

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

DWAYNE B., a minor, by his  
Next Friend, John Stempfle, et al,  
for themselves and others  
similarly situated,

Plaintiffs,

v.

Hon. Nancy G. Edmunds  
CIVIL ACTION  
NO. 06-13548

RICK SNYDER, in his official  
capacity as Governor of the  
State of Michigan, et al,

Defendants.

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MISCELLANEOUS HEARING  
SIXTH REPORT ON THE STATE'S COMPLIANCE WITH CONSENT DECREE  
before the Honorable Nancy G. Edmunds  
United States District Judge

MARCH 20, 2013

APPEARANCES:

MS. SARA BARTOSZ, ESQ.  
MS. ELIZABETH PITMAN GREYER, ESQ.  
In behalf of Plaintiffs.

MR. JOSEPH E. POTCHEN, ESQ.  
In behalf of Defendants

ALSO PRESENT:

DHS Director Maura Corrigan                      Mr. Kevin Ryan  
Mr. Michael Gadola                                      Mr. Steve Yager

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*Suzanne Jacques, Official Court Reporter*  
*email: jacques@transcriptorders.com*

I N D E X

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SIXTH REPORT ON THE STATE'S COMPLIANCE  
WITH CONSENT DECREE

Comments by Ms. Corrigan	4
Comments by Mr. Potchen	10
Comments by Mr. Yager	12
Comments by Ms. Bartosz	18
Comments by Ms. Crummy	21
Comments by Mr. Ryan	23
Comments by The Court	24
Certification of Reporter	27

Wednesday, March 20, 2013

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Detroit, Michigan  
Wednesday, March 20, 2013  
9:03 a.m.

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**LAW CLERK:** Dwayne B, et al, versus Snyder, case number 06-13548. Counsel, state your appearances for the record.

**MS. BARTOSZ:** Good morning, Your Honor, Sara Bartosz, from Children's Rights, for the plaintiffs.

**MS. GREYER:** Elizabeth Greyer, from Children's Rights, for the plaintiff.

**MR. POTCHEN:** Joseph Potchen, Assistant Attorney General, for the defendants.

**MS. CORRIGAN:** Maura Corrigan, DHS director for the defendant.

**MR. YAGER:** Steve Yager, director of Children's Services, for the defendant.

**MR. GADOLA:** Michael Gadola, counsel to Governor Snyder.

**THE COURT:** Well, thank you for moving this back two days so that I could get out of here for the weekend. I appreciate that, and I know Director Corrigan has another meeting or hearing coming up shortly, so let's move right into this. And I'd like to hear first from the State with respect to progress made, then from the plaintiffs in terms of areas

Wednesday, March 20, 2013

1 still to be improved, and then from the monitors.

2 Director Corrigan.

3 (9:02 a.m.)

4 **MS. CORRIGAN:** Good morning, Your Honor, and thank  
5 you for this opportunity to appear today.

6 As the Court knows, I accepted the governor's offer  
7 to lead the Department of Human Services primarily because of  
8 this lawsuit, and I believe that the second monitor's report  
9 covering the period of January first of 2012 to June 30, 2012  
10 reflects meaningful progress on many fronts. It shows that we  
11 are doing many things right, and as far as what's wrong, we are  
12 making needed corrections.

13 I think that Michigan's true progress can be buried  
14 in the maze of detail when it is viewed only in the context of  
15 the myriad of the individual data reports and measures. Not  
16 every commitment in the MSA should be weighted equally.

17 To get to the heart of the matter, we are making  
18 lasting, systemic improvements, and we are well on the way to  
19 substantial compliance with the MSA. Our goal does remain to  
20 seek an order of dismissal from this Court by the end of 2014.

21 And while compliance with the MSA is admittedly  
22 critical, it is not our sole focus at the Department.  
23 Sustainability of our progress is critical to ensuring that our  
24 Department can provide for the safety, permanency, and  
25 wellbeing of the children who come into Michigan's child

*Comments by Director Corrigan  
Wednesday, March 20, 2013*

1 welfare system consistent with our laws.

