TABLE OF CONTENTS

Message from the Secretary ............................................................3
The Challenges ...............................................................................4
The Principles of Place Matters ......................................................5
Our Reform Tools ............................................................................6
The Trends and Results

   Figure 1: Children in foster care .................................................10
   Figure 2: New children entering foster care ............................10
   Figure 3: Children placed in group homes ...............................11
   Figure 4: Children placed in family homes ...............................12
   Figure 5: Active foster homes ................................................13
   Figure 6: Children moving to permanent families ....................14
   Figure 7: Adoptions ..................................................................14

Future Goals of Place Matters ..........................................................15
The work of a child welfare agency is non-stop, difficult, emotional and often thankless. The care and commitment of the Department of Human Resources (DHR) staff has made Maryland’s progress in child welfare possible. We thank the hundreds of hard-working and dedicated DHR staff who come to work every day to improve the lives of those in need. We also appreciate the important work of our many partners and stakeholders, including the courts, sister agencies, local governments, foster parents, providers and advocates.

The Maryland Department of Human Resources oversees 24 local departments of social services that serve over 600,000 Marylanders annually. The department is responsible for child welfare and adult services; providing economic assistance to families in need; and collecting and distributing child support payments. The agency has 6,600 employees and a $1.9 billion budget funded by both the federal and state governments.
Shortly after Governor Martin O’Malley appointed me secretary of DHR in February of 2007, it was clear that Maryland had to refocus attention on finding permanent families for foster children, update our social work practices and begin the work of involving families in decisions affecting children in foster care.

We began our efforts to reform child welfare with a simple and yet undeniable credo: **Nothing matters more to a child than a place to call home.** We dubbed our reform agenda **Place Matters** and established specific data-driven performance standards to measure success in key areas of child welfare.

This report highlights where we started, the obstacles we faced and the progress we have made since launching **Place Matters** in July of 2007. Today, Maryland has a stronger and more focused child welfare system committed to finding permanent families for as many foster children as possible.

Staff throughout DHR deserve a great amount of credit for our marked improvement. Our progress would not have been possible without a supportive governor, experienced leaders, committed managers and a front-line staff willing to carry out new practices and embrace the idea that children deserve permanent families. Everyone involved in our child welfare work should be very proud of what we have accomplished thus far.

However, we still have a lot of work ahead of us to achieve the outcomes we want for Maryland’s most vulnerable children. By continuing our all-hands-on-deck approach to child welfare, I see an even brighter future for the children in our care.

_Brenda Donald_  
Secretary

“One thing is clear: government can’t do it alone. Our progress thus far is the result of many hands working together on behalf of children.”  
_Brenda Donald_
THE CHALLENGES

The DHR Transition Team report commissioned by the incoming O’Malley/Brown administration cited a host of challenges for the child welfare system, including poor, flat outcomes relating to safety; permanency and length of stay; high caseloads; an insufficient array of placement resources; and a dysfunctional data system. The report stated: “Not too long ago, Maryland was a leader in human services. DHR was an innovator, developing and executing new ideas and strategies, ideas that were emulated by other states. Rather than investing in effective prevention, best practices, and analytic thinking, Maryland is still paying too much for the cost of failure.”

TOO MANY CHILDREN IN CARE
Two years ago, DHR had 10,300 children in foster care, too many foster children in group homes and too few foster parents. In July of 2007, 20 percent of Maryland’s foster children resided in group homes – an unacceptably high percentage. According to an assessment conducted by the Annie E. Casey Foundation in November 2007, Baltimore City had three times the national average of children in foster care compared to similar cities, and Maryland’s use of congregate care was higher than the national average.

OUTDATED CHILD WELFARE PRACTICES
Like many child welfare agencies across the country, the state’s social work practices had not been updated to reflect best practices. For far too long, social workers across the country were not properly engaging families in the decisions regarding their children. Family-centered practice – the latest best practice in social work – was beginning to take root in many child welfare agencies. However, Maryland lacked a defined model of practice.

LACK OF CONTROL OVER GROUP HOMES
Despite the fact that most of the state was already over-saturated with existing group homes, many of which were operating at far less than full capacity, the law virtually required DHR to license any new group home that met minimum standards.

LACK OF DATA ANALYSIS
Similar to many government entities around the country, DHR lacked the data essential to making sound decisions to guide the agency’s work. Data were not regularly collected or analyzed. The situation was compounded by an expensive and poorly designed child welfare information system (CHESSIE) in which workers and stakeholders had little confidence.

