
Indiana Child Welfare Demonstration-Extension Interim Evaluation Report

Executive Summary

Prepared for the
Indiana Department of Child Services

by

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The Department of Health and Human Services originally approved the State of Indiana's child welfare waiver demonstration on July 18, 1997. The IV-E foster care project was authorized for five years and it ran from January 1, 1998 through December 31, 2002, administered by the Family and Social Services Administration (FSSA). The project continued after 2002 under an interim understanding and in 2005 the state received formal approval from DHHS to operate the waiver for an additional five years, beginning on July 1, 2005 through June 30, 2010. The primary change in the terms and conditions for the five-year extension involves the manner in which the cost neutrality of the project is calculated. Costs associated with a statistically representative sample of matched comparison group cases are being used to determine the cost neutrality limit.

Nature and Purpose of the Demonstration. The Indiana project is unique or nearly unique in a number of ways. It is one of only a small number of flexible funding demonstrations testing alternatives to traditional foster care. It is statewide in scope, and counties are allowed a certain level of discretion in the nature and scope of the program locally. It allows broad participation of the full range of CPS cases from low to high risk and permits the inclusion of juvenile delinquency cases. Children may be assigned to the waiver (experimental) group if they are already in out-of-home placement or at risk of placement but still at home. The terms and conditions of the demonstration also allow children from families who do not meet title IV-E income criteria to be included along with children in IV-E eligible cases. The fundamental purpose of the Indiana demonstration is to reduce out-of-home placements and, when placements are made, to expedite family reunification. 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 flexible nature of the demonstration means that there is wide latitude in what kinds of services may be provided to children and to their families in order to achieve program goals.

Implementation. The original demonstration project was administered and operated by the Indiana Division of Family and Children within FSSA. At the beginning of 2005 the governor created the Department of Child Services, making it a new cabinet level agency. Child Protection Services, foster care, adoption, independent living, and the Child Support Bureau were moved from FSSA into the new department, along with responsibility for the child welfare waiver demonstration. DCS reorganized the administration of the agency statewide with the expansion of DCS regions from 6 to 18 and has made efforts to strengthen the state-region-county program structure. The new department has sought to energize and engage counties to make greater and more effective use of the waiver and at the start of the extension developed a pro-active technical assistance capacity to support the efforts of counties to improve their waiver programs. The evaluation of the original 60-month demonstration period found

considerable variation among counties in the manner and extent to which the waiver was utilized as well as in the types of services provided in individual cases. It is a goal of the state during the extension period to bring greater uniformity to service approaches across the state and to increase utilization of the waiver by county offices.

Evaluation Methodology. The impact study utilizes a matched comparison group design. The analysis is building upon the prior evaluation, determining whether outcomes achieved during the initial demonstration are sustained, improved upon, and extended across a greater number of counties. It is also examining whether additional positive outcomes are achieved as a result of program and management improvements. The matched comparison group design of the impact study also forms the basis of both the cost-effectiveness study and cost neutrality analysis. The last month for which ICWIS data extracts were received in time to be included in this report was September 2007. All cumulative data provided in this report covers the 27-month period from July 1, 2005 through September 30, 2007.

Two special projects are being undertaken in the current study and distinguish it from the evaluation of the original demonstration. One is a more intensive study of small samples of waiver and control CPS cases. The purpose of this study is to gain a better understanding of the link among family characteristics and circumstances, CPS intervention, and child and family outcomes. The second new project involves a closer look at a sample of delinquency cases assigned to the waiver in a region making effective use of the demonstration in order to better understand the affects of the waiver on this subset of cases.

Study Population. The study population includes active waiver cases (the experimental group) on and after July 1, 2005, and the matching (control) pairs for these cases. At this stage of the project this includes 824 waiver children carried in from the bridge period and 4,236 children placed on the waiver after the start of the extension period. While the percent of cases that were not IV-E eligible has remained higher than the percent of eligible cases, the proportion of the latter has been slowly growing. In addition, the number of cases active at any point in time has generally been increasing over time.

