

# Evaluation of Michigan's Performance-Based Funding Model

## Fifth Annual Report Executive Summary

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# Executive Summary

## E1. Introduction

The Michigan Legislature, through Public Act 59 of 2013, Section 503, convened a task force that recommended a pilot project to plan, implement, and evaluate a performance-based funding model for public and private child welfare service providers in Kent County (referred to as the Kent Model). The West Michigan Partnership for Children (WMPC), an organization comprising five private agencies in Kent County, is implementing the Kent Model.



The evaluation contract for the pilot was awarded to Westat and its partners in 2016, and includes cost (Chapin Hall), outcome (University of Michigan School of Social Work), and process (Westat) components. Westat and its partners completed the fifth year of a rigorous 5-year evaluation of the pilot, results from which are summarized in this report. The cost study addresses cost effectiveness in service delivery, the outcome study documents changes in child and family outcomes (i.e., safety, permanency, and well-being), and the process study builds understanding of the context for foster care service implementation in the three counties—the Kent Model in Kent County and the per diem model (“business as usual”) for foster care services in Ingham and Oakland counties.

## E2. Methodology

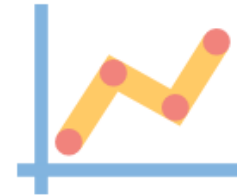
The **cost study** team compared expenditure and revenue trends in Kent County with state trends before and after the pilot. They also analyzed case rate revenue in fiscal years (FYs) 2018 and 2019, results from which informed WMPC’s change to a capitated funding model. Chapin Hall estimated quarterly and annual spending using care day utilization and child admission, caseload, and exit patterns. Administrative data sources include: MiSACWIS payment and placement data, WMPC Cost Report and Accruals Report workbooks, and trial reunification payments. The cost study team also used WMPC program dates to identify children WMPC served. They excluded from analyses cases for young adults in voluntary foster care (YAVFC), juvenile justice (JJ), and out-of-state supervision (OTI) legal status; and unaccompanied refugee minors (URM).



The **outcome study** team used propensity score matching (PSM) to match the Kent County sample (n = 1,957) with a comparison group of children served by a private agency outside Kent County for at least 80 percent of the placement (n = 1,954). Children also were matched on demographic characteristics and circumstances prompting entry into care. The outcome study team organized the data based on the start date of the pilot (10/1/2017) and presented outcomes separately for children who are associated with WMPC prior to the official start date (n = 763), and children who entered a WMPC placement on or after the official start date (n = 1,184). Data was excluded from children whose out-of-home care included only parental home placement types. For children who have additional or other placement types, the date of removal is the beginning of their out-of-home placement spell, and the end of the out-of-home placement spell is: (1) the date of discharge from care, or (2) the start of parental home placement if the child was discharged to reunification, their last recorded placement was “parental home,” and the child had been at that placement for at least 30 days.

The **process study** team conducted 29 interviews and 24 focus groups with 153 respondents in Kent, Ingham, and Oakland counties. Respondents included public child welfare and private agency leadership and samples of supervisors and caseworkers, and representatives from MDHHS, county court systems and mental health agencies, and WMPC. Focus groups and interviews included questions about Kent Model implementation, case planning and practice, services to families, monitoring and accountability, interagency collaboration, and challenges and facilitators.

### E3. Cost, Outcome, and Process Results



**Research Question: What effect has the transition to the Kent Model had on expenditure and revenue patterns in the county?**

**Expenditure Trends.** Total out-of-home private agency expenditures increased in Kent County from fiscal year (FY) 2015 through FY 2019, and decreased in FYs 2020 and 2021 (Table E-1).

Service domain	Pre-implementation			Post-implementation			
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>Total Kent County expenditures</b>	\$33,041	\$35,385	\$40,959	\$47,461	\$47,827	\$42,229	\$36,097
<b>Total private agency expenditures (excluding URM, YAVFC, JJ, &amp; OTI)</b>	\$25,268	\$25,116	\$28,245	\$33,836	\$35,385	\$28,929	\$24,208
Placement – Maintenance <sup>2</sup>	\$11,891	\$12,850	\$15,288	\$16,338	\$16,388	\$15,300	\$13,189
Placement – Administrative	\$12,245	\$11,303	\$12,492	\$16,651	\$18,387	\$12,805	\$10,580
FC Placement Service	\$865	\$776	\$200	\$198	\$224	\$239	\$252
Residential Services	\$104	\$44	\$124	\$505	\$240	\$493	\$92
Mental Health	\$129	\$128	\$113	\$129	\$115	\$41	\$29
Physical Health	\$7	\$14	\$18	\$8	\$14	\$8	\$6
Independent Living	\$0	\$1	\$1	\$4	\$12	\$31	\$60
Education	\$12	\$1	\$9	\$4	\$6	\$11	\$0
Adult FC Service	\$14	\$0	\$0	\$0	\$0	\$0	\$0
<b>URM, YAVFC, JJ, or OTI expenditures</b>	\$7,773	\$10,269	\$12,714	\$13,625	\$12,442	\$13,299	\$11,889

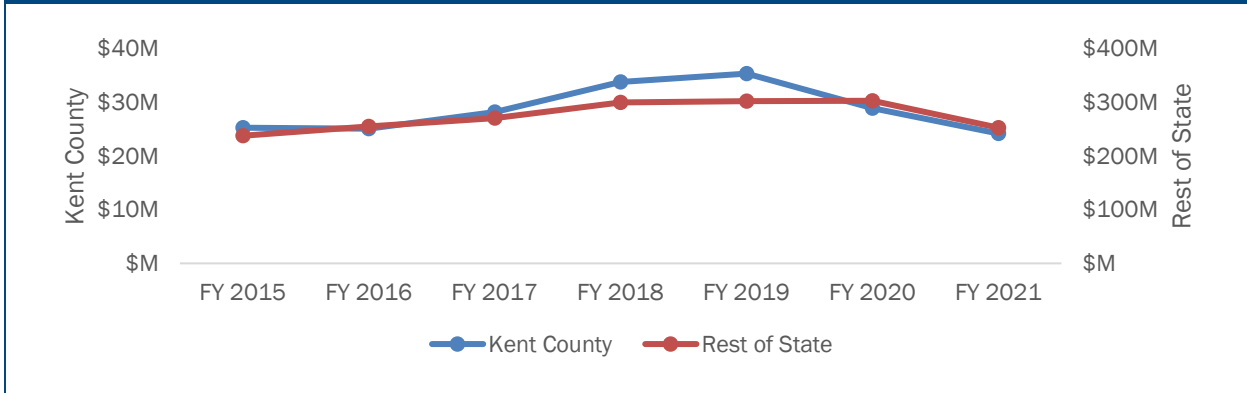
**Research Question: How does the cost of out-of-home care in Kent County compare to the cost of out-of-home care in prior periods and to the rest of the state?**

During the pilot period, state expenditures plateaued between FY 2018 and FY 2020, with a slight drop in FY 2021, while Kent County’s expenditures increased between FY 2017 and FY 2019, dropped substantially in FY 2020, and continued to decline in FY 2021 (Figure E-1).

