



ANALYSIS OF THE NEW JERSEY BUDGET

**DEPARTMENT OF
CHILDREN AND FAMILIES**

FISCAL YEAR

2013 - 2014

NEW JERSEY STATE LEGISLATURE

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DEPARTMENT OF CHILDREN AND FAMILIES

Budget Pages..... B-4 to B5, B-8 to B-9, B-11; C-3, C-10,
C-17, C-26, C-27; D-31 to D-42; F-3, F-
10; H-11, H-18

Fiscal Summary (\$000)

	Expended FY 2012	Adjusted Appropriation FY 2013	Recommended FY 2014	Percent Change 2013-14
State Budgeted	1,045,970	1,063,706	1,049,926	(1.3%)
Federal Funds	452,029	467,128	498,104	6.6%
<u>Other</u>	<u>60,866</u>	<u>53,181</u>	<u>53,151</u>	<u>(0.1%)</u>
Grand Total	\$1,558,865	\$1,584,015	\$1,601,181	1.1%

Personnel Summary - Positions By Funding Source

	Actual FY 2012	Revised FY 2013	Funded FY 2014	Percent Change 2013-14
State	4,657	4,810	4,832	0.5%
Federal	1,490	1,472	1,480	0.5%
<u>Other</u>	<u>350</u>	<u>332</u>	<u>331</u>	<u>(0.3%)</u>
Total Positions	6,497	6,614	6,643	0.4%

FY 2012 (as of December) and revised FY 2013 (as of January) personnel data reflect actual payroll counts. FY 2014 data reflect the number of positions funded.

Link to Website: <http://www.njleg.state.nj.us/legislativepub/finance.asp>

Highlights (Cont'd)

BUDGET OVERVIEW

The Governor's FY 2014 Budget recommends a total of \$1.60 billion (gross) for the Department of Children and Families (DCF) in fiscal year (FY) 2014, for an increase of about \$17.2 million from the FY 2013 adjusted appropriation. State funds account for nearly \$1.05 billion of the total FY 2014 recommendation, representing a decrease of \$13.8 million from FY 2013 State appropriations of \$1.06 billion. Anticipated federal funds account for \$498.1 million of the FY 2014 recommendation, representing an increase of nearly \$31.0 million (or 6.6 percent) over the FY 2013 adjusted appropriation of \$467.1 million. Other Funds are recommended to remain virtually unchanged, at \$53.2 million.

In part, the increase in anticipated federal funds is related to the October 2012 approval of the State's Comprehensive Medicaid Waiver, which will begin to have significant programmatic and fiscal impacts within DCF in FY 2014.

Comprehensive Medicaid Waiver

In October 2012, New Jersey received federal approval for its Comprehensive Medicaid Waiver. The State is now authorized to receive federal revenues for new initiatives as well as for certain existing services that were previously supported by State funds. Two new initiatives affecting DCF in FY 2014 include:

- The Program for Children Diagnosed with Serious Emotional Disturbance (SED Program), which will serve children with severe behavioral or emotional symptoms who are at risk of being placed outside their homes and who have family incomes up to 150 percent of the federal poverty level, or who have higher incomes and particularly intense treatment needs.
- The Intellectual Disabilities/Developmental Disabilities with Co-Occurring Mental Health Diagnoses Program (IDD/MI Program), which will provide children with developmental disabilities and co-occurring mental illnesses with a range of home- and community-based services.

These two programs will be implemented by the Division of Children's System of Care and are expected to generate net State savings of about \$16.5 million in FY 2014, resulting from increased federal Medicaid matching funds associated with the new programs. For a more detailed summary of FY 2014 initiatives and savings under the Comprehensive Waiver, see the *Comprehensive Medicaid Waiver Savings* background paper included within this analysis (page 19).

Ongoing Reorganization of Programs into DCF

Pursuant to P.L.2012, c.16, and in accordance with the FY 2013 Appropriations Act, a Statewide reorganization of various programs into DCF was implemented during the current fiscal year. This reorganization included the transfer into DCF of the Division on Women from the Department of Community Affairs (DCA) and services for children with developmental disabilities from the Department of Human Services (DHS).

This Statewide reorganization also anticipated that various addiction services and mental health services for adolescents would be transferred to DCF from the Division of Mental

Highlights (Cont'd)

Health and Addiction Services (DMHAS) in DHS, beginning in FY 2013. According to updated information received from DHS, the transfer of addiction services for adolescents up to age 18 will be completed during FY 2014. This shift is reflected in the recommended FY 2014 transfer to DCF of \$8.1 million in federal Substance Abuse Block Grant funds and \$1.5 million in federal Social Services Block Grant funds for adolescent substance abuse services, as well as in DCF's retention of \$4.0 million that was previously paid to DHS to provide various substance abuse services to DCF-involved adolescents.

The Governor's FY 2014 Budget (page D-161) indicates that certain mental health services for adolescents up to age 18 will be transferred to DCF during FY 2014, as will certain mental health and addiction services for individuals ages 18-20.

Child Welfare Reform

DCF continues to receive federal monitoring under the Modified Settlement Agreement (MSA) reached in 2006, which resulted from a class action lawsuit regarding improvements to the State's child welfare system. Under the terms of the MSA, the Center for the Study of Social Policy (CSSP) was appointed by the U.S. District Court of New Jersey as the independent Federal Monitor to assess the compliance of DCF with the terms and conditions of the MSA, which required the implementation and evaluation of certain child welfare reforms.

The most recent CSSP monitoring report, from December 2012, determined that DCF had fully met 21 of 54 performance targets established under the MSA and had partially met three additional targets. For a more detailed summary of the latest CSSP report, see the *December 2012 Federal Monitor's Report* background paper included within this analysis (page 21).

HIGHLIGHTS BY DIVISION

Division of Child Protection and Permanency Services

The Division of Child Protection and Permanency (DCP&P) is the State's child welfare agency, with responsibilities to: investigate allegations of child abuse or neglect; assist, preserve, and strengthen families in crisis; provide out-of-home placements, when necessary, to protect the safety and well-being of children; facilitate family reunification, when possible; facilitate permanent adoptions or kinship legal guardianship placements for children who cannot return home; and support adolescent youth aging out of the State's foster care system.

The Governor's FY 2014 Budget recommends a total funding decrease of \$5.8 million for the division, to \$911.7 million (gross).

Direct State Services funding is recommended to decrease by \$4.4 million, to \$439.9 million (gross). The overall decrease is primarily attributed to:

- \$4.2 million in funding for Deputy Attorney General services being shifted from DCP&P Salaries and Wages into the Safety and Permanency in the Courts account (outside of DCP&P, under the Administration and Support Services program classification); and

Highlights (Cont'd)

- \$172,000 in discontinued State funding in the Services Other Than Personal category, previously associated with the Public Awareness for Child Abuse Prevention appropriation.

It is noted that DCF is proposing an FY 2013 supplemental appropriation of \$3.7 million in DCP&P Direct State Services funding, attributable to a "salary shortfall," which this analysis includes in the FY 2013 adjusted appropriations where applicable.

Grants-in-Aid funding is recommended to decrease by \$1.4 million, to \$471.8 million (gross). The overall decrease is attributed to:

- a \$4.0 million decrease in Child Health Units, due to a DCF trend analysis indicating that previous years' appropriations routinely exceeded expenditures for these services; and
- a \$2.7 million increase in Subsidized Adoption, reflecting increases in the number of families receiving adoption subsidies.

In addition, minor increases in Foster Care (\$0.8 million), DCP&P Family Support Services (\$0.2 million), and Restricted Federal Grants (\$0.3 million) offset minor decreases in Independent Living and Shelter Care (\$0.8 million), Out-of-Home Placements (\$0.2 million), and Purchase of Social Services (\$0.4 million).

