



STATE OF MICHIGAN

DEPARTMENT OF HUMAN SERVICES  
LANSING

RICK SNYDER  
GOVERNOR

MAURA D. CORRIGAN  
DIRECTOR

March 6, 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:

The enclosed report is provided pursuant to PA 200 of 2012, Section 523 (1) of the Department of Human Services (DHS) Fiscal Year 2013 Appropriations Act. This section requires that DHS submit a report that contains the following information for each family preservation program funded in part 1 of the DHS budget:

- (a) The average cost per recipient served.
- (b) Measurable performance indicators.
- (c) Desired outcomes or results and goals that can be measured on an annual basis, or desired results for a defined number of years.
- (d) Monitored results.
- (e) Innovations that may include savings or reductions in administrative costs.

Families First of Michigan (FFM) serves families that have at least one child at imminent risk of placement in out-of-home care. In addition, families with children in out-of-home care are eligible for referral to the program when it is determined that reunification is not appropriate without intensive services and the Family Reunification Program is not available. FFM offers families intensive, short-term crisis intervention and family education services in their home for four weeks using the FFM model. FFM workers are available and accessible to the family 24 hours a day, seven days a week. The workers assist families by establishing individual family goals designed to reduce the risk of out-of-home placement and increase child safety. FFM workers provide services to the family for up to four weeks. Up to a two-week extension may be available in some cases.

As contracted, the desired outcomes for Families First of Michigan services are as follows:

1. Ninety percent (90%) of the families served will avoid placement for the three (3) months following termination of the FFM program. For FY 2012, the three-month follow-up evidenced 91 percent of families were intact.
2. Eighty-five percent (85%) of the families served will avoid placement for the six (6) month period following termination of the FFM program. For FY 2012, the six-month follow-up evidenced 89 percent of families were intact.
3. Seventy-five percent (75%) of the families served will avoid placement for twelve (12) month period following termination of the FFM program. For FY 2012, the Families First of Michigan program served 2,335 families. In the 12-month period following these Families First interventions, 88.5 percent of the families avoided placement or further Children's Protective Services involvement.

The Family Reunification Program provides services to a family when a plan for return of the children has been established and the foster care worker has initiated reunification with the family and the court. In those counties where the program is offered, referral for these services is considered mandatory. The intervention model is a blend of skill-based interventions and solution-focused family work. This four-month model of intervention has been found to be successful at reuniting families sooner, and more safely, than would have been possible without the program services.

As contracted, the desired outcomes for Family Reunification Program services are as follows:

1. Seventy percent (70%) of the families served shall successfully complete four (4) months of the services.
2. Seventy-five percent (75%) of the families who complete the four months of services shall not have any Category I, II, III preponderance of evidence Protective Services involvement for a 12-month period following replacement of the child(ren) in the family home.
3. Seventy percent (70%) of the families who complete the four months of services shall not have a child(ren) removed from the family home and placed in out-of-home care for a 12-month period following replacement in the family home.
4. Ninety percent (90%) of the families who successfully complete services shall express satisfaction with the services received.

For FY 2012, the Family Reunification Program served 754 families. Currently, the Family Preservation program office is piloting a data tracking system to capture performance indicators with the Department of Technology, Management and Budget (DTMB). Ongoing tracking will begin once the new system has proven to capture the key performance measures.

Savings and Cost Effectiveness

When evaluating the savings and cost effectiveness of these family preservation programs, it is critical to note that recipients of these services are identified by family unit. Alternatively, recipients and costs associated with foster care services are per child. Therefore, comparing these two different service models cannot be done in exact measures. The information below demonstrates costs for each program in fiscal year 2013. When the programs meet the expected outcomes of preventing out-of-home placement and/or facilitating the early return of a child to the family, it is evident that the cost of foster care services per service unit far exceeds the cost of preservation services per service unit.


**Fiscal Year 2013**

<b><u>Program</u></b>	<b><u>Service Unit</u></b>	<b><u>Annual Cost Per Service Unit</u></b>
Families First	per family	\$ 4,744
Family Reunification	per family	\$ 6,595
Foster Care	per child	\$26,000

The innovation of a web-based data tracking system that monitors and reports on the success and outcome effectiveness of the Families First of Michigan program was launched in October 2011. As expected, it has resulted in the reduction of administrative costs by cutting the dedicated resources assigned to a manual tracking process. As stated earlier, the Family Preservation program office is pursuing the development of the same type of system for use by the Family Reunification Program.

If you have any questions, please contact Suzanne Stiles Burke, Bureau of Child Welfare director, at (517) 241-8606.

Sincerely,

  
Susan Kangas  
Chief Financial Officer

cc: Senate and House Appropriations Committees