Arizona Department of Child Safety
Arizona Families F.I.R.S.T.

Department's contracted substance abuse program incorporates best practices in its design, and the Department has implemented controls to oversee contractors' compliance with program requirements

Special Report

March 2018
Report 18-103

A Report to the Arizona Legislature

Debra K. Davenport
Auditor General

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March 22, 2018

Members of the Arizona Legislature

The Honorable Doug Ducey, Governor

Mr. Gregory McKay, Director
Arizona Department of Child Safety

Transmitted herewith is a report of the Auditor General, *A Special Report of the Arizona Department of Child Safety—Arizona Families F.I.R.S.T.* This report is in response to Laws 2016, Ch. 123, §7, and was conducted under the authority vested in the Auditor General by Arizona Revised Statutes §41-1279.03. I am also transmitting within this report a copy of the Report Highlights for this report to provide a quick summary for your convenience.

As outlined in its response, the Arizona Department of Child Safety agreed with the findings and plans to implement the recommendation.

My staff and I will be pleased to discuss or clarify items in the report.

Sincerely,

Debbie Davenport
Auditor General

Attachment

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REPORT HIGHLIGHTS
Special Report
March 2018

Arizona Department of Child Safety
Arizona Families F.I.R.S.T.

CONCLUSION: Pursuant to Laws 2016, Ch. 123, §7, the Office of the Auditor General has completed a special report of the Arizona Department of Child Safety's (Department) substance abuse treatment program known as Arizona Families F.I.R.S.T. (Families in Recovery Succeeding Together), or the AFF program. The AFF program provides a continuum of community-based substance abuse treatment and supportive services through contracted providers (contractors) to parents, guardians, or custodians of a child named in a child maltreatment report where substance abuse is a significant barrier to preserving or reunifying the family. As administered by the Department, the AFF program incorporates best practices for substance abuse treatment and addressing the needs of families with co-occurring substance abuse and child maltreatment. In addition, the Department has established oversight controls such as monthly progress reports and invoices from the contractors, and contractor site visits conducted by department staff, to help ensure that its contractors adhere to contract requirements. However, the Department reported that the invoice payment process does not include a review of underlying documentation to ensure that invoiced services are supported, and the Department should carry out its plans to review this documentation.

AFF program background

AFF program statutorily required—The AFF program was established by Laws 2000, Ch. 382, §2, and its purpose is to provide a continuum of community-based substance abuse treatment services and supportive services to parents, guardians, or custodians of a child named in a child maltreatment report where substance abuse is a significant barrier to preserving or reunifying the family. Clients are referred to the program by the Department's DCS specialists (caseworkers), and their participation in the program is voluntary. According to the Department, a client's participation is not contingent on having an open child welfare case with the Department or having a child removed from the home.

Statute specifies how the AFF program should be administered, including provisions for contracting for program services. The Department contracts with three contractors who provide or subcontract for outpatient services and subcontract for residential treatment services. These contractors cover different areas of the State, and their contracts expire on July 31, 2018. The AFF program encompasses multiple phases that include referral to the program, outreach and engagement with clients, screening and funding coordination, an assessment for substance abuse issues and service planning, treatment, and recovery maintenance to help prevent relapse occurrences.

Statute requires annual AFF program evaluations—Arizona Revised Statutes (A.R.S.) §8-884 requires the Department to contract for annual evaluations of the AFF program. The most recently completed annual evaluation is for fiscal year 2016.[1] According to the evaluation report, 12,261 individuals received a referral to the AFF program that fiscal year, of which 8,795 accepted participation in the program.[2] Of these, 8,248 completed a substance abuse assessment, of which 7,474 were identified as needing treatment. About 71 percent of clients who received substance abuse treatment began in outpatient services, about 22 percent began in intensive outpatient services, and 7 percent did not have a level of care identified. Of the 7,474 clients, about 19 percent successfully finished treatment, 51 percent were still in treatment, and 30 percent closed out of the program before completing treatment as of the end of the fiscal year. According to the evaluator's analysis of data on AFF program referrals between April 30, 2011 through June 30, 2016, about 57 percent of clients who successfully completed the program had no subsequent child maltreatment reports made to the Department. For children associated with a referral to the program, about 59 percent had achieved permanency by the end of fiscal year 2016.

