of the process study indicate that many counties made good use of the waiver during the demonstration, operating strong, intensive services programs that were integrated into their broader child protection systems. Some of these counties were very active in utilizing their waiver slots while others used fewer of the slots available to them. There were a number of counties with exemplary waiver programs, who used the waiver to strengthen local inter-agency collaboratives and/or found innovative ways to provide services that reduced or shortened out-of-home placement of children. At the same time there were also counties that made limited or minimal use of the new program, sometimes because of self-imposed restrictions, sometimes out of confusion over waiver policy or lack of training. And there were counties that saw the waiver primarily as a fiscal device rather than a programmatic opportunity. Many counties had difficulty identifying as many eligible, appropriate cases as had been anticipated at the start of the demonstration, including counties with high rates of child poverty. At the conclusion of the demonstration period, a large majority of county OFC county administrators, including all who used the waiver extensively and many who used it more sparingly, as well as a majority of informed community stakeholders, held a positive attitude toward the waiver and wanted to see it continued.

## Chapter 3

### Outcomes and Impacts of the Waiver

The findings in this chapter are the result of several different methods. They can best be understood by identifying the waiver and control cases analyzed in the study.

1. **Statewide Waiver and Control Group Cases.** Children were selected for the waiver in counties throughout Indiana. The evaluators tracked every child assigned to the waiver regardless of the county of origin. Control children were selected from across the state through the process of pair matching described in Appendix 1.
2. **Waiver and Control Group Cases in Program Counties.** A set of 25 counties was identified during the latter phases of the study in which it was determined that the waiver was being actively used in a way that was most faithful to the intensive services model originally envisioned by the state (see Chapter 2, Part 2). The children in these counties represent a subset of the statewide group. All program county waiver children were in cases in these same counties. Most of the matched control children also came from these counties but some came from similar counties around the state (as described in Appendix 1). Analyses involving program counties are particularly useful in determining whether services or programs put in place because of the waiver may be the cause of outcome differences. For this reason, many of the analyses in the present chapter focus on the children from these counties. There were 2,262 waiver children in program counties and an equivalent number of matched control children.
3. **Waiver and Control Sample Cases.** The waiver sample was selected from another set of counties designated during the second year of the evaluation as “early implementers.” The assumption at that time was that these counties would most likely develop waiver programs, that is, that they would be the final program counties in the state. Many, in fact, were determined to be program counties. Others were not. The early implementing counties and the final program counties, therefore, were not completely coterminous. Most of the control cases



in the sample also came from early implementing counties although some of these as well came from similar counties elsewhere in the state. A detailed description of the process of selection of sample cases and their characteristics can be found in Appendix 2. There were 910 sample cases available for the present analysis.

4. **Family Follow-up Cases.** The majority of families surveyed and interviewed were from the sample cases. Follow-up was pursued, however, among a broader set of waiver and control families around the state, as was described in Chapter 2.

Outcome and impact analyses were most appropriate for the program counties (second group above). The primary source of data on characteristics and outcomes for these children and their families was the Indiana Child Welfare Information System (ICWIS). Outcome questions based on information that was not available through ICWIS or for which ICWIS data later proved to be incomplete or inadequate were addressed through special data collection methods used for sample cases (third and fourth groups). Finally, statewide trends were considered for some outcome/impact questions. Trend data refer to the entire population of children in placement (and children assigned to the waiver) during the evaluation period.

## **Effects of the Waiver on Services to Families**

Information on services to families and children was not consistently entered into ICWIS. Local offices stored information on services delivered to children and families in the local accounting system that was used to produce checks for vendors and reports to the state. Entry of such information into ICWIS as well would have constituted double entry for local case managers and bookkeepers. Consequently, the original plans of the evaluators to use ICWIS data for the types and costs of services and placements could not be implemented. Because this problem was discovered early in the evaluation process, evaluators created a fallback procedure that involved obtaining information on the delivery of services to a sample of families from their case managers. Information on cost of services and placements was not sought from workers but was collected in a separate survey of bookkeepers (see Chapter 4).

The particular case managers who provided information about sample families were in the best position to know what had been done with the families. For waiver cases, case managers had averaged 13.8 months of contact with the family compared to 14.5 months for case managers in control cases. In 90 percent of the sampled cases the case managers (or juvenile probation officers) who provided information were those that had worked directly with the family.

These case managers were asked to list all services to the child or family and the source of the services. The positive findings presented in the interim and semi-annual reports continued through the conclusion of the study: Waiver children and their families received significantly more services in several important categories than children and families in control cases. Table 10 illustrates the differences regardless of the source of the service (placement provider, community-based provider, OFC or probation worker, and other).

The differences in services should be viewed in the light of the overall similarity in problems and needs of waiver and control cases in the sample (see Figures A-1 and A-2 and subsequent factor analysis in Appendix 2).

Waiver cases received significantly more family preservation services, individual counseling, childcare and respite care, help with basic household needs, and special education services. In addition, differences were large and approaching statistical significance for homemaker services, and for marital, family or group counseling. A greater percentage of control children had clothing and supplies in placement because more control children were in placement and for longer periods of time. These findings correspond in some specific service areas (household needs, homemaker services, recreational services) to reports of families, discussed below.

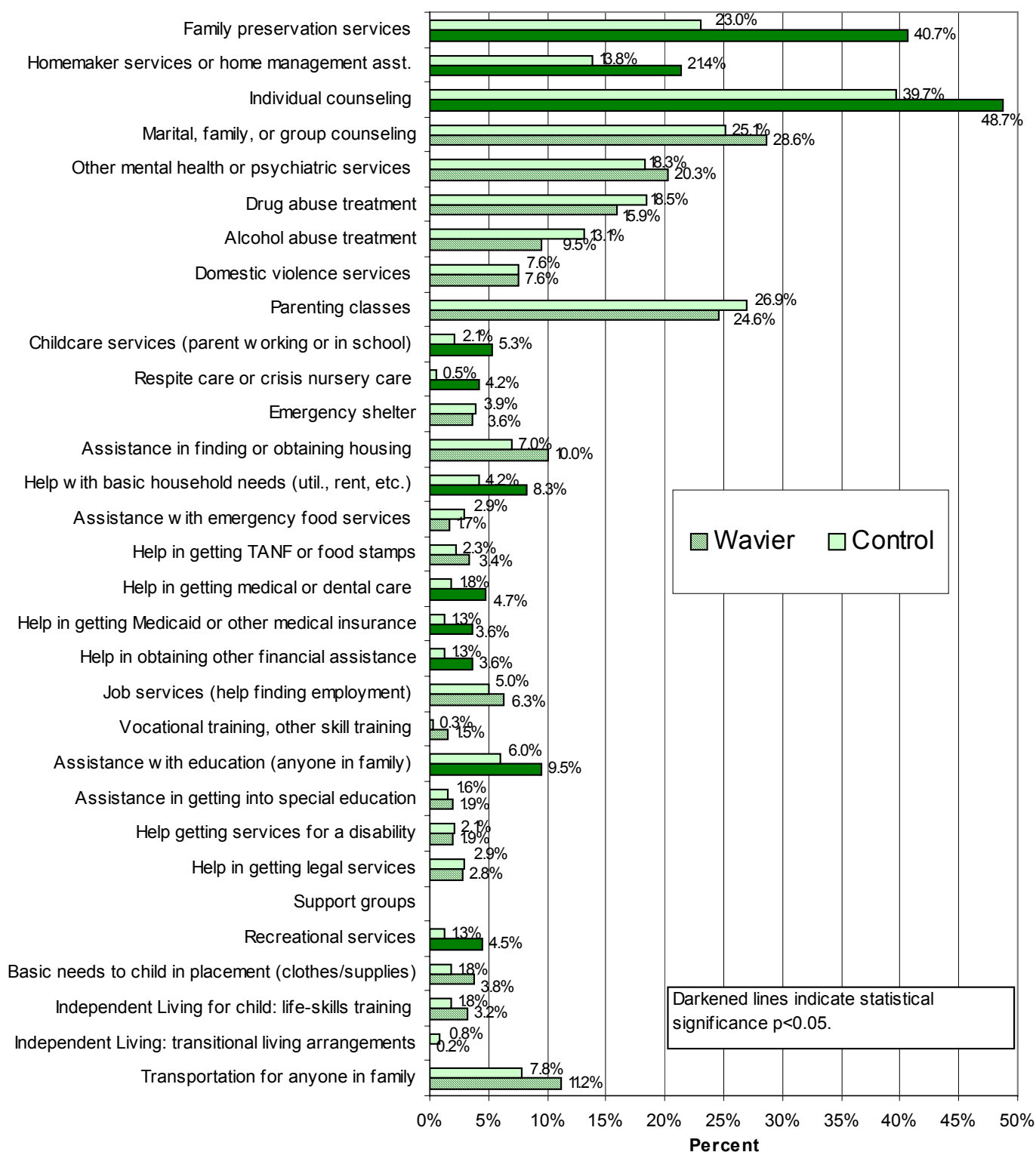
The state was specifically interested in increases in community-based services, which form a subset of all services delivered to families and children. The variation in services from community-based providers is shown in the Figure 21.

The pattern of differences in Table 10 and Figure 21, taken together, suggests a shift under the waiver in service orientation that may be viewed as an intermediate outcome of the waiver. The emphasis on utilizing Title IV-E funding to avert placement of children or to shorten the length of placement produced a shift toward services oriented to maintaining family stability. Most of the areas of difference refer to services to families while a child is in the home—FPS, homemaker, childcare, respite care, recreational. Others, such as help in getting financial or medical assistance, are family-oriented. Each area may be viewed as a positive gain for families and as a potential improvement in the well being of children served under the waiver.

Besides the shift in services, waiver families received significantly more community-based services overall. The sum of services across categories was greater for waiver children. It would be useful to know whether the increase in services under the waiver had long-term consequences for children. Unfortunately, *this question cannot be*

**Table 10. Types of Services to Waiver and Control Families and Children,  
Percent of Cases in which Services were Begun (Case-specific Sample)**

<i>Service</i>	<i>Wavier</i>	<i>Control</i>	Statistical significance
Family preservation services	55.3%	36.8%	p = 0.000
Homemaker services or home management asst.	27.5%	23.0%	
Individual counseling	72.9%	63.7%	p = 0.003
Marital, family, or group counseling	48.3%	43.3%	
Other mental health or psychiatric services	29.2%	31.1%	
Drug abuse treatment	25.0%	29.0%	
Alcohol abuse treatment	17.2%	19.8%	
Domestic violence services	9.5%	9.4%	
Parenting classes	38.3%	39.4%	
Childcare services (parent working or in school)	8.3%	4.4%	p = 0.020
Respite care or crisis nursery care	6.4%	2.9%	p = 0.014
Emergency shelter	12.1%	13.8%	
Assistance in finding or obtaining housing	13.1%	13.3%	
Help with basic household needs (util., rent, etc.)	15.3%	9.1%	p = 0.006
Assistance with emergency food services	4.5%	4.2%	
Help in getting TANF or food stamps	9.8%	11.0%	
Help in getting medical or dental care	13.8%	13.1%	
Help in getting Medicaid or other medical insurance	19.1%	21.9%	
Help in obtaining other financial assistance	7.8%	5.5%	
Job services (help finding employment)	11.0%	9.7%	
Vocational training, other skill training	2.1%	2.6%	
Assistance with education (anyone in family)	23.9%	16.7%	p = 0.009
Assistance in getting into special education	6.1%	7.6%	
Help getting services for a disability	3.4%	5.2%	
Help in getting legal services	5.3%	7.8%	
Support groups	9.3%	10.4%	
Recreational services	10.0%	8.4%	
Basic needs to child in placement (clothes/supplies)	28.4%	37.9%	p = 0.003
Independent Living for child: life-skills training	8.7%	8.4%	
Independent Living: transitional living arrangements	2.5%	3.1%	
Transportation for anyone in family	21.2%	20.6%	



**Figure 21. Community-based Services made available to Waiver and Control Children (Case-specific Sample).**

*answered directly in a study with a matched control group*, which selects control subjects on a limited set of demographic and case characteristics.

Services are an indicator of the level of response of the agency to families. However, the structure of child protection services (CPS) is such that families with greater needs receive more intensive service responses. CPS is primarily a reactive program. Preventive work is secondary in most cases. If previous reports of child maltreatment are taken as an index of risk and severity, it becomes apparent that the more extensive the history of families the greater the service response. This is quite evident in Table 11 where the two largest percentages correspond to no history/no services (56.5 percent) and long history/many services (56.0 percent). Services, then, are indicators of the seriousness of the problems and needs of families.

**Table 11. Previous Child Abuse and Neglect Reports and Provision of Services  
(Full Case-Specific Sample)**

<i>Previous CA/N reports</i>	<i>Community services</i>		
	<i>None</i>	<i>1 to 3 types</i>	<i>4 or more types</i>
None	56.2%	28.1%	15.7%
1	29.5%	39.1%	31.4%
2	18.1%	32.3%	49.6%
3 or more	14.3%	29.7%	56.0%

In this light, it is not surprising that families that receive the most services are also the families that are most likely to be seen again in the system—either with new reports and investigations or with new child removals. This was true in this evaluation for both the waiver and control groups. But it is incorrect to conclude from such an association that services to child welfare families are ineffective or counterproductive. Just the opposite is likely, but determining whether services are effective (in an impact study) requires a research approach that strictly controls for service needs as well as service approaches to families. The former requires, at the very least, random assignment to experimental and control conditions, something the evaluators were incapable of doing in the present evaluation, since the demonstration design was adopted before they were chosen to conduct the evaluation. But even with random assignment, between group similarities are often only assumed and specific knowledge of actual variation at the case level is frequently lacking and, as a result, establishing the longer-term effectiveness of specific services is, at best, problematic.

What can be said is that significantly more services were delivered in waiver cases and that the pattern of services shifted toward those that promote family stability. This in turn may reflect the displacement of waiver funds made possible under the IVE waiver from payments for foster care to community-based service providers. Further, given the attainment of certain other outcomes through the waiver, as will be seen, it is possible that the shift in the provision of services was the necessary intervening variable.

