

# ACF

Administration  
for Children  
and Families

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children, Youth and Families**

**1. Log No:** ACYF-CB-IM-98-01

**2. Issuance Date:** 2/13/98

**3. Originating Office:** Children's Bureau

**4. Key Words:** Child Welfare Demonstration Projects

## INFORMATION MEMORANDUM

**TO:** State and Tribal Social Services Directors  
State Child Welfare Administrators State Adoption and Foster Care Coordinators

**SUBJECT:** Child Welfare Demonstration Projects

**LEGAL AND RELATED REFERENCES:** Title IV-B of the Social Security Act; Title IV-E of the Social Security Act; Section 1130 of the Social Security Act, as amended by Public Law 105-89

**PURPOSE:** The purposes of this information memorandum are to announce that the Department of Health and Human Services (Department) is seeking State proposals on child welfare demonstration projects and to inform interested parties of (1) the procedures the Department expects States to employ in involving the public in the development of proposed demonstration projects under Section 1130; (2) the procedures the Department will follow in receiving demonstration proposals; and (3) the principles and procedures the Department will follow in exercising its discretion to grant waivers for demonstration projects under the authority in Section 1130 (a) of the Social Security Act (the Act), as amended by Public Law 105-89.

**FOR FURTHER INFORMATION:** See the ACF Website at <http://www.acf.hhs.gov> or contact Michael W. Ambrose, Children's Bureau, Administration on Children, Youth and Families, HHS at (202) 205-8618.

**SUPPLEMENTARY INFORMATION:** Under section 1130 of the Act, the Department of Health and Human Services is given authority to approve up to ten States for Child Welfare Demonstrations in each of the five fiscal years 1998-2002. (The Department has already approved two demonstrations in FY 1998, leaving a maximum of eight more demonstrations to be approved in that fiscal year.) These demonstration projects involve the waiver of certain requirements of titles IV-B and IV-E, the sections of the Act that govern foster care, adoption assistance, independent living, child welfare services, promoting safe and stable families, family preservation and support, and related expenses for program administration, training, and automated systems. This authority provides an opportunity for States to design and test a wide

range of approaches to improve and reform child welfare. Such demonstrations should provide valuable knowledge that will lead to improvements in the delivery, effectiveness and efficiency of services.

In exercising her discretionary authority, the Secretary has developed a number of policies and procedures for reviewing proposals. In order to ensure a sound, expeditious and open decision-making process, the Department will be guided by the policies and procedures described in this Memorandum in accepting and reviewing proposals submitted pursuant to Section 1130.

## **BACKGROUND:**

The child welfare system is in a period of great crisis and great challenge. Current social and economic forces are placing enormous pressures and stresses on children and families and on the professionals and agencies that serve them. Rising rates of child and family poverty, a great number of teen pregnancies, the substance abuse and AIDS epidemics and the increasing levels of interpersonal and community violence, including increases in child abuse and neglect, have resulted in a loss of family strength and unity and multiple challenges to very fragile families. These factors have resulted in larger caseloads for public child welfare agencies, presenting complex family problems. Community and State agencies with limited resources are struggling to address these issues.

The Adoption and Safe Families Act (ASFA) of 1997 (Public Law 105-89), which was signed by the President on November 19, 1997, extended the number of waiver demonstration projects available to States. ASFA represents an important landmark in Federal child welfare law. It establishes that the national goals for children in the child welfare system are safety, permanency and well-being. The law provides mechanisms for making child welfare systems more responsive to the multiple and often complex needs of children and families. It gives new impetus to the effort to dismantle the many barriers that may exist between children waiting in foster care and the permanent placements they need. By expanding the number of child welfare waiver demonstrations available, the law provides States the opportunity to develop creative approaches to provide permanency for children in foster care, and offers a Federal partnership in the effort to develop innovative strategies to achieve positive results for children in the child welfare system.

New, creative efforts are needed to stimulate meaningful changes in the delivery of child welfare services and promote more effective methods of service delivery for children and families. Throughout the country, local and State child welfare agency administrators are developing innovative responses to these circumstances. Knowledgeable child welfare professionals are developing new solutions to these challenges even when faced with insufficient resources. In order to meet the existing service needs of families with diminishing resources, more flexibility is needed in devising service programs.

In addition, a wide range of efforts is underway to foster more effective working relationships among Federal, State and local governments which will strengthen Federal-State partnerships in developing a responsive child welfare service delivery system. This new partnership is an integral part of several programs administered by the Administration for Children and Families

(ACF). For example, the Promoting Safe and Stable Families program (formerly the Family Preservation and Support Services program, Subpart 2 of title IV-B of the Social Security Act) provides funds to assist States in assessing the needs of children and families, re-examining State systems for meeting such needs, developing plans for the implementation of time-limited family reunification services, family preservation and support services, and support for adoption and systems change.

Another ACF program, reauthorized as part of the ASFA, provides funds for State courts to assess their role in responding to the needs of children and families and develop improvement plans based on these self-assessments. The Statewide Automated Child Welfare Information System (SACWIS) provides funds, at the rate of 50 percent Federal share, for the operation of State child welfare information systems which will help States link child welfare program data and operations with other programs, especially TANF and child abuse and neglect programs.

The Adoption 2002 Initiative, a related Department effort, is a result of the President's Executive Memorandum on Adoption, which has now been enforced by several provisions of ASFA. The initiative promotes efforts to increase the number of children who are adopted and permanently placed each year; to move children more rapidly from foster care to permanent homes; and to increase awareness of the tens of thousands of children waiting for families. This initiative will move children more quickly from foster care to permanent homes and at least double, by the year 2002, the number of children who are adopted or permanently placed each year.

Additionally, the Interethnic Adoption provisions of the Small Business Job Protection Act of 1996 maintain a prohibition against delaying or denying the placement of a child for adoption or foster care on the basis of race, color, or national origin. This legislation also provides a tax credit for all adoptions, with a premium for special needs adoption.

## **General Considerations**

### **Principles**

The basic guiding principles for the implementation of a Child Welfare Demonstration project remain unchanged from the original announcement for Child Welfare Demonstration projects, which appeared in the **Federal Register** of June 15, 1995. Projects conducted under this waiver authority must, according to statute:

- Be consistent with the purposes of titles IV-B and IV-E of the Social Security Act in providing child welfare services, including foster care and adoption, that is:
  - assure the safety of children and protect the rights of children and their families; and
  - ensure permanency for children through intensive family preservation
  - and support or through reunification or adoption efforts;
- Be cost neutral to the Federal government for the duration of the project period; and
- Ensure that benefit eligibility to a qualified child or family will not be impaired.

Demonstration projects should also:

- Focus on improving outcomes for children and families and the efficacy with which services are provided;
- Be open to public scrutiny at the local, State and Federal levels, and be based upon broad consultation and full opportunity for public comment;
- Provide services in which the level of State intrusion into family life is consistent with the seriousness of the risks to family members;
- Comply with appropriate civil rights statutes and regulations;
- Present a new, policy-relevant hypothesis that is testable by a well-designed evaluation plan; and
- Test new concepts, in the context of a solid evaluation plan, which could lead to broader program reforms.

Further, the newly amended demonstration effort affirms a number of key principles embodied in ASFA, which must be considered by the States in implementing the demonstration effort. These principles are:

- The safety of children is the paramount concern that must guide all child welfare services.
- Foster care is a temporary setting and not a place for children to grow up.
- Permanency planning efforts for children should begin as soon as a child enters foster care and should be expedited by the provision of services to families.
- The child welfare system must focus on results and accountability.
- Innovative approaches are needed to achieve the goals of safety, permanency and well-being.