Case Characteristics. Slightly less than half (46.1 percent) of the cases assigned to the waiver during the extension have been CHINS cases, 18.8 percent have been informal adjustment cases, 5.7 percent have been SRA cases (a case type that has been discontinued), and 13.4 percent have been Service cases; 15.9 percent of the cases have involved delinquent wards. The mean age of children assigned to the waiver is 9.3 years and one in eight has one or more special needs. Six in ten (60.7 percent) waiver children come from households with two adult caregivers and 39.3 percent are from households with single caregivers. A majority (72.2 percent) of waiver children were in their own homes at the time of assignment and 27.8 percent were in an out-of-home placement setting.

Program Variability. Given the nature of the demonstration and its statewide scope it is not surprising that there is considerable variability in the demonstration across counties. During the evaluation of the original demonstration project evaluators identified 25 counties that were determined to be actively using the waiver in a way most faithful to the intensive services model envisioned by the state. These counties were designated “program” counties to distinguish them as counties that achieved high program fidelity and active waiver usage. This subset of counties was used in final analyses to produce a better understanding of how the waiver, as originally planned, was changing practice and achieving its goals and impacting the lives of children and families.

During the extension, DCS has made an effort to increase the number of counties actively using the waiver and has encouraged counties to maximize the programmatic opportunities provided by the waiver. It has also attempted to create a more uniform approach. All counties have received written protocols outlining how and when to use the waiver, and many have also received technical assistance. Moreover, as this is the second iteration of the demonstration, counties have now had time to manage the waiver for several years and discover how it can best work for them. Some counties have firmly established procedures for using the waiver and have fully integrated it into their practice. Others are still revising their approach and attempting to find better ways to use it programmatically. In some parts of the state, the guidance and training local office staff received as the extension began was the first time the administration and staff felt they understood how the waiver was meant to be used. These counties are essentially beginning the waiver program anew. For counties that were already active users of the waiver, changes in policies and procedures sometimes sparked a shift in how they organized and utilized the program. All counties have evolved and progressed over time, but local offices still vary in the relative maturity and model fidelity of their programs.

Given the differences in operations and procedures that still exist, the project evaluators have distinguished a current set of 36 counties that at this stage most closely adhere to the original vision for the waiver demonstration. While a minority of the state’s 92 counties, these 36 represent a majority (55.4 percent) of the state’s general population and 69.5 percent of children assigned to the waiver during the demonstration extension.

Waiver Services. Data sources for waiver services used in this report were worker responses to the case-specific survey and responses to the family survey. County social workers have reported that 47 percent of the children assigned to the waiver and 50 percent of the families of waiver children have received services they would not have received without the waiver. Compared with control cases, waiver children and their families were more likely to receive homemaker services and other services related to household needs, services to address basic needs, transportation assistance, housing-related assistance, money management assistance, life skills training for a child, and childcare. Waiver children living at home were more likely to receive services to prevent placement than control children. Waiver services provided to children who remained in their parental homes were seen by social workers as preventing out-of-home placement in nearly half (48 percent) of these cases. Similarly, waiver-related services provided in

cases in which a child had been placed out of their home were viewed by workers as shortening time in placement for 45 percent of these children.

The response of families has been consistent to what social workers report about services. Waiver families have reported receiving more services and a greater number of different services than control families. Specifically, compared with control families waiver families were more likely to report that they received parenting-related assistance, mental health services, food and clothing, help paying utilities, financial help to pay rent, housing-related assistance, help with home repairs, transportation assistance, homemaker services, employment-related assistance, and childcare.

Attitudes. Based on a survey of county directors, supported by interviews during on-site visits, county DCS personnel have generally positive attitudes towards the waiver. Many believe that the waiver is achieving its central goals of preventing out-of-home placement, reducing time spent in placement, reducing recurrence, and increasing child well-being and family functioning.

Outcomes. The purpose of the impact analysis is to compare outcomes under the demonstration with outcomes that would have occurred had the Title IV-E Waiver not been implemented. This was accomplished through comparisons of children assigned to the waiver with matched control children that were not assigned to the waiver. The following sections are numbered in the order of the formal research questions outlined in the evaluation research plan.