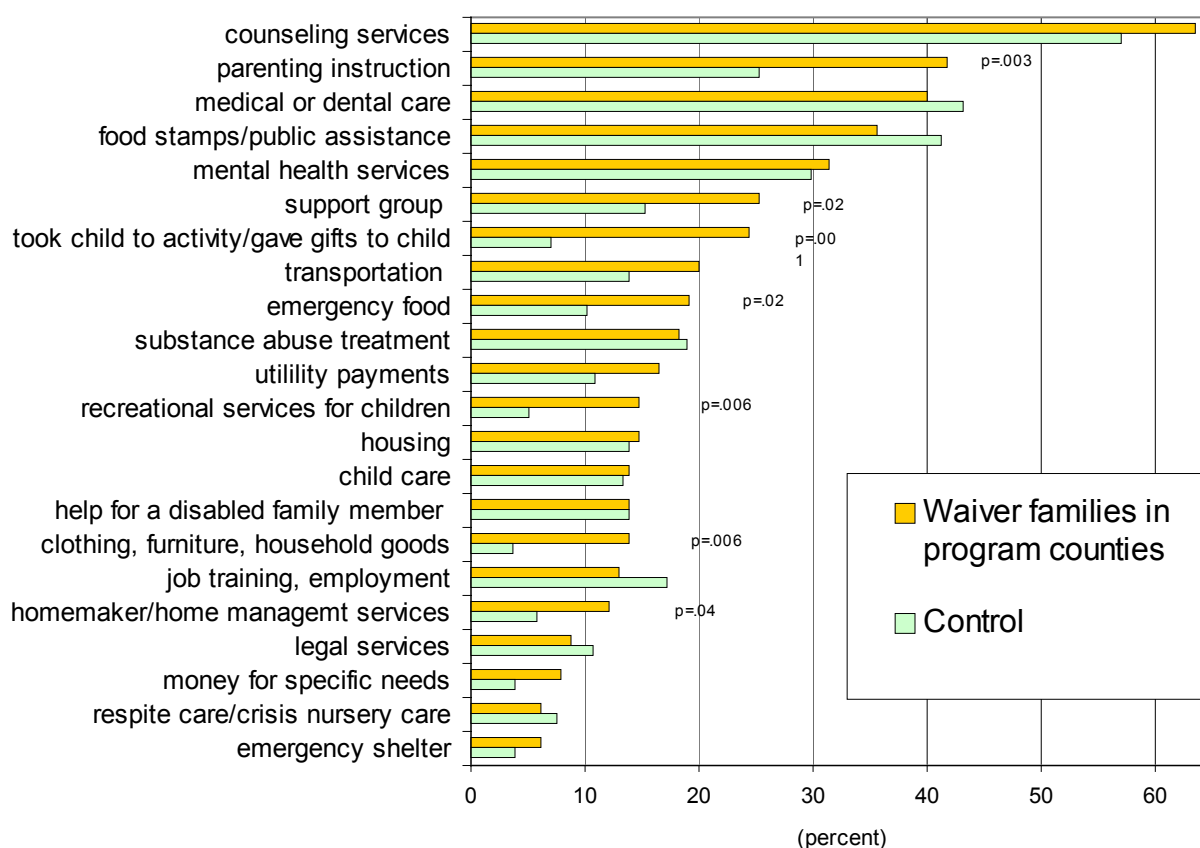
**Services Received Based on Reports by Family Members.** In surveys and interviews waiver and control families were asked about the services and assistance they had received. When the responses of all waiver families were compared to those of all control families no significant differences were found. Essentially equivalent proportions of both groups reported receiving specific services. Some differences were found, however, when families in juvenile delinquency cases were excluded and only child protection cases were considered. Differences mostly fell outside the common cut off for statistical significance ( $p = .05$ ). Nonetheless, all the trends were in the expected direction. Table 12 shows service items on which the greatest difference between waiver and control families was found.

**Table 12. Percent of Waiver and Control Families in CA/N Cases Reporting Provision of Specific Services**

<i>Service</i>	<i>Waiver families</i>	<i>Control families</i>	<i>p value</i>
Clothing, furniture, household goods	13.1%	6.2%	.03
Money for specific needs	7.4%	3.9%	.09
Took child to activity or gave gifts to child	17.7%	7.8%	.008
Emergency shelter	7.4%	3.9	.09
Parenting instruction	34.9%	26.4%	.07
Homemaker/home management services	11.4%	7.0%	.09
Emergency food	17.7%	10.9%	.06
Recreational services for children	10.9%	6.2%	.09

More significant differences were found when the reports of only waiver families from program counties were compared with those of all control families. Differences

in the provision of parenting instruction, support groups, emergency food, recreational services for children, clothing and household goods, homemaker and home management services, and taking children to activities were all statistically significant at  $p < .05$  in the expected direction. As can be seen in Figure 22, waiver families in program counties were more likely than control families to report receiving 16 of the 22 listed services. Major exceptions were medical and dental care, public assistance services, job training and employment services, and legal services.



**Figure 22. Percent of Services Received Reported by Waiver Families in Program Counties versus Control Families**

Most of these findings hold up if we consider only families in child protection cases or only families in juvenile delinquency cases, although the findings are stronger for the former than the latter. That is, differences among child protection families tend to be statistically significant at a higher level of confidence, while differences among families in juvenile delinquency cases are more likely to be statistical trends.

## Effects of the Waiver on Placement Avoidance

The original research question evaluators were asked to address was: Does the demonstration prevent further placement of children? The planned approach to this question involved analysis of monthly trends of statewide data. These are shown in Figure 23. Utilizing monthly ICWIS extractions, the analysis shows a decline in the number of children in placement each month. The solid area of the graph represents these children, with 10,139 children in placement in the month of January 1997 (a year before the waiver program began) declining to 9,377 children by December 2002.<sup>6</sup> Both waiver and control cases are included in these counts.

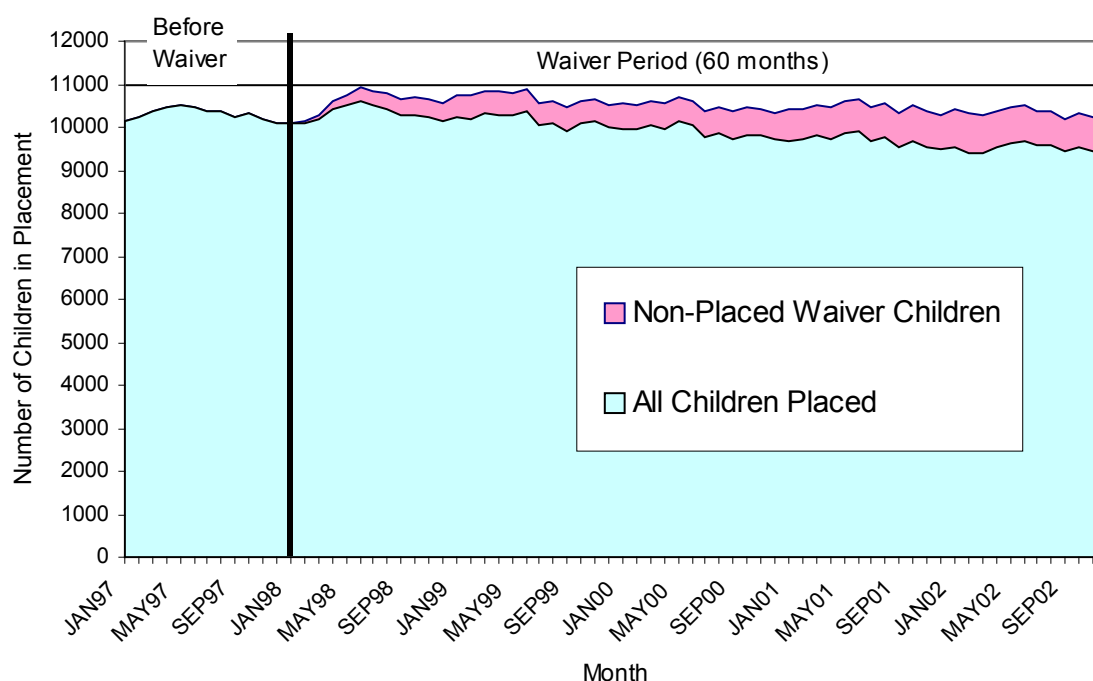
The smaller hatched area at the top of the graph represents children assigned to the waiver who were *not in placement* during a particular month. This count ranges from none in 1997 to 1,143 in December 2002. Some portion of these individuals may have been in placement had the waiver not been in effect. Three kinds of cases are represented in the hatched area at the top of Figure 23. These are: 1) waiver children who would never have been placed with or without the waiver, 2) waiver children who were placed but were not in placement during this particular month, and 3) waiver children who usually would have been placed under the traditional system but who were not placed. In the second group are children who placement *may have been shortened* by participation the waiver. In the third group are children whose placement *may have been avoided* by participation in the waiver. Children that could represent reductions in monthly out-of-home placement because of the waiver would usually be found in these two groups. In estimating placement avoidance, we use the program county differences in placement for children who were *never placed at any time during their target case*. The proportion of waiver children who were never placed at any time on the waiver was 45.6 percent waiver versus 38.0 percent control children ( $p < .001$ ).

On the assumption of waiver and control similarity, we would assume that 7.6 percent of the never placed waiver children would have been placed in the absence of the waiver. The apparent trend of waiver children outside of placement visible in Figure 23 is upward. A steady state trend is, therefore, the most conservative estimate of future numbers in this population. In the final month of the evaluation (December 2002), there were 1,143 waiver children out of placement. Applying the never placed percentage difference to this group, the monthly placement avoidance is 87 children. The 9,377 children in placement during this month indicated a monthly reduction in placement of

<sup>6</sup> The counts represent children in placement on at least one day during that month.



slightly less the one percent (.92 percent). More effective and widespread use of the waiver would result in an increase in these percentages.



**Figure 23. Monthly Trends of Children in Placement and Waiver Children Not Placed.**

This method was conservative in that it utilized differences in the proportions only of waiver and control children *never placed*. It did not take into account reductions in the length of placement of waiver children that were placed. In addition, the method of applying the proportions to the state population of placed children was conservative in that it assumed a steady state of assignments to the waiver based on those of the last month of the demonstration when, in fact, assignments to the waiver have increased since the start of the program. Consequently, the actual placement avoidance could have been substantially higher but was unlikely to be lower.

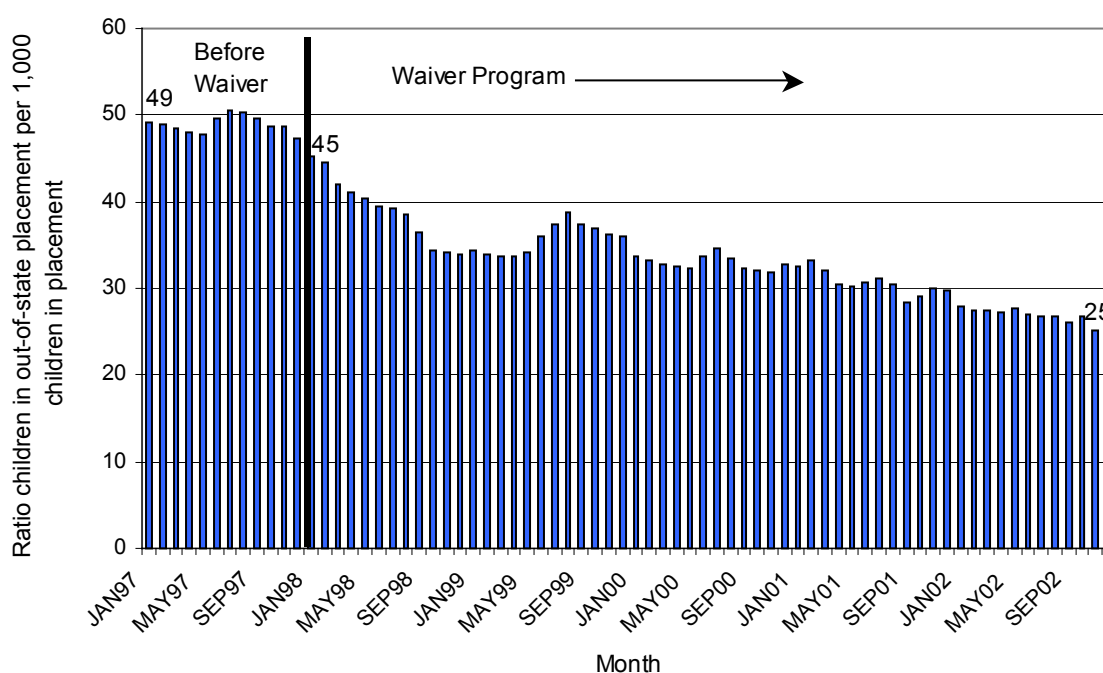
Support for the waiver's impact on placement avoidance can be seen by considering only cases that closed prior to the end of the demonstration period. Nearly identical percentages of waiver and matched control cases had closed—88.2 percent vs. 88.7 percent. The percent of closed waiver cases in which placement had not been made was 58.6 percent, compared with 50.0 percent for all matched control cases. Among waiver cases in program counties, this figure was 66.1 percent. Of the cases of children assigned to the waiver that remained open at the end of the demonstration period, 79.4 percent had never been placed outside their family homes. Among open matched cases

the figure was 57.2 percent. Among open waiver cases in program counties, 84.7 percent had never been placed outside their family homes.

Finally, another way to consider placement avoidance is to compare the amount of time children in waiver and control cases remained at home while their target case was open. Among the 5,277 children assigned to waiver slots, the combined length of their target cases totaled 2,897,021 days. Of these, they remained in their homes a total of 1,896,986 days and were placed outside their homes 1,000,035 days. The percent of time they remained at home was 65.5 percent. By comparison, the percent of time the 5,252 matched control children remained in their homes during their target cases was 41.3 percent (1,237,686 days at home / 2,996,844 total case days).

### Effects of the Waiver on Out-of-State Placement

The rate of children in placement settings outside the state of Indiana has declined steadily since the waiver began, according to monthly ICWIS files (Figure 24). The number per 1,000 children in placement was above 45 for each month of the year preceding the beginning of the waiver program and declined from 45 in January 1998 to 25 per 1,000 in December 2002.



**Figure 24. Monthly Trends of Children in Placement Outside Indiana per 1,000 Children in Placement.**

The exact portion of this decline that can be attributed to the IV-E Waiver is difficult to determine with certainty. Reduction in out-of-state placement had become a goal of the state agency about the time the waiver began, and the waiver was seen as one tool to use in achieving it. The percentage of all waiver cases in which there was out-of-state placement during the demonstration period was small, .21 percent. The percentage of out-of-state placement among all matched control cases was a little larger, .72 percent, although still relatively low. As a proportion of placement types, placement out of state accounted for .37 percent of all out-of-home placements among waiver cases and .90 percent of all placement among matched control cases. While out-of-state placement was somewhat more common among non-waiver, matched cases than waiver cases, the number of days spent out of state was also greater for the control group. The average number of days in out-of-state placement for waiver cases was 287; for control cases the average was 385 days. For the full population of waiver and matched control cases, the number of days spent in out-of-state placement totaled 3,159 compared with 14,645 for control cases.

Turning to data in the program counties, a statistically significant difference was found when waiver and control children were compared (Table 13). The comparison in the table is between children who were in placement during their target case, and sets aside both waiver and control children who were not placed at all. Placement outside Indiana was determined by the address of the placement provider. Because children often move from one provider to another during their stays in placement, they were counted as in “out-of-state placement” if they were ever in such a placement setting *during the target case*, that is, the case in which they were assigned to a waiver slot or the case that led to control group selection. For children whose cases or placements began before the beginning of the waiver program in January 1998, only out-of-state placements from this month forward were counted.

**Table 13. Percentage of Waiver and Control Children in Out-of-State Placement to All Children in Placement During Target Case in Program Counties**

	<i>Waiver (1,067)</i>	<i>Control (1,210)</i>
Never placed outside the state	98.5%	96.7%
Placed outside the state at least one time	1.5%	3.3%

\* p = .004

As can be surmised from Figure 24, the number of children placed outside the state was small. Of the 1,067 waiver children who were placed, 16 were placed at some point outside the state, and of the 1,210 control children similarly placed, 40 were placed outside the state. The difference lies in teenage children: 5 of the 16 waiver children were 12 years old or older as compared to 24 of the 40 waiver children. The difference among teen children was statistically significant as well ( $p = .001$ ).