Various funding sources are used to pay for clients' AFF program services—These include department funding, Medicaid (through the Arizona Health Care Cost Containment System, or AHCCCS), private insurance, tribal

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[1] The fiscal year 2017 annual evaluation was due in November 2017 but will not likely be released until April 2018. According to the Department, it asked the evaluator to delay publication of the evaluation in order to improve the data presented in the report.

[2] The 12,261 referred individuals include 4,130 individuals who were referred to the AFF program prior to the start of the fiscal year and continued to receive services during fiscal year 2016. Additionally, individuals may receive more than one referral.

funding, federal funding for veterans, and Medicare. A.R.S. §8-812 requires Medicaid or private insurance to be used, if available, prior to using department funding, and the contractors are required to screen clients to determine the availability of alternative funding sources before using department funding. According to the Department and AHCCCS, sufficient funding was available through these sources to pay for all clients' AFF program services and no potential clients would be turned away or waitlisted because of funding constraints. All three contractors also indicated that there are no waitlists for clients to receive services.

AFF program design incorporates best practices

The AFF program incorporates best practices for substance abuse treatment and addressing the needs of families with co-occurring substance abuse and child maltreatment that we identified in literature. Use of these best practices is generally included in the AFF program contracts. For example, consistent with recommended practice, the AFF program is a collaboration between the Department, its contractors, and the Regional Behavioral Health Authority (RBHA) provider network.[3] In addition, the AFF program provides for timely outreach and engagement of clients and for family-centered treatment services rather than treating only the individual substance abuser. The AFF program also allows for the use of peer recovery coaches—which the contracts define as former clients who have successfully completed the program—to provide support and encouragement to clients. Additionally, AFF program requirements direct the contractors to train their employees in motivational interviewing, a method of nonjudgmentally encouraging clients to engage in treatment by easing their resistance to change, which is a best practice for treating substance abuse. Further, the AFF program contracts require the Department to make incentive payments to the contractors when clients achieve specific milestones during recovery maintenance, such as maintaining continuous employment for 3 months or achieving reunification with children placed in out-of-home care. The contractors reported that they pass on a portion of the incentive payments to clients. Finally, the AFF program provides clients with various supportive services to help clients with their needs and remove treatment barriers. These services include, but are not limited to, drug screening, parenting classes, employment assistance, transportation, child care, car repair, utility assistance, housing assistance, clothing/uniform vouchers, food boxes, and cellphone minutes.

Department has implemented AFF program oversight

The Department has established various controls to oversee the AFF program contracts and help ensure that the contractors adhere to contract requirements. These include requiring contractors to:

- Send monthly progress reports to each client's department caseworker, which allows the caseworker to assess the client's evolving needs and progress toward child safety goals.
- Submit monthly invoices for client services, which are billed to the responsible party (e.g., to the Department or insurance). For invoices submitted to the Department, department staff review the invoices against specific contractual requirements. However, this process does not include a review of underlying documentation to ensure that invoiced services are supported, and the Department should carry out its plans to periodically perform this type of review.
- Conduct quarterly collaborative meetings—involving the contractors, treatment providers, and other stakeholders—to facilitate communication, identify and develop strategies to address barriers to service delivery, and provide training and technical assistance on the AFF program. The contractors are required to submit meeting minutes to the Department, and department staff may also attend the meetings.

Finally, the Department conducts semiannual site visits at each of its contractors. During these site visits, department staff review 9 to 12 case files using a standardized fidelity monitoring tool to assess the contractors' compliance with contract requirements and quality of services provided through the AFF program. If there are noted deficiencies, department staff discuss them with the contractors, who explain their commitment to improve those practices by listing their action goals. According to the site visit process, department staff then follow up on those action goals during the next site visit.

Recommendation

The Department should carry out its plans to conduct periodic reviews, on a sample basis, of documentation supporting invoiced services to ensure these services are supported.

[3] RBHAs are state-contracted agencies that operate as managed care organizations within a specific geographic service region of Arizona.