1. Removal in the Original Case

- At assignment, 1,956 waiver children and 1,565 control children were not in placement. Beginning at the time of assignment and tracking forward until the end of the case or the end of current data collection, 21.1 percent of waiver children had subsequently been removed and placed in out-of-home care compared to 29.9 percent of control children, a difference that was highly statistically significant.
- Among children in this analysis that were assigned to the waiver, 7.2 percent had one or more *psychological special needs* compared to 8.4 percent of control children, a difference that was not statistically significant. Similarly, nearly equivalent proportions of waiver children (2.9 percent) versus control children (3.3 percent) were indicated to have *developmental disabilities*. For children with no developmental disabilities or psychological special needs the differences between waiver and control remained statistically significant. For developmental disabilities the means are virtually the same (50.0 versus 48.2 percent) while for psychological special needs the difference remained (52.7 percent for control versus 44.0 percent for waiver) a statistical trend ($p = .094$)

- Fewer waiver *delinquent* children were later removed and placed before the end of their original case. The percentage difference between waiver and control was greater for CPS children (9.7 percent) than delinquents (5.7 percent).
- There were 1,290 waiver children and 1,010 control children in *program counties* available for these analyses. Overall, program county analyses were similar to statewide analyses.

2. Placements Outside Indiana.

This research question could not be fully tested because the numbers of children in the waiver and control groups placed outside the state were very small. For instance, among children not in placement at the time of pair-waiver assignment and in cases where that assignment was made before January 1, 2007, 0.6 percent (12) of waiver children were placed in out-of-state facilities of any kind compared to 1.2 percent (19) of control children after pair-waiver assignment and prior to the end of the case or the end of data collection. While this is a statistically significant difference (Exact Significance = .044), it cannot be considered a meaningful result for policy purposes.

3. Reunification, Adoption and Guardianship

- There were 640 waiver children and 858 control children for whom placements had ended and placement outcome data were available for analysis and whose placements overlapped or began after the pair-waiver assignment date. Reunification, adoption or guardianship outcomes occurred for 77.5 percent of the waiver children and 76.5 percent of control children.
- Significantly and substantially higher percentages of waiver children (57.0 percent) returned to live with their former caregivers, that is, were reunified than control children (44.1 percent).
- Significantly more control children (22.1 percent) were adopted than waiver children (7.7 percent).
- Guardianships occurred more often in waiver cases (12.8 percent) than control cases (10.3 percent). The difference was small but represented a statistical trend.
- More waiver children with psychological special needs were reunified with parents (46.5 percent) than control children (33.7 percent), a difference that was just beyond the commonly accepted probability level for statistical significance. A similar finding occurred for adoption.
- The relative difference between reunifications of waiver *delinquents* (76.7 percent) and control delinquents (70.7 percent) was much reduced compared to CPS, and was not statistically significant ($p = .136$).

- Analysis of waiver children in *program counties* and their matches revealed a substantial similarity for these three outcomes to the statewide analysis. Percentages varied slightly but the findings were essentially unchanged.

4. Time in Placement

- Overall and without regard to the outcome of placements waiver children were in formal placement during their original case for significantly shorter periods, on average, than control children. Waiver children averaged 346 days before a resolution of placement compared to 508 days for control children ($p < .001$).
- Children that were reunited continue to differ significantly: waiver 238 days; control 284 days.
- Adoption differences were in the same direction, waiver 886 days compared to control 960 days, but the difference was not statistically significant
- Guardianship means are effectively the same length, waiver 507 days, control 497 days, a non-significant difference.
- Waiver *delinquent* children were in placement a mean of 178.0 days compared to 346.4 days for control delinquent children ($p < .001$).
- The analysis of time in placement in *program counties* showed the same overall pattern as the statewide analysis. However, the waiver-control difference days in placement among children who were reunited was greater.

5. Time in Institutional Settings

- Significantly *more* waiver children were placed in institutions. Of 412 waiver children, 169 (41.0 percent) were placed in an institutional setting for part of their stay out-of-home, while of 468 control children, 159 (34.0 percent) were similarly in institutions. The difference was statistically significant ($p = .018$).
- Waiver children experienced *more* days in institutional settings,. The mean number of days for waiver children was 102 and for control children was 77. The probability associated with this difference is described as a statistical trend ($p = .078$).
- The increased length of stay of waiver children was slightly larger for delinquents. There was a difference of 38.4 days (waiver: 138.2; control: 176.6; $p = .215$) for delinquents compared a difference for CPS of 33.0 days (waiver: 91.3; control 58.3; $p = .041$).
- Outcomes for children in program counties were essentially the same as those in statewide analyses.