## **Effects of the Waiver on Distance from Home to Placement Setting**

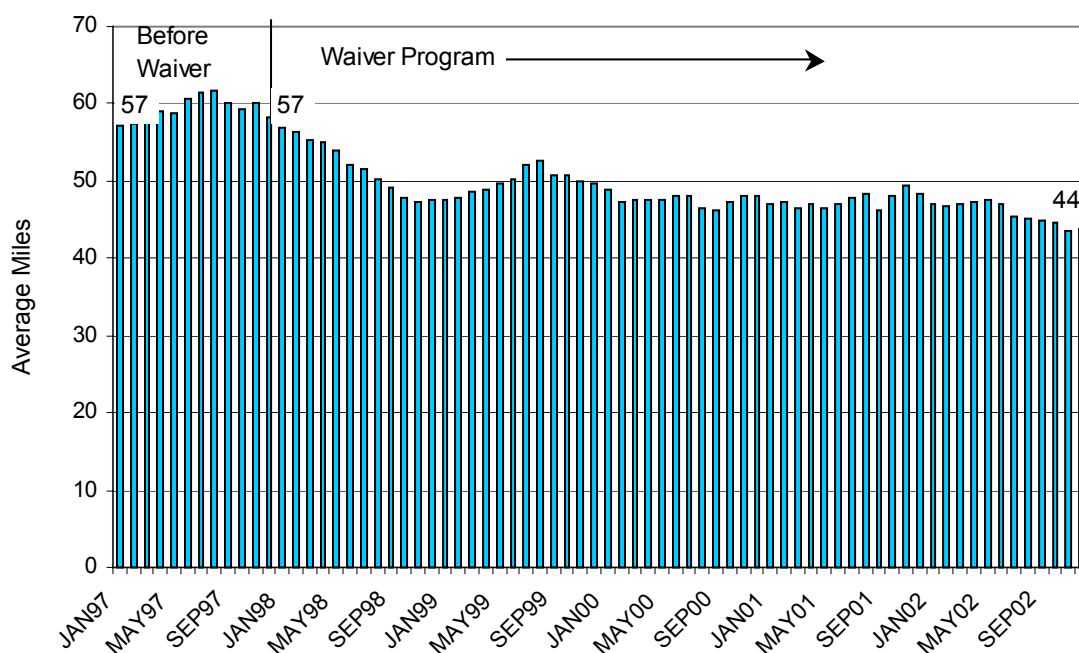
Placing children relatively close to their natural homes facilitates visitation of children with their parents and in this sense is thought to increase the likelihood of reunification. A goal of the state, therefore, was to reduce the distance between placement settings and homes of natural families.

One approach is to attempt to determine the proportion of children placed outside their communities to all children placed. While this approach would be ideal, it was not feasible for statewide analysis, because relatively arbitrary definitions of community boundaries would have been necessary. The method utilized was based on the assumption that placements outside the community would be reflected in the average distance from the homes of children to the location of placement providers.

To avoid geocoding the thousands of addresses of families and placement providers, the geographic centroids of the zip code areas of addresses were used. Using a customized program, the miles between these two points were calculated for each child. The method determined an average distance for each child that took into account the length of placement and multiple placement providers. The monthly average of all children in placement in Indiana is shown in Figure 25. The average for the entire year of 1997 was 59 miles. The average at the beginning of the waiver in January 1998 was 57 miles and declined to 44 miles by December 2002.

Turning again to data from the program counties, the average distance from home to placement was calculated for each waiver and control child for all placements during their target case. Waiver and control children who were not placed were excluded from the analysis.

The average distance of placed waiver children in program counties from home to placement was 22.2 miles compared to 26.3 miles for control children. This difference was not statistically significant in a simple comparison of means ( $p = .193$ ). Further, there were no significant effects of the waiver when the age and previous placements of



**Figure 25. Average Monthly Distance from Home to Placement Providers of Children in Placement in Indiana**

children were used as covariates. If the waiver was implicated in the reduction of the distance from home to placement setting shown in Figure 25, it was not evident in the program counties.

## Effects of the Waiver on the Length of Placement

The research question was whether the availability of the waiver might bring reduced length of placement. Placement here refers to a child's entire *placement episode* (see definition in Chapter 2, Part 3) from removal through reunification, adoption, guardianship, or other outcome. A child may be in the care of one or several different placement providers during this period. Children may also have multiple placement episodes. Reduced length of placement refers to the number of days in the first placement episode during the target cases. A target case refers to the case in which a waiver child was first assigned to a waiver slot or to the corresponding case in which a control child was selected through matching.

Among children assigned to the waiver who were placed outside their homes, the average length of time they were in placement during the target case was 336 days. For children in matched control cases who were placed, the average length of placement during the target case was 418 days. When all waiver and control cases are considered, including those not placed at all, the mean number of days placed outside the home was

190 for waiver children and 335 for control children. In order to gain greater confidence in the effect of the waiver on length of placement, a series of analyses were conducted on 1) cases from program counties and 2) cases in the study sample.

**1) Program County Analysis.** The mean number of placement days for the full population of waiver children in program counties was 190 days. For the matched control cases of these children, the mean was 210 days. These figures are based on the mean for all program waiver and control cases, whether they had been placed outside the home or not. While this difference was statistically significant ( $p = .036$ ), it is based on the assumption that all children, whether waiver or control, who were not placed during the target case were averted from placement. This was certainly true for some children but it is unlikely that it is true for all children who were never removed.

A more conservative approach is to consider only the children who were actually placed when calculating length of placement. This approach has the disadvantage of ignoring children who would have been placed but because of the waiver were not. (This is discussed further below, based on response of case managers concerning sample cases.) Another consideration is that certain children were still in placement at the conclusion of the demonstration. Length of placement is unknown in these cases. Finally, the original proposal and evaluation work plan called for separate analyses of waiver children who were already in placement prior to the beginning of the demonstration and children who were placed after the demonstration began. In some instances, older youths were assigned to waiver slots who had been in substitute care for many years. (The earliest placement date of a waiver child in the program counties was September 1984.) It is less likely that the waiver would be used to speed reunification or adoption of children who were already in long-term placement and more likely that it would be used to foster independent living.

No significant difference was found for children whose placements began prior to the beginning of demonstration. However, a difference that amounted to a statistical trend was found for children who were assigned to the waiver and entered placement after the waiver demonstration was initiated. The mean for program county waiver children in this group was 290 days and for control children it was 314 days ( $p = .083$ ). In program counties, there were 864 waiver children and 1,008 control children in this category. The age of the child is a factor in length of placement. A GLM univariate analysis with the age of the child at the start of the target case as a covariate showed significant effects for age ( $p = .034$ ) and the same trend for waiver and control group membership ( $p = .078$ ). The estimated marginal means were 290 days for waiver children compared to 316 days for control children.

**2) Analysis of Sample Cases.** Risk to the child and severity of child maltreatment are factors that are typically related to whether or not a child is removed from the home and may also be related to the length of placement. Data on risk and severity of cases was not consistently available through ICWIS and so could not be introduced into analyses of the full population of cases statewide or of cases in program counties. However, information of this type was obtained through case managers for sample cases. Accordingly, data on risk and severity were introduced into analyses of placement length in sample cases in order to control for unknown dissimilarities between waiver and matched control cases.

**Methodological Note.** Detailed analyses of ratings obtained from case managers on waiver and control children, caretakers and families can be found in Appendix 2. In the same appendix, a factor analysis is described that provided a simplified set of scale scores that could be applied to each child and family. The first two factors were most relevant to the current analysis. These were: 1) the severity and risk of child abuse and neglect (CA/N) and 2) the severity of delinquency. The items associated with the first factor were actual types and severity of child abuse and neglect of various types, parenting problems, drug and alcohol use in the family, family relationship problems, and financial problems. The underlying variables are indicators of past CA/N as well as predictors of the likelihood of future incidents. The delinquency factor was primarily associated with out-of-control or delinquent behaviors of the child or youth but was also associated with lack of supervision of older children, inconsistent discipline by parents, and poor communication and relationships in the family. The latter are risk factors for delinquent behavior of children. Table 14 shows the mean factor scores for the children in the sample who had been placed. The means scores on severity and risk of CA/N for the waiver and control group were not significantly different. Delinquency scores for waiver children were higher on average than control, primarily because of the larger number of actual delinquents in the waiver population.

**Table 14. Mean severity scores for child abuse and neglect and for delinquency of sample children in out-of-home placement**

	<i>Waiver children in placement</i>			<i>Control children in placement</i>		
<i>Severity factor items</i>	<i>Mean</i>	<i>Minimum and maximum</i>		<i>Mean</i>	<i>Minimum and maximum</i>	
Severity and risk of CA/N	<b>0.10</b>	-1.75	3.25	<b>0.07</b>	-1.75	3.47
Severity of delinquency*	<b>0.15</b>	-1.74	3.01	<b>-0.02</b>	-1.88	2.78

\* p = .052

These measures also speak to an issue of some importance for a study that combines children in CA/N cases (protective services) with juvenile delinquents and status offenders. About one fifth of delinquent cases (20.2 percent) had CA/N risk/severity scores above the 90<sup>th</sup> percentile. Conversely, about a quarter of CHINS (24.8 percent) had delinquency scores above the 90<sup>th</sup> percentile. There is overlap between these populations, particularly among children in their middle to late teens. Thus, the utilization of the factor scores in the analysis shown in Table 14 is a stronger method than simply using designations of case type. In other words, it is better to use a measure of the severity (and possible future risk) of delinquency across the population than a case designation of a child as delinquent. Furthermore, the analysis suggests that it is not anomalous to combine these populations under a waiver from Title IV-E.

Length of Out-of-Home Placement among Sample Cases. There were 257 waiver children in the study sample who were *placed after the waiver began and whose placement had ended before the conclusion of the demonstration*. There were 250 comparable control children. There were also 30 waiver children in the study who, according to case managers, avoided placement because of community-based services that would not have been provided without the waiver.<sup>7</sup> Comparative analyses of these 30 children showed no significant difference between them and other waiver or control children who were placed on the two risk/severity factors described above or for any of the other seven factors in the factor analysis (Appendix 2). Therefore, in assessing the impact of the waiver on placement length, these children were added to the 257 placed waiver children in the study sample.

The analysis used severity and risk of CA/N, severity of delinquency, and the age of the child as covariates. Controlling for these factors, a significant difference was found between the length of stay of waiver and control children (Table 15). The estimated marginal mean length of stay in placement for waiver children was 271 days and for control children was 319 days.

The relative reduction in length of placement of waiver children compared to control children found above in the analysis of program counties was 8.2 percent  $((316-290)/316)$ . In the analysis of sample cases, in which children who avoided placement because of the waiver were included and which controlled for characteristics of children and families relevant to placement and length of placement, the reduction in days in placement was found to be 15.0 percent  $(319-271/319)$ .

---

<sup>7</sup> As reported in Chapter 2, Part 2, a number of counties utilized the waiver precisely in this way, preventing placement through the provision of community-based services.



**Table 15. ANOVA Results for Length of Stay in Out-of-Home Placement During the Target Case**

<i>Source</i>	<i>Sum of squares</i>	<i>df</i>	<i>F</i>	<i>Sig.</i>
Corrected Model	5100810	4	15.3	0.000
Intercept	12747773	1	153.4	0.000
Severity and risk of CA/N	2391015	1	28.8	0.000
Severity of delinquency	7.446815	1	0.0	0.992
Age of Child	922688	1	11.1	0.001
Waiver-Control groups	328857	1	4.0	0.047
Error	44222672	532		
Corrected Total	49323482	536		

Adjusted R Squared = .097

## Outcomes of Placements

The outcome at the conclusion of out-of-home placement reflects the final order of the juvenile or family court for the child. OFC case managers entered a code into ICWIS explaining why a placement change was made each time a child was moved from one placement provider to another. By analyzing these codes, evaluators were able to determine the permanency outcome for children for whom placement was terminated. Table 16 shows the final placement outcomes for waiver and control children in program counties.

One of the original research questions for this evaluation was whether the time from case opening to the permanency planning hearing was shorter for waiver cases. However, this could not be determined from available data. Permanency planning occurred for each of the children in Table 16 and for most other children who remained in placement at the conclusion of data collection. This could be seen in ICWIS data. However, while OFC personnel regularly entered dates and types of court hearings into ICWIS, the outcomes of court hearings were entered in only a small minority of cases. Thus, while dates of permanency planning hearings were known for each child in the study as well as those of the disposition and various dispositional review hearings, the outcomes of such hearings were frequently not known. Because the outcomes of hearings could not be gleaned from ICWIS, they could only have been obtained through reviews of juvenile and family court MIS and paper records around the state.<sup>8</sup>

<sup>8</sup> The original evaluation work plan was based on the assumption that the disposition of cases and changes in disposition at various court hearings would have been entered into the appropriate fields in ICWIS.

**Table 16. Final Outcomes of Placement in Target Case of Waiver and Control Children in Program Counties**

<i>Final placement outcome</i>	<i>Waiver</i>	<i>Control</i>
Reunification with parents or primary caregivers	74.0%	60.6%
Trial home visit - no return to placement	1.3%	1.6%
Placement with non-custodial parent	2.8%	4.7%
Placement with prospective adoptive family	7.8%	14.7%
Guardianship	3.5%	5.6%
Relative placement - no further placement	1.7%	1.6%
Independent living	0.5%	0.6%
Emancipation	1.3%	1.5%
Transfer to another agency	1.8%	2.5%
Judges order	3.3%	3.2%
Runaway	1.0%	0.5%
Other	1.1%	3.0%
Total percentage of children	100.0%	100.0%
Total number of children	1,002	1,090

**Effects of the Waiver on Reunification with Parents.** Children placed outside the home who were assigned to waiver slots were reunified with their parents significantly more often than control children. By combining the top three categories in Table 16, we can see that 76.7 percent of waiver children were reunified either with the original caretaker or with a non-custodial parent compared to 66.0 percent of control children. This difference is statistically significant ( $p = .05$ ). These figures include some children who were reunited quickly in that 24.2 percent of waiver and control children (combined) returned to a parent in less than 60 days. These were typically cases that were returned shortly after temporary protective custody or at the time of adjudication or disposition. Over two thirds (68.8 percent) of these children were returned in less than one year. The goal of placement is typically set as reunification early in cases and is changed to other goals later when the agency and the court determine that serious barriers to reunification exist. The goal of placement for the majority (56.5 percent) of cases that

---

Direct reviews of court records were not planned. The evaluators have experience in reviewing juvenile court records (both paper and MIS) in other states. Beyond the problem of obtaining permission from the courts in each county to view records and creating confidentiality protocols, the completeness and organization of records varies greatly from court to court and even among different judges in the same court. Some local courts have automated records but many courts in smaller counties do not. Such a review, even on a sample of children in the program counties, was beyond the planned scope of the evaluation. Evaluators considered asking case managers in the case-specific sample to provide such information but felt that it would have required most to return to case files and would have seriously reduced the overall rate of response.

were later reunified, therefore, was reunification with the family. A greater proportion of waiver children, for whom a goal other than reunification had been set, were returned to their parents than control children. The reasons for this difference are not known. The number of days to reunification was longer in waiver cases (mean of 338 days) than control cases (mean of 273 days).

