November 1, 2016

The Honorable Douglas A. Ducey
Governor of Arizona
1700 West Washington
Phoenix, Arizona 85007

Re: Kinship Foster Care Program Report

Dear Governor Ducey:

Pursuant to A.R.S. § 8-514.03, the Arizona Department of Child Safety (DCS) submits the enclosed biannual report on the Kinship Foster Care Program. This report provides the following information:

- Demographics and number of children placed with relative caregivers;
- Demographics and number of kinship foster caregivers;
- Number of relative children per kinship foster care family;
- The Department's success at maintaining kinship foster care placements;
- Type of services provided to kinship foster care families;
- Cost of services provided to kinship foster care families compared to the cost of out-of-home placements; and
- Recommendations regarding program improvement.

If you have any questions, please contact me at (602) 255-2500.

Sincerely,

Gregory McKay
Director

Enclosure

cc: President Andy Biggs, Arizona State Senate
    Speaker David Gowan, Arizona State House of Representatives
    Secretary of State Michele Reagan
    Holly Henley, Director, Arizona State Library, Archives and Public Records
Overview

Arizona Revised Statute § 8-514.03(H) requires the Department of Child Safety (DCS) to submit a report regarding the Kinship Foster Care Program every two years. The report includes demographic information, the types of services provided to kinship foster caregivers, and recommendations for program improvement. This report is submitted in satisfaction of this requirement.

For generations, extended families have played significant roles in the rearing of children when parents otherwise cannot. Kinship caregivers provide love and nurturance in a familiar setting, allowing children to remain connected with their families. These children live with people they know and trust, thereby reinforcing the child’s sense of cultural identity and well-being. Children living with kinship caregivers make and sustain extended family connections, promoting the continuation of lifelong family traditions and memories. The extended family provides opportunities that support the child in building healthy relationships within the family, ensures the child’s safety and well-being, and creates a sense of stability in the child’s life. Utilization of kinship foster caregivers reduces the financial impact to the State.

Arizona continues to utilize kinship foster care at a much greater rate than the national average of 29 percent. In SFY 2016 the rate was 44 percent, a slight increase from SFY 2014 (43 percent).

Arizona Kinship Foster Care Program Description

Arizona’s Kinship Foster Care Program prioritizes relatives as the first placement preference for children in the custody of DCS who require out-of-home care. While kinship placements are generally a less costly option for a child in the custody of the state, they are the preferred placement because they maintain and promote lifelong family connections.

There are two forms of Kinship Foster Care; caregivers related by blood and adults with whom the child has a significant relationship):

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1 Data was extracted on 10-05-16 from the DCS case management system based upon an Adoption and Foster Care Analysis Reporting System (AFCARS) data run for the fiscal year ending June 30, 2016.
Licensed Kinship Foster Care is when a child is placed with a relative who becomes licensed as a foster care provider. As of June 30, 2016, there were 647 kinship foster caregivers licensed as foster parents. This is a 19 percent increase as compared to the 542 licensed kinship foster caregivers reported in the previous biannual report (SFY 2014). The current 647 licensed kinship caregivers provide out-of-home care for 1,319 related foster children.

Unlicensed Kinship Foster Care is when a child is placed with a relative with court approval and the relative is not licensed as a foster care provider. As of June 30, 2016, there were 4,110 unlicensed kinship caregivers providing homes for 6,816 related foster children. This is an 11 percent increase in unlicensed kinship caregivers as compared to the 6,163 unlicensed kinship caregivers reported in the previous biannual report (SFY 2014).

Services Available to Kinship Foster Caregivers

There are many services available to kinship foster caregivers and the children for whom they provide care. These services include the following:

- **Case management services** - Regular contact and communication with the kinship caregiver occurs in order to assess and identify needs of the child and family and to assist in developing solutions.
- **Health care coverage** – A medical and dental plan is provided to children through the Comprehensive Medical and Dental Program (CMDP) which is an AHCCCS (Title XIX Medicaid) health plan.
- **Parent aide services** – Training in family life skills is provided by contract agencies; parent aides may also provide transportation and/or supervise visitation with birth parents and their children.
- **Parent skills training** - Training is provided for kinship foster caregivers to enhance their parenting knowledge and skills.
- **Mental health and other supportive intervention services** – Counseling and other services may be provided through referrals to agencies for kinship foster caregivers and children needing intervention.
- **Transportation services** - Transportation for children to and from medical appointments and other necessary services is available.
- **Child care subsidy** - Child care can be provided for children with local state-approved entities; payment for services is subsidized if these services are deemed necessary.
- **Respite care** - Six days or up to 144 hours annually of respite care is available for kinship foster caregivers.
- **Referrals to other state programs** - Programs such as the Family Assistance Administration, the Division of Developmental Disabilities, Vocational Rehabilitation, Job Service, and community resources for children and kinship foster caregivers are available through the Department of Economic Security (DES) and community agencies.
- **Arizona Statewide newsletter** – This publication provides ongoing information about educational opportunities and services that support kinship foster caregivers.
• *Kinship Information Sessions (KIS)* – Meetings are provided in Phoenix and Tucson to kinship foster caregivers, to inform them about the court system, resources, policies and foster care licensing.