AN EXPENSIVE AND LONG-STANDING CLASS-ACTION LAWSUIT
The O’Malley/Brown administration inherited an expensive 23-year-old federal court-ordered consent decree over Baltimore City’s Department of Social Services, the jurisdiction carrying 60 percent of the state’s child welfare caseload.
Based on its long-standing child welfare challenges, Maryland needed a comprehensive reform strategy to refocus attention on keeping children safe, improving their lives and finding permanent families for foster children.

Place Matters is Maryland’s data-driven and results-oriented child welfare reform initiative. Its ultimate goal is to find permanent families for foster children – the vast majority of whom have been victims of abuse, neglect or abandonment. Focusing on permanency for foster children is a significant shift in DHR’s child welfare priorities in recent years. Research continues to demonstrate that children who grow up with permanent families are more likely to succeed later in their lives.

Place Matters has four primary principles: 1) keep a child with his or her family as long as it is safe to do so; 2) when a child must come into foster care, place that child with his or her own relatives whenever possible; 3) place a child as close to his or her original community as possible; and 4) minimize the length of stay for children in foster care.

Through Place Matters, DHR has significantly altered some long-standing social work practices to increase the likelihood of finding permanent families for vulnerable children. Within DHR, there is a new commitment to serve children in the most appropriate, least restrictive and closest setting to their original home. Child welfare workers are routinely conducting family involvement meetings, engaging families and relatives to find permanent families and making a child’s stay in foster care as short as possible.
Place Matters in Maryland

OUR REFORM TOOLS

DATA COLLECTION, REVIEW AND ANALYSIS

Shortly after taking office in January of 2007, Governor O’Malley established his nationally renowned StateStat data collection and analysis program that required virtually all state agencies to examine their data trends and answer pointed questions about progress. Collecting, tracking and analyzing data has been essential to implementing fundamental reform at DHR. Using data to make strategic decisions is now routine at DHR. In partnership with the StateStat team, DHR began tracking and marking its child welfare progress in six areas:

1) the number of children in foster care
2) the number of new children entering foster care
3) the number of children placed in group homes
4) the number of children placed in family homes
5) the number of children moving to permanent homes
6) the number of active foster homes
EMBRACING FAMILY CENTERED-PRACTICE

Under Maryland’s newly implemented family-centered practice model, the family is viewed as a partner in deciding what happens and where a child goes when he or she has to be removed from a family. This model fosters greater collaboration with families and their respective communities to provide the requisite help and support when a child’s health, safety and well-being are called into question. This new social work practice involves a range of family members and matches those family members with available community resources to reduce the likelihood of bringing a child into foster care.

Under DHR’s old practice, a caseworker and supervisor would make virtually independent determinations about a child’s safety and well-being. Many of those decisions were based almost solely on his or her judgment and past experiences with similar case scenarios. The department no longer wants to make decisions for children and families in isolation.

Under the family-centered practice model, families are invited to share their insights as respected members of the child welfare team to develop individualized service plans to enhance the child’s outcomes and reframe the way that families experience DHR’s services.

It encompasses five elements:

1) family involvement meetings;
2) community partnerships;
3) recruitment and retention support for foster families;
4) evaluation; and
5) enhanced policy and practice development.

By the beginning of fiscal year 2011, all local departments will implement all aspects of the family-centered practice.

To implement this fundamental practice change, the Annie E. Casey Foundation; Casey Family Programs; the National Resource Centers at the U.S. Department of Health and Human Services; and the University of Maryland’s School of Social Work have provided technical assistance, guidance and advice to DHR.
RECRUITMENT AND RETENTION OF FOSTER FAMILIES
To support the goal of placing more children in a family, DHR launched a statewide campaign to recruit more foster families. The campaign – known as 1,000 by 10 – was successful in raising awareness of the need for foster families and resulted in nearly 1,500 new foster families. The agency also focused on supporting and retaining its existing foster families by strengthening its relationship with the Maryland Foster Parents Association, hiring a foster parent ombudsman, expanding day care funding, and revamping the respite program. These actions were bolstered by the Maryland General Assembly’s support of Governor O’Malley’s proposal to increase room and board rates to meet the national standard.

A COMPREHENSIVE LEGISLATIVE STRATEGY
Reforming child welfare in Maryland has been a goal shared by the Maryland General Assembly as evidenced by numerous legislative victories during the past three legislative sessions. The legislature helped DHR reform its child welfare practice relating to terminating parental rights. In cases of extreme abuse or neglect, DHR has the statutory authority to petition a court to terminate parental rights. The legislature codified the law to require a judge to clearly state on the record that parental rights were terminated because that parent is not fit to be a parent. In addition, parents who recently had their rights terminated will be matched with birth records at the Maryland Department of Health and Mental Hygiene to determine if another child has been born to them. If so, a child welfare worker will automatically be deployed to check on the well-being of future children born to those parents.