We should also note that because this analysis is limited *only* to waiver and control children that were removed and placed, it does not take into account placement avoidance. It cannot be assumed that all children who were never placed would, if placed, have returned to their parents. However, it is likely that this would have been true of some of these children, and since placement avoidance was achieved for a proportion of waiver children, the proportions provided above for reunification should be considered to be conservative.

**Effects of the Waiver on Time to Termination of Parental Rights.** The relationship between the IV-E waiver and termination of parental rights (TPR) is difficult to assess. The reason for this lies in the nature of cases studied. A large portion of cases in both the waiver and control groups in program counties had a history with the agency. Over a quarter of all children in the study population had been in previous out-of-home placements—25.7 percent of waiver children and 25.8 percent of control children. A history with the agency and particularly a history with the juvenile or family court may affect the process of termination of parental rights.

ICWIS contains information on the dates of court hearings for voluntary and involuntary TPR and the final TPR decree for each parent. For purposes of this evaluation the time from the beginning of placement to the first TPR hearing date was taken as a measure of the time to the beginning of the TPR process. Considering all cases in the study population, waiver and control, 395 TPR proceedings were begun during the demonstration period. The time from the start of placement to the beginning of TPR was significantly longer ( $p = .026$ ) for waiver (mean of 688 days) than for control children (mean of 620 days). Differences in time to TPR may be a consequence of differences in case severity or safety problems between waiver and control cases that could not be controlled in the matching process. That there were more family reunifications in waiver cases may also contribute to this time difference. These factors may also be reflected in the frequency of TPRs, which occurred in 7.4 percent of waiver cases and 10.3 percent of control cases. (In program counties TPR occurred in 5.7 percent of waiver cases and 9.3 percent of control cases.)

**Adoption.** While a greater percentage of waiver children were reunified, a greater percentage of control children were placed with prospective adoptive families (p

< .001). The actual percentages across both populations as a percentage of all children whose placements had ended were: waiver, 3.4 percent and control, 7.1 percent. A similar difference, although with even smaller numbers, was evident in the guardianship category. The days from removal to adoption were slightly smaller for waiver (763 days) than control (798 days) but the difference was not statistically significant. The lower percentage of placements related to adoption in waiver cases may reflect the higher rate of parental reunifications, cases in which alternative permanent situations were not required.

**Independent Living.** There was interest at the initiation of the evaluation in whether the waiver might have an effect on the independent living program in the state. There were no county waiver programs that targeted independent living per se, although independent living could be addressed on a case-by-case basis within county programs. However, only a handful of children were found for whom a placement outcome was categorized as independent living (see Table 16), too few to permit any analysis. Such placements refer to transitional living programs, such as supervised apartments or semi-independent group homes. A broader set of children who were in foster or residential care beginning at about age 15 years began to receive independent living *services*. This usually consisted of life-skills training classes. Some evidence of such services were found in ICWIS records but, as indicated above, ICWIS was not consistently utilized by county offices to store services records, which were instead entered into 92 separate local bookkeeping systems to which the evaluators had no direct access.

Among cases in the sample, where service information was sought directly from the caseworker responsible for the case, 3.1 percent of control children versus 2.5 percent of waiver children were placed in transitional living programs, and 8.4 percent of control children versus 8.7 percent of waiver children had been enrolled in life-skills training. Neither of these differences was statistically significant.

## Subsequent Placement Episodes

Subsequent placement refers to any new removals of the child and returns to out-of-home placement after the end of the target placement episode for children who were placed or the end of the target case for children who were not placed. For children who were not placed during the target case, the period was counted from the end of the target case.

Two things limited the possibility of subsequent placement episodes. The first was that children age out of the system. The second limitation was the December 31,

2002 cutoff date for data analysis. Accordingly, the period between the end of placement or the end of the case and either the date of a child's eighteenth birthday or the end of data collection is referred to here as the *opportunity period* for placement recurrence. Opportunity periods were, of course, different for each child in the study. To control for this difference, the subsequent placement measure was calculated as a ratio to the number of days of opportunity as a standard score.<sup>9</sup>

Another variable was closely related to subsequent placement episodes. Children who were previously placed or placed during the target case were more likely to be placed again during the opportunity period, regardless of whether they were assigned to the waiver or not. For example, in program counties 23.3 percent of children who had been in a completed placement episode before their target cases opened were subsequently placed. At the same time, only 2.8 percent of children who had never been placed in a prior opened case were placed after their target case closed. The analysis of the full population of waiver and control children from program counties included the number of previous placements as a covariate.

The raw percentage of waiver children with subsequent placement episodes was somewhat higher (14.8 percent) than the percentage of control children (11.4 percent). However, the opportunity period for each child varied greatly, as indicated, and when this was taken into account, no difference between waiver and control children was found in this analysis. The estimated marginal means of this ratio were -.12 for 1,700 waiver children and -.10 for 1,567 control children ( $p = .84$ ).

If subsequent placement is redefined to include only placements after the target case has closed (that is, discounting returns to placement while the initial case is open), the raw percentages are somewhat different. For all waiver children whose case closed prior to the end of the demonstration period, 5.0 percent had a subsequent placement episode in a new case opening before 12/31/02. For all control children, this figure was a little higher, 7.7 percent. There was a slightly larger between group difference in program counties, where 4.6 percent of the waiver children in closed cases had a subsequent placement episode prior to the end of the demonstration period, compared with 7.9 percent of the matched control cases for these children. When the percent of cases with subsequent placement episodes was calculated as a percent of all cases, closed or not, the between group differences were smaller but in the same direction: 3.0 percent

---

<sup>9</sup> Standard scores ( $z$ ) of days during the opportunity period were calculated separately for the waiver and control groups. The ratio was  $1/z$  for children who were subsequently placed and 0 for children who were not.

of all waiver cases versus 4.5 percent for all control cases; in program counties 2.3 percent of all children in waiver cases had a subsequent placement episode before the end of the demonstration versus 3.7 percent of children in their matched cases.

Finally, the amount of time (that is, the number of days) children were in out-of-home placement after their target case closed through the end of the demonstration was examined. Taking into account the opportunity period for each child, waiver children, as a group, spent 3.0 percent of days available to them in placement, compared with 5.3 percent of the days available to matched control children. In program counties, the between group difference was, again, larger. Waiver children in these counties spent, as a group, 1.7 percent of the available days from case closure to the end of the demonstration in placement outside their homes, while children in their matched cases spent 5.4 percent of the days available to them in placement.

## Recurrence of Child Abuse and Neglect

An important measure of long-term effects of child welfare programs is recurrence of child abuse and neglect reports and of substantiated investigations. The measurement of program recurrence began after the conclusion of the target case and like the analysis of placement recurrence took into account the opportunity period for new reports as discussed above.

The analysis of recurrence included comparison of waiver and control cases for all new reports and findings, and for new reports by category. The broad categories analyzed were neglect, physical abuse and sexual abuse. Because ICWIS provides another level of detail in reports and findings of child maltreatment, each of these general categories were in turn broken down further and variations in sub-categories were examined. The analysis looked at variation in reports in the following areas:

**Neglect:** Educational neglect, lack of supervision, lack of food, lack of clothing or shelter, malnutrition, poor hygiene, environment threatening to life or health, fetal alcohol syndrome, drug related problems of children, medical neglect, failure to thrive, locking in or out, abandonment, confinement, and death.

**Physical Abuse:** Inappropriate discipline, bruises, cuts or welts, wounds, punctures or bites, burns or scalds, shaking, dislocation or sprains, alcohol abuse problems of children, bone fractures, drowning, drug abuse related problems of children, shaken baby syndrome, gunshot wounds, asphyxiation or suffocation, internal injuries, poisoning, skull fractures, and brain damage.

**Sexual Abuse:** Child molestation, sexual seduction of a child, criminally deviant conduct, exploitation, using for pornography, harmful or obscene performance, incest, indecent exposure, prostitution, sexual misconduct with a minor, and rape.

The percentage of children in the study population with a new report of child maltreatment before the end of the demonstration period was 18.5 percent. This included new reports of child neglect on 13.9 percent of the children whose cases had closed, new reports of physical abuse on 6.7 percent and new reports of sexual abuse on 4.4 percent. No significant differences were found between waiver and control cases on any of these figures. Nor were significant variations found within subcategories. This applies to the full waiver and control populations and to the subset within program counties.

The percentage of children with new reports that were substantiated was 5.4. This included 3.2 percent with substantiated reports of neglect, 1.2 with substantiated reports of physical abuse, 3.0 percent with substantiated reports of sexual abuse and 0.7 percent with multiple types of maltreatment that were substantiated. As above, no significant differences between waiver and control groups were found either for the entire study population or for cases within program counties.

With respect to cases in the study sample, no differences were found overall or in specific categories either in simple or controlled analyses.

## **School Performance**

School performance has been taken as an important indicator of child well-being and a measure of improvement in the development of children. It had been anticipated that ICWIS would be an important source of school-related data. However, data entered by case managers into ICWIS on school performance was incomplete for a high percentage (91.1 percent) of the children in the study population. The quality and completeness of the data varied by county and, therefore, the set of children on whom relatively complete data was available could not be considered representative. Similarly, given the statewide nature of the demonstration in Indiana, obtaining data on school performance of children from individual schools, a problematic venture even on a very limited set of locations, proved to be impracticable. Accordingly, the case-specific survey on the study sample became the primary source of school performance data with some school-related data provided by families in surveys and interviews.

In the study sample, school-related information was obtained on 686 school-age children. This included 409 children in cases assigned to the waiver and 277 children in control cases. Three indicators of school performance were collected: whether the children were in school at the close of the case; their assessed progress if in school; and their grade level by age.

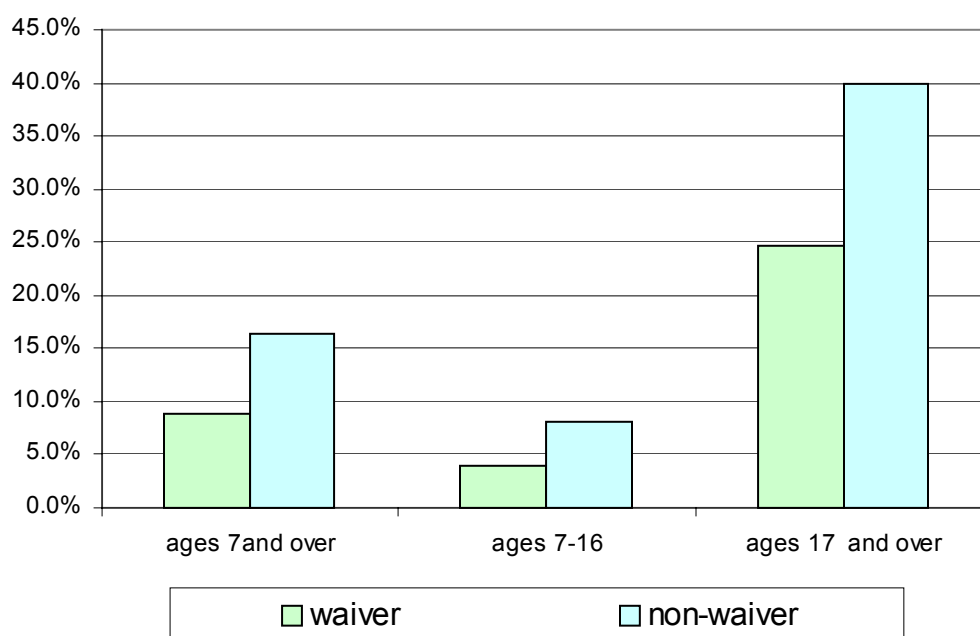
**In School versus Not in School.** A comparison was made between the percentage of waiver and matched control children who were in school when their case was closed. Children who were not in school had either dropped out voluntarily or had been expelled or suspended. Considering, first, all children over the age of 6, a higher percent those assigned to a waiver slot were in school (91.1 percent) at the time their case was closed than were children in control cases (83.6 percent). This difference was most noticeable for children adjudicated delinquent: 87.0 percent of delinquent youths in waiver cases were in school at case closure compared with 71.6 percent of their control counterparts. Among CA/N children, the difference was small: 95.1 percent of waiver children over 6 were in school versus 91.8 percent of matched control children.

Among children aged 7 to 16, the difference in school attendance between waiver and control children was smaller: 4.0 percent of the waiver children were not in school at case closure compared with 8.1 percent of matched control children. For CA/N children the difference was quite small, 1.7 percent of waiver children were not in school compared with 2.3 percent of control children. The difference among delinquent youths was greater. The percent of these youths not in school was 7.0 percent among waiver children compared to 19.7 among control youths.

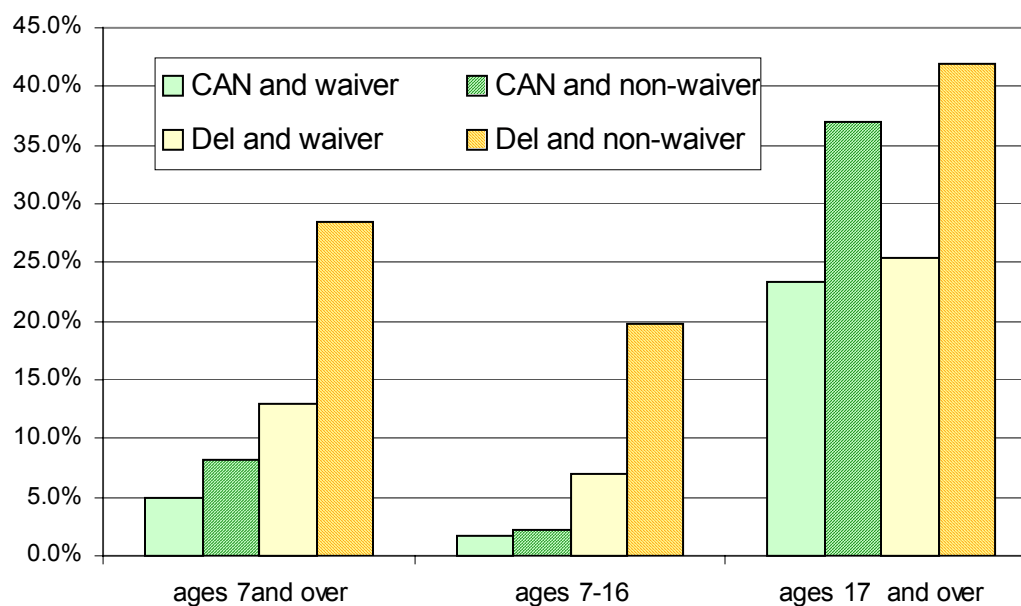
This general pattern continued for youths aged 17 and older, but with greater differences. Among all waiver children in the study population who were 17 and older, 24.7 percent were not attending school at the close of the case compared with 40.0 percent of all matched control children. Among CA/N youths in this older age group, 23.3 percent of those assigned to the waiver were not in school while the percent for older control youths was 37.0 percent. Among delinquent youths, the differences were again somewhat greater, with 25.4 percent of waiver youths not in school compared with 41.9 percent of control youths.

The percent of waiver and control children not in school at case end can be seen in Figures 26. Figure 27 breaks these data down for CA/N and delinquent youths.