The final principle recognizes that more solutions are needed to achieve safety, permanency and well-being for children. By expanding the authority for the child welfare demonstrations, Public Law 105-89 provides a mechanism to allow States greater program flexibility to develop innovative strategies to achieve positive results for children and families.

## **Objectives**

In implementing these Demonstrations, the Administration for Children and Families encourages States to propose specific program changes to test programmatic hypotheses for achieving service delivery or program goals for the benefit of children and families, and not simply to propose a mechanism to use federal funds differently. In developing demonstration projects States should consider that the Department affirms the following general objectives:

- Development of family focused, strengths-based, community-based service delivery networks that enhance the child-rearing abilities of families, to enable them to remain safely together in their homes whenever possible, or to move children quickly to permanency when that is not possible;
- Better results for children and families related to the specific changes a State is testing, such as better assuring the safety and protection of children, enhancing and enriching

child development, providing permanency for children, strengthening family functioning and averting family crises, providing early intervention to avoid out-of-home placement, reducing the time that children are separated from their families, speeding the process by which children who cannot return home are freed for adoption and adopted, or preparing young people in foster care for independent living;

- New knowledge that, when confirmed by rigorous evaluation, can be employed by other States and Federal policymakers to improve outcomes for children and families or increase efficiency or both;
- Innovation, through State demonstrations, of the benefits available from thoughtful initiatives developed at the State or local level;and
- Information and experience on which to base legislative changes.

While the Department is committed to working with States to consider a range of proposals, it may disapprove or limit proposals on policy grounds or because the proposal creates potential constitutional problems or violations of civil rights laws or equal protection requirements. The Department will give priority consideration to test innovative approaches that are not currently being tested.

(Appendix I lists a number of examples of innovative projects.) Within the overall policy framework described above, the Department is prepared to:

- Grant waivers that explicitly state the child welfare outcomes of the proposed project, clearly define the strategies to achieve those outcomes, and are not duplicative of currently ongoing child welfare waiver demonstrations (See Appendix III); and
- Approve waiver demonstration projects ranging in scale from small, local projects to statewide projects where appropriate.

Statewide projects will by their nature be more difficult to approve because of the complexity of establishing reliable comparison groups to assess the impact of specific projects. Statewide projects that provide for an evaluation based on random assignment methodology produce more reliable results, and consequently are favored by the Department. Smaller-scale projects may enable States and the Department to test new ideas under circumstances that are easier and less costly to evaluate and in which the financial risks are more easily controlled. Generally, smaller-scale Demonstrations will minimize legal and financial exposure and will therefore be more attractive for projects that propose to test novel approaches for which the outcomes are less certain.

## **Preferences**

The Department will give preference to proposals that would test policy alternatives that are unique; that differ in their approach to serving families and children; that differ in significant ways from other proposals; and that are submitted by States that have not previously been approved for a Child Welfare Demonstration project. The Department will give first consideration to proposals that reflect the priorities outlined in Appendix I, and will make every effort to approve proposals reflecting these priorities.

The Department will reserve approval authority for eight Demonstrations that address priority issues. These eight approvals are out of the possible eighteen available in FY 1998 and FY 1999 for such proposals.

Section 1130(a)(3), as amended, provides that certain types of proposals must be considered. They are proposals for:

- a project designed to identify and address barriers that result in delays to adoptive placement for children in foster care;
- a project designed to identify and address parental substance abuse problems that endanger children and result in the placement of children in foster care, including the placement of children with their parents in residential treatment facilities (including residential treatment facilities for post-partum depression) that are specifically designed to serve parents and children together in order to promote family reunification and can ensure the health and safety of children in such placements; and
- a project designed to address kinship care.

The Department will consider any such proposal, in accordance with all the requirements of the law and the priorities outlined in this Information Memorandum. In addition, the Department will consider proposals that involve coordinated Demonstrations involving title XIX (Medicaid) waivers. Associated title XIX waiver requests must be included in the proposal for waivers of titles IV-B or IV-E. ACYF will forward any such proposals to the Health Care Financing Administration (HCFA) for concurrent consideration, and ACYF will involve HCFA as appropriate throughout the review process. However, cost neutrality must be measured for titles IV-B and E separately from the cost neutrality calculations for any other waiver.

### **Provisions Not Subject to Waiver**

Section 1130 (b)(1) excludes certain provisions of titles IV-E and IV-B from waiver. They are:

- a. Certain protections for children in foster care and their families, formerly required by section 427 of the Social Security Act (now section 422 (b) (9), which, effective April 1, 1995, made those protections an element of a State's Child Welfare Services State Plan). These protections are fully explained in section 475 of the Act. This excludes from waiver: (1) all the protections having to do with periodic reviews of the status and progress of foster care cases; (2) permanency hearings (formerly called dispositional hearings) to determine or confirm the future plan for the child and to determine whether an independent living plan is needed for older children in care; (3) requirements that certain information be contained in a child's case plan; (4) protections for the child such as requirements that the placement be the most family-like setting and in close proximity to the parents' home; and (5) protections for the family such as procedural safeguards to assure that parental rights are respected.
- b. Section 479 which establishes the Adoption and Foster Care Data collection requirements.
- c. Any provision of title IV-E to the extent that a waiver would impair the entitlement of any qualified child or family to benefits under Part E.

In addition, the Department has determined that it will exclude from waiver those provisions of sections 471 (a)(8) and (12) which provide for confidentiality and fair hearings, respectively. All other provisions may be waived at the discretion of the Secretary.

### **Limitations**

Section 1130 (a)(4), as amended, limits State eligibility for child welfare demonstration projects. The Secretary may not approve a waiver project for any State that fails to provide health insurance coverage to any child with special needs (as determined under section 473(c) of the Act) for whom there is in effect an adoption assistance agreement between a State and an adoptive parent or parents.

Further, Section 1130 (a)(5) requires that all proposals must (1) identify any court order in effect anywhere in the State by which a court has determined that the State's child welfare program failed to comply with titles IV-B or IV-E of the Social Security Act or the U.S. Constitution, and (2) provide an analysis of whether that proposed demonstration would have any effect on any such court order and, if so, how.

Any State that has an approved Demonstration and wishes in addition to propose a new Child Welfare Demonstration should submit a new proposal; amendments to existing Demonstrations will be considered only to the extent they are consistent with the Terms and Conditions for the approved project(s).

### **Duration**

Section 1130 (d), as amended, of the Act limits the duration of the demonstration to not more than five years unless in the judgment of the Secretary, the demonstration project should be allowed to continue. The Department will consider demonstrations with a duration of less than five years and will work with States to:

- Approve waivers of sufficient duration to give new approaches a fair test. The duration of waiver approval should be commensurate with the magnitude and complexity of the project. For example, a large-scale statewide program may require the full five years. Smaller projects, for example a one-to-several county demonstration effort, may demonstrate their effectiveness and utility in a shorter period of time.
- Provide reasonable time for the preparation of meaningful analyses and the preparation of evaluation reports for the demonstration project; and
- Determine a reasonable start date for the project recognizing that new approaches often involve considerable start-up time.

### **Proposal Submission and Review Procedures**

For proposals submitted in 1998, a two-step procedure is provided, to speed the review process and focus the Department's technical assistance efforts. The steps, described below, involve a Letter of Intent to be submitted by a State, followed at a later date by a full proposal. The

Department will begin working with a State to respond to specific questions upon receipt of a Letter of Intent.