2           The reform efforts at the Department not only  
3 address the constitutional claims that underlie the plaintiffs'  
4 lawsuit, I believe that we are reestablishing Michigan as a  
5 national leader in outcome-driven child welfare practices and  
6 policies. Nothing about our department, our private agency  
7 partners, or Michigan courts is deliberately indifferent to the  
8 rights of children in foster care. We understand our  
9 constitutional obligations, and we are discharging them to the  
10 best of our ability.

11           I want to highlight a few specific achievements  
12 covering January to June of last year, make a few comments, and  
13 then the Court will hear from Mr. Potchen and from Steve Yager,  
14 head of Children's Services.

15           In the reporting period, we successfully launched  
16 our new statewide hotline and centralized intake of complaints  
17 of abuse and neglect. The initial results are encouraging. As  
18 our rate of investigation, county by county, across the state  
19 has tightened up, so has our consistency in handling complaints  
20 by applying the same legal standards to all cases statewide.

21           Second, regarding our caseload standards, we have  
22 met or exceeded the required caseload standards in six of the  
23 seven measured categories including child protection, foster  
24 care, adoption, child protection ongoing, and  
25 supervisor-caseworker ratios. We are close in the POS

*Comments by Director Corrigan  
Wednesday, March 20, 2013*

1 monitoring.

2           We have focused on managing assignments and on  
3 appropriate closures, we've increased the automation of the  
4 process of counting cases, and developed new tools to assist  
5 our managers in balancing the loads. In foster care, we  
6 initiated and oversaw a huge statewide effort to recruit and  
7 license new foster homes.

8           In the reporting period, we licensed 1,316 new  
9 non-relative homes, and although the monitors have indicated  
10 that they were unable to verify those numbers based on a four  
11 percent sample, we intend to undertake verification of each and  
12 every case through an external review in order to determine the  
13 accuracy of that number. We will also further provide  
14 independent verification of the 1,450 target that is for this  
15 year.

16           I think it's a remarkable feat for the State to have  
17 developed the infrastructure to implement and track progress  
18 and license 1,300 new non-relative homes in less than a year,  
19 and that is what we did.

20           In addition, in April of 2012, we successfully  
21 launched the young adult voluntary foster care program when the  
22 dollars started flowing and the federal government approved our  
23 plan.

24           We understand that there's a separate motion pending  
25 before the Court to deal with the scope of the class, but

*Comments by Director Corrigan  
Wednesday, March 20, 2013*

1 nonethless, this is an innovative program for our state. It  
2 makes us a leader in the Midwest to extend services to 18 to  
3 21-year-olds as they transition to independence.

4 With regard to post-secondary education for foster  
5 youth, we worked with our state's colleges and universities,  
6 and in May of 2012, we hosted an education conference in which  
7 30 colleges and universities attended, to focus on the special  
8 challenges facing foster youth, and to improve services for  
9 them. We also contracted with seven colleges and universities  
10 to provide life skills and 24/7 supports with campus coaches to  
11 support our foster youth.

12 With regard to process, we consolidated the  
13 monitoring of public and private child welfare agencies in a  
14 single unit at the Department with integrated oversight by the  
15 BCAL, as we call it, the Bureau of Child and Adult Licensing.

16 With regard to permanency, last September we broke  
17 every past historical record by having 82.9 percent of the  
18 children in care have finalized adoptions. This exceeded the  
19 MSA standard which was 70 percent. During the monitoring  
20 period, we successfully licensed -- I'm sorry -- finalized 278  
21 juvenile guardianships which was almost double our commitment  
22 in the MSA.

23 We expanded the Serious Emotional Disturbance Waiver  
24 program to more than 30 counties statewide, allowing even  
25 better access to Medicaid funding for children suffering from

*Comments by Director Corrigan  
Wednesday, March 20, 2013*

1 serious emotional disturbance who are committed to our care.

2 Finally, and you'll hear more on this from  
3 Mr. Yager, we launched the statewide implementation of the  
4 MiTEAM case practice model, a model that fully engages and  
5 partners with our family.

6 I want to briefly respond to what the monitors had  
7 to say with regard to what's wrong. With regard to child  
8 safety, we are committed to protecting each and every one of  
9 Michigan's children who comes into our system, and it is  
10 critical to understand that the data reported to the Court  
11 predates the period under review. That's the nature of federal  
12 reporting.