It is also noted that DCF is proposing an FY 2013 supplemental appropriation of \$15.1 million in DCP&P Grants-In-Aid funding, attributed to "Child Protection and Permanency Grant Trend," which this analysis includes in the FY 2013 adjusted appropriations for the applicable accounts. The supplemental appropriations are allocated as follows:

- \$3.9 million for Out-of-Home Placements;
- \$2.0 million for DCP&P Family Support Services;
- \$7.1 million for Foster Care; and
- \$2.2 million for Subsidized Adoption.

Division of Children's System of Care

The Division of Children's System of Care (DCSOC) provides behavioral health services to children and adolescents with emotional and behavioral health challenges, substance abuse challenges, and intellectual and developmental disabilities. DCSOC services include 24-hour mobile crisis response and stabilization, case management, in-home and out-of-home treatment services, and family support services.

The Governor's FY 2014 Budget recommends a funding increase of \$18.9 million for the division, to \$469.3 million (gross).

Direct State Services funding is recommended to increase by \$0.2 million, to \$2.1 million (gross).

Grants-in-Aid funding is recommended to increase by \$18.7 million, to \$467.2 million (gross). The overall increase is primarily attributed to:

Highlights (Cont'd)

- a \$3.9 million increase in Care Management Organizations, reflecting a continued DCSOC shift away from out-of-home, residential treatment and toward in-home behavioral health services;
- a \$5.6 million increase in funding for the Contracted Systems Administrator, to provide expanded services for new DCF populations of children with developmental disabilities and youth receiving addiction treatment services, in accordance with the FY 2013 reorganization of those services from DHS into DCF;
- a \$5.8 million increase in Out-of-Home Treatment Services, largely resulting from:
 - State savings generated by the SED and IDD/MI programs under the approved Comprehensive Medicaid Waiver.
 - Increased State spending on the Children's Placement Enhancement Project.
 - Increased State spending related to "grant programs trend."
 - The shifting of federal Substance Abuse Block Grant funds from DHS to DCF.
- a \$1.5 million net increase in DCSOC Family Support Services, due to the shifting of federal Social Services Block Grant funds from DHS to DCF, to support adolescent substance abuse services; and
- increases of \$1.2 million and \$0.8 million for Mobile Response and Outpatient, respectively.

Division of Family and Community Partnerships and Division on Women

The Division of Family and Community Partnerships (DFCP) provides early childhood services, school-linked services, and family support services intended to prevent abuse and neglect and strengthen families and communities. DCFP also provides services to victims of domestic violence, a responsibility shared with the closely linked Division on Women, which administers sexual violence programs, women's shelters, programs for displaced homemakers, and other services.

The Governor's FY 2014 Budget recommends that funding for the two divisions remain virtually unchanged, at \$88.7 million (gross).

Direct State Services funding for the divisions is recommended to remain nearly unchanged, at \$2.0 million (gross).

Grants-in-Aid funding for the divisions is recommended to decrease by nearly \$0.1 million, to \$86.7 million (gross). The slight decrease is primarily attributed to:

- the expiration of a federal EMPOWER II grant previously contributing \$63,000 of funding to Women's Services; and
- a decrease of \$30,000 in Grants-in-Aid funding appropriated to child abuse and prevention programs from the Children's Trust Fund, which receives charitable contributions from a check-off on the State Gross Income Tax Return. The

Highlights (Cont'd)

recommended decrease corresponds to an equivalent decrease in anticipated Fund revenues, as shown on page C-10.

Education Services

The Office on Education administers and delivers educational services to: students with severe cognitive, emotional, and behavioral disabilities; pregnant and parenting teens; and other “at-risk” youth attending the DCF Regional Schools.

The Governor’s FY 2014 Budget recommends that total funding for Education Services remain virtually unchanged, at \$55.4 million (gross). **Direct State Services** funding is recommended to remain nearly unchanged, at \$27.5 million (gross). **Grants-in-Aid** funding is recommended to remain nearly unchanged, at \$27.8 million (gross).

Administration and Support Services

Direct State Services funding for Administration and Support Services is recommended to increase by \$4.2 million, to \$63.5 million (gross). This increase is entirely due to the shift of funding for Deputy Attorney General services shifting into the Safety and Permanency in the Courts account, as noted above.

Grants-in-Aid funding of \$0.7 million associated with the National Center for Child Abuse and Neglect is recommended to remain unchanged.

Other Services

The Governor’s FY 2014 Budget recommends no change to funding for the Child Welfare Training Academy Services and Operations and Safety and Security Services.

Background Papers

Comprehensive Medicaid Waiver Savingsp. 19
 December 2012 Federal Monitor's Reportp. 21

Fiscal and Personnel Summary

AGENCY FUNDING BY SOURCE OF FUNDS (\$000)

	Expended FY 2012	Adj. Approp. FY 2013	Recom. FY 2014	Percent Change	
				2012-14	2013-14
General Fund					
Direct State Services	\$313,749	\$268,097	\$268,052	(14.6%)	(0.0%)
Grants-In-Aid	732,221	795,609	781,874	6.8%	(1.7%)
State Aid	0	0	0	0.0%	0.0%
Capital Construction	0	0	0	0.0%	0.0%
Debt Service	0	0	0	0.0%	0.0%
Sub-Total	\$1,045,970	\$1,063,706	\$1,049,926	0.4%	(1.3%)
Property Tax Relief Fund					
Direct State Services	\$0	\$0	\$0	0.0%	0.0%
Grants-In-Aid	0	0	0	0.0%	0.0%
State Aid	0	0	0	0.0%	0.0%
Sub-Total	\$0	\$0	\$0	0.0%	0.0%
Casino Revenue Fund	\$0	\$0	\$0	0.0%	0.0%
Casino Control Fund	\$0	\$0	\$0	0.0%	0.0%
State Total	\$1,045,970	\$1,063,706	\$1,049,926	0.4%	(1.3%)
Federal Funds	\$452,029	\$467,128	\$498,104	10.2%	6.6%
Other Funds	\$60,866	\$53,181	\$53,151	(12.7%)	(0.1%)
Grand Total	\$1,558,865	\$1,584,015	\$1,601,181	2.7%	1.1%

PERSONNEL SUMMARY - POSITIONS BY FUNDING SOURCE

	Actual FY 2012	Revised FY 2013	Funded FY 2014	Percent Change	
				2012-14	2013-14
State	4,657	4,810	4,832	3.8%	0.5%
Federal	1,490	1,472	1,480	(0.7%)	0.5%
All Other	350	332	331	(5.4%)	(0.3%)
Total Positions	6,497	6,614	6,643	2.2%	0.4%

FY 2012 (as of December) and revised FY 2013 (as of January) personnel data reflect actual payroll counts. FY 2014 data reflect the number of positions funded.

AFFIRMATIVE ACTION DATA

Total Minority Percent	62.0%	60.9%	60.7%	---	---
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Significant Changes/New Programs (\$000)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2013</u>	<u>Recomm.</u> <u>FY 2014</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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(Note: The Governor's Budget displays the Department of Children and Families' budget line items in a gross budget format, indicating the aggregated total of State, Federal, and Other Funds. Below, the OLS disaggregates each line item into its various components, as applicable.)