TABLE OF CONTENTS

INTRODUCTION

Scope and objectives

As required by Laws 2016, Ch. 123, §7, the Office of the Auditor General has completed a special report of the Arizona Department of Child Safety's (Department) substance abuse treatment program known as Arizona Families F.I.R.S.T. (Families in Recovery Succeeding Together), or the AFF program. As directed by law, this report compares the AFF program to best or recommended practices, including the role of various supportive services provided as part of the program to help address potential barriers to treatment (see Chapter 1, pages 9 through 13). In addition, the report addresses the prevalence of waiting lists for program treatment (see Introduction, page 8), as well the Department's oversight of the AFF program (see Chapter 2, pages 15 through 16). This report includes one recommendation in Chapter 2.

AFF program background

Laws 2000, Ch. 382, §2, established the AFF program as a community substance abuse prevention and treatment program. The AFF program's purpose is to provide a continuum of community-based substance abuse treatment services and supportive services to parents, guardians, or custodians of a child named in a child maltreatment report where substance abuse is a significant barrier to preserving or reunifying the family. The Department's DCS specialists (caseworkers) refer clients to the AFF program based on assessments conducted when responding to a child maltreatment report (see page 3 for additional information about the referral process to the AFF program).[1] Caseworkers will also refer mothers of substance-exposed newborns to the program. Clients' participation in the AFF program is voluntary, and the Department reported that a client's participation is not contingent on having an open child welfare case with the Department or having a child removed from the home.

Statute specifies how the AFF program should be administered, including provisions for contracting for program services. The Department contracts with three contractors who provide or subcontract for outpatient services and subcontract for residential treatment services, generally through the Regional Behavioral Health Authority (RBHA) network of providers under contract with the Arizona Health Care Cost Containment System (AHCCCS) (see textbox). The three contractors are Terros Health, Inc. (Terros), Southeastern Arizona Behavioral Health Services,

Regional Behavioral Health Authority

RBHAs are state-contracted agencies that operate as managed care organizations within a specific geographic service region of Arizona. A RBHA manages behavioral healthcare services that the State makes available at low or no cost for people whose health and income make them eligible for these benefits. AHCCCS, Arizona's Medicaid program, pays for these services.

