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# Reframing the Future: Partnering for Children and Families

**James W. Payne, Director, DCS**  
**Indiana State Fair Grounds**  
**Indianapolis, Indiana**  
**May 5, 2011**



# GOALS

- **Where is DCS today**
- **Strategic planning**
- **Local data**
- **National data**
- **Economy and budgets**
- **Where is DCS going**
- **Change**



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**Where is  
DCS  
Today?**



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# Where is DCS Today?

- **Department of Child Services**
- **Cabinet level Agency**
- **Vision / Mission / Values**
- **800 new FCMs - 1590 FCMs**
- **Expanded number of Supervisors**
- **IU Social work training partnership**
- **Reduced case loads - by statute**
- **Defined Practice Model- TEAPI**
- **Regions**



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# Where is DCS Today?

- **Regional Services Council**
- **Service standards**
- **Foster care consultants**
- **Centralized Hotline**
- **Staff attorneys**
- **Extensive hiring & training program**
- **State payment for services**
- **CFSR data measurements**
- **Data & outcome driven**



# Strategic Planning

**DCS went/goes through this**



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# What is Strategic Planning?

- **A thoughtful & structured process for responding to “change drivers” in the environment**
- **The allocation of resources to programmed activities, calculated to achieve a series of organizational goals in a dynamic competitive environment**



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# Use Strategic Planning to Match Resources to Mission

**Strategic planning is:**

- **The Agency's process of continually assessing its internal capacity and the external environment\***
- **Used to determine how best to use its resources**
- **Employed to meet strategic objectives**

**\*Payers, consumers & competitors**



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# Overall Strategy Process

- **Review Mission/Vision objectives**
- **Gather external data for analysis**
- **Gather internal data for analysis**
- **ID options for achieving objectives- select strategies, tactics, markets & services**
- **Develop marketing and development plan**
- **Develop operating / HR /IT Plan**
- **Develop budget / financing plan**
- **Develop action plan, timetable. etc**



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# Common Strategic Challenges

## **Revenue maximization (lost opportunities)**

- Expand core to new markets – new technology

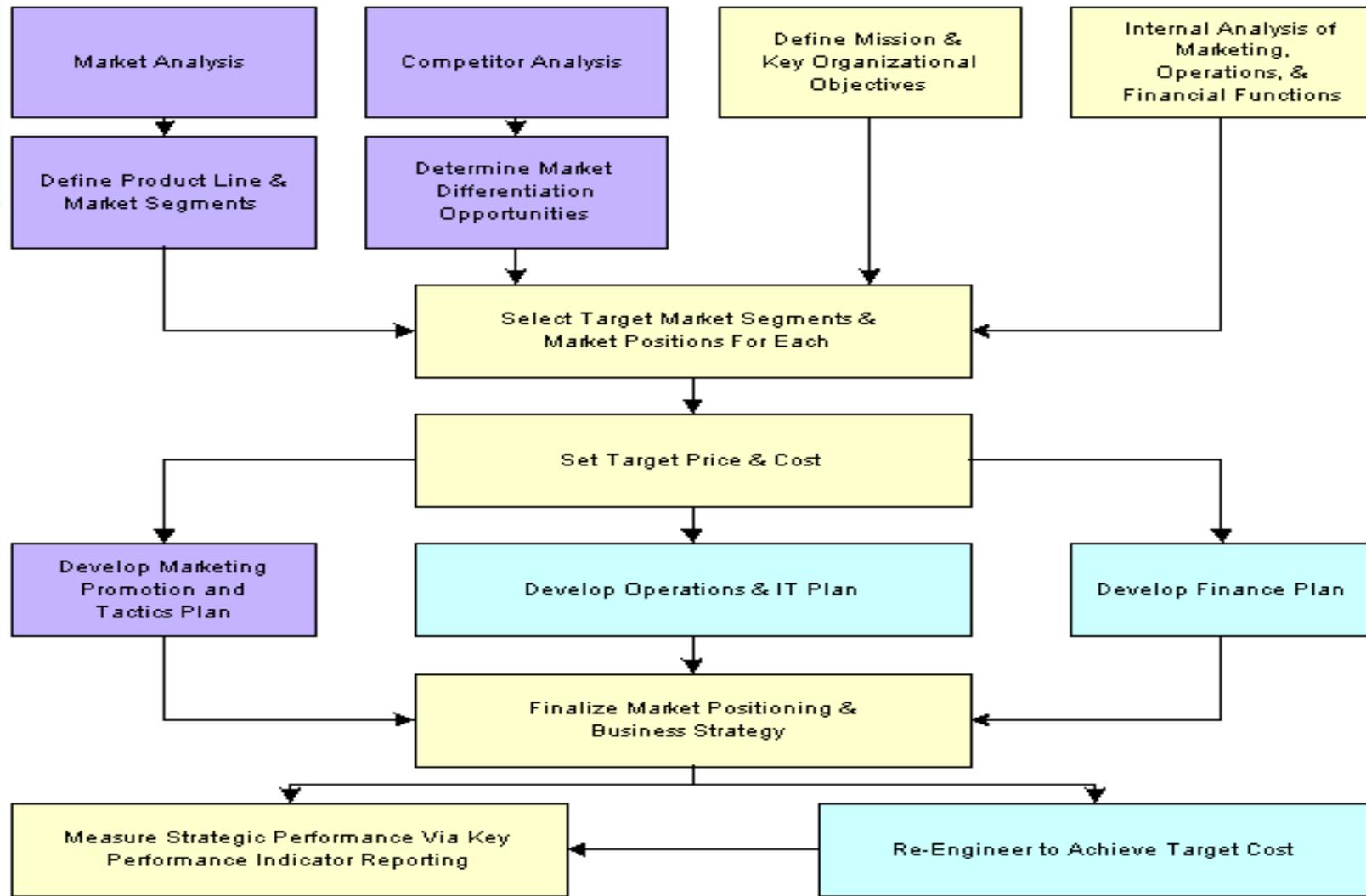
## **Revenue Diversification (depend on few payers)**

