



**STATEMENT OF LOURDES R. PADILLA  
SECRETARY  
DEPARTMENT OF HUMAN RESOURCES  
BEFORE THE  
SENATE BUDGET AND TAXATION COMMITTEE  
HEALTH AND HUMAN SERVICES SUBCOMMITTEE  
FY 2018 BUDGET**

**FRIDAY, FEBRUARY 17, 2017**



**STATEMENT OF LOURDES R. PADILLA  
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HOUSE APPROPRIATIONS COMMITTEE  
HEALTH AND HUMAN RESOURCES SUBCOMMITTEE  
FY 2018 BUDGET**

**MONDAY, FEBRUARY 20, 2017**

Good afternoon, Chairman Madaleno and members of the Committee. With me today is Acting Deputy Secretary of Programs Ann Flagg, Executive Director of the Social Services Administration, Rebecca Jones Gaston and our Chief Financial Officer, Stafford Chipungu.

The Social Services Administration (SSA) is responsible for overseeing services to vulnerable Children and Adults. This includes Maryland's child welfare programs which include child protective services, foster care, guardianship and adoptions. The overriding goals of this critical work are to:

- Prevent child abuse and neglect;
- Quickly address reports of child abuse and neglect;
- Protect vulnerable children, and;
- Support family stability.

SSA also provides services to vulnerable adults, including the elderly and individuals with disabilities, to support their ability to live safely and independently in the community, and prevent more restrictive and costly institutional placements.

The fiscal year 2018 Governor's Allowance for SSA totals \$573.8 million in total funds a .05 percent decrease from the 2017 Appropriation of \$574.1 million, due to the decrease in youth in care.

*Out-of-Home Placement caseload trends*

DHR remains committed to achieving positive outcomes for children and families by providing services that keep children safely at home and assist families in meeting their needs. Since 2007, over 23,500 children have been adopted, moved to guardianship, or safely returned home. These outcomes are largely a result of the Department's focus on family placements over group care and the hard work of the staff in the Local Departments of Social Services (LDSS). Since 2013, DHR has worked to decrease the total number of youth placed in group care settings. In FY 2013, 710 youth were placed, FY 2014-496,

FY 2015-444, and FY 2016-450. This represents a 36.6% decrease in group care placements since FY 2013.

Currently Maryland has the fewest number of youth in care in over 28 years. The count of children in care continues to decline though the rate of decline has slowed. Currently there are 4,671 (as of October 31, 2016) children in out-of-home placement. This is a 0.8% decrease from last year (2016) when there was a total of 4,709 youth in out-of-home placements. SSA projects to continue to be able to reduce the number of children in foster care while maintaining safety as a priority.

#### Adoption, Guardianship and Reunification trends

In FY2016, over 2,050 children achieved permanency, which represents 79% of total exits from foster care. More specifically, 349 children were adopted, 468 went to a permanent guardianship home, and 1,242 were reunified with their families in the last year. We expect to continue to be able to reduce the number of children in foster care while maintaining safety as a priority. Throughout the years of reducing foster care, the absence of recurrence of maltreatment overall has followed an increasing trend over the last several years (FY 2011-86.1%; FY 2012-87.0%; FY 2013-89.2%; FY 2014-89.8%; FY 2015-90.1%, and FY 2016-87.6%). Each Local Department of Social Services (LDSS) has an adoption finalization goal for the year. Maryland's Adoption Services will continue to assist LDSS' and other partnering adoption agencies in finding adoptive families for children. The range of adoption services includes study and evaluation of children and their needs; resource parent recruitment, training and completion of a home study, child matching and placement, as well as post-adoption support. Adoption Services is developing strategies to specifically recruit families for older youth, medically fragile and sibling groups.