### **Acceptance of Proposals**

Proposals for a Child Welfare Demonstration project will be accepted at any time from the States, the District of Columbia, and Puerto Rico. Proposals will be easier to review and will require less time for negotiation and approval, to the extent that they 1) present well-developed goals, outcomes and strategies, 2) identify the steps taken to assure county, local or judicial cooperation as required by the project, and 3) both present a sound evaluation plan and allow for a reliable method of measuring cost neutrality. Proposals should be addressed to the Children's Bureau, Administration on Children, Youth and Families, U.S. Department of Health and Human Services, P.O. Box 1182, Washington, D.C. 20013. Proposals submitted in 1998 should be addressed to the attention of Michael W. Ambrose. States are asked to provide a copy of their proposals to their respective ACF Regional Administrators. A list of the names and addresses of Regional Administrators may be found at Appendix II.

**Priority attention** will be given to proposals that are received within 75 days of the date of this Information Memorandum (before April 30, 1998). Proposals will be accepted immediately upon publication of this Information Memorandum, and proposals will be accepted after April 30. However, there is a practical limit on the number of proposals that can reasonably be considered for the approvals available to the Department in fiscal years 1998 and 1999. As proposals are received a brief description will be posted on the ACF Website . This information will, among other things, enable State officials and others to judge for themselves the nature and extent of competition for Child Welfare Demonstrations. This listing will be in addition to the publication in the **Federal Register**, described below.

### **Technical Assistance**

States which have not already been approved for a Child Welfare Demonstration project are invited to submit a **Letter of Intent** within 30 days after the publication date of this Information Memorandum (IM), and these States will be provided with a technical assistance package. A Letter of Intent should indicate an intention to submit a proposal within 75 days of the date of this IM, and briefly describe the demonstration project and the method of evaluation that the State is considering. The technical assistance package will include, among other things:

- a copy of this Information Memorandum;
- a guide to the evaluation of Child Welfare Demonstrations (including descriptions of methodologies the Department prefers and the reasons therefor, samples of the evaluation provisions of approved Demonstrations, and information about resources that might be helpful to a State in designing a demonstration and constructing an evaluation plan);
- examples of cost neutrality designs on which the Department and States have reached agreement in the past;
- a copy of section 1130 of the Act;
- samples of other key provisions of Terms and Conditions the Department has approved for Child Welfare Demonstration projects in the past;and

- a checklist of the elements required in a proposal.

Upon receipt of a Letter of Intent from a State, ACYF staff will contact the appropriate State official to offer a conference call in which both Central Office and Regional Office staff of ACYF will participate. If the State accepts the offer, the State can use the opportunity to describe further the nature and scope of the demonstration it is considering, and its approach to evaluation, and to raise specific questions. Without making commitments at that point, ACYF staff (and HCFA staff, if the proposal involves title XIX) will endeavor to answer questions concerning evaluation, cost neutrality, and the provisions of this Information Memorandum. ACYF staff will also refer interested States to published materials or other States which may be helpful to them. These pre-submission contacts are regarded as technical assistance to a State, in an effort to help a State achieve its own purposes consistent with the priorities identified in this Information Memorandum, and to anticipate and try to avoid or solve potential problems. Such contacts are not waiver negotiating sessions, and neither any State nor ACYF would be bound by any positions taken or tentative agreements reached in such a session.

Technical assistance will also be available later to States that do not write Letters of Intent within 30 days and that do not submit proposals within 75 days. **Pre-approval consultation** with a State (at any time before a proposal is submitted or while a proposal is under consideration) can include answering specific questions regarding cost neutrality and cost allocation issues, working with a State to consider the scope of its project and options for evaluation, and referring a State to other sources of assistance for the formulation of evaluation plans. Federal staff will not participate in determining the basic nature of a State's demonstration project but will provide assistance related to preparing a proposal, to the extent that resources allow.

**After approval** of a Child Welfare Demonstration, federally-provided technical assistance will remain available through the Regional Offices and the Central Office of ACYF and, to a limited extent, through federally-funded technical assistance providers. A major priority for federally-funded technical assistance will be to support the evaluations of approved Demonstration projects.

## **Review of Proposals**

The Department intends to review proposals as promptly as possible after receipt. Proposals will be reviewed by Federal officials, who will also consider comments received from outside experts (if any) and from the general public. Regional Office staff will be asked to contribute to the review of proposals submitted by States in their respective Regions. The review process and all discussions and other activities leading up to a final decision will be managed by the Children's Bureau. If the initial review discloses basic questions or issues with a proposal, the State may be contacted for more information or to resolve the problem so that the process can continue. States will be permitted a reasonable period of time to address any issues raised by the initial review.

Following the initial review and responses to any basic questions as described above, an **Issue Paper** will be prepared and sent to the State. The Issue Paper will pose any questions of substance that have been raised within the Department and will outline any problems or issues that may impede approval or that may complicate agreement on the scope, nature, cost neutrality

and evaluation of the proposed Demonstration. If the Department determines that for a particular proposal no Issue Paper is needed, the Department will notify the State of that determination in writing. Where the issues are especially problematic or technical a State will be asked to respond in writing, so that both parties will be more likely to understand each other. In cases where the issues are straightforward, a State may be offered the option of responding in writing or of scheduling a conference call (with Regional Office and Central Office participation) in which the State may respond to the Issue Paper. ACYF's intent is to minimize the burden on States and to speed the review process. If the matters raised in the Issue Paper are resolved on the conference call, the process can proceed; if not, the State will be asked to respond in writing.

Where issues remain or problems cannot be resolved, the Department will continue its efforts to achieve agreement on any proposal that meets the requirements of the law and the preferences described in this Information Memorandum, and that the Department believes proposes a project that ultimately may be recommended to the Secretary for approval. Such efforts can include additional conference calls, exchanges of written statements and arguments, review and comment on draft Terms and Conditions prepared by the Children's Bureau, and face-to-face meetings. Where such a meeting appears to be a promising way to resolve issues, and the State agrees, the Bureau will invite State officials to come to Washington for discussions in order to reach agreement. (Resource limitations will not permit ACF staff to travel to States for this purpose in FY 1998.) However, the Department may terminate the process at any point if it appears that agreement cannot be reached.

### **Public Comment**

From time to time the Department will summarize the proposals received and publish these summaries in the **Federal Register** for public comment. This Federal-level public comment process will be completed for a proposal before it is recommended to the Secretary for approval. This process is in addition to the public comments that States are required to solicit and consider and that they are to report on in their proposals, as described under State Notice Procedures, below. When a summary of a State's Child Welfare Demonstration proposal is published in the **Federal Register**, the Department will publish the name address and telephone number of the official designated by each State for the purpose and direct interested parties to contact the State directly to receive a full copy of the State's proposal. The announcement in the **Federal Register** will inform interested parties that they may respond directly to the Children's Bureau and encourage them to send a copy of their comment(s) to the State.

All decisions about approval of a Child Welfare Demonstration proposal and all Department commitments with respect to times for responding to Demonstration proposals will be delayed until both the State and the Federal aspects of the public comment process are completed.

### **Decisions**

ACYF will only recommend to the Secretary approval of proposals that meet the requirements of the statute. The Terms and Conditions for a proposed Child Welfare Demonstration will not be recommended for approval without the concurrence of the State that submitted the proposal and the Federal Office of Management and Budget. In addition, ACYF (and HCFA, if a parallel title

XIX waiver is being considered) will assure that other HHS components, as appropriate, and any other relevant Federal agencies have reviewed the Terms and Conditions. States will be informed of the Secretary's decisions as they are reached.