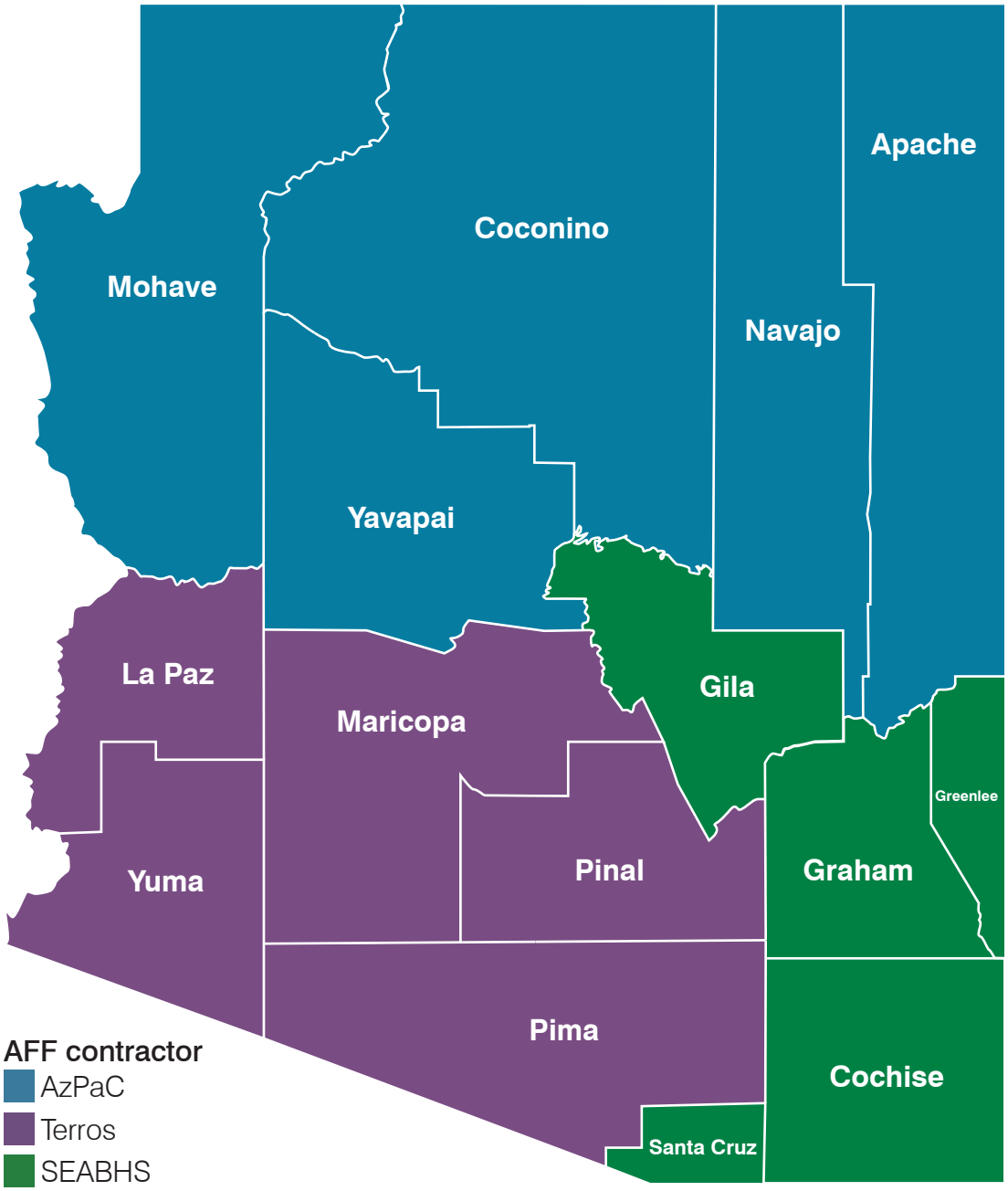
A RBHA manages a network of local providers that includes doctors, counselors, peer support specialists, housing and employment specialists, case managers, and other care providers.

Source: Auditor General staff review of Bergsma, L., Fullerton, R., King, B., & Peters, J. (2011). On the edge of opportunity: A review of the public behavioral health system in rural Arizona. Tucson, AZ: Mel and Enid Zuckerman College of Public Health, and Health Choice Integrated Care's web site.

[1] The Arizona Department of Economic Security may also refer clients to the AFF program who are in the Temporary Assistance for Needy Families (TANF)/Jobs program if substance abuse is preventing them from obtaining or keeping a job. However, the Department makes the majority of referrals to the AFF program. For example, according to the fiscal year 2016 annual AFF program evaluation (see pages 5 through 7 for more information about the evaluation), the Department made 99.9 percent of the total referrals for that year.

Inc. (SEABHS), and Arizona Partnership for Children (AzPaC).[2] As shown in Figure 1, these contractors cover different areas of the State.[3] The current contracts expire July 31, 2018, and department staff reported that they are working on developing the scope of work for new contracts.

Figure 1
AFF contractors' service areas



Source: Auditor General staff review of the fiscal year 2016 AFF program evaluation.