#### Families Blossom (formerly Title IV-E Waiver)

Families Blossom, Maryland's Title IV-E Waiver Demonstration Project, has been building on current foundations to create a trauma-informed system of care, increase the utilization of evidence based

practices, enhance parental substance abuse services, strengthen partnerships and collaborations, and enhance the continuous quality improvement processes with the goal of strengthening families so that children are safe, healthy, happy, and able to grow and thrive. Since July 2015 DHR/SSA and Local Departments of Social Services (LDSS) have undertaken a number of initiatives in the following areas:

1. Trauma Informed Care:

DHR/SSA's first component in implementing a trauma-informed system was the implementation of the CANS-F, which began in July 2015. Since that time all 24 LDSS' have been completing the CANS-F with families receiving in-home services. During the first quarter of FY 2017, of the 2,106 families receiving in-home services, 1,679 families have received at least one CANS-F, a 16% increase from the end of FY 2016. Between July and November 2016, all 24 jurisdictions also participated in two technical assistance meetings designed to support LDSS' in reviewing their data and to identify additional assistance needed to ensure the effective utilization of the CANS-F as an assessment and case planning tool. The CANS-F Implementation Team will continue to work with LDSSs to monitor compliance and quality of the CANS-F implementation.

2. Evidence-Based Practices (EBP's) – Eight (8) LDSS'

Another cornerstone of Families Blossom is the expansion of evidence based services and support for children and their families involved with or at risk of involvement with child welfare. Eight LDSS' were identified to implement eight (8) identified EBP's in the following areas:

- Parenting Models;
- Child Mental Health/Behavioral Health Models, and;
- DSS Service Models.

Since January 2016, the eight LDSS' established implementation teams, developed eligibility and referral criteria, and conducted initial training related to specific evidence based practices.

LDSS' have begun serving families.

3. Reinvestment Strategies

Three reinvestment strategies were undertaken between January and June 2016 to allow LDSS' to

support initiatives in alignment with Maryland's broader vision of providing an array of supportive services to promote stability, prevent out-of-home placement and minimize re-entry.

- Family Support Funds were provided to all 24 LDSS' to promote safety, permanency, and well-being among DHR/LDSS clients. Local jurisdictions utilized these funds to provide an array of support services to those children's families to promote stability and prevent out-of-home placement.
- Child Advocacy Centers provide funding to local jurisdictions to support their local Child Advocacy Centers (CAC) that are child-friendly facilities where child victims of maltreatment may be interviewed, undergo medical examinations, and receive therapy using a coordinated, child-focused, and trauma-informed approach. 22 LDSS' have an active primary or satellite CAC (in all) that utilizes funds to support CAC's child welfare related needs, with preference given to helping CAC's reach or maintain accreditation.
- Center for Adoption Support and Education Funding - Two LDSS', Prince George's County and Montgomery County, contracted with the Center for Adoption Support and Education (CASE) to provide services to address permanency stability and transition-age youth issues.

In addition to Child Welfare Services, DHR is also responsible for Adult Services. In SFY 2016, SSA's Adult Protective Services (APS) program conducted 7,117 investigations of suspected abuse, neglect, self-neglect, and financial exploitation of vulnerable adults. Of these investigations, 1,633 or 23%, required longer-term or "continuing" APS intervention over a period of 6 months to assure ongoing safety and reduced risk of harm.

To help our mission of protecting vulnerable adults, DHR was awarded a competitive federal grant to enhance our Adult Protective Services (APS) program in August 2016. DHR is using the funds to develop

and pilot a Statewide assessment instrument for the LDSS’.

This concludes my testimony. Thank you again for the opportunity to testify and we would of course be happy to answer any questions you may have.

