



STATE OF CONNECTICUT DEPARTMENT OF CHILDREN AND FAMILIES

**Governor's Budget Testimony
Appropriations Committee
March 5, 2021**



Good morning Senator Osten, Representative Walker, Senator Miner, Representative France and distinguished members of the Appropriations Committee. My name is Vanessa Dorantes and I am the Commissioner of the Department of Children and Families (DCF).

Thank you for the opportunity to present the Governor's recommended budget for fiscal years 2022 and 2023 for the Department of Children and Families. The Governor's budget will ensure continued success in meeting the Juan F. consent decree exit plan outcome measures and allow the Department to pursue changes that incorporate progressive family support and prevention services to result in better outcomes for children. The budget development process has given us the opportunity to reflect on recent events, assess our current operations and plan for a hopeful future.

Family First Planning Process

During this past year families experienced unprecedented stressors, having to balance childcare, education, health and financial issues brought on by the pandemic. These circumstances have the potential to cause adverse childhood experiences (ACE) that can impact children well into adulthood. Fortunately, DCF was well-equipped to deal with this unexpected crisis due to the level of expertise and dedication of our staff. Every division rose to the challenge, but we quickly learned that there was a greater need than ever to expand the Department's prevention work. Fittingly, this period of need coincides with opportunities being afforded through the federal Family First Prevention Services Act (FFPSA).

The FFPSA allows states to receive federal reimbursement for evidence-based services, included in an approved prevention plan, that are designed to prevent families from having children removed from the home and coming into foster care. Such services mitigate the impact of ACE events. Implementation of Connecticut's prevention plan will enable the Department to shift our service delivery to be more supportive, useful and timely for families, promoting their stability so they don't need to enter into more intensive levels of care. The Family First planning process requires the Department to look at the root causes of DCF involvement, identify candidacy groups and determine when and how DCF should assist families to prevent their potential deeper involvement in the child welfare system.

We did need to postpone work on the Family First plan to shore up our operations during the pandemic, and to also ensure continued community involvement in the planning process. Many of our partners requested a pause to meet the challenges they were facing. We are now back on track and hope to have our draft plan available during April 2021. We are especially appreciative

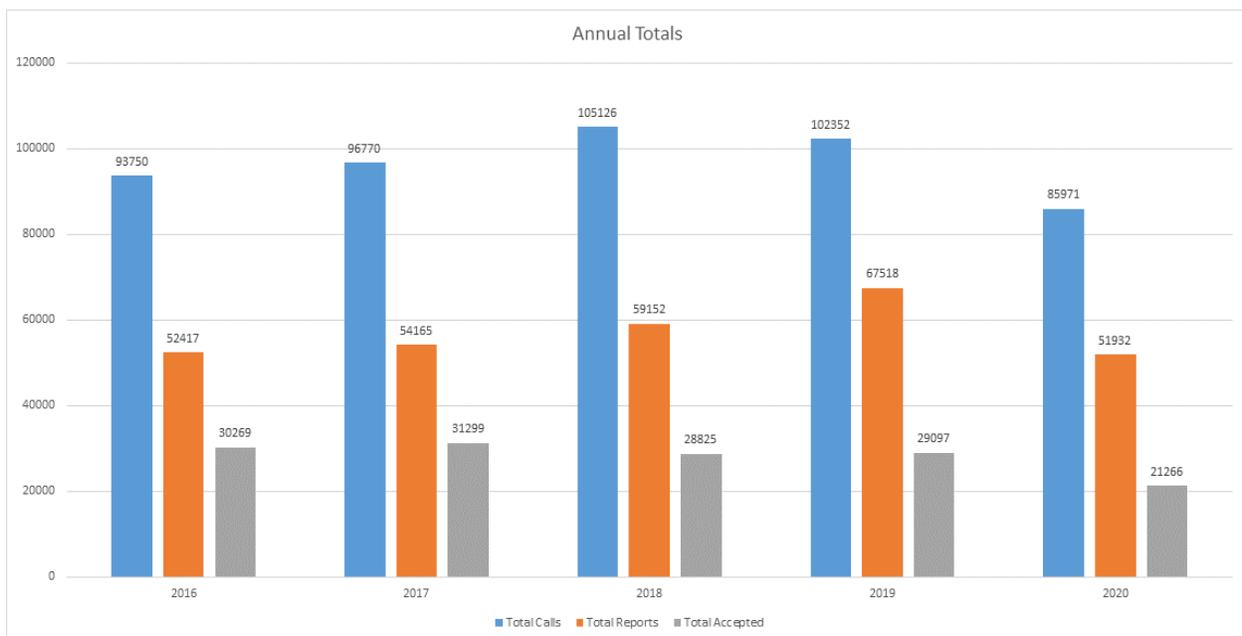
of our external partners who have volunteered to assist us with drafting the plan, including our providers, advocates, other state agencies and families with lived experiences.

