



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING

MAURA D. CORRIGAN
DIRECTOR

July 24, 2013

The Honorable Bruce Caswell, Chair
Senate Appropriations Subcommittee on DHS
Michigan State Senate
Lansing, Michigan 48933

The Honorable Peter MacGregor, Chair
House Appropriations Subcommittee on DHS
Michigan House of Representatives
Lansing, Michigan 48933

Dear Senator Caswell and Representative MacGregor:

This report is provided pursuant to PA 200 of 2012, Section 510 of the Department of Human Services (DHS) Fiscal Year 2013 Appropriations Act. This section requires that DHS submit a report on how the state can best assist counties on identifying and providing performance-based community programs for foster care and juvenile justice. A letter dated January 30, 2013 was sent to you stating that the report for this boilerplate requirement would be completed in June 2013.

A workgroup was formed to meet the requirements of this section and included representatives from the following cross-professional entities: DHS; State Court Administrative Office; Michigan Association of Counties; 20th Judicial Circuit Court's Juvenile Services Division; Midland County Juvenile Care Center; private child welfare providers; a sitting juvenile judge; and the legislature. Workgroup members met regularly through March 2013.

In anticipation of the outcomes of this and other workgroups, the Child Care Fund Monitoring Unit (CCFMU) began to make changes to its data collection process as annual county budgets and monthly expenditure reports were submitted. This has increased the ability of the CCFMU to provide technical assistance to counties based on programming and the gathering and sharing of information among counties.

The workgroup identified the following four elements as necessary to identifying and providing performance-based community programs:

1. Providing ongoing training and technical assistance, including an annual conference hosted by DHS for court and local DHS office staff;

2. Promoting the in-home care option of the Child Care Fund to the court and local DHS offices providing in-home care to Michigan's youth;
3. Developing a compendium of existing resources for training, technical assistance, and available programming; and
4. Providing a comprehensive annual report to the legislature on the Child Care Fund expenditures and operations.

In order for DHS to provide the training, technical assistance, and the annual conference referenced above, funding will be necessary. The return on this investment would manifest itself via decreased use of costly out-of-home care options, and increased use of less expensive in-home care options. Year-round technical assistance will be provided by the CCFMU. The annual conference would support information sharing regarding effective programming for juveniles, best practices, program outcomes and institutional knowledge. These efforts will provide a venue for DHS, the State Court Administrative Office, county commissioners, courts, mental health professionals, communities, tribes, and other juvenile-oriented service providers to continue collaborative efforts and cross-system coordination between the child welfare, juvenile justice and mental health systems.

In order to promote the advantages of utilizing in-home care options through the Child Care Fund, the workgroup recommended that the legislature implement a five-year pilot for those counties that currently utilize performance-based community programs, thereby decreasing their number of out-of-home placements. This allows for continuing creativity and initiative at the local level while meeting the community's needs in a cost-effective manner. Individual county savings from fewer out-of-home placements should be reinvested back into that county for programming or training when cost savings have been demonstrated.

The workgroup recommended that funding be committed to DHS for creating and distributing a database of resources, expanding existing training resources, contracting experts within the fields of Juvenile Justice and home-based services, and creating a list of community/state partners to aid in the development of best practices for counties. By providing a centralized repository of information, and through the creation of a network of trainers, collaboration will be enhanced and encouraged between DHS, Community Mental Health, courts, contracted employees/companies providing in-home care services and foster care private agencies. The repository should house a "Frequently Asked Questions" section to aid in the swift distribution of information. The CCFMU, in an effort to provide a state-level, centralized resource available to all counties, is currently developing a website to meet these needs.

Lastly, it is recommended that DHS submit an annual report to the legislature addressing county and statewide Child Care Fund spending, program descriptions and outcome information. This information would help identify any gaps in the service array/continuum of services for juvenile justice and foster care youth in Michigan.

Attached please find a comparison between Michigan's juvenile justice system and other states' systems. Michigan's juvenile justice system differs from those in other states in two important ways:

1. It provides uncapped support for community-based programs and placement costs; and
2. There is 50% cost sharing between counties and the State.

This allows for a system in which counties create programming unique to their needs based upon the networks and resources available to them. It is a reflection of how the State supports all of Michigan's unique and diverse counties.

As demonstrated by the membership and efforts of this workgroup, cross-system collaboration is essential to moving juvenile justice and foster care priorities forward in Michigan, and we look forward to continuing that work. If you have any questions, please contact Terri Gilbert, Bureau of Child Welfare Funding and Juvenile Programs director, at (517) 335-3489.

Sincerely,



Susan Kangas
Chief Financial Officer

Enclosure: Juvenile Justice Funding in Selected States

cc: Senate and House Appropriations Subcommittees
Senate and House Standing Committees on Families and Human Services
Senate and House Fiscal Agencies
Senate and House Policy Offices