If the Department determines it is necessary, an agreement might be negotiated between a State and the Department to implement the Demonstration project at some date in the future. For example, if some action of the State legislature is required as an integral element of a Demonstration, it might be possible to approve the project conditioned upon the action of the legislature.

### **State Notice Procedures**

The Department recognizes that individuals and groups who may be affected by a Demonstration project have a legitimate interest in learning about proposed projects and having input into the decision-making process prior to the time a proposal is approved by the Department. The Department requires that States provide notification to the public that a Child Welfare Demonstration project is being proposed, and opportunity for comment.

A process that facilitates public involvement and input promotes sound decision-making. There are many ways that States can provide for such input. In order to allow for public input into the proposal, the Department will accept any process that:

- Includes the holding of one or more public hearings, at which the most recent working proposal is described and made available to the public and time is provided during which comments can be received; or
- Uses a commission or other similar process, where meetings are open to members of the public, in the development of the proposal; or
- Results from enactment of a proposal by the State legislature prior to submission of the demonstration proposal, where the legislature holds one or more public hearings and the outline of such proposal is contained in the legislative enactment; or
- Provides for formal notice and comment in accordance with the State's administrative procedures act; provided that such notice must be given at least 30 days prior to submission; or
- Includes notice of the intent to submit a demonstration proposal in newspapers of general circulation, and provides a mechanism for receiving a copy of the working proposal and an opportunity, which shall not be less than 30 days, to comment on the proposal; or
- Includes any other similar process for public input that would afford an interested party the opportunity to learn about the contents of the proposal and to comment on its contents.

The State shall include in the Demonstration proposal it submits to the Department a description of the process that was used in the State to obtain public input. If the Department determines that the process was inadequate to meet the standards set forth above, the State can resolve the inadequacy by posting a notice in the newspaper of widest circulation in each city with a population of 100,000 or more, or in the newspaper of widest circulation in the State if there is no city with a population of 100,000, indicating that a demonstration proposal has been

submitted. Such notice shall describe the major elements of the proposed Demonstration and any changes in benefits, payments, responsibilities, or provides selection requested in the proposal. The notice shall indicate how an interested person can obtain copies of the proposal and shall specify that written comments will be accepted by the State for a period of thirty days. If a State follows such a procedure, the State should respond to requests for copies of the proposal within seven days. The State should maintain a record of all comments received through this process.

States must advise the public that comments regarding the proposed Child Welfare Demonstration project can be made directly to ACYF. Written comments can be submitted to Michael W. Ambrose, Children's Bureau, ACYF, P. O. Box 1182, Washington, D.C. 20013.

States that materially revise their proposals after they are first submitted to the Department may be required to solicit public comment on any modification of consequence on which the public otherwise had no opportunity, as described in this section, to comment.

As noted above, all decisions about approval of a Child Welfare Demonstration proposal will be delayed until both the State-level and the Federal-level aspects of the public comment process are completed.

## **Evaluation**

Section 1130 (f) requires that each State authorized to conduct a demonstration project must obtain an evaluation by an independent contractor to assess the effectiveness of the project. The evaluation plan, at a minimum, must provide for:

1. a comparison of outcomes for children and families, and groups of children and families, under the project and such outcomes under an existing State plan or plans, for purposes of assessing the effectiveness of the project in achieving program goals; and
2. a comparison of methods of service delivery under the project and such methods under a State plan or plans, with respect to efficiency, economy and any other appropriate measures of program management; and
3. a comparison of the fiscal consequences of the project for the State and local jurisdictions, families, other agencies, and the Federal government, and an assessment of the cost effectiveness of the project.

Section 1130 (e)(1) requires the proposal to describe both the children and families who would be served by the waiver demonstration project and the services that would be provided. The Department is committed to testing a range of program strategies. The Department strongly encourages that the proposal provide for random assignment of children and families to groups served under the project and control groups. Experience has shown that the random assignment approach easily addresses both evaluation and cost neutrality issues and is the most appropriate method of evaluation for demonstrating the effectiveness of interventions.

States should consider small scale projects, to be conducted in a limited number of jurisdictions within the State, assuming adequate control groups can be established. Small scale projects have the added advantage of limiting fiscal and programmatic risk for States and for the Federal government, making it potentially easier to resolve cost neutrality problems and other points of contention in the negotiation process. Frequently small scale projects are better suited to demonstrations that are very innovative or that expand the scope of conventional child welfare practice. These may well include projects that the Department would especially wish to encourage, but for which both the State and the Department would prefer to limit risk until the program implications are evaluated.

The evaluation process should be as unobtrusive as possible to the clients in terms of implementing and operating the approach to be demonstrated, while ensuring that critical lessons are learned from the demonstration effort.

If the State proposes an alternative to random assignment, the proposal must include a demonstration that random assignment is not appropriate and an explanation of how the State believes an alternative methodology would meet evaluation needs. The evaluation design must include a clear statement of the evaluation questions.

The costs of the required independent evaluation of each State's demonstration project will be excluded from the cost neutrality calculation. In addition, the costs for the development of the proposal and the evaluation design, as well as the costs of the evaluation itself, may be charged to title IV-E administrative costs without cost allocation, so that States may claim a full 50 percent of these costs as title IV-E administrative costs.

The Department expects to award a national contract to collect information from the approved demonstration projects; to produce annual reports for the Department and the general public; to collect, synthesize and report on the results of the individual States' evaluations; to organize an annual meeting of Demonstration States and their evaluators; to assist selected States in resolving evaluation problems; to assist the Department in assuring that States with approved Demonstrations are informed of and able to profit from the experience of other Demonstration States; and to prepare a national summary of the Child Welfare Demonstrations at the completion of the project periods. All States proposing a Demonstration must provide an assurance that they will agree to cooperate and collaborate in this evaluation effort.

### **Cost Neutrality**

Section 1130 (g) requires that the Demonstration project be cost neutral, that is, the total amount of Federal funds used to support the Demonstration, over the approved project period, will not exceed the amount of Federal funds that would have been expended by the State under the State plans approved under Parts B and E of title IV of the Act if the Demonstration project were not conducted. The Department will determine at the beginning of each Demonstration that the project can be reasonably expected to be cost neutral over its projected duration. The Department will work with a State to devise a method for calculating cost neutrality in advance of approval, so that the project will be cost neutral as the Demonstration progresses, and the State will not be at risk of accumulating any debt under the Demonstration. The Department will continue to

examine quarterly claims and otherwise monitor Demonstration projects to track interim results and spending and to assure Federal cost neutrality as the Demonstration project progresses.

The Department expects that some States for some projects will project costs and savings over the full term of the project. Many possible Demonstrations could require "up-front" investments in order to achieve out-year savings. The Department will devise a cost neutrality formula, for quarterly (typically) payments to the States, that will calculate an amount the State would otherwise have received for that period for the children in the Demonstration, in the absence of a demonstration. The Department expects to participate only to a very limited extent in the financing of any project that requires significant "up-front" expenditures in excess of that amount in order to produce a return on the investment in the later stages of the Demonstration. The Department will impose a cap on the payment of costs for "up-front" expenditures, of a maximum of roughly five percent above the amount derived by the cost neutrality formula for a particular quarter or cumulatively from the beginning of the project. Payment to a State above the amount determined to be cost neutral for the quarter will be limited to the early quarters of the project. The determination that a project is cost neutral in concept will be made before a Demonstration project begins.