<sup>1</sup> Kent County expenditures here represent all expenditures for which Kent County is listed as the Responsible County.

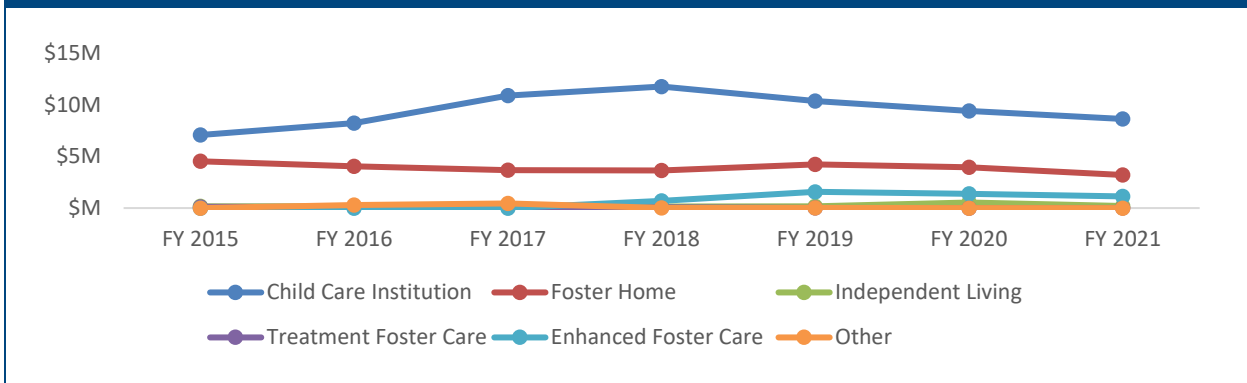
<sup>2</sup> Maintenance expenditures reflect payments for daily care and out-of-home care supervision. For CCI placements, maintenance costs also include the provision of social services and clinical treatment. Administration expenditures represent the costs to manage child placement services and administrative costs related to foster care for children.

**Figure E-1. Kent County and Rest of State – Total child welfare expenditure trends by Fiscal Year, adjusted for inflation**



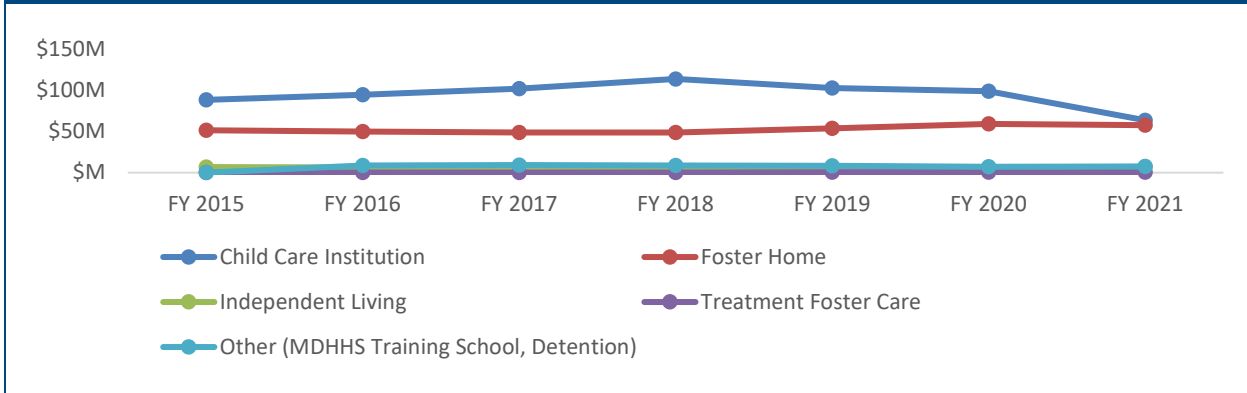
In Kent County, expenditure trends are driven by placement costs. Total placement maintenance expenses increased from FY 2015 to FY 2019 before declining in FYs 2020 and 2021. CCI maintenance expenses account for the majority of these costs. (Figure E-2).

**Figure E-2. WMPC-related – Placement maintenance expenditure trends by placement setting, adjusted for inflation**



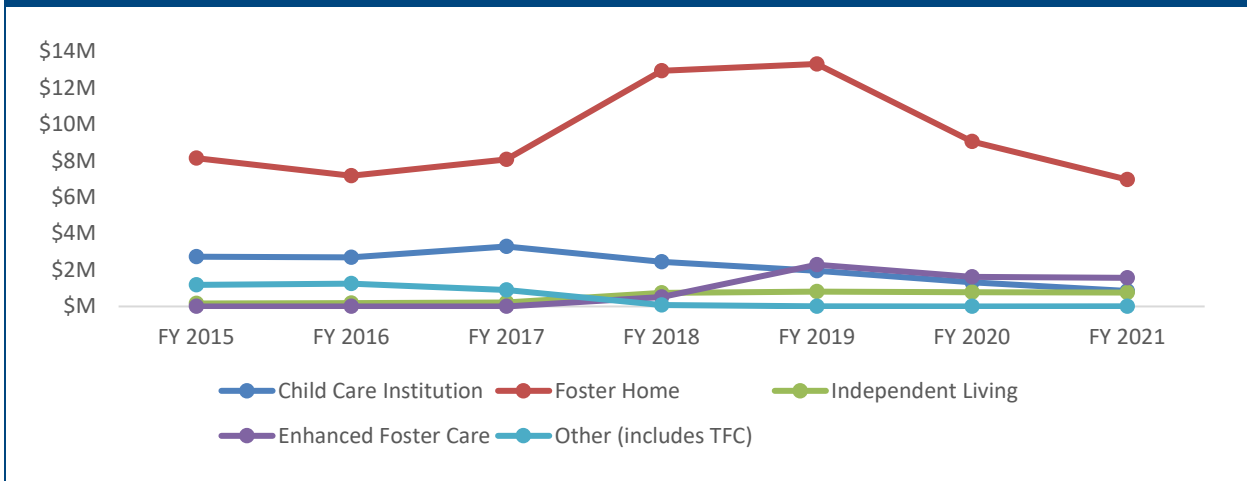
Just as in Kent County, CCI maintenance costs make up the majority of the expenditures in the rest of state, and peak in FY 2018 (Figure E-3).

