

**COMPLETE SUMMARIES OF INTERVIEWS FOR
SCANNING THE HORIZONS, 2006 - 2007**

[MaryLee Allen](#), Director, Child Welfare and Mental Health Division, Children's Defense Fund (CDF), Washington, DC. September 28, 2006.

[Mary Gail Biebel](#), Ph.D. Adjunct Professor of Organization Development and Management in the H. John Heinz III School of Public Policy and Management at Carnegie Mellon University and Consultant, Carwile Biebel Consulting Inc., CBC. May 31, 2006.

[Mark Courtney](#), Director, Chapin Hall, Center for Children at the University of Chicago, IL (Mr. Courtney is currently Faculty Associate at Chapin Hall, as well as the McCormick Tribune Professor in the School of Social Service Administration at the University of Chicago). May 15, 2006.

[Rick King](#), CEO, Kittleman & Associates, Chicago IL, www.kittleman.net. May 30, 2006.

[Sinnika Santala](#), Administrator, Division of Disability and Elder Services, Wisconsin, Department of Health and Family Services, Madison WI. August 23, 2006.

Interview with **MaryLee Allen**, Director, Child Welfare and Mental Health Division, Children's Defense Fund (CDF), Washington, DC. September 28, 2006.

Deficit Reduction Act

I am very concerned about the impact of recent budget actions on families, especially the most vulnerable families that come to the attention of family service agencies and residential treatment centers that are part of the Alliance for Children and Families. These have been mounting in their impact over the last several years. This February we saw major cuts in the 2006 Federal Budget that will severely jeopardize not only foster care but also health care, child support, child care and student loans. These are all things that impact the very children who family and child service agencies are trying to help. I will speak to those changes specifically or answer any general questions.

When we look at some of the specific provisions in the Deficit Reduction Act of 2005 which became law in February of this year [2006], one area we are particularly concerned about is the impact on children being raised by relatives some of these are children in the foster care system. The Federal government does not currently provide help to all children in foster care being raised by relatives. The Deficit Reduction Act has made it even more difficult for states to get Federal support for these children. There were also provisions in the Deficit Reduction Act to restrict Federal payments to states for children who are in unlicensed homes for more than twelve months.

Sometimes you are in the process of getting ready to place a child in a foster home with a relative; but it is not possible to get them licensed right away but you know that there are benefits to them staying with the relatives. It is hard to make those moves and maybe do it as quickly as necessary under the law.

There were also some changes in Federal law in terms of restricting payments to states for assisting children who are either at imminent risk for placement in foster care or moving from a more restrictive to a less restrictive placement. For children in residential treatment centers this has serious implications.

I think though perhaps one of the biggest changes in the Deficit Reduction Act that impacts children in foster care were the reductions in access to Medicaid targeted case management services for children in foster care. In the past, what it did was allow Medicaid dollars to be used to care for some of the most

vulnerable children those with disabilities those with other special health care needs. Medicaid dollars have been used to link those that are in foster care or may be in residential treatment with a range of services and supports that they need. It can not be used for the actual delivery of services but what it can do and what it can be used for, which is so critically important particularly with children with special needs is coordinating the various systems that may be impacting that child. So, if they need mental health services or they need services for a physical disability from an Easter seal program or they need an aid to go with them to the school these are the types of things that Medicaid targeted case management can be critically important for. What we saw were some very targeted changes in Medicaid specifically that impact that population.

So, when we add them all up we see some specific threats to foster care specifically. An important thing when we talk about trends is how are other changes in the budget going to also impact children and families and therefore , create more demands on the child welfare system. Some of the specific examples are some of the cuts we saw in the Medicaid program. We also saw cut backs in child support enforcement. If families do not get the help they need to support the children at home and to meet their health needs then we all know the risks of them entering the foster care system. So, that is another big area that is important to keep in mind when we are talking about trends.

Question: I am not familiar with all the intricacies of the Federal budget process, are the cuts you talked about going to last a year or are they long term?

Why these cuts are so significant are that, many of these cuts come from changes in Federal Law. These are permanent changes in Federal law; these are not temporary cut backs like you might be talking about if you were talking about changes in appropriations for a particular program. We are talking here in the budget context at least in terms of the budget changes that were made this year of permanent cuts because there are changes in the law that make it more difficult for children to get child support enforcement or to get Medicaid. So, this is not a temporary dip that may spike up again next year. These have long term implications. Unless there is federal legislation that changes the law in a different way these things will be in place and that is why it is so particularly troublesome.

Proof of Citizenship Requirements for Medicaid

One of the changes in Medicaid that has particular implications for all children and including children in foster care is the new requirement that those children who are applying or reapplying for Medicaid must show a birth certificate or passport to be eligible for Federal Medicaid reimbursement. They in fact have to prove their citizenship and their identity. This is a particular burden not only on families but on child welfare agencies. There are many state child welfare agencies that already established citizenship for children in the foster care system and now federal law is requiring that they again do it for Medicaid purposes. There is a lot of concern about this and it is an issue around which advocates and providers, health agencies, child welfare agency administrators have all come together. We hope this can be addressed in terms of foster children. It puts a new burden on the agency particularly when you consider that if the federal government will not pay for health care under Medicaid then either public or private agencies end up carrying an additional burden. The public agency if they have to pay may provide less reimbursement to the private agency. Those were all provisions that were part of the Deficit Reduction Act.

2007 Budget

We then saw further threats to child welfare and mental health and substance abuse services as part of the President's 2007 budget. We are not at a place where that has been finally resolved. So, we do not know what the final outcome of that will be. But, that does not look good; it looks like we may see more cuts on top of what we have already seen.

Child and Family Services Improvement Act of 2006

Question: Do you see any other changes in federal laws or regulations that will influence the family service agencies?

