



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #212

### **Division of Milwaukee Child Protective Services (Children and Families -- Child Welfare)**

[LFB 2021-23 Budget Summary: Page 100 #5 and #6, and Page 101, #7]

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#### **CURRENT LAW**

Child welfare services are intended to ensure the safety, well-being, and stability of children and their families. Child welfare services are provided in Milwaukee County by the Division of Milwaukee Child Protective Services (DMCPS) in the Department of Children and Families (DCF) from a central administrative site located in the City of Milwaukee. DCF also contracts with private vendors to provide services to families in the child welfare system.

The child welfare system in Milwaukee County runs parallel with the systems in the other counties in the state. This includes an access unit which receives all incoming reports of possible child abuse or neglect and gathers information from the referral source. If there is reason to suspect possible child maltreatment, the access unit will screen in the referral for further review. DMCPS employs initial assessment specialists, who receive referrals from the access unit, to determine: (a) if child abuse or neglect has already occurred, who did it, and the extent and the severity of the abuse or neglect if it has occurred; (b) the level of impending danger to a child in the family of future abuse or neglect; and (c) the types of services to be included in a safety plan for a child in order to prevent abuse or neglect from occurring in the future. These determinations are based on interviews with family members, home visits, and other contacts.

Case management services and ongoing services are provided for ongoing cases of children in out-of-home care and their families. DCF contracts with two outside vendors to provide these services -- Children's Hospital of Wisconsin-Community Services and SaintA. The contract agencies are required to provide enough case managers such that there is one staff member for every 15 children. In addition, the agencies must ensure that there is one supervisor for every six staff members.

## DISCUSSION POINTS

### DMCPS Operations -- Staffing and Assessment

1. Delays in assessing reports of child abuse may result in children remaining in unsafe or abusive conditions for prolonged periods of time. State law requires the initial assessment (IA) investigations to be completed within 60 days of receiving the referral.

2. DCF indicates that assessment caseloads strongly influence the timeliness of completion of initial assessments of reports of abuse and neglect. High caseloads reduce the amount of time a worker has to devote to any particular case. As a result, the quality of service that can be provided for children and families suffers, since there is less time to conduct home visits, engage with families, and make decisions regarding child safety.

3. Further, high caseloads is a contributing cause of staff turnover, which further increases caseloads for the remaining assessment workers. Replacing workers can be lengthy and costly process, as it takes a long time to train new workers and for them to build the experience needed to perform their duties.

4. The Child Welfare League of America recommends that an IA specialist have an average caseload of 12 cases and no more than 15 cases. The DMCPS vendor contracts for ongoing services require the vendors to maintain no more than 15 cases per worker.

5. According to DCF the average cases per IA specialist at DMCPS has consistently been above 20 from 2018 through the beginning of 2020 (when COVID-19 began to affect reports of abuse and neglect). Caseloads ranged from as high as 27.0 in February, 2018, to as low as 17.6 in August, 2019. Over the past few years the turnover rate of DMCPS IA specialists has been 31.6% in 2017, 24.2% in 2018, 30.6% in 2019, and 16.3% in 2020.

6. Assessment data suggests that high turnover rates and caseloads have affected DMCPS staff's ability to complete timely IAs. The following table shows the number of cases initially assessed, the percentage of cases that were reviewed within 60 days, and the median completion time for cases by DMCPS and statewide, including Milwaukee, in 2018, 2019, and 2020.

Year	Month	Milwaukee			Statewide		
		Approved	Timely Assessment	Median Completion Time (days)	Approved	Timely Assessment	Median Completion Time (days)
2020	July - December	2,519	68.7%	58	10,262	78.0%	58
2020	January - June	3,600	49.8	62	12,422	86.5	59
2019	July - December	3,424	43.5	64	12,434	68.3	59
2019	January - June	3,572	41.8	66	12,918	68.0	60
2018	July - December	3,566	43.4	65	13,118	70.0	59
2018	January - June	3,913	42.6	67	14,030	68.4	59

7. As shown in the table, initial assessment times at DMCPS have significantly lagged the

statewide average, with fewer than half of cases assessed within the required 60-day time period. The median time to complete an assessment has been many days higher than the statewide average, except for the latter half of 2020.

