TEXAS 2036

Modernizing Texas' Child Welfare IT System

Texas can no longer rely on '90s era technology to protect the state's most vulnerable

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TEXAS ALLIANCE OF CHILD AND FAMILY SERVICES

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the state's most vulnerable.

Foreword

Texas 2036 and the Texas Alliance of Child and Family Services collaborated on in-house data, research, and interviews around the question: *"How can we improve the data system that tracks vulnerable children in Texas?"* This question was prompted by a recognition that Texas' current case management system has struggled to adapt and meet the needs of the rapidly changing child welfare environment. It also fails to meet current federal guidelines. This report includes historical policy and funding decisions in Texas, as well as data and figures for data systems currently in place around the nation.

The report dives into three key topics:

- The history and explanation of the different types of Child Welfare Systems;

- Descriptions of interoperability and why it is important, and;

- The investment needed now and, in the future, to better serve Texas children and families in the system.
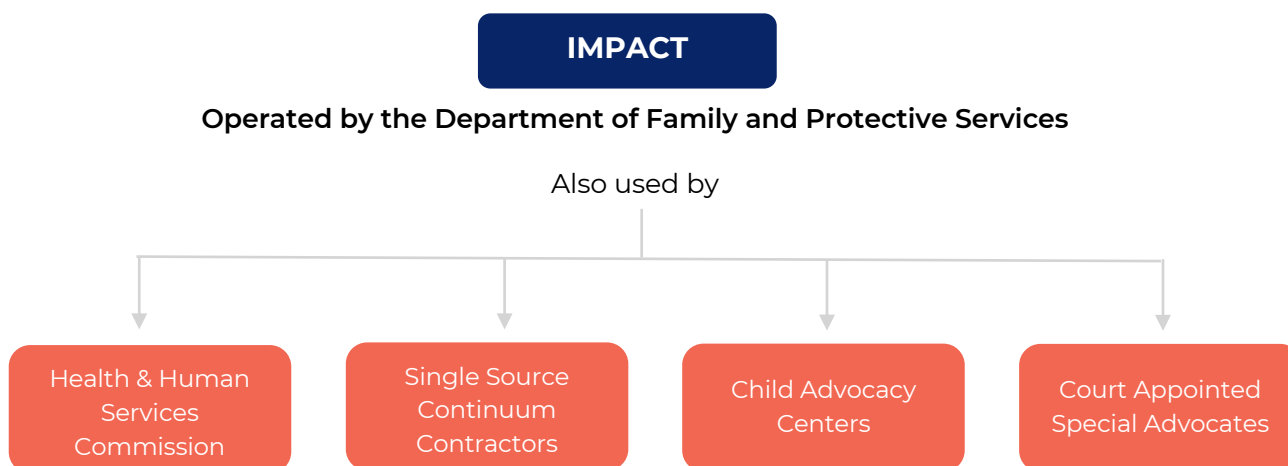
We set out to paint a comprehensive overview of Texas' current data system and the options for change: continuation of the system as is, modular changes to the system or a complete overhaul of the system. The report additionally outlines the benefits of an improved system and recommendations for next steps.

The key takeaways are:

→ Despite continual investment — **$80 million for modernization efforts since 2015** — the existing data system for the Department of Family and Protective Services (DFPS) does not meet federal requirements nor the basic needs of the workers who use it.

→ Creating a new system will largely consist of one-time costs and could ultimately save the state money, especially as the federal government will match 50% of funds used if all CCWIS requirements are met. **Funding could come from general revenue, unused federal funds, or the newly created Technology Improvement and Modernization Fund.**

→ To allow the agency to seamlessly operate during the upgrade and because a complete overhaul of the system takes time and money, **a modular approach is therefore recommended.**

Landscape

What is IMPACT? Short for "Information Management Protecting Adults and Children in Texas," IMPACT was originally implemented twenty-seven years ago for the Department of Family and Protective Services (DFPS) to document all stages of service in a case file. This type of case management system — a necessity for modern child and family services — tracks the placements and services needed to ensure a child and family are receiving the right care and that critical information is being shared.

