

**ADDENDUM TO THE EVALUATION OF
MICHIGAN'S FOSTER CARE STRUCTURED DECISION MAKING
CASE MANAGEMENT SYSTEM**

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Introduction

Following the successful implementation of Structured Decision Making (SDM) in child protective services, Michigan expanded SDM into foster care services. The foster care SDM system combines structured assessments of family strengths and needs, the identification of specific barriers to reunification faced by each family, evaluation of compliance with treatment and visitation plans, and federal requirements regarding permanency into a simple yet comprehensive guide for workers.

SDM for foster care was initially piloted in nine Michigan counties. To evaluate the impact of SDM on foster care cases in Michigan, each pilot county was matched to a comparison county using a variety of social, economic, and child welfare practice indices. Large cohorts of children placed in foster care in both the pilot and comparison counties were then identified and tracked over a 15-month follow-up period. Presumably, since both groups were subject to the same changes in law or policy incurred during the follow-up period, differences in outcomes between the groups could be attributed to SDM.

Initial evaluation results indicated that SDM significantly expedited permanency for children, across the types of permanency achieved. During an 18-month *pre-SDM implementation* operating period, comparison counties had a slightly better record of achieving permanency for children entering foster care than the counties selected to pilot SDM. In the 18 months *following SDM implementation*, however, the pilot agencies achieved permanency for a significantly higher proportion of children entering foster care than did the comparison agencies.¹ This was true across the types of permanency observed; i.e., a higher proportion of children in the pilot counties were returned home, had parental rights terminated or were placed with permanent legal guardians.

While the foster care SDM pilot expedited permanency for children, more analysis was

¹ For more information, please refer to the “Evaluation of Michigan’s Foster Care Structured Decision Making Case Management System” Report (final version released September 2002).

needed to determine if the impact went beyond achieved permanency. The first question was whether children returned home in pilot counties reentered foster care at a higher rate. If SDM led to the premature return home of children, we would expect a greater proportion of children returned home by pilot agencies to reenter placement than children returned home by comparison agencies. If the reentry rate is similar for pilot and comparison agencies, we can safely assume that SDM does not result in children's premature return home.

A second hypothesis is that with expedited permanency, children served by pilot agencies will have fewer days in placement than children served by comparison agencies. If this is the case, then cost savings will result from SDM implementation. This addendum addresses these questions.

Methodology

This analysis observed children who entered foster care in SDM pilot and comparison agencies with a goal of return home between April 1998 and September 1999. It was a quasi-experimental, post-implementation evaluation of a) reentry into foster care, and b) total days in placement for cases served by SDM pilot and comparison agencies.² These measures were assessed for two of the three major service areas in Michigan. As with the previous evaluation of permanency, the nine outstate SDM pilot counties are compared to nine comparison outstate counties, and the two Wayne County pilot POS agencies are compared to similar POS agencies operating in Wayne County. Because Wayne County direct service agency serves a unique urban

² As reviewed in the previous report, a comparison agency for each pilot site was initially identified by examining county census data, foster care caseload size, staffing, and administrative data. Each of the nine outstate pilot counties was matched with the non-pilot Michigan county with the most similar population and administrative characteristics. Equivalence was then assessed further by comparing the case characteristics and permanency outcomes for every child with a new case opening to foster care during an 18-month period prior to SDM implementation, i.e., April 1996 through September 1997. Permanency outcomes were assessed by observing each child's placement status 15 months from the date the child entered care. The initial matching procedure established a comparison group for the outstate counties and the Wayne County POS pilot agencies that was reasonably equivalent in terms of child case and agency characteristics. Wayne County's direct service operation, however, does not have an equivalent counterpart in Michigan and, therefore, an alternative evaluation approach was employed.

area, no suitable comparison county agency could be identified. Thus, outcomes for Wayne County are presented in this analysis without a comparison.