13 It is critical to note, I believe, that with regard  
14 to maltreatment in care, we fell below the federal standard by  
15 less than one percent, and in fiscal year 2012, we've improved  
16 further to half a percentage point.

17 With regard to CPS investigations commencing timely,  
18 that's a valid concern. We have already improved on this  
19 factor in the 2012 fiscal year by a 13-percent figure with  
20 regard to immediate commencement, and with regard to 24-hour  
21 commencement, we improved by a three percent figure last year.

22 And in measuring compliance with this standard and  
23 also with regard to children's visitation to parent-child  
24 visits, areas where we're out of compliance, I believe it's  
25 critical to note the data quality issues that we have, and I



*Comments by Director Corrigan  
Wednesday, March 20, 2013*

1 believe that many of the concerns addressed here will be  
2 answered by the rollout in this massive project we've got going  
3 of MiSACWIS, the Michigan State Automated Child Welfare  
4 Information System that we will have rolled out by October.  
5 That should solve many of the data quality issues where we're  
6 deficient, and where, when there are follow-up interviews with  
7 staff and stakeholders, there is a showing of greater  
8 compliance than that which is listed in our current SWSS  
9 system.

10           It's part of the reason we wanted to undertake the  
11 MiSACWIS project, which was, again, massive, and on target to  
12 be rolled out.

13           As for relative placements, another problem that's  
14 noted in the monitor's report, and I won't speak to all of  
15 them, I want to point out that Michigan ranks among the top ten  
16 states in the nation for percentage of assignments with  
17 relatives for our children, and so the lack of a documented  
18 license or waiver doesn't imply that the placement is improper  
19 or unsafe. It is something we need to fix, and we are about  
20 fixing it.

21           Your Honor, these are a few of the highlights of the  
22 progress in Period 2. There is more to come. I am extremely  
23 proud of the efforts that Michigan is making not only to meet  
24 our commitments as they are spelled out in the MSA, but to go  
25 beyond them to restore our great State of Michigan to

*Comments by Director Corrigan  
Wednesday, March 20, 2013*

1 leadership in the field of child welfare in the United States.

2 Thank you, Your Honor. I'm prepared to take any  
3 questions that the Court might have. If not, I'll turn the  
4 podium over to Mr. Potchen.

5 **THE COURT:** I don't have any questions right now.  
6 Thank you, Director Corrigan.

7 **MS. CORRIGAN:** Thank you.

8 **THE COURT:** Mr. Potchen.

9 (9:13 a.m.)

10 **MR. POTCHEN:** Thank you, Your Honor.

11 Director Corrigan has already addressed some of the highlights  
12 that have been critical to the Department's success  
13 accomplished during the reporting Period 2 and beyond. And she  
14 made very clear that the defendant's goal is to emerge from  
15 federal court oversight, and as you can see, that the  
16 Department is progressing towards substantially complying with  
17 the Modified Settlement Agreement.

18 I'd like to highlight for this Court four  
19 significant areas of accomplishment and that are fundamental to  
20 sustainable child welfare reform.

21 First, during the reporting period, the Department  
22 created business service centers at local offices. These  
23 centers increased the ability to conduct direct monitoring for  
24 compliance with child welfare requirements. It also allows for  
25 problem solving in more localized manageable groups which helps

*Comments by Mr. Potchen  
March 20, 2013*

1 counties address performance issues and address training needs  
2 that help them move quickly and more appropriately through the  
3 system.

4 Second, the Department, as the director mentioned,  
5 has continued its development of the MiSACWIS case management  
6 system. The Department completed its pilot last fall, and will  
7 meet the MSA requirement for the statewide system by October of  
8 this year, and this accomplishment is critical to our success.

9 Third, the Department expanded and strengthened  
10 Michigan's adoption and foster home recruitment and retention  
11 network to provide quality permanency options, and in this  
12 area, Your Honor, DHS achieved much during the MSA period and  
13 beyond. They partnered with foster, adoptive, and kinship  
14 support networks throughout Michigan, they continued to  
15 partnership with faith communities, they implemented eight  
16 regional post-adoption resource centers throughout the state to  
17 assist adoptive families, and they hired additional permanency  
18 resource managers to assist foster care adoption workers in  
19 achieving permanency for children throughout training and  
20 through case review meetings.