**Figure E-3. Rest of State – Placement maintenance expenditure trends by placement setting, adjusted for inflation**



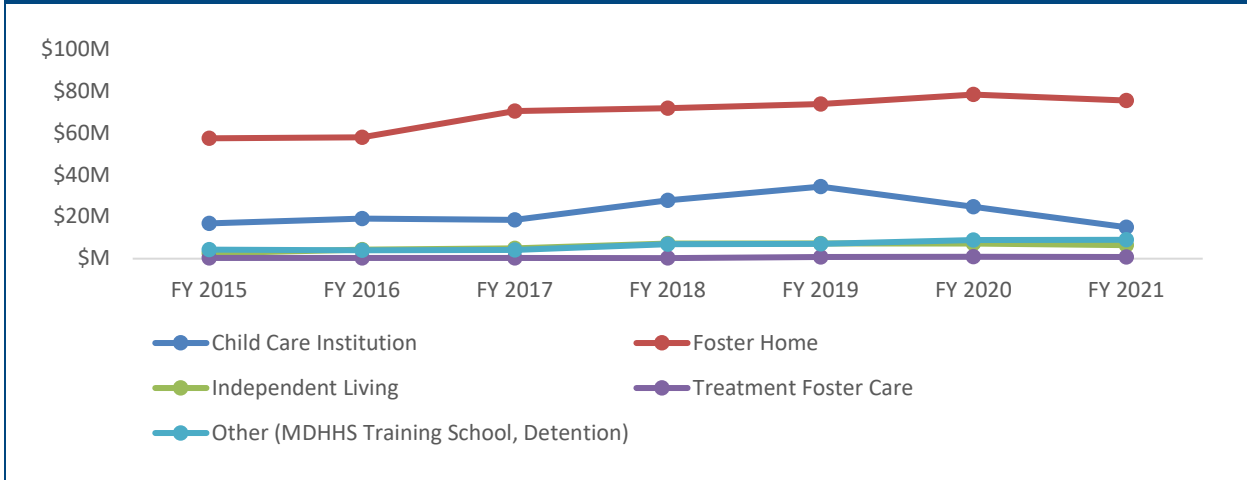
The rise in placement administrative expenditures between FY 2016 and FY 2019 is largely attributable to WMPC’s increased administrative daily rate compared to the rest of the state. WMPC’s administrative per diem was adjusted downward in FY 2020, contributing to a decrease in administrative expenditures (Figure E-4).

**Figure E-4. WMPC-related – Placement administrative expenditure trends by placement setting, adjusted for inflation**



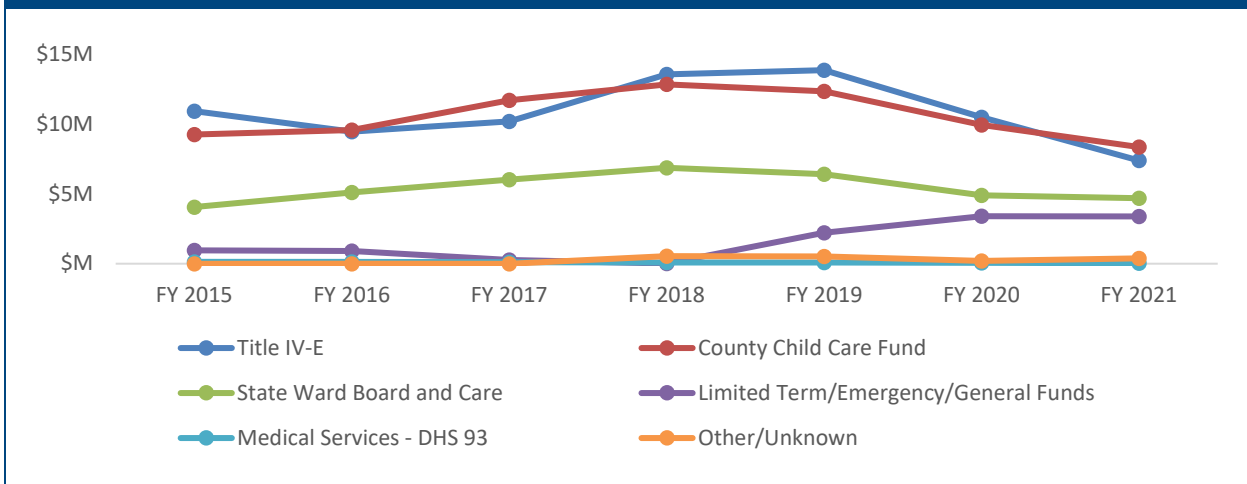
Placement administration expenses in the rest of the state showed much less variability, particularly in the Foster Home category (Figure E-5).

**Figure E-5. Rest of State – Placement administrative expenditure trends by placement setting, adjusted for inflation**



**Revenue Trends.** As shown in Figure E-6, the two largest funding sources for out-of-home placement services are the Federal Title IV-E funds and the County Child Care Fund.

**Figure E-6. WMPC-related – Revenue totals by overall funding source and Fiscal Year, adjusted for inflation<sup>3, 4, 5</sup>**



<sup>3</sup> All pre-implementation revenue is determined by the OVERALL\_FUND\_SOURCE in MiSACWIS.

<sup>4</sup> Most revenue in the post-implementation period is determined by the OVERALL\_FUND\_SOURCE in MiSACWIS or the revenue detail on the Residential Services tab in the WMPC Cost Report for the CCI placement expenditures. However, revenue associated with the aggregate EFC Admin costs was not available and was instead estimated by assigning revenue types to the EFC Admin expense based on the revenue type split in the pre-implementation period.

<sup>5</sup> Other/Unknown revenue includes Temporary Assistance for Needy Families and YIT revenue and the revenue associated with Kids First expenditures.

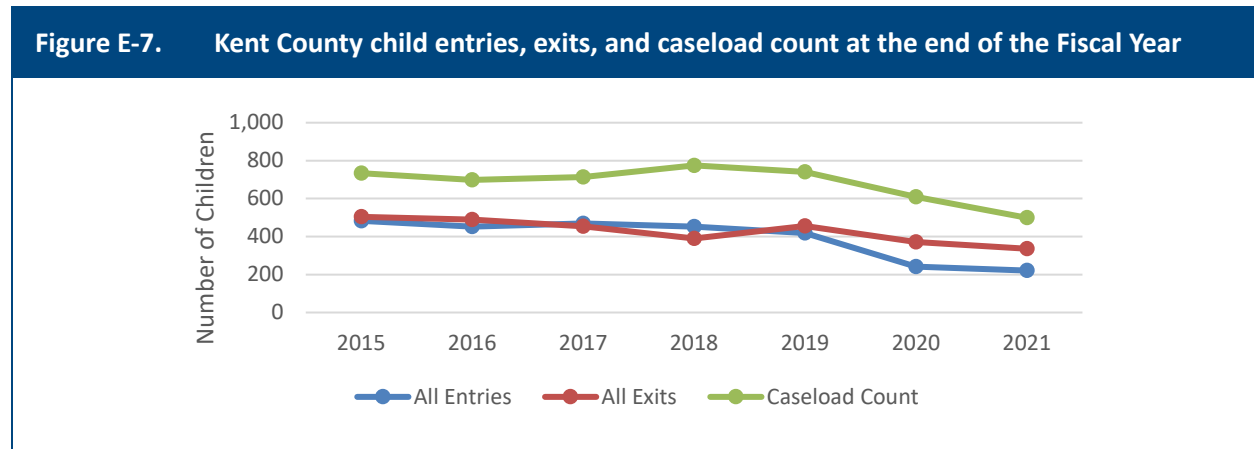


**Placement Days.** Care-day utilization increased slightly in FY 2018 and FY 2019 and then decreased substantially in FY 2020 and again in FY 2021 (Table E-2).