I think certainly some of the regulations that emerge from the Deficit Reduction Act are the things that have the broadest impact and it is not very good. One thing that is encouraging as we look forward even though it is very small first step but a significant one is that Congress in just these last two weeks approved a new piece of legislation which provides an increase in funding for promoting the safe and stable families program. This is Act 3525 the Child and Family Services Improvement Act of 2006 Congress did approve an additional 40 million dollars for that program for each of the next five years. So, when you look at 2007-2011 states will continue to get this \$40 million dollars for each of those years.

The money is targeted in part for regional partnerships to address substance abuse problems that children in the child welfare system face and a portion of the funds is targeted for workforce improvement to try and ensure that children are visited at least on a monthly basis by their case worker. So, there is some positive light and in spite of a very tight budget year there was recognition of the importance of this guaranteed funding for children in the foster care system. This is just the beginning though of what is needed. One in terms of workforce improvements, I know the Alliance has done some very good work in terms of talking about the special work force needs of private agencies, but there also need to be some major changes in the Federal funding structures so that we can better invest in prevention on the front end that we can address specialized treatment needs for children when substance abuse or domestic violence or mental health problems that emerge. Also, that we can promote permanency for children in a more timely fashion and have a variety of permanency options. I do think the conversations around the Child and Family Services Improvement Act with the recognition that Methamphetamines and other substance abuse problems are in fact creating major challenges for foster care agencies and also a recognition of the importance that states need some help and agencies need some help in making case worker child visits are all positive.

Comprehensive Family Treatment

Question: You mentioned substance abuse, we are doing a special section on Methamphetamines since our research is showing it has a lot of influence over many areas of child welfare, what trends do you see in this area?

Certainly the challenges of substance abuse more generally and meth specifically have really been growing over the last several years it started with crack cocaine in the mid-1980's and has really continued to grow. The reports you eluded to bring up very real concerns. I think the important thing about this and a trend that needs to occur is to get child welfare agencies and substance abuse agencies to work more closely together. I think the important message is in substance abuse treatment and even in meth is to that comprehensive family treatment can really make a difference; when we are talking about reaching these children and reaching these families and breaking the cycle that so often occurs when children do not get treatment. What happens is you have a family with a substance abuse problem, the family does not get treatment the child may be neglected or in some cases abused the child goes into foster care but the mother still does not get treatment. So, the mother continues with the substance abuse problem in a way that may impact other children or may herself have another child who then may be born addicted and the cycle continues.

The concept of comprehensive family treatment is probably the most important trend and the increased knowledge we have about the increased positive impact of comprehensive family treatment is particularly important. This means a lot in individual states, what this new money in promoting safe and stable families will do this is a small but significant amount \$145 million over five years this will really allow states to use these dollars to address substance abuse treatment that interferes with keeping children safe and in permanent families.

It is a small start into what is really needed to address the need for community partnerships that bring together child protection and alcohol and drug agencies. Hopefully with this limited amount of money and the competitive grants we will be able to learn more about what works. Then be able to get additional monies to public and private agencies to address this problem.

Children being raised by relatives, subsidized guardianship

I think another area or a trend is the area of children being raised by grandparents or other relatives. In some instances these are children who are in the formal foster care system. So, they may be in the care of foster care agencies or in public agencies with a grandparent, an aunt, uncle or even a sibling and cared for in the formal foster care system. In some instances these are relatives who are taking care of children before they get to the formal foster care system and in both instances these are caregivers who need some help. When they are in foster care they may get the help that they need, but before foster care when getting ready to leave foster care they may need continuing assistance often that sort of assistance is not available.

The one area where states have made some significant progress is in the area of subsidized guardianship. This is an area where we really need some Federal government support to do more for children that have been in foster care and are planning on leaving the system. Adoption may not be a viable solution nor may be returning home so they are looking to place the child permanently with relatives and the state needs some federal support to be able to help with ongoing assistance to the family. That is another trend in another area that needs increased attention. When we are talking about the trend of children being placed with relatives we have to be sure we are addressing it in a comprehensive way. That we are making assessments early on when children first have troubles in families about what appropriate relative resources may available to care for the child and avoid the need for the child to go into foster care. We do not want children to be dumped with relatives without relatives having the support they need or with relatives having such serious problems that they are not able to safely care for the child. The whole area of the initial assessment is an important part.

Then there is the challenge of trying to explore permanency with relatives when you determine that a return home is not possible. Sometimes the relatives will end up adopting the child, but sometimes the relatives need alternatives like subsidized guardianship. Some states like Illinois and California have invested in it, in a very broad way, for example. Other states have subsidized guardianship programs but they do not have as many children benefiting from them at this point. There is some bipartisan interest in Congress to allow federal foster care dollars to do this to support children in subsidized guardianship programs. This is another area where there is some exciting movement and the challenge will be to move foreword.

The challenge becomes with the increased pressure with the Adoption and Safe Families Act to provide permanent families for children. Frequently we look to return home or adoption as the two major options; there is a third option though in Federal Law and that is legal guardianship. The challenge right now is, there is help for families that adopt children but there is not ongoing help to families who provide legal guardianship for the children on a permanent basis. That is the change that we really want to see.

There also needs to be continuing support for those children that are able to return home. But, need some extra support to make sure that placement works. Right now I am focusing on the placement with relative concerns.

The other thing that is interesting is that there are a handful of states that have begun to give support to relatives who are taking care of children outside of the formal system. The TANF program, Temporary Assistance for Needy Families, has always provided assistance, but this is a little different. It provides a little more than TANF; recognizing that many of these relatives may end up taking care of these children permanently. That is an exciting trend I know here in the District of Columbia we have a pilot program, and there are several other states that have done this as well.

Children Aging out of Foster Care

Question: Do you see any trends in children aging out of foster care?