As noted above, the Terms and Conditions will prescribe a formula by which the State will be able to calculate and claim the amount of IV-E and IV-B funds to which it would otherwise have been entitled, in the absence of a Demonstration. Typically, the project evaluation will also provide data necessary for the calculation of cost neutrality, another reason for the emphasis on a reliable method of evaluation and the Department's strong preference for a random assignment methodology.

States will be expected to devote any Federal funds that are saved or freed up under a Demonstration, and that are not expended for purposes approved as part of a Demonstration, to child welfare purposes authorized by parts B and E of title IV. In order to be able to claim the full amount of title IV-E Federal Financial Participation (FFP) for any title IV-E funds that would be allowed under the cost neutrality formula, a State must expend sufficient non-Federal funds for such child welfare purposes. States will continue to claim FFP for non-Demonstration title IV-E activities under the standard procedures.

Fiscal effects of the project will be carefully monitored as a key element of the evaluation, along with other project results, as the Demonstration project progresses. A Demonstration will not be approved if the Department determines that up-front costs present too great a risk to the maintenance of cost neutrality over the life of the project and that there is no appropriate mechanism to finance such costs. Should the Department determine, in the course of a Demonstration, that Federal costs have grown to an unacceptable degree continuation of the Demonstration project will be conditioned on modification of the project or other action that will maintain Federal cost neutrality.

States may be required to conform, within a reasonable period of time, relevant aspects of a Demonstration to changes in Federal legislation.

## **Proposal Requirements**

Any State seeking to conduct a Child Welfare Demonstration must submit a proposal that, at a minimum, includes:

- a. A description of the proposed project with an explanation of its purpose (for example, if the project is intended to overcome barriers to services, a statement to that effect, a description of the barriers, and a description of the process that will be used to overcome the barriers to service provision).
- b. Demographic information, including the geographic area(s) in which the proposed project will be conducted; and a description and an estimate of the number of children or families who would be served by the proposed project.
- c. A description of the services that will be provided by the proposed project.
- d. A statement of the period during which the proposed project will be conducted.
- e. A discussion of the benefits that are expected from the project as compared to the continuation of current service delivery activities, including a statement of the State's vision or overall purpose for the demonstration; a statement explaining how the State expects service provision will be improved for children and families or any anticipated changes in the service delivery mechanism(s); and a statement explaining what goals/purposes/aims/outcomes the State expects to realize at the end of the Demonstration effort and how service provision will have changed for children and families.
- f. An estimate of the costs or savings of the project, along with a description of the basis for projecting that the project would be cost neutral overall.
- g. A statement of program requirements for which waivers will be needed to permit the proposed project to be conducted, and a specific proposal of the provision(s) of subpart B or E of title IV for which the State proposes a waiver.
- h. A description of the proposed evaluation design.
- i. A description of any similar project already underway in the State that is supported by State or foundation funds and/or a statement of the State's ability successfully to implement the demonstration project.
- j. A description of any court order in effect anywhere in the State by which a court has determined that the State's child welfare program failed to comply either 1) with State child welfare laws or 2) with title IV-B, title IV-E or the Constitution, along with an analysis of whether the proposed demonstration project would have any effect on any such court order, and if so, how.
- k. An assurance that the State provides health insurance coverage for all special needs children for whom the State has entered into an adoption assistance agreement.
- l. A specific proposal, if any is needed, to waive provisions of title XIX (Medicaid) in order to support or enhance the efforts of the title IV-B or IV-E demonstration. (In any event, cost neutrality must be maintained for title IV-B and E funds separately from any other Federal funds.)

Either at the time the proposal is submitted, or at least by the time the State responds to the Issue Paper for its proposal, the State must supply a copy of letters of agreement between the State and

any county, municipality, foundation, private agency or any other governmental organization that is to be a participant in the Child Welfare Demonstration project.

### **Federal Role**

The overall management of Child Welfare Demonstration projects will be the responsibility of the Children's Bureau in Washington, D.C. ACF Regional Office staff will have the principal responsibility for on-site liaison. Proposals for additions or modifications to the Terms and Conditions of any approved Child Welfare Demonstration, including proposals for extension of the duration of any Demonstration, are to be addressed to the Children's Bureau in Washington, D.C.

State program managers for the Demonstration projects will be required annually to attend a four day meeting in Washington, D.C., typically held in conjunction with the Children's Bureau National Child Welfare Conference, to discuss the Demonstration projects' developments and progress. The cost of attendance will be excluded from the cost-neutrality calculation, and will be chargeable to title IV-E administrative costs without cost allocation.

### **Administrative Record**

The Department will maintain an administrative record which will generally consist of: the formal demonstration application from the State; correspondence sent to the State regarding issues/problems with the application and the State's response; public and congressional comments sent to the Department and any Department responses; the Department's decision memorandum regarding the granting or denial of a proposal; and the final Terms and Conditions and waivers, sent to the State and the State acceptance of them.

The Department regards all Issue Papers, once they have been sent to a State, and all Terms and Conditions for Child Welfare Demonstrations, once they have been approved by the Secretary, as public documents, and will make copies of them available to any requester. The Department also regards a State's proposal for a Child Welfare Waiver, along with any written modifications to a proposal, as public documents once they have been submitted to the Department, and expects the State to make copies of the proposals and their modifications available to any requester.

### **Implementation Reviews**

As part of the Terms and Conditions of any Demonstration proposal that is approved, the Department may require periodic assessments of how the project is being implemented. The Department will review, and when appropriate investigate, documented complaints that a State is failing to comply with requirements specified in the terms and conditions and implementing waivers of any approved demonstration.

### **Legal Effect**

This Information Memorandum, like the notice employing similar language that was originally published in the **Federal Register** of June 15, 1995, is intended to inform the public and the States regarding procedures the Department ordinarily will follow in exercising the Secretary's discretionary authority with respect to State Demonstration proposals under section 1130. This Information Memorandum does not create any right or benefit, substantive or procedural, enforceable at law or equity, by any person or entity, against the United States, its agencies or instrumentalities, the States, or any other person.

/s/

Carol W. Williams for  
James A. Harrell  
Deputy Commissioner  
Administration on Children, Youth and Families

**Attachments:**

Appendix I - [Demonstration Topics of Interest to the Department](#)  
Appendix II - [Names and Addresses of ACF Regional Administrators](#)  
Appendix III - [Summaries of the First 10 Child Welfare Waiver Demonstration Projects Approved by the Department](#)

Appendix I

**Demonstration Topics of Interest to the Department**

This list of possible Demonstration topics is offered 1) as a means of outlining, for States interested in proposing a Child Welfare Demonstration project, the broad range of possible Demonstrations that the Department would consider, and 2) to provide examples of the types of novel child welfare projects in which the Department may be interested.

- Joint Medicaid-child welfare demonstrations. States may wish to propose demonstration projects which would involve a combination of Medicaid and child welfare waivers aimed at improving the availability, quality and continuity of health and mental health care for children in foster care and their birth families, based on the premise that improved access to mental health, substance abuse treatment, and other medical services

for children and families can prevent the need for foster care or reduce the time children are in care.