**Figure 26. Percent of All Waiver and Control Children Not in School at Case End**



**Figure 27. Percent of CA/N and Delinquent Waiver and Control Children Not in School at Case Closure**

**Grade Level by Age.** The mean age of waiver and control children in the study sample who were between the ages of 7 and 16 was the same, 14.25. Of the children in school at the close of their case, waiver children averaged about half of a grade higher.

For example, among children between the ages of 7 and 16, the average grade level of those assigned to the waiver was 6.9 while the average level of control children was 6.3. This difference tended to be found among adolescents and pre-teens. The average grade level of children under 10 years of age was essentially the same, 2.3 for waiver children and 2.2 for control children.

**Assessment of Progress.** Both case managers and parents/caregivers were asked to assess the progress of children who were in school. There was no difference in the assessment given by case managers of the progress of children in waiver and control cases. There were, however, some differences in the assessment of parents and other caregivers. Parents and caregivers in waiver cases more frequently described the current progress of their children as “excellent” than did those in control cases (32.7 percent to 20.7). At the same time, waiver parents were also somewhat more likely to describe their child’s progress as “poor” (9.3 percent to 6.1 percent). However, the difference in the mean scores on the Likert-type question between the two sets of parents was not statistically significant.

### **Family Satisfaction**

Six measures were utilized to assess family satisfaction. These were:

- Level of satisfaction with the general way they were treated by their case manager.
- Level of satisfaction with the services and assistance they received from the county OFC.
- Assessment as to whether their family was better off or worse off because of the involvement of the child protection agency.
- Assessment as to whether their child(ren) were off or worse off because of the involvement of the child protection agency.
- Perceived level of involvement in decision making in cases.
- Perceived level of their cooperation with their case manager

The third and fourth items listed above were also taken to be indicators of family and child well-being as assessed by case families.

**All Families.** Seven out of 10 (71.6 percent) families providing feedback reported at least general satisfaction with the way they were treated by county OFC case managers. As can be seen in Table 17, 31 percent of all families surveyed and interviewed said they were “very satisfied” with how they were treated and 41 percent

said they were “generally satisfied.” On the other hand, 15 percent were “generally dissatisfied” and 13 percent were “very dissatisfied.” About the same percentage of families reported satisfaction with the help they received from their case manager. Seventy-three percent they were very or generally satisfied and 27 percent said they were very or generally dissatisfied. Seven out of 10 also reported that their family and their children were better off because of their involvement with the county Office of Family and Children.

**Table 17. How Satisfied are You With the Way the Family Case Manager Treated You and Your Family**

<b>Level of satisfaction</b>	<i>All families</i>
Very satisfied	30.9
Generally satisfied	40.7
Generally dissatisfied	15.1
Very dissatisfied	13.3

Slightly more than a third (36 percent) said they had been involved “a great deal” in decisions that were made by OFC about their family and children. Thirty percent said they were “somewhat involved” and 17 percent they were involved “a little.” One in six (16 percent) said they were not involved at all in any case decision making. A high percentage (94 percent) described themselves as cooperative with the OFC case manager they met with, including 78 percent who said they had been “very cooperative.”

**Waiver versus Control Families.** Feedback from all waiver families was compared with that from all control families on these six satisfaction indicators and no statistically significant differences were found. However, when waiver families from “program” counties were compared with other families some differences were found. Waiver families from program counties were somewhat more likely ( $p=.03$ ) to report that their children were better off because of the involvement of the child protection agency. These families were also somewhat more likely to report that they were involved in decisions made about their case. (See Table 18) While results across all items were not strong, the tendencies were all in the expected direction.

**Table 18. Family Responses on Items Indicative of Satisfaction.**

	<i>Waiver families in program counties</i>	<i>All others</i>	<i>Total</i>	<i>p value</i>
Very or somewhat satisfied with the way they were treated by OFC	74.6%	70.4%	71.6%	-
Very or somewhat satisfied with the help they received	74.6	72.6	73.1	-
Consider their family very or somewhat better off because of involvement with OFC	77.9	71.3	73.2	P=.08
Consider their children very or somewhat better off because of involvement with OFC	77.4	69.3	71.6	P=.03
Report that they were greatly involved in decision making	42.1	34.1	36.4	P=.05

### Summary of Impact Study Findings

The impact study focused on determining whether certain improved outcomes for children and families resulted from the implementation of the waiver. Impact analyses included the comparison of all waiver and matched non-waiver cases, comparison of study samples of waiver and matched non-waiver cases on which more detailed data was obtained, and comparison of waiver cases in program counties with their matched non-waiver cases. These latter analyses were most useful in determining the effects of the waiver in situations in which it was more fully utilized.

Impact analyses found the waiver to be positively associated with certain immediate experiences of the child and his or her family, such as increased services, increased community-based services, increased family-oriented services, placement avoidance, shortened length of time in placement, increased reunification, and improved educational experiences and family satisfaction. While statistically significant, such differences between waiver and non-waiver cases were often modest and sometimes found only when cases from program counties were compared with their matched non-waiver cases. On the other hand, analyses of more remote outcomes tended to be inconclusive, finding either no differences between waiver and control groups, as in the case of child abuse/neglect recidivism, or mixed and uncertain results, as in the case of subsequent placement episodes.

## **Chapter 4**

### **Cost Effectiveness of the Waiver**

The original research design for the cost study involved a classic cost-benefit study. It called for collecting the direct and administrative costs for child welfare services, costs to other agencies, including juvenile court because the Indiana Waiver includes delinquent youths as well as child abuse and neglect cases, corrections costs, estimated earnings differences based on improved graduation rates, and differences in cash welfare and food stamp utilization and administrative costs, family earnings, and estimated taxes paid. The study's design included calculations of costs and benefits from difference perspectives, that of program participants, the perspective of society as a whole, and the perspective of governmental entities, which was another way of saying the perspective of taxpayers.

There were certain problems with this approach in Indiana. First, the waiver demonstration was statewide. Most funding for local Offices of Family and Children originated at the county level through County Councils. The SACWIS system in Indiana (ICWIS) had provision for entry of financial information but it was not consistently entered. Essentially, this meant that information on costs in child welfare cases would have had to be obtained at the county level from bookkeepers in 96 separate OFC offices. Second, no provision was made in the original waiver agreement for random assignment of control cases. Because of this, a procedure was instituted for selecting control group cases through pair matching on a number of variables available through ICWIS.

The first of these problems was virtually insurmountable. Several thousand children have been served under the waiver and each has a control match under the evaluation. Collecting cost data would require requesting bookkeepers to provide full information on expenditures for each of these children. In addition, the Indiana waiver permits highly flexible approaches in each county and in some the county programs permitted funds to be expended to address needs of other family members and of the family as a whole. Consequently, it would have been necessary to collect information on thousands of individuals from bookkeepers in each of Indiana's 92 counties.

Beyond this, there is a major problem with cost-benefit analyses in child welfare programs. Many of the most important potential benefits are long-term and difficult to impossible to value monetarily because 1) they are inherently resistant to such valuation and 2) even when they can be valued the time it takes for benefits to accumulate generally extends beyond what is available even in most longitudinal studies. Cost-benefit analyses that use only easiest-to-obtain data—wages and estimated taxes paid, cash welfare and food stamp participation, treatment program costs, public health insurance costs, etc.—may show no change in net value even when substantial social benefits may have resulted from the program.

**Change in Approach.** At the Fourth Annual IVE Waiver Demonstration meetings held in February, 2000 in Washington, DC, representatives from James Bell Associates, the technical assistance contractor for the state projects, suggested that the cost studies that were a part of each evaluation might be more useful were they redesigned to focus less on cost-benefit and more on cost effectiveness. Although cost-effectiveness studies are not problem-free, they do not suffer from the thorny problems described above. And so the suggestion was welcomed by the Indiana evaluators and caused them to rethink and redesign the cost study. The amended design for the cost study was submitted as part of the July, 2001 Semi-Annual Report.

The first modification was to design the research methods around samples of experimental and control group cases rather than the entire population. Because two counties dominate the Indiana caseload, Marion (Indianapolis) and Lake (Gary, East Chicago), it was necessary to stratify the sample by the size of the child welfare caseload in each office in order to obtain representation from across the state.

Secondly, to allow sufficient time for costs to accumulate before data collection had to be terminated, waiver children were sampled from the first two and a half years of the program (from Jan 98 through June 2000). Sampling programs were created to select the most representative group of waiver and control children under these criteria. This procedure resulted in a combined sample of 894 children (447 waiver and 447 control children).

Third, to ensure uniformity across all cases and between waiver and control cases, expenditures on each child and the child's family were tracked for 24 months after the case began for that child. The tracking timeframe for each child, therefore, was unique. For example, a child with a beginning in February 1998 would be tracked through the end of February 2000, while a child whose case began in June 2000 would be tracked through June 2002.

Fourth, it was necessary to track all possible expenditures under the waiver and corresponding expenditures for control cases. This included all expenditures for the child, whether the child was in placement or not, and all expenditures for the caretakers or the family as a whole. However, placement costs for siblings were excluded. At the same time it was necessary to distinguish costs associated with Title IV-E (for which counties could claim reimbursement from the state) from other costs.

An internet-based data collection scheme was developed that asked county bookkeepers to enter financial data via a web-based survey on cases selected in the study sample. All Indiana bookkeepers have email addresses and Internet access. Cases selected for a county were attached to an email from evaluators to the county bookkeeper. The email contained instructions for accessing the password protected web-based survey form on the evaluator's website into which the bookkeeper could enter financial data.

The survey asked bookkeepers to enter the account code for the type of service provided, the cost of the service, and the funding source (see following example screen). In this way cost information was received on 791 (88.5 percent) of the cases in the sample.

## Costs

Most of the impact analyses concerned waiver children from “program counties,” as defined earlier in the report, and their control matches. The most appropriate cost information for the present analysis, therefore, was that reported by bookkeepers from these same program counties. Accordingly, bookkeepers from these counties were asked report expenditures within the following general accounting areas:

- Child welfare services
- Out of home placements - foster homes
- Out of home placements - institutions
- Out of home placements - therapeutic foster homes
- Medicaid rehabilitation option payment
- Miscellaneous cost of wards
- Preservation services
- Independent living
- Adoption services

**Indiana Cost Analysis - Entry Screen**

County <input style="width: 80%;" type="text"/>	ICWIS Child ID# <input style="width: 80%;" type="text"/>
ICWIS Case ID# <input style="width: 80%;" type="text"/>	Child's Name <input style="width: 80%;" type="text"/>
If no payments were made for this case, check this box <input type="checkbox"/> and press the submit button below.	
Enter below any payments made between the beginning date and end date indicated in the email:	

Service Provided (Account #)	Cost	Funding Source				
		IVE waiver	IVE-FC non waiver	other federal	county only	other only
<input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Submit if finished, otherwise continue below...

Clear Form

The average expenditure per waiver child in program counties during the 24-month period after the case began for each child was \$12,614 compared to \$11,123 for control children. Cost data were limited to the program counties because the waiver-control comparisons of the previous chapter were based largely on these. The mean cost for waiver children in the sample selected for program counties was higher than control counties. We might expect the average cost in a cost neutral demonstration to be comparable. However, these cost figures represent costs for the 24-month period following the opening of the target case *whether the child was in the case or was in a new case that had subsequently been opened*. This may account for the difference in values or the difference may be due to sampling error. Given the extreme difficulty of obtaining



any comprehensive cost figures for children in Indiana, we must be satisfied with these averages.<sup>9</sup>

## **Cost-Effectiveness Analysis**

In a cost-effectiveness analysis, it is necessary to measure program costs combined with one or more measures of effectiveness. Measures of effectiveness in the context of an impact analysis refer to differences in desired outcomes between the experimental and control groups. The differences that may be used are those that may be considered to be real difference, that is, those that were statistically significant. The results of cost-effectiveness analyses are ratios of costs to effectiveness.

Programs can be cost effective in two ways. Either effectiveness can be improved while costs are maintained at similar levels or effectiveness may remain unchanged or only slightly changed while costs are reduced. While either type of change may produce a corresponding change in cost-effectiveness ratios, the former is more likely in waiver programs where cost neutrality is a goal.

Because cost-effectiveness analysis is dependent on prior outcome and impact analysis, the analyses in this chapter are adjuncts to and dependent upon analyses described in the previous chapter. Four outcomes were chosen for cost-effectiveness analysis: placement avoidance, out-of-state placement avoidance, reduced days in placement, and increased reunification with family. The cost-effectiveness ratios of the waiver and control groups were compared individually.

Placement avoidance was defined in the previous chapter. The approach taken was to determine waiver and control children who were never placed during the entire course of the target case that brought them into the system. The analysis was conducted in the program counties. This was used in that chapter to estimate the numeric monthly reduction of children in out-of-home placement that might conservatively be attributed to the waiver. The proportion of waiver cases (45.6 percent) in which placement was avoided was significantly greater than that of control cases (38.0 percent).

For every 100 waiver children, therefore, placement was avoided for 45.6 children and for every 100 control children placement was avoided for 38.0 children. As has

---

<sup>9</sup> The evaluators could not use cost-neutrality figures in this analysis because the cost-neutrality formula in Indiana was not based on a waiver-control group contrast as is the case in states with designs involving random assignment to experimental and control conditions (see Appendix 3).

already been shown the average 24-month cost for program county children in the waiver program was \$12,614, while the similar cost for control children was \$11,123. The cost-effectiveness ratios for placement avoidance for the two groups were:

<b>Placement Avoidance</b>	Two years	One year	Daily
Waiver	\$27,662	\$13,831	\$37.89
Control	\$29,271	\$14,636	\$40.10

Because the costs for waiver and control children were close, the cost effectiveness hinges on improved outcomes. The waiver program produced equivalent results for \$805 less per child per year than the traditional program. The comments in the previous chapter that placement avoidance might in reality be higher but was unlikely to be lower should be born in mind. Higher placement avoidance for waiver children would increase the cost-effectiveness of the waiver program for this outcome measure.

Regarding reduction of days in placement, the cost values for each child were collected over a two-year period. The comparative method being employed requires that a common base be selected for each group to calculate avoided days in placement. Selecting two years as the base and utilizing the estimated mean days in placement in the sample analysis in Chapter Six (waiver: 217; control 319) yields a percent avoided days in placement of 70.3 percent for waiver and 56.3 percent for control. Using the estimated average cost per waiver and control child, the following cost effectiveness ratios result:

<b>Reduction of Days in Placement</b>	Two years	One year	Daily
Waiver	\$17,950	\$8,975	\$24.59
Control	\$19,756	\$9,878	\$27.06

Out-of-state placements for waiver children were 1.5 percent and for control were 3.3 percent. The cost-effectiveness calculation was based on increased in-state placement of 98.5 percent for waiver and 96.7 percent for control. The resulting cost-effectiveness calculations were:

<b>Out-of-State Placement Avoidance</b>	Two years	One year	Daily
Waiver	\$12,806	\$6,403	\$17.54
Control	\$11,503	\$5,751	\$15.76

While the cost associated with placement avoidance and length of placement was lower for waiver children, it was higher for out-of-state placements.

Waiver cases experienced 76.7 reunifications compared to 66.0 percent for control children. Based on these percents the cost-effectiveness ratios were:

<b>Reunification</b>	Two years	One year	Daily
Waiver	\$16,446	\$8,223	\$22.53
Control	\$16,853	\$8,427	\$23.09

The ratio of costs to outcomes was slightly lower for waiver children in the instance of reunification.