CHILD PROTECTION AND PERMANENCY
AND ADMINISTRATION AND SUPPORT SERVICES

DIRECT STATE SERVICES

Child Protection and Permanency TOTAL	<u>\$444,263</u>	<u>\$439,891</u>	<u>(\$4,372)</u>	<u>(1.0%)</u>	<u>D-38</u>
General Fund	\$203,785	\$199,413	(\$4,372)	(2.1%)	D-38
Federal Funds	\$240,066	\$240,066	0	—	D-38
Other Funds	\$412	\$412	0	—	D-38

Personal Services (GF)	\$182,487	\$178,287	(\$4,200)	(2.3%)	
Services Other Than Personal (GF)	\$4,397	\$4,225	(\$172)	(3.9%)	

DIRECT STATE SERVICES

Administration and Support Services TOTAL	<u>\$59,297</u>	<u>\$63,497</u>	<u>\$4,200</u>	<u>7.1%</u>	<u>D-39</u>
General Fund	\$42,474	\$46,674	\$ 4,200	9.9%	D-39
Federal Funds	\$16,823	\$16,823	0	—	D-39

Special Purpose: Safety and Permanency in the Courts TOTAL	<u>\$11,345</u>	<u>\$15,545</u>	<u>\$ 4,200</u>	<u>37.0%</u>	<u>D-39</u>
General Fund	\$10,845	\$15,045	\$ 4,200	38.7%	
Federal Funds	\$500	\$500	0	—	

Overall Direct States Services funding in the Child Protection and Permanency program classification is recommended to decrease by \$4.4 million, to \$439.9 million (gross). Accounting for this decrease is:

- A shift of \$4.2 million (State) for Direct State Services, from Personal Services in the Child Protection and Permanency program classification to the Safety and Permanency in the Courts account in the Administration and Support Services program classification.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2013</u>	<u>Recomm.</u> <u>FY 2014</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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The \$4.2 million is currently reimbursed by the Department of Children and Families (DCF) to the Department of Law and Public Safety (DLPS) for various legal services provided by DLPS to DCF, such as legal services in cases where DCF is seeking supervision of abused and neglected children or termination of parental rights.

According to information provided by the department, this shift is intended to align funding with the actual cost of services provided by DLPS by consolidating, within a single account, all DCF funding reimbursing the cost of services provided by DLPS, and does not involve a change in total resources supporting Deputy Attorney General services provided to DCF.

- A decrease of \$172,000 (State) in the Services Other Than Personal category. These funds were moved into Child Protection and Permanency Direct State Services in FY 2013. Previously, these funds had been appropriated to the Public Awareness for Child Abuse Prevention Grants-in-Aid account, which supported various child abuse prevention awareness activities, such as public service announcements and distribution of printed materials. The department believes that sufficient non-State funds will be available in FY 2014 to support such public awareness activities.

CHILD PROTECTION AND PERMANENCY

GRANTS-IN-AID

Independent Living and Shelter Care

	\$14,656	\$13,815	(\$ 841)	(5.7%)	D-40
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Overall funding for Independent Living and Shelter Care is recommended to decrease by \$841,000 to \$13.8 million. This program funds temporary emergency placements for children in crisis as well as independent living services for adolescents in foster care who are transitioning to independence.

Evaluation data on page D-36 of the Governor’s FY 2014 Budget indicate that \$471,000 of this decrease is associated with a reduction in the number of Independent Living placements. As the data indicate, the number of these placements is anticipated to decrease by 8.7 percent, from 138 (revised estimate for FY 2013) to 126 (estimated for FY 2014).

The same evaluation data indicate that about \$370,000 of this decrease is associated with a reduction in the number of emergency placements. According to the data, the number of these placements is anticipated to decrease by 8.9 percent, from 1,032 (revised estimate for FY 2013) to 940 (estimated for FY 2014).

GRANTS-IN-AID

Subsidized Adoption

TOTAL	<u>\$128,987</u>	<u>\$131,639</u>	<u>\$ 2,652</u>	<u>2.1%</u>	D-40
General Fund	\$128,810	\$131,462	\$ 2,652	2.1%	
Federal Funds	\$177	\$177	0	—	

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2013</u>	<u>Recomm.</u> <u>FY 2014</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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Funding for Subsidized Adoption is recommended to increase by \$2.7 million, to \$131.6 million (gross). This program provides regular monthly payments to adoptive families for the care, maintenance, and special needs of adopted children. The FY 2013 adjusted appropriation includes a proposed \$2.2 million supplemental appropriation.

Information provided by the department indicates that the recommended appropriation reflects anticipated increases in the number of families receiving adoption subsidies. The 2.1 percent increase (when including the FY 2013 supplemental appropriation) appears closely correlated with caseload trend projections. Evaluation data on page D-36 of the Governor's FY 2014 Budget indicate that the number of adopted children supported through adoption subsidies is anticipated to increase by 2.0 percent, from 13,727 (revised estimate for FY 2013) to 13,996 (estimated for FY 2014).

GRANTS-IN-AID**Child Health Units**

TOTAL	<u>\$35,516</u>	<u>\$31,516</u>	<u>(\$4,000)</u>	<u>(11.3%)</u>	D-40
General Fund	<u>\$17,758</u>	<u>\$15,758</u>	<u>(\$2,000)</u>	<u>(11.3%)</u>	
Federal Funds	<u>\$17,758</u>	<u>\$15,758</u>	<u>(\$2,000)</u>	<u>(11.3%)</u>	

Funding for Child Health Units, which is supported by a 50 percent federal Medicaid matching rate, is recommended to decrease by \$4.0 million, to \$31.5 million (gross).

This program supports nurses placed in local Division of Child Protection and Permanency offices to provide health care coordination for children in out-of-home placements. The units are staffed based on the projected number of children in out-of-home placement. Typically, nursing staff in a local office include a clinical nurse coordinator, health care case managers (nurses), and staff assistants, and a regional nurse administrator supervises local units for a particular region. DCF holds an agreement with the University of Medicine and Dentistry of New Jersey (UMDNJ) to provide these services.

According to information from the department, the reduction is a result of a DCF trend analysis showing that, over the last several years, appropriations have exceeded expenditures by about \$5.5 million annually (gross). These lower expenditures are associated with a long-term decrease in the foster care population: as the number of children in foster care decreases, fewer nurses are required to provide Child Health Unit services. Information from the department indicates that, due to this trend, the recommended reduction in appropriation should not result in a reduction in services provided.

The OLS notes that Child Health Units lapsed \$1.7 million and \$2.2 million in State funds to the General Fund in FY 2011 and FY 2012, respectively, supporting the suggestion that the program's current appropriation can be reduced.

However, the OLS additionally notes that at the time Child Health Units were first fully implemented in FY 2010, the program was associated with an estimated average daily foster

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2013</u>	<u>Recomm.</u> <u>FY 2014</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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care population of 9,166. The FY 2014 Governor's Budget assumes an average daily foster care population of 8,239 (page D-36), for a decrease of about 10 percent from the FY 2010 estimate. In comparison, the FY 2014 recommended appropriation of \$31.5 million contained in the Governor's Budget is a decrease of about 15 percent from the FY 2010 appropriation of \$37.0 million (gross). Available information does not indicate why decreases in the recommended appropriations for Child Health Units appear to outpace the associated decreases in the foster care population over time.

CHILDREN'S SYSTEM OF CARE**GRANTS-IN-AID**

Care Management					
Organizations TOTAL	<u>\$64,789</u>	<u>\$68,688</u>	<u>\$ 3,899</u>	<u>6.0%</u>	D-40
General Fund	\$46,644	\$41,383	(\$5,261)	(11.3%)	
Federal Funds	\$18,145	\$27,305	\$ 9,160	50.5%	

Funding for Care Management Organizations is recommended to increase by \$3.9 million, to \$68.7 million (gross). Care Management Organizations (CMOs) provide unified behavioral health case management services to youth across a continuum of moderate-to-high levels of need. The program supports 15 CMOs, with one CMO for each of New Jersey's court vicinages (CMOs often work in cooperation with juvenile courts).

The Governor's FY 2014 Budget Recommendation also includes \$5.3 million of increased federal funding and an equivalent, offsetting \$5.3 million decrease in State funding. This shift to non-State resources is attributed to increased federal Medicaid matching funds from the Program for Children Diagnosed with Serious Emotional Disturbance under the approved Comprehensive Medicaid Waiver.

Beyond the offsetting funds described above, an additional increase of \$3.9 million in federal funds is anticipated. Information from the department indicates that this increase reflects a shift of federal funding from Out-of-Home Treatment Services to Care Management Organizations, due to the division's long-term programmatic shift away from residential treatment services and toward greater utilization of in-home services.