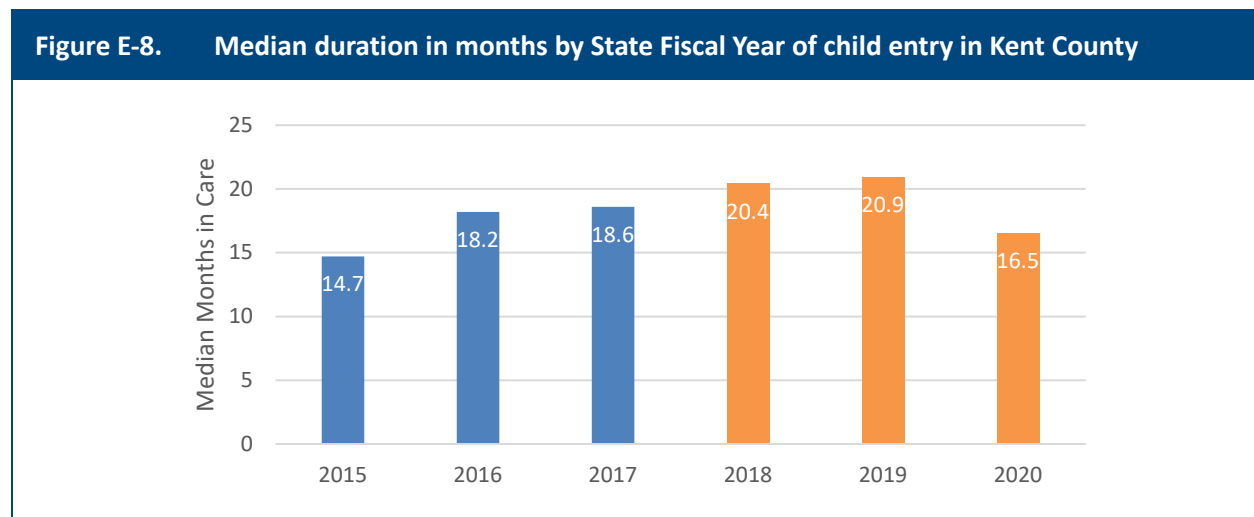
Placement setting	Pre-Implementation			Post-Implementation			
	2015	2016	2017	2018	2019	2020	2021
<b>Total Care Days</b>	332,334	297,465	295,932	305,254	311,831	277,910	223,631
<b>Foster Care</b>	178,393	146,946	139,131	140,803	135,839	118,450	83,491
<b>Kinship</b>	71,401	78,331	82,039	88,166	98,984	83,569	75,148
<b>Parental Home</b>	39,001	29,700	28,989	26,649	27,967	28,586	26,231
<b>Congregate</b>	22,169	26,949	31,208	32,741	26,775	24,879	15,558
<b>Independent Living</b>	6,271	5,041	3,386	4,359	5,260	5,457	5,273
<b>Emergency Shelter</b>	1,688	1,861	3,311	3,109	2,829	1,957	635
<b>Runaway</b>	2,390	3,114	3,605	2,662	2,230	2,117	1,597
<b>Enhanced FC</b>				2,366	9,192	11,127	12,289
<b>Adoptive Home</b>	7,103	2,944	1,301	1,547	1,058	50	279
<b>Detention</b>	1,812	1,246	642	1,156	595	682	1,167
<b>Treatment FC</b>	2,142	1,524	1,677	923			46
<b>Other*</b>	694	541	1,373	773	1,102	1,036	1,917
<b>Total Year-Over-Year Change</b>		-10%	-1%	3%	2%	-11%	-20%
<b>Foster Care</b>		-18%	-5%	1%	-4%	-13%	-30%
<b>Kinship</b>		10%	5%	7%	12%	-16%	-10%
<b>Parental Home</b>		-24%	-2%	-8%	5%	2%	-8%
<b>Congregate</b>		22%	16%	5%	-18%	-7%	-37%
<b>Independent Living</b>		-20%	-33%	29%	21%	4%	-3%
<b>Emergency Shelter</b>		10%	78%	-6%	-9%	-31%	-68%
<b>Runaway</b>		30%	16%	-26%	-16%	-5%	-25%
<b>Enhanced FC</b>					289%	21%	10%
<b>Adoptive Home</b>		-59%	-56%	19%	-32%	-95%	458%
<b>Detention</b>		-31%	-48%	80%	-49%	15%	71%
<b>Treatment FC</b>		-29%	10%	-45%			
<b>Other</b>		-22%	154%	-44%	43%	-6%	85%

\* Other placement setting includes hospital, out-of-state placement, and runaway service facility.

The number of child entries was stable through FY 2018, and then declined from FY 2019 through FY 2021. Child exits and the caseload count also declined in FY 2020 and FY 2021 (Figure E-7).

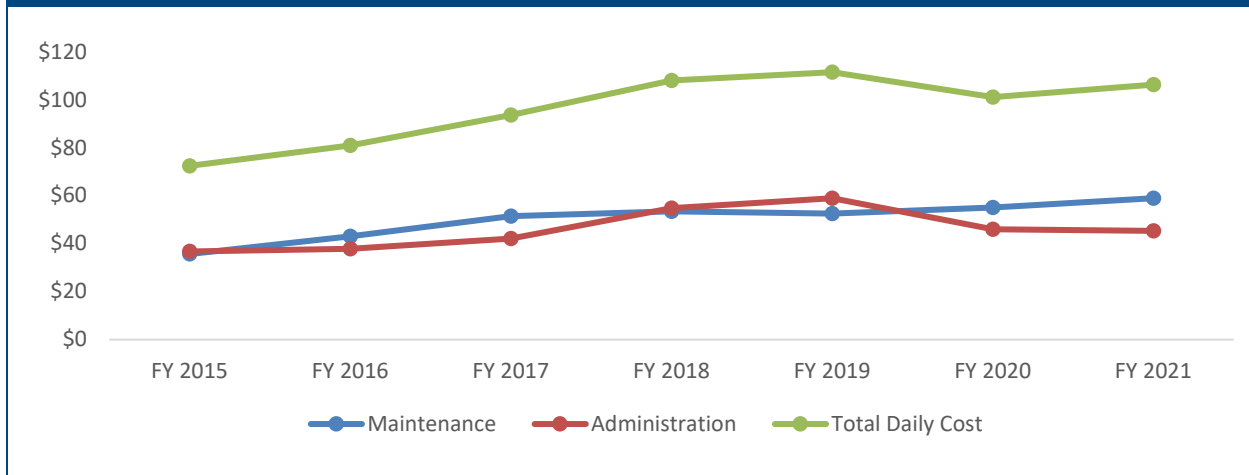


Median duration in care increased in the year prior to the implementation of the Kent Model (FY 2017) and continued to increase slightly in the first 2 years of WMPC implementation before declining for children entering care in FY 2020 (Figure E-8).