8. According to DCF, the COVID-19 pandemic caused initial assessment caseloads in Milwaukee County to decrease in 2020, particularly in the second half of the year as schools switched to remote learning. School staff are a major source of referrals to CPS, and thus new cases decreased substantially as Milwaukee schools were remote. As a result of fewer cases being reported, caseloads decreased, which enabled staff to increase the percentage of cases for which timely IAs were conducted.

9. DCF believes that assessment completion times and caseloads will increase when classes return to in-person instruction in the fall. As caseloads increase, DCF anticipates the timeliness of assessments to decline to the levels seen in previous years.

10. Increased staffing levels would reduce caseloads, thereby improving the review of cases and helping to address DMCPs turnover rates. Increased staffing authority would also enable DMCPs to maintain a staffing level that accounts for high turnover rates. Because DCF could hire and train a larger number of IA specialists, there would be a larger pool of remaining staff and trainees to take over for each IA specialist that leaves.

11. Assembly Bill 68/SB 111 would provide funding to support 4.0 additional positions (3.68 GPR and 0.32 FED positions) beginning in 2021-22. The bill would provide \$181,900 (\$167,400 GPR and \$14,500 FED Title IV-E) and in 2021-22 and \$242,400 (\$223,000 GPR and \$19,400 FED Title IV-E) in 2022-23 to support these positions. All of these positions would be initial assessment specialists, with a minimum salary of \$35,500 annually.

12. In an April 23, 2021, memorandum to this office, the Secretary of the Department of Administration requested that the Committee consider several changes to AB 68/SB 111. In that memorandum, the administration requested that funding for this item be increased by \$64,000 GPR and \$5,600 FED in 2021-22 and \$85,400 GPR and \$7,400 FED in 2022-23 to fund supplies and services costs for these position. Consequently, if the Committee wished to fund the 4.0 positions that would be provided in AB 68/SB 111, the total cost of this item would be \$251,500 (\$231,400 GPR and \$20,100 FED) in 2021-22 and \$335,200 (\$308,400 GPR and \$26,800 FED) in 2022-23 (Alternative A1). Alternatively, the Committee could reduce by half the funding and positions that would be provided in AB 68/SB 111 to conduct initial assessments (Alternative A2).

13. As of April 15, 2021, there were a total of 91.0 FTE positions allocated to DCMPS for the IA function. During the past several years, DCMPS has had relatively high position vacancy rates for the IA positions, as shown in the following table.

### DMCPS Initial Assessment Vacancies

<u>Calendar Year</u>	<u>Quarter</u>	<u>Authorized FTE Positions</u>	<u>Vacant Positions</u>	<u>Vacancy Rate</u>
2018	1	90.5	16.0	17.7%
	2	90.5	13.0	14.4
	3	90.5	3.0	3.3
	4	90.0	6.0	6.7
2019	1	90.0	8.0	8.9
	2	91.0	15.0	16.5
	3	91.0	21.0	23.1
	4	91.0	14.0	15.4
2020	1	91.0	14.0	15.4
	2	91.0	14.0	15.4
	3	91.0	17.0	18.7
	4	91.0	14.0	15.4

14. The high vacancy rates shown in the table suggest that the IA unit's workload issues are likely due to high turnover for these positions, rather than the limits on funding and position authority imposed by the state budget. Consequently, unless DMCPS can reduce position turnover in the IA unit, it is unclear whether providing additional funding and position authority for DCMP's IA unit will increase the percentage of IA's completed within the 60-day maximum standard.

### DMCPS Aids

15. As part of the 2019-21 biennial budget act (2019 Act 9), program revenue (PR) balances, derived from child support collections, were budgeted to fund increased costs of out-of-home care in Milwaukee County and DMCPS contracts. Program revenue also funded the estimated costs of subsidized guardianship payments, which were transferred to DMCPS appropriations from the appropriations for state foster care and adoption assistance. The use of the PR balances was intended to minimize the use of GPR to support these costs.