- Diversify funding for current services
- Expand current service to new markets
- Create new service for current market
- Create new service for new market

## **Profitability Management (negative margin)**

- Driven by service line performance metrics (social re-engineering & value proposition strategy)
- Management of unit/case costs with withdrawal from markets as payment changes (“last man standing”)
- Model of integration, merger, & collaboration (the “sugar daddy” and/ or “herd” strategy)

# Strategic Positioning and the Strategic Planning Process





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# “Strategic Options” to Consider

1. **Close services that are not profitable, affordable or good fit**
2. **Try to improve margins of existing services**
3. **Build “value added” products to increase the margin**
4. **Expand successful product- geography, new clients, etc**
5. **Diversify revenue sources**
6. **Reconfigure services in “value chain”**
7. **Address shifting “economy of scales”**



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# Things That Could Happen

- **Loss of major contract**
- **Decrease in payment rate**
- **Drop in referrals/market share**
- **New competition**
- **New service line**
- **Slow pay**
- **Loss of key staff**
- **?????**



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# CHANGES



**RED**

**YELLOW**

**GREEN**

**BLUE**

**RED**

**BLUE**

**YELLOW**

**GREEN**

**BLUE**

**RED**



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# Statements of Change

- **If you want to make enemies, try to change something. *Woodrow Wilson***
- **The main changers in this life are the people who want to change everything- or nothing. *Lady Astor***
- **If you don't like change, you're going to like irrelevance even less. *Gen. Eric Shinseki, Former Army Chief of Staff***
- **Change is the law of life. Those who look only to the past or present are certain to miss the future. *John F. Kennedy***



# CHANGING LANDSCAPE OF CHILD WELFARE SERVICES

## **Tighter Time Lines and Higher Level of Accountability to:**

- Ensure the safety and well-being of children– health & safety**
- Assess the willingness and ability of parents/caregivers**
- Mobilize services for the child and family**
- Expedite the achievement of the permanency goal unless there are “Compelling Reasons”**



# **CHANGING LANDSCAPE OF CHILD WELFARE SERVICES**

## **Greater Emphasis on Collaboration and Partnerships**

- Community-Neighborhood Responses, Systems and Services, keeping the services as close and as accessible to the child & family as possible**
- Partnerships – Emphasize Partnerships within the system- families, the family's natural supports, service providers, court participants and foster families**

# **CHANGING LANDSCAPE OF CHILD WELFARE SERVICES**



**Accountability of all:**

- **Parents, providers, system, funders**

**Three targets:**

- **Youth, Partnerships, Tribes**

**Measurements:**

- **Composites, not measures**
- **0 to 3- or some young age**
- **Mandatory TPR at some age**

# CHANGING LANDSCAPE OF CHILD WELFARE SERVICES



## **Outcomes:**

- **Measurable and real- Agency, Programs & Court**
- **Examples: ACE; case manger visits; finding fathers; extended families; CFTM; residential issues**
- **Philosophy and Practice**
- **Will change with outcomes and accountability- the CFSR**



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# Market Movement

**The market will never, never stay the same:**

- **Drive in, Blockbuster, Redbox, Netflix**
- **I-Pods, cell phones, Kindle, electric cars, texting, Facebook, blog etc.**
- **In changing markets, reframing is key**
- **Inevitability of business life cycles**
- **Reframers look at long term value**
- **Either find new markets for service or find new services for the market**



# **External Analysis Answers** **These Questions**

- 1. What trends are influencing market?**  
*shift in financing, service delivery structure, legislation, consumer movements, funding capacity, leadership*
- 2. Who are “customers” & what do they want?**  
*payers and consumers*  
*image and positioning*  
*value and quality definitions*
- 3. How much will payers & consumers pay for the services?**
- 4. What agencies are competitors?**



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# The Reframers

- **Question the current business practices**
- **Think with head AND heart; long term value of core principles & use that as guide to new models**
- **They are a part of the catalyzing change that goes with time**
- **May not be popular, but the status quo will never stay- not with this economic climate**



# Disruptive Innovation

- **New service models (& technology) that cause services to be delivered cheaper, by different professionals, in less expensive settings, with better outcomes**
- **Change will happen**
- **People are always looking for newer, better, faster, sleeker, simpler, effective, cleaner, safer,**



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# Disruptive Protectionism

- **When the response is to resist**
- **Action of specific stakeholders with vested \$\$ interests, who work to prevent changes that reduce the groups' market power— even when the change is better**
- **Their Goal -- to maintain the status quo**
- **Change will be resisted by those vested in old and only slightly supported by the new ones**



# Survivors?

- **Those who try to redo the current market place & meet the innovations demanded by others**
- **Those who try to fit changing environment into past business model will not see the opportunities and demand for change**



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# Review State Data



# Relative Placements

## **State Average:**

**Number of children- 3,680**

**Number of days- 1,429,801**

**Average number of days 403**



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# Average Length in Relative Care- Ranking in Days State Average- 403

