

05 - 0487

MINNESOTA DEPARTMENT OF HUMAN SERVICES

REPORT TO THE LEGISLATURE

ON

SOCIAL SERVICES CHILD CARE

OCTOBER 2003

Minnesota Department of Human Services
Children & Family Services
444 Lafayette Road
Saint Paul, MN 55155

MINNESOTA DEPARTMENT OF HUMAN SERVICES

Estimated Cost of Report Preparation

Minnesota Statutes 3.197 requires the following:

“A report to the legislature must contain, at the beginning of the report, the cost of preparing the report, including any costs incurred by another agency or another level of government.”

The following provides estimated costs incurred in the preparation of this report.

This report was prepared prior to and during the transfer of the child care program from the Department of Education to the Department of Human Services. This report required the collection of information that the Departments of Education and Human Services do not collect as a part of their normal business functions. It was necessary to gather and analyze information in order to prepare this report. Therefore, the cost of preparing this report includes estimates of the Departments of Education and Human Services information collection costs as well as the estimated costs of the providers of the information.

Funding for this report:

Special funding was not appropriated to cover the costs of preparing this report.

Minnesota Departments of Education and Human Services Costs:

The following is an estimate of the cost incurred by the Minnesota Departments of Education and Human Services:

\$3,900

Other Agency Costs:

(List the agency such as local school districts, federal agencies, other state agencies.)

The following is an estimate of the costs incurred by these agencies:

Counties

\$480

TOTAL ESTIMATED COST FOR PREPARING THIS REPORT: \$4,380

Background

The Child Care Assistance Program (CCAP) provides financial subsidies to help low-income families pay for child care so that parents may pursue employment or education leading to employment. CCAP helps families pay child care costs on a sliding fee basis. As family income increases, so does the amount paid by the family. Families who participate in welfare reform activities are served through the Minnesota Family Investment Program (MFIP) child care program, which includes the Transition Year (TY) subprogram.

In 2000, the Minnesota Legislature enacted Session Laws, Chapter 489, Article 1, Section 36 and section 45, subdivision 3. These laws appropriated funding as a capped allocation to provide child care assistance to MFIP families who have an approved employment plan identifying the need for child care to participate in social service activities. Priority was given to participants in need of mental health and/or chemical dependency services. Minnesota Statutes, section 119B.05, subdivision 1, clause (5), expired on June 30, 2003.

The Minnesota Department of Children, Families and Learning terminated the Social Services Child Care Program, effective February 14, 2003, due to depletion of funds.

Purpose

Funding for Social Service Child Care Assistance was made available for two reasons: (1) growing awareness of the needs of MFIP participants; and (2) the connection between unmet social service needs and the inability to obtain or retain employment. Parents who are unable to begin or sustain employment or training without participating in a social service activity could access Social Services Child Care Assistance when child care through MFIP Child Care Assistance would not be authorized due to the MFIP Child care Assistance program requirements.

MFIP participants who are struggling with mental or chemical health issues need to participate in treatment programs to become job-ready and move toward greater self-sufficiency. Single parents with young children often cannot participate in residential, inpatient chemical dependency or mental health treatment and must instead use outpatient programs. During this period of transition, supportive services such as housing, transportation and child care are critical.^{1,2} MFIP Social Services Child Care Assistance was available to help pay

¹ Kaplan, Jan. Coordinating Welfare and Substance Abuse Services. Welfare Information Network, Issue Notes. Volume 6, Number 6. July, 2002.

<http://www.welfareinfo.org/coordinatingwelfareIN.htm>

² Kirby, Gretchen, Anderson, Jacquelyn. Addressing Substance Abuse Problems Among TANF Recipients: A Guide for Program Administrators. Mathematica Policy Research, Inc. July 19, 2000. <http://www.mathematica-mpr.com/PDFs/addresssubstance.pdf>

for child care while parents participated in chemical or mental health treatment that was identified in an approved employment plan.