**Department of Human Resources  
FY 2018 Budget Highlights  
Social Services Administration  
NB00.04**

	<u>FY 2017 Appropriation</u>	<u>FY 2018 Allowance</u>	<u>Changes</u>
<b>I. FUNDING<sup>a</sup></b>			
General Funds	9,546,994	10,345,056	798,062
Special Funds	-	-	-
Federal Funds	16,225,830	17,522,721	1,296,891
Reim. Funds	-	-	-
Total	<u>25,772,824</u>	<u>27,867,777</u>	<u>2,094,953</u>
<b>II. PERSONNEL<sup>a</sup></b>			
Regular Positions:	113.00	113.00	0.00
Contractual Positions:	2.00	2.00	0.00
<b>III. MAJOR CHANGES (In Thousands)</b>			
<b>01 <u>Salaries, Wages and Fringe Benefits</u></b>			148
Increase in Salaries due to Turnover Expectancy, \$286K; Workers' Compensation, \$160K; Reclassification, \$29K; Regular Earnings due to Salary Annualization, \$28K; and Employees' Retirement, \$5K. Offset by Decrease in Salary Adjustments, (\$164K); Health Insurance, (\$162K); Accrued Leave Payments, (\$24K); and Fringe Benefits, (\$10K).			
<b>02 <u>Technical &amp; Special Fees</u></b>			1
Increase in Interpreter's Fees, \$1K.			
<b>03 <u>Communications</u></b>			(11)
Decrease in Communications mainly due to Cell Phones, (\$12K); Offset by Increase in DGS - Office of Telecommunications, \$1K.			
<b>04 <u>Travel</u></b>			(5)
Decrease in Travel due to In-State Travel-Business, (\$3K); and Volunteer Travel, (\$3K); Offset by Increase in Out-of-State Travel-Business, 1K.			
<b>07 <u>Vehicles</u></b>			1
Increase in Vehicles due to Vehicle Maintenance and Repairs, \$3K; Offset by Increase in Gas & Oil, (\$2K).			
<b>08 <u>Contractual Services</u></b>			610
Increase in Contractual Services due to Title IV-E Waiver Demonstration Project, \$1,026M; Child Welfare Accountability, \$58K; Room Rental, \$16K; and Call Center Services, \$4K; Offset by Decrease in Child Welfare Training Academy, (\$288K); Administrative Hearings, (\$184K); Child Care Reimbursement, (\$11K); Independent Living Services, (\$8K); and Printing, (\$3K).			
<b>09 <u>Supplies</u></b>			23
Increase in Supplies due to Promotional Expenses, \$25K; Offset by Office Supplies, (\$2K).			
<b>12 <u>Grants, Subsidies and Contributions</u></b>			1,317
Increase in Grants due to IV-E Waiver Demonstration Project, \$1,385M; and Family Preservation and Family Support Services, \$6K; Offset by Decrease in Federal Independent Living Funds, (\$74K).			
<b>13 <u>Fixed Charges</u></b>			11
Increase in Fixed Charges due to Foster Care Liability Insurance, \$11K.			
<b>Total</b>			<u>2,095</u>

<sup>a</sup> Reference Source: FY 2018 Maryland State Budget Book - Part II: Pages 18-19.



**Department of Human Resources  
 FY 2018 Budget Highlights  
 Foster Care Maintenance Payments  
 NG00.01**

	<u>FY 2017 Appropriation</u>	<u>FY 2018 Allowance</u>	<u>Changes</u>
<b>I. FUNDING <sup>a</sup></b>			
General Funds	177,800,005	184,520,584	6,720,579
Special Funds	2,233,985	4,335,811	2,101,826
Federal Funds	82,286,160	73,841,478	(8,444,682)
Reim. Funds	0	0	0
Total	<u>262,320,150</u>	<u>262,697,873</u>	<u>377,723</u>

**II. PERSONNEL <sup>a</sup>**

Regular Positions:	N/A	N/A	N/A
Contractual Positions:	N/A	N/A	N/A

**III. MAJOR CHANGES (In Thousands)**

Increase in Foster Care Provider Rates, \$2.500K and new Initiative for Foster Youth Savings Account, \$1,700K: Offset by a reduction in Other Placement Costs, (\$3,822K).

<b>Total</b>	<u><u>378</u></u>
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<sup>a</sup>Reference Source: FY 2018 Maryland State Budget Book - Part II: Page 30.