Actually we [CDF] just did a report with Casey Family Services it highlights the needs of promoting permanency for children especially through federal policies. One exciting trend is the increased attention being given in some states this affects public as well as private agencies, to provide permanent family connections for youth that are leaving care. This is for youth in foster homes and for youth in congregate care as well. When you are able to reconnect a child to a family member or another adult who has been close to them throughout their time in foster care it can have significant implications for the future of those children particularly in terms of their mental health and any other problems that may be challenging them. Recognizing that there are different types of permanency, this characterization comes from experts at Casey Family Services, we are talking not only about legal permanency for children but we are also talking about emotional permanence for children. We want to make sure that they have those permanent connections when they leave care. That is one critically important issue for youth leaving foster care. It has been encouraging over the last four to five years to see the increase in the number of children who are getting some help in permanent family connections. I believe there is more that can be done at the federal level to try to encourage that. That is an area CDF and other organizations are interested in looking at.

Child Welfare Workforce Issues

Question: I was reading a statement you gave to the House Ways and Means Committee on child welfare workforce issues what types of initiatives do you see in this area?

This is an area where a lot more needs to be done at the Federal Level, there is not enough being done right now. The amount of money that is being put forward now will help, the money that was in the promoting safe and stable families program it will at least help document where states are in terms of case worker visits to children. Since we all know that if a child is not visited; they are not going to move forward in terms of them finding them permanent families. That is a significant but small first step and a lot more needs to be done to ensure that states, public and private agencies are encouraged to come together to take a look at what are the core components that should be in place for the child welfare workforce. This is an area where CDF and a number of other organizations have come together to do some work on in terms of identifying the core components of an effective child welfare workforce. Then hopefully we can get Federal support so that when states take a look at how they are doing with regard to each of these components they could then get federal money to help them fill in the gaps. This is not a trend because it is not happening, there is an increasing awareness in public and private agencies that we can get all the funding that we want, we can get all the innovative approaches identified that we want but if in fact we do not have a quality work force to implement those things we are not going to see real change for children. That is the exciting part of the equation there are a lot of different entities who are focusing on quality work force improvements and therefore we need to see how the federal government how states governments, foundations and others can work together to support these. There are some exciting efforts underway but at the federal level we do not see the support.

Summary

As we look at the areas where the system needs improvement I really identified about five different areas:

One is the need for increased capacity and prevention and early intervention.

The second is the increased capacity for meeting the specialized treatment needs of children that is where the discussion of substance abuse, mental health and domestic violence and other challenges that families face comes up.

The third area is promoting new permanency options for children and that is where subsidized guardianship emerges. Another piece of that and where we have not seen federal money but where there

is starting to be recognition is post permanency services. So when a child goes home or gets adopted or moves to a placement with kin that they have that continuing assistance to keep them in that placement so that they do not bounce back and forth between foster care and a permanent home. That is an area that needs to be addressed.

The fourth area is the whole work force area and we have talked about the need for quality improvements in the child welfare workforce.

The last area is the need for increased accountability. One of the things that is encouraging about the new legislation is that it does require some reporting and some evaluation so we will really know what happens as a result of these new substance abuse treatment programs. What do we know about increases in visits between children and case workers?

We have to be able to make the case for how different investments can make a difference for children as we move forward. That is an area where again there has been a lot more attention, but I am not sure it can be called a trend because we certainly do not have enough accountability in systems now that are really needed to ensure improved outcomes for children.

Interview with **Mary Gail Biebel**, Ph.D. Adjunct Professor of Organization Development and Management in the H. John Heinz III School of Public Policy and Management at Carnegie Mellon University and Consultant, Carwile Biebel Consulting Inc., CBC. May 31, 2006.

Question: Are you seeing a different kind of make-up of nonprofit boards than in the past?

One big change: People receiving services are increasingly on advisory boards of human service nonprofits.

In terms of the boards, there is much more emphasis on accountability and demonstrating outcomes. From my own personal perspective, it is a very healthy trend. This is a shift for staff within agencies because it requires a new set of skills – being able to demonstrate that a new service or approach has some efficacy. An increased emphasis on accountability is often driven by funders and outcomes are tricky in the human services arena because you are dealing with people. You can have the best service in the world, but people are unpredictable sometimes.

Question: What would you say are some of the biggest challenges that small to medium sized nonprofits are facing?

Because funding is increasingly uncertain and there are many agencies competing for the same funds, I see agencies having to work together in ways that they did not necessarily have to ten to twenty years ago. There is much more of a collaborative nature to the work: I see agencies collaborating with each other in order to provide services

There are a few things imbedded in this that causes problems. For one thing, it requires different skills. It requires people within agencies to know how to negotiate. People with different views around the priorities, what client sector should be served, what methods should be used, what sort of monitoring is needed, and who should provide those services requires one to have first-rate negotiation skills. I teach a lot of executive education programs at Carnegie Mellon for various professions and negotiation is now part of the skills development piece.

A second problem is that it is really hard to stop doing things. It's hard to give up programs. It's easier to plan for what we should continue to do and what we should start to do, than to say what we are going to stop doing – that's really difficult. Collaboration involves looking at different ways of providing services. In the past organizations would say either we are going to do this or we are not going to do this. What I see organizations doing now are considering a strategy to partner with another agency, or even to build up the best competitor and gradually phase out of providing a service. I did not see these options as much five to ten years ago. Now, agencies' boards and staff go through these kinds of thought processes. They look at their portfolio of services or programs and then make really strategic decisions around how to best meet the needs of clients, realizing that it might not be through their own agency. When you have these types of difficult discussions you have to know how to negotiate, be able to listen to each other and come up with innovative solutions. The reason it is a little different for nonprofits is that it's one thing to decide to stop selling a product as a strategic business decision, but it's another thing to think about stopping a program. You know the people it serves and you remember personal stories that affected you. It's a much more intimate, and sometimes gut-wrenching, decision-making process.