A single comparative measure of effectiveness might be possible based on combination and weighting of the four measure utilized. The evaluators believed that such a procedure was likely to be arbitrary in nature and was, in any event, unnecessary to reach conclusions about the cost effectiveness of the demonstration.

Some caveats are in order. This analysis applies only to the counties in which it was felt that the waiver was being actively used in ways that were most faithful to the intensive services model originally envisioned by the state. It can be thought of as an analysis that may be applied to the entire state in the future when all local offices have implemented programs of this kind.

## **Chapter 5**

### **Conclusions and Recommendations**

#### **Process Study**

The results of the process study indicate that many counties made good use of the waiver during the demonstration, operating strong intensive services programs that were integrated into their broader child protection systems. Some of these counties were very active in utilizing their waiver slots while others used fewer of the slots available to them. There were a number of counties with exemplary waiver programs, who used the waiver to strengthen local inter-agency collaboratives and/or found innovative ways to provide services that reduced or shortened out-of-home placement of children. At the same time there were also some counties that made limited or minimal use of the new program. And many counties had difficulty identifying as many eligible and appropriate cases as had been anticipated at the start of the demonstration.

At the end of the demonstration period, a large majority of county OFC county administrators, including all who used the waiver extensively and many who used it more sparingly, held a positive attitude toward the waiver and wanted to see it continued. Three out of four reported that the waiver meant that some children and families received services they would not have otherwise and nearly 8 in 10 saw the waiver's flexibility improving service effectiveness. Administrators and case managers from program counties that tended to use the waiver more, also tended to be more positive about it. In addition, community stakeholders from program counties were likely to be more knowledgeable of the waiver, more likely to report that it led to new service opportunities and improved working relationships between their office and the OFC, and more likely to want to see it continued.

In some counties, individuals from key agencies and institutions in the community who had been involved as waiver planning partners continued to play a central role in the waiver project, although this was the less common situation across the state. In a majority of counties the involvement of planning partners in the waiver quickly

diminished after the planning phase ended. At the same time, half of the community stakeholders surveyed reported that a collaborative agreement had been developed between their agency or office and the local OFC. For their part, Juvenile Judges had an ongoing and mandated role in the waiver as they had the legal charge for assigning children to the waiver. A solid majority of administrators reported having no difficulties with Juvenile Court over the waiver, and only a small number indicated that Juvenile authorities represented a major problem for them in utilizing the waiver.

Why was the waiver not used more? There appear to be a number of factors that are part of the answer to this question.

1. In the view of many OFC administrators, welfare reform and the relatively health economy in the early years of the demonstration reduced the pool of IVE eligible families.
2. For various reasons, many counties decided themselves to restrict the waiver to specific case types. In certain counties, as we have seen, this limited the potential pool of waiver candidates to a very small subset of child abuse/neglect or delinquency cases.
3. There was a persistent confusion about the waiver in some counties and among some CPS staffs throughout much of the demonstration due to insufficient training and support. Some of this had to do with the waiver as a new service program and some with required accounting and reporting procedures.
4. While administrators from certain counties served as sources of technical assistance to other counties, there was limited overall cross-county or cross-region communication about the waiver and its usage. There were relatively few structured opportunities, especially below the administrative level, for staffs to learn about exemplary practices in other locations or how particular problems were successfully dealt with.
5. The juggling of slots and capped expenditure limits slowed waiver assignment in some locations.
6. The process of reimbursing counties for waiver expenditures restricted waiver use in counties with significant financial problems.
7. The pool of IVE-eligible families may have been less than what had been anticipated at the start of the demonstration but, beyond this, the full pool of eligible

families appears not to have been known to most case managers at a time when this information might have influenced case planning because eligibility determination was typically not done until after placement or assignment to the waiver.

8. Finally, it is always the case that administrators of any sort vary in their willingness or inclination to accept and adopt a new idea, product, or service. The waiver was no exception. For various reasons certain county administrators appeared to have been more predisposed to the waiver, recognizing its potential benefits as exceeding its costs in time and effort, while others remained either more skeptical of it, satisfied with their existing CPS, or were unwilling or unable to take the time needed to fully implement the new program.

## **Impact Study**

The research design imposed certain limitations on the evaluation. Pair matching, even under the best of circumstances, is a weaker design than random assignment of cases to experimental and control conditions. The likelihood of uncontrolled experimental-control differences is greater when matching is used. These in turn may produce apparent outcome differences that are not really the result of the demonstration or make the discovery of real outcome differences impossible. As with all impact studies, this should be borne in mind when interpreting results. On the other hand, matching does produce a comparable group of children who are similar in many ways and who experience services in the same or very similar offices. The design is stronger than one based on matched county offices or historical baselines.

The major findings of the impact study can be briefly summarized:

1. Waiver children and their families received significantly more services in several important categories than children and families in control cases. Most of the difference involved services to families while a child is in the home—FPS, homemaker, childcare, respite care, recreational. Others, such as help in getting financial or medical assistance, are family-oriented. Each area may be viewed as a positive gain for families and as a potential improvement in the well being of children served under the waiver. Besides the shift in services, waiver families received significantly more community-based services overall.

2. The waiver had a statistically significant impact on placement avoidance although, statewide the impact could not be described as programmatically substantial. In program counties, however, the waiver's effects on reducing out-of-home placement were especially apparent, resulting in fewer and shorter placements.

3. The percentage of placement outside the state declined throughout the demonstration period. While the waiver contributed to this, primarily through the overall reduction in any type of placement, the amount that can be attributed to the waiver is unclear because reduction in out-of-state placement had become a goal of the state agency about the time the waiver began.

4. Throughout the demonstration there was a slight decrease overall in the distance to out-of-home placement settings utilized. While the average distance from the homes of children to placement situations was somewhat less among waiver families compared with control families, the amount of difference was not statistically significant.

5. The average length of placements outside the home were somewhat shorter for waiver children than control children. This finding was stronger within program counties, where the amount attributed to the waiver was estimated to be within 7 and 15 percent.

6. Following placement outside the home, waiver children were more often successfully reunited with their parents (77 percent of the time vs. 66 percent for control children), although the average time it took to reunify was somewhat longer in waiver cases. Termination of parental rights occurred with somewhat greater frequency in control cases. Perhaps related to these two findings, children in control cases were somewhat more likely to be placed with prospective adoptive parents when the case was closed.

7. There was no statistically significant difference in the number of new reports of child maltreatment once the case had closed nor in the number of substantiated reports. There were somewhat fewer new placements outside the home among waiver cases between the time the original case had closed and the end of the demonstration period.

8. Children over the age of 6 who were assigned to the waiver were somewhat more likely to be in school when their case was closed than were control children (91 percent vs. 84 percent). This finding was stronger for delinquent youths than CA/N children. It was strongest among youths older than 16 years of age—25 percent of waiver children in this age group were no longer attending school compared with 40 percent of control children.

9. No significant differences were found on measures of family satisfaction between all waiver and all control families. Within program counties, however, waiver

families were significantly more likely to report that their children were better off because of the involvement of the child protection agency and that they themselves had been involved in decision making and case planning.

Impact analyses found the waiver to be positively associated with certain immediate experiences of the child and his or her family, such as increased services, increased community-based services, increased family-oriented services, placement avoidance, shortened length of time in placement, increased reunification, and improved educational experiences. While statistically significant, such differences between waiver and non-waiver cases were often modest and sometimes found only when cases from program counties were compared with their matched non-waiver cases.

On the other hand, analyses of more remote outcomes tended to be inconclusive, finding either no differences between waiver and control groups, as in the case of child abuse/neglect recidivism, or mixed and uncertain results, as in the case of subsequent placement episodes. The reasons for this may be the crudeness of these measures. New CA/N reports, cases and child removals can occur because problems that existed in families during earlier cases were not sufficiently and adequately addressed. However, new problems, which have nothing to do with those that led to previous episodes, can also arise. Without looking in detail at the circumstances of the new incidents, it is impossible to determine whether they represent a failure of old approaches or unforeseen changes. Another reason that is more likely in the present evaluation is the diverse nature of the cases and agency responses represented among the program county children and families. Because of the sheer scale of the study, it was necessary to group together children and families in the waiver group that were quite different from one another. Moreover, the waiver response varied from family to family and office to office. Uniform short-term consequences (proximate outcomes) associated with greater funding flexibility might be expected under these circumstances but long-term consequences (remote outcomes) will be more difficult to distinguish. Determining the latter would require a more highly focused design than permitted in this evaluation. The statewide scope of the demonstration and the flexibility given to counties resulted, essentially, in 92 waiver programs that varied in both how and how much the waiver was used. The aggregation of all waiver cases across such variations—with the assumption that all experimental treatment is essentially the same—even with statistical controls, is risky. The introduction in impact analyses of distinctions gleaned in the process study into impact analyses—distinguishing counties that more closely followed the intensive services model and utilized the waiver more actively—was an attempt to account for significant variations in the underlying experimental treatment. To attempt to determine



more precisely the effect of the waiver on more remote outcomes would require a more sharply focused design.

## Cost Study

With respect to findings of the cost-effectiveness study, the exact dollar figures are not as relevant in the present analysis as the relative similarity of costs. If costs per child are close and the demonstration results in more positive outcomes, the demonstration will be more cost-effective as well. The increases in cost-effectiveness in three of the four outcome measures (placement avoidance, reduction in days in placement, and reunification with family) were modest in size as was the decrease in the fourth (out of state placement). The primary issue for cost-effectiveness as regards the waiver is not the exact dollar and cents difference attributable to waiver and control group outcomes. Rather, it is whether improved outcomes for children and families can be accomplished for the similar or reduced costs. This analysis suggests that this was the case in Indiana and argues for continuation of the waiver program under the provisions for program improvement suggested by process and impact study results.

## Challenges

Some of the challenges identified by county administrators in surveys and interviews were related to attempts by the state to put in place fundamental accounting and management tools, such as the capped allocation and slot rules. Others had more to do with ongoing organizational and support issues. It would appear that a number of these latter problems could have been remedied with clearer and more pro-active guidance from the state agency, by providing additional training and ongoing technical assistance, and by increasing opportunities for county administrators and case managers to share their experiences. Some of these challenges are related to the daunting task of implementing the demonstration statewide. In the judgment of the project's evaluators, the lingering and persistent presence of these types of issues, at least in part, points to the complex relationship that has existed between the state DFC and county OFC offices. FSSA has transitioned from a county administered system to one that is state administered. This history is an important aspect to the continuing state-county relationship and frames policy and program development. State-level administrators tend to have a great deal of respect for the autonomy and capabilities of local office staff and try not to excessively micro-manage their programs. The independence given to counties in the development of their local waiver programs and plans is an example of this respect in practice. This tendency to try to keep state hands off of programs operated by counties as much as possible, however, may also lead to a reluctance to provide firm and assertive

guidance on occasions when it would benefit and expedite new projects or policy changes. Even when such reluctance is not present, the activities of the state agency are impacted by another legacy from the time when the system was county administered: thin administrative staffing at the state level that requires individuals frequently to wear multiple hats and have duties and responsibilities spread over a number of programmatic or operational areas. This makes it difficult for administrators always to provide the level of assistance and oversight they might want to.

In many ways the state agency treated the waiver as a kind of block grant to counties, providing an initial prototype plan and controlling waiver usage through allocated slots and a per slot expenditure cap, but with limited ongoing oversight, direction, and technical assistance. The result was an uneven program, ranging from exemplary models of waiver use, to its use primarily as a fiscal device, to nearly nonexistent waiver programs. And therein may be a cautionary tale with broader implications.

These conclusions should not be taken as an indication that the evaluators do not believe the waiver should be allowed to continue in Indiana. There are too many positive waiver programs in many counties to suggest that. Rather, it is a summary of some of the issues that should be addressed to improve the program, especially in counties that have struggled with it.

## Recommendations

The process study found that utilization of the waiver during the demonstration varied considerably across the state, both in regards to how much it was used and how it was used. The outcome study found that the waiver achieved a number of its goals during the demonstration but that its impact, while positive, was relatively modest and realized mostly within counties that utilized the waiver more actively and with greater fidelity to the intensive services model. Accordingly, there are steps the state might consider taking to build upon the positive findings of the demonstration in order to increase the use of the waiver in ways that are likely to achieve improved outcomes for children and families.

Increasing Waiver Usage. Counties have underutilized the waiver for different reasons and varying strategies will be required to change this. Some counties will use the waiver more if additional training and technical assistance are provided to administrators and their staffs. Some will use the waiver more if they are provided clearer guidelines on how waiver funds can be used and if they can get timely and consistent answers to programmatic, financial and accounting questions. Some will use it more if they see in

concrete ways how others have used it to improve outcomes for families and children in their counties. Increasing waiver utilization statewide will require a multi-pronged strategy.

Targeting Assistance. Surprisingly, perhaps, there are many counties with high rates of child poverty that have underutilized the waiver. These include small counties that are rural and poor as well as more populated counties with inner city poverty. These counties should have the least trouble identifying substantial pools of IVE eligible families and children who could benefit from waiver services. Special attention needs to be paid to identifying such counties and providing pro-active technical assistance and the support they need to take advantage of the opportunities the waiver provides.

Expanding Effective Programs and Exemplary Practices. Steps to increase waiver utilization will also promote effective waiver programming. OFC administrators are child welfare professionals, familiar with their communities, whose goals for children and families are the same as those sought by the Children's Bureau through the waiver. The more information and practical assistance county administrators receive on specific ways to utilize the waiver to achieve these goals, the more they will. Providing regularly scheduled, structured opportunities for administrators and their staffs to share information with one another, to learn about effective practices and specific programs enacted in other locations, will help. To be most effective, such structured forums may need to be organized around a collegial model in order to promote interaction and a free and open exchange of information. They may be organized within regions, across regions and statewide. Allowing release time for family case managers to meet with their peers from other counties can lead to more productive time when they return home. They will learn that many of the problems they face, others face as well, and some of these others may have found ways to resolve or lessen them. One or two case managers who are renewed in their commitment or who have learned how a different approach can work may become allies that an administrator needs to enact changes among a skeptical staff.

Focusing on Specific Waiver Goals. The Indiana waiver was intended to improve specific outcomes for families and children. Key outcomes were finding ways to avoid placement when possible through the provision of intensive support services; to shorten the length of placement when it is necessary through assistance, therapeutic and practical, that addresses the specific needs of families and children; to increase the likelihood that reunification following placement will succeed with fewer returns to placement if families are better prepared or if problems within families can be resolved before the child returns. These outcomes were at the heart of every county's plan initially, while there were variations in how to achieve them or in the types of cases on which to focus.

Technical assistance and training should focus on concrete ways the waiver can aid a county to achieve these and other outcomes. State and regional monitoring and oversight should examine how counties link their waiver program and activities to the outcomes they expect to achieve.

Clarifying Required Procedures. Throughout the demonstration a number of counties reported continuing confusion over specific waiver policies, practices and procedures. This included certain accounting and record keeping requirements that were found to be complicated. All procedures required of counties should be reviewed, clarified if necessary and simplified if possible.