**Department of Human Resources  
FY 2018 Budget Highlights  
Local Child Welfare Services (CWS)  
NG00.03**

	<u>FY 2017</u> <u>Appropriation</u>	<u>FY 2018</u> <u>Allowance</u>	<u>Changes</u>
<b>I. FUNDING</b>			
General Funds	169,435,758	174,909,261	5,473,503
Special Funds	1,526,623	1,535,099	8,476
Federal Funds	67,160,983	59,913,060	(7,247,923)
Reim. Funds	-	-	-
Total	238,123,364	236,357,420	(1,765,944)
<b>II. PERSONNEL</b>			
Regular Positions:	2,138.00	2,138.00	0.00
Contractual Positions:	0.50	0.50	0.00
<b>III. MAJOR CHANGES (In Thousands)</b>			
<b>01 Salaries</b>			(1,097)
Decrease in Salaries due to Salary Adjustments, (\$2,823K); Health Insurance, (\$1,670K); Fringe Benefits, (\$49K); and Employees' Retirement/Pension Subsidy, (\$3K); Offset by Increase in Reclassifications, \$2,774K; Regular Earnings, \$357K; Turnover Expectancy, \$217K; and Accrued Leave Payments, \$100K.			
<b>02 Technical &amp; Special Fees</b>			94
Increase in Technical and Special Fees due to Interpreter's Fees mainly in Frederick County, Baltimore County and Baltimore City, \$54K; Other Technical and Special Fees mainly in Baltimore County, \$34K; and Clerical and Secretarial Support in Charles County, \$6K.			
<b>03 Communications</b>			295
Increase in Communications due to Telephone/Telegraph, \$173K; D/P Telecommunications, \$79K; Cell Phones, \$43K; and DGS - Office of Telecommunications, \$3K; Offset by Decrease in Postage, (\$3K).			
<b>04 Travel</b>			(91)
Decrease in Travel due to In-State Travel-Business mainly in Baltimore City, (\$87K); and Volunteer Travel in Anne Arundel County, (\$5K); Offset by Increase in Out-of-State Travel-Business for Independent Living, \$1K.			
<b>06 Utilities</b>			(19)
Decrease in Utilities due to less Electricity Usage mainly in Baltimore County, (\$19K).			
<b>07 Vehicles</b>			(19)
Decrease in Vehicles due to Gas and Oil, (\$153K); Adjusting Debits and Credits - Mileage, (\$2K); and Leased Vehicle Mileage, (\$1K); Offset by Increase in Maintenance and Repair, \$108K; Rental of Parking Spaces, \$25K; Other Motor Vehicle Charges, \$3K; and Motor Vehicle Replacement, \$1K.			
<b>08 Contractual Services</b>			(8,562)
Decrease in Contractual Services due mainly to Title IV-E Waiver funds moved to Grants, Subsidies and Contributions, (\$8,000K); Purchase of Service - Client Services, (\$744K); Rental for Meetings - Training and Staff Development, (\$10K); Court Costs, (\$4K); Outside Services Computer Usage, (\$3K); Rental-Copy Machine, (\$3K); and Psychological Examinations, (\$1K); Offset by Increase in Contractual Services mainly due to Child Welfare Local Only, Independent Living and Accreditation for Caroline County, \$104K; Attorney Fees, \$52K; Service Contracts - Building/Ground/Janitor, \$38K; Printing/Reproduction, \$5K; Advertising & Legal Publication, \$3K; and Service Contracts - Equipment, \$1K.			
<b>09 Supplies</b>			8
Increase in Supplies due to Data Processing Supplies, \$47K; Housekeeping, \$5K; and Copier Services, \$1K; Offset by Decrease in Office Supplies, (\$42K); Other Supplies and Materials, (\$2K); and Printed Forms, (\$1K).			
<b>12 Grants, Subsidies and Contributions</b>			8,540
Increase in Grants due to IV-E Waiver funds moved from Contractual Services, \$8,000K; Montgomery County DHHS Grant, \$535K; and Background Checks, \$5K.			
<b>13 Fixed Charges</b>			(916)
Decrease in Fixed Charges due to Rent for Non-Department of General Services, (\$962K); Offset by Increase in Rental - Multi Service Centers, \$23K; Lease Escalation Clause, \$19K; and Rent Paid to Department of General Services, \$4K.			
<b>Total</b>			<b>(1,766)</b>

<sup>a</sup> Reference Source: FY 2018 Maryland State Budget Book - Part II: Pages: 33-34.