Also during the 2009 legislative session, the General Assembly passed a bill strengthening the existing tuition waiver laws by lowering the age of eligibility to age 13 and including younger siblings. This new law will increase the likelihood that sibling groups in foster care will be adopted together.

Lt. Governor Anthony G. Brown puts his values into action to recruit additional foster parents in Maryland.
REFORMING GROUP HOMES
The agency had historically relied too heavily on group homes – many of which are now operating at substantially less than their capacity. The department’s group home reform effort happened in three parts; the first step was to change the law to help DHR gain greater control over the licensing of new group homes.

In 2008, at the request of the O’Malley/Brown Administration, the Maryland General Assembly gave DHR greater control over licensing group homes. Prior to this law, DHR was essentially required to grant a license to any new group home so long as it met minimum standards. The new law gives DHR the authority to license a new group home only when it responds to a statement of need issued by DHR.

After putting more controls on licensing, the department focused on reforming its group home contracting process. It established an internal report card process that addressed two main questions: 1) What is the quality of care provided to children at each group home? 2) Is that group home in compliance with DHR’s licensing and contractual requirements?

To answer those questions, staff reviewed 134 contracts DHR had with group home providers at the time. Following the review, DHR did not renew its contracts with 23 existing group home providers, reducing its total contracted group home beds from 2,200 to 1,700.

The third phase of the group home reform process is the development of a competitive procurement process to select group home providers. Historically, because there was more demand than supply, the agency entered into non-competitive, sole-source contracts. Because of the over-capacity of group home beds, DHR can now invite competition and be more selective of providers.

Beginning in fiscal year 2010, group home providers will have to respond to a request for proposals (RFP) in order to have a contract with DHR.
In just two years, Maryland has shown a marked decline in the number of children in foster care (see Figure 1). The state has also experienced a relatively flat trend line in the number of new children entering foster care (see Figure 2). More children are finding permanent families through adoption, reunification and guardianships (see Figure 6).

These positive results are largely due to DHR’s focus on permanency and the agency’s efforts to implement the family-centered practice model.
At the beginning of *Place Matters*, more than 2,000 foster children were residing in group homes – roughly 20 percent of the caseload. Today, there are fewer than 1,200 children residing in group homes – roughly 13 percent of the caseload (see Figure 3).

The state will always need group homes to serve children with complex medical or behavioral needs or those who need a more structured setting. However, the supply of group homes now outweighs the need for them – particularly in Baltimore County, Baltimore City and Prince George’s County. Many group homes in Maryland are now operating at substantially less than their capacity. Earlier this year, the department addressed this imbalance by reducing its contracts with group home providers.

Since the inception of Place Matters, DHR has reduced the number of children placed in group homes by 43 percent.
Today the department is placing more children in family homes than it did at the outset of Place Matters. The number of children placed with families continues to decline in conjunction with the decline in total numbers of children in foster care. However, the percentage of children living in family settings continues to rise (see Figure 4). The percentage of children residing in a family home has increased from 65 percent two years ago to 72 percent today.

The department defines a family home as formal kinship care, relative and traditional foster care or treatment foster care.

Improved placement practices; additional support for families; increased foster and adoptive family recruitment; identification of kinship providers; and the availability of treatment foster care homes for children with greater levels of need all contribute to the increasing number of children placed in family settings.
In 2008, the department launched an aggressive campaign – known as 1,000 by 10 – to recruit and net 1,000 additional foster parents by the end of 2010. Since establishing that goal, the foster care population has changed significantly. The out-of-home caseload has dropped more than 13 percent. The department has successfully recruited 1,500 new foster parents, roughly gaining 66 new foster families per month since the inception of Place Matters (see Figure 5). These new families represent a net gain of approximately 300 families. More than a dozen local jurisdictions have already met their foster parent recruitment goals and as a result are in the enviable position of having more than enough foster homes to meet the needs of children in care. And while Baltimore City, with an ambitious goal of 600 new foster families, fell short of its goal, it currently has 80 percent of its children in family settings and also has a rich pool of available foster families.

Instead of implementing general recruiting techniques, the department will now focus on targeting its recruitment strategies to identify and train foster parents who are willing to take in children from specific at-risk populations. Filling vacant foster homes and retaining current foster families will continue to be priorities for the department.