IMPACT

Operated by the Department of Family and Protective Services

Also used by

Health & Human Services Commission	Single Source Continuum Contractors	Child Advocacy Centers	Court Appointed Special Advocates

While the technology at the time of its launch was current in 1996, IMPACT has struggled to remain up to date. Frustrations around the difficulty and expense to make needed changes or upgrades have only increased over the years. In addition, critical parties to cases are often unable to access information or, perhaps worse, the information they are given is incorrect or incomplete. The changing landscape of child welfare in the last decade also has placed further demands on IMPACT. These changes include, but are not limited to: implementation of Community Based Care (CBC), the passage of the federal Family First Prevention Services Act, and meeting requirements of the ongoing federal foster care lawsuit.

For many years, the state has invested significant resources into IMPACT. In the last decade alone, the Legislature has appropriated $101 million in General Revenue and $140 million from all revenue sources for IMPACT. This number includes funding for modernization as well as

Community Based Care was passed in 2017 and builds on ongoing efforts by the state to support community-driven systems of care to support children and families.
CBC transfers functions related to foster care services from the Department of Family and Protective Services to a lead nonprofit organization and its network of community organizations. CBC includes many of the services that Child Protective Services, a subdivision of DFPS, normally provides. This includes foster care, case management, kinship and reunification services. The lead nonprofit organization in each designated geographic area creates a network of services, foster homes and other living arrangements. When ready, the lead nonprofit provides case management for each child as well. CPS and the lead organization collaborate to carefully manage the transition from traditional foster care to CBC to ensure service and care of children and families is not disrupted.

other costs to maintain and update the system as needed or required.

IMPACT modernization efforts have included attempts at:

- Addressing outdated technology;
- Making the system more user friendly for caseworkers, and;
- Allowing for external access for Single Source Continuum Contractors (SSCCs) and Court Appointed Special Advocates.

While modernization efforts have led to some improvements in the system, IMPACT is neither interoperable with other agencies or across DFPS departments nor is it up to date with current federal guidelines. Other limitations of the system have become clear in recent years, including:

> *The Family First Prevention Services Act is significant federal legislation addressing child welfare services that passed in 2018. This act supports families at imminent risk of removal through a new stream of funding for evidence-based services intended to keep families safe and together. It additionally creates restrictions and limits funding for residential placements for children and youth in foster care in an effort to place them in less-restrictive home settings. Texas is not yet compliant and thus unable to receive all available funds.*

- Inability to "talk to" or share data with other agency or stakeholder systems;
- Cumbersome and expensive to change or update;
- Limited mobile functionality for caseworkers;
- Manual entry required by internal and external users, and;
- Difficulty tracking and monitoring different aspects of the system, sometimes requiring manual case reviews.

This system must pursue modernized technology and data solutions that can allow for proper analysis of the outcomes and date on the individuals served and reporting of this data, which allows for better delivery of services, ultimately with the intention of better outcomes for those served.

> *SSCCs are responsible for finding placements for children in state care and developing a network of services for the child(ren) and family.*

Instead of continuing to pour money into a system built on outdated technology, Texas should seize the opportunity to create a Comprehensive Child Welfare Information System (CCWIS) quickly. Investing in new technology costs money and time. However, a comprehensive technology system will more robustly serve the needs of Texas' child welfare system — both for the kids in the system and for the employees serving them. A modern, cloud-powered, mobile-friendly solution that can produce analytic results in real time would help Texas make better decisions about a child's needs and make for better outcomes.

A CCWIS solution would be interoperable, allowing for appropriate client notifications across a broad range of users, including, but not limited to, children, parents, foster parents, child-care providers, SSCCs, schools, police, and criminal justice representatives.

System priorities may include:

- An immediate solution to support CBC interoperability, such as a data warehouse model.

- Hiring a strategic planning consultant to work with internal and external stakeholders to determine priorities.

- Using a modular approach to implement system upgrades in stages to ease the transition and to allow the agency to continue its work unimpeded during the interim.

Texas' foster care system is currently part of a multi-year federal lawsuit. As part of ongoing monitoring and judicial orders, a number of changes were or are being made to IMPACT to better monitor the safety of children in care and to better work with other agency systems. These ordered changes often come with urgency and without resources to implement them. Requirements of the lawsuit, resources and functionality should be a consideration as Texas looks to update its technological systems. An overhaul of IMPACT was initially ordered by the judge overseeing the case before being struck down by the 5th U.S. Circuit Court of Appeals.