Reviewing County Plans. Counties should be asked to review their waiver plans. Has waiver spending been consistent with the plan? If not, which should be changed, the plan or the spending pattern? Did the original plan restrict the waiver to too few cases? If so, how can waiver usage best be broadened? If waiver usage is low and increased waiver usage is not deemed necessary, is a service needs assessment needed to help provide programmatic focus?

Community Collaboratives. Child welfare and safety, while the special mission of state child protection agencies, are essentially beyond the capacity of any single agency to ensure. After the family, these are community responsibilities not simply state and county responsibilities. Because of this, the original thrust of waiver planning in Indiana was well-aimed, seeking to form a community coalition to involve key stakeholders, agencies and institutions in an organized response to these complicated problems. In reviewing their plans, counties should revisit their original objectives and efforts to develop local collaboratives or build upon existing ones. In developing revised plans, they may be aided by learning about exemplary community collaboratives in place in other locations.

When they were asked what recommendations they had for improving the waiver program in their county, the three most common comments of community stakeholders were these: 1) provide more community education about the waiver; 2) elicit greater involvement of a broader set of community players including school and child-agency professionals; and 3) expand the use of the waiver through additional training and support of OFC staff and key community professionals.

Slots and the Slot Cap. The combination of a specific county slot allocation and a capped dollar limit per slot as management devices had certain repercussions in the way the waiver was utilized. Following the suggestion of a number of county administrators,

serious consideration should be given to modifying these restrictions in a way that does not hinder waiver use but promotes it and does not leave the state without an adequate method for controlling and monitoring county waiver assignments and expenditures.

Eligibility Determination. A persistent problem faced by most counties throughout the demonstration was identifying sufficient numbers of appropriate eligible cases for waiver assignment. This problem arose partly because there was not a convenient, routinized eligibility determination process in place and accessible to case managers to identify the pool of potential IVE-eligible assignees. Assigning cases to the waiver was, therefore, often done after case planning was completed rather than before or in conjunction with it, often becoming more of a fiscal or accounting process than one that could have guided planning and broadened service options. Developing some method of identifying families as (at least likely to be) eligible at an earlier stage in the case assessment and planning process needs to be seriously considered.

Summary List. The following list is a summary of these recommendations:

- Provide increased and more pro-active monitoring and oversight of county waiver programs.
- Ensure that clear, concise guidelines are provided to counties on how the waiver may and may not be used.
- Review all reporting and accounting procedures and, where possible, clarify and simplify them.
- Provide on-going training to county administrators, family case managers and bookkeepers.
- Make more technical assistance and support available to counties to assist them on an individual, as-needed basis. Ensure that counties know whom to contact for specific programmatic, financial or reporting questions or problems.
- Identify specific counties that are greatly underutilizing the waiver, especially those with high rates of child poverty, for special technical assistance and support.
- Provide structured opportunities for county administrative and field staffs to share waiver experiences, positive and negative, so that they may learn from one another.
- Provide structured opportunities for counties to learn about exemplary programs and best practices that have been identified in other parts of the state or in other states.
- Insist that counties with highly restrictive waiver programs review and justify their plans.

- Consider whether the existing practice of allocating waiver slots and capping slot expenditures should be replaced with another device for managing waiver assignments and expenditures.
- Examine the possibility of establishing some method for identifying IVE eligible families at a point in time when this knowledge can impact case planning and decision making.
- Consider how key community stakeholders may be kept better informed about the waiver.

Work Group. If what is past is prologue, there is much to be gained utilizing the expertise about the waiver that now exists within the state, particularly in certain counties and regions where effective program models and exemplary practices were formed. In constructing a plan to improve the waiver program statewide, building on its most positive aspects and addressing specific challenges identified in the evaluation and others known to state officials, a good place to start would be to assemble a small group where this expertise is known to concentrate. The group should be large enough to represent the diversity of the state, but small enough, at least in the beginning, to function as an effective work group, that is, no larger than 10 to 14 people and preferably smaller. The group, operating under the direction of the new DFC Deputy Director with immediate state-level responsibility over the waiver, will be smart enough to set its own agenda and approach to planning without additional advice here (where it is recognized that writing recommendations is a simple matter while addressing them can be very complex and time consuming, and that priorities will need to be set and feasibility determined).

Evaluation. Finally, if the waiver continues in Indiana with an accompanying impact analysis, the design should be sharpened so that more can be learned about the waiver's effect on longer-term outcomes. The study should focus on a smaller set of cases in which 1) more detailed information can be collected on the needs, strengths and problems of families and changes in them over time (including changes in family composition), and in which 2) the nature of the intervention can be more precisely measured (including changes in placement type and changes in services that are related to changes in planning and in intermediate and final permanency goals), so that 3) the effect of the latter (intervention) on the former (family situation/changes) can be more clearly and accurately understood with respect to specific longer-term outcomes such as child abuse/neglect recurrence and subsequent out-of-home placement.

## Appendices

## **Appendix 1**

### **Waiver Assignments and Matching Procedures**

A pair-matching procedure was developed to select the best possible control group. Monthly file extracts from ICWIS included data on all children assigned to the waiver and on all other children with experience in out-of-home placement and their siblings. All new waiver children were identified and added to the ongoing database of children assigned to the waiver previously. Matching children were identified within non-waiver files and were added to the control group. By the conclusion of the evaluation in December 2002, 5,259 control children had been matched with the same number of waiver children.

The method developed for selecting the best pair matches involved concurrent weighting of cases on a number of relevant variables. Summary scores were developed for each child in the non-waiver pool based on weighted matching variables. A summary score was developed for each child assigned to the waiver as well. The non-waiver child with the most similar score was assigned as a match to the experimental child. This process was repeated for each new child added to the waiver group. Variables and conditions included the following:

- **Children from Different Families.** An absolute restriction placed on selecting pair matches was that control children could not come from the same families as waiver children. In no instance, therefore, was a control child selected from the same family as a child assigned to the waiver.
- **Case Date.** Children assigned to the waiver could be from new or existing cases. In some instances these were long-term cases that opened months or years before the waiver assignment. It was important to select control children whose cases were contemporaneous. A series of decreasing weights were assigned to potential controls. Those whose cases opened within 90 days before or after the case of the experimental child were assigned the highest weight with decreasing weights for



cases with open dates further removed from that period. Using this method, 80.3 percent of control children were in cases that opened within 90 days of their waiver match, and another 9.8 percent were within 91 to 180 days.

- **IV-E Status.** An attempt was also made to match on IV-E eligibility. As noted elsewhere in this report, 25 percent of waiver slots were set aside for children who are not eligible for IV-E. IV-E eligibility information was provided for all waiver and non-waiver children as part of monthly ICWIS extractions. While 43.5 percent of children assigned to the waiver were IV-E eligible, 40.8 percent of control children had a similar status.<sup>5</sup>
- **Delinquency Status.** Children adjudicated as delinquents or as status offenders were eligible for assignment to waiver slots. ICWIS data on the type of case was incomplete for many early cases that were carryovers from the system the preceded ICWIS. In addition, the type of case was not entered for many of the control children. For these reasons matching in these areas were more problematic. By the conclusion of 2002, 20.0 percent of waiver children were known to be delinquents or status offenders as compared to 6.2 percent of control children.<sup>6</sup>
- **County of Case.** As originally proposed, selection of control children within the same counties as experimental children was desired, primarily because of resource differences among local areas. It was recognized that this might not be possible given the range of other important matching criteria that had to be taken into account. A fallback procedure was developed that involved matching children from counties of similar size. Typically, smaller counties have fewer resources to serve children and their families than larger counties, because community-based resources and service agencies are found in greater numbers in urban areas. A four-fold categorization of Indiana counties was created to

<sup>5</sup> It is likely that some non-eligible waiver children were matched with control children who were, in fact, eligible but were not identified in ICWIS as such. As noted in the process analysis, IV-E eligibility was not generally determined until a child was placed. Because some control children were not placed their eligibility may not have been determined and entered into ICWIS. On the other hand, eligibility or ineligibility was determined for all waiver children prior to waiver assignment.

<sup>6</sup> ICWIS data on case type at case opening were unavailable for the most cases of placed non-waiver children prior to the middle of Calendar 1999. The proportion with complete data increased gradually through the study to over 70 percent. Conversely, case-type information on waiver cases has been complete for nearly all children assigned. This reduced the pool of cases for matching in which children were *known to be delinquent* for most of the evaluation. The dearth of known potential delinquent matches along with the need to match on other data led to the apparent under-representation of delinquents in the control group.

accomplish this. Group 1: counties with less than 20,000 population; Group 2: 20,000 to 49,999 population; Group 3: 50,000 to 149,999; and Group 4: 150,000 or greater. An acceptable level of matching by county was achieved for the large majority of cases (Table A.1). In only 8.8 percent of cases did other weighting factors intervene to make a match in the same or an adjacent county type impossible.

**Table A.1 County-of-Case Correspondence  
between Experimental and Control Groups**

<i>Correspondence</i>	<i>Matches</i>	<i>Percent</i>
Same county	1,649	31.4
Different county but same type of county	2,395	45.5
Different county but adjacent county category*	752	14.3
Different and non-adjacent county category	463	8.8
Total experimental-control matches	5,259	100.0

\* There are four ordered categories of counties based on population. In the case of an adjacent match a child is matched with another child in a category either one above or one below.

- **Child Removal Status.** This variable (removal and placement in substitute care) was weighted highly as a matching criterion as well. It refers to any removal in the case history of the child made available to researchers. To make the matching process feasible, it was necessary to limit the pool of potential matches to children in families where at least one child had been removed at some time. In addition, it was felt that this pool was more likely to yield comparable control children than the entire child welfare population stored in ICWIS. The files nonetheless included a substantial number of non-removed children, such as: those who remained in families or were newborns after other children had been removed; children at home in a current case who had been removed in a previous but closed case; and children in a current case who had been returned to their families. In the target case that led the child to be included in the evaluation, 53.1 percent of waiver children either were in out-of-home placement when the case was opened or were removed during the case compared to 57.2 percent of control children.
- **Age, Gender, Race, and Type of Substantiated Abuse or Neglect.** Weightings were also used for three demographic variables and for the type of substantiated abuse and neglect listed for children who had been in investigated families. The waiver and control groups were closely matched within each age group. The

- mean age of waiver children on the last day of the evaluation was 12.9 years as compared to 12.5 years for control children. Regarding gender, 55.7 percent of waiver children were male compared to 55.3 percent of control children. Regarding ethnicity, 63.9 percent of waiver children were European-American compared to 64.8 percent of control children. The breakdown among waiver children for African-American and other ethnicity was 27.9 percent and 8.2 percent, respectively, as compared to 30.6 percent and 4.6 percent for control children.
- Information on child abuse and neglect was not available on delinquents or status offenders unless child abuse and neglect investigations were associated with the case or past investigations resulted in findings of abuse or neglect. Furthermore, investigation outcomes were not available in the ICWIS system on children in cases that predated ICWIS. When cases included such information, children were matched as closely as possible on this variable for the most recent investigation (i.e., the investigation associated with the case that sparked the child's appearance in the new data extraction). However, because historical data were inconsistent, lower weights were utilized. Nonetheless, levels of child neglect cases were relatively comparable, with 45.9 percent of waiver children in such cases as compared to 39.6 percent of the control children. The variation for abuse was: physical abuse (waiver: 13.5 percent; control 8.8 percent); sexual abuse (waiver: 7.2 percent; control: 4.2 percent).

## Appendix 2

### Sampling and the Case-Specific Survey

Certain outcome data were not readily available through the ICWIS system, and for this reason, random samples were selected of waiver and control children to permit measurement of those outcomes. Sampling of waiver children was limited to a subset of 30 counties that were identified in the second year of the evaluation as *early implementers* of the waiver and which were thought to have more fully developed waiver programs. Because control cases were not limited to the same county as their waiver matches, however, some control sample cases came from other counties. The early implementer counties represented the evaluators' best estimate of counties with more fully developed programs. As the evaluation progressed, however, the list of counties was adjusted. This is discussed more fully in Chapter 3 where the counties are referred to as *Program Counties*. This subset of counties is considered more fully throughout the remainder of this report although sampling of waiver cases was limited to the original early implementer listing.

When information in ICWIS indicated that a sample case had been closed, a case specific survey instrument was generated to collect information on the child and families not readily or reliably available through ICWIS. The instrument indicated the last OFC worker listed in the case and was mailed to the office administrator or to a designated supervisor. These individuals were asked to give the instrument to that worker or to the worker most knowledgeable in the case. When the child was a juvenile delinquent or status offender and a juvenile probation officer was responsible for managing the case, the OFC was asked to transfer the instrument to the appropriate juvenile probation officer for completion.

The case-specific method provided a means of collecting information on a random sample of waiver and control cases that either was not present or was found to be incomplete in the ICWIS system. The case-specific instrument queried workers concerning safety issues or problems at the opening of the case, the current status of the child, and the status of other family problems in the case. In addition, contact

information was sought from the caseworker to supplement information available through ICWIS extracts concerning addresses of children and families to be used in completing mail and telephone surveys.

Sampling of waiver cases continued on a monthly basis from the time that reliable ICWIS extracts were provided through June 2002. At that time, 1,833 children (917 waiver and 916 control) had been added to the sample. The local offices from which sample cases were selected are shown in Table A.2. Counties in bold are those that were originally classified as early implementers of the waiver. By the conclusion of the study, 1,336 sample cases had closed. Workers had returned 1,021 completed instruments, for a return rate of 76.4 percent.

Since sample cases were selected randomly, analyses on matching variables for the entire sample were comparable to the proportions reported above for the entire waiver and control group populations and, to avoid redundancy, will not be presented here. However, certain impact analyses were based upon comparisons of returned case-specific questionnaires; an analysis of the comparability of the working samples of *returned* waiver and control cases was necessary.

By the time of analysis, cleaned case-specific data were available for 910 total cases (527 waiver and 383 control). The status of children in cases may change over time. For example, a child may begin in a service case but later be removed. In this instance the status of the child will change to CHINS (Child in Need of Services). Similarly, a CHINS youth may be adjudicated as a delinquent during the course of case. During their cases, 209 waiver children were CHINS compared to 228 control children and 201 waiver children were delinquent versus 121 control children. Demographic characteristics are shown in Table A.3

The gender and ethnicity of the child abuse and neglect portion of the closed waiver and control samples roughly reflect the entire sample—that includes open as well as closed cases—and the entire population of waiver and control children, discussed above. The percentage of waiver children in the final sample that were removed (53.0 percent) was significantly lower than the percentage in the control group (76.5 percent).