GRANTS-IN-AID

Out-of-Home					
Treatment Services					
TOTAL	<u>\$256,872</u>	<u>\$262,696</u>	<u>\$ 5,824</u>	<u>2.3%</u>	D-40
General Fund	\$168,426	\$166,201	(\$2,225)	(1.3%)	
Federal Funds	\$88,446	\$96,495	\$ 8,049	9.1%	

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2013</u>	<u>Recomm.</u> <u>FY 2014</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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Funding for Out-of-Home Treatment Services is recommended to increase by \$5.8 million, to \$262.7 million (gross). The net increase over the FY 2013 adjusted appropriation is attributed to the following:

- \$4.7 million in recommended State savings resulting from increased federal Medicaid matching funds associated with two new programs under the approved Comprehensive Medicaid Waiver: the Program for Children Diagnosed with Serious Emotional Disturbance (\$2.9 million in State savings) and the Intellectual Disabilities/Developmental Disabilities with Co-Occurring Mental Health Diagnoses Program (\$1.8 million in State savings).
- \$1.5 million in recommended increased State spending on the Children's Placement Enhancement Project (C-PEP). C-PEP provides intensive, in-home services to divert children from out-of-home residential placements. The growth is attributed to additional need for such services that emerged in the process of reviewing children who had transferred to DCF from the Division of Developmental Disabilities in DHS as a result of the FY 2013 reorganization of services for children with developmental disabilities.

According to information provided by the department, the FY 2014 recommendation would increase total funding for C-PEP to \$3.2 million. The department expects C-PEP activities to achieve better results, at lower costs, than residential placements.

- \$1.0 million in new State spending related to "grant programs trend."
- \$7.3 million of additional federal funding from the Substance Abuse Block Grant shifting from the Division of Mental Health and Addiction Services in DHS to DCF. This shift reflects the realignment of adolescent addiction services into DCF.
- \$0.1 million and \$0.7 million in other, unattributed net increases in State and federal funds, respectively.

Finally, the OLS notes that the FY 2013 Appropriations Act had appropriated \$249.4 million for this account. Available information from the department suggests that the increased FY 2013 adjusted appropriation of \$256.9 million is partially attributed to a shift of funds supporting out-of-home placements for DCF-supervised children with developmental disabilities to this account (in the Children's System of Care program classification) from Out-of-Home Placements (in the Child Protection and Permanency program classification), in accordance with the general FY 2013 realignment of services for children with developmental disabilities from DHS to DCF.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2013</u>	<u>Recomm.</u> <u>FY 2014</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
GRANTS-IN-AID					
DCSOC Family Support Services					
TOTAL	<u>\$29,027</u>	<u>\$30,480</u>	<u>\$ 1,453</u>	<u>5.0%</u>	D-40
General Fund	\$27,994	\$26,160	(\$1,834)	(6.6%)	
Federal Funds	\$1,033	\$4,320	\$ 3,287	318.2%	

Funding for Division of Children's System of Care (DCSOC) Family Support Services is recommended to increase by \$1.5 million, to \$30.5 million (gross). These funds support county-based Family Support Organizations that provide family-to-family peer support, education, advocacy, and other services to family members of children with special needs, including emotional and behavioral challenges, substance abuse challenges, and intellectual and developmental disabilities.

The net increase over the FY 2013 adjusted appropriation is attributed to \$1.5 million of additional federal funding from a portion of the Social Services Block Grant shifting from the Department of Human Services to DCF. According to page D-31 of the Governor's FY 2014 Budget, these funds are to be used for adolescent substance abuse services.

DCSOC Family Support Services also includes State savings of \$1.8 million and an equivalent, offsetting \$1.8 million increase in federal Medicaid matching funds attributed to the Intellectual Disabilities/Developmental Disabilities with Co-Occurring Mental Health Diagnoses Program under the approved Comprehensive Medicaid Waiver.

GRANTS-IN-AID					
Mobile Response					
TOTAL	<u>\$21,228</u>	<u>\$22,428</u>	<u>\$ 1,200</u>	<u>5.7%</u>	D-40
General Fund	\$15,702	\$14,162	(\$1,540)	(9.8%)	
Federal Funds	\$5,526	\$8,266	\$ 2,740	49.6%	

Funding for Mobile Response is recommended to increase by \$1.2 million, to \$22.4 million (gross). This program provides 24-hour mobile response and stabilization services to children and youth who are experiencing emotional or behavioral crises.

Evaluation data on page D-36 of the Governor's FY 2014 Budget indicate that the number of dispatches is anticipated to increase by 0.6 percent, from 16,000 (revised estimate for FY 2013) to 16,100 (estimated for FY 2014). No information is provided to account for why the recommended appropriation increase outpaces growth in anticipated caseload.

The Governor's FY 2014 Budget Recommendation also reflects \$1.5 million of increased federal funding and an equivalent, offsetting \$1.5 million decrease in State funding for Mobile Response. This shift to non-State resources is attributed to increased federal Medicaid

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp. FY 2013</u>	<u>Recomm. FY 2014</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
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matching funds from the Program for Children Diagnosed with Serious Emotional Disturbance program under the approved Comprehensive Medicaid Waiver.

GRANTS-IN-AID

Outpatient TOTAL	<u>\$13,426</u>	<u>\$14,227</u>	<u>\$ 801</u>	<u>6.0%</u>	D-40
General Fund	\$13,426	\$13,426	0	—	
Federal Funds	\$0	\$801	\$ 801	—	

Funding for Outpatient Services is recommended to increase by \$0.8 million, to \$14.2 million (gross). The program funds various nonresidential, therapeutic treatment services for seriously emotionally disturbed youth in community-based mental health settings or hospital-based settings.

The net increase over the FY 2013 adjusted appropriation is attributed to \$0.8 million of additional federal funding from the Substance Abuse Block Grant shifting from the Division of Mental Health and Addiction Services in DHS to DCF. This shift reflects the realignment of adolescent addiction services into DCF.

GRANTS-IN-AID

Contracted Systems					
Administrator TOTAL	<u>\$7,986</u>	<u>\$13,552</u>	<u>\$ 5,566</u>	<u>69.7%</u>	D-40
General Fund	\$5,128	\$8,131	\$ 3,003	58.6%	
Federal Funds	\$2,858	\$5,421	\$ 2,563	89.7%	

Funding for the Contracted Systems Administrator is recommended to increase by \$5.6 million, to \$13.6 million (gross). The Contracted Systems Administrator (currently PerformCare Behavioral Health Solutions) administers New Jersey's Children's System of Care, providing intake, 24-hour crisis response, care coordination, utilization management, and other services for children and youth (up to age 21) requiring behavioral, mental health, and developmental disability services. PerformCare holds the contract as the Contracted Systems Administrator until FY 2015.

The net increase of \$5.6 million includes increased State funding of \$3.0 million and increased federal Medicaid funding of \$2.6 million. The net increase is associated with amendment of PerformCare's contract to provide expanded intake and care coordination services for new DCF populations of children with developmental disabilities and youth receiving addiction treatment services, following the FY 2013 reorganization of those services from DHS into DCF.

Significant Language Changes

Reimbursement to Department of Law and Public Safety for Legal Services

Revision

2013 Handbook: p. B-15
2014 Budget: p. D-41

Of the amount hereinabove appropriated for Safety and Permanency in the Courts, an amount not to exceed ~~\$10,845,000~~ \$15,045,000 shall be reimbursed to the Department of Law and Public Safety and is appropriated for legal services implementing the approved child welfare settlement with the federal court, subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

The FY 2014 recommended budget language would increase by \$4.2 million, to \$15.0 million, the amount reimbursed from the Safety and Permanency in the Courts account in the Department of Children and Families (DCF) to the Department of Law and Public Safety (DLPS) for various legal services provided by DLPS to DCF-involved children.