This analysis first observed foster care reentry among children who entered foster care with a permanent plan goal of return home and were returned home within 15 months of their case opening. Children returned home within 15 months of their foster care entry were then observed for a 12-month period after their most recent return home to determine if they reentered foster care.³ As indicated previously, SDM pilot agencies achieved permanency for a higher proportion of the children entering foster care within 15 months of the case opening. The hypothesis explored in this analysis was whether or not children returned home in pilot sites were more likely to reenter foster care than were children returned home in comparison sites.

The definition of foster care reentry or replacement used for this study considered reentries that occurred within 12 months of the return home while the case is open and after the case was closed. The federal measure counts reentries that occur after a child has been home for at least six months and reentries that occur after a reunified case has been closed. In comparison, reentry reported in this addendum includes any reentries that occurred in the 12 months after a child is placed home, with no exceptions. The reentry measure employed here is more sensitive than the current federal measure and not comparable.

³ As with the previous analyses, data for the evaluation was obtained from Michigan's Child Information System (CIS) which has been used statewide since 1980. It records child characteristics such as age, ethnicity, and sex, as well as placement information such as the child's living arrangement and permanent plan goal. Workers update information whenever a change in placement or goal is made.

A small percentage (2.5% of outstate pilot, 4.9% of outstate comparison, 6.0% of Wayne direct service, 9.9% of Wayne County POS pilot and 7.7% of Wayne County POS comparison agencies) of children were returned home more than once in the 15 months following case opening. Reentry was also calculated for 12 months following the first time a child was returned home, and the results were similar to those presented in this addendum. The reentry measure reported in this addendum, reentry within 12 months following the return home that resulted in the status found at 15 months (the most recent return home in the 15-month period), was chosen for its consistency with current federal timelines.

Reentry after Reunification

Table 1 shows the reentry rate among children who had been returned home within the first 15 months of care.⁴ The outstate pilot counties' reentry rate was significantly lower than that of comparison counties. Of the 236 children returned home in the SDM pilot counties, only 7.2% reentered foster care placement within 12 months. In the comparison counties, 11.4% of the 263 children returned home reentered placement. The Wayne County private agency pilots also had lower reentry rates than that their comparison group (4.6% versus 8.4%), although the difference is not statistically significant. The SDM pilot agencies were more likely to reunify children, and these reunifications were less likely to fail.

Table 1			
Foster Care Cases Returned Home in the First 15 Months of Care: Subsequent Foster Care Reentry**			
Agency Type	Total N	Subsequent Reentry	
		N	%
Outstate Counties*			
SDM Pilot	236	17	7.2%
Comparison	263	30	11.4%
Wayne County POS			
SDM Pilot	131	6	4.6%
Comparison	311	26	8.4%
Wayne County Direct Service SDM Pilot	248	21	8.5%

* Significance of group difference < .10 (two-tailed).

** Subsequent reentry indicates a new placement or new case opening within the 12-month period following the return home.

⁴ Table 1 shows the reentry rate for all sampled children meeting previously mentioned criteria. The same results were found when analysis included only children under the age of 15 years.

Days in Placement

The number of days a child spends in placement is the final outcome measure examined in the evaluation of the foster care SDM. With expedited permanency, we anticipate that children served by pilot agencies will have fewer days in placement than children served by comparison agencies. The analysis of days in placement was conducted only on closed cases, for reasons explained below.

A proportion of cases were still open to the department 27 months (or 823 days) after the case opening. Because days in placement cannot accurately be calculated for open cases, it is important to know whether or not the proportion of closed cases differs between pilot and comparison agencies. If pilot agencies closed a lower proportion of cases than did comparison agencies, the calculation of days in placement would be unreliable. If pilot agencies closed an equal proportion of cases, then statistics regarding days in placement can be reliably calculated using only closed cases. Table 2 shows that, for outstate and Wayne County POS agencies, a significantly greater proportion of cases were closed within 27 months of case opening in pilot agencies compared to comparison agencies. Thus days in placement can be calculated and compared using only closed cases.⁵

⁵ Because SDM pilot agencies appear to close cases sooner than comparison agencies, it is likely that an estimate based on closed cases to date may underestimate the number of placement days saved.