- |                |                        |
|----------------|------------------------|
| 1. Reg 6- 200  | 10. Reg 9- 334         |
| 2. Reg 16- 291 | 11. Reg 13- 350        |
| 3. Reg 17- 232 | 12. Reg 8- 353         |
| 4. Reg 5- 242  | 13. <b>Reg 4- 399</b>  |
| 5. Reg 18- 291 | 14. <b>Reg 2- 403</b>  |
| 6. Reg 16- 292 | 15. <b>Reg 7- 406</b>  |
| 7. Reg 12- 304 | 16. <b>Reg 10- 419</b> |
| 8. Reg 15- 305 | 17. <b>Reg 3- 448</b>  |
| 9. Reg 14- 321 | 18. <b>Reg 1- 631</b>  |



# Foster Home Placement

## **State Average**

**Number of children            5,393**

**Number of days            3,594,163**

**Average - 686 days**



# Average Length in Foster Care- Ranking in Days

## State Average 686

1- Reg 5- 272	10- Reg 2- 618
2- Reg 16- 463	11- Reg 10- 639
3- Reg 12- 506	12- Reg 9- 643
4- Reg 15- 529	13- Reg 13- 667
5- Reg 8- 539	14- Reg 18- 710
6- Reg 6- 544	15- Reg 7- 739
7- Reg 14- 569	16- Reg 16- 757
8- Reg 17- 571	17- Reg 4- 813
9- Reg 11- 576	18- Reg 1- 876

# Residential Placement



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## **State average**

**Number of children 1,072**

**Number of days 1,135,012**

**Average in residential- 1,058**



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# Average Length- Residential Care- Rank in Days

**State Average- 1,058**

1. Reg 15- 300  
2. Reg 7- 349  
3. Reg 12- 359  
4. Reg 18- 379  
5. Reg 16- 400  
6. Reg 14- 518  
7. Reg 11- 518  
8. Reg 5- 839  
9. Reg 9- 859

10. Reg 2- 900  
11. Reg 17- 920  
12. Reg 6- 954  
13. Reg 13- 1068  
14. Reg 10- 1075  
15. Reg 4- 1076  
16. Reg 3- 1139  
17. Reg 1- 1283  
18. Reg 8- 1469



## To Sum it up

- **Relative----- 403**
- **Foster----- 686**
- **Residential----1,058**

**What is best for kids?**



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**Department of Child Services**  
**Quarter Ending December 2010**  
**Quarterly Practice Measure Data Analysis**

Practice Measure	Quarter Ending Mar-2010	Quarter Ending Jun-2010	Quarter Ending Sep-2010	Quarter Ending Dec-2010
Increase relative placements.	34.71%	35.28%	35.57%	35.65%
Increase absence of repeat maltreatment.	92.42%	92.24%	91.87%	90.14%
Increase permanency.	2,574	2,811	2,837	2,592
Increase number of children placed locally.	74.31%	73.95%	72.67%	71.97%
Increase child visitations.	19.30%	18.00%	19.40%	19.30%
Increase FCM face-to-face contacts with child.	96.90%	96.90%	97.60%	97.00%
Increase number of siblings placed together.	71.51%	71.34%	71.38%	70.77%
Decrease stay - children out of home placement.	363.5	363.39	374.55	399
Decrease number of placement moves.	2.76	2.72	2.7	2.72
Decrease rate of removals to substantiated assessments.	28.97%	30.77%	30.40%	30.28%



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# CHINS Placement Data

Month	Total CHINS	Own Home Count	Relative Home Count	Foster Homes Count	Residential Care Count
Feb 2007	12,979	2955	1996	5807	1633
Aug 2007	13,333	3541	2065	5760	1425
Feb 2008	13,736	3781	2258	5718	1504
Aug 2008	14,797	4278	2631	5878	1483
Feb 2009	14,665	4282	2938	5520	1501
Aug 2009	14,967	4407	3432	5436	1350
Feb 2010	15,201	4545	3667	5479	1267
Aug 2010	14,927	4427	3734	5427	1110
Jan 2011	14172	4207	3554	5192	981



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# CHINS Placement Data

Month	Total CHINS	Own Home %	Relative Home %	Foster Homes %	Residential Care %
Feb 2007	12,979	22.77%	15.38%	44.74%	12.58%
Aug 2007	13,333	26.56%	15.49%	43.20%	10.69%
Feb 2008	13,736	27.53%	16.44%	41.63%	10.95%
Aug 2008	14,797	28.91%	17.78%	39.72%	10.02%
Feb 2009	14,665	29.20%	20.03%	37.64%	10.24%
Aug 2009	14,967	29.40%	22.90%	36.30%	9.00%
Feb 2010	15,201	29.90%	24.10%	36.00%	8.30%
Aug 2010	14,927	29.70%	25.00%	36.40%	7.40%
Jan 2011	14172	29.70%	25.10%	36.60%	6.90%



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# Department of Child Services

## Quarter Ending December 2010

### Quarterly Practice Measure Data Analysis

<b>Clean up Report</b>	<b>Cases on 10/01/10</b>	<b>Matching</b>	<b>Closed from 10/01/10</b>	<b>New on 01/03/11</b>	<b>Cases on 01/03/11</b>
<b>Children age 5 and less in substitute care 300+ days.</b>	<b>1,860</b>	<b>1,428</b>	<b>432</b>	<b>412</b>	<b>1,840</b>
<b>Children age 18 and older.</b>	<b>434</b>	<b>319</b>	<b>115</b>	<b>149</b>	<b>468</b>
<b>IA and CHINS cases in home for over 180 days.</b>	<b>849</b>	<b>303</b>	<b>546</b>	<b>587</b>	<b>890</b>