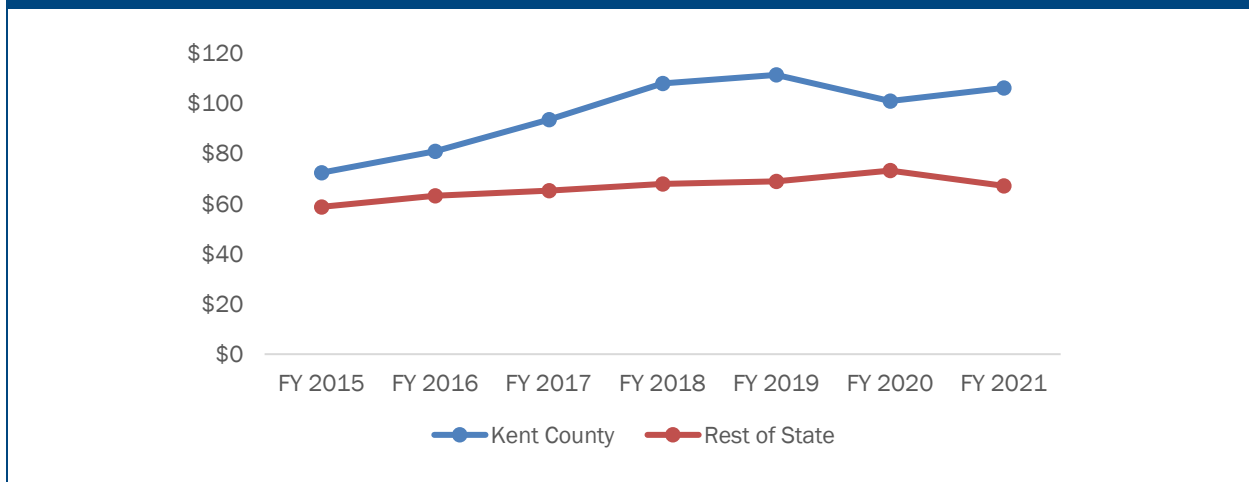
**Average Daily Unit and Child Level Placement Costs.** In Kent County, the overall average daily cost per care day (total annual placement expenditures divided by total placement days for each Fiscal Year) increased each observable year from FY 2015 through FY 2019, dropped slightly in FY 2020, and rose again in FY 2021 (Figure E-9). The average daily administrative cost increased between FYs 2015 and 2019. This growth was fueled by increases in the administrative daily rate paid to providers at both the state- and WMPC-levels. FY 2020 saw a decrease in the average daily administrative rate as WMPC adjusted the daily rate being paid to providers from \$48 to \$46.20 (Figure E-9).

**Figure E-9. WMPC-related average daily unit cost for out-of-home placements by Fiscal Year, adjusted for inflation**



In FY 2015, Kent County’s average daily unit cost was 23 percent higher than the rest of the state. This difference grew to 43 percent higher in FY 2017. The average daily unit cost in care grew slowly and steadily in the rest of the state until dipping in FY 2021, while Kent County saw greater variability and then an increase during FY 2021 (Figure E-10).

**Figure E-10. WMPC-related and Rest of State – Average daily unit cost for out-of-home placements by Fiscal Year, adjusted for inflation**



## Safety, Permanency, and Stability

Table E-3 presents demographics of children in care and indicates that the PSM resulted in equivalent groups (e.g., no statistically significant differences across race, gender, and age).

	Kent	Comparison
<b>Total (N)</b>	<b>1,954</b>	<b>1,947</b>
In care prior to 10/1/2017 (legacy)	763	770
In care after 10/1/2017	1,184	1,184
Age (at removal date) mean and standard deviation	M = 6.5 sd = 5.5	M = 6.4 sd = 5.6
% Male	51.8%	52.1%
% Hispanic	15.7%	14.7%
% Black	31.7%	32.3%
% White	49.9%	49.0%

### Research Question: Does the Kent Model improve the safety of children?

**Safety.** Chi-square tests indicate that there are no statistically significant differences between children served in Kent County and the comparison group who experienced maltreatment recurrence after isolating the most recent Child Protective Services (CPS) report (Categories I, II, or III<sup>6</sup>) *prior* to removal, and the most recent CPS report (Categories I, II, or III) *after* removal (Table E-4).

Group	No recurrence	Experienced recurrence	Total
Comparison, entered care after 10/1/2017	94.7% (1,121)	5.3% (63)	1,184
Comparison, in care prior to 10/1/2017 (legacy)	93.8% (722)	6.2% (48)	770
Kent, entered care after 10/1/2017	93.0% (1,101)	7.0% (83)	1,184
Kent, in care prior to 10/1/2017 (legacy)	93.4% (713)	6.6% (50)	763
<b>Total</b>	<b>93.7% (3,657)</b>	<b>6.3% (244)</b>	<b>3,901</b>

<sup>6</sup> Category III dispositions apply to cases in which the county DHHS agency determines that there is a preponderance of evidence of child abuse or neglect, and the risk assessment indicates a low or moderate risk. A referral to community-based services must be made by CPS. Category II dispositions apply to cases in which DHHS determines that there is a preponderance of evidence of child abuse or neglect, and the risk assessment indicates a high or intensive risk. Services must be provided by CPS, in conjunction with community-based services. Category I dispositions apply to cases in which DHHS determines that there is a preponderance of evidence of child abuse or neglect, and a court petition is needed and/or required. As with Category II dispositions, services (or foster care) must be provided by CPS, in conjunction with community-based services.

**Maltreatment in Care (MIC).** Overall, 9.2 percent of children experienced MIC or a Category I-III disposition<sup>7</sup> while they were in an out-of-home placement setting or still under the legal guardianship/supervision of the state (Table E-5).

Group	No MIC	Experienced MIC	Total
Comparison, entered care after 10/01/2017	92.6% (1,096)	7.4% (88)	1,184
Comparison, in care prior to 10/01/2017 (legacy)	87.5% (674)	12.5% (96)	770
Kent, entered care after 10/01/2017	92.9% (1,100)	7.1% (84)	1,184
Kent, in care prior to 10/01/2017 (legacy)	88.1% (672)	11.9% (91)	763
<b>Total</b>	<b>90.8% (3,542)</b>	<b>9.2% (359)</b>	<b>3,901</b>

**Research Question: Does the Kent Model improve permanency for children?**

**Permanency.** Among children who entered care after 10/1/2017, those in Kent County exited care at a significantly higher rate ( $p$ -value <0.001) and stayed significantly fewer days ( $p$ -value <0.05) than children in the comparison group (Table E-6).