16. However, program revenue from child support collections, estimated to be approximately \$3,500,000 annually, will not be sufficient to support such costs in the 2021-23 biennium on an ongoing basis. For this reason, additional state GPR funding is needed in the 2021-23 biennium to replace base PR funding that is no longer available.

17. AB 68/SB 111 would provide \$49,100 (\$3,003,700 GPR, -\$91,200 FED, and -\$2,863,400 PR) in 2021-22 and \$1,025,800 (\$4,036,600 GPR, -\$147,400 FED and -\$2,863,400 PR) in 2022-23 to reflect reestimates of the cost of DMCPS aids payments and contracted services (Alternative B1). This item includes: (a) reducing funding for out-of-home caseloads and subsidized guardianship payments, and service costs for wraparound and in-home services by \$207,800 (-\$766,000 GPR and \$558,200 FED) in 2021-22 and increasing funding for these costs by \$826,100 (\$266,900 GPR and \$559,200 FED) in 2022-23; (b) increasing funding for aids contracts costs, such

as funding for independent investigations, court services, and foster parent training by \$645,400 (\$2,560,500 GPR, -\$137,400 FED, and -\$1,777,700 PR) in 2021-22 and by \$588,300 (\$2,560,500 GPR, -\$194,600 FED, and -\$1,777,700 PR) in 2022-23; (c) adjustment to base funding to reflect revised estimates of federal claiming rates under Title IV-E of the Social Security Act (\$1,209,200 GPR, -\$512,000 FED, and -\$697,300 PR annually); and (d) reducing estimates of program revenue available to fund subsidized guardianship payments (-\$388,400 PR annually).

18. The total GPR costs of supporting these costs in the 2021-23 biennium could be reduced somewhat by using some of the balance of uncommitted federal Title IV-E funds instead of GPR, to support costs of out-of-home care in the 2021-23 biennium. However, similar to the use of PR balances of child support revenues budgeted for ongoing costs in Act 9, the use of uncommitted federal IV-E funds to support ongoing costs is not sustainable. To avoid increasing unfunded GPR commitments in the 2023-25 budget, the Committee could reduce GPR funding for out-of-home care costs by instead budgeting \$1.0 million or \$2.0 million of Title IV-E balances in 2021-22 only, but retain the GPR funding increase in 2022-23 of this item (\$4,036,600), so that the 2022-23 GPR funding increase that would be provided as part of this item would be included in the base funding amount for the 2023-25 biennium. Alternatives B1 and B2 would substitute uncommitted IV-E FED balances for GPR in 2021-22 to support projected costs of out-of-home care in the 2021-23 biennium.

19. The opening balance of federal Title IV-E reimbursement funds was \$36.8 million going into 2020-21. However, based on estimates of caseloads and claiming rates under federal law, DCF projects a structural deficit under current law of \$3.4 million in 2020-21. The deficit is projected to increase to \$12.9 million in 2021-22, and \$14.4 million in 2022-23 due to on-going commitments required under federal law (such as shifting foster care populations out of congregate care settings). Based on current projections, the estimated opening balance of \$33.4 million in 2021-22 of federal reimbursements would be exhausted in 2023-24, requiring annual GPR funding of \$18.4 million in the 2023-25 biennium in order to maintain the costs of child welfare programs.

20. Further, reducing state spending (either GPR or PR) for DMCPs aids would reduce federal reimbursement for such expenses. Thus, substituting federal revenue for program revenue would result in an overall decrease in funding for child welfare programs.

### **Adoption Recruitment Services -- Wendy's Wonderful Kids**

21. AB 68/SB 111 would provide \$300,000 (\$185,700 GPR and \$114,300 FED) annually to support a DMCPs contract for four adoption recruiters at the Children's Hospital of Wisconsin to recruit adoptive placements for children with special needs in Milwaukee County (Alternative C1).

22. The Wendy's Wonderful Kids program would hire and train adoption recruiters who would assist in finding permanent homes for children who are waiting for adoption, including children in higher levels of care or congregate care facilities and children older than eight years old who are at greater risk for aging out of foster care. The program uses a child-focused program model with smaller caseloads so that recruiters can provide additional attention for each case, including building a recruitment plan based on input of the child and interviews of adults significant in the child's life.