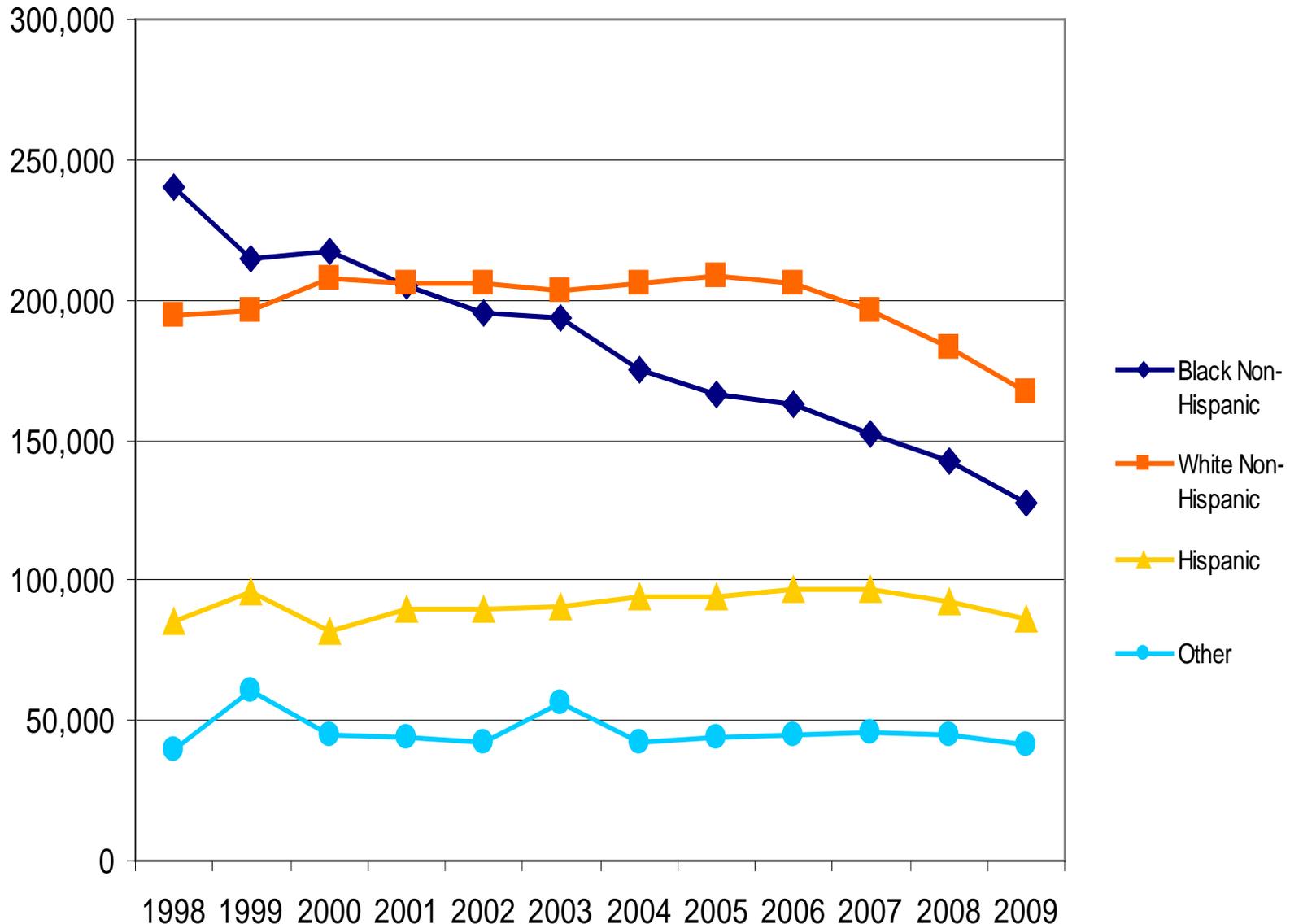


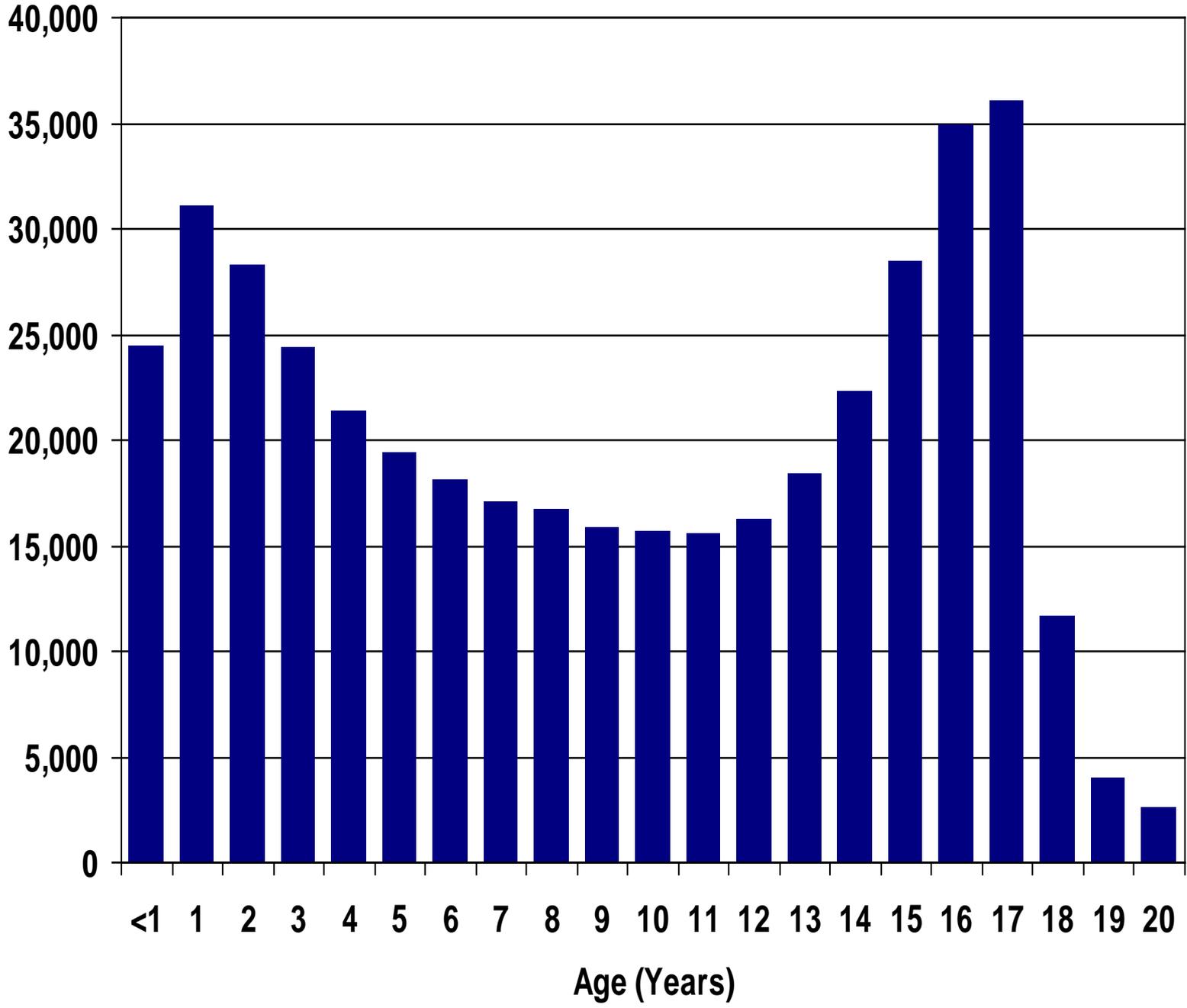
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# National Data