- Adoption. States may wish to propose demonstrations using IV-E funds to support adoptive placements, or to speed the process of placing foster children for adoption, based on the premise that moving more children to adoption more quickly or reducing the rate at which adoptive placements disrupt or dissolve will reduce foster care expenditures.
- Neighborhood-based Foster Care Demonstrations. States may wish to test techniques for expanding the availability of community-based family foster care, such as foster caregivers who serve as coaches for the birth parents while providing care for the child, or techniques for employing community residents in child welfare functions, such as training community residents as specialized foster care providers, parent aides, coaches, and entry-level staff for social services agencies, with the expectation that administrative costs, including the costs of recruiting foster families, will be controlled and more stable placements will result in shortened stays in out-of-home care.
- Alternative Dispute Resolution. Where court processes are unduly delaying reunification or adoptions, States might consider agreements with courts that would help finance the implementation of family conferences or other forms of mediation, to test whether such expenditures could be offset by reduced foster care maintenance and administrative costs for children who move more quickly into adoptive homes.
- Substance abuse as a factor in child maltreatment. States might propose projects that involve in-patient treatment for substance abusing parents and their children, testing the use of title IV-E funds for substance abuse treatment, or for the support of children living with their parents in treatment, as a means of reducing the need for or duration of foster care. States may wish to consider joint State-Tribal Demos, as well.
- Performance-based financing. States may want to test approaches to the management and delivery of child welfare services that involve devising acceptable outcome measures and using title IV-E funds to create incentives for workers or sub-State jurisdictions or to share costs with jurisdictions in novel ways in order to produce better or more timely results for children and families. (The final design of any such projects might best be scheduled for completion after the Department submits its Report to Congress on a performance-based incentive funding system for titles IV-B and IV-E, in 1998, and any such projects might also be designed to allow them to adapt to other recommendations that may be made to Congress regarding outcome measures or incentives.)
- Service improvements for children in the custody of Tribes. In concert with one or more Tribes, a State might propose to provide title IV-E funding directly to one or more Tribes for foster care and/or adoption and Independent Living, to test whether tribally-administered title IV-E projects would produce better results for children and families, enable Tribes to manage social services programs better, and reduce State costs of administration. States may wish to propose a broader project, involving the use of both State-administered and Tribally-administered funds, to test new approaches to coordination of child welfare services for Native American families and children on and off Reservations.

Appendix II

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES  
WASHINGTON, D.C. 20447  
REGIONAL OFFICES**

**REGION I, BOSTON**

Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont

Hugh Galligan  
Regional Administrator  
JFK Federal Building  
Room 2000, 20th Floor  
Boston, Massachusetts 02203-0001  
Commercial: (617) 565-1020  
Telefax: (617) 565-2493

Alice Miller  
Executive Assistant

**REGION II, NEW YORK**

New York, Puerto Rico, Virgin Islands, New Jersey

Mary Ann Higgins  
Regional Administrator  
26 Federal Building  
Room 4049  
New York, New York 10278-0022  
Commercial: (212) 264-2890  
Telefax: (212)264-4881

Eleanor Schiffer  
Executive Assistant

**REGION III, PHILADELPHIA**

Delaware, Maryland, Pennsylvania, Virginia, West Virginia, District of Columbia

David Lett  
Regional Administrator

Gateway Building  
Room 5450  
3535 Market Street  
Philadelphia, Pennsylvania 19104-3309

Judy Fasano  
Executive Assistant

**REGION IV, ATLANTA**

Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, Tennessee, South Carolina

Steve Golightly  
Regional HUB Director  
101 Marietta Tower  
Suite 821  
Atlanta, Georgia 30323  
Commercial: (404) 588-5700  
Telefax: (404) 331-1776

Jill Porter  
Executive Assistant

**REGION V, CHICAGO**

Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin

Linda Carson  
Regional HUB Director  
105 West Adams Street  
20th Floor  
Chicago, Illinois 60603-6201  
Commercial: (312) 353-4237  
Telefax: (312) 353-2204

Nancy Sanchez  
Executive Assistant

**REGION VI, DALLAS**

Arkansas, Louisiana, New Mexico, Oklahoma, Texas

Leon McCowan  
Regional HUB Director  
1301 Young Street  
Room 914  
Dallas, Texas 75202-4309  
Commercial: (214) 767-9648  
Telefax: (214) 767-3747

Shirley Gary  
Executive Assistant

**REGION VII, KANSAS CITY**  
Iowa, Kansas, Missouri, Nebraska

Linda Lewis  
Regional Administrator  
Federal Office Building  
Room 276  
601 East 12th Street  
Kansas City, Missouri 64106-2898  
Commercial: (816) 426-3981 (ext. 104)  
Telefax: (816) 426-2888

Marion Todd  
Executive Assistant

**REGION VIII, DENVER**  
Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming

Beverly Turnbo  
Regional Administrator  
Federal Office Building  
1961 Stout Street  
Room 924  
Denver, Colorado 80294-3538  
Commercial: (303) 844-3100 (ext. 301)  
Telefax: (303) 844-3642

Kathy Cass  
Executive Assistant

**REGION IX, SAN FRANCISCO**  
Arizona, California, Hawaii, Nevada, Guam, Trust Territory of Pacific Islands, American Samoa

Sharon Fujii  
Regional Administrator  
50 United Nations Plaza  
Room 450  
San Francisco, California 94102-4988  
Commercial: (415) 437-8400  
Telefax: (415) 437-8444

Devina Richards  
Executive Assistant

## **REGION X, SEATTLE**

Alaska, Idaho, Oregon, Washington

Steve S. Henigson  
Regional Administrator  
2201 Sixth Avenue  
Suite 610-M-S RX-70  
Seattle, Washington 98121-1827  
Commercial: (206) 615-2547 (ext. 2249)  
Telefax: (206) 615-2574 or 2575

(vacant)  
Executive Assistant

### Appendix III

**February, 1998**

#### **Summary of IV-E Waiver Demonstrations**

To date, 10 States have received approval for demonstration projects intended to test new approaches to the delivery of child welfare services in order to improve outcomes for children. The demonstration projects involve waivers of title IV-E of the Social Security Act and related regulations. At a minimum, all the demonstrations are expected to be cost-neutral and most expect to reduce title IV-E costs. Collectively, the demonstration projects are aimed at reducing the number of children in foster care, the length of time in foster care, the use of more restrictive and costly placement settings, re-allegations of abuse and neglect, and re-entry to foster care. Some States have proposed discrete interventions focused on a specific child welfare population, while others are experimenting with system-wide reform.

An overview of each State's demonstration is provided in the attached exhibit. Among the common themes across demonstrations are the following:

- **Assisted Guardianship/Kinship Permanence:** Five States (California, Delaware, Illinois, Maryland, and North Carolina) have proposed programs that are intended to provide relatives and foster parents, who are providing care for children in the custody of the child welfare agency, with the opportunity to become the child's legal guardian. This option would be offered to relatives and foster parents who have been providing a stable home for at least one year (six months in North Carolina and two years in Illinois) for a

child for whom adoption or reunification is not an option. While children of all ages will be eligible for this program in Illinois, Maryland, and North Carolina, Delaware and California are focusing on older children (12 and over in Delaware, and 13 and over in California). All States propose a monthly payment that is less than or equal to the current foster care payment. States expect additional savings to accrue from reduction in case management and court costs.