Historical Perspective and Data: SACWIS vs CCWIS

IMPACT is considered a "Statewide Automated Child Welfare Information System," or SACWIS, and was created in 1996. The Statewide and Tribal Automated Child Welfare Information Systems were federally funded data collection systems, with all states required to collect and report specific information to the federal government. This information was then compiled into the Adoption and Foster Care Analysis and Reporting System (AFCARS) and the National Child Abuse and Neglect Data System (NCANDS). Both were then made publicly available on the Children's Bureau's Child Welfare Outcomes Report Data website.

The federal Department of Health and Human Services first created-regulations for SACWIS in 1993. In the subsequent 30 years, child welfare practice and technology — particularly information technology — have evolved tremendously. This rapid change in technology has created the need and desire for new ways of getting and responding to information. In recent years, SACWIS has been criticized for being too prescriptive and for not being interoperable with other agency systems. This can make it harder to share information with critical parties, ensure accurate and updated information, and adapt to changing policies and needs.

In 2015, the federal Department of Health and Human Services issued the Comprehensive Child Welfare Information System Notice of Proposed Rulemaking to address changes in technology and provide agencies with increased flexibility to build smaller systems that more closely mirror their practice models. Critically, this new guidance allows for improved interoperability while maintaining privacy. A Comprehensive Child Welfare Information System (CCWIS) is web-based and supports distributed user bases, data sharing, and leveraging of existing assets. It also allows for real-time updates for various decision-makers and would cut down on the time and money currently spent on data collecting and reporting.

The new CCWIS regulations substantially altered the child welfare technology landscape, opening the door to innovation. CCWIS was created to help modernize child welfare systems and reduce maintenance costs across the country. This new system allows for states to better customize their system to their specific needs. It also requires collaboration across entities such as courts, Medicaid programs, education, other service providers and stakeholders that need timely access to quality data for decision making. States are still required to collect and report particular information to the federal government. This information is compiled into the AFCARS and the NCANDS as well. Both are publicly available on the Children's Bureau's Child Welfare Outcomes Report Data website.

A federal reimbursement of up to 50 percent was made available to offset certain expenses in developing CCWIS systems, with the understanding that it is a significant system shift that will require a workforce and financial investment for states.

Most states have declared their intent to switch to a CCWIS system, though many states are still in transition from SACWIS systems. The National Conference of State Legislatures has identified 46 states, Puerto Rico, and the District of Columbia that have declared they will be switching to CCWIS. Because CCWIS is optional, a few states have developed non-CCWIS

programs designed to perform similarly or remained with a SACWIS.

CCWIS Complete or in Transition (34 states and D.C.)	Alabama, Arizona, Arkansas, California, Delaware, District of Columbia, Florida, Georgia, Idaho, Indiana, Iowa, Kentucky, Maine, Maryland, Michigan, Minnesota, Missouri, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Washington, West Virginia, Wisconsin, Wyoming
CCWIS Planning and Development (12 states and Puerto Rico)	Colorado, Connecticut, Hawaii, Illinois, Kansas, Louisiana, Mississippi, Montana, New Mexico, North Dakota, Puerto Rico, Vermont, Virginia
Non-CCWIS Models (4 states)	Alaska, Massachusetts, Nebraska, Texas

For states implementing CCWIS programs, requirements include improving program management and administration, appropriately applying technology, avoiding duplicate development and maintenance and ensuring costs are reasonable, appropriate, and beneficial. CCWIS states are also required to report data to support federal and agency reporting.

When states were required to develop a SACWIS system, challenges continued long after the systems were in place. According to the General Accounting Office report from 2003, challenges included: a median delay of two-and-a-half years beyond the timeframes set for completion, challenges receiving consistent state funding and creating a system that reflected their work processes, ongoing insufficient caseworker training, inaccurate and incomplete data entry affecting the quality of the data, and lack of clear and documented guidance on how to report child welfare data. Many of these issues persist to this day.