21 And finally, as Director Corrigan mentioned, DHS  
22 continues to partner with Michigan universities. Not only has  
23 it helped create the Michigan social work childcare welfare  
24 certification program, DHS has also worked with Michigan State  
25 University to provide in-service training to all DHS staff, and

*Comments by Mr. Potchen  
March 20, 2013*

1 they've also developed an internship program for recruiting,  
2 training, and placing child welfare interns.

3 As we have stated previously, Your Honor, it is  
4 Michigan's goal to move forward with its vision, which focuses  
5 on fundamental child welfare outcomes and complying with the  
6 law, not only to meet the requirements of the Modified  
7 Settlement Agreement, but to move beyond it. And as you can  
8 see, Your Honor, DHS is developing a strong foundation for  
9 sustaining its efforts at reforming its child welfare system.

10 And now, Your Honor, unless you have questions, I'd  
11 like to turn it over to Steve Yager, the director of the  
12 Department of Children's Services Administration.

13 **THE COURT:** Thank you, Mr. Potchen. Mr. Yager.

14 **MR. YAGER:** Thank you for the opportunity to be here  
15 today, Your Honor. I'll speak a little bit to some of the  
16 systemic changes that the Department has made in the months  
17 previous to this court date.

18 As the Department continues to move forward in  
19 implementing the provisions of the Modified Settlement  
20 Agreement, we are achieving large-scale, systemic improvements.  
21 We are increasing our capacity to monitor our work and self  
22 correct, and, finally, we are prioritizing our focus.

23 These continued efforts directly address the  
24 concerns raised in the monitor's report. They focus on  
25 improving child safety outcomes and timely responding to

*Comments by Mr. Yager  
March 20, 2013*

1 reports of abuse and neglect.

2 DHS has made significant changes since Monitoring  
3 Period 2. Some of those changes will be reflected in the MSA 3  
4 report which will cover July through December 2012, but even  
5 that report will not reflect all that we're currently doing and  
6 plan to do in the future.

7 Our approach at this juncture is to devote our  
8 efforts to three critical systemic supports. First, full  
9 implementation of the MiTEAM case practice model; second,  
10 leadership development and management capacity which will  
11 infuse continuous quality improvement at all layers of the  
12 operation, and third, full implementation of MiSACWIS.

13 The MiTEAM case practice model is critical to our  
14 success. Notably, the MSA 2 report states that the MSA embeds  
15 a new case practice model. This is significant. Our case  
16 practice model sets forth our vision, mission, and guiding  
17 principles.

18 The best way to improve outcomes is to strengthen  
19 practice by embedding and supporting the case practice model at  
20 all levels of the agency. This does not happen all at once.  
21 It will occur in a well-staged, intensive rollout. The case  
22 practice model refocuses our workforce on the customer. All  
23 across the country, states are involved in litigation that is  
24 overly focused on hundreds of moving parts at the same time  
25 when the focus needs to be squarely on the customer and on

*Comments by Mr. Yager  
March 20, 2013*

1 outcomes for our families. We need to place families back on  
2 center stage. We are doing this through MiTEAM, and we are  
3 beginning to see results.

4 When we look at outcomes for children, Michigan  
5 successfully achieved our federal permanency goals, timeliness  
6 and permanency of reunification, timeliness of adoptions,  
7 permanency for children in long-term care, and placement  
8 stability. These are outcomes that we celebrate. MiTEAM  
9 focuses staff on moving families to successful outcomes.

10 As the director mentioned, Michigan is also ranked  
11 in the top tier of all states in the country for placements  
12 with relatives, another positive outcome that no doubt  
13 contributed to our success with permanency goals.

14 While the monitor's report for MSA 2 noted some  
15 challenges with parent-child visits and timeliness of CPS  
16 investigations, it is important to recognize that DHS was not  
17 at 100 percent staffing. As we continue to grow and stabilize  
18 our workforce, we will have sufficient staff to cover cases.

19 It is also important to note that our current  
20 reporting system, SWSS, has gaps resulting in overcounting in  
21 the social work contacts and CPS 24-hour investigation  
22 contacts. This is fixed in MiSACWIS.