This approach is the next logical step in providing a system of lower level supports to families that will mitigate more intensive needs, as the Department has successfully accomplished in the past with the transition from high end institutional care to a system of robust foster care and kinship care placements. These types of evolutions in services lead to better care and outcomes that generally cost less, after the initial investment to make the transition.

Caseload Trends

The pandemic has impacted the statistical norms and routine trends associated with the DCF caseload. The caseload has historically been subject to cyclical fluctuations that are strongly correlated to the school year calendar. A significant drop in caseload over the past year occurred, in part due to COVID-19. An initial reduction occurred due to both implementation of a new Voluntary Services case management model and Integrated Family Care and Support (IFCS) cases being diverted from the caseload. These initiatives were approved in the FY 2020 - 2021 biennial budget. The impacts were experienced incrementally, and the caseload gradually decreased. A sharper decrease started in April 2020, with the advent of remote learning for school aged children. Calls to the Careline decreased by roughly a third, and the volume of cases requiring investigation, Family Assessment Response (FAR) and on-going services was also reduced in proportion.

The following chart displays the Careline call volume and the disposition of those calls from CY 2016 to CY 2020:



The reduction in reports due to schools transitioning to virtual learning would appear to be a concerning trend. As we analyze the Careline reports received from school districts, on average

only 5% are substantiated for child abuse or neglect after investigation. Mandated reporters from schools are the agency's single largest source of reports. Of the 30,000 reports made by educators in an average year, only 10,000 of those reports are found to meet the statutory criteria for acceptance. The final disposition of the 10,000 reports referred to either FAR or the investigation track is that normally approximately 1,500 cases of abuse or neglect are substantiated out of the initial 30,000 calls made each year.

Acknowledging these long standing statistical trends, experiencing the success of referring the Voluntary Services and IFCS families from the child protective caseload to another service network, and knowing the potentially negative impact to a family that goes through a DCF investigation unnecessarily and often disproportionately in specific communities, the Department sees fertile ground to launch our community prevention work. Our data shows that on average the Careline will receive three contacts regarding a family prior to a call coming in that meets the statutory criteria for acceptance as a report. This tells us that early identification of families that could benefit from prevention supports happens.

The temporary dip in the call volume offers DCF the opportunity to pilot a prevention unit embedded in a school district, within our current appropriation. The prevention unit will allow families to receive prevention supports to reduce their chances of coming to the attention of the Department in the future. DCF sees this as an opportunity to flip our service pyramid, consistent with the goal of the FFPSA, moving the emphasis to early intervention and prevention and decreasing the need for future investigations and possible separation, due to unmet needs.

Reallocating workers to meet a family's needs prior to circumstances getting to the point where a Careline report is accepted will have both positive wellness and financial implications. Investigations conducted by DCF Social Workers have a very precise, required workflow, with 55 tasks that must be completed. Additionally, the investigative process is generally dedicated to fact finding and not service provision. By making Social Workers available to school districts, in order to provide greater awareness of child welfare services, it is hoped there will be a capability to prevent escalating concerns. This approach changes our work to assisting families instead of investigating families. Providing a more timely and appropriate level of response will lessen the potential for children to experience instances of abuse and neglect and, in turn, reduce the Department's caseload.

Caseload Changes

Although the Juan F. consent decree is a primary point of focus for DCF, the Department's responsibilities are wide-reaching, as evidenced by both the scope of services provided, and the number of children and families served. The Department's mandates include child protection and family services, children's behavioral health, prevention, and educational services.

The following chart compares the number of families on the DCF caseload from CY 2019 to CY 2020 and illustrates the changes experienced in the last year:

	CY 2019	CY 2020	% Reduction
Number of Children Served	26,308	20,115	24%
Number of Families Served	11,299	8,992	20%
# of Investigations on a Given Day	1,898	1,194	37%
# of Family Assessments on a Given Day	2,267	1,641	28%

Due to the drop in caseload, DCF has experienced reduced expenditures in FY 2021. Although it is our goal that introducing more prevention services will result in further caseload reductions, it will likely take some time to see the fruits of those efforts. We expect that schools resuming in-person learning will result in an uptick in reporting, investigations, and transfers to on-going cases. We also expect to see more children transitioning from foster care to adoptive homes, a process that has been delayed for various reasons during the pandemic.