Group	Exit status	% (N)	Length of stay		
			Mean	Standard deviation	Median
Comparison, entered care after 10/01/2017	In care	42.7 (505)	670	411	634
	Exited	57.3 (679)	629	306	603
Comparison, in care prior to 10/01/2017 (legacy)	In care	9.5 (73)	1,637	693	1,785
	Exited	90.5 (697)	966	493	869
Kent, entered care after 10/01/2017	In care	36.9 (437)	531	399	423
	Exited	63.1 (747)+	560*	334	554
Kent, in care prior to 10/01/2017 (legacy)	In care	5.5 (42)	1,854	1,122	1,776
	Exited	94.5 (721)	954	513	839

\* Indicates  $p$ <0.05, + indicates  $p$ <0.001

A higher percentage of children in Kent County who entered care after 10/1/2017 achieve permanency at a statistically higher rate than children in the comparison counties within 6 months ( $p$ -value <0.0001) and 12 months ( $p$ -value <0.001; Table E-7).

<sup>7</sup> [https://www.michigan.gov/mdhhs/0,5885.7-339-73971\\_7119\\_50648\\_7193-159484--00.html](https://www.michigan.gov/mdhhs/0,5885.7-339-73971_7119_50648_7193-159484--00.html)

**Table E-7. Cumulative exits to permanency**

Group	Permanency within 6 months	Permanency within 12 months	Permanency within 18 months	Ever achieved permanency	Total exits (N = 2,844)
Comparison, entered care after 10/01/2017	6.77% (46)	21.21% (144)	40.80% (277)	91.31% (620)	679
Comparison, in care prior to 10/01/2017	2.30% (16)	7.89% (55)	17.65% (123)	87.52% (610)	697
Kent, entered care after 10/01/2017	16.60% (124)++	30.79% (230)+	46.45% (347)	93.84% (701)	747
Kent, in care prior to 10/01/2017	1.39% (10)	4.99% (36)	16.09% (116)	89.04% (642)	721

+ Indicates  $p < 0.001$ , ++ Indicates  $p < 0.0001$

**Note:** The additional exit within 18 months in Kent County for children who entered care after 10/1/2017 appears to reflect a crossover case. This child’s Child Welfare Continuum of Care (CWCC) enrollment date occurs after 10/1/2017, but the removal date shows the child entering care prior to the start of FY 2018. Instead of discarding this child’s data from the sample, we have grouped it with data from other children who are enrolled under the CWCC program type after 10/1/2017.

**Cumulative Re-Entry.** Children in Kent County who entered care after 10/1/2017 return to care at a significantly lower rate than children in the comparison group (p-value <0.05) (Table E-8).

**Table E-8. Cumulative re-entries**

Group	Returned within 6 months	Returned within 12 months	Returned within 18 months	Ever re-entered care	Total exits
Comparison, entered care after 10/01/2017	5.15% (35)	6.48% (44)	7.36% (50)	9.72% (66)	679
Comparison, in care prior to 10/01/2017	6.17% (43)	7.75% (54)	9.47% (66)	11.62% (81)	697
Kent, entered care after 10/01/2017	3.08% (23)	4.15% (31)	5.35% (40)	6.29% (47)*	747
Kent, in care prior to 10/01/2017	10.12% (73)	11.65% (84)	14.01% (101)	15.40% (111)	721

\* Indicates  $p < 0.05$

**Permanency Categories by Study Group.** For children who entered care after 10/1/2017, those in Kent County are significantly *less likely* to exit to adoption (p-value <0.05; Table E-9).

**Table E-9. Permanency categories by study group**

Group	Adoption	Guardianship	Living with other relatives	Reunification with parents or primary caretakers
Comparison, entered care after 10/01/2017	40.5% (251)	7.3% (45)	0.6% (4)	51.6% (320)
Comparison, in care prior to 10/01/2017	62.8% (383)	6.4% (39)	0.0% (0)	30.8% (188)
Kent, entered care after 10/01/2017	32.1% (225)*	10.1% (71)	1.3% (9)	56.5% (396)
Kent, in care prior to 10/01/2017	56.9% (365)	10.0% (64)	0.9% (6)	32.2% (207)

\* Indicates  $p < 0.05$

**Time in Care.** Children in Kent County who entered care after 10/1/2017 exited to reunification significantly faster than those in the comparison group ( $p$ -value  $< 0.001$ ; Table E-10).

**Table E-10. Time to exit by exit type**

Group	Exit type	N	Time to exit		
			Mean	Median	Standard deviation
Comparison, entered care after 10/01/2017	Adoption	251	739	771	265
	Reunification	320	427	482	299
Comparison, in care prior to 10/01/2017	Adoption	383	939	1,035	426
	Reunification	188	568	714	470
Kent, entered care after 10/01/2017	Adoption	225	817	819	238
	Reunification	396	363+	401	303
Kent, in care prior to 10/01/2017	Adoption	365	959	1,028	421
	Reunification	207	612	759	499

+ Indicates  $p < 0.001$

For older youth (ages 16-18) exiting care, those associated with WMPC are significantly more likely to achieve permanency within 12 months than older youth in the comparison group ( $p$ -value  $< 0.05$ ; Table E-11).<sup>8</sup>

<sup>8</sup> The number of older youth is only 5 percent of the entire sample, which affects the statistical power necessary to evaluate and detect differences between youth in Kent County and the comparison group.

**Table E-11. Cumulative exits to permanency for older youth**

Group	Permanency within 6 months	Permanency within 12 months	Permanency within 18 months	Ever achieved permanency	Total exits (N = 230)
Comparison, entered care after 10/01/2017	8.06% (5)	8.06% (5)	19.35% (12)	27.42% (17)	62
Comparison, in care prior to 10/01/2017	3.17% (2)	4.76% (3)	7.94% (5)	12.70% (8)	63
Kent, entered care after 10/01/2017	19.30% (11)	31.58% (18)*	36.84% (21)	45.61% (26)	57
Kent, in care prior to 10/01/2017	0% (0)	4.17% (2)	12.50% (6)	35.42% (17)	48

\* Indicates  $p < 0.05$

**Placement Stability.** There were no significant differences between groups in the number and percentage of children who experienced placement changes (beyond their initial setting when entering care; Table E-12).

