



Douglas A. Ducey
Governor

Gregory McKay
Director

December 30, 2015

The Honorable Justin Olson
Chairman, House Appropriations Committee
Arizona House of Representatives
1700 West Washington
Phoenix, Arizona 85007

Re: Department of Child Safety Quarterly Progress Report

Dear Representative Olson:

Pursuant to Laws 2014, 2nd Special Session, Chapter 2, Section 6, the Department submits its report including quarterly benchmarks for the second quarter of FY 2016 for assessing the Department's progress increasing the number of filled FTE positions and in reducing the number of backlog cases, as well as updates to the quarterly expenditure plans for FY 2016 monies appropriated for personal services and for reducing the backlog.

If you have any questions, please contact our office at (602) 255-2500.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory McKay".

Gregory McKay
Director

Enclosure

cc: Richard Stavneak, Director, Joint Legislative Budget Committee
Lorenzo Romero, Director, Governor's Office and Strategic Planning and Budgeting
Ben Beutler, Joint Legislative Budget Committee
Laura Johnson, Governor's Office and Strategic Planning and Budgeting



DEPARTMENT OF CHILD SAFETY

QUARTERLY PROGRESS REPORT FOR FILLED FTE POSITIONS AND REDUCING THE BACKLOG December 2015

Laws 2014, Second Special Session, Chapter 2, requires the Department of Child Safety (DCS) to submit a report for review by the Joint Legislative Budget Committee (JLBC) containing the progress made in increasing the Department's number of FTE positions and in reducing the number of backlog cases. The backlog cases referenced in Laws 2014, Second Special Session, Chapter 2, are cases that have had no case note documentation entered in the Children's Information Library and Data Source (CHILDS) for the past 60 days. These cases are also referred to as non-active cases, which is the term used through the remainder of this report.

The filled FTE, case count, and expenditures provided in this report are actuals for first quarter 2016, second quarter preliminaries and projections for the remainder of fiscal year 2016 (FY 2016).

Filled FTE Positions

As of June 30, 2014, the Department had a total of 2,392 filled FTE positions, including 982 case-carrying staff, 225 staff in training, 76 FTE in Intake (Hotline), and 1,109 other staff. The total number of FTEs through the first quarter and preliminary second quarter of FY 2016 is outlined below.

Table 1. Progress on Filled FTE Positions in Fiscal Year 2016 Qtr 2				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Actual	Preliminary	Projection	Projection
Total Authorized FTE	3,057.1	3,057.1	3,057.1	3,057.1
Authorized Attorney General FTE Positions	234.2	234.2	234.2	234.2
Total Authorized DCS FTE Positions	2,822.9	2,822.9	2,822.9	2,822.9
Authorized Caseworkers	1,406.0	1,406.0	1,406.0	1,406.0
Filled Caseworkers (Active)	972.0	947.0	967.0	1,087.0
Filled Caseworkers (Training)	212.0	257.0	257.0	244.0
Filled Intake (Hotline)	71.0	75.0	75.0	75.0
Subtotal Filled	1,255.0	1,279.0	1,299.0	1,406.0
Authorized Non-Caseworker Personnel	1,416.9	1,416.9	1,416.9	1,416.9
Filled Supervisors (Unit, APM)	254.0	260.0	260.0	260.0
Filled Case Aides	279.0	289.0	289.0	289.0
Filled Other Non-Caseworkers	804.0	845.0	867.0	867.0
Subtotal Filled	1,337.0	1,394.0	1,416.0	1,416.0
Total Filled FTE	2,592.0	2,673.0	2,715.0	2,822.0

Progress Reducing the Cases Inactive as of June 2, 2014

Laws 2014, Second Special Session, Chapter 2 requires DCS to report the disposition (outcome) of the cases that were non-active as the close of business on June 2, 2014, including:

- Number of cases currently closed,
- Number of cases currently being investigated,
- Number of cases currently in an out-of-home placement,
- Number of cases currently receiving in-home preventive support services.

The Department established the following quarterly benchmarks for assessing progress in reducing the number of non-active cases:

- Number of cases that were non-active as of June 2, 2014 that have been activated
- Number of activated cases in the investigation phase
- Number of activated cases receiving in-home services
- Number of activated cases in out-of-home placements and receiving out-of-home support services
- Number of activated cases closed

As of June 2, 2014, there were 13,024 non-active cases. DCS has reviewed all 13,024 of those cases to determine the actions required in each case. As a result of this review, all 13,024 of the non-active cases were made active through entry of a case note documenting the review.