23 Additionally, it is important to put some of the  
24 comments of the MSA 2 report into context. As our director  
25 mentioned, much of the Department's progress tends to get lost

*Comments by Mr. Yager*  
*March 20, 2013*

1 in the detail. The MSA-2 report discusses placements with  
2 relatives, pointing out that 4,810 children were placed with  
3 relatives. This is good for children and results in positive  
4 permanency outcomes.

5 The report references DHS's challenges around  
6 documentation of waivers and licensing for some children, but  
7 does not conclude that those placements are improper or unsafe.  
8 MiSACWIS will support better documentation of our work in our  
9 system.

10 The second systemic support focuses on leadership  
11 development management capacity. We have already taken steps  
12 to develop leadership and management capacity at all levels.  
13 We have established a clear, strong management structure in our  
14 business service centers that Attorney Potchen referenced.  
15 Central office now has, for the first time, a clear supervisory  
16 relationship with our field directors and our private agency  
17 providers. We have established a track record of engaging key  
18 system stakeholders such as our private agency providers in the  
19 courts and the faith-based community.

20 We have worked diligently to ensure that leadership  
21 at all levels are now aligned and prepared to support  
22 implementation efforts.

23 We have implemented a focused strategic plan by  
24 which all staff, my level, all the way down, are evaluated.  
25 Moving forward, we will develop an integrated and robust

*Comments by Mr. Yager*  
*March 20, 2013*

1 implementation plan, a plan that integrates all activities  
2 toward reform. We will establish state and local  
3 implementation teams to ensure that implementation occurs.  
4 These structural changes included continued efforts to grow the  
5 quality and capacity of a statewide Continuous Quality  
6 Improvement System. A robust CQI system allows us to assess  
7 quality and outcomes, and emphasize people over process. CQI  
8 will tell us which policies and practices support good outcomes  
9 for children and families.

10           Although the monitor's report noted positive  
11 achievements in implementing CQI to date, the report notes the  
12 monitor's lack of confidence in the accuracy of data and  
13 information in some practice areas. All of these areas will  
14 have improved reporting capacity through the implementation of  
15 a CQI qualitative case review process reflecting actual case  
16 practice at the field level.

17           The third and final systemic report requires full  
18 implementation of MiSACWIS. Our commitment is to strengthen  
19 and develop our capacity to monitor performance through the  
20 rollout of MiSACWIS by October first.

21           We are well aware of the data quality concerns  
22 regarding our child welfare data, however, we generally find  
23 that case file records and interviews with families and  
24 stakeholders demonstrate a greater compliance than that which  
25 is reflected in the current data system.



*Comments by Mr. Yager  
March 20, 2013*

1           As mentioned regarding CPS response time and social  
2 work contacts, SWSS does have gaps, often over counting  
3 noncompliance. We're aware of these gaps, and to address them  
4 we've included a wider array of internal and external  
5 stakeholders in the design of MiSACWIS to ensure that it  
6 captures all critical data points.

7           In summary, DHS is committed to achieving  
8 substantial compliance with the MSA, and more importantly,  
9 Michigan is committed to achieving the best possible outcomes  
10 for children and families that we serve.

11           While the monitors identify challenges, we are  
12 moving forward and making progress to address those challenges.  
13 For example, our Child Welfare Training Institute incorporated  
14 safety assessment and planning requirements into training for  
15 both front-line staff and child welfare supervisors. We have  
16 developed and implemented a health case review protocol. We  
17 have developed and implemented a series of CQI protocols which  
18 enable a qualitative review of maltreatment in care cases, our  
19 centralized intake processes, and our CPS investigations. And  
20 we established a health review committee to focus on improving  
21 the quality of provision of health care for children.

22           Again, Your Honor, we appreciate your time, the time  
23 and efforts of the monitors and all individuals involved in  
24 assuring safe outcomes for children.

25           I am proud of the improvements DHS has made since

*Comments by Mr. Yager*  
*March 20, 2013*

1 the beginning of the lawsuit, I'm proud of the hard work and  
2 dedication of our workforce, public and private, and I am proud  
3 to be a part of a team that has been led by such a strong and  
4 effective leader as Director Corrigan. I share her vision, and  
5 I know that we are on a path that will benefit foster children  
6 and families of this great state.

