

Michigan tests if more cash will help foster kids find safe homes faster

[Justin A. Hinkley](#), Lansing State Journal Published 7:00 a.m. ET Nov. 13, 2017



In this photo taken by Richett Media, West Michigan Partnership for Children CEO Kristyn Peck, center, and others "cut the ribbon" to celebrate the opening of the new Grand Rapids nonprofit.(Photo: Photo provided)

LANSING – Michigan's child welfare agency is testing whether an early infusion of cash will help abused and neglected children find safe homes more quickly.

Throughout the state, the Michigan Department of Health & Human Services pays foster care organizations \$46.20 per day for every child in their care, and keeps paying them until the child is either returned home or adopted. Those checks typically go out every two weeks.

Under a model being tested over the next five years in Kent County, DHHS cuts a \$22,800 check to a new Grand Rapids-based nonprofit, the [West Michigan Partnership for Children](#), as soon as the child enters foster care. If the child is still in care, the nonprofit gets another \$22,800 check six months later to cover the cost of managing foster care cases and contracting services such as therapy or parenting classes to help kids and families.

Statewide, foster care cases are about evenly split between those managed by DHHS and those handled by private agencies contracted by DHHS. In Kent County, almost all cases have been handled by private agencies and, under the new model, the Partnership will manage the contracts with five foster care agencies — [Bethany Christian Services](#), [Catholic Charities of West Michigan](#), [D.A. Blodgett-St. Johns](#), [Samaritas](#) and [Wellspring Lutheran Services](#) — and other service providers in and around Kent County.

While the per-child-per-day payments elsewhere in the state are meant to cover the costs of foster care groups, the Kent County nonprofit is initially overpaid. Frontloading child welfare funds in that way allows the Partnership to pay for an array of services early in the process to "rectify whatever it was that brought that child into care," said Nancy Rostoni, DHHS's program manager for the pilot.

To encourage the Partnership and its subcontractors to find kids safe, permanent homes more quickly, DHHS' payments shrink over time. In the second year of a child's time in foster care, the Partnership receives two payments totaling \$22,800. In the third year and thereafter, the yearly payment is \$11,800, less than the cost of providing care.

The average foster kid in Kent County is in care more than two years, said Kristyn Peck, the CEO of the West Michigan Partnership.

While most foster care groups stop receiving payments as soon as a child is returned home or adopted, the Partnership keeps any leftover funds from the last payment to reinvest in the remaining foster kids, Rostoni said. The Partnership will get no money for a child who reenters foster care within a year, a way to prevent the nonprofit from quickly placing kids just to keep the money.

Peck said the setup provides the Partnership flexibility to quickly ramp up services that work or stop ones that don't.

"We are really building the capacity of the children and the families by helping them access all available resources and know how to do that in the future, as well," Peck said.

A [State Journal investigation in 2016](#) found parents sometimes don't get the help they need to navigate the bureaucracy of child welfare, making it hard for them to earn their kids back. Peck and DHHS officials said part of the pilot will be a constant evaluation of how things are going — including focus groups with foster parents, birth parents and kids — and plans to fix what's not working.

"Through this process of continuous quality improvement, we aim to improve the overall performance of our partners, and ultimately, the services to children and families in Kent County," DHHS spokesman Bob Wheaton said in an email to the State Journal.

Peck's group also will use new software, called MindShare, that will analyze trends to try to spot problems before they arise. If a child enters the system with certain issues that human trafficking victims have shown, for example, the Partnership will put the child in services meant to prevent trafficking.

The Kent County pilot's been in the works for years, and has been controversial. The Legislature set the stage for the pilot in 2013 by passing a law calling for full privatization of foster care services in the county, and the union representing most DHHS workers saw that as an [omen that foster care or even Children's Protective Services could be privatized](#) throughout the state.

The department says they're no truth to that: "There have not been any MDHHS employees in Kent County laid off or reassigned due to the rollout of the Performance-Based Funding Pilot," Wheaton said.

Rostoni said the exact model being tested in Kent County likely wouldn't work statewide because it requires a level of collaboration between courts, county administrators and foster care groups that doesn't exist throughout the state.

The union, the United Auto Workers Local 6000, could not be reached for comment on this story.

Parts of the Kent County pilot could go statewide, Rostoni said, including frontloaded cash and diminishing payments.

"It may not look like this, but that's what we're hoping to achieve: What parts of this are beneficial, and, of those, what could be replicated?" Rostoni said.

The Kent County pilot is one of several reforms DHHS has implemented over the past decade since the state's child welfare programs came under federal court oversight because a New York advocacy group sued over a string of child deaths.

[Statistics from the Kids Count Data Center](#) shows Kent County continually posts higher-than-statewide rates of children who are confirmed victims of abuse or neglect and kids in foster care.

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