

November 15, 2018

To: Senator Bert Stedman
Chair, Legislative Budget and Audit Committee

From: Senator Natasha von Imhof

Re: Audit Request – Department of Health and Social Services,
Office of Children’s Services, per HB 151 (2018)

HB 151 was signed into law June 2018 to improve Alaska’s foster care system by lowering case load levels and attempting to increase worker retention by implementing new longer and measurable training and workforce standards. In addition, the bill provided for several other changes to support the well-being of youth in foster care, and to promote quicker timelines for children to return to, or find new, permanent homes. Further, the bill empowered youth age 14 and older to participate in their case plans; made it easier for foster parents and youth to engage in normal day to day activities without a case manager’s approval; and strengthened the requirement to search for relatives or friends of the family before placing a child with foster parents recognizing that family is often the best option for youth.

Improvements came with a significant financial commitment. There were 31 new positions in FY 18, and a remaining need for 12 front-line case managers, three supervisory positions and six support staff in FY 19. In recognition of the cost and importance of improving our foster care system, strong legislative monitoring of the Department of Health and Social Services’ (DHSS) implementation is warranted. I respectfully request your support in approving an audit of DHSS’s implementation of HB 151.

AUDIT OBJECTIVES

In order to evaluate the various provisions of HB 151, the audit should take place over multiple years to allow for the timely evaluation of the bill’s various provisions with effective dates ranging from three months to two years. Auditors are being directed to evaluate DHSS three separate times. Each audit will evaluate different provisions of HB 151 as shown below and evaluate the progress in addressing prior findings as applicable. Additionally, I am requesting that the Legislative Auditor follow up on any related areas of concern that come to her attention at any point during the audits.

Audit Objectives for an audit to begin after FY 19:

- Determine whether DHSS searched for an appropriate placement with an adult family member or a family friend when DHSS takes emergency custody or when a court orders a child committed to DHSS for temporary placement; or when DHSS removes a child from a home or transfers a child from a foster home. Determine whether DHSS supervisors are certifying in writing whether DHSS staff had searched for an appropriate placement with an adult family member or family friend and took appropriate action, if applicable, to ensure the department completes the search in the shortest time possible.

- Report to what degree families provided consent for referral to community organizations under AS 47.17.030. For those families that provided consent, identify whether DHSS made timely referrals.
- Report whether DHSS provided foster parents training regarding the reasonable and prudent parent standard.

Audit Objectives for an audit to begin after FY 20:

- Evaluate DHSS' progress in addressing the prior audit findings and recommendations resulting from this request.
- Determine whether DHSS case managers document in the files the efforts that were made and the reason separating siblings is in the best interest of the children. When siblings are not placed together, determine whether DHSS staff disclosed contact information to a sibling of a child who is the subject of the case to allow the siblings to contact each other if it is in the best interests of the child to maintain contact.
- Evaluate whether DHSS implemented measurable workload standards and a longer training program for employees who supervise the care of children committed to the supervision or custody of DHSS, work with families to prevent the removal of a child from the child's home or investigate reports of harm as required by HB 151. Please include in the audit quantifiable details of the new training program, why the new training program was selected, and why DHSS believes the new training program will work.
- Report to what degree has DHSS placed children with an adult family member who did not have a foster care home license under AS 47.32. Determine whether DHSS assisted the family members in obtaining the licenses in an expedient manner.
- Determine whether DHSS actively helped individuals in custody age 16 or older obtain their birth certificate and other important documents as required by HB 151.
- Determine whether DHSS has approved or denied foster care license applications within 45 days. If not, identify the reasons for the delays.

Audit Objectives for an audit to begin after FY 21:

- Evaluate DHSS' progress in addressing prior audit findings and recommendations resulting from this audit request.
- Determine whether DHSS effectively implemented caseload caps on front-line case managers as required by HB 151.
- Outline what should be included in a staffing report (based on best practices). Determine whether a staffing report required by AS 47.14.112(4) was prepared and submitted to the legislature and confirm the accuracy of the information in the submitted report.
- Determine the accuracy of the most recent annual report on employee recruitment and retention required to be submitted under AS 47.14.112(4).

HB 151 is a monumental step forward in helping DHSS' hard working staff more effectively administer Alaska's foster care system. However, there is more work to be done. Foster care stakeholders have expressed concerns over DHSS' management structure and lack of information regarding permanency timelines. I am requesting that auditors help address these concerns while conducting the audits described above. Specifically, I am requesting the audit be expanded to include the following objectives for the audit beginning after FY 19:

- Determine whether DHSS' management structure over the foster care system is in line with best practices. The evaluation should examine the layers of management between a front-line social worker and the DHSS Office of Children's Services director and answer the following questions:
 - Do the layers contribute to inefficiencies?
 - Could the organizational chart be restructured to have fewer "layers" while still providing adequate supervision of caseworkers?
- Please define "permanency" in the final audit report. Calculate and report permanency measures and compare the measures to national standards. Measures should include:
 - Permanency in 12 Months for Children Entering Care: Of all children who enter foster care in a 12-month period, what percent discharged to permanency within 12 months of entering foster care.
 - Permanency within 12 Months for Children in Care 12-23 Months: Of all children in foster care on the first day of the 12-month period, who had been in foster care (in that episode) for 12-23 months, what percent discharged to permanency within 12 months of the first day.
 - Permanency in 12 Months for Children in Care for 24+ Months: Of all children in foster care on the first day of the 12-month period, who had been in foster care (in that episode) for 24 or more months, what percent discharged to permanency within 12 months of the first day.
 - Re-entry to Foster Care: Of all children who enter foster care in a 12-month period and are discharged within 12 months to reunification or guardianship, what percent re-entered foster care within 12 months of their date of discharge?
 - Placement Stability: Of all children who enter foster care in a 12-month period, what is the rate of placement moves per day of foster care?

ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

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Audit Request Addendum

At its January 14, 2019, meeting, the Legislative Budget and Audit Committee authorized adding the following objective to the request for an audit of the Department of Health and Social Services' Office of Children's Services compliance.

- Include FY 18 baseline data in the audit.