• *Direct (1:1) assistance* – Support is provided to kinship caregivers through the Central Office Kinship Specialist (and other staff) to provide information, answer questions, provide guidance and general support, and to resolve payment and other issues.

**Temporary Assistance for Needy Families**

Kinship foster caregivers are encouraged to apply for Temporary Assistance for Needy Families (TANF) Cash Assistance (CA) to receive financial assistance for children in their care. Of the 8,135 children in kinship foster care on June 30, 2016, 2,071 or 25 percent were CA recipients in 1,291 households, averaging 1.60 eligible children per household.

In fiscal year 2016, the average monthly *household* TANF cash assistance payment was $201.89, which is a $1.10 decrease over last year’s average monthly household CA payment of $202.99. An additional 404 children were members of eligible households but were determined *not eligible* for benefits. Of those children, 286 children or 71 percent were benefit-capped. Benefit-capped children are not eligible for TANF cash assistance regardless of the household in which they reside. An additional 23 children or six percent were denied benefits due to their receipt of Social Security benefits. The remaining 95 children were denied benefits for other reasons.

For fiscal year 2016, 49 percent of TANF cash assistance households in the kinship foster care program were headed by grandparents, 23 percent by aunts or uncles, and 28 percent by other relatives. This compares to 48 percent of TANF cash assistance households headed by grandparents, 22 percent by aunts or uncles, and 30 percent headed by other relatives in fiscal year 2014.

**Costs of Care Provided by the Department of Child Safety (DCS)**

Financial assistance provided to kinship foster caregivers for the children in their care include foster care maintenance payments (for licensed kinship foster caregivers) and personal and clothing allowances (for both licensed and unlicensed relative caregivers).

For the 8,135 children placed in kinship foster care (unlicensed), the average monthly cost of foster care per child is $45.60. This compares to an average monthly cost of family foster care (licensed kinship and licensed non-kinship) of $681.43 per child. The average monthly cost of foster care for a child placed in a congregate care setting, such as a group home, is $3,848.50 per child. These average monthly costs do not include expenditures related to DCS case management, child care, or other services provided to support the care of children in out-of-home placement.

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2 Data sources are Arizona Technical Eligibility Computer System (AZTECS) and Children's Informational Library and Data Source (CHILDS)

3 The benefit cap was removed for children in the home of qualified relatives, effective 08-06-16.
Demographic Data about Children in Kinship Foster Care

As of June 30, 2016, there were 8,135 children in kinship foster care, which was 44 percent of the total out-of-home care population of 18,287 children. The average age for children in kinship foster care was 7.1 years, a slight increase from the SFY 2014 average of 6.9 years. The largest percentage of children in kinship foster care, 26 percent (2,113) are between ages one and three. The average age of children in non-kinship care was slightly higher, averaging 9.5 years of age.

Chart 1 displays the number of children in placement by age:

N= 8,135

Children placed in kinship foster care spend 81 percent of their total time in out-of-home placement with their kinship foster care providers. This is a three percent increase over SFY 2014 data. Most children in kinship foster care, 67 percent, lived with their kinship foster caregiver for less than one year. This represents a six percent decrease over SFY 2014 data for this category. The average number of children residing in the same kinship caretaker home is 1.7 children.

Chart 2 displays time in placement by years:

N = 8,135
The ethnicity of children in kinship foster care is displayed in Chart 3. Comparing SFY 2014 to 2016, the percentage of Hispanic children in kinship foster care decreased by one percent. The percentage of Caucasian children in kinship foster care remained the same and the number of African American children in kinship foster care increased by 1.4 percent. Forty-nine percent of children in kinship foster care are female and 51 percent are male.