I see boards really stepping up to the plate and getting savvy around strategic thinking. Boards who don't do this may not survive. In the past, the word "business" would make people in the nonprofit world shudder – as if business was a bad word. Now, it's accepted that nonprofits are businesses – it's a great compassionate business with great missions. It's accepted that you have to run a nonprofit in a business-like manner. It's been quite a shift – a really positive one and healthy for organizations to be thinking you can do good and do it well in a business-like manner. It does not mean that you are not compassionate, caring or people-centered in your mission.

The pace of change is ever increasing; there is less a sense of stability inside of organizations. This is negative since it's very time and energy consuming. At the same time I see agencies building their own change capacity so to speak. So, that they are getting better at deciding which changes make sense and which ones don't make sense. Once they decided to do something different they have built up a track record and skills set so they know how to do it. About ten to twenty years ago things were more stable, funding patterns were stable then came managed care and other things, and funding started falling. I think shifting funding drove a lot of changes inside organizations and people were upset by these changes thinking they wouldn't survive. Now people say "here comes another change but we know how to do it. We may not want to do it, but we can do it and we will get through this." So, staff and boards have really built up their change capacity.

Question: Besides funding what other change factors have you noticed in the last couple of years or what changes do you see coming?

Another change is the more complex client base that nonprofit organizations are working with. There are people with multiple diagnoses. Children come in with their problems, but are also part of a family system with many problems. It's much more complex, and at the same time the expectations are very demanding and the accountability requirements are very demanding. It requires agencies to have a real broad understanding of social issues and mental health issues, also, again, to collaborate with other agencies because few agencies can do everything themselves.

Another thing that is pushing change is the changing role of the consumer/client and the whole push towards family- and client-driven care. I personally think it is good to have more family and client involvement with things more client-focused; I know others have different opinions on this. But, this often raises dilemmas for agencies as well, because clients are not always in the best positions to make decisions. Clients do not always make decisions that are in their best interest. Also, because clients move from agency to agency, it can be very disruptive for programs and for funding sources.

In many ways nonprofits are like for-profits: you have to be accountable, you have to demonstrate your outcomes, there is rapid change and you have to do more with less. It's an exciting field to be in; an

important field dealing with families and children. I wish all their salaries could be tripled overnight. The jobs within nonprofits are so challenging.

Question: Are you seeing a difference in the kinds of people you teach at the EMI, in the type of leadership than say ten years ago?

What I have seen at agencies is that the senior leadership or senior team think of themselves more as leaders. There are also a lot of educational opportunities in leadership training. Nonprofit leadership is being offered at national conferences and locally. There is more awareness of their job as a leader which is about challenging the process, keeping your eye out to the future, being the public face of the agency, while still trying to make sure that the management of your systems and processes is in place.

Another thing that I have seen is nontraditional mid-career change of people coming into agency leadership. Bringing a different skill set, they are not social workers but attorneys or managers. I have seen people who were working as board members and then they got really intrigued about running a not-for-profit. The downside is you have to get that person up to speed. The plus side is that you bring a really fresh mind-set to running the organization. So, I have seen people come in through nontraditional routes, and not necessarily coming up through the ranks in the traditional disciplines.

Also, I think nonprofit leaders today are savvier, than they were twenty years ago. They are good business people, have different skills, understand the political nature in which they work, and understand the complexity of funding.

They are much better trained and prepared for their jobs then they were twenty or thirty years ago.

Interview with **Mark Courtney**, Director, Chapin Hall, Center for Children at the University of Chicago, IL (Mr. Courtney is currently Faculty Associate at Chapin Hall, as well as the McCormick Tribune Professor in the School of Social Service Administration at the University of Chicago). May 15, 2006.

Child Welfare Services Accountability

Performance contracting outcomes focus continues to be really important in child welfare generally, foster care, and residential services. Less so in independent living, ironically, even though Federal law calls quite clearly for outcomes, the Children's Bureau has yet to issue any regulations there.

So, I do not think there is much of an accountability push on the independent living side. But, in child welfare services, foster care and residential care, because of Child Family Service reviews, there is a growing interest on the part of state child welfare agencies in measuring outcomes and then holding subunits of government and the private sector accountable. So, to a large extent the response of states to the federal government trying to hold them accountable for outcomes has been for them to try and push that accountability down the line of authority to counties, state supervised county administered systems and to private agencies.

So, in states like Illinois and New York that have already developed performance contracting systems there are attempts to continue to refine them.

Other states like Missouri are trying to implement performance contracting schemes that build outcomes into them so they will hold private agencies accountable to outcomes with reimbursements being tied to outcomes.

It is a trial and error process, in many cases the public agencies do not have the historical information at their disposal or the capacity internally to do a great job of either designing outcomes or in writing contracts to try and tie outcomes to performance. They move ahead anyway and learn by their inevitable mistakes, it's an iterative process to make sense of these accountability schemes. In some cases there have been negative consequences, then several years later you see a more rationale system in place.

More focus on accountability which manifests itself in increasing privatization; although it's not just privatization but performance measurement contracting.

Focus on Well-Being

I think around the country you are seeing more and more states trying to come up with or reflecting on what to we mean by well-being, when we are trying to insure the well-being of kids in foster care and residential care. It clearly means something other than just achieving permanency for young people and children. So, there is more focus on looking at education, are they enrolled in school are they making reasonable progress are their mental health needs being met are their health needs being meet. For older adolescents there is a focus on health care, pregnancy prevention, sexual and reproductive health behavior.

Interest in Independent living services also reflects this focus on well-being that I see going on out there.

Foster Care

I see continuing interest in growing therapeutic approaches to foster care: therapeutic foster care, specialized foster care, and treatment foster care if you like, the number of those beds around the country from what I can tell continues to grow.

That provider group is getting stronger over time as their members grow, like the Foster Family Based Treatment Association, a lot of interest in that. There is growing research on the effectiveness of therapeutic foster care for different kinds of sub-populations: kids with psychiatric disorders, kids who are delinquent and little kids with special health care needs. I think that is an important trend in foster care.