The proposed increase corresponds to a recommended shift of \$4.2 million from Personal Services in the DCF Child Protection and Permanency program classification to the Safety and Permanency in the Courts account in the DCF Administration and Support Services program classification. The \$4.2 million currently supports DLPS' costs of providing Deputy Attorney General services to DCF in cases where DCF is seeking supervision of abused and neglected children, termination of parental rights, or other actions. According to information provided by the department, the recommended shift is intended to align funding with the actual cost of services provided by DLPS by consolidating, within a single account (Safety and Permanency in the Courts), all DCF funding reimbursing the cost of legal services provided by DLPS, and does not involve a change in total resources supporting Deputy Attorney General services provided to DCF.

Substance Abuse Funds Transferred to Department of Human Services

Revision

2013 Handbook: p.B-17
2014 Budget: p.D-42

Of the amounts hereinabove appropriated for Substance Abuse Services, an amount not to exceed ~~\$14,000,000~~ \$10,024,000 shall be transferred to the Department of Human Services Division of Mental Health and Addiction Services to fund the Division of Child Protection and Permanency Child Welfare Substance Abuse Treatment Services contracts as specified in the Memorandum of Agreement between the Department of Children and Families and the Department of Human Services Division of Mental Health and Addiction Services, subject to the approval of the Director of the Division of Budget and Accounting.

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

Significant Language Changes (Cont'd)

Explanation

The existing language provision authorizes the transfer of funds from the Division of Child Protection and Permanency (DCP&P) in the Department of Children and Families to the Division of Mental Health and Addiction Services in the Department of Human Services (DHS) to provide various substance abuse services to DCF-involved families, including substance abuse service for adolescents. The proposed language revision reflects a recommended reduction of \$4.0 million, to \$10.0 million, in the amount appropriated to DCP&P Substance Abuse Services for FY 2014.

According to information provided by the department, this reduction in appropriation does not involve a net change in resources for the related substance abuse services. Rather, as a result of the reorganization of certain adolescent addiction services from DHS into DCF, the \$4.0 million is no longer transferred to DHS and is now retained by DCF for substance abuse treatment for adolescents. The retained funds have been reallocated to the Division of Children’s System of Care, incorporated within the FY 2013 adjusted appropriations for the Out-of-Home Treatment Services (approximately \$2.6 million) and Outpatient (approximately \$1.5 million) budget items.

DCP&P Appropriations Available for Payment of Prior Obligations

Revision

2013 Handbook: p.B-16
2014 Budget: p.D-42

Notwithstanding the provisions of any law or regulation to the contrary, the sums hereinabove appropriated for the Out-of-Home Placements, ~~Group Homes, Treatment Homes, Other Residential Services~~Independent Living and Shelter Care, Foster Care, Subsidized Adoption, and Family Support Services accounts are available for the payment of obligations applicable to prior fiscal years.

Explanation

The existing language provision allows various Grants-In-Aid funds appropriated within the Division of Child Protection and Permanency to be used for the payment of obligations from prior fiscal years.

The proposed FY 2014 language revision makes a technical correction and clarification by updating appropriations language to reflect: the previous consolidation of appropriations for Group Homes and Treatment Homes into Out-of-Home Placements within the FY 2013 Appropriations Act; and the previous consolidation of Other Residential Services into Out-of-Home Treatment Services within the FY 2007 Appropriations Act. (Prior to FY 2013, “Out-of-Home Treatment Services” appeared as “Treatment Homes and Emergency Behavioral Health Services” in the Governor’s Budget).

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

Significant Language Changes (Cont'd)

The proposed revision would also newly allow Grants-In-Aid funds appropriated to Independent Living and Shelter Care to be available for the payment of obligations from prior fiscal years.

DCSOC Client Requirements to Apply for Medicaid and NJ FamilyCare

Revision

2013 Handbook: p.B-18
2014 Budget: p.D-42

Notwithstanding the provisions of any law or regulation to the contrary, no funds hereinabove appropriated for Out-of-Home Treatment ~~Homes and Emergency Behavioral Health~~ Services, ~~Youth Case Managers~~, Care Management Organizations, Youth Incentive Program, Behavioral Assistance and In-Home Community Services, Family Support Services and Mobile Response shall be expended for any individual served by the Division of Children's System of Care, with the exception of court-ordered placements or to ensure services necessary to prevent risk of harm to the individual or others, unless that individual makes a full and complete application for Medicaid or NJ FamilyCare, as applicable. Individuals receiving services from appropriations covered by the exceptions above shall apply for Medicaid or NJ FamilyCare, as applicable, in a timely manner, as shall be defined by the Commissioner of Children and Families, after receiving services.

Explanation

The existing language provision requires children and families receiving services funded by various Division of Children's System of Care appropriations to apply for Medicaid or NJ FamilyCare, as applicable, except in cases of court-ordered placements or services necessary to prevent risk of harm to the individual or others.

The proposed FY 2014 language revision makes a technical correction by updating appropriations language to reflect: the renaming of "Treatment Homes and Emergency Behavioral Health Services" to "Out-of-Home Treatment Services" within the FY 2013 Appropriations Act; and the consolidation of Youth Case Managers into Care Management Organizations within the FY 2013 Appropriations Act.

The proposed language revision would also require children and families receiving Behavioral Assistance and In-Home Community Services and Family Support Services to apply for Medicaid or NJ FamilyCare, as applicable. According to information provided by the department, the recommended addition of Behavioral Assistance and In-Home Community Services to the application requirement is intended to codify existing DCF practices requesting that recipients of those services apply for Medicaid and NJ FamilyCare, and would not represent a significant policy change.

The recommended addition of Family Support Services to the application requirement would represent a policy change. Previously, recipients of Division of Children's System of Care

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

Significant Language Changes (Cont'd)

Family Support Services were not required to apply for Medicaid or NJ FamilyCare. However, family support services for children with developmental disabilities were transferred from DHS to DCF in FY 2013. Many of these children may be eligible for Medicaid or NJ FamilyCare, including children eligible for new Comprehensive Medicaid Waiver programs serving individuals with developmental disabilities. Thus, according to information from the department, the addition of Family Support Services to the application requirement is intended to: facilitate the division's maximization of federal revenues for services provided to children and their families; and ensure that such children receive Medicaid or NJ FamilyCare benefits if they qualify for them.

It is noted that the language provision requires Division of Children's System of Care clients to apply for Medicaid or NJ FamilyCare, but clients who are not eligible for Medicaid or NJ FamilyCare may still receive services from the division.

EXPLANATION: FY 2013 language not recommended for FY 2014 denoted by strikethrough.
Recommended FY 2014 language that did not appear in FY 2013 denoted by underlining.

Background Paper: Comprehensive Medicaid Waiver Savings

In October 2012, New Jersey received federal approval for its Comprehensive Medicaid Waiver. The State is now authorized to receive federal revenues for new initiatives as well as for certain existing services that were previously supported by State funds. Two new Comprehensive Medicaid Waiver initiatives affecting the Department of Children and Families in FY 2014 include:

- The Program for Children Diagnosed with Serious Emotional Disturbance (SED Program), which will serve children with severe behavioral or emotional symptoms who are at risk of hospitalization or out-of-home placement and who have family incomes up to 150 percent of the federal poverty level, or who have higher incomes and particularly intense treatment needs. The program provides Medicaid State plan behavioral health services and a special set of services intended to maintain children at home, provide less restrictive and more appropriate treatment than would be received in a hospital setting, and promote life skills. Program-specific services include: guidance, training, and support with life activities; assistance with transitioning out of child behavioral health services and into adult life and adult services, as needed; and transportation to and/or from non-medical activities required to fulfill a participant's individualized service plan.
- The Intellectual Disabilities/Developmental Disabilities with Co-Occurring Mental Health Diagnoses Program (IDD/MI Program), which will provide children with developmental disabilities and co-occurring mental illnesses with a range of home- and community-based services designed to help children remain in their homes or in the least restrictive environment possible. Program-specific services include: case management, behavioral supports, intensive in-home and out-of-home services, and transportation.