Chart 3
Ethnicity of Children in Kinship Care

N = 8,135

Chart 4, Ethnicity of Children in Non-Kinship versus Kinship Care, compares the percentage of children by ethnicity, in non-kinship placements versus kinship care. The highest percentage of children in kinship care was Hispanic children (48 percent), followed closely by American Indian and Caucasian children (43 percent). Slightly less African American and Asian children were residing in kinship care (39 and 36 percent, respectively).
Demographic Data of Kinship Foster Caregivers

As of June 30, 2016, there were 4,757 kinship foster caregivers. This represents a 15 percent increase over the 4,144 kinship foster caregivers in SFY 2014. Kinship foster caregivers age 41 and older comprise 74 percent of all kinship foster caregivers.

Chart 5 displays the percentages of kinship foster caregivers by age brackets:

![Chart 5: Kinship Caregivers' Ages](image)

N = 4,757

Chart 6 displays the ethnicity of kinship foster caregivers.

Chart 6

![Chart 6](image)

N = 4,757
Recommendations for Program Improvement and Report of Progress

The Department of Child Safety (DCS) values and supports our kinship foster caregivers. The Department has implemented or is in the process of implementing the following:

- DCS makes diligent efforts to identify and notify all adult relatives of a child in out-of-home placement of the option to become a placement resource for the child within 30 days of the child's removal from their home. DCS continues to conduct searches for relatives prior to key decision points in the case. State policy directs staff to conduct searches no less frequently than once every six months.

- DCS continues to utilize Team Decision Making (TDM) meetings as a mechanism to identify prospective relative placements. Family members and others interested in the child’s well-being are invited to attend the TDM meetings. The Department has been improving and expanding its TDM program. In SFY 2017, the Department’s TDM facilitators will receive training on family engagement practices, which can increase the involvement of kin in TDM meetings and children’s lives.

- The Department's Title IV-E Waiver Demonstration Project, "Fostering Sustainable Connections," includes: (1) Utilizing Family Engagement Specialists to identify and locate relatives and kin important to the children for emotional support and possible placement, (2) Expanding the current TDM process to identify and transition youth who are placed in congregate care into family-like settings, and (3) Increasing the availability of in-home, behavioral health, and other community services to assist with transitioning the children to less restrictive placements and support any kinship placements identified. Implementation of Fostering Sustainable Connections began in two Maricopa County offices in July 2016 and continued into Pima County in October 2016. The Department will expand to additional offices through 2019 with the intention of implementing statewide and embedding into Department of Child Safety practice.

- Recent improvement efforts to streamline and coordinate efforts to locate relatives included a 3-day "Kaizen" event, that was held in March 2016 and included all areas within DCS that were conducting locate searches. The goal of this event was to standardize the process of locating relatives and kin for children in DCS custody. Prior to this effort, searches were being conducted by multiple people without coordination of efforts or results. DCS placement coordinators, whose job duties include searching for relatives and kin in waiver project sites in Maricopa and Pima Counties, were given access to person search software called, Lexus Nexus. The software access provided was called Accurint, which is a LexisNexis product. It is believed this software will greatly increase the number of relatives and kin located for children in congregate care settings.

- As part of the Department’s efforts to streamline and standardize relative searches, a new case note type in CHILDS was developed where all efforts and results related to searches
for relatives and kin is documented. This standard location for documentation of efforts and information will reduce duplicate efforts, and serve as a common place for such information to be located.

- DCS continues to provide kinship foster care families with necessary information and resources to ensure that the child(ren) placed with kin are properly cared for and kin are supported, reducing the trauma to children entering out-of-home care and avoiding more costly placements. In the Phoenix area, kinship home studies are conducted by Southwest Human Development (SWHD) through a contract with the Department. Approximately 200 home studies are conducted per month. Kinship foster caregivers also receive information through the distribution of a newsletter called the Arizona Statewide, and through locally held Kinship Information Sessions (currently available in Pima and Maricopa Counties). Pima County maintains a Kinship Support section that provides an array of services to caregivers in that area.

- HB 2442 (behavioral health; urgent need; children) aka "Jacob's Law" became effective in March, 2016 and requires DCS to immediately (upon placement) provide out-of-home placement providers/caregivers with contact information for the child’s DCS Specialist, the behavioral health designated point of contact, the telephone number to AHCCCS’s customer service line, a list of AHCCCS registered providers and information regarding the caregiver's rights, in addition to other information that will assist the caregiver to secure necessary behavioral health interventions/services without delay.

