

**TESTIMONY PRESENTED TO THE HUMAN SERVICES COMMITTEE AND THE
SELECT COMMITTEE ON CHILDREN**

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Department of Children & Families Joint Investigative Hearing

Senator Harris, Representative Villano, Senator Meyer, Representative McMahon and distinguished members of the Human Services Committee and the Select Committee on Children, I am Robert Genuario, Secretary of the Office of Policy and Management. Thank you for the opportunity to offer testimony concerning the Department of Children and Families.

DCF has one of the toughest assignments in state government: protecting children, helping troubled families and getting troubled kids back on the right path. This kind of work requires a special kind of dedication and passion to get it right. I want to acknowledge the efforts of the women and men of this agency who work hard every day to get it right.

DCF is a large agency with four very broad missions: child protective services, behavioral health services for all Connecticut's children, juvenile justice and prevention. The child protection work of the Department alone on any given day touches the lives of 35,000 children and over 16,000 households. In addition, through their juvenile justice mandate, over 800 youth are served. The department operates four 24/7 inpatient facilities.

As you know, DCF is one of our larger state agencies. Its budget has grown from \$607.5 million in FY 2004 to an estimated expenditure of \$884.5 million in FY 2009, an average annual increase of 7.8%. Some of these increases have been due to major initiatives such as efforts to comply with the Juan F. consent decree, the Connecticut Community KidCare initiative, and efforts to move to more community services such as group homes and in-home services.

I think it's important for us to understand some noteworthy trends. The department's Residential Board and Care account generates significant attention because it is so large and it has grown by \$52.8 million since FY 2004. But there are a number of residential programs funded through this account including Safe Homes, Crisis Stabilization, Short Term Assessment and Respite. The largest components are of course group homes and what people often think of as the only piece of this account, traditional Residential Treatment Facilities. In fact,

spending on Residential Treatment Facilities (both in state and out of state) has decreased by \$19.2 million from FY 2004 to FY 2009. This decline can be attributed to increased success in keeping children in their own homes, the growth in adoption, and increased use of community settings such as group homes. On this latter point, I would note that funding for group homes has increased by \$52.4 million since FY 2004. Now the department can offer over 400 youth in need of treatment or medical care with a community-based option.

The other major trend that can account for the decrease in the use of traditional residential treatment is the increase in community, in-home and individual services. The combined growth in expenditures over the last five years for accounts that provide direct services to children and families in their homes and communities is \$54.1 million. The accounts fund such programs as supportive housing for recovering families, intensive in-home programs such as Intensive In-Home Child and Adolescent Psychiatric Services (IICAPS), Multi-Systemic Therapy (MST), Functional Family Therapy (FFT), reentry education services for juvenile justice youth, and Multi- Disciplinary Teams.

For FY 2009, we do anticipate deficiencies in some accounts, including the Adoption account, which has the largest deficiency. A deficiency in Adoption is a good thing as it means we are supporting more children in permanent homes than we anticipated two years ago when we put the budget together. All told, though, we believe that the agency will be able to address any projected shortfalls by transferring surpluses from various accounts with Finance Advisory Committee approval.

The Juan F. exit plan is still a major driver of the department's efforts and, consequently, its expenditures. Commissioner Hamilton can go into more details on the 17 out of 22 outcome measures of the exit plan that we are achieving, but I think it's significant that the department has been successful in meeting these measures for a number of quarters. That said, it is true that there are two measures that present major challenges to the state's efforts to successfully meet all of the Juan F. objectives, so there is still work for all of us to do if we are to effectively serve Connecticut's children and families.

People always ask me whether there has been any improvement in the department. As you know, the federal government evaluates the quality of all the states' efforts in child protective services. The federal Administration for Children and Families (ACF) conducted its first Child and Family Services Reviews in Connecticut in 2002. Based on this comprehensive evaluation, Connecticut met two of the six measurable standards. None of our surrounding states fared better. In response to the evaluation, Connecticut entered into a Program Improvement Plan (PIP) with ACF to address areas in need of improvement and to its credit, the Department was successful in meeting all terms of this agreement in August 2007.

It is also interesting to note that some of the federal standards are also the standards contained in the Juan F. exit plan. In relating these standards and

measures DCF met five of these six comparable measures and only missed one by less than a percentage point in the last Quarterly Report compiled the court monitor. I think that indicates significant progress for the department and is an indication that our investments—and we'll all agree that those investments have been substantial—seem to be bearing fruit. The federal ACF is currently completing its second round of evaluations in Connecticut. It's my understanding that they have changed their measuring protocols so a direct relationship to the previous measures has its limitations. However, while the final report is not completed, I am sure Commissioner Hamilton can share some of the exit interview comments with you, and I believe that while the report will note some continuing challenges, it will also indicate strengths—strengths that come from the hard work of the staff at DCF, as well as the advocacy and high standards I know that we all share for the department.

