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**FISCAL IMPACT STATEMENT**

**LS 7154**

**BILL NUMBER:** HB 1743

**NOTE PREPARED:** Feb 28, 2005

**BILL AMENDED:** Feb 22, 2005

**SUBJECT:** Child Caseworker Caseload Ratios.

**FIRST AUTHOR:** Rep. Budak

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
X FEDERAL

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill establishes maximum caseload ratios for child protection caseworkers. The bill requires local child protection services to maintain sufficient staff to comply with the maximum caseload ratios. It requires the Division of Family and Children to: (1) report to the Budget Committee and Legislative Council concerning child protection caseworker caseloads every three months; and (2) report to Legislative Council and to the Health Finance Commission concerning education levels and salaries of child protection caseworkers and supervisors of child protection caseworkers.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** (Revised) *Summary:* This bill requires that a child protection caseworker or a child welfare caseworker not be assigned a caseload that exceeds: (1) for caseworkers assigned only initial assessments, 12 active cases per month, (2) for caseworkers assigned only ongoing cases, 17 active families per caseworker, or (3) for caseworkers assigned a combination of initial assessments and ongoing cases, 4 investigations and 10 active ongoing cases per caseworker. The bill allows for a phase-in period and is to be fully implemented by June 30, 2008.

The cost, which includes equipment and office space for 880 new caseworkers and 106 new supervisors, would be approximately \$41.7 M in year one, and \$35.6 M in subsequent years. These numbers are based on the assumption that caseworkers would hold a maximum of 12 investigation cases or 17 ongoing cases at any one time. If actual work assignments fall under the more restrictive maximum caseload combinations, costs would be greater.

The tables below present projected costs for the state during the initial implementation year and the subsequent years.

<b>Year One Cost.</b>			
	<b>Caseworkers Needed (880)</b>	<b>Supervisors Needed (106)</b>	<b>Total State Cost</b>
<b>A</b>	\$37,011,170	\$4,710,450	\$41,721,620
<b>Caseworkers are assigned 12 investigation cases <u>or</u> 17 ongoing cases.</b>			

<b>Cost for Subsequent Years.</b>			
	<b>Caseworkers Needed</b>	<b>Supervisors Needed</b>	<b>Total State Cost</b>
<b>A</b>	\$31,475,601	\$4,156,154	\$35,631,755
<b>Caseworkers are assigned 12 investigation cases <u>or</u> 17 ongoing cases.</b>			

[Note: The Family and Social Services Administration (FSSA) is currently collecting additional data on caseloads which may affect the fiscal impact of this bill. This fiscal note will be updated when additional information becomes available.]

*Additional Details -*

*Number of Caseworkers Needed:* A snapshot of the state’s child welfare caseload data was taken on January 5, 2005. Data was analyzed by county based on the total number of investigation and ongoing cases. (Note: One investigation case is equal to one family; one ongoing case is equal to one child.) Each county was evaluated as to the number of caseworkers needed to meet the bill’s required caseload standards. Findings indicate that the most efficient method for the state to implement the requirements of the bill is to maintain caseworker caseloads at 12 active or 17 ongoing cases per caseworker. Based on this, the current number of caseworkers employed and the number of caseworker vacancies were subtracted from the total number of caseworkers needed to meet the required caseload standards.

Findings indicate that the state will need approximately 880 new caseworkers to meet the requirements of the bill. This number is expected to increase annually as the number of youth requiring services continues to increase. These numbers are based on the assumption that caseworkers would hold a maximum of 12 investigation cases or 17 ongoing cases at any one time. If actual work assignments fall under the more restrictive maximum caseload combinations, the number of caseworkers and supervisors needed would be greater.

*Caseworker Salary and Equipment Costs:* The Family and Social Services Administration (FSSA) reports that initial costs per caseworker are \$54,692. This includes salary, benefits, office space, computer, mileage, and other necessary office equipment. In subsequent years, the annual cost per worker would be \$46,512 (salary plus benefits). A portion of these costs are reimbursable by the federal government. The reimbursement rate, which changes quarterly, ranges from \$15.40 to \$30.80 per \$100 depending on which program the state is being reimbursed for (for example, IV-E foster care receives a 50% reimbursement, while Assisted Guardianship receives 100% reimbursement). The mid-point of these two numbers, \$23.10, was used for

calculating overall federal reimbursement.