People are still struggling with how you reconcile professionalizing foster care, through these therapeutic arrangements. That is paying foster parents more, giving them more training and support with the drive to move children out of the system through adoption in particular in states where guardianship is available. There is a potential disincentive to adoption associated with therapeutic foster care.

Therapeutic foster care as an alternative to residential care, poses a challenge to states' attempts to move children out of the system practically through adoption, not so much through family reunification. Kids can leave therapeutic foster care and go home. But, getting therapeutic foster parents to adopt when it could result in significant reduction in income for them and a significant loss of supportive services I think it's a problem a lot of agencies face.

Residential Care

I see continuation around the country of the effort to gate keep residential care, to reduce the utilization of residential care as a goal in its self. One of the goals of the performance contract is to reduce utilization of residential care; it was not tied to any other outcome. Whether it is good for kids or not, simply to reduce the number of care days of children in residential care within your jurisdiction.

It happens in a lot of different ways, it happens through gate keeping mechanisms in the front screening and assessment protocols whose intention at least nominally is to appropriately use residential care. But, the science and evidence behind these screenings mechanisms is either very poor or nonexistent. In that

context when you see gate keeping mechanisms that are not tied to a clear understanding of when you should and should not use a resource; you have to interpret them generally as cost reduction strategies and efforts to constrain the use of particular resources. I see a lot of that around residential care around the country. At the same time I see in some places a recognition that jurisdictions have gone to far in restricting the use of residential care.

Our work in residential care and our work in placement show that ratcheting down care or not appropriately assessing kids – at least not sending the right kids into treatment – can get unwanted consequences like placement instability and kids going into other systems such as juvenile justice systems or mental health systems. So, while I see efforts to reduce the use of residential care, I also see some examples of concern around the country and not just from private agencies operating residential care. Now some public agency administrators are questioning whether in all cases if they have moved in the right direction by restricting the use of residential care.

Independent Living Area

There is great interest in the independent living area with the additional funds that came with the Chafee Act, whether or not the funding is adequate is another matter. Starting in 1999/2000 the Act led to the growth of independent living service programs. Great interest in the field, lots of interesting program models being developed. There really is no evidence that any of them are effective, the evidence base behind independent living services has not grown with the growth of the programs or the funding. Unfortunately because the Federal government has not implemented the accountability provisions of the Chafee program we really do not have any more evidence on basic outcomes for youth aging out of care than we did in 1999 except for the Midwest study we are conducting here at Chapin Hall.

One trend I see, though this has to do with older adolescents generally – manifesting itself in attitudes towards independent living programs – is the real push for permanency for older wards. You see that all around the country. Major multi-jurisdiction initiatives [are happening] to try to increase permanency outcomes for adolescents through adoption, guardianship, or family reunification.

It went from no attention to permanency for older wards, to a battle for adoption advocates that see independent living as a distraction. So, there was a real battle between adoption advocates and the independent living service provider community. That has died down a little bit, now there is more of an effort to build discussions of permanency and increasing the likely hood of permanency into independent living services. There is a big focus in adoption guardianship and reunification for older wards really across the country and I think that is a good thing. There is anecdotal evidence on the success of these programs but no real hard evidence.

One last thing is the continued interest in racial disproportionality in these systems. This is discussed a lot around child welfare services generally, foster care and residential care in trying to understand differential involvement by race and ethnicity in those services. There is continuing research on the topic; there is a break through research series by Casey with trying to understand, how we can reduce racial disproportionality.

[Casey report available via the Internet at: <http://www.casey.org/NR/rdonlyres/4F632D30-69AA-4BAD-A948-9F3F950A3C7E/842/CFPDisproportionalityFactSheet.pdf>]

Interview with **Rick King**, CEO, Kittleman & Associates, Chicago IL, www.kittleman.net. May 30, 2006.

Summary of Highlights from the Interview:

Mr. King summarized Annie E. Casey Foundation report on the lack of new leaders available to go into nonprofits. The reasons for this are the aging of the work force and that there are fewer people in the age range of 25-34 year olds to take these positions. There is simply less people in this age range than there were before, they represent the tier of leadership available in the next 10-20 years. Also, he mentioned the David and Lucile Packard Foundation did a similar study in 2004.

Compass Point did a study that found very few organizations have a succession plan even for internal candidates to step up. It is a problem.

Question: Is any thing being done currently to alleviate this problem in the future?

Very little is being done or has been done in terms of executive succession or transition planning. From the CEOs we have talked to there are several reasons for this:

1. Succession planning is not a priority among all the other critical priorities that are faced by an agency in a given year. So, the work of senior staff and the chief executive are really always focused on programmatic strategies and not human resource strategies in the broadest sense, just because there are too many other priorities that need to be addressed.
2. Another reason is that succession planning is not often included in the process of strategic planning. Strategic planning focuses on programmatic directions, new services, the relationships with other agencies like alliances and partnerships with public and private bodies; it's all external. To the extent of them following their major purpose and activities. It just never gets into the strategic planning process as an issue, so that is another reason.
3. Another reason that does not get much attention is succession planning is a bit of a moving target. For example, founding executive directors, which account for a relatively large number probably between 10-12% of all executive directors of organizations, are the founding directors. It's a moving target they hesitate to announce that they are going to leave, it's their baby, and it's their organization that they birthed and grew and founded. So, for many of these founding executive directors it's hard to see some one in there place. So, there is a hesitancy to decide on that and that leads to a lack of succession planning.

Question: Do you see any difference in the quality of leaders between young leaders and baby boomers?

Let me address that in two ways, one is more the global issue regarding what social service and child family agencies are going through right now with regard to leadership and the other is the availability of talent within the organization and how that is developed.