7 Thank you.

8 **THE COURT:** Thank you, Mr. Yager. Ms. Bartosz.

9 (9:24 a.m.)

10 **MS. BARTOSZ:** Thank you, Judge. Good morning, Your  
11 Honor.

12 **THE COURT:** Good morning.

13 **MS. BARTOSZ:** It's a privilege to be back before  
14 you, and a privilege to be back here on behalf of the children  
15 and the plaintiff class.

16 Your Honor, Commissioner Corrigan, Mr. Yager,  
17 Mr. Potchen have already addressed areas of progress, and on  
18 behalf of the plaintiffs, let me say, we're gratified to see  
19 progress where it is made, and we applaud the efforts of folks  
20 within DHS, as well as folks within the private provider  
21 community, for all the input to make that progress.

22 That said, Judge, when we were last before you, I  
23 raised a warning flag that was within the last monitoring  
24 period report about child safety, and tried to raise awareness,  
25 attention on that issue, because it is so significant. As a

*Comments by Ms. Bartosz  
March 20, 2013*

1 matter of fact, under federal policy, it's very clear that the  
2 obligations, the duties, the basic mission of a child welfare  
3 agency, and these are the words the feds use, are first and  
4 foremost, first and foremost, safety of children. I want to  
5 focus on that area today because it is so vital.

6 Your Honor, this monitoring report shows that  
7 Michigan is operating amongst the lowest performers in the  
8 nation on assuring safety in foster care, and there are rates  
9 that are measured, and we can talk about percentages and tenths  
10 of percentages, what have you. Let's talk about children.

11 There are, in the annual period reported in the  
12 monitoring report, 269 children who were victims of abuse in  
13 foster care. That's a child every business day of the year on  
14 average. Clearly, we can't be satisfied with that. No one can  
15 be content with that, and focus must be placed, searingly, on  
16 that issue, because if that doesn't come along, we've missed  
17 the primary mission here: Safety. Permanency and these other  
18 missions, of course, are vital, essential, but child safety is  
19 so essential.

20 In looking at that number, Judge, plaintiffs want to  
21 call out a few areas that probably need extra focus.

22 One, is visitation, caseworker child visitation, a  
23 core element of safety. Performance in that area is shown at  
24 73 percent. To put that in context, Judge, the federal  
25 government right now requires 90 percent or a state can be

*Comments by Ms. Bartosz*  
*March 20, 2013*

1 assessed a fine from its IV-E funding, and shortly, in 2015,  
2 the federal government will fine if it's not at 95 percent.

3 We're now 17 percent short of 90, and over 20  
4 percent short of the 95. There is much work to be done, and  
5 improvement in this area, plaintiffs believe, will help improve  
6 that rate of safety. It's a critical area.

7 Kinship licensing. Progress has been made, but,  
8 Your Honor, there remain some 1,500 children, or more, who are  
9 currently in unlicensed relative foster homes where there's not  
10 a waiver signed or evidence of an application. 40 percent of  
11 the 269 child victims were residing in unlicensed relative  
12 homes. This area requires focus, urgently.

13 Investigations. They're late, and they're late too  
14 often, and the data is crystal clear in the report. And a  
15 concern to be looked at here, Judge, is there is a bit of a  
16 conundrum in my mind as I look at this on behalf of the  
17 children, that caseloads are moving in the right direction, and  
18 yet visits don't seem to be happening, the investigations are  
19 late. I think we may have to take a deeper look at these  
20 caseloads to see if the averages are bearing out at the  
21 individual level. What's the distribution like? There may be  
22 some issues to really focus in and zero in on. There's more  
23 work, I suspect, to be done on caseloads.

24 Those are the areas I wanted to place focus on,  
25 Judge, the safety area, and we do applaud the progress, we

*Comments by Ms. Bartosz  
March 20, 2013*

1 really do, but we can't lose sight of the overall mission of  
2 this MSA, and of this lawsuit, and if we take focus off areas  
3 like this and place our focus on the progress, we're not going  
4 to be urgent enough, focused enough, energized enough to get  
5 this thing done and done right.

6 I thank the Court for its time.

7 **THE COURT:** Thank you, Ms. Bartosz. Ms. Crummy or  
8 Mr. Ryan, or both.