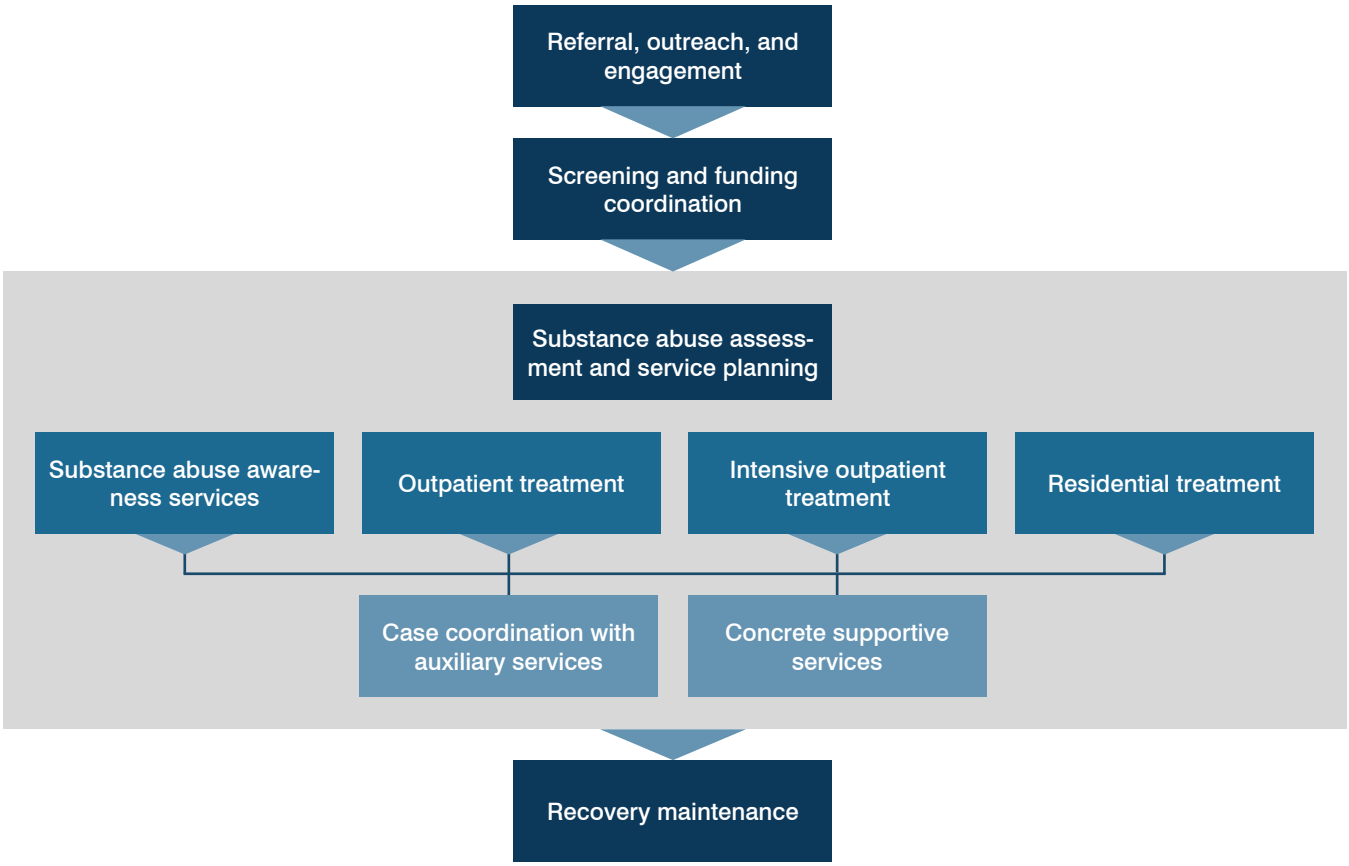
[2] Both Terros and SEABHS are RBHA-contracted providers and provide direct services to clients enrolled with them, although Terros subcontracts for some specific services. AzPaC is not a RBHA-contracted provider and must coordinate with RBHA providers or subcontractors for all treatment services, although it provides the case management for program clients.

[3] Terros covers the Department's Pima, Southwest, and Central Regions; AzPaC covers the Department's Northern Region; and SEABHS covers the Department's Southeast Region.

AFF program overview

As shown in Figure 2, the AFF program encompasses multiple phases that include referral to the program, outreach and engagement with clients, screening and funding coordination, an assessment for substance abuse issues and service planning, treatment, and recovery maintenance to help prevent relapse occurrences. Specifically:

Figure 2
Overview of AFF program phases



Source: Auditor General staff review of AFF program contracts.

- **Referral, outreach, and engagement—**A department caseworker will refer a parent or caregiver to the AFF program if, during an assessment of child maltreatment, the caseworker identifies substance abuse as a barrier to stabilizing, preserving, or reunifying children and families.[4] The referral is made to the appropriate contractor for the region of the State where the parent or caregiver lives. When a contractor receives a referral from the department caseworker, contractor staff will then reach out to the referred individual and engage them to determine their willingness to participate in the program. Per the AFF program contracts, contractors should attempt contacting the referred person within 1 business day of receiving a referral and should make a minimum of three outreach attempts within 5 business days, one of which must be in person.