First of all, all organizations go through life-cycles, some are short some are long. The key to understanding this, is knowing in terms of leadership and in terms of what is needed in a future leader coming up is the life cycle that an organization is in.

For example the fund raising role of executive directors and CEOs currently accounts for anywhere from 50-70% of all of the work of the Executive Director. Twenty years ago 25-30% of CEO time was fund raising. So, twenty years ago if you were going to look for an executive director, the talent would not focus on exclusively on fundraising ability. At that time you would have looked for program knowledge, program experience. This was in the 80's and 90's a lot of clinical directors were advanced and promoted to Chief Executive Officers; VP of operations were made executives and CEOs.

Today that is different because of the loss of public funding as well as contracts and grants, the accreditation models for continuing licensure and boards of directors playing a bigger role in this era of Sarbanes-Oxley.

Executive directors are forced to be resource developers rather than program developers. Today if we go out and recruit executive directors, boards of directors are looking for superior external relation skills and exceptional constituent relationship building qualities. Not necessarily the programmatic delivery aspect.

So with organizations that have gone through these life cycles it's necessary to know what skills are needed because that changes from cycle to cycle. Strategic planning the big picture kind of vision, enthusiastic mission interpretation, the true leader who can get people excited and focused on very specific goals, that is more the case today.

The second part of the answer is the availability of talent in this area has improved slightly, in my opinion, with regard to people moving up within an organization. Because of a lack of succession planning protocol that would be comparable to corporations, there is not the critical mass of people in nonprofits. You can not have three or four controllers who are ready to move into a Chief Financial officer position. It's just not the way nonprofits are run, people do more jobs in nonprofits. Organizations have had to pay the price to go out side and recruit the talent they need because they have not been able to achieve this level of management development with their staff.

The state of talent for organizations is very thin because of this.

Question: You have talked about the cycle of organizations, and the current need for a true leader, is this cycle going to continue for the next twenty years or is it to hard to tell?

It's a little difficult to tell, I can say that those are the skills especially experiences around constituent development that are going to be the least in supply and the most in demand. That will cause problems into the near term.

I am not sure I would want to guess what the next cycle of leadership will be; it may in fact revolve more around the consolidation of the industry. But I do not think that will represent a life cycle for the next ten to twenty years. It may happen because the numbers of people to move up to those positions will simply not be available. So, boards of directors may look for consolidation through mergers and acquisitions to acquire leadership or to attract leadership because they are a more complex organization. So, that could be the next cycle.

Question: Do you have some recommendations as to the succession planning problem and how it needs to be addressed in nonprofits agencies?

Recommendations on Succession Planning:

1. An organization has to identify internally, and this is not a cookies cutter approach each organization needs to do it in away that works for them. To first identify key people in key positions and that may not be one in the same. A key person in an organization, which is usually a direct report to the CEO, is really someone whose job is of major or critical importance to the performance of the organization as a whole. The chief development officer, the chief program officer, the chief human resource officer may all be key positions because they are all critical to the performance of the organization. Now those positions may also represent key people, key people are really more defined by their ability. For example the IT person, IT is usually in the background and in the business office, in most organizations given the reimbursement, and performance based contracting that is going on right now and all that the IT person does, while it is not a key position that person given their expertise and background is probably not duplicated within the organization, is certainly a key person. Even though they do not report to the executive director no one would argue that they do not have important knowledge, information and skills that are not

available anywhere else in the organization. So recognizing these key people and key positions is the first step in succession planning.

2. Then you use your management and organization structure to determine what you need to add depth or breadth to the organization from a succession plan standpoint. For example, if you have a deputy executive director, that all the key positions report to, who in turn reports to the executive director you have a steep management structure and it implies that the deputy executive director is the next in line to the chief executive. Given these deputy directors often come up through the program area side and if the board believes that in this cycle they need a leader with more fund raising and constituent building skills this will be a miss match. The board may think that the chief development officer, who may report to the deputy executive director, may have the needed skills and needs a chance to prove him/herself. So, organizational charts have a lot to do with building capacity for executive succession, but they can also be a deterrent, given the fact that a steep organizational structure implies things that the board may not agree with in that regard.

When you are considering succession planning you really have to take into account incumbent characteristics. Meaning when you look at your staff and at key people and key positions; beyond that you have to look at tenure with the organization. Is it an advantage that the person has been there twenty years as the VP for Community based service, or would someone who has been there two or three years have enough orientation. One may be too much one may be too little. Also, the health of individuals moving up, you can not use that as a point when you hire but the fact is the ability of an employee to assume a role that is physically and emotionally draining for most and the ability to recoup from that has got to be a factor.

There is a flight risk as well; such as does the person's spouse have a career that may take them to another city?

There are personal circumstances, ages of their children, and other factors that come out during the search process, these same factors should be looked at in the succession process.

Question: Are nonprofits trying to recruit more people to run their organizations in the future?

The answer is no, the exception are organization that are fully aware that the Executive director is leaving. Then there is a plan put together usually with the executive board, executive committee of the board to help that transition. The Chronicle of Philanthropy [January 12, 2006] a few months ago had a great example of succession planning with a story about Bethel New Life, and their founding director who was going to retire. The Director decided she was going to retire, and began the recruiting a CEO along with the board. She was looking for her own successor. Her replacement worked for three years with her, so he could learn all the parts to the job. Each year he was introduced to new things like fund raising, governmental affairs, contract negotiation, real estate planning, and slowly learned the business. The lead time in the plan to get him up to speed, provided for a very seamless transition. He is now a tremendous leader for that organization. This example is the exception; unfortunately a lot of agencies do not do this. Not every CEO retires; they move on to other jobs or are asked to move on. Those executive directors are moving out of the organization with or without a succession plan. Even if you have a succession plan an offer may come up for an executive to take another position that is too good to pass up and they are gone. It goes back to this being a moving target. It all begins with the conversation with the board about CEO succession and the CEO with his/her leadership team at the staff level. It has not been done consistently.