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Actual ¹	Preliminary ²	Projection	Projection
<i>Investigation Status</i>				
Open Investigation	2,886	2,191	2,029	1,866
Closed Investigation	9,981	10,681	10,843	11,006
No investigation documentation in CHILDS	157	152	152	152
<i>Case Status</i>				
Receiving In-Home Preventive Services	51	16	46	42
Receiving Out-of-Home Support Services and/or Placement	453	393	390	351
Cases with no service or placement payments in CHILDS	2,858	1,898	1,316	554
Cases Closed	9,662	10,717	11,272	12,077
Current number of non active cases	14,558	14,392	13,376	11,858
Original 13,024 backlog cases reverted to non active status	2,253	1,715	1,703	1,690
1/ Previous quarter actuals are based on service date expenditures as of the point in time the data is extracted. Changes will occur if additional invoices are received and payments are issued, and as other billing issues are resolved.				
2/ Investigation and case status counts are as of December 14, 2015 and actuals will be complete in the next quarterly report.				

The Department is working to resolve all of the cases that were non-active as of June 2, 2014. A case is defined as resolved if it closed after June 2, 2014 (even if it reopened at a later date due to another Hotline report), or remains open because in-home or out-of-home services are being

provided to the family. As of December 14, 2015, 11,126 of the 13,024 cases that were non-active on June 2, 2014 have been resolved.

Investigation status projections are based on an updated FY 2016 mid second quarter closed investigation count and a 25% reduction to open investigations for the remainder of the fiscal year.

Process to Address the Current Non-Active Cases

As of December 12, 2015, the total number of non-active cases (cases with no case note entered in the past 60 days) was 14,392. The number of non-active cases has decreased from a peak of 15,504 on December 31, 2014. This is a net reduction of 1,112 non-active cases and a 7.2% reduction in the non-active case total since that peak.

The Department is primarily addressing non-active cases by closing investigations, based on the knowledge that the majority of non-active cases are investigation cases rather than in-home service or out-of-home placement cases. The Department expects to reduce the non-active caseload in the coming months due to the following strategies:

- ***Selected Assistance Work Teams*** - The Department has identified a team of 60 DCS employees who receive overtime or stipend pay to work eight hours per week, in addition to their normal work hours. This team is conducting the following activities: reviewing investigations where the Child Safety Specialist has indicated the investigation is complete and ready for supervisory review for closure; closing investigations when the assessment is complete; holding a supervisory conference with the Child Safety Specialist (if required by the investigation); identifying the tasks that need to be completed before investigation closure can occur; conducting investigation activities; and documenting investigation activity in CHILDS.
- ***Regional Plans*** - Each DCS regional Program Manager has identified plans to reduce their local inactive caseload, using existing resources that are available within their regions. These plans include activities such as assigning one report for investigation to every eligible employee in the region; designating a full time employee to review and address open investigations assigned to an employee who has resigned; giving employees "down time" where they do not receive new reports for investigation so that they can focus on closing investigations; and assigning follow-up investigation activities to new employees who are in the field experience phase of their training.
- ***Expanding Administrative and Case Review Capacity by Leveraging Partnerships*** – The Department's analysis of the investigation caseload has found that many open investigations are complete or nearly complete, but contain little or no documentation. Administrative support staff would be able to facilitate the transfer of documentation into CHILDS which would move cases forward to the follow-up and closure stage. As such, the Department has explored options to gain additional administrative support from external partners. Specifically, DCS sent a request to other state agencies and as a result has obtained administrative support staff on a temporary basis.

Additionally, the Department has partnered with Casey Family Programs for case management support which will allow DCS staff to conduct their core investigative functions. Through this partnership, Casey Family Programs will provide qualified staff to manage the inactive cases. Functions of this support include reviewing or auditing cases to determine what tasks on an investigation still must be completed; gathering documentation such as medical or educational records; entering data into CHILDS; and monitoring the assignment and completion of investigation tasks through investigation closure. The Department is continuing efforts to contract with a temporary staffing service that can bring time-limited, experienced, and qualified staff on board quickly as a means to bring in additional case management support.

- ***Model Field Offices*** – The intent of the Model Field Offices is to bring together best practices from across the state in order to develop common processes, common practices, and uniform tools that guide daily case management activities. Each field office will exhibit not only the physical attributes of Model Office but more importantly exhibit the leadership and team member skills to sustain standard processes. Visual process control measures, performance management through the use of huddle boards and team problem solving, and workplace organization will be implemented in each Model Office to build and maintain a culture of continuous improvement within the Department.

Ongoing Initiatives to Address Investigation Capacity

The Department is invested in making improvements that are sustainable, representative of best practices, and aimed at improving outcomes for children and families. Reducing the non-active cases by way of a thoughtful, strategic, and holistic approach is imperative for long term success. The following initiatives complement the non-active case reduction work and build a strong foundation of practice. These initiatives are all in process and have already resulted in positive trends.