23. If, in addition to providing the funding in AB 68/SB 111 for this purpose, the Committee

wanted to increase these recruitment services to increase opportunities for placement of children with special needs outside of Milwaukee County, it could provide an additional \$300,000 (\$185,700 GPR and \$114,300 FED annually for this purpose). DCF could provide grant funding for a service provider to work with the Dave Thomas Foundation to implement the Wendy's Wonderful Kids program in areas outside of Milwaukee.

## ALTERNATIVES

### A. DMCPS Operations -- Initial Assessment Positions

1. Provide \$251,500 (\$231,400 GPR and \$20,100 FED) in 2021-22 and \$335,200 (\$308,400 GPR and \$26,800 FED) in 2022-23 to support 4.0 additional positions (3.68 GPR positions and 0.32 FED position), beginning in 2021-22, to conduct initial assessments of allegations of child abuse and neglect in Milwaukee County.

ALT A1	Change to Base	
	Funding	Positions
GPR	\$539,800	3.68
FED	<u>46,900</u>	<u>0.32</u>
Total	\$586,700	4.00

2. Provide \$125,800 (\$115,700 GPR and \$10,100 FED) in 2021-22 and \$167,600 (\$154,200 GPR and \$13,400 FED) in 2022-23 to support 2.0 additional positions (1.84 GPR positions and 0.16 FED position), beginning in 2022-23, to conduct initial assessments of allegations of child abuse and neglect in Milwaukee County.

ALT A2	Change to Base	
	Funding	Positions
GPR	\$269,900	1.84
FED	<u>23,500</u>	<u>0.16</u>
Total	\$293,400	2.00

3. Take no action.

### B. DMCPS Aids -- Out-of-Home Care, Subsidized Guardianship, and Contracted Services

1. Provide \$49,100 (\$3,003,700 GPR, -\$91,200 FED, and -\$2,863,400 PR) in 2021-22 and \$1,025,800 (\$4,036,600 GPR, -\$147,400 FED and -\$2,863,400 PR) in 2022-23 to reflect reestimates of the cost of DMCPS aids payments and contracted services.

<b>ALT B1</b>	<b>Change to Base</b>
GPR	\$7,040,300
FED	-238,600
PR	<u>-5,726,800</u>
Total	\$1,074,900

2. Adopt the funding changes in Alternative B1, but reduce GPR funding and increase FED funding for out-of-home care by \$500,000 in 2021-22.

<b>ALT B2</b>	<b>Change to Base</b>
GPR	\$6,540,300
FED	261,400
PR	<u>-5,726,800</u>
Total	\$1,074,900

3. Adopt the funding changes in Alternative B1, but reduce GPR funding and increase FED funding for out-of-home care by \$1,000,000 in 2021-22.

<b>ALT B3</b>	<b>Change to Base</b>
GPR	\$6,040,300
FED	761,400
PR	<u>-5,726,800</u>
Total	\$1,074,900

**C. DMCPS Aids -- Adoption Recruitment Services for Children with Special Needs**

1. Provide \$300,000 (\$185,700 GPR and \$114,300 FED) annually and require DCF to provide a total of \$300,000 (all funds) annually to the Wendy's Wonderful Kids program at the Children's Hospital of Wisconsin to recruit adoptive placements for children with special needs in Milwaukee County.

<b>ALT C1</b>	<b>Change to Base</b>
GPR	\$371,400
FED	<u>228,600</u>
Total	\$600,000

2. Provide \$600,000 (\$371,400 GPR and \$228,600 FED) annually and require DCF to provide a total of \$300,000 (all funds) annually to the Wendy's Wonderful Kids program at the Children's Hospital of Wisconsin to recruit adoptive placements for children with special needs in Milwaukee County and provide \$300,000 (all funds) annually to the Wendy's Wonderful Kids program to recruit adoptive placements for children with special needs outside of Milwaukee County.

<b>ALT C2</b>	<b>Change to Base</b>
GPR	\$742,800
FED	<u>457,200</u>
Total	\$1,200,000

3. Take no action.

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