**Table E-12. Placement stability**

Group	2+ changes	<2 changes	Total
Comparison, entered care after 10/01/2017	38.6% (457)	61.4% (727)	1,184
Comparison, in care prior to 10/01/2017	54.5% (420)	45.5% (350)	770
Kent, entered care after 10/01/2017	40.5% (479)	59.5% (705)	1,184
Kent, in care prior to 10/01/2017	57.8% (441)	42.2% (322)	763
Total	46.1% (1,797)	53.9% (2,104)	3,763

## Implementation of the Kent Model

**Research Question: What resources are necessary to support the successful implementation of the Kent Model?**

**Key Kent Model Elements.** Enhanced Foster Care (EFC) and Care Coordination continue to be considered important Kent Model facilitators. Private agency staff are managing under the per-agency cap instituted 2 years ago because WMPC allows some flexibility in approving EFC slots above the cap. However, the demand for EFC services increased during the COVID-19 pandemic, when a higher proportion of children with high needs entered foster care.

Although agency staff reported it is helpful to have Care Coordinators as a single point of contact for referrals and to provide guidance on policy and support for difficult cases, the Care Coordination team has experienced substantial turnover and restructuring. WMPC created the Intake and Placement Coordinator to handle daytime child placements and residential referrals, to allow Care Coordinators to focus on supporting their assigned agency or agencies.

In the current reporting period, WMPC added two new elements to the Kent Model. Through the parent engagement program, birth parents of children aged 0-5 in foster care receive peer mentoring and additional supports. Additionally, WMPC initiated the Enhanced Shelter Home program to provide temporary emergency shelter for youth in need.

**West Michigan Partnership for Children (WMPC) Staffing.** There were substantial staffing changes at WMPC during the fourth year of the pilot. The Performance and Quality Improvement (PQI) and



Care Coordination teams both had staff turnover and restructuring, and the administrative assistant and Chief Executive Officer resigned. There were also several new positions added, including Parent Engagement Specialists, PQI Manager, Clinical and Utilization Manager, Intake and Placement Coordinator, and a Chief Engagement and Equity Officer (CEEEO).

**Interagency Collaboration Among Kent County Partners.** Collaboration across the public/private divide has gone smoothly over the past 2 years. Each private agency has a set weekly time to meet with CPS workers and supervisors about new cases. Respondents reported that these transfer meetings now occur more consistently, although WMPC is still working to improve the process. The 17th Circuit Court has supported the Kent Model since implementation, with some judges stepping

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*“I think it's more of like the mental health system as a whole is exploding with an intense amount of need, and they don't have the services. They have a high level of people who need their services and not enough providers to provide them.”*

–Private agency supervisor

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up as particular champions. Although collaboration with WMPC was still going well, WMPC staff turnover has been the greatest challenge over the past year. Three years after a second Clinical Liaison position was added at WMPC, most private agency staff agreed that the Clinical Liaison helped them connect families with mental health services. There have been challenges, however, including Medicaid eligibility requirements, differences in perceptions of the need or sequence for certain services, and staffing shortages.

**Residential and Shelter Placement.** Private agency staff perceived they have been successful at reducing the number of residential placements over the course of the pilot. However, the ongoing challenges in Michigan’s residential system (e.g., facilities shutting down or reducing capacity) presented continuing difficulties in finding and maintaining placements for youth with high needs. Over the past year, the Qualified Residential Treatment Programs (QRTP) process launched as part of Michigan’s plan for the Families First Prevention Services Act. Although private agency staff identified challenges with the new process, they largely praised the intention behind QRTP.

**Relative Placements.** In the past year, WMPC provided funding to all five private agencies for a family finder/engagement position in an effort to increase relative engagement. Respondents from Kent County DHHS described an increased emphasis in training CPS workers on the importance of relative engagement to provide additional support for the family and to bolster prevention and family preservation efforts.

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*“I think that Kent County in the last year has definitely realized that the culture of our county needs to be more kinship focused, and that's been really positive to have that.”*

–Private agency supervisor

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**Quality Performance and Accountability.** All private partner agencies now have agency-level dashboards, and nearly all the private agencies have specific staff positions that focus on PQI, data, and utilization management. Several private agency staff reported that the WMPC PQI meetings provide an important feedback mechanism that works in conjunction with their own agency quality improvement teams. Data accuracy was reported as an ongoing challenge and, at the time of our interviews, WMPC was in the process of developing a data quality analyst position. Over the past year, WMPC produced statistical reports that proactively flagged cases with a higher risk of MIC based on a set of identified risk factors and provided those reports on agency dashboards. Also in year 4, WMPC initiated the development of similar analyses on permanency in order to better predict success within 12 months and support the management of effective use of resources.

Utilization management remains a central focus of Kent Model implementation. The approach was credited with improving such outcomes as facilitating increased permanency within 12 months by using intensive efforts to manage residential utilization and enhanced foster care (EFC) services.

**Research Question: Do child placing agencies adhere to the MiTEAM practice model when providing child welfare services?**

**MiTEAM Fidelity Assessments and Service Satisfaction.** Overall, most case practice behaviors were implemented in accordance with MiTEAM’s design; across quarters, the average percentage of MiTEAM behaviors that caseworkers implemented as they were intended ranged from a low of 88 percent in 2016 to a high of 97 percent in 2017. Across quarters, 93 percent of case practice behaviors were implemented as intended.<sup>9</sup> Despite the changes in service delivery due to the COVID-19 pandemic, agency clients (parents, foster parents, and youth) indicated in surveys they were satisfied with over 80 percent of services each year of the pilot.<sup>10</sup>

## Child Welfare Processes in Kent, Ingham, and Oakland Counties

**Research Questions: Do the counties adhere to the state’s guiding principles in performing child welfare practice? What resources (strategies, infrastructure) are necessary to support the successful delivery of child welfare services?**

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*“Just the ability to work remotely and be present virtually...it makes it easier to be able to manage your day and not have a whole day wasted driving to a meeting.”*

–Private agency supervisor

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### Changes to Child Welfare Practice Due to COVID-19.

Respondents in Kent, Ingham, and Oakland counties expressed strong support for flexible work schedules. It enables them to improve their work-life balance, increase efficiency, and work in a comfortable workspace. Additionally, respondents identified many benefits to virtual court hearings, such as the substantial time saved by not having to make in-person court appearances. One caseworker noted that agency staff can “be doing other things

while we’re waiting for our case to be called.” Interview and focus group participants also observed more participation from parents in virtual hearings than in-person hearings. Respondents also noted increased participation in virtual team decision-making (TDM) meetings and FTMs from key stakeholders involved with the case who may not have attended consistently in person (e.g., attorneys, service providers). Additionally, respondents in the three counties appreciate being able to use electronic signatures, with one caseworker stating the process “has saved so much time.”

**Service Approvals and Family Support.** During the current year, respondents from all three counties described the service approval process in positive terms, overall. Respondents theorized that the

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<sup>9</sup> There is a substantial amount of missing data, which limits the degree to which meaning can be extracted and findings can be generalized across agencies. Additionally, several items in the instrument are applicable to more than one MiTEAM competency. The number of agencies that reported fidelity data each year in Quarter 4 was—2016: two agencies; 2017: three agencies; 2018: two agencies; 2019: five agencies; 2020: five agencies; and 2021: five agencies.