- **Systems Reform/Managed Care:** Five States (Michigan, New York, North Carolina, Ohio and Oregon) are providing counties with the opportunity to more flexibly use IV-E funds to enhance the array of services available to prevent foster care, facilitate reunification and otherwise ensure safe, permanent outcomes for children. Counties will be able to use IV-E funds for an array of services, but their total IV-E allotment will be fixed by agreement with the State, or will be determined by the experience of comparison counties. Some counties may enter into managed care contracts with private agencies.
- **Intensive Service Options:** Four States have proposed demonstrations that increase the nature and extent of available services in an effort to reduce foster care placements and achieve permanence and safety for a particular segment of the child welfare population.

These include:

- Delaware is providing services for caretakers with substance abuse problems. Delaware has hired substance abuse counselors to work with the Child Protective Services (CPS) staff working with families with a substance abuse problem by arranging treatment and accessing other needed services.
- Indiana is focusing their demonstration on providing community-based alternatives to group and institutional care, especially out-of-State care. Each county will develop its service plan designed to support home-based alternatives to placement (including the child's own home or foster family home in the community).
- California will allow 12 counties to develop their plans for intensive service programs to prevent foster care placement.
- Michigan will use funds in the pilot county to provide intensive services to adolescents adjudicated, or at risk of being adjudicated, delinquent.
- **Extension of Voluntary Placement Agreements:** California has also requested a waiver of the requirement to go to court for a hearing within 180 days of executing a voluntary placement agreement, extending the hearing date to 365 days after voluntary placement. The intent is to allow child welfare staff to continue to work with families in a non-adversarial way when reunification appears imminent. The extensions are expected to reduce court-related costs and shorten the time necessary to achieve reunification.

All of the demonstrations have comprehensive evaluation plans that include process, outcome and cost-benefit components. Demonstrations vary in the type of designs proposed for their outcome evaluations. All of the assisted guardianship programs (except Delaware) have a design based on random assignment of eligible families to treatment and control groups.<sup>1</sup> All will measure the degree of stability and safety achieved for children in the program and the reduction in costs.

Most of the States proposing system reform/managed care demonstrations will compare outcomes achieved by counties in the demonstration with a group of counties (with comparable characteristics) that continue to provide traditional services. In New York, participating counties will develop their own evaluation plans which must include either a random assignment design or a comparison group. Michigan plans to randomly assign eligible families to a control group or an experimental group.<sup>1</sup> Families in the experimental group would be eligible for assignment to a provider receiving a capitated payment rate.

States with targeted, intensive service demonstrations differ slightly in their outcome evaluation designs. Delaware's evaluation of their substance abuse services is based on assigning substance abuse treatment workers to only one of two CPS units in each county. Families in the units without substance abuse workers will serve as the control group. California will use a random assignment model for their intensive preventive service demonstration. Indiana has proposed to select a maximum of 4,000 children to receive demonstration services and then retrospectively select a matched comparison group.

At this time the degree of details about the evaluation plans vary. States that have recently been awarded waivers have not hired their evaluators. More detailed comparisons of evaluation plans will be prepared when the evaluation plans are submitted.

<sup>1</sup> Delaware's program is expected to serve only 20 children, making an experimental design impractical. Outcomes for children in the program will be tracked over time.

### Summary of IV-E Waiver Demonstrations

#### CALIFORNIA

State Information	Intervention	Major Goals	Outcome Evaluation Design
<p><b>Approval Date:</b> 8/19/97</p> <p><b>Project Length:</b> 5 years</p> <p><b>Implementation Start Date:</b> 10/1/97 - 9/30/98 (targeting Summer '98)</p> <p><b>Contact:</b> Patric Ashby</p>	<p><b>Extended Voluntary Placement</b> (10 counties) Will extend voluntary placement agreements from 180 days to 365 days to reduce court costs and conflicts with family.</p> <p><b>Kinship Permanence</b> (in 4 to 10 counties) Obtain legal guardianship for relatives of children</p>	<p>Reduce long term foster care costs</p> <p>Achieve permanence more rapidly</p> <p>Increase/maintain levels of child safety</p> <p>Promote permanency/stability</p> <p>Reduce court and cost management costs</p>	<p>Comparison with counties which do not extend voluntary agreements</p> <p>Random assignments of cases</p>

<p>Chief, Foster Care Branch Children and Family Services Division CA Department of School Services (916) 324-9084</p> <p><b>Evaluator:</b></p> <p>Center for Social Services Research School of Social Welfare University of California, Berkeley</p>	<p>over 13 who receive federal foster care payments, who are in stable placements, and for who reunification and adoption are not options. Subsidy payment will not be greater than foster care payment.</p> <p><b>Intensive Services</b> (12 countries) Countries to develop own intensive service plans and specify outcomes.</p>	<p>Reduce foster care placement</p> <p>Divert children to less restrictive placements</p>	
--	---	---	--

**DELAWARE**

<b>State Information</b>	<b>Intervention</b>	<b>Major Goals</b>	<b>Outcome Evaluation Design</b>
<p><b>Approval Date:</b> 6/17/96</p> <p><b>Project Length:</b> 3 years</p> <p><b>Implementation Start Date:</b> 7/1/96</p> <p><b>Contact:</b></p> <p>Candace Charkow Treatment Program Manager Division of Family Services (302) 633-2601</p>	<p><b>Services to Substance-Abusing Caretakers</b> Provide substance abuse counselors to work with CPS staff and identified families to link to treatment and other services</p> <p><b>Assisted Guardianship</b> Obtain legal guardianship for children in stable foster care placements for whom adoption and reunification are</p>	<p>Prevent foster care</p> <p>Reduce number of days in foster care</p> <p>Move children more quickly from foster care to permanency</p> <p>Provide an additional permanency option for children</p> <p>Reduce agency involvement (and costs)</p>	<p>Random assignments of cases to units with substance abuse counselors (treatment) and without (control).</p> <p>Track costs and outcomes of cases with guardianship -- anticipate 20 cases per year.</p>

<b>Evaluator:</b>  Dorothy Lockwood Consultant	not possible. Subsidy payment will not exceed current foster care payment.		
---	---	--	--

**ILLINOIS**

<b>State Information</b>	<b>Intervention</b>	<b>Major Goals</b>	<b>Outcome Evaluation Design</b>
<b>Approval Date:</b> 9/17/96  <b>Project Length:</b> 5 years  <b>Implementation Start Date:</b> May 1, 1997  <b>Contact:</b>  Tammy Blackard Project Director Subsidized Guardianship IL Department of Children and Family Services (312) 814-5564  <b>Evaluator:</b>  Ronna Cook Westat, Inc.	<b>Assisted Guardianship</b>  Obtain legal guardianship and provide subsidy payments for foster parents and kin who provide stable placements. Payments will range from \$343 to \$415 per month. Expect to place 8,000 children Statewide.	Provide more stable placement  Reduce agency intrusion in family life  Reduce agency costs	Random assignments of eligible cases to control and experimental groups

**INDIANA**

<b>State Information</b>	<b>Intervention</b>	<b>Major Goals</b>	<b>Outcome Evaluation Design</b>
<b>Approval Date:</b>	<b>Intensive Home -</b>	Improve child and	4,000 children at any

<p>7/18/97</p> <p><b>Project Length:</b> 5 years</p> <p><b>Implementation Start Date:</b> 1/1/98 - 6/30/98</p> <p><b>Contact:</b></p> <p>Jim Hmurovich Director Division of Family and Children IN Family and Social Services Administration (317) 232-4705</p> <p><b>Evaluator:</b></p> <p>To be produced</p>	<p><b>and Community - Based Services</b></p> <p>Increase capacity for in-home services and community foster family homes as alternative to group and institutional care, especially out-of-state care. Demonstration will be operational in all 92 counties within 18 months.</p>	<p>family well-being</p> <p>Reduce placement in out-of-State facilities</p> <p>Improve youth and caretaker satisfaction</p> <p>Promote permanence</p>	<p>given time will receive services under the demonstration. Estimated stay in project = 20 months/per child</p> <p>Retrospectively, a matched sample of children receiving traditional IV-E placement/services will be selected and compared to the experimental group.</p>
--	---	---	--