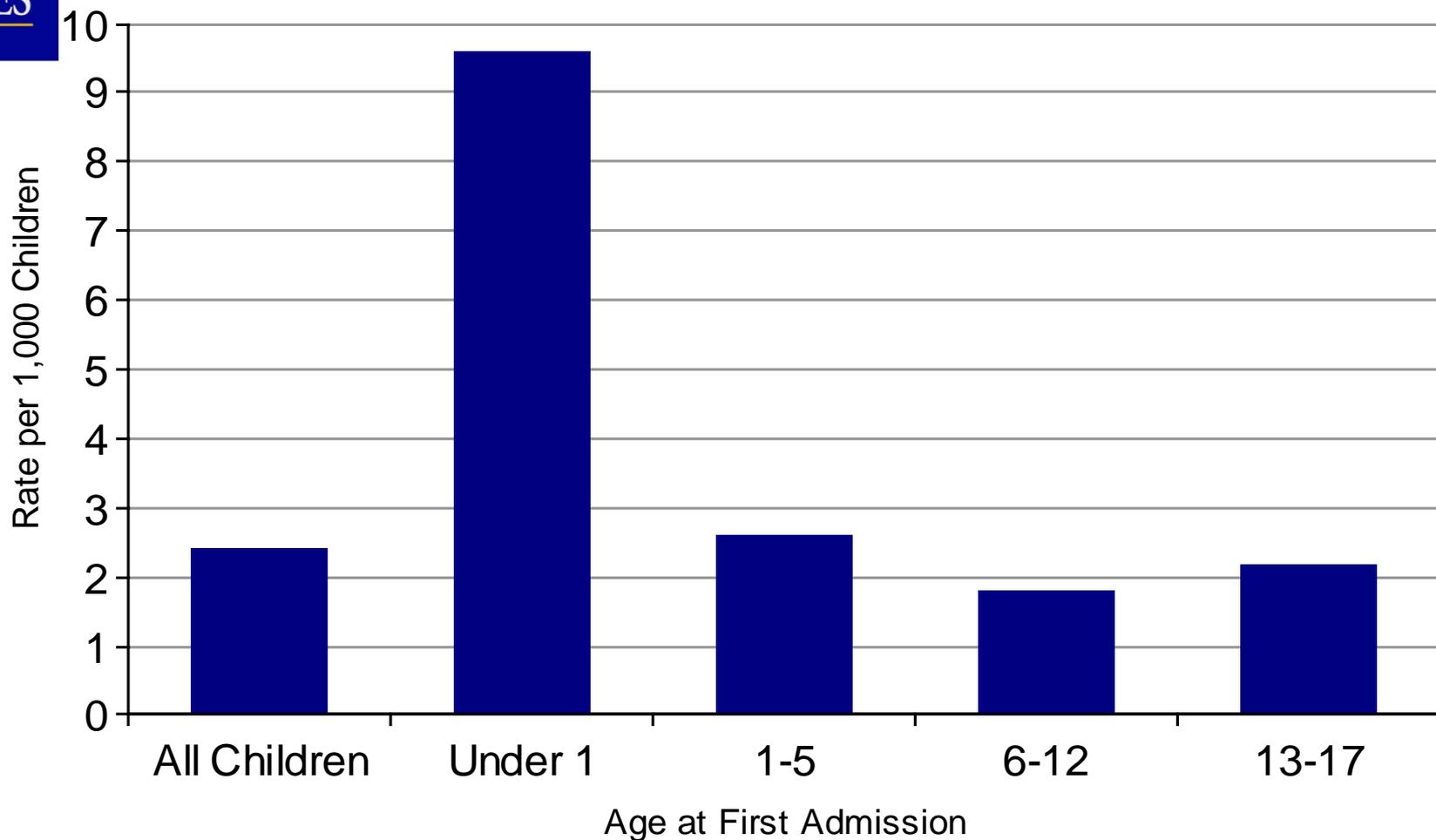
# Changes in the racial makeup of the child welfare population over time