- ***Objective Decision-Making at the Hotline*** – Improving objective decision making at the Hotline will better define what is screened in as abuse and/or neglect and enable DCS to engage with the right families at the right time. An inter-rater reliability study was conducted to analyze the effectiveness of the current Hotline screening tool. Though the results of the study fell within the average range of inter-rater reliability across states, a rapid process improvement team has been established to revise the decision tool. The revised tool will be tested and modified until the desired inter-rater reliability is achieved prior to full implement of the new hotline tool.
- ***Statewide Utilization of the CSRA Documentation & Field Guide*** - The guide is used to facilitate the transfer of information from the Child Safety Specialist to CHILDS. The Child Safety Specialist can complete this guide as a hard copy form in the field during an interview or on a laptop in the field or office. This guide can be completed much more quickly than the CSRA, and can be given to a team member or administrative support staff who will transfer the documentation into the CSRA. Once the documentation is in the CSRA, a team member can review the case to identify tasks that need to be completed before closure can occur. The utilization of this guide facilitates timely documentation which will lead to better documentation in abandoned investigation caseloads.

- **Uniform Investigation and Case Transfer Process** – Part of the efforts to right size the investigations capacity involve establishing a standard investigative case flow. Variance of practice across field offices creates inefficiencies and inconsistent expectations for timely completion of activities. By instituting a uniform investigation and case transfer process, DCS will be able to improve the status of case management activities and better align resources with identified needs.

Expenditures for Personal Services in FY 2015

The table below shows second quarter personal services expenditures, employee related expenditures and FTE for fiscal year 2016.

Table 3. Projected Expenditures for Personal Services Monies Appropriated in Fiscal Year 2016				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Actual	Preliminary	Projection	Projection
Case Specialists				
P/S	14,381,883	16,366,477	16,633,603	17,994,669
ERE	6,094,512	6,909,978	7,023,522	7,602,057
FTE	1,255	1,279	1,299	1,406
Field Supervisors				
P/S	2,910,756	3,290,156	3,328,562	3,328,562
ERE	1,233,471	1,398,513	1,414,838	1,414,838
FTE	254	260	260	260
Case Aides				
P/S	3,197,247	3,613,990	3,613,990	3,613,990
ERE	1,354,876	1,536,162	1,536,162	1,536,162
FTE	279	289	289	289
Filled Other Non-Case Specialists				
P/S	9,356,961	10,642,153	10,772,983	10,652,635
ERE	3,823,214	4,403,739	4,413,632	4,272,389
FTE	804	845	867	867
Total FTE	2,592	2,673	2,715	2,822
Total P/S	29,846,847	33,912,776	34,349,138	35,589,856
Total ERE	12,506,073	14,248,393	14,388,154	14,825,446
TOTAL PS/ERE	42,352,920	48,161,169	48,737,292	50,415,302
* Quarterly Backlog Report Personal Services and ERE financial projections are taken from across SLIs from General Operating, Overtime, Records				
- All appropriations other than the General Operating appropriation are intended solely for PS/ERE use only				

Expenditures for Reducing the Backlog

The FY 2016 budget includes \$12.4 million from the General Fund to reduce the backlog of non-active cases. This appropriation includes funding for services and placement costs for non-active cases already in placements and receiving services, or for children who receive services after their case is reactivated and investigated of the 13,024 inactive cases as of June 2, 2014.

Table 4 shows the second quarter expenditures for FY 2016 related to the cases that were non-active as of June 2, 2014, and projected costs for the remaining two quarters.

	Quarter 1 Actual ¹	Quarter 2 Preliminary ²	Quarter 3 Projection	Quarter 4 Projection	Total	Expenditures to Address New Inactive Cases	Total Appropriation
In-Home Support Services	88,765	36,742	80,040	72,800	278,347	2,503,753	2,782,100
Out-of-Home Support Services	1,327,112	766,701	1,142,544	956,795	4,193,152	889,048	5,082,200
Out-of-Home Placements	2,020,743	2,009,207	1,681,641	1,513,477	7,225,068	(2,681,168)	4,543,900
Total	3,436,620	2,812,649	2,904,225	2,543,072	11,696,566	711,634	12,408,200

1/ Previous quarter actuals are based on service date expenditures as of the point in time the data is extracted. Changes will occur if additional invoices are received and payments are issued, and as other billing issues are resolved.

2/ Investigation and case status counts are as of December 14, 2015 and actuals will be complete in the next quarterly report.

While the Department only reports expenditures related to the 13,024 cases that were inactive on June 2, 2014, significant work is also required to address the additional cases that have continued to become inactive since June 2.

The FY 2016 first quarter actual expenditures include closed cases with outstanding payments for services already rendered and for current cases that remain open because in-home or out-of-home services are being provided to the family. These expenditures do not include those cases that were closed after June 2, 2014 and then reopened at a later date due to another Hotline report as previously published in the report.

The Department anticipates that the total expenditures for Out-of-Home Placements for cases that were inactive on June 2, 2014 will be \$7,225,068 for and the shortfall of (\$2,681,168) shown in this outline will be supported by Out-of-Home Placement SLIs.