Table 2					
Foster Care Cases Entering Care between April 1998 and September 1999 with an Initial Return Home Goal: Proportion of Cases Closed within 823 days (27 months from case opening)					
Agency Type	Total N	Cases Closed		Cases Remaining Open	
		N	%	N	%
Outstate**					
SDM Pilot	885	620	70.1%	265	29.9%
Comparison	1,222	766	62.7%	456	37.3%
Wayne County POS*					
SDM Pilot	600	333	55.5%	267	44.5%
Comparison	1,800	890	49.4%	910	50.6%
Wayne County Direct Service	1,583	919	58.1%	664	41.9%

* Fisher's Exact significance < .10 (one-tailed).

** Fisher's Exact significance < .05 (one-tailed).

_____ Total days in placement, therefore, is computed by counting the days children spent in a foster care placement from entry date to case closure.⁶ Since permanency was expedited for children entering foster care in the SDM pilot sites, we would expect days in placement to be lower. This is the case. Table 3 reports the mean and median days in care for children entering foster care between April 1998 and September 1999 in the pilot and comparison agencies. The average number of days in placement recorded for children in the outstate SDM pilot counties was significantly lower than that of children served in the comparison counties (375 and 402 mean days, respectively). In Wayne County, children served by the SDM POS agencies also had fewer days in placement (430 versus 466 mean days). While the observed difference in the POS sites is not statistically significant, the cost implications for Michigan may be considerable.

Table 3				
Foster Care Cases Entering Care between April 1998 and September 1999 with an Initial Return Home Goal and Closed within 27 Months of Entry: Mean Days in Placement**				
Site	Total N	Mean	Standard Deviation	Median
Outstate*				
SDM Pilot	620	375	254	349
Comparison	766	402	288	410
Wayne County POS				
SDM Pilot	333	430	245	441
Comparison	890	466	432	446
Wayne County Direct Service	919	419	370	396

* Significance of mean difference < .10 (two-tailed).

** Placement length calculated for cases closed within 823 days (27 months from case opening). Cases that remained open are excluded.

⁶ Days spent in their own home is not counted as placement time.

Table 4 provides a conservative analysis of the potential cost benefit of reducing days in placement given Michigan’s average daily cost of \$52.83. The table projects SDM case outcomes for all cases entering foster care in the identified service delivery areas during the 2001 federal fiscal year to estimate the potential cost savings. This estimate assumes that SDM is implemented only in outstate counties and Wayne county POS agencies. Cost savings are not projected for Wayne county direct service because no comparison site was available to estimate the advantage. However, the permanency rate in Wayne direct service improved after SDM implementation when compared to a preceding operating period. Therefore, we would expect similar savings to occur in Wayne County direct service. Even when the potential impact in Wayne direct is excluded, the potential cost savings for the 2001 foster care entry cohort are estimated at \$3.2 million in outstate counties and \$1.5 million for Wayne County POS agencies.

Table 4		
Calculation of Cost Savings		
	Outstate	Wayne County POS
2001 Cases New to System with a Goal of Return Home	3,799	1,121
Proportion of Children Placed with Relatives/Legal Guardians	40.5%	28.2%
2001 Cases New to System with a Goal of Return Home Not Placed with Relatives (Cases multiplied by [1-proportion placed with relatives/legal guardians])	2,260	805
Difference in Average Number of Days in Placement (Comparison Average - Pilot Average)	27	36
Days in Placement Saved	61,020	28,980
Average Cost per Day in Placement	\$52.83	\$52.83
Estimated Average Cost Savings for Entry Cohort (Days in Placement saved multiplied by Average Cost Per Day)	\$3,223,686.60	\$1,531,013.40

The findings here expand the positive case outcomes attributable to SDM implementation. The initial findings indicated that SDM had the intended impact of expediting permanency for children entering foster care within federal guidelines. Children in the SDM pilots were more likely to be reunified, freed for adoption, or permanently placed with guardians. The second stage of the evaluation presented here indicated that the reunification of children in pilot sites was more successful (i.e., there were fewer reentries) and that days in placement were reduced for all children regardless of the type of permanency achieved.