# What is the Likelihood of Entry?

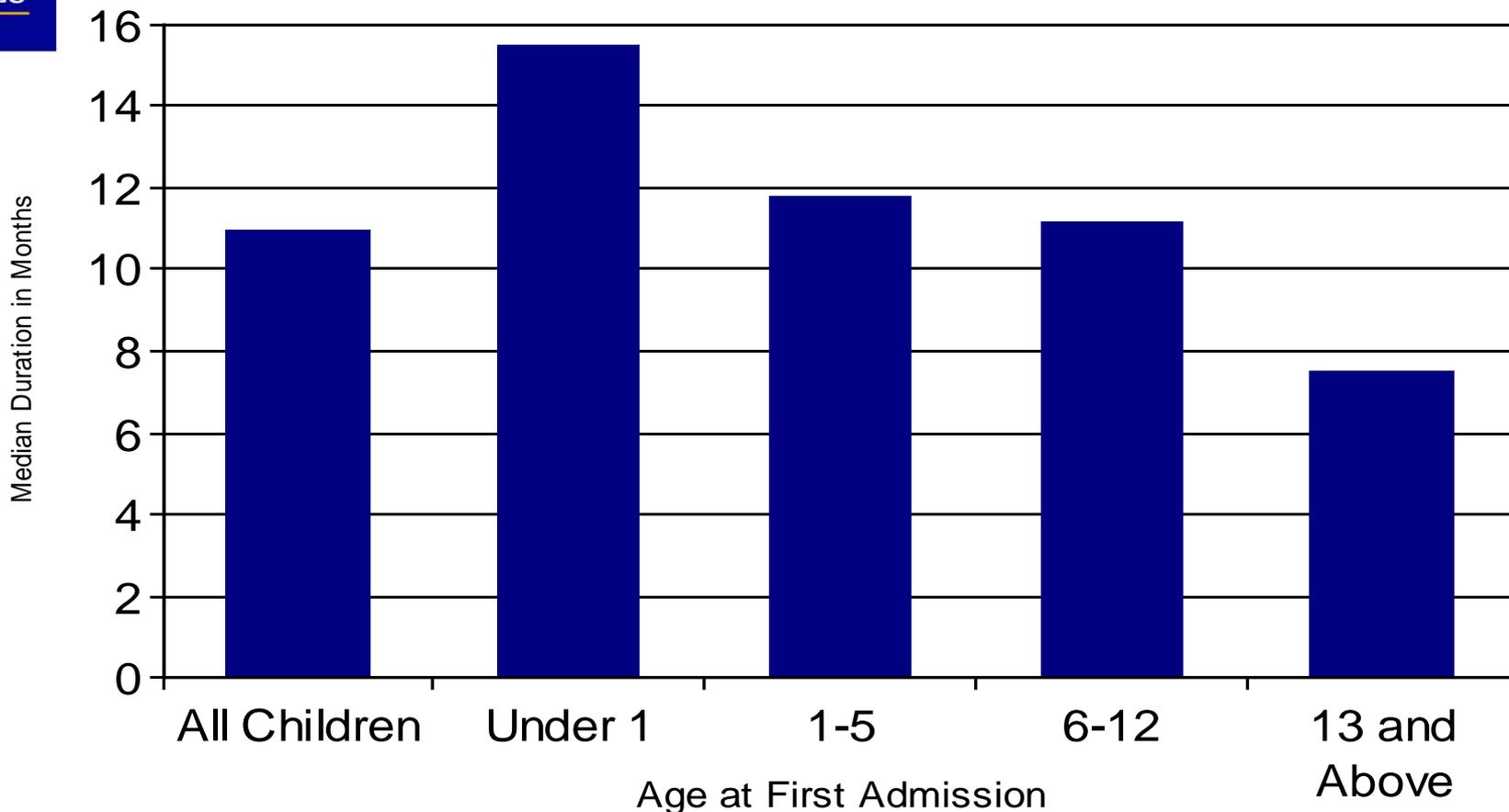
Rate of Admission/1,000 Children by Age  
(Average 2001-2008)