A growing body of research suggests that Temporary Assistance for Needy Families (TANF) parents realize benefits from chemical or mental health treatments when engaged between three and six months in inpatient and outpatient programs, respectively.^{3, 4} A Florida study found that positive outcomes for TANF families increased for every additional month in treatment and those least likely to relapse were engaged in treatment for 24 months.⁵

Research

The information in this report comes from two sources. The first source is the Child Care financial reports submitted by counties. These reports provide information on county expenditures and fund use.

A survey was the second source of information. County Child Care Assistance Program contacts in four Minnesota counties with consistent Social Service Child Care fund use were asked to identify employment service provider (ESP) agencies in their county with limited staff turnover. Managers and staff at these agencies were contacted to complete, or distribute to their counselors to complete, a brief survey on their past and anticipated use of the fund. (Attachment B.)

Child Care Reports

Funding for MFIP Social Services Child Care Assistance became available in July 2000. (See Attachment A for detailed expenditure and reporting information.) In state fiscal year (SFY) 2001, expenditure information was collected for families receiving child care paid through Social Service Child Care funds that were participating only in social service activities. Twenty-one counties reported expenditures of \$197,703. Expenditure information on child care payments for social service activities for clients who also were participating in an employment or training activity is not available for SFY01.

In SFY02, 22 counties reported expenditures of \$602,753 for families receiving child care for only social service activities. Twenty-eight counties reported expenditures of \$173,771 for child care for social service activities for families

³ Ibid.

⁴ Gerstein, Dean R., Johnson, Robert A., Larison, Cindy L. Alcohol and Other Drug Treatment for Parents and Welfare Recipients: Outcomes, Costs and Benefits. National Opinion Research Center at the University of Chicago. January, 1997.

<http://aspe.os.dhhs.gov/hsp/caldrug/calfin97.htm>

⁵ Metsch, Lisa. The Importance of Substance Abuse Treatment in Welfare-to-Work Transitions. Winston Salem. N.C. : Substance Abuse Policy Research Center. 2002.

<http://www.saprp.org/PolicyMakerResources/Metsch.htm>

who also were participating in an employment or training activity. Thus, the total expenditure for social service child care for SFY02 was \$776,524 in 37 counties.

In the first half of SFY03, 17 counties reported social service child care expenditures of \$531,481. Twenty-seven counties reported expenditures of \$218,537 for child care for social service activities for families who also were participating in an employment or training activity. Thus, the total expenditure for social service child care for the first half of SFY03 was \$750,018.

Survey

Employment counselors assess a parents' need for services and help them access those services.

In September and October of 2002, thirty-two employment counselors from Anoka, Crow Wing, Hennepin and Washington counties completed a brief survey on their past and anticipated use of the Social Service Child Care fund. Most (N=22, or 69 percent) had referred MFIP families for MFIP Social Service Child Care Assistance since the fund began in July 2000.

Because counties and employment service provider agency management were asked to select staff likely to have experience using the fund, it is impossible to identify a return rate on the survey. However, the intent was to gather qualitative data on the employment counselors' *perception* of the usefulness of the MFIP Social Services Child Care Assistance fund. The survey was administered electronically.

Although the employment counselors surveyed were hand-selected for their experience on the job and assumed knowledge of the MFIP Social Services Child Care Assistance fund, 31 percent had never used it. Eight of the 10 respondents reported not knowing about or understanding the fund. All data from this survey needs to be viewed in this context. Since the fund was still unknown and unused by even some of the most experienced counselors, in the counties with the most use, the actual need for social services child care may be greater, particularly as more MFIP families reach their time limits and are thoroughly screened for barriers.

The guideline for what constituted an appropriate referral for the use of MFIP Social Services Child Care Assistance was very general and discretion was deliberately left to the employment counselor. In general, appropriate activities were those that helped prepare the parent for work or training, moving them ultimately toward self-sufficiency. Half of all referrals were for chemical dependency and mental health services for parents. This was an early expectation for the use of the fund. Other reasons for referrals were for housing search and services for children (chemical dependency and mental health).