These two programs will be implemented by the Division of Children's System of Care and are expected to generate net State savings of about \$16.5 million in FY 2014, resulting from increased federal Medicaid matching funds associated with the new programs. The approximate distribution of the \$16.5 million in State savings across the division's line items is as follows:¹

- \$5.3 million in Care Management Organizations, associated with the new SED program;
- \$4.7 million in Out-of-Home Treatment Services, associated with the SED program (\$2.9 million) and the new IDD/MI program (\$1.8 million);
- \$1.8 million in Family Support Services, associated with the IDD/MI program;
- \$6.1 million in Intensive In-Home Behavioral Assistance, associated with the SED program; and
- \$1.5 million in Mobile Response, associated with the SED program.

¹ It is noted that, in several cases, the above State savings are offset by increases in federal funds associated with the same account, rendering the State decrease less visible in the department's budget display.

Background Paper: Comprehensive Medicaid Waiver Savings (Cont'd)

The subtotal of the above State savings is \$19.4 million. Of this amount, an offsetting State increase of \$2.9 million supports the \$5.6 million (gross) overall growth for the Contracted Systems Administrator, to serve new DCF populations of children with developmental disabilities and youth receiving addiction treatment services following the FY 2013 reorganization of those services from DHS into DCF.

For a more detailed summary of new initiatives under the Comprehensive Medicaid Waiver, including those operated by the Department of Health and the Department of Human Services, please see the *Comprehensive Medicaid Waiver – New Programs* background paper included within the Office of Legislative Services' Analysis of the Governor's FY 2014 Budget for the Department of Human Services.

Background Paper: December 2012 Federal Monitor's Report

In July 2006, the State reached a Modified Settlement Agreement (MSA) in a class action lawsuit regarding improvements to the State's child welfare system. Under the terms of the MSA, the Center for the Study of Social Policy (CSSP) was appointed by the U.S. District Court of New Jersey as the independent Federal Monitor to assess the compliance of the Department of Children and Families (DCF) with the terms and conditions of the MSA. The MSA required the implementation and evaluation of certain child welfare reforms, as follows:

- Phase I (through December 2008) required systematic reforms to improve the State's child welfare system, including: development and implementation of a new case practice model; improved delivery of critical services; reduced caseloads; improved caseworker training; improved recruitment and licensing of foster/kinship care resource families; and improved use and publication of performance data.
- Phase II (beginning January 2009) required the measurement of certain performance indicators to evaluate the Phase I reforms and assess the State's overall compliance with the MSA. The required performance targets were established either in the MSA or by the Federal Monitor in consultation with the State and other parties involved in the lawsuit. The MSA provides that the lawsuit may be dismissed at any time after 2010, once the State achieves and maintains the established performance targets.

To date, CSSP has issued twelve monitoring reports assessing the State's compliance with the MSA. The December 2012 Monitoring Report (evaluating the January-June 2012 period) and previous reports are available at: <http://www.state.nj.us/dcf/about/welfare/federal/>.

The December 2012 Monitoring Report states that "DCF has continued to make incremental progress toward meeting the Modified Settlement Agreement outcomes." Twenty-one of 54 Phase II performance targets have been met and three targets have partially been met. Twenty-six performance targets were not met, with five of those performance indicators showing improvement over prior monitoring reports. Four performance indicators could not be assessed. The table below compares this period's overall performance outcomes to those reported in the December 2011 Monitoring Report, which evaluated the January-June 2011 period.

Status of Phase II Performance Measures	December 2011 Report (January-June 2011)	December 2012 Report (January-June 2012)
Met	24 (46%)	21 (42%)
Partially Met	3 (6%)	3 (6%)
Not Met	25 (48%)	26 (52%)
Total assessed	52 (100%)	50 (100%)
<i>Unable to be assessed</i>	3	4

MSA PERFORMANCE TARGETS NOT MET

The December 2012 Monitoring Report highlights, as areas of particular concern, the following Phase II performance targets that were not met during the reporting period:

Background Paper: December 2012 Federal Monitor's Report (Cont'd)

1. Meeting caseload standards. DCF is required to maintain acceptable caseloads for:

- Intake caseworkers, who perform initial investigations of child abuse and neglect;
- Permanency caseworkers, who provide services to families with children remaining at home under DCF protective supervision or with children who are removed from home due to safety concerns; and
- Adoption caseworkers, who locate permanent homes for children who cannot safely return to their parents, prepare children for adoption, and finalize adoptions.

The report indicates that DCF did not meet individual intake worker caseload standards for the reporting period. According to the report, meeting this standard has been an ongoing challenge compounded by a large increase in intake rates over the last year. The report also indicates that Permanency and Adoption caseloads have been compliant since Phase II began (January 2009), but have fallen slightly below MSA standards for the past two monitoring periods (July 2011-June 2012).²

2. Case planning. Under the MSA, the department must meet certain standards for developing, reviewing, and adjusting case plans to meet the needs of children and families and for modifying case plans as situations change. The report indicates that DCF did not meet performance targets on the following measures:

- Developing case plans within 30 days of a child entering placement.
- Reviewing and adjusting case plans as necessary or at least every six months.

3. Family Team Meetings. Under the MSA, caseworkers must hold meetings bringing together families, providers, and other partners to exchange information, coordinate services, and solve problems at key points, such as when a child enters foster care. The report indicates that DCF did not meet the performance targets associated with holding these meetings.

4. Caseworker visits. Caseworkers are required to visit children in foster care and their parents periodically, to ensure children's safety, strengthen family connections, and increase opportunities for "permanency" (e.g., family reunifications, adoptions). The report indicates that DCF did not meet the performance targets for:

- Caseworkers visiting children twice per month during the first two months of a foster care placement.
- Caseworkers visiting parents or guardians twice per month when the goal is family reunification.

5. Completing risk reassessments prior to non-investigation case closures. These risk reassessments are to be completed within 30 days prior to closing non-investigation cases, to ensure that children are not in imminent danger or at future risk of harm. The report indicates that, while risk and safety assessments are conducted in almost every

² Although technically not included among the 54 Phase II performance measures, caseload standards are included within a set of ongoing, additional Phase I and Phase II MSA requirements that must be met by DCF and that are routinely reported by the Federal Monitor. Thus, caseload standards are discussed and included within the tables below.

Background Paper: December 2012 Federal Monitor's Report (Cont'd)

investigation case within the required timeframe, performance in *non-investigation* cases is well below the MSA target.

MSA PERFORMANCE SUMMARY

The December 2012 Monitoring Report also provides more detailed information regarding DCF's performance on the Phase II performance measures.

Below, Tables 1, 2, and 3 summarize, for the January-June 2012 period, the performance targets that DCF did not meet, partially met, or fully met, respectively. The tables present, for each performance measure, the performance target established by the MSA, the date by which DCF was supposed to achieve each target, and the department's performance relative to each target.

Table 1. January-June 2012: Performance Targets Not Met

PERFORMANCE MEASURES (TARGETS NOT MET)	MSA Final Target Date	MSA Final Target Level	DCF Level June 2011	DCF Level June 2012
Meeting the Caseload Standards				
Percentage of <u>intake workers meeting the individual caseload standard</u> of no more than 12 open cases and no more than eight new case assignments per month.	Ongoing monitoring	95%	84%	76%
Percentage of <u>permanency workers meeting the individual caseload standard</u> of no more than 15 families and no more than 10 children in out-of-home care.	Ongoing monitoring	95%	96%	92%
Percentage of <u>adoption workers meeting the individual caseload standard</u> of no more than 15 children. ³	Ongoing monitoring	95%	94%	90%
State Central Registry, Investigative Practice, and Institutional Abuse Investigations Unit				
<u>Timeliness of Completion</u> : percentage of investigations of alleged child abuse and neglect completed within 60 days.	June 2010	98%	63%	65%

³ The December 2012 Monitoring Report inconsistently reports the individual caseload standard for adoption workers as, alternatively, no more than 12 children and no more than 15 children. Based on the Modified Settlement Agreement and previous Monitoring Reports, the individual caseload standard for adoption workers appears to be 15 children.