9 (9:29 a.m.)

10 **MS. CRUMMY:** Good morning, Your Honor.

11 **THE COURT:** Good morning.

12 **MS. CRUMMY:** Today, we are submitting to the Court  
13 the monitor's sixth report in the matter of Dwayne B v. Snyder,  
14 and today's report is the second the monitor's have submitted  
15 under the parties' Modified Settlement Agreement which was  
16 filed with the Court on July 18, 2011.

17 This report to the Court reflects the efforts of the  
18 DHS leadership team along with its community partners, and the  
19 status of Michigan's reform efforts as of June 30, 2012,  
20 reflecting progress for the first six months of 2012, defined  
21 as Period 2 in the Modified Settlement Agreement.

22 The Modified Settlement Agreement reflects the  
23 parties' joint desire to improve outcomes for children and  
24 families in Michigan's child welfare system.

25 The Modified Settlement Agreement also provides the

*Comments by Ms. Crummy*  
*Wednesday, March 20, 2013*

1 plaintiff class relief in the form of immediate action steps  
2 and strategies to bring attention and improvement to critical  
3 areas, and establishes benchmarks and performance targets that  
4 DHS and the leadership team has committed to meet in order to  
5 realize sustainable reform.

6           Throughout Period 2 and thereafter, the monitoring  
7 team participated in various and many meetings with DHS and its  
8 private agency partners, interviewed field staff at all levels  
9 in both public and private agencies, and conducted extensive  
10 verification work in preparation for submitting the Period 2  
11 report to the Court.

12           Having done so, it is clear to the monitoring team  
13 that Director Corrigan, her leadership team and staff, along  
14 with private agency partners, remain committed to achieving  
15 positive outcomes for Michigan's children. The challenges  
16 faced in reforming any child welfare system are many, as they  
17 are in Michigan, a state early in its reform, and  
18 Director Corrigan has tackled those challenges with focus and  
19 unyielding commitment.

20           During Period 2, DHS developed and began to roll out  
21 its new case practice model, which was described to you  
22 previously. To improve the care of children in its custody,  
23 DHS operationalized a child welfare division of continuous  
24 quality improvement that is beginning to review several  
25 important areas of casework practice, and Director Corrigan

*Comments by Ms. Crummy  
Wednesday, March 20, 2013*

1 personally launched new partnerships, convening a faith-based  
2 summit to engage the faith community in the recruitment and  
3 retention of foster parents. And there is a wonderful  
4 collaboration in Michigan with the Department and the higher  
5 education community to begin to address the needs of foster  
6 youth.

7 **MR. RYAN:** And, Your Honor, DHS made other  
8 significant accomplishments foundational to creating a strong  
9 child welfare system. During this period under review, DHS  
10 successfully implemented a unified, statewide centralized  
11 hotline to receive and manage all calls alleging child  
12 maltreatment, which was no small feat.

13 DHS met caseload standards, as the defendants  
14 discussed, for supervisors and staff responsible for adoption,  
15 foster care, child protective services and licensing work, due  
16 to an aggressive hiring and training program initiated by  
17 Director Corrigan in 2011, as well as better management of  
18 workloads by DHS leadership and Mr. Yager.

19 DHS committed to finalize 165 juvenile guardianships  
20 during calendar year 2012, and exceeded that target by  
21 finalizing 278 juvenile guardianships.

22 DHS expanded the range of post-adoption services by  
23 creating eight post-adoption resource centers statewide that  
24 provide services and supports to families who adopt children  
25 from Michigan's foster care system.

*Comments by Mr. Ryan*  
*Wednesday, March 20, 2013*

1           While very much was accomplished by DHS in Period 2,  
2 there are areas important to children's safety, permanency, and  
3 wellbeing, where DHS did not meet its commitments.

4           In particular, DHS is experiencing significant  
5 challenges with regard to its commitments regarding licensure  
6 of resource families, including the licensure waiver of  
7 families of relative foster -- excuse me -- of relative foster  
8 parents. DHS did not meet the standard agreed upon in the MSA  
9 regarding repeat maltreatment of children over short periods of  
10 time, and DHS did not meet the agreed-upon standard for the  
11 safety of children in foster care. DHS did not meet the  
12 standards for initiation of Child Protective Service  
13 investigations, and did not meet its commitment to ensure that  
14 workers visit children and parents, and that workers facilitate  
15 visitation between parents and children.