Some of the other reasons for which the fund was used indicate confusion about the difference between the rules for the MFIP Child Care Assistance program and the specific intent of child care for MFIP Social Services.

Analysis

The use of Social Service Child Care Assistance increased during the months it was available. The amount of use initially was less than anticipated. Probable explanations for the slow initial growth in the use of this fund include: (1) a lack of early and clear information on referrals and reporting, (2) a lack of awareness of the availability of Social Service Child Care by employment service providers and families, and (3) the family's child care needs were being covered through existing authorizations or other care arrangements.

The Minnesota Department of Children, Families and Learning (CFL) announced the availability of funds for Social Service Child Care in CFL Bulletin #00-004, issued June 20, 2000. CFL provided reporting instructions to counties in CFL Bulletin #01-001, released May 15, 2001, which included instructions for families using only social services child care. The reporting instructions for families participating in both social service activities and employment and/or education was communicated in CFL Bulletin #02-001, issued February 15, 2002.

Use of the Social Service Child Care fund also initially was hindered by a lack of awareness of the availability of these funds by the employment service providers. Parents had to rely on these employment service providers for referrals to Social Service Child Care.

Some parents working with employment service providers participate in social service activities, but the activities fall within the time periods the family is authorized for child care for other activities such as work or training. Employment Service Providers may not have realized that they should have referred separately for Social Service Child Care so care could be paid for out of the Social Service Child Care fund.

Although the initial use of the Social Service Child Care fund was less than anticipated, the use increased significantly toward the end of the program, depleting the funds and resulting in a termination of the Social Services Child Care Program, effective February 14, 2003.

Conclusions and Recommendations

The need for child care assistance for social service activities is likely to increase as hard-to-serve families reach their MFIP time limits. To become employable or to sustain employment, many of these families will need additional services. Knowledgeable employment counselors indicated that Social Service Child Care

helped connect families to services they may not otherwise be able to access under standard Child Care Assistance rules.

The directive for this report was to give details on the use of social services child care with recommendations on the need for it and its effectiveness in promoting self-sufficiency. The duration of the funds did not allow for a clear accounting of its effectiveness, but the increased use clearly shows a need. Additionally, the data from the research cited suggests self-sufficiency benefits for parents able to access social services. One recommendation is to educate employment counselors in the importance of assessing a parent's need for child care for social service activities and to encourage awareness of funds available for the purpose.

Department of Children, Families and Learning
 Social Service Child Care Program Expenditures

	Original Appropriation	Revised Appropriations	Expenditures	Balance Returned to TANF
SFY01	3,233,000		197,703	3,035,297
SFY02	3,297,000	800,948	776,524	24,424
SFY03 *	2,865,000	801,000	801,000	-

* Program ended 2/14/03.

Department of Children, Families and Learning
 Social Service Child Care Families

Families participating in only a social service child care activity

SFY01	SFY02	SFY03
July	0 July	28 July
August	6 August	26 August
September	8 September	22 September
October	14 October	34 October
November	15 November	30 November
December	13 December	30 December
January	13 January	32 January
February	12 February	34 February
March	19 March	45
April	17 April	54
May	22 May	69
June	28 June	78

Families participating in a social service activity and an employment and training activity

1/1/02 through 6/30/02	294
6/30/02 through 12/31/02	354
1/30/03 through 2/14/03	143

**Survey Data for the Minnesota Family Investment Program
Social Service Child Care Assistance Fund
Report to the Minnesota Legislature 2002-03 Session**

Method

Four Minnesota counties were surveyed based on their consistent use of the social services fund. County child care assistance program contacts were asked for their recommendation of employment service provider (ESP) agencies in their county with limited staff turnover. Managers and staff at these agencies were contacted to complete, or distribute to their counselors to complete, a brief survey on their past and anticipated use of the fund.