Turning attention now to another topic that I know you are all interested in, Riverview Hospital. Riverview is a state run psychiatric hospital for children and youth in Connecticut. I asked my staff and DCF to compare it to other such facilities in New England, but they could not find a comparable institution making this service component on our continuum of mental health services to children unique.

As some have noted, it is expensive to run a small children's psychiatric hospital. Like any hospital, it must be operated 24 hours a day, 365 days a year. I will let Commissioner Hamilton better describe the type of troubled children and youth who go to Riverview. The presenting problems often require the child to have one-on-one staff intervention and a private room. These are expensive but necessary interventions for children with extensive treatment needs. It's also important to note the value of a state run facility is that of a safety net for children and youth who have been unsuccessful in having their psychological and behavioral health needs met through other treatment services and settings.

There has been a lot of attention paid to the cost of running Riverview. It's no secret that state-run institutions are expensive. Attached to my written testimony is an accounting of the actual costs of DCF's various institutions for the past few years. As you will see, in FY 2008 the state spent \$48.0 million to operate Riverview Hospital. This includes operating expenses, salaries, worker compensation costs and fringe benefits costs. A significant fact that seems to be overlooked when discussing this cost is that the census at Riverview has declined over the past few years, leading to a higher annual cost per child. These census declines are directly related to the facility's safety net role—it takes only the most difficult children and treats them in an intensive fashion.

I'd like to touch on one final issue, the Connecticut Juvenile Training School. As everyone is aware, CJTS struggled in its initial years of operation. However, the department has retooled the facility and it now seems to be running much more smoothly. While that's welcomed, a big adjustment will confront the facility in another year when the increase in the age of juvenile jurisdiction law takes effect.

While we haven't finalized our planning, it is plausible that CJTS could need to almost double its current census due to this initiative in an effort to serve the inevitable increase in court committed youth to DCF.

I would be remiss if I didn't point out that the Governor has on two occasions asked the Legislature—unsuccessfully, I might add—to approve funding for regional facilities to replace CJTS. With the immediacy of the Raise the Age initiative, and in recognition of programming improvements at CJTS, last year the Governor asked for bond funding to reconfigure CJTS to accommodate the anticipated influx of additional boys to that facility. This funding was not approved. Make no mistake about it: We, as a state, are going to have to face this issue. The Governor and the department need your help to ensure that we have a safe place to serve 16 and 17 year old youth who will be committed to DCF and will need a secure environment.

In closing I would like to point out that of all our state agencies, DCF is held to account in ways that few other agencies are. First and foremost, the federal courts have appointed a monitor to oversee the department's efforts with respect to the consent decree. The agency is measured quarterly on the Exit Plan outcome measures, one could say similar to the methods prescribed by the results-based accountability protocols which the legislature has recently instituted. The department has two committees of cognizance at the legislature. In addition, the Child Advocate, often in conjunction with the Office of the Attorney General, has an oversight role. A host of other state agencies and related entities dealing with children also frequently offer input regarding the department's operations and often demand the agency's time, efforts and services: The Commission Children, the Children's Trust Fund, the Early Childhood Council, the Poverty and Prevention Council, the Juvenile Justice Policy and Operations Coordinating Council, the FWSN Advisory Board, the Behavioral Health Oversight Council, the Governor's Task Force for Justice for Abused Children, the Child Fatality Review Panel, the Juvenile Justice Advisory Committee and more. The department also has its own State Advisory Council, a Technical Advisory Committee under the consent decree, Area Office Advisory Boards, Advisory Committees to the state facilities, and so on. With this level of oversight and advocacy there is a natural pressure from many sides to expand services, which inevitably has budgetary consequences.

I would like to again thank the committee for the opportunity to present this testimony, and I am happy to answer any questions you may have.

High Meadows - Operating Cost

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Average Census	37.7	42.4	42.5	41.3	33.8
Total Days of Care	13,796	15,463	15,513	15,088	12,353
Personal Services	7,428,536	8,407,537	9,023,485	9,675,493	10,227,370
Other Expenses	950,331	867,221	986,261	1,133,226	1,256,340
Workers' Compensation	866,897	803,495	768,889	892,738	854,188
Total DCF Cost	\$9,245,764	\$10,078,253	\$10,778,635	\$11,701,457	\$12,337,898
DCF cost per day	\$670.18	\$651.77	\$694.84	\$775.55	\$998.82
Annualized	\$245,285	\$237,894	\$253,615	\$283,075	\$365,567
Fringe benefits (OSC)	3,167,704	4,186,547	4,873,884	5,259,683	5,560,688
Grand Total Cost	\$12,413,468	\$14,264,800	\$15,652,519	\$16,961,141	\$17,898,586
Total Cost per day	\$899.79	\$922.51	\$1,009.03	\$1,124.15	\$1,448.98
Annualized	\$329,322	\$336,717	\$368,295	\$410,314	\$530,328
% Increase		2.53%	9.38%	11.41%	28.90%
OSC per capita	\$1,382	\$919	\$1,029	\$1,214	\$1,403
Annualized	\$504,430	\$335,435	\$375,585	\$443,110	\$512,095