Budget Adjustments, Reductions and Reallocations

The Governor's proposed budget includes two program changes that will improve services to children and families and achieve savings.

The first initiative is the establishment of Quality Parenting Centers (QPC). The QPC's will be havens for families that have been separated while their children have been taken into DCF care. The Department will convert current low utilization private non-profit program space into a homelike environment to be a setting for facilitated supervised visitation between parents and children. Currently, visitation often takes place in offices or public settings that don't allow for normal family engagement and activities, such as sharing a small meal or interacting in a family setting. Families that have a reunification goal will be able to have several visits per month hosted by the QPCs. Frequent visitation is necessary for child well-being and to preserve the parent-child bond. These centers will be located across the state to be convenient for families, and also provide transportation services as necessary.

Providing supervised visitation opportunities is a time intensive activity that often needs to be done after the normal school hours and workday. These activities are associated with costs in several areas of the DCF budget. This initiative will result in the following budgetary reductions and funding reallocations:

1. Attritional reduction of 50 positions and overtime savings, representing \$2,984,761 in FY 2022 and \$4,418,757 in FY 2023 from the Personal Services (10010) account, due to the reduced need to have employees provide supervised visitation.
2. Reduction in the use of private fee-for-service supervised visitation and transportation services, resulting in savings in the Board and Care for Children - Foster account (16135), in the amounts of \$1,600,000 in FY 2022 and \$2,400,000 in FY 2023.

3. Transfer of funds from the Board and Care for Children – Short-term and Residential account (16138) to the Board and Care for Children - Foster account (16135), in the amounts of \$6,750,000 in FY 2022 and \$9,000,000 in FY 2023, to repurpose the space for QPC locations.

These combined actions represent an overall reduction in the DCF budget of \$4,584,761 in FY 2022 and \$6,818,757 in FY 2023. This initiative represents an opportunity to provide a higher quality of service for our families at a reduced cost.

The second initiative is a rightsizing of the number of living units at the North Campus of the Albert J. Solnit Children's Center. This proposal will result in the facility's capacity more closely matching its daily census numbers and allow for more efficient operations. Savings will result from the elimination of 8 full time positions and 1 part time position through attrition, for a reduction of \$422,007 in FY 2022 and \$633,010 in FY 2023.

Several other adjustments have been made in the Department's Personal Services and Worker's Compensation Claims accounts, as follows:

1. A reduction in overtime costs of \$2,000,000 in FY 2022 and \$3,000,000 in FY 2023. Over the past year, DCF has realized savings in overtime expenditures that have been made possible due to providing services remotely and efficiencies gained through technology. This adjustment reflects those innovations and efficiencies that the Department will bring into the post-COVID era.
2. The reallocation of 39 human resources and labor relations positions and associated salary funding of \$3,176,058 in FY 2022 and \$3,298,214 in FY 2023 from DCF to the Department of Administrative Services (DAS) and the Office of Policy and Management, to reflect annualization of the centralization of these functions.
3. The addition of funding to support state employee wage adjustments, in the amount of \$2,846,427 in both fiscal years.
4. The addition of a 27th payroll in FY 2023, in the amount \$10,781,568.
5. The reallocation of Worker's Compensations Claims funding to DAS, in the amount of \$9,933,562 in both FY 2022 and FY 2023.

The next group of adjustments impacts grant accounts, including:

1. As described previously, the Department has experienced a significant reduction in caseload and case flow. To adjust for this variance in caseload trends, a reduction in caseload driven spending of \$1,234,495 is proposed in FY 2022. An increase in funding in FY 2023, in the amount of \$5,869,120, reflects the resumption of normal case activity.
2. Increases across several budgetary line items are proposed to annualize the minimum wage increases for employees of private providers, in the amounts of \$97,842 in FY 2022 and \$428,021 in FY 2023.
3. The suspension of Single Cost Accounting rate increases for room and board at residential treatment facilities represents no net fiscal impact.

The final reduction represents annualizing FY 2021 rescissions in each of FY 2022 and FY 2023, in the amount of \$245,801. This reduction will in part be achieved through savings in state fleet fuel expenses, due to performing remotely some tasks that were formerly conducted in-person.

The Department is confident that the Governor's budget for fiscal years 2022 and 2023 adequately meets the needs of the agency and allows innovation. Thank you again for the opportunity to present to you the DCF budget. My staff and I welcome the opportunity to address your questions.