Core Functions, Reporting, and Support of Service Delivery and Treatment

The core functions and processes of a CCWIS system should reflect the processes of child welfare workers: investigating, servicing, and managing a child welfare case. This includes:

- **Intake**: referral screening, investigation and cross reporting;
- **Client Information:** recording and accessing information on clients;
- **Service Delivery:** recording of services delivered to clients;
- **Case Management:** development of case plans, monitoring service delivery and progress assessment;
- **Placement:** placement management and matching of children to placement alternatives;
- **Court Processing:** hearing preparation, filing of petitions, generating subpoenas, citations, notices and recording court actions;
- **Caseload:** assignment and transfer of cases;
- **Resource Management:** information on resources available (services providers, county staff resources, etc.);
- **Program Management:** caseload, county and program-level information for program management purposes;
- **Adoptions:** recording of information for reporting purposes, and;
- **Licensing**: information on licensees used in placement decisions.

As required by federal law, a CCWIS system should also be designed for audiences with visual, hearing, cognitive, speech, mobility and neural disabilities. This should apply to both the internal-facing application experience and a public-facing client experience.

A system of record, such as SACWIS, is built to store data needed to generate reports for the federal government. It is not necessarily intended to aid a social worker's tasks through the case. Even when workers put information into a system of record, it's a short synopsis of what happened, not the actual documentation of the event. Differences in data can occur because of this system being housed in one location, due to file format differences and higher likelihoods of bugs in the system.

> *A system of record is an information system that stores valuable data and can contain multiple data sources, either existing at a single location or multiple locations with remote access. They are often used for human resource management and customer service management.*

Because there are multiple state employees entering data on the same child and they are not able to upload information anywhere except their state computer – because SACWIS systems are not able to be used on cell phones or other mobile devices – there is significant risk of incorrect data or the data not being input at all.

What Exactly is "Interoperability"?

A major component of CCWIS is its underlined interoperability. The term refers to the ability of two or more systems or components to exchange information and to use that information to make better decisions. The term is often used both in a technical engineering sense and in a broader sense, taking into account social, political, and organizational factors that impact performance.

As it stands, too many barriers stand in the way of children getting the services they need. A national effort to promote interoperability is aimed at eliminating many of those barriers. Today, the emergence of "interoperable technology" offers an unprecedented opportunity to connect systems across traditional boundaries in exciting and rewarding ways. This interconnectivity represents the cutting edge for development of new service models and approaches to maximize positive outcomes for children, families, and communities.

In Texas, this functionality is particularly critical for the ongoing implementation of Community Based Care. Current CBC regions are utilizing multiple data services staff to manually input case information into IMPACT. You can see which regions currently have CBC providers in the colored in areas in this chart:
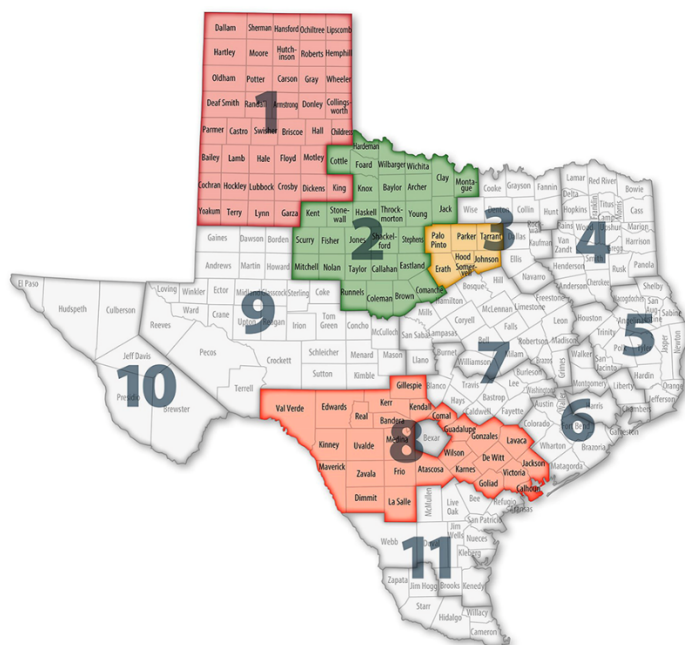
Image Source : *Regions of Community Based Care, The Department of Family and Protective Services.*

Interoperability is particularly important for children in foster care who face complex behavioral and mental health care needs. A lack of or incorrect records can have serious consequences, like the over-prescription of psychotropic medications or duplicate immunizations. Sharing information between government systems allows for better collaboration and informed decision-making.