Figure 5

ACTIVE FOSTER FAMILIES
Maryland is experiencing an upward trend in the number of children leaving foster care through increased adoptions, reunifications and guardianships (see Figure 7). In 2007, 2,454 children left foster care to permanent families; in 2009 that number increased to 2,872 even though there were fewer children in foster care. (See Figure 6).

In fiscal year 2006, DHR finalized a total of 617 adoptions with approximately 10,300 children in the foster care system. By the end of fiscal year 2009, DHR had surpassed its adoption goals by finalizing a total 770 adoptions – a 25 percent increase in finalized adoptions in just a short three-year period. This encouraging trend, which we expect to continue, was made possible by solid partnerships between the local departments of social services and the courts. Many of these partnerships were solidified as a result of the Child Welfare Summit convened by the Commission on Child Welfare in June 2008.

Specifically, in 2006, Baltimore City – the jurisdiction with the highest number of children in care – finalized a total of 289 adoptions. In 2009, that number jumped to 384. This 33 percent increase is a remarkable turnaround. For the first time since 2002, the Baltimore City Department of Social Services not only met its adoption goal – but exceeded it. Statewide, 17 out of 24 jurisdictions met their adoption goals in 2009. Of the jurisdictions who missed their goals, four of them missed by a small margin of one, two or three adoptions.
In the next phase of *Place Matters*, Maryland is committed to further reducing the number of children in out-of-home care by making foster care a temporary safe haven and keeping our focus on permanency.

When we have to bring children into foster care for their safety, we will strive to have 75 percent or more of our children placed with families. Our goal is to place no more than 12 percent of children in group homes.

We will also focus on stabilizing placements by making the first placement the best placement. Our goal is for children to have no more than two placement changes a year and to reduce the length of stay in foster care. This will require an even greater emphasis on permanency, beginning with the day a child first comes into care.

Full implementation of our family centered practice model will greatly increase the likelihood of achieving these goals.
We will concentrate on older youth in foster care. Forty-six percent of the children in our care are 14 or older, and 16 percent are 18 or older. Maryland law has allowed children to remain in the child welfare system until they reach age 21.

The Governor’s Children’s Cabinet has adopted a Ready by 21 action plan to support the successful transition of youth involved in public systems. DHR is incorporating the Ready by 21 standards into its Independent Living Program for all youth aged 14 – 20. At the same time, we will be working diligently to increase permanency for older youth so that whenever they leave the foster care system, they will be connected to a family or caring adult.

Finally, DHR will be working closely with federal partners to develop and implement Maryland’s Program Improvement Plan (PIP) from the second round of the Child and Family Services Review process in June. Preliminary results show that Maryland needs to continue to focus on many of the Place Matters strategies including family-centered practice, permanency, community-based resource development and supervision. In 2007, Maryland successfully completed its first PIP, and we are confident that our Place Matters principles and practices will guide us to another successful PIP.

### Place Matters in Maryland

FISCAL YEAR 2010 CHILD WELFARE TARGETS

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>EXPECTED TRENDS</th>
<th>STATEWIDE TARGETS</th>
<th>BASELINE JUNE 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children in out-of-home care</td>
<td>$\downarrow$</td>
<td>Reduce by 10% the number of children in out-of-home placement</td>
<td>8,756 children</td>
</tr>
<tr>
<td>Children in group homes</td>
<td>$\downarrow$</td>
<td>Ensure no more than 12% of children are placed in group homes</td>
<td>13%</td>
</tr>
<tr>
<td>Children in family homes</td>
<td>$\uparrow$</td>
<td>Increase to 75% the percent of children placed in family homes</td>
<td>72.5%</td>
</tr>
<tr>
<td>Adoptions</td>
<td>$\uparrow$</td>
<td>Facilitate 785 adoptions</td>
<td>770 adoptions</td>
</tr>
<tr>
<td>Placement in home jurisdiction</td>
<td>$\uparrow$</td>
<td>Increase by 10% the percent of children placed in their home jurisdiction (in both group homes and foster homes)</td>
<td>Group homes = 38% Foster homes = 53% As of March 2009</td>
</tr>
</tbody>
</table>
PLACE MATTERS IN MARYLAND

Nothing Matters More to a Child than a Place to Call Home

2007
Thru
2009

Maryland Department of Human Resources
Martin O'Malley, Governor • Anthony G. Brown, Lt. Governor • Brenda Donald, Secretary