6. Recurrence of Abuse and Neglect Reports

- Out of 2,687 waiver children, 106 (3.9 percent) had new substantiated investigations and of 2,309 control children, 86 (3.7 percent) had new substantiated investigations. Follow-up times varied, however, from 3 months to 27 months.
- Survival analysis (Life Tables) revealed that waiver children survived without a new report for significantly longer periods of time ($p < .001$), indicating greater delays prior to substantiated reports for waiver children than for control children.

7. Re-entry into Placement of Children Previously Placed

- Significantly fewer waiver children were placed again. During the tracking period 13.9 percent of previously reunified waiver children were removed again compared to 18.4 percent of control children ($p = .054$).
- Survival analysis (Life Tables) revealed that waiver children were significantly less likely to be removed again after having been reunited with their families.

8-9. The Effects of Services

These questions were not analyzed because of small sample sizes. As the number of case-specific sample cases increases during the remaining years of the waiver, it will be possible to determine whether increases in services and changes in service profiles to families and children were implicated in the positive findings reported under the previously discussed research questions.

10-12. Child and Family Well-Being

- Family reports revealed a greater reduction in stress (compared to a year earlier) among families of waiver children in three areas: current job or job prospects ($p = .03$), home life ($p = .03$) and life in general ($p = .05$). No differences were found in several other areas reported by families: relationships with other adults, relationship with child(ren), overall well being of child(ren), respondents' general well being and economic or financial outlook.
- Families of children in CA/N cases experienced less stress than families of delinquent children. For example, 82 percent of waiver families with CA/N cases answered that they experienced somewhat less stress or a lot less stress regarding their children's well being, compared to 64.2 percent of waiver families with delinquent children.
- Thirty-eight percent of families reported that their child had trouble learning in school. This number was higher for the delinquent population, at 50 percent for

both waiver and control groups. Likewise, 38 percent of respondents felt that their child behaved in ways that made them difficult to control. Again, this percentage was higher for delinquency cases, close to 50 percent for both groups. In addition, many parents reported that they believed their child might also be experiencing depression (33 percent), with about half (50 percent) of the parents of delinquents noticing this about the children.

- The great majority of both waiver and matched families, 95 percent, reported that the school-age children (6-17 years old) in their household were going to school. Parents also reported that their children were doing fairly well in the classroom, and there was little difference between waiver and control families.

13. Family Satisfaction

- Interim analyses were based on current responses of family caregivers without regard to outcomes of cases or variations in family characteristics.
- Of all responding families (both waiver and control groups), a strong majority reported satisfaction with how they were treated during visits by a worker. Just over 8 in 10 (80.4 percent) said they were either generally satisfied or very satisfied with their treatment. Only 9.7 percent reported either they were generally or very dissatisfied.
- Seven out of ten families (72.6 percent) responded that they believed that their family was either much better off or somewhat better off. Waiver families were slightly more likely to respond that they were much better off (39 percent) than control families (29.9 percent), but a this difference was not statistically significant.
- When asked if the *child or children* in the home were better or worse off because of the experience with DCS, again, about three quarters (74.3 percent) of all families indicated that they believed their child was generally better off. There were no differences between waiver and control families.
- Waiver families were slightly more likely to respond favorably concerning satisfaction with the help they received, the degree to which workers tried to understand the family's situation and needs, and the degree to which the family was involved in the decisions made that affected them. However, the level of difference was not statistically significant between the study groups at this time.

Cost Evaluation. The proposed methods for the cost analysis are dependent on the availability of consistent cost information in ICWIS. In early 2006, changes were introduced in ICWIS making it possible for local offices to enter cost of services. The plan was to back-enter data to July 1, 2005. To date most of the smaller counties have entered financial data on waiver cases into the system. However, the largest Indiana

counties either have been slow to convert or have not converted from their local systems to ICWIS. Furthermore, to date financial data received by IAR has been primarily for waiver cases. For example, 44,055 financial table records have been received for waiver cases compared to 297 records for non-waiver cases.

The comparative cost study requires financial data for both the waiver and control groups. It involves determining whether differences could be found in spending for waiver and control cases from the point of pair-waiver matching forward through the conclusion of data collection. The plan in the original research design was to collect data from ICWIS for the waiver and control samples that are selected for the case-specific surveys. It may be necessary to revise the design to permit data collection from ICWIS for waiver cases but directly from local bookkeepers and accountants for control group children and families.