Background Paper: December 2012 Federal Monitor's Report (Cont'd)

PERFORMANCE MEASURES (TARGETS NOT MET)	MSA Final Target Date	MSA Final Target Level	DCF Level June 2011	DCF Level June 2012
Implementation of Case Practice Model: Family Team Meetings				
<u>Family Involvement and Effective Use of Family Team Meetings:</u>				
a. Percentage of children newly entering placement who have a Family Team Meeting within 30 days.	a. June 2010	a. 90%	a. 50%	a. 68%
b. Percentage of other children in placement who have a Family Team Meeting at least once per quarter.	b. June 2010	b. 90%	b. 37%	b. 45%
c. Percentage of cases rated at least minimally acceptable on "family teamwork" indicators.	c. June 2011	c. 90%	c. 33%	c. 30%
Implementation of Case Practice Model: Case Planning				
<u>Timeliness of Initial Plans:</u> percentage of case plans developed within 30 days for children entering out-of-home placements.	June 2010	95%	61%	45%
<u>Timeliness of Current Plans:</u> percentage of case plans reviewed and modified at least every six months for children in out-of-home placements.	June 2010	95%	71%	63%
<u>Quality of Case Planning and Service Planning:</u> percentage of case plans rated "acceptable" on Qualitative Review indicators assessing the development and adjusting of case plans to meet child and family needs.	Dec. 2011	90%	46%	48%
<u>Educational Needs:</u> percentage of cases rated "acceptable" on Qualitative Review indicators assessing meeting of children's educational needs.	Dec. 2011	90%	Monitor unable to assess	76%
Implementation of Case Practice Model: Caseworker Visits				
<u>Caseworker Visits with Children in State Custody (Initial Placements):</u> percentage of children with at least twice per month caseworker visits during first two months of an initial or subsequent placement.	Dec. 2010	95%	58%	53%
<u>Caseworker Visits with Children in State Custody (Ongoing Placements):</u> percentage of children with at least one visit per month.	June 2010	98%	91%	91%
<u>Caseworker Visits with Parents/Family Members (Reunification Goal):</u> percentage of families with at least twice per month caseworker visits when goal is family reunification.	Dec. 2010	95%	51%	54%

Background Paper: December 2012 Federal Monitor's Report (Cont'd)

PERFORMANCE MEASURES (TARGETS NOT MET)	MSA Final Target Date	MSA Final Target Level	DCF Level June 2011	DCF Level June 2012
<u>Caseworker Visits with Parents/Family Members (Non-Reunification Goal):</u> percentage of families with at least once per month caseworker visits when goal is other than family reunification.	Dec. 2010	95%	54%	59%
Implementation of Case Practice Model: Family Visitations				
<u>Visitation between Children in Custody and Parents:</u> percentage of children in custody with weekly parent visits when goal is family reunification.	Dec. 2010	85% biweekly visits; 60% weekly visits.	61% biweekly visits; 34% weekly visits.	68% biweekly visits; 42% weekly visits.
<u>Visitation between Children in Custody and Siblings Placed Apart:</u> percentage of children in custody with monthly visits to siblings with whom they are not residing.	Dec. 2010	85%	44%	52%
Implementation of Case Practice Model: Deputy Attorneys General Staffing				
<u>Adequacy of DAsG Staffing:</u> percentage of allocated positions filled among Deputy Attorneys General (DAsG) staff.	June 2012	98%	92%	92%
Placements of Children in Out-of-Home Care				
<u>Placing Sibling Groups of Four or More Together:</u> percentage of such siblings in custody placed together.	July 2011	40%	35% (CY 2011)	Data unavailable (target <i>not met</i> based on CY 2011)
<u>Stability of Placement:</u> percentage of children entering an out-of-home placement with two or fewer placements during a 12-month period.	June 2009	88%	84% (CY 2010)	Data unavailable (target <i>not met</i> based on CY 2010)
Repeat Maltreatment and Re-Entry into Out-of-Home Care				
<u>Repeat Maltreatment:</u> percentage of children reunified with their families who have another substantiation of abuse or neglect in the following 12 months.	July 2009	Less than 4.8%	6% (CY 2010)	Data unavailable (target <i>not met</i> based on CY 2010)
<u>Re-entry to Placement:</u> percentage of children re-entering custody within one year of being discharged (excluding runaways).	July 2011	Less than 9%	13% (CY 2010)	Data unavailable (target <i>not met</i> based on CY 2010)

Background Paper: December 2012 Federal Monitor's Report (Cont'd)

PERFORMANCE MEASURES (TARGETS NOT MET)	MSA Final Target Date	MSA Final Target Level	DCF Level June 2011	DCF Level June 2012
Permanency				
<u>Discharged to Permanency:</u> percentage of children discharged from foster care to permanency (i.e., reunification, permanent relative care, adoptions, or guardianship) who were: ⁴				
a. Discharged to permanency within 12 months after entering foster care for the first time and remaining in care for eight or more days.	a. CY 2011	a. 50% (45% for CY 2010)	a. 45% (CY 2010)	a. Data unavailable (target <i>met</i> based on CY 2010)
b. Discharged to permanency within 12 months, or prior to their 21 st birthdays, if they had been in care for 13-24 months on the first day of the 12-month period.	b. CY 2011	b. 47%	b. 47% (CY 2011)	b. Data unavailable (target <i>met</i> based on CY 2011)
c. Discharged to permanency within 12 months, or prior to their 21 st birthdays, if they had been in care for 25 or more months on the first day of the 12-month period.	c. CY 2011	c. 47%	c. 34% (CY 2011)	c. Data unavailable (target <i>not met</i> based on CY 2011)
<u>Total time to adoption:</u> percentage of children discharged from foster care to adoption within 30 months of removal from home.	CY 2011	60%	48% (CY 2011)	Data unavailable (target <i>not met</i> based on CY 2011)
<u>Progress toward adoption:</u> percentage of children with a goal of adoption who have a petition to terminate parental rights filed within 60 days of the goal change to adoption.	Jan. 2010	90%	N/A (indicator altered since June 2011)	69% to 81%⁵
<u>Child specific adoption recruitment:</u> percentage of children with a goal of adoption and without an identified adoptive home who have a child-specific recruitment plan developed within 30 days of the goal change to adoption.	Jan. 2010	90%	30 to 86%	54%
<u>Placement in an adoptive home:</u> percentage of children with a goal of adoption and without an adoptive home identified at time of termination of parental rights who are placed in an adoptive home within nine months of the termination of parental rights.	July 2009	75%	61%	35%

⁴ The OLS notes that while the CSSP appears to categorize performance on this indicator as not meeting the MSA target, it also appears that DCF has partially met the performance targets in two out of the three performance sub-measures.

⁵ The OLS notes that the December 2012 Monitoring Report reported a range for this performance outcome.

Background Paper: December 2012 Federal Monitor's Report (Cont'd)

PERFORMANCE MEASURES (TARGETS NOT MET)	MSA Final Target Date	MSA Final Target Level	DCF Level June 2011	DCF Level June 2012
Health Care for Children in Out-of-Home Placement				
<u>Immunization</u> : percentage of children in custody who are current with immunizations.	Dec. 2011	98%	97%	95%
<u>Health Passports</u> : percentage of children whose parents/caregivers received current Health Passport within five days of child's placement.	June 2011	95%	50%	58%
Services to Families				
<u>Services to Support Transitions</u> : percentage of cases where services were appropriately provided to families to support successful transitions (e.g., age-appropriate or school transitions, transition from non-relative to relative caretakers, case closures, etc.).	Dec. 2011	90%	52%	56%
Services to Older Youth				
<u>Independent Living Assessments</u> : percentage of youth age 14-18 in out-of home placements for at least six months who have an Independent Living Assessment completed.	Dec. 2011	95%	83%	84%

Source: CSSP December 2012 Report.