# How Long do Children and Youth Stay in Care?

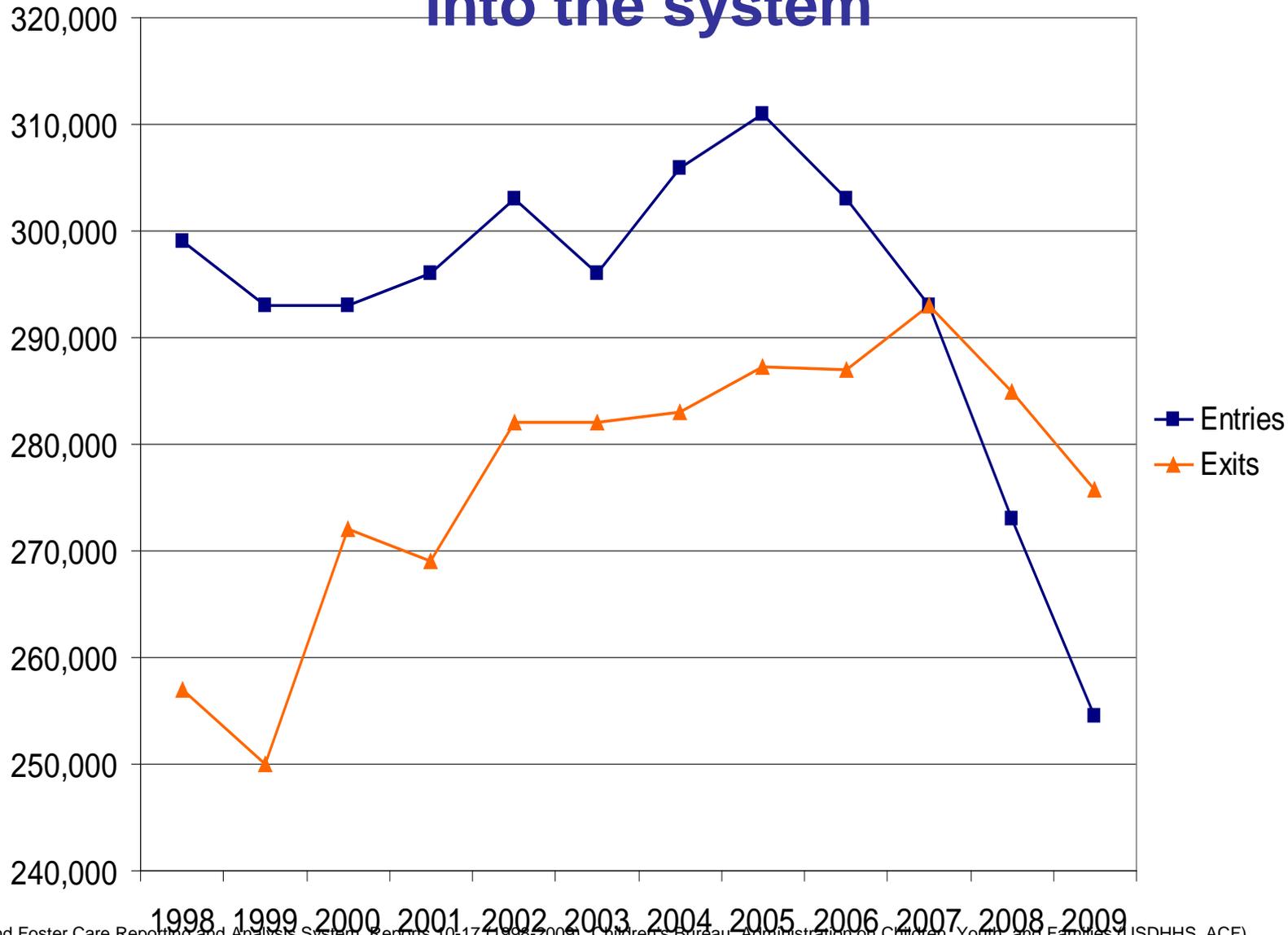


Length of Stay in Out-of-Home Care by Age at Admission  
(Average 2001-2008)