<sup>10</sup> The data described in this section must be interpreted with caution. Although private agencies in Kent County administer consumer satisfaction surveys to meet the Council on Accreditation’s requirements and can use results to identify areas of strength or in need of improvement, the data reported has limitations. For example, the number of respondents from some agencies was considerably higher than the number of respondents from other agencies, so cross-agency patterns that emerged may be influenced heavily by the agency (or agencies) with the majority of respondents.

process has occurred without major delays, even in comparison counties without an intermediary. However, the amount of time between submitting a service request and receiving approval hinges on the type of service (or the cost of the service) and the DHHS representative responsible for reviewing and approving the request (some representatives approve requests faster than others), according to private agency staff in Ingham and Oakland counties.

The COVID-19 pandemic prompted child welfare staff to develop new strategies for recruiting and engaging foster care families, including partnering with other agencies, businesses, or organizations; conducting virtual recruitment and support activities; and using social media to engage potential foster families.

**Prevention and Reunification.** Agency respondents described a number of programs and services that have been implemented in response to the Federal government’s enactment of the Family First Prevention Services Act<sup>11</sup> and MDHHS’ prevention planning. For example, specific programs are being implemented in each county (e.g., Homebuilders<sup>12</sup> in Kent County, Parents as Teachers<sup>13</sup> in Ingham County, Project Recovery Intensive Services for Mothers<sup>14</sup> in Oakland County), while respondents from all three counties described dedicated staff whose work focuses exclusively on child welfare prevention (e.g., support families in target areas, conduct outreach calls, provide home essentials).

**Staff Support and Service Quality.** Despite experiencing challenges that lead to turnover (e.g., long-term remote work leading to reduced opportunities for support, high caseloads, lack of experience), many agency staff are able to persevere in their position. Factors cited as most helpful include supervisor and peer support, regular check-in meetings to maintain connections and troubleshoot issues, and agency leader assessment of staff needs.

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*“I appreciate that every different supervisor has their own kind of like niche, where I’m more likely to go to one supervisor for a certain issue and then another supervisor for a different one.”*

– Private agency caseworker

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Respondents from at least one private agency in each county reported that there are plans to hire, or the agency recently hired, a dedicated staff member responsible for quality assurance tasks like tracking data and services, and helping staff hit specific targets. Across counties, most respondents found ChildStat meetings and data useful (e.g., they have access to additional data that is not regularly available) but also found some aspects of the process frustrating (e.g., burden of preparing for the ChildStat meeting if your case is chosen for review).

**Research Question: What factors facilitate and inhibit effective implementation of child welfare practice, in general, and importantly, the Kent Model (in Kent County)?**

**Facilitators.** Across counties, factors that support agency staff efforts to serve families effectively include processes or policies established during the pandemic that increased staff effectiveness and efficiency (e.g., electronic signatures), increased interagency collaboration that has occurred via virtual platforms (e.g., Zoom, Microsoft Teams). In Ingham and Oakland counties, respondents

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<sup>11</sup> <https://www.acf.hhs.gov/cb/title-iv-e-prevention-program>

<sup>12</sup> <https://youth.gov/content/homebuilders>

<sup>13</sup> <https://parentsasteachers.org/>

<sup>14</sup> <https://www.oaklandfamilyservices.org/behavioral-health>

described reciprocity among colleagues (each person provides and receives support), relationships with community-based organizations, and having adequate resources as key facilitators.

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*“There’s a big push in Michigan to get children out of residential care. But there’s no place for them to go.”*

–Private agency caseworker

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**Challenges.** Service availability was a commonly reported challenge among respondents in all three counties again this year (e.g., inadequate number of service providers). Identifying placements and services for youth transitioning from residential care was also a challenge among agency staff in Kent, Ingham, and Oakland counties, as many facilities have closed or are at full capacity.

## E4. Conclusions and Next Steps

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**Summary of Findings.** Overall, child welfare expenditures increased each year between FY 2015 and FY 2019, although the growth slowed over time. The number of children entering care was stable from FYs 2015 through 2018 before declining slightly in FY 2019, while the median number of months children were in care increased from FY 2016-17 through FY 2018-19. This indicates there was an increase in the time children spent in care, not child entries. Outcome study results reveal that overall, children in Kent County (who entered care after 10/1/2017) exited care in significantly fewer days than children in comparison counties ( $p$ -value <0.05).



The cost study team also found that the average daily unit cost per care day decreased, which led to the subsequent plateau of placement maintenance costs. Interview and focus group respondents from Kent County emphasized that moving children from residential care into community-based placements is a primary focus of the Kent Model and a priority for MDHHS. Private agency staff attributed a reduction in the number of residential placements to implementation of EFC. Additionally, there was a substantial decline in care day utilization in FYs 2020 through 2021, corresponding with reduced spending on placement maintenance and administrative expenses. There was also a substantial decline in child entries in FY 2020-21, leading to decreases in caseload counts and care day utilization.

The outcome study team reported that a significantly higher percentage of children from Kent County than the comparison counties achieved permanency within 6 and 12 months of entering care. An important element of the Kent Model is private agency staff in Kent County having greater financial flexibility to develop and implement innovative solutions to service provision. During interviews and focus groups with the process evaluation team, most private agency respondents agreed that some miscellaneous funding requests they submit to WMPC allow for greater creativity in case planning to help them achieve key outcomes (e.g., permanency).

Process evaluation findings indicated that the COVID-19 pandemic continues to heavily influence case practice, inter- and intra-agency collaboration, and service provision. Interview and focus group respondents described factors that both facilitated (e.g., virtual court hearings) and were barriers (e.g., limited services) to serving families effectively, overall, and as a result of the pandemic.

**Next Steps.** The cost study team will continue to track overall expenditure trends, as well as how patterns change as the nation emerges from the COVID-19 pandemic. The outcome study team will also continue to analyze data on safety, permanency, and placement stability among children in

care in Kent County and comparison counties, to determine if the trends remain consistent and if more statistically significant group differences emerge. The process study team will conduct interviews and focus groups approximately 6 months after the last round of data collection, shortly before the pilot ends. Data collection will focus exclusively on the experiences and perceptions of Kent County stakeholders, to obtain in-depth information on key topics relevant to this late stage of implementation (e.g., lessons learned). This will enable the process study team to examine patterns that emerged over the entirety of the pilot (e.g., strategies, facilitators, challenges) and explore stakeholder reflections on pilot implementation from those who have been involved with Kent Model implementation since its launch.

Collectively, cost, outcome, and process study findings will continue to provide MDHHS and other interested stakeholders with critical information on *who* is involved in substantive change processes, *what* activities are most important to improving outcomes, and *how* child welfare stakeholders create and sustain systemic changes.