Question: Are there people in the profit side wanting to retire and go into the nonprofit side?

The for-profit side is supplying more leadership than it ever has in the past. Its not retired executives its business executives who in there 30, 40 and 50s have decided to move into a work environment that makes a difference in their lives and in the lives of others. It is becoming a second or third career track for many. I wrote a book [From Making a Profit to Making a Difference: How to Launch Your New Career in

Nonprofits] on that in 2000, six years ago. A lot of what I wrote is proving out. With more business executives coming into the field the onus on the board to continue to be the major stake holders for the mission, purpose and activities for the organization are going to have to be ratcheted up. In other words the boards are the preserver of the mission.

Corporate individuals bring a lot of skills and many nontraditional skills to an organization, nonprofits need to work in a new partnership with them. They come in without knowledge of nonprofit organizations, which they can learn on the job. They have acute financial, marketing, legal, and leadership that nonprofits have not had before. Boards will need to step up to keep a hold of the mission of the organization.

Question: Any trends we have not mentioned?

Well compensation and that continues to go up. Compensation issues are always of critical concern for nonprofits; because 60 to 70 percent of their operating budgets are human resources, people to deliver services. So, as we have gone on we know that even though nonprofits are not paid as much as their corporate counter parts, they still expect a compensation level that people will not fall below. They have to make a living also. I think compensation will continue to go up. I think it will reach a point in the not to distant future where the public questions about nonprofit CEO compensation will be as intense to that of corporate CEO pay. That is going to require boards to do their due diligence to make sure they are not out of line with their peer institutions of comparable size and assets.

Question: You have mentioned nonprofit boards a lot do you see any changes in nonprofit boards or their make-up?

I think the Sarbanes Oxley law is trickling down to nonprofit organizations. Nonprofit boards are setting up independent auditing committees that report directly to the board of directors rather than the audit committee being a sub-committee of the finance committee. The whole fiduciary responsibility of board members to understand and take responsibility for understanding the books and the operations of the agency are much higher. I think everyone is tuned into this now, with the corporate problems of the recent past. So, that has changed the way boards think about their membership; brining on more people who do have a background in financial management, brining on members who have a CPA, and public accounting background we see a lot more of that. I think boards are also brining on, even though they have always done this is, they are more a tuned to bring on people who can bring wealth to the organization by their own connections within the philanthropy. So, you get people whose presence on the board is to help raise money; while that is not new it is certainly an area that has intensified.

Interview with **Sinnika Santala**, Administrator, Division of Disability and Elder Services, Wisconsin, Department of Health and Family Services, Madison WI. August 23, 2006.

I am going to be talking about trends in general but also trends in Wisconsin. In our aging system in Wisconsin we have been leaders along with a couple of other states, namely Oregon and Maine in really thinking about services for older people. I believe that since we are at the forefront, the kinds of programs and services we provide will be looked at and done in a similar manner by other states. We are on the leading edge.

I am going to talk about issues, struggles, and concerns that service providers need to be aware of:

Drug Costs

Drug costs and medication costs, the debacle of Medicare part D. There are still many issues for seniors in finding affordable medications. Issues that continue to be there despite things like Medicare part D.

Citizenship Requirements

Struggle that elders will have with the new requirements for citizenship verification; providers need to know about this. This started in July of 2006. All new Medicaid applications and those coming up for renewal must prove their citizenship. The issue of older people needing help with proof of their citizenship is important. All states are dealing with this; they are trying to find automated ways to deal with this situation. States are trying to use existing data systems to get citizenship information from. But the concern is that some elders may not get their Medicaid services because of the inability to prove citizenship.

Long-Term-Care, LTC

For the most part people do not plan for their long-term-care, LTC. People do not do a good job of planning for their old age. We struggle with how to get LTC information to people that need it. The whole issue of divestment; people are getting bad advice from attorneys; (telling them they need to get rid of their assets so they will be eligible for Medicare) they are getting one sided advice. The question people need help answering is: How do I plan for long term care and how do I control my own assets so that I can arrange my own long-term-care rather than have to depend on government programs? It is important for older people to stay financially independent so that they can make their own choices about what they want to do. We need to get better information out about these issues as Baby Boomers start to retire.

Healthy Aging

Healthy aging and prevention is a whole other big issue, in Wisconsin we have started to work with aging networks, public health system, with primary health care providers and the elderly themselves with really getting information out and developing programs about healthy aging, prevention and chronic disease management.

Falls

A leading prevention issue is falls. We have a tremendous amount of people who end up in hospitals and nursing homes because of falls. So, falls prevention for us in Wisconsin is a huge issue.

Chronic Disease Management

Another area is chronic disease management. One thing we do a great deal of is diabetes management, especially chronic disease self-management. We will see a growth in these kinds of programs (one interesting learning we have from chronic disease self-management programs is the high incidence of depression. Providers must be more tuned to mental health and alcohol/drug abuse issues among elders). In the past couple of years there has been a very fast change in the interest of healthy aging. There is a lot of interest in healthy aging and we will see even more of it.

Managed Care

We are looking at moving our fee for service Medicaid program into managed care; including services for people who are elderly. In Milwaukee we have a program called Family Care that for the past five years has been very effective in terms of keeping people healthy, keeping them independent longer, and in a cost effective way. We have now moved to expanding Family Care to become a state wide program. The Governor has made it a goal to expand Family Care statewide in five years.

Being a network provider in a managed care system is very different for aging service providers than being in the regular fee for service Medicaid system. One thing that we know from being in Family Care, is that provider networks are expanding vastly because now we are expecting that there will be more choices for people in the system when their care plan is developed based on the clients own needs and expressed wishes. Then we want to give people the choice as to the provider they will use. We are seeing tremendous growth in the provider network as we move into managed care. We are looking to providers to come up

with services and develop programs that the elderly can use and that the managed care system would buy. For example, we believe given the choice fewer people will go to nursing homes and money will follow their choices. So, we will have less nursing homes and we will have more community services. We are encouraging nursing home providers to move into the long-term care business, out of or in addition to being in the nursing home business.