The current system is not interoperable. External systems cannot properly interface with the current IMPACT system. That leaves the current system struggling to accommodate the innovative efforts Texas has championed to improve services, placements, and outcomes for children.

How Much Would Transitioning to CCWIS Cost?

Technology has shifted since the 1990's and some of these challenges have changed, but we are learning from other states that shifting to a CCWIS system remains a significant implementation effort. It will require planning, investment, and involvement from internal and external stakeholders to ensure this system can be improved in a way that ultimately benefits the children and families served.

According to the Legislative Budget Board, IMPACT maintenance and modernization In the last decade has cost the state more than $140 million from all revenue sources. Since CCWIS became the federal standard in 2015, IMPACT has cost the state around $80 million in modernization efforts alone. In the upcoming biennium IMPACT is expected to cost, at a minimum, $3 million to maintain, with another $3 million to comply with foster care litigation. There is roughly $68 million asked for in DFPS' 2024-2025 Legislative Appropriations Request (LAR) for "strengthening information technology and data resources."

To discover what the cost for a new system might look like if handled externally, Texas 2036 and TACFS conducted interviews with vendors who requested anonymity. One vendor offered information about other states where they had been working as a reference:

- The District of Columbia required $21 million for the initial setup and for five years of support.
- Indiana required $30 million for four-and-a-half years.
- Maine required $36 million for four years.
- Wyoming's system is still being implemented, but the cost to transition systems there is estimated to be about $30 million for five years.

Keeping in mind the figures above and using publicly available information about existing technology systems, the same vendor believed that employing a modular approach would allow an external party, rather than the state agency, to develop the system over a number of years and that costs would likely start around $40 million.

Texas 2036 and TACFS Initial Funding Estimates Based on Vendor Interviews for the 2024-2025 Budget Cycle:

$5 million *3rd Party Strategic Planning*	**$20 million** *Internal agency support*	**$15 million** *CBC Data Warehouse*	**$40 million** *Initial multi-year vendor procurement*

A modular approach to updating DFPS' internal systems over several years – focusing on creating systems to support specific functions and programs, such as investigations units and Community Based Care regions – would allow a staggered approach to planning, development, implementation, and training, and would not overwhelm the work of the agency.

This initial estimate does not include funding that would be required on the public agency side even with an outsourced model. Public money would support programming and specific caseworker field needs as well as updated hardware and software to support the system, data migration, and training. Some of this initial funding is included in the 2024-25 DFPS LAR.

In Summary

It is Texas 2036 and TACFS' recommendation that DFPS become compliant with the new federal standard and adopt an interoperable CCWIS system. While a new system would require a financial investment, the costs of remaining with the current system will continue to accrue over time as the state continues to pour resources in support of an outdated system that is ill-equipped to keep up with a rapidly changing child and family services environment.

We recommend the following next steps for the Legislature to consider:

1. Either direct a DFPS employee(s) dedicated specifically to IMPACT oversight or a third-party consultant to create a sustainable, interoperable CCWIS compliant system.

2. Employ a modular approach when transitioning to a CCWIS compliant system.

3. Support development of a data warehouse to facilitate the ongoing implementation of Community Based Care in Texas in tandem with CCWIS transition.

4. Support initial funding for the agency to begin internal stakeholder engagement, planning, and development, as well as funding to procure initial modules.

In addition, the state should explore any federal reimbursement still available to become CCWIS-compliant. Texas may be able to invest one-time funding, such as unspent American Rescue Plan Act federal funds to develop this system. The state also may want to consider drawing funds from the Technology Improvement and Modernization (TIM) Fund that was created by House Bill 4018 in the 87th Legislature and has $200 million dedicated to improving aging agency IT and improving cybersecurity. A portion of this fund can go toward assisting DFPS in its modernization efforts.

While the task of changing systems can be daunting, a new system will improve the functioning of the agency and better track vulnerable children. Texas 2036 and TACFS believe that better data provides better understanding — and that provides better outcomes. It all begins with the data system itself.

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