**Table A.2. Waiver and Control Samples by County**

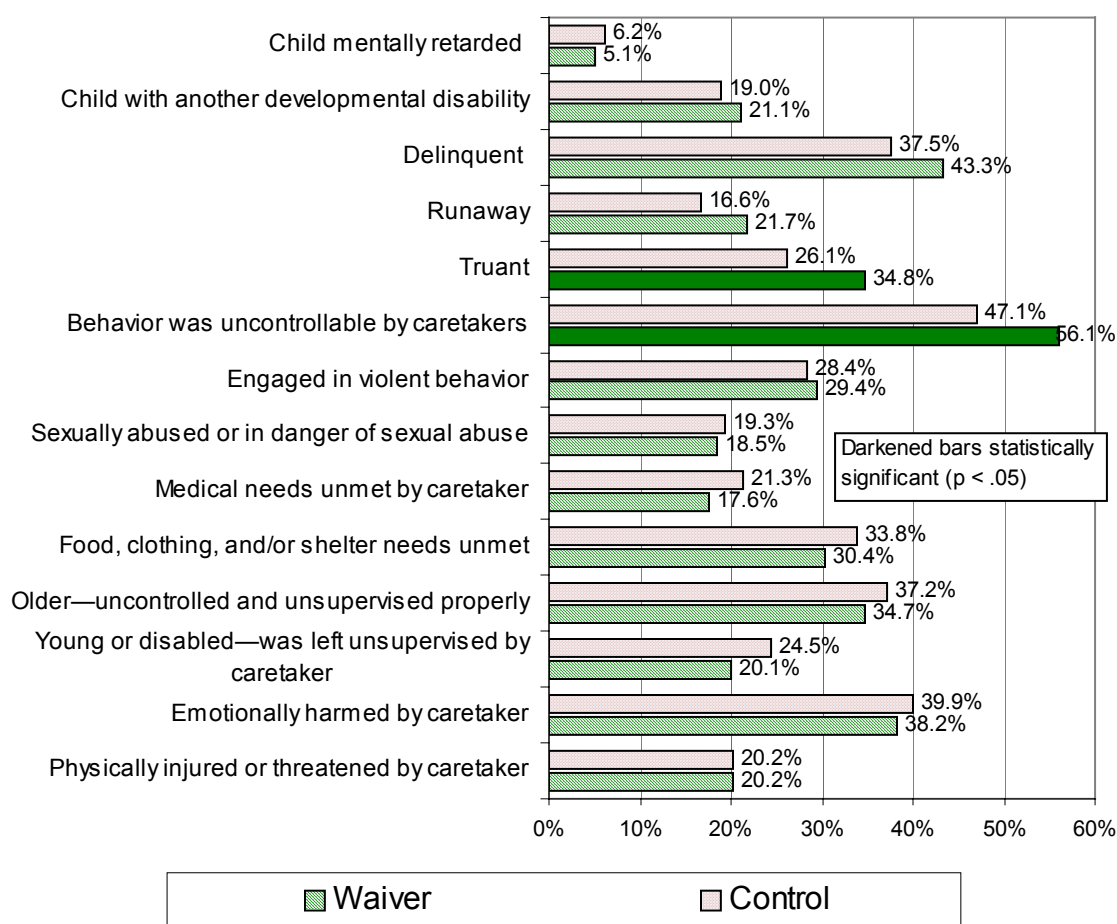
<i>County</i>	<i>Waiver</i>	<i>Control</i>	<i>Total</i>	<i>County</i>	<i>Waiver</i>	<i>Control</i>	<i>Total</i>
Adams	0	10	10	LaGrange	0	1	1
Allen	0	32	32	<b>Lake</b>	48	84	132
Bartholomew	0	8	8	Laporte	0	15	15
Blackford	0	1	1	Lawrence	0	1	1
Boone	0	4	4	<b>Madison</b>	58	64	122
<b>Cass</b>	24	12	36	<b>Marion</b>	209	182	391
Clark	0	19	19	Marshall	0	8	8
<b>Clay</b>	4	2	6	<b>Miami</b>	41	14	55
Clinton	0	5	5	<b>Monroe</b>	46	9	55
<b>Crawford</b>	19	6	25	Montgomery	0	7	7
Daviess	0	6	6	Morgan	0	5	5
Dearborn	0	4	4	Noble	0	4	4
<b>Decatur</b>	10	2	12	<b>Owen</b>	15	2	17
<b>DeKalb</b>	25	9	34	Porter	0	14	14
<b>Delaware</b>	75	31	106	Posey	0	1	1
DuBois	0	2	2	Pulaski	0	1	1
Elkhart	0	19	19	Putnam	0	11	11
Fayette	0	7	7	<b>Randolph</b>	14	8	22
Floyd	0	14	14	Ripley	0	3	3
Fountain	0	1	1	Rush	0	1	1
<b>Gibson</b>	37	5	42	Saint Joseph	0	32	32
Grant	0	8	8	<b>Scott</b>	22	8	30
<b>Greene</b>	23	9	32	<b>Shelby</b>	24	7	31
Hamilton	0	13	13	Sullivan	0	1	1
<b>Hancock</b>	16	6	22	Switzerland	0	1	1
Harrison	0	5	5	<b>Tippecanoe</b>	29	15	44
<b>Hendricks</b>	4	5	9	<b>Tipton</b>	6	1	7
Henry	0	11	11	Union	0	1	1
<b>Howard</b>	10	16	26	<b>Vanderburgh</b>	76	60	136
Huntington	0	4	4	<b>Vigo</b>	14	14	28
Jackson	0	6	6	<b>Wabash</b>	37	4	41
<b>Jasper</b>	9	4	13	Warrick	0	3	3
Jay	0	6	6	Washington	0	1	1
Jefferson	0	6	6	Wayne	0	5	5
Jennings	0	4	4	Wells	0	7	7
<b>Johnson</b>	16	8	24	<b>White</b>	6	2	8
Knox	0	8	8				
Kosciusko	0	1	1	Total	917	916	1833

**Table A.3. Demographic and Case Characteristics of Waiver and Control Children in Closed Sample Cases (Abuse and Neglect Cases Only)**

	<i>Waiver n = 527</i>	<i>Control n = 383</i>
<b>Gender</b>		
Female	43.6%	44.1%
Male	56.4%	55.9%
<b>Ethnicity</b>		
European-American	77.3%	72.3%
African-American	16.9%	24.5%
Other Ethnic	5.8%	3.2%
<b>Current Age (mean)</b>	13.4 years	13.3 years

One of the purposes of the samples of study children was to permit more intensive information to be collected. In Figure A.1 such characteristics are shown for the children in sample cases, as of the time of investigation or case opening. As can be seen, waiver and control groups were comparable. The two areas that were different (uncontrollable behavior and truancy) were due to the imbalance of delinquent cases versus cases of child abuse and neglect by the conclusion of cases. In general, the table supports a basic comparability of the two samples and indirectly of the waiver and control study populations.

Rates of mental retardation and developmental disabilities were comparable and in the range of 6 and 20 percent respectively for the combined samples. The abuse and neglect characteristics refer to the initiating incident in the cases of child abuse and neglect. Because cases where a child is removed from the home or in danger of removal are generally more severe cases, the rates of emotional abuse and problems with adolescent children were higher than is generally the case in the child welfare population. Similarly, the kinds of behaviors attributed to children were more reflective of the older portion of the child welfare population. The relatively high attributions of behavior problems in these groups and the shift of children from abuse/neglect to delinquency/status offense classification, noted above, show the fine line that exists between abuse/neglect and delinquency/status offense for some adolescent children in the system. This is confirmed in the impact analysis using factor analysis on these same data.



**Figure A.1. Characteristics of Waiver and Control Children in the Case-Specific Sample**

***Factors from Factor Analysis***

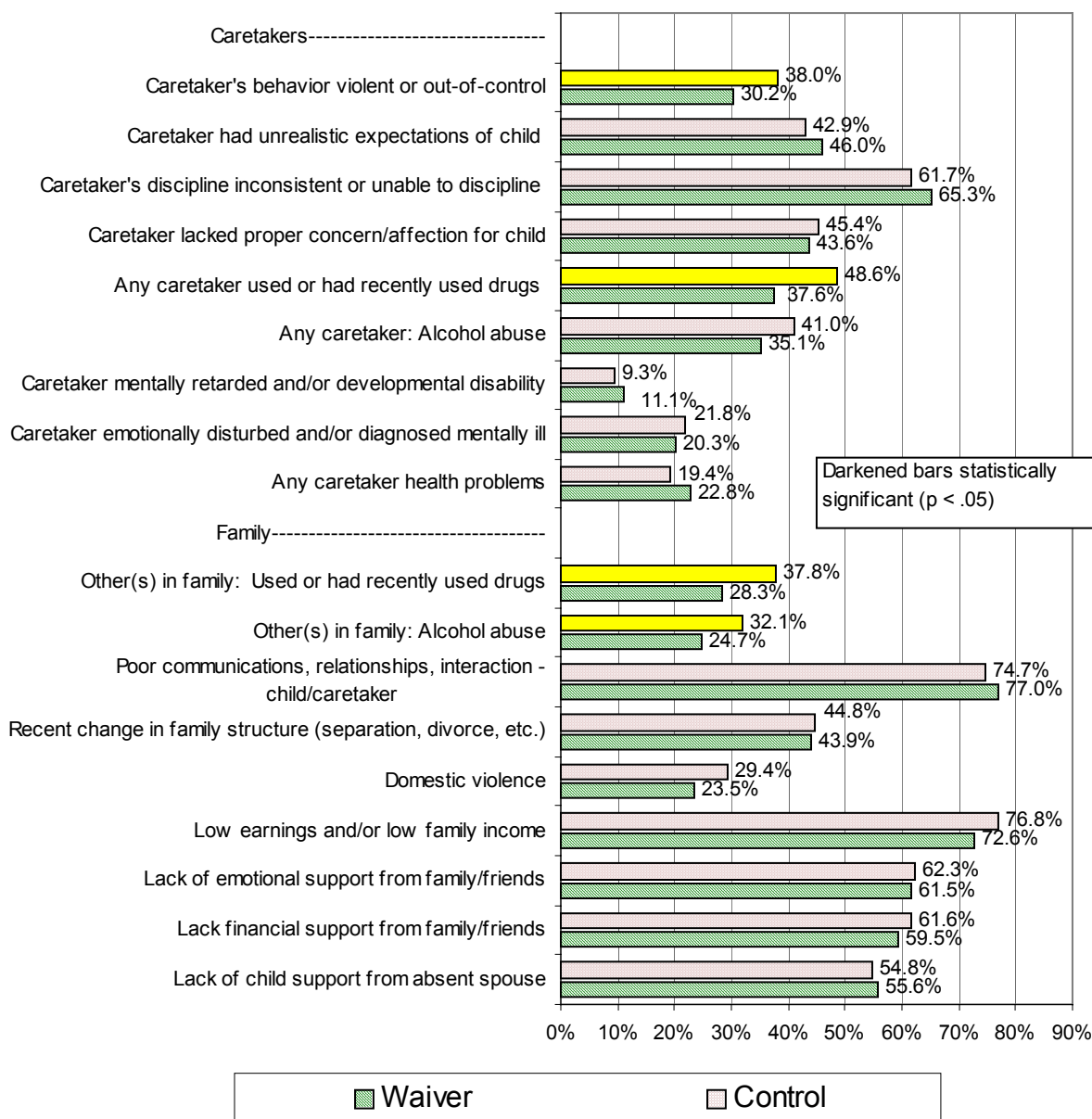
1. Severity of CA/N and risk of CA/N
2. Severity of delinquency
3. MR/DD child/caretaker in poverty (negative on violence or drug/alcohol use)
4. Physical and emotional abuse (negative loading on drug/alcohol use)
5. MR/DD child/caretaker with other health problems and drug use in family
6. Child neglect (supervision of young children, failure to provide for basic needs and medical needs of children)
7. Child health problems
8. Recent family change and domestic violence
9. Sexual abuse



Findings for caretakers of children and other adults are also similar for most variables (Figure A.2). A difference of note is the higher rates of drug abuse among the control caretakers and others in the family. The difference in parent's violent or out-of-control behavior was primarily due to a variation in severity of the problem rather than the presence of the problem at all.

The most prevalent problems had to do with parenting behavior and child-caretaker communication problems. And, of course, reflective of the entire population of child welfare families, most sample families experienced moderate to severe problems with earnings and family income.

On the basis of the findings in these two tables, the assumption was made of general comparability of the waiver and control samples for which analyses could be conducted. However, in impact analyses utilizing these data, statistical controls were introduced to increased waiver-control comparability.



**Figure A.2. Characteristics of Caretakers and Families of Waiver and Control Children in the Case-Specific Sample**

### **Appendix 3**

#### **Calculation Steps for the Cost Neutrality Analysis**

(for both administrative and maintenance payments)

According to the federal terms and conditions, the IV-E waiver demonstration in the state of Indiana will be cost neutral if the total federal expenditures (TFE) for administrative and maintenance costs claimed are equal to or less than the cost neutrality limit (CNL) under the following formula.

#### **Part 1**

1. Derive the average monthly number of demonstration IV-E children: the IV-E caseload base<sup>11</sup> multiplied by the caseload growth factor<sup>12</sup> less the average monthly number of non-demonstration IV-E children for the current year for whom payments will be claimed.
2. Calculate the average IV-E benefit payment: total annual federal IV-E benefit payments for non-demonstration children during the period the demonstration was underway divided by the monthly average number of non-demonstration IV-E children for whom payments were claimed.
3. Determine the base demonstration IV-E expenditures: average monthly number of IV-E children (derived in step 1) multiplied by the average IV-E benefit payment (derived in step 2).

#### **Part 2**

4. Calculate any overall reduction in the number of IV-E children served in institutional settings: the average percentage of children IV-E children historically served in institutions from FY93-FY96 less the percentage served in the current year multiplied by the average monthly number of all IV-E children.

5. Determine the (average) added costs of institutional placements: the average non-demonstration IV-E benefit payment per institutionalized child less the average IV-E benefit payment (derived in step 2).
6. Calculate the savings from a reduction in institutional placements: the reduced number of IV-E children served in institutional settings (derived in step 4) multiplied by the added costs of institutional placements (derived in step 5).

### Part 3

7. Calculate the cost-neutrality limit (CNL) for the demonstration as the lesser of either:
  - a. Total allowable expenditures determined by adding the savings from a reduction in institutional placements (derived in step 6) to the base demonstration expenditures (derived in step 3), or
  - b. Total allowable expenditures determined by: the per capita base multiplied by the cost growth factor multiplied by the number of demonstration IV-E children (derived in step 1).

---

<sup>11</sup> The caseload base consisted of the monthly average number of children for whom maintenance payments were claimed for the period from October 1, 1997 through March 31, 1998. The agreement between ACF and the State of Indiana, FSSA, states: "The base title IV-E caseload for [maintenance and administrative payments, determined separately] will be established as the average monthly number of children for whom title IV-E [maintenance and administrative] payments are claimed in the first and second quarters of FY 1998," with this exception: "In any county in which non-traditional services have begun to be provided for children under this demonstration after January 1, 1998, the caseload for that county will be deemed to be the same for the second quarter of FY 1998 as it was for the first quarter." The first two quarters of FY 1998 were chosen to serve as the baseline period because it was believed that the newly installed ICWIS system would be fully operational by that period and, therefore, that the data in it would be complete. Because the completeness of these data remained in doubt, however, a special hand count was done in the second year of the demonstration. Regarding the exception: Six Indiana counties assigned children to the demonstration between January 1 and March 31, 1998. These were the counties of Allen, Gibson, Greene, Marion, Monroe, and Tippecanoe. For these counties, IV-E-FC caseloads in the first quarter of FY 1998 were substituted for the second quarter in calculating the caseload base.

<sup>12</sup> The growth factor was defined as the national rate of increase in the number of IV-E children on states' caseloads calculated as a rolling, five-year average between FY 1992 and FY 1996. The source for this figure was the Children's Bureau's Green Book.