## MARYLAND

State Information	Intervention	Major Goals	Outcome Evaluation Design
<p><b>Approval Date:</b> 4/17/97</p> <p><b>Project Length:</b> 5 years</p> <p><b>Implementation Start Date:</b> 2/28/97</p> <p><b>Contact:</b></p> <p>Sharon McKinley Project Coordinator MD Department of</p>	<p><b>Assisted Guardianship</b></p> <p>Obtain legal guardianship and provide subsidy payments and services to foster parents and kin who receive AFDC/TANF child-only payments. Payments will be \$300 per month. Children must be in stable placement, and</p>	<p>Provide more stable placement</p> <p>Reduce agency intrusion in family life</p> <p>Reduce agency costs</p>	<p>Random assignments of children to experimental and control groups</p>

Human Resources (410) 767-7905  <b>Evaluator:</b>  To be produced	adoption and reunification have been ruled out as options.		
--	--	--	--

**MICHIGAN**

<b>State Information</b>	<b>Intervention</b>	<b>Major Goals</b>	<b>Outcome Evaluation Design</b>
<b>Approval Date:</b> 12/19/97  <b>Project Length:</b> 5 years  <b>Implementation Start Date:</b> 10/1/98  <b>Contact:</b>  Barbara A. MacKenzie Child and Family Services Administration Family Independence Agency (517) 373-9339  <b>Evaluator:</b>  To be produced	<b>Managed Care Component</b>  Up to six counties will establish capitated payment programs to provide wrap-around services for high-risk children in foster care or at imminent risk of placement.  <b>Community Services for Delinquent Youth</b> Children aged 10 or older in contact with the juvenile justice system who are adjudicated, or at risk of being adjudicated delinquent will be provided a range of preventive and reunification services.	Increase availability and flexibility of services  Reduce foster care placement  Reduce time in foster care  Expedite permanency  Improve child safety and well-being  Reduce recidivism rates for delinquency  Improve public safety  Reduce residential placement  Shift from out-of-home placement to in-home and community prevention services	In at least two of the counties, children will be randomly assigned to treatment and control groups.  Selection of a set of counties comparable to pilot county(s) in terms of child poverty, public assistance, and abuse/neglect rates

**NEW YORK**

<b>State Information</b>	<b>Intervention</b>	<b>Major Goals</b>	<b>Outcome Evaluation</b>
--------------------------	---------------------	--------------------	---------------------------

			<b>Design</b>
<p><b>Approval Date:</b> 12/19/97</p> <p><b>Project Length:</b> 5 years</p> <p><b>Implementation Start Date:</b> 4/1/98-12/31/98</p> <p><b>Contact:</b></p> <p>Judy Gallo Coordinator - IV-E Waiver Project Office of Children and Family Services (518) 474-9436</p> <p><b>Evaluator:</b></p> <p>To be produced</p>	<p><b>Managed Care</b></p> <p>In up to 10 districts various approaches to managed care will be tested. Each district may design its own service delivery system and prospective payment system including capitated payment systems and contract-based payment arrangements.</p>	<p>Decrease foster care placements</p> <p>Increase quality and flexibility of services</p> <p>Decrease re-entry</p> <p>Expedite permanency</p> <p>Increase rate of transfer to less restrictive setting</p>	<p>Evaluations plans will be determined by participating districts. Each district must develop an evaluation plan that provides for each random assignment of cases to an experimental and control group or the selection of comparison districts.</p>

### NORTH CAROLINA

<b>State Information</b>	<b>Intervention</b>	<b>Major Goals</b>	<b>Outcome Evaluation Design</b>
<p><b>Approval Date:</b> 11/14/96</p> <p><b>Project Length:</b> 5 years</p> <p><b>Implementation Start Date:</b> 7/1/97</p> <p><b>Contact:</b></p> <p>David Stkinson Program Coordinator</p>	<p><b>Systems Reform</b></p> <p>Counties will have flexibility to develop programs that will reduce foster care placements and length of stay in care. Counties will not receive any new or additional money, but will have the flexibility offered under the waiver for</p>	<p>Reduce rate of initial entry into foster care system</p> <p>Reduce length of stay in foster care</p> <p>Reduce rate of re-entry into foster care system</p>	<p>19 counties will participate in demonstration project; an additional group of 19 counties with similar characteristics has been selected to form the comparison group.</p>

<p>DHHS/Division of Social Services (919) 733-5125</p> <p><b>Evaluator:</b></p> <p>Lynn Usher Principal Investigator UNC Chapel Hill School of Social Work</p>	<p>IV-E funding.</p> <p><b>Assisted Guardianship</b> Obtain legal guardianship and provide subsidy payments for relatives and other care givers approved by the juvenile court, and have provided a stable placement for the child for at least six months. Assisted guardianship will be an option for children who adoption and reunification are not possible.</p>		
--	---	--	--

**OHIO**

<b>State Information</b>	<b>Intervention</b>	<b>Major Goals</b>	<b>Outcome Evaluation Design</b>
<p><b>Approval Date:</b> 2/14/97</p> <p><b>Project Length:</b> 5 years</p> <p><b>Implementation Start Date:</b> 10/1/97</p> <p><b>Contact:</b></p> <p>Robin Rice Bureau Chief OH Department of Human Services Bureau of Resource Management</p>	<p><b>Systems Reform/Managed Care</b></p> <p>Managed care demonstration counties will receive fixed amount of funds to serve child welfare families; counties will have flexibility to develop programs and services that will reduce foster care placements, costs, and length of stay in care.</p>	<p>Reduce time in out-of-home placement</p> <p>Reduce placement costs</p> <p>Improve stability for children</p> <p>Promote adoption</p>	<p>Fourteen counties will participate in demonstration. A comparison group of counties has been selected.</p>

(614) 466-1213

**Evaluator:**

Contract negotiation  
is under way

**OREGON**

<b>State Information</b>	<b>Intervention</b>	<b>Major Goals</b>	<b>Outcome Evaluation Design</b>
<p><b>Approval Date:</b> 10/31/96</p> <p><b>Project Length:</b> 5 years</p> <p><b>Implementation Start Date:</b> 7/1/97</p> <p><b>Contact:</b></p> <p>Cheri Emahiser IV-E Waiver Interim Project Manager State Office for Services to Children and Families (503) 945-6681</p> <p><b>Evaluator:</b></p> <p>Richard Hunter Graduate School of Social Work Portland State University</p>	<p><b>Systems Reform/Managed Care</b></p> <p>To provide a flexible service system to prevent family break up specifically tailored for particular children and their families. Counties will have flexibility to develop programs and services that will reduce foster care placements and length of stay in care.</p>	<p>Improve outcomes for children and families and increase services efficiency by including the development of a family-focused, community-based network for service delivery with concentrates on the strengths and needs of the family.</p> <p>Reduce length of stay in substitute care and prevent children's placement into care.</p> <p>Reduce foster care costs by investing in services</p> <p>Maintain child safety and protection.</p>	<p>Multiple comparison groups of counties -- participating and not participating -- in demonstration.</p>