16           That said, there continues to be very important and  
17 very impressive work under way at DHS to achieve these  
18 commitments and to maintain the progress made in other areas of  
19 the MSA since Director Corrigan took to the helm of the agency.

20           Our next report to the Court, covering the last half  
21 of 2012, will provide the Court with information regarding  
22 Michigan's ongoing progress in creating sustainable reform of  
23 this state's child welfare system.

24           Thank you, Your Honor.

25           **THE COURT:** Thank you.



*Comments by The Court*  
*Wednesday, March 20, 2013*

1           Well, first of all, let me congratulate the State  
2 for a huge amount of progress in significant areas, and we just  
3 couldn't be luckier to have someone as focused and committed as  
4 Director Corrigan. It's just really remarkable how much  
5 progress has been made since the Modified Settlement Agreement  
6 was entered in the summer of 2011.

7           That being said, I think that it would be foolish  
8 not to recognize that there are significant areas that still  
9 need a lot of work, particularly the child safety issues that  
10 were mentioned in the monitoring report and which Ms. Crummy  
11 and Mr. Ryan just articulated, and Ms. Bartosz, too, of course,  
12 and Director Corrigan acknowledges that those are areas in  
13 which the State still has come up short of the outcomes that  
14 they committed to, and that everyone wants to meet.

15           I mean, I don't think there's any real be debate  
16 that child safety is the number one objective of the litigation  
17 in the first place, and I have confidence that the State is  
18 fully committed to meet those goals, and will continue to work  
19 hard to do so.

20           I understand the State's strong desire to have  
21 exited this case by the end of 2014, and frankly, I don't know  
22 if that's doable or not, we'll have to wait and see. There's  
23 still a lot to be done. And a huge amount of progress has been  
24 made, but this program was in terrible shape when the suit was  
25 filed, and not in much better shape, really, if at all, when

*Comments by The Court*  
*Wednesday, March 20, 2013*

1 Director Corrigan took it over. So there's been great  
2 progress, but there's still, I mean, it was a very broken  
3 system, and I don't know how long it will take to fix it.

4 I appreciate the hard work of everybody to move it  
5 in the right direction.

6 I do want to say, with respect to the issue of the  
7 monitoring of the young adults which was raised by the State  
8 and responded to by the plaintiffs, that it seems to me that,  
9 and I'll issue a short Opinion and Order on this, but it seems  
10 to me that, although not specifically, perhaps, covered by the  
11 original complaint, that the State did undertake this  
12 obligation for youths transitioning out of foster care to young  
13 adulthood. I don't think that the type of monitoring that's  
14 needed for the young adults is anything close to what's needed  
15 for younger children who remain -- I don't think the monitoring  
16 is required to be at the same level that it is for the younger  
17 children in foster care, but we are receiving federal funds for  
18 this program, and to the extent that there is some monitoring  
19 necessary just to see that the State is meeting its obligations  
20 to continue to get the federal funds, that that's probably  
21 appropriate.

22 I'll take another look at it and issue something  
23 short, but it seems to me that a narrowly focused monitoring  
24 approach would be the appropriate way to go on this particular  
25 issue with the young adults.

*Comments by The Court*  
*Wednesday, March 20, 2013*

1 I want to thank everybody for your tremendous work  
2 in this area, and on behalf of the children in foster care, I  
3 think progress has been made, and there's still a long part of  
4 the road to go, and thank you for all your hard work in this  
5 area.

6 **THE CLERK:** Court stands in recess.

7 (Proceedings adjourned 9:40 a.m.)  
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12 **C E R T I F I C A T I O N**

13 I, Suzanne Jacques, Official Court Reporter for the United States  
14 District Court, Eastern District of Michigan, Southern Division,  
15 hereby certify that the foregoing is a correct transcript of the  
16 proceedings in the above-entitled cause on the date set forth.

17 Date: March 30, 2013

18  
19 s:\\_\_\_\_\_

20 SUZANNE JACQUES, CSR, RMR, CRR  
21 Official Court Reporter  
22 Eastern District of Michigan  
23  
24  
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