Affordable Assisted Living

Another area where we have a constant need is more assisted living facilities that are affordable. There has been tremendous growth for baby boomers that can afford it on their own. For those dependent on Medicaid and SSI it is hard to do, yet there is a great need for affordable assisted living facilities.

Elders with Mental Health Issues

Another area where there is absolute need is for the aging providers to be much more able to provide services to people with mental health needs. We see an increasing number of people who are labeled with behavior problems, mental illnesses. This is one area providers are not well able to handle. They are used to handling the nice old lady, now days those people stay at home. In our assisted living facilities and in our service programs we are seeing more and more people with mental health problems and behavioral issues. Often times service providers are not skilled or equipped to address these issues. It is a need that has been there but we are seeing that providers are expressing that they actually are in need of much more competency in that area.

Grandparent Raising Grandchildren

Another trend that we are definitely seeing is the issues of grandparents raising grandchildren. They are raising their children's children. That is something that is happening nationally, but we are seeing more of that in Wisconsin. Often that middle generation has mental health or substance abuse issues that make it difficult for the parent to take care of their kid and then they end up with grandparents. I think there is a different service niche there for agencies to actually assist grandparents in dealing with these issues and providing them with support.

Healthy Aging - Vitamin D

A big issue, getting back to healthy aging is the whole vitamin "D" deficiency; and what are the bad consequences with vitamin "D" deficiency and how you can get enough vitamin "D." Some of those simple issues that older people should know about, but there is a problem with our message not getting through. At the same time people are being bombarded with so many different messages about what is healthy for you today. People are tuning out. Trying to get out the kernels of good information that comes with all the noise is a real challenge. It is another challenge that we all have in trying to help people age healthy.

Elder Abuse

Question: Have you seen any trends in the area of elder abuse?

In Wisconsin we have had an elder abuse reporting system for quite some time, every year we see and increase in the number of elder abuse reports. We are not quite sure if there is more elder abuse or if the awareness of elder abuse is increasing and people are reporting more of it. But we know for sure that elder abuse reports are going up. In our system we report self-neglect, financial exploitation and physical abuse. Most reports are about self neglect. But one I want to highlight is financial exploitation. I think that is something that is a concern that as there are more old people especially lonely old people that they are a really easy target.

The other area that actually Susan Dreyfus and I worked on quite a bit is the issue of spousal abuse. That there is a lot of confusion in this area that we have been trying to clarify is that elder abuse is not caregiver burnout. It is abuse by the spouse or the grown children that it is actually bona fide abuse. What we are also seeing is domestic violence that has grown old, this abuse has gone on for decades and now through our elder abuse systems we are beginning to discover it. Some elderly women do not have a name for

domestic violence; they think domestic violence is something that happens to young women with children; but actually there is a portion of domestic violence that has continued literally for a very long time and now we are seeing it and identifying it through our elder abuse reports.

Rural Elder Issues

Question: Do you see any difference in the needs of rural elderly versus those in urban areas?

For rural elders transportation is a major issue. When the day comes that a person can not drive anymore, that really renders a person to be so isolated that they often actually need to move into some sort of assisted living facility just because they can not take themselves to a grocery store or go to doctors appointments anymore. The lack of public transportation in rural areas is the major issue and major difference between the rural and urban elderly.

Doctors making house calls

Question: There was an article a few months ago about Medicare doing a pilot program in a couple of states to get doctors to start making house calls for elderly patients, do you see any trends in that?

I think that is a great idea, one of the things that we are trying to do here as a part of the Family Care program is bringing nurses into care teams and having them make home visits. This is a lot cheaper than having doctors make home visits. We have shortages especially in rural areas; our approach is tapping more into the nurses.

Family Caregivers

Question: Do you see any trends in family caregivers and with the increasing need of families needing to care of older parents?

In terms of workforce issues in general there are issues in terms of finding caregivers especially people who provide personal care is always a struggle. The issues with family members being care givers. They often have jobs and being able to get time off from work and or being able to not work while taking care of a parent these are issues that we are seeing. Perhaps one could speculate that we will be seeing even more of that as we middle age people have parents who are now in their 70's, 80's and 90's it is something that has been out there now for awhile. The issue with daughters and daughter-in-laws struggling with the care of the elders is also a women's issue. More certainly than an issue for men since women are expected to care for their moms or for their mother or father-in-laws. That is an issue, along with Mom or Dad or one of the in-laws moving in with them. People are thinking about their homes in terms of the mother-in-law apartment.

Aging and Disability Resource Centers

One other thing I wanted to mention in addition to us expanding the Family Care statewide, another thing we are working on that I am sure is spreading to other states is the concept of Aging and Disability Resource Centers. The Federal government is currently funding some states including Wisconsin in terms of developing these places where people themselves or their families can get unbiased information about choices for them to access long-term care services. These Aging and Disability Resource Centers are really intended to be available to anyone, we have nine that are established and another nine that are underway, by the end of the year we will have 18 of these resource centers in Wisconsin. About 80% of the contacts we have through the Aging and Disability Resource Centers are about and for needs that do not end up with clients being served in our public system it is just people who have their own means and need some information. They contact one of these centers and get some good information. I think one of the problems we have with our aging and long term care system is that it is so complicated that to have a sense of all the services and all the programs that are available is really difficult. Often times the way that people find out information is through the door that they go in. So, if they go in through the hospital door they usually end up in a nursing home and that is where they stay. What we are trying to do is provide a whole lot more information so that people can truly make informed choices. The Aging and Disability Resource Center movement is a trend, the feds have already funded a few states to start developing them.