Because counties and ESP agency management were asked to select staff who were experienced and had experience using the fund, it is impossible to know a return rate on the survey. However, the intent was to gather qualitative data on the employment counselors' (EC) perception of the usefulness of the Minnesota Family Investment Program Social Services Child Care Assistance (MFIP SS CCA) fund in their work with Minnesota Family Investment Program (MFIP) families. The survey was administered electronically.

Findings

Thirty-two ECs from Anoka, Crow Wing, Hennepin and Washington Counties completed the survey. Most (N=22, or 69%) had referred MFIP families for MFIP SS CCA since the fund began in July 2001. Of those that had not used it (31%, or N=10), the following reasons were given:

<u>Reason</u>	
I didn't know about it.	5
I don't understand how it works.	0
I didn't know about it and I don't understand how it works.	3
None of my MFIP families have had a social services need for which Child Care Assistance was appropriate.	0
I didn't know there was a difference. If social service is part of the plan and I approved child care I assumed it was covered.	1
Usually have been able to cover it in child care assistance as part of their plan as they are doing other things like job search, work, etc.	1

How Many Families Have Been Referred?

Of those ECs who reported referring for MFIP SS CCA, the distribution of the estimated number of referrals was as follows:

Approximate number of families referred by counselor	Number of counselors reporting	Percent
1-3	6	27%
4-6	4	18%
7-9	5	23%
10 or more	7	32%
Total	22	100%

There did not seem to be any relationship between the number of months ECs were on the job and the number of families they referred for MFIP SS CCA; however, this sample is very small in relation to the entire statewide pool of ECs and may not be representative.

Social Services Needs

ECs referred families for the following (counselors could indicate more than one reason):

Need	Number
Adult Mental Health counseling	16
Adult Chemical Dependency treatment	15
Housing search	13
Child/Juvenile Mental Health counseling	8
Child/Juvenile Chemical Dependency treatment	1
Other	8

Other Needs

Doctor's appointments, SSI process appointments, vocational and mental health assessments
IRIS, Department of Rehabilitation Services
Pregnancy bedrest, SSI appointments, CP activities, Doctor appointments for children, mental health, home visits with nurse
Hospitalization for severe medical problems
Job search, employment, school, etc.
Clients with open child protection cases
All of the families are eligible for MFIP social service child care especially during the transitional time that they are searching for work, until their income gets stable.
Working with a nurse and social worker on staff
Domestic violence counseling

Anticipated Referrals

When counselors were asked to estimate how many MFIP families they currently had on their caseloads for whom they felt MFIP SS CCA would be appropriate, the distribution of the estimated number of anticipated referrals were as follows:

Approximate number of families anticipated for referral	Number of counselors reporting	Percent
1-3	9	28%
4-6	7	22%
7-9	7	22%
10 or more	7	22%
Not applicable/no answer	2	6%
Total	32	100%

Employment Counselor Experience and Workload

Counselors were asked to indicate the amount of time they had been employed as a counselor (all agencies and their current agency of employment) as well as the number of cases for which they were currently responsible. The least experienced counselor had one month of job experience. The most experienced had 25 years. Most counselors in this sample had one year of experience and had been with their agency for one year. The average number of cases for which a counselor was responsible was 58. However, the range was again very broad with the smallest caseload of five cases and the highest of 173.

Conclusions and Recommendations

In spite of the fact that this pool of employment counselors was hand selected for experience on the job and assumed knowledge of the MFIP Social Services Child Care Assistance fund 31% percent had never used it and the majority of those who didn't use it (eight of the ten respondents) reported not knowing about it or understanding it (see also the General Comments section.) All data from this survey needs to be viewed in this context. Since the fund was rather unknown and unused by even the most experienced employment counselors, in the counties with the most use, the actual need for this service may be considerably greater, particularly as more and more MFIP families reach their time limits and are thoroughly screened for barriers.