- **Screening and funding coordination—**If contractors successfully contact the referred client, they work with the client to obtain his/her consent to participate in the AFF program. Once contractors obtain consent, they screen clients to determine an appropriate funding source to pay for services, such as Medicaid, private insurance, or department funding (see pages 7 through 8 for additional information on AFF program funding).

[4] As stated in footnote 1 (see page 1), the Arizona Department of Economic Security may also refer clients to the AFF program who are in the TANF/Jobs program if substance abuse is preventing them from obtaining or keeping a job.

- **Substance abuse assessment and service planning—**Clients who consent to participate in the program undergo a comprehensive substance abuse assessment to determine the level of care that will most benefit them. Per the AFF program contracts, the substance abuse assessment should occur within 7 business days of when a client consents to participate in the program. Contractor staff, such as AFF case managers and clinicians, then develop and document a service plan for each client that promotes sobriety and child safety. This service plan is shared with the client's department caseworker via the Department's child welfare database to help ensure the caseworker is updated on the status of the case as it relates to the child. Within 15 calendar days of completing the substance abuse assessment, the client, family members, department caseworker, and contractor staff must meet to finalize this service plan and ensure all stakeholders are informed and in agreement with the plan.

  During this time, contractor staff also work with the client to identify any supportive services necessary to prevent barriers to substance abuse treatment and include these services in the client's service plan. Supportive services are specific to clients' and their families' individual needs and may be offered throughout the duration of clients' participation in the program. The AFF program includes two types of supportive services. Specifically:

  - **Case coordination with auxiliary services** is provided to ensure seamless service delivery and help clients with their needs. Services can include, but are not limited to, drug screening, parenting classes, and employment assistance. For example, clients enrolled in the AFF program must complete an initial drug screen within 2 working days of the substance abuse assessment, followed by random drug testing during treatment on a schedule determined by how long they have been enrolled in the program and their progress during treatment.[5] Clients who have been enrolled between 0 and 60 days should complete at least two drug tests per week; clients who have been enrolled between 61 and 120 days should complete at least two drug tests each month; and clients who have been enrolled for more than 120 days should complete at least one drug test per month.

  - **Concrete supportive services** provide access to resources that aid in recovery and meet a family's basic needs, when those needs are identified as a barrier to clients achieving and/or maintaining sobriety. These services can include, but are not limited to, transportation (e.g., bus passes), child care, car repair, utility assistance, housing assistance (e.g., money for rent), clothing/uniform vouchers, food boxes, and cellphone minutes. The Department has established a $600 limit per client, per year for these services.

- **Substance abuse awareness services—**These services are provided to clients who are unwilling to attend treatment, but who are willing to attend groups or individual counseling to consider the effects of substance abuse on their lives. They are also designed to educate clients' family members about the effects of substance abuse on families, engage family members in treatment, and enhance their understanding of the treatment recovery process whenever it is safe and appropriate to do so. These services may also be used for clients whose scheduled assessments will not occur for at least 1 week, to ensure continuous engagement with them. The services are provided for a maximum of 30 days. If a client is still unwilling to attend treatment after receiving substance abuse awareness services, then a staffing meeting should take place with contractor staff, the client, and the referring department caseworker to discuss the situation.

- **Substance abuse treatment with continuous service coordination—**There are three levels of substance abuse treatment available to clients, and the appropriate level of care is determined based on the substance abuse assessment:

  - **Outpatient treatment—**This treatment is used for clients who are assessed as needing a minimum amount of therapeutic intervention and other supports to gain sobriety. It includes a minimum of 3 hours per week of face-to-face therapeutic services, such as individual, group, and family therapy.

[5] Drug testing includes testing for alcohol use.

- **Intensive outpatient treatment—**This treatment is used for clients who need a moderate amount of therapeutic intervention and other supports to gain sobriety. It includes a minimum of 8 hours per week of direct, face-to-face therapeutic services, for a minimum of 8 weeks, which can include individual, group, and family therapy.