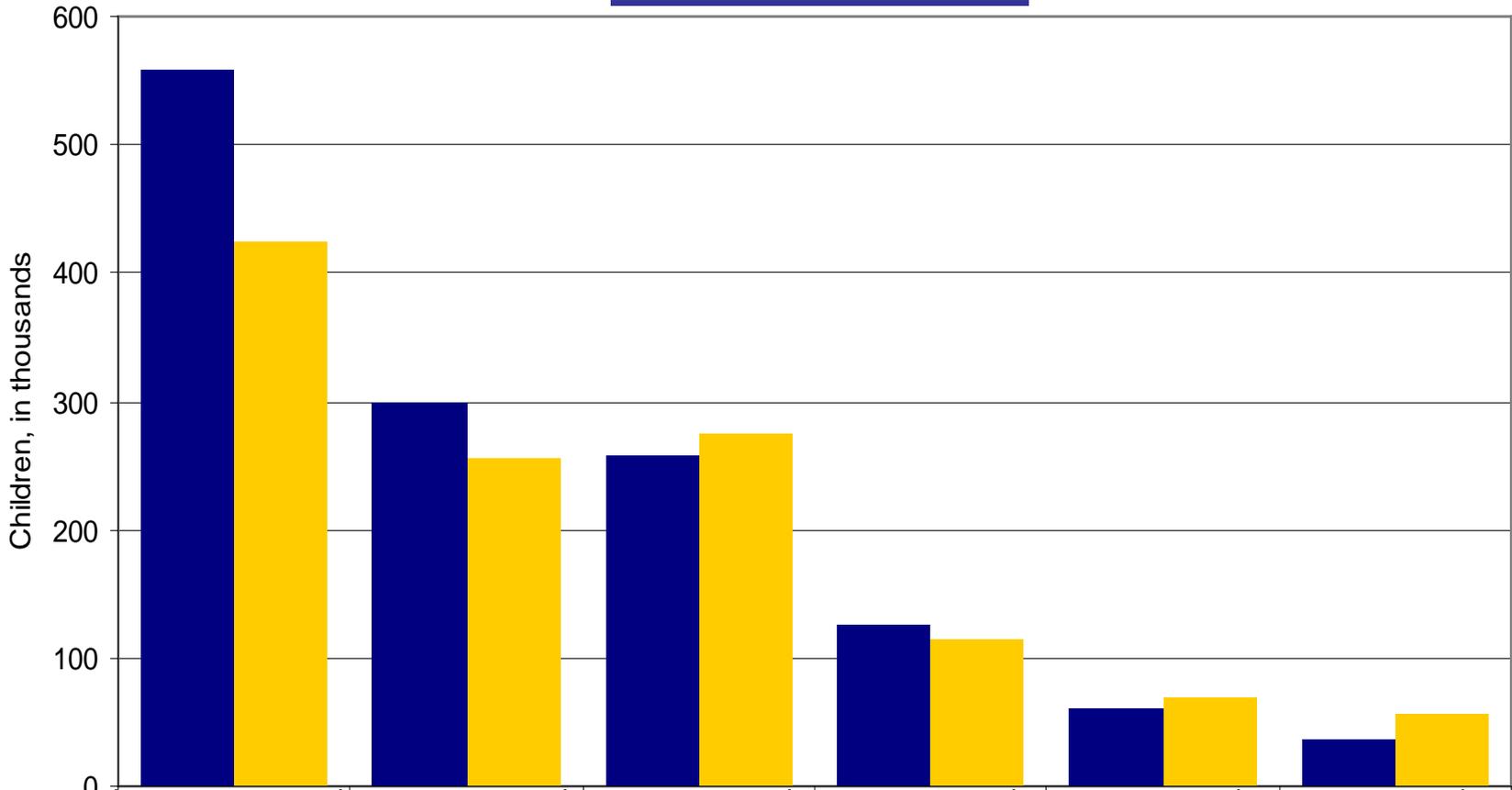




# More children are moving out of child welfare; fewer children are being brought into the system



# A Snapshot of Child Welfare in the US: 135,000 Fewer Children in Child Welfare Than in 1998



	In Care 9/30	Entries	Exits	Waiting	TPR	Adopted
1998	559,000	299,000	257,000	125,000	60,000	37,000
2009	424,000	255,000	276,000	115,000	70,000	57,000

Data Source: Adoption and Foster Care Reporting and Analysis System, Reports 10-17 (1998-2009). Children's Bureau, Administration on Children, Youth, and Families (USDHHS, ACF)



# When to do What!!



- “Thousands of good engineers can design bridges, calculate strains & stresses, & draw up specs
- The great engineer is one who can tell whether the bridge should be built at all.. And when...”
- 

*Eugene Grace*



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# The Economy and Budget



# With Tight Budgets- States Revisit Rates

## Why?

**Uniformity**- hard time explaining the wide variances in rates

**Fairness**- comparable rates for comparable services

**Simplicity**- take less work to maintain and fewer chances of error

**Predictability**- can plan for budgets

**Accountability**- support system goals and increase accountability



## **The “New Normal” – Recovery May Be Slower and Shallower**

**Current economy- more than a cyclical event –deep structural changes in every industry**

**Economic activity & demand patterns will not return to pre-recession levels– 2012 not 2007**

**Some pre-recession trends will be reversed; others will be sharply accelerated**

**What are the characteristics of the New Normal ;for their industries, their markets, and the people they serve?**

**Human Services organizations that restructure for their “New Normal” will be best prepared to serve their citizens in good & bad times**



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# We Are at a Crossroads

**We can choose to keep doing what we are doing  
OR**

**We can use this time of the economic crisis to make the structural changes we need to prepare the Service Delivery infrastructure for later.**

- 1. Control costs** through good fiscal management and good use resources
- 2. Redesign Service Delivery** to be cross-program and child and family outcome-focused

**We can have the same impact on service delivery infrastructure as highway infrastructure – make an investment from which our children will enjoy the benefits**



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**Where is the  
Market  
and  
DCS  
Going?**



# What we are Doing

- **Improve safety measures**
- **Management training**
- **Waiver application**
- **Foster care support**
- **MaGIK implementation**
- **Institutional & fatality teams**
- **Stability and sustainability**
- **Child Welfare Leadership Academy**

# Where is the Market & DCS Going?



- **Community Partners**
- **Keep 'em home – safely**
- **Find absent parent and family**
- **Place with relatives - with support**
- **Faith based services**
- **Really good foster care - fewer kids**
- **Better support for foster care**
- **Near home- school and friends**
- **TFC homes- shorter stays**
- **Reassess for step down**



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# The Market and DCS Going 2

- **More clinical**
- **Fewer residential**
- **Closer to home residential**
- **Shorter residential and step down**
- **Aftercare for all services**
- **Wrap around or Systems of Care**
- **Assessment tools- CANS, SDM, etc**
- **Reduce time to permanency**
- **Reduce maltreatment occurrence**
- **Reduce reentry to foster care**



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# What to Watch

# We All Have to Watch



- **This is our passion and job**
- **We cannot ignore the reality of \$\$**
- **Money is not the most important thing, but...**
- **Funding is changed for years**
- **Programs & expectations must also**
- **Demands of limited resources**
- **What happens to the service folks**
- **The local, state and national scenes**



# Things We Watch- 1

- **Watch Congress & new bills & cuts!!**
- **Enforcement of the old - NYTD, Fostering Connections, ASFA/CFSR/PIP, etc**
- **New Governors and legislatures**
- **Small agency survival**
- **Agency consolidation- it will happen**
- **\$\$\$ to United Ways, Foundations**
- **Agency turnover- at the top**
- **Agency turnover at case worker**
- **Data- data- data!!!!!!**

# Things We Watch - 2



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- **Federal budgets- cuts/cuts/cuts**
- **Local & state budgets**
- **Nationally- other states' budgets**
- **Agency changes in tough times**
- **Increased cooperation from others**
- **New leadership taking these challenging times to lead**
- **New family dynamics and support**
- **Trends in states and industry**



# Issues to Address

- **Services availability**
- **Services available in a timely way**
- **Services done in 3-6 months or less**
- **More in home, at home, near home**
- **Relative support**
- **Process to find an adoptive family**
- **Changing mindset of system people**
- **Doing more with less- \$\$ & people**
- **Doing cheaper and faster- turnover**

**OUTCOMES OUTCOMES!!!!**



# Closing

- **Have a mission and vision**
- **Know the industry**
- **Know the market**
- **Know vision & mission of customer**
- **What are the trends**
- **Understand the financial climate**
- **Be nimble - it's going to be a ride**
- **BUCKLE UP**



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**THE END**