Connecticut Children's Place (CCP) - Operating Cost

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Average Census	51.1	52.0	46.8	45.2	45.0
Total Days of Care	18,720	18,980	17,082	16,516	16,425
Personal Services	8,988,815	9,922,987	10,157,976	10,063,125	10,810,435
Other Expenses	1,003,696	977,019	1,433,288	1,396,753	1,433,953
Workers' Compensation	608,257	840,600	565,605	654,099	894,615
Total DCF Cost	\$10,600,768	\$11,740,606	\$12,156,869	\$12,113,977	\$13,139,003
DCF cost per day	\$566.28	\$618.58	\$711.68	\$733.47	\$799.94
Annualized	\$207,259	\$225,781	\$259,762	\$267,716	\$291,978
Fringe benefits (OSC)	3,992,062	5,581,000	5,444,860	5,496,535	5,763,201
Grand Total Cost	\$14,592,830	\$17,321,605	\$17,601,729	\$17,610,511	\$18,902,204
Total Cost per day	\$779.53	\$912.62	\$1,030.43	\$1,066.27	\$1,150.82
Annualized	\$285,309	\$333,108	\$376,105	\$389,188	\$420,049
% Increase		17.07%	12.91%	3.48%	7.93%
OSC per capita	\$843	\$881	\$1,118	\$1,079	\$1,366
Annualized Cost	\$307,695	\$321,565	\$408,070	\$393,835	\$498,590
% Increase					

Connecticut Juvenile Training School (CJTS) - Operating Cost

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Average Census	131.2	68.2	108.7	103.7	85.2
Total Days of Care	48,010	24,894	39,666	37,866	31,113
Personal Services	21,754,449	20,099,907	18,465,769	18,745,098	19,413,231
Other Expenses	5,982,652	4,847,190	5,043,586	4,923,678	5,044,649
Workers' Compensation	3,655,725	3,564,283	3,679,920	3,820,894	3,200,408
Total DCF Cost	\$31,392,826	\$28,511,380	\$27,189,275	\$27,489,670	\$27,658,288
DCF cost per day	\$653.88	\$1,145.31	\$685.46	\$725.97	\$888.96
Annualized	\$239,320	\$418,039	\$250,191	\$264,980	\$324,471
Fringe benefits (OSC)	9,539,200	10,376,340	10,450,548	10,635,437	11,116,531
Grand Total Cost	\$40,932,026	\$38,887,720	\$37,639,823	\$38,125,107	\$38,774,819
Total Cost per day	\$852.57	\$1,562.13	\$948.92	\$1,006.84	\$1,246.26
Annualized	\$312,042	\$570,178	\$346,355	\$367,498	\$454,884
% Increase		83.23%	-39.25%	6.10%	23.78%
OSC per capita	\$774	\$1,123	\$2,532	\$250	\$1,192
Annualized Cost	\$282,510	\$409,895	\$924,180	\$91,250	\$435,080
% Increase				See note	

note: FY 2007 rate low due to recovery of unusually high rate of previous fiscal year.

Riverview Hospital - Operating Cost

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Average Census	85.7	88.6	80.3	71.5	69.6
Total Days of Care	31,366	32,321	29,320	26,109	25,310
Personal Services	\$21,576,500	\$24,031,547	\$24,726,915	\$25,534,755	\$27,647,357
Other Expenses	\$2,526,671	\$3,130,063	\$3,680,426	\$4,031,581	\$4,141,966
Workers' Compensation	\$1,792,289	\$2,061,945	\$2,770,764	\$2,211,239	\$2,478,652
Total DCF Cost	\$25,895,460	\$29,223,555	\$31,178,105	\$31,777,575	\$34,267,975
DCF cost per day	\$825.59	\$904.17	\$1,063.37	\$1,217.11	\$1,353.93
Annualized	\$302,166	\$330,021	\$388,131	\$444,246	\$492,497
Fringe benefits (OSC)	\$9,329,430	\$11,720,531	\$12,960,236	\$13,724,302	\$14,718,368
Grand Total Cost	\$35,224,890	\$40,944,086	\$44,138,342	\$45,501,877	\$48,986,343
Total Cost per day	\$1,123.03	\$1,266.80	\$1,505.40	\$1,742.77	\$1,935.45
Annualized	\$411,028	\$462,380	\$549,471	\$636,110	\$704,029
% Increase		12.80%	18.84%	15.77%	11.06%
OSC per capita	\$1,466	\$1,256	\$1,604	\$1,983	\$2,369
Annualized	\$535,090	\$458,440	\$585,460	\$723,795	\$864,685