The guideline for what constitutes an appropriate referral for the use of MFIP Social Services Child Care Assistance is very general and discretion is deliberately left to the employment counselor. In general, appropriate activities are those that help prepare the parent for work or training, moving them ultimately toward self-sufficiency. A review of the actual reasons for use of the fund showed that about half of all referrals were for chemical dependency (CD) and mental health (MH) services for parents. This was an early expectation for the use of the fund when it was established. Housing search and services for

children (CD and MH) were also reasons for fund use. Some of the other uses indicate confusion about the difference between the rules for the broader child care assistance program and the specific intent of MFIP Social Services. Some ECs reported using MFIP SS CC for "job search, employment or school" and one stated that "All of the families are eligible...." In particular, using of the fund for pregnancy bedrest seems a questionable self-sufficiency activity and some counties have early childhood services programs that would fund child care for when a parent is participating in child protection services.

With more hard-to-serve MFIP families needing help to become employable, the actual need for MFIP Social Services Child Care Assistance will probably grow. The current need may be even greater than fund use suggests since so many employment counselors were unaware of the fund or unclear about how to use it. Of those who used it, the fund helped connect families to services they may not have been able to access under regular child care assistance activity rules.

General Comments from Employment Counselors were as follows:

We have never heard of this program. Please send [agency name] information about it and we'll utilize it.
Multiple barriers that affect employment should be covered as they are needed to affect? Employment. Any activity that does this is considered "other" and doc assigned is considered a voc activity.
It is unclear precisely what activities could be included under this category. Our agency authorizes child care by type of activity, not by fund/program/mechanism.
(I guess) I have referred clients to child care for social service activities.
I would love to have more information regarding this service for [agency name].
I know that all of the employment counselors here use the social service option for child care. We were relieved when the law changed and that became an option.
I think some of the counselors don't use social services child care because it can be difficult to quantify the number of hours required.
I would be very much interested in learning how to use/refer clients for this. This would be a very valuable resource!

PLEASE HELP US – YOUR FEEDBACK IS NEEDED!

MFIP Social Services Child Care Assistance is available to assist families on MFIP who need child care to attend social service activities such as chemical dependency or mental health treatment that help them move toward self-sufficiency. Because you work directly with MFIP families, your perspective is very valuable. This survey should take two-three minutes to complete. Please complete this survey electronically and return it via e-mail, or print and complete the survey and FAX it to 763-795-9597, or print the survey, complete and mail it to:

Anita Larson
Minnesota Department of Children, Families & Learning
1500 Highway 36 West
Roseville, MN 55113

We will not share your name or e-mail address with anyone and your responses will be combined with all others received.

Please respond by October 1, 2002. If you have any questions about this survey or this report, please contact Anita at 651-582-8420 or by e-mail at anita.larson@state.mn.us

1. Have you ever referred MFIP families to use MFIP Social Services Child Care Assistance?

- Yes (Go to Question # 3)
 No

2. If you have not referred MFIP families to MFIP Social Services Child Care assistance, what has been the reason?

(Answer, then go to question #5)

- I didn't know about it. I don't understand how it works.
 None of my MFIP families have had a social services need for which child care assistance was appropriate.
 Something else? *(Please tell us)*
-
-
-

3. About how many families would you say you have referred for MFIP Social Services Child Care? (Please estimate.)

1-3 4-6 7-9 10 or more

4. For what types of social services have you referred families for MFIP Social Services Child Care? (Check all that apply)

- Adult chemical dependency treatment Adult mental health counseling
- Housing search Child/juvenile mental health counseling
- Child/juvenile chemical dependency treatment
- Other (Please explain)
-
-
-

5. About how many families are on your caseload right now for whom you feel MFIP Social Services may be an appropriate referral in the next six months?

0 1-3 4-6 7-9 10 or more

6. How long have you been an employment/jobs counselor (all agencies)?

7. How long have you been an employment/jobs counselor with this agency? _____

8. How many cases are you responsible for right now? _____

Comments:

**Thank you VERY MUCH for your time.
Your responses will be very helpful to our report and to MFIP families.**