Background Paper: December 2012 Federal Monitor's Report (Cont'd)

Table 2. January-June 2012: Performance Targets Partially Met

PERFORMANCE MEASURES (TARGETS PARTIALLY MET)	MSA Final Target Date	MSA Final Target Level	DCF Level June 2011	DCF Level June 2012
State Central Registry, Investigative Practice, and Institutional Abuse Investigations Unit				
<u>Timeliness of SCR response:</u>				
a. Percentage of abuse and neglect investigations received by the field in a timely manner	a. July 2009	a. 98%	a. 99%	a. 98%
b. Percentage of investigations commenced within the required response time.	b. July 2009	b. 98%	b. 88%	b. 93%
Implementation of Case Practice Model: Safety and Risk Assessments				
<u>Safety and Risk Assessments:</u>				
a. Percentage of investigation cases where a safety assessment is completed within 30 days prior to closure.	a. Dec. 2010	a. 98%	N/A (indicators altered since June 2011)	a. 100%
b. Percentage of investigation cases where a risk-of-harm assessment is completed within 30 days prior to closure.	b. Dec. 2010	b. 98%		b. 100%
c. Percentage of non-investigation cases where a risk of harm reassessment is completed within 30 days prior to closure.	c. Dec. 2010	c. 98%		c. 49%
Health Care for Children in Out-of-Home Placement				
<u>Semi-Annual Dental Examinations:</u>				
a. Percentage of children ages three and older who are in DCF care six months or more and who receive <i>annual</i> dental examinations.	a. Dec 2011	a. 98%	a. Data not reported	a. 97%
b. Percentage of children ages three and older who are in DCF care six months or more and who receive <i>semi-annual</i> dental examinations.	b. Dec 2011	b. 90%	b. 89%	b. 86%

Source: CSSP December 2012 Report.

Background Paper: December 2012 Federal Monitor's Report (Cont'd)**Table 3. January-June 2012: Performance Targets Met⁶**

PERFORMANCE MEASURES (TARGETS MET)	MSA Final Target Date	MSA Final Target Level	DCF Level June 2011	DCF Level June 2012
Meeting the Caseload Standards				
Percentage of Institutional Abuse Investigations Unit (IAIU) investigators <u>meeting the individual caseload standard</u> of no more than 12 open cases and no more than eight new case assignments per month.	Ongoing monitoring	95%	100%	98%
State Central Registry, Investigative Practice, and Institutional Abuse Investigations Unit				
<u>Responding to Calls to the State Central Registry (SCR)</u>	Ongoing monitoring	Ongoing monitoring	In compliance	In compliance
<u>Quality of SCR response to callers</u>	Ongoing monitoring	Ongoing monitoring	In compliance	In compliance
<u>Institutional Abuse Investigations Unit (IAIU) Practices: percentage of IAIU investigations completed within 60 days.</u>	June 2007	80%	88%	87%
Placements of Children in Out-of-Home Care				
<u>Appropriateness of Placement: percentage of placements rated at least "minimally acceptable."</u>	June 2010	90%	98%	97%
<u>Placing Children with Families: percentage of children in custody placed in a family setting.</u>	July 2009	85%	87%	88%
<u>Placing Sibling Groups of Two or Three Together: percentage of such siblings in custody placed together.</u>	July 2012	80%	79% (CY 2011)	Data unavailable (target met based on CY 2011)
<u>Placement Limitations: percentage of resource homes exceeding certain capacity standards.</u>	June 2009	Less than 5%	Less than 1%	Less than 1%

⁶ According to the December 2012 Monitoring Report, a performance target is deemed to be met when, in CSSP's judgment and based on available information, DCF has substantially fulfilled its obligations regarding the applicable MSA performance requirement for the January 1, 2012 to June 30, 2012 monitoring period, or is substantially on track to fulfill an obligation expected to have begun during that period and to be completed in a subsequent monitoring period. CSSP also deems a performance target to be met where DCF is within one percentage point of the benchmark or where there is a small number (less than three) of cases causing the failure to meet the benchmark. Thus, CSSP may deem certain performance targets to be met even when DCF's performance appears to technically fall below the required performance level.

Background Paper: December 2012 Federal Monitor's Report (Cont'd)

PERFORMANCE MEASURES (TARGETS MET)	MSA Final Target Date	MSA Final Target Level	DCF Level June 2011	DCF Level June 2012
<u>Inappropriate placements:</u> a. Number of children under age 13 placed in shelters. b. Percentage of children 13 and over placed in shelters where the shelters are in compliance with MSA standards.	a. Dec. 2008 b. Dec. 2009	a. No children under 13 in shelters. b. 90%	a. Two children under 13 in shelters. b. 98%	a. One child under 13 in a shelter. b. 97%
Repeat Maltreatment and Re-Entry into Out-of-Home Care				
<u>Abuse and Neglect of Children in Foster Care:</u> percentage of children in out-of-home placement who were victims of abuse or neglect during 12 month period.	July 2010	Less than 0.49%	0.22% (CY 2011)	Data unavailable (target met based on CY 2011)
<u>Repeat Maltreatment:</u> percentage of children remaining in home after substantiation of abuse or neglect who have another substantiation of abuse or neglect in the next 12 months.	July 2009	Less than 7.2%	6.3% (CY 2010)	Data unavailable (target met based on CY 2010)
Permanency				
<u>Adoption:</u> percentage of children becoming legally free for adoption who are discharged from foster care to a finalized adoption less than 12 months after becoming legally free for adoption.	CY 2011	60%	78% (CY 2010)	Data unavailable (target met based on CY 2010)
<u>Final Adoptive Placements:</u> percentage of adoptions finalized within nine months of adoptive placement.	July 2009	80%	91%	88%
Health Care for Children in Out-of-Home Placement				
<u>Pre-Placement Medical Assessment:</u> percentage of children receiving medical assessment in an appropriate setting.	Dec. 2009	98%	99%	99%
<u>Initial Medical Examinations:</u> percentage of children entering out-of-home care who receive full medical examinations within 60 days.	Jan. 2009	98%	98%	98%
<u>Required Medical Examinations:</u> percentage of children in DCF care for one year or more who receive medical examinations in compliance with Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) guidelines.	June 2010	98% of all children in care	92% ages 1-2; 94% older than two years	91% ages 1-2; 93% older than two years⁷

⁷ The December 2012 Monitoring Report included this performance measure within the list of measures for which New Jersey has met the required performance level. Although the report noted that this performance level was technically below the required target, the report also indicated that the State's recent performance on this measure represents sustained access to health care and is a significant achievement.

Background Paper: December 2012 Federal Monitor's Report (Cont'd)

PERFORMANCE MEASURES (TARGETS MET)	MSA Final Target Date	MSA Final Target Level	DCF Level June 2011	DCF Level June 2012
<u>Follow-up Care and Treatment:</u> percentage of children receiving timely, accessible, and appropriate follow-up health care and behavioral health care	Dec. 2011	90%	94%	96%
Mental Health Care for Children in Out-of-Home Placement				
<u>Mental Health Assessments:</u> percentage of children with a suspected mental health need who receive assessments.	Dec. 2011	90%	94%	92%
<u>Provision of In-Home and Community-Based Mental Health Services:</u> DCF shall continue to support community-based services to prevent children from entering DCF custody and to reunify children with their parents.	Ongoing monitoring	Ongoing monitoring	In compliance	In compliance
Services to Families				
<u>Continued Support for Family Success Centers:</u> DCF shall continue to support its network of Family Success Centers.	Ongoing monitoring	Ongoing monitoring	In compliance	In compliance
<u>Post-Adoption Supports:</u> DCF shall make post-adoption services and subsidies available to families adopting a child.	Ongoing monitoring	Ongoing monitoring	In compliance	In compliance
<u>Provision of Domestic Violence Services:</u> DCF shall continue to support domestic violence liaisons and programs that assist families involved with protective services.	Ongoing monitoring	Ongoing monitoring	In compliance	In compliance

Source: CSSP December 2012 Report.

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Individuals wishing information and committee schedules on the FY 2014 budget are encouraged to contact:

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