**Department of Human Resources**  
**FY 2018 Budget Highlights**  
**Local Adult Services**  
**NG00.04**

	<u>FY 2017</u> <u>Appropriation</u>	<u>FY 2018</u> <u>Allowance</u>	<u>Changes</u>
<b>I. FUNDING<sup>a</sup></b>			
General Funds	9,763,930	10,174,986	411,056
Special Funds	1,598,851	1,262,594	(336,257)
Federal Funds	36,527,631	35,465,900	(1,061,731)
Ream. Funds	-	-	-
Total	<u>47,890,412</u>	<u>46,903,480</u>	<u>(986,932)</u>
<b>II. PERSONNEL<sup>a</sup></b>			
Regular Positions:	435.25	435.25	0.00
Contractual Positions:	0.00	0.00	0.00
<b>III. MAJOR CHANGES (In Thousands)</b>			
<b>01 Salaries</b>			(1,003)
Decrease in Salaries due to Salary Adjustments, (\$534K); Turnover Expectancy, (\$308K), Health Insurance, (\$259K); Accrued Leave Payment, (\$162K); and Fringe Benefits, (\$15K); Offset by Increase in Regular Earnings due to Salary Annualization, \$213K; Employees' Retirement, \$43K; and Reclassification, \$19K.			
<b>02 Technical &amp; Special Fees</b>			28
Increase in Other Technical and Special Fees due to Services to Adults Gateway, \$34K; Offset by Decrease in Technical and Special Fees for Interpreter Fees in Frederick County, Prince George's County, and Baltimore City, (\$6K).			
<b>03 Communications</b>			13
Increase in Communications due to Telephone/Telegraph, \$9K; D/P Telecommunication-Lines, \$8K; and Cell Phones, \$3K; Offset by Decrease in Postage, (\$7K).			
<b>04 Travel</b>			(8)
Decrease in Travel due to In-State Travel-Business Routine Operations, \$8K.			
<b>06 Utilities</b>			(19)
Decrease in Utilities due to Electricity Usage in Baltimore County, (\$24K); Offset by Increase in Electricity Usage in Prince George's County, \$5K.			
<b>08 Contractual Services</b>			(338)
Decrease in Contractual Services due to Purchase of Service-Client Services mainly in PG Local Only, (\$343K); Other Contractual Services, (\$27K); Senior Care Emergency Response, (\$7K); Senior Care Home Delivered Meals, (\$3K); Outside Services Computer Usage, (\$1K); and Senior Care Adult Day Care, (\$1K); Offset by Increase in Senior Care Personal Care, \$25K; Senior Care Med Equip Supplies, \$16K; Senior Care Respite Care, \$2K; and Copier Rental, \$1K.			
<b>09 Supplies</b>			27
Increase in Supplies due to Data Processing Supplies, \$30K; and Other Supplies and Materials, \$6K; Offset by Decrease in Offices Supplies, (\$8K); and Printed Forms, (\$1K).			
<b>12 Grants, Subsidies &amp; Contributions</b>			210
Decrease in Grants due to Montgomery County Department of Health and Human Services, \$197K; Taxable-Grants, Contributions & Subsidies for Housing Opportunities for Persons with AIDS, (HOPWA) in Dorchester County, \$14K; and Background Checks, \$1K; Offset by Increase in Grants for Subsidized Rent for (HOPWA) in Dorchester County, (\$2K).			
<b>13 Fixed Charges</b>			103
Decrease in Fixed Charges due to Non-Department of General Services, (DGS) Rent, \$69K; Rental-Multi Services Center, \$30K; and Rent Paid to Department of General Services, \$4K.			
<b>Total</b>			<u>(987)</u>

<sup>a</sup> Reference Source: FY 2018 Maryland State Budget Book - Part II: Page: 35-36.

**Department of Human Resources  
Social Services Administration  
N00B00**

**Response to Issues**

***Issue #1: DHR should comment on its efforts to improve performance throughout SSA in fiscal 2017 and 2018.***

**Response to Issue**

- The Department has developed several monthly and quarterly management reports for performance indicators that are provided to the Local Departments of Social Services (LDSS).
- DHR holds Regional Supervisory meetings with Local Departments to review data as well as training in support of policy, COMAR or legislative changes needing to be implemented.
- The Title IV-E Waiver (Families Blossom) work has included development of coordinated state and local implementation teams that are using key data indicators to focus on performance and strategies for improvement.
- The continuous quality improvement (CQI) and quality assurance process has been implemented to improve monitoring and ability to identify challenges more quickly.
- The Department through Families Blossom has been providing additional family support funds for locals to use to meet needs of families and children.

Regarding the specific areas identified by the Analyst, below are our efforts and status:

*Children in Out-of-Home Care*

Practice has been evolving over the past several years. The Department understands that it is important to continually reevaluate practice and policy to maintain the balance between returning children to their families quickly to minimize trauma and while ensuring that there is stability before returning home.