The tables below demonstrate the cost to the state in the initial year and in subsequent years based on this information.

<b>Initial Costs:</b>	
<b># of Caseworkers</b>	<b>880</b>
Initial Cost (\$54,692 per worker)	\$48,128,960
Federal Reimbursement Percentage	23.1%
Federal Share	\$11,117,790
<b>State Share</b>	<b>\$37,011,170</b>

<b>Subsequent Years:</b>	
<b># of Caseworkers</b>	<b>880</b>
Initial Cost (\$46,512 per worker)	\$40,930,560
Federal Reimbursement Percentage	23.1%
Federal Share	\$9,454,959
<b>State Share</b>	<b>\$31,475,601</b>

*Number of Supervisors Needed:* FSSA reports that supervisors oversee anywhere from 1 to 8 caseworkers depending on various factors. Some rural counties employ only one supervisor and one caseworker, others share supervisors across county lines. Data was adjusted based on information provided by FSSA relative to the sharing of supervisors between counties, current number of supervisors, and current number of supervisor vacancies.

The state would need approximately 106 new supervisors to maintain the 1 to 8 caseworker-to-supervisor staff ratios under the requirements of the bill.

*Supervisor Salary and Equipment Costs:* FSSA reports that initial costs per caseworker are \$57,787. This includes salary, benefits, office space, computer, mileage, and other necessary office equipment. In subsequent years, the annual cost per worker would be \$50,987 (salary plus benefits). The federal government reimburses supervisor salaries at the same reimbursement rate that it reimburses caseworker salaries.

The tables below demonstrate the cost to the state in the initial year and in subsequent years based on this information.

<b>Initial Year:</b>	
<b># of Supervisors</b>	<b>106</b>
Initial Cost (\$57,787 per worker)	\$6,125,422
Federal Reimbursement Percentage	23.1%
Federal Share	\$1,414,972
<b>State Share</b>	<b>\$4,710,450</b>

<b>Subsequent Years:</b>	
<b># of Supervisors</b>	<b>106</b>
Initial Cost (\$50,987 per worker)	\$5,404,622
Federal Reimbursement Percentage	23.1%
Federal Share	\$1,248,468
<b>State Share</b>	<b>\$4,156,154</b>

*Supervisor Caseloads:* It should be noted that supervisors can carry cases. However, the number of cases held by a supervisor varies by county. The total number of caseworkers and supervisors needed by a county would be affected by the number of cases a supervisor holds.

*Training:* It should be noted that training costs are not included in the overall expenditure costs for new caseworkers or supervisors. FSSA recently implemented a new training program for new staff. Average costs have not been established at this time, and the total cost for training new employees is currently unknown.

*Background Information -*

*Current Numbers:* Indiana currently employs 861 child welfare caseworkers, however, 60 of these persons are considered “just-in-time workers. The state has created 60 “just-in-time positions to fill slots throughout the state when vacancies arise. These workers would have already completed training prior to the position opening up and are able to begin work immediately. Indiana also employs approximately 130 child welfare supervisors.

*Current Caseload Information:* Under the Bayh administration, a court agreement was reached which prohibited Marion County child protective services from raising worker caseloads above 35. FSSA has extended this agreement statewide, however, caseload numbers vary across the state. FSSA reports that each ongoing case represents one child.

*Caseworker Reports:* The bill requires the Division of Family and Children (DFC) to submit a report to the budget committee and to the Legislative Council every 3 months that provides data and statistical information regarding caseloads for each county for child protection caseworkers, child welfare caseworkers, and other caseworkers. Currently, DFC is required to submit the report every 6 months.

DFC is also required to submit a report to the Legislative Council and the Health Finance Commission that contains statistics concerning the education levels and salaries of all child protection and child welfare caseworkers and supervisors.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Family and Social Services Administration.

**Local Agencies Affected:** Local offices of Family and Children.

**Information Sources:** Cindy Collier, FSSA; Cathy Smiley, FSSA, 232-7929; Jane Bisbee, FSSA, 232-4423; Sandra Lock, FSSA, 234-0691; Mary Edmonds, FSSA; *FSSA Caseload Report*, January 5, 2005.

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