- The AZFamilyResources.org website was created through the DCS Director's First Commission to provide a one-stop website where any foster parent (licensed or unlicensed) in any part of Arizona can find answers, seek help, and get resources. This site provides information on an array of topics including: foster care basics (Q&A), legal information, tangible resources (i.e. financial, clothing, furniture), education, and medical services, etc. Arizona Children's Association sponsors a "portal" through which both formal (involved with DCS) and informal kinship caregivers may obtain necessary supports and services, through a variety of community based and other resources. (See www.arizonakindship.org)

- The DCS provides a "warm line" where kinship caregivers receive assistance and information in a variety of areas including navigating various DCS processes and procedures, billing questions, information on becoming a licensed foster parent, etc.

- The DCS Kinship Support Specialist provides information and training to DCS staff as well as to kinship caregivers through individual outreach and through presentations at the monthly Kinship Information Sessions.
DCS Specialists are encouraged to discuss the importance of foster home licensure with relative caregivers at the time of placement and subsequent to placement. On a case-by-case basis, the DCS and the Office of Licensing and Regulation (OLR) reviews any non-safety foster home licensing standard that a kinship foster caregiver cannot meet and assess if waiving this non-safety licensing standard will enable the kinship foster caregiver to become licensed to provide foster care to a related child. This waiver provision is consistent with federal regulations for relatives requesting licensure. A total of 343 waivers were granted during SFY 2015-2016, a 28 percent increase over the last reporting period (this is a duplicated count as some kinship foster caregivers required more than one waiver).

The Department continues to partner with the Department of Economic Security's Family Assistance Administration (FAA) to troubleshoot TANF Cash Assistance applications. DCS and FAA maintain designated staff that coordinate and assist with applications, and the process for kinship families to apply for benefits has been improved to decrease errors and delays. During SFY 2016 a centralized eligibility determination process was developed, which includes a unique e-mail address for applications. State legislation was passed during this reporting period to lift the TANF "benefit cap" that previously prevented a child from receiving TANF if his or her mother was receiving cash assistance at the time she gave birth to a child. This new law, which became effective August 6, 2016, removes the TANF cap for dependent children residing in the home of a qualified relative.

Collaboration with Arizona State University to explore the development and provision of kinship training for newly hired DCS Specialists and DCS Supervisors resulted in the pilot and delivery of the Supporting Relationships with Foster Parents training, which was provided to 151 staff in Phoenix, Tucson, Yuma and Mesa between May 2015 and April 2016. This training is now included in the On-going Academy and will continue to be delivered to new employees in the On-going Academy by the Child Welfare Training Institute. The Kinship Specialist additionally provided kinship placement training to 268 DCS staff members and ASU MSW and BSW stipend students through 16 trainings that occurred across nine cities within Arizona. The DCS continues to collaborate with ASU to develop a training curriculum for kinship foster caregivers.

In January 2014, the Grandparent Stipend Program for eligible grandparents and great-grandparents that have children placed with them by DCS was initiated. The benefit is $75 per month per child. This program is funded on an annual basis based upon legislative appropriation. In FY 2016, 919 grandparents or great-grandparents received this stipend to help with the cost of providing care to 1,538 children. Expenditures totaled $732,128 for this period.
**Federal Kinship Navigator Grant**

The Fostering Connections grant provided kinship navigator services directly to kinship caregivers in portions of Arizona until its end on September 30, 2015. From March 2015 through September 2015, the grant served over 557 kinship foster caregivers who provided placements for 1,124 children. During this time period there were six kinship navigators responding to telephone calls related to service needs in the areas of legal services, support groups, parenting education, foster licensing and adoption, navigating the various governmental agencies, food, housing, and clothing resources. Other activities supported by the grant included social events (263 adults and 487 youth attended), and Children of Incarcerated Parents adults and youth groups (47 adults and 91 youth attended). Arizona's Children Association continues to maintain an array of supports and services for both formal (involved with DCS) and informal kinship caregivers and their families. [www.arizonakinship.org](http://www.arizonakinship.org).

**Conclusion**

Kinship foster care accounts for 44 percent of the children in out-of-home care in Arizona. This increase continues to exceed the national average of 29 percent and is reflective of Arizona's commitment to prioritize kin as the first preference for children who require out-of-home placement. Along with this growth in utilization, there has been an accompanying growth in the supports available, such as the Kinship Information Sessions expanded to the Phoenix area and the Grandparent Stipend Program that is available to eligible kin statewide. The Department will continue to expand efforts to support kinship foster placement through partnerships with local community agencies as well as other state agencies that provide support to kinship providers.