- Placement stability is essential and integral to the well-being of children. The Department's strategy is to collaborate with the provider community to ensure that their services meet the needs of the children. To this end, DHR staff meets with the Provider Advisory Council and Residential Treatment Care (RTC) Coalition quarterly.
- Within DHR, we are working with each LDSS to improve the use and fidelity of the Child and Adolescent Needs and Strengths (CANS) assessment to determine placement and services needs in order to match a child with a service.

### *Re-entry into Care:*

- One of the key reasons DHR applied for the Title IV-E waiver opportunity is the recurring challenge of improving re-entry into foster care.
- The Department is working to provide targeted technical assistance to jurisdictions as needed.
- The Department is working with the Foster Care Court Improvement Project (FCCIP) to collaborate on several issues including the issue of court's making decisions against agency recommendations.
- Additional family support funds provided to LDSS additional resources to prepare a parent(s) for the return of a child or children.

### *Safety:*

- The federal safety indicators have been changed to increase the recurrence measure period from 6 to 12 months.
- The Department has implemented Alternative Response that has resulted in many of the low-risk CPS families not receiving a finding, but instead receiving appropriate services.
- This change coupled with the implementation of Alternative Response since 2014 results in this measure now including a greater proportion of moderate to high risk families who are often at greater risk for recurrence.
- With the visitation required at least once monthly for families with more intense needs, or earlier on in engagement with the LDSS, visitation now occurs more frequently.
- Each visit is being treated as an opportunity to assess safety and risk.
- Under Families Blossom, the Department implemented the State-wide Child and Adolescent Needs and Strengths-Family (CANS-F) assessments to effectively gauge the impact of trauma on the children and families served and identify needs more effectively.
- We provided services to families such as: specialized services, household supports, car seats and housing assistance, which are funded under the IV-E Waiver reinvestment requirement.
- DHR has increased its collaboration with the Department of Juvenile Services, Department Health and Mental Hygiene, Department of Disabilities Administration and Maryland State Department of Education to coordinate the licensing and monitoring of providers to ensure safety for all Maryland youth receiving placement services.

***Issue #2: DHR should comment on the strategies it has identified to reduce re-entries into care from reunification and guardianship.***

### **Response to Issue**

- As stated above, re-entry rates into foster care have been a challenge and one of the key reasons DHR applied for the Title IV-E waiver opportunity.

- The Department is drilling down with the data to better understand what is driving the rate in certain jurisdictions in order to develop targeted technical assistance.
- The Department is working with the Foster Care Court Improvement Project (FCCIP) to collaborate on several issues including the issue of court's making decisions against agency recommendations.
- The additional family support funds provide LDSS additional resources to prepare a parent(s) for the return of a child or children.

***Issue #3: DHR should comment on any specific strategies that have been identified to improve the safety of children both in and out of foster care.***

**Response to Issue**

- DHR has increased its collaboration with the Department of Juvenile Services, Department Health and Mental Hygiene, Department of Disabilities Administration and Maryland State Department of Education to coordinate the licensing and monitoring of providers to ensure safety for all Maryland youth receiving placement services.
- The Department has implemented Alternative Response that has resulted in many of the low-risk CPS families not receiving a finding, but instead receiving appropriate services.
- While visitation is required at least once every 30 days, for families with more intense needs, or earlier on in engagement with the LDSS, visitations now occur more frequently.
- Under Families Blossom, the Department implemented the State-wide Child and Adolescent Needs and Strengths-Family (CANS-F) assessments to effectively gauge the impact of trauma on the children and families served and identify needs more effectively.
- We provided services to families such as: specialized services, household supports, car seats and housing assistance, which are funded under the IV-E Waiver reinvestment requirement.

***Issue #4: The Department of Legislative Services (DLS) recommends committee narrative requesting information on the implementation of the new program.***

**Response to Issue**

The Department concurs with the Analyst's recommendation to provide information on the implementation of the Foster Youth Savings Program.

***Issue #5: DHR should comment on the regularity with which it reviews family foster care provider rates to determine the adequacy of those rates.***

**Response to Issue**

The Department has not reviewed the family foster care provider rates since at least fiscal 2011 and due to fiscal challenges has not been able to adjust the rates.

***Issue #6: DHR should explain when it intends to find out from HHHS whether any of the \$63.6 million of funds from federal fiscal 2015 is available to the agency.***

**Response to Issue**

We have consulted with our Attorney General's Office for guidance. Provision 4.2.2 of the waiver agreement limits DHR to a quarter: "Payments for demonstration operations during any partial FFY will be pro-rated proportionally by quarter to reflect the portion of the FFY when the demonstration project is operational." As such, we have \$31.8 million available when prorated for the State fiscal year.

***Issue #7: DHR should explain what services currently funded will need to be reduced in the final 15 months of implementation to accommodate the use of the funds in fiscal 2017, if DHR does in fact not have access to the \$63.6 million from federal fiscal 2015.***

**Response to Issue**

The Department does not anticipate any significant shortfall as explained above.

***Issue #8: DHR should comment on any plans to transfer vacant supervisor positions to ensure that all LDSS can meet the CWLA guidelines. DHR should also comment on whether it anticipates the need to reclassify any positions to supervisory positions in the event that the caseload dictates that a higher level of supervisory staff is needed.***

**Response to Issue**

The Department relies on the feedback from the LDSS' concerning the need for additional caseworker or supervisor staff as well as, an in-depth review of the staff/caseload ratios standards to make decisions about where positions are needed.

Social Work Supervisor classifications (grade 17, MSW and LCSW/LCSW-C), and Family Services Caseworker Supervisor classifications (grade 16, MSW, LGSW, LCSW, and LCSW-C) are benchmarked classifications. Therefore, Social Worker positions can be quickly re-classed to either level of Supervisor without going through a full lengthy reclassification process. DHR has had this arrangement with DBM for several years. The classifications can now be changed through Workday, the new state personnel system, as a processing function.

**Department of Human Resources  
Social Services Administration  
N00B00**

**Response to Recommended Actions**

**Recommendation #1**

Add language restricting funds for the foster care maintenance payments program to that purpose. **(Page 4 and 31)**

**Response:** The Department will comply with the budget bill language as recommended.

**Recommendation #2**

Add language restricting funds to be used for an increase in the family foster care board rate. **(Page 4 and 31)**

**Response:** Disagree

The Department believes the funds in the Governor's Allowance should be used for the 2% provider rate increase as intended. This is necessary to address the Interagency Rate Committee negotiated rates under review.

**Recommendation #3**

Reduce funds for a provider rate increase to allow 1% increase in provider rates and a 2% increase in the family foster care board rate. **(Page 4, 31 and 32)**

**Response:** Disagree

The Department believes the funds in the Governor's Allowance should be used for the 2% provider rate increase as intended to address the impact of the Interagency Rate Committee rates review.

**Recommendation #4**

Reduce funds for New Foster Youth Savings Program to account for startup delays. **(Page 4 and 32)**

**Response:** Disagree

The Department disagrees with the reduction. If any reduction were to be made based on anticipated late implementation, the reduction should be limited to 1 – 3 months or \$142,000 to \$425,000.



**Recommendation #5**

Adopt committee narrative requesting a report on implementation of a new Foster Youth Savings Program. (Page 4 and 32)

**Response:** The Department concurs with the Analyst's recommendation to provide a report on the implementation of the Foster Youth Savings Program.

**Recommendation #6**

Add language restricting funds for Child Welfare Services to that purpose. (Page 4, 32 and 33)

**Response:** The Department will comply with the budget bill language as recommended.

**Recommendation #7**

Reduce funds for step increases in Montgomery County grant. (Page 4 and 33)

**Response:** The Department concurs with the Analyst's recommendation to delete this funding since State employees are not receiving step increases.

**Recommendation #8**

Delete funds for grants received from another State agency because the funds should be budgeted as reimbursable funds. (Page 4 and 33)

**Response:** The Department concurs with the Analyst's recommendation and the reimbursable funds will be brought in during the Department's close out.

**Recommendation #9**

Adopt committee narrative requesting information on child welfare caseloads and caseworkers. (Page 4, 33 and 34)

**Response:** The Department concurs with the Analyst's recommendation to provide the requested information on child welfare caseloads and caseworkers.

**Recommendation #10**

Adopt committee narrative requesting a review of services available to parents with disabilities to allow children to be maintained in the home or reunified. (Page 4, 34 and 35)

**Response:** The Department concurs with the Analyst's recommendation to a review of services available to parents with disabilities.