- **Residential treatment—**This treatment is the highest level of treatment and is used for clients who need an intensive amount of therapeutic intervention and other supports to gain sobriety. Residential treatment can include, but is not limited to, 24-hour care and supervision, individual counseling, group therapy, family therapy, substance abuse education, and social skills training.

- **Recovery maintenance—**Contractor staff create a recovery maintenance service plan for clients that requires contractor staff to maintain ongoing connections and support with the client for 6 months after completing treatment to help the client maintain sobriety. This plan requires weekly calls, emails, and/or home visits by contractor staff, as well as intervention options such as connecting a client to a sober living environment and community sobriety supports such as recovery groups. Contractor staff also help clients receive interventions if a relapse does occur, such as working with the client to identify areas of difficulty in making the transition from treatment to recovery maintenance or referring the client back to treatment if necessary.

- **Case closure—**AFF program cases can be closed for a variety of reasons, such as when a client successfully completes treatment or refuses services, or if outreach attempts were unsuccessful. Because the AFF program is voluntary, clients may exit the program at any time during the process. The contractors reported that clients who successfully complete the program receive services for about 9 to 12 months on average (see the textbox on page 6 for a fictional example of a client's progression through the program).

AFF program evaluation

A.R.S. §8-884 requires the Department to contract for annual evaluations of the AFF program. According to this statute, the Department should develop evaluation factors that are consistent with the AFF program goals of increasing the availability, timeliness, and accessibility of substance abuse treatment to (1) improve child safety, family stability, and permanency for children; (2) help TANF recipients achieve self-sufficiency through employment; and (3) promote recovery from alcohol and drug problems.

The evaluator is required to submit quarterly reports to the Department and each contractor, as well as an annual report due to the Legislature by November 1 each year. These quarterly reports include information on program referrals, services, and outcomes by contractor and provide the Department with the opportunity to give feedback to the evaluator on any future changes to the annual evaluation report. The Department has contracted with various evaluators, including Arizona State University and the University of Arizona, to perform these evaluations, and it currently contracts with the Wellington Consulting Group, Ltd.

The most recently completed annual evaluation is for fiscal year 2016.[6] According to the evaluation report, 12,261 individuals received a referral to the AFF program that fiscal year.[7] According to the program evaluator, 91 percent of these individuals were referred to Terros, 7.9 percent to AzPaC, and 1.1 percent to SEABHS. Of the 12,261 individuals, 8,795 accepted participation in the program. Of these, 8,248 completed a substance abuse assessment, of which 7,474 were identified as needing treatment. About 71 percent of clients who received substance abuse treatment began in outpatient services, about 22 percent began in intensive outpatient services, and 7 percent did not have a level of care identified. Of the 7,474 clients, about 19 percent successfully finished treatment, 51 percent were still in treatment, and 30 percent closed out of the program before completing treatment as of the end of the fiscal year. With regard to the drug testing requirements discussed on page 4, the evaluation reported that about 25 percent of clients in each of the three drug testing schedules complied with

[6] The fiscal year 2017 annual evaluation was due in November 2017 but will not likely be released until April 2018. According to the Department, it asked the evaluator to delay publication of the evaluation in order to improve the data presented in the report.

[7] This number includes 4,130 individuals who were referred to the AFF program prior to the start of the fiscal year and continued to receive services during fiscal year 2016. Additionally, individuals may receive more than one referral.

Fictional example of a client's participation in the AFF program

Referral—A department caseworker is investigating a report of child maltreatment and identifies that the father's substance abuse impacts the child's welfare. The caseworker completes an AFF program referral form for the father requesting a more detailed substance abuse assessment by a clinician and substance abuse treatment and supportive services. The AFF contractor receives the referral and initiates outreach and engagement strategies for the father. These strategies include identifying the father's location and speaking with him in person to identify his willingness to participate in the AFF program. If the contractor has difficulty making contact with the father, he/she can work with the department caseworker to help locate and engage the father.

Screening and funding coordination—The contractor locates the father at a family friend's home. The contractor discusses the family situation with the father and obtains the father's written consent to participate in the AFF program. The contractor then works with the father to identify the status of his healthcare coverage. The father indicates that he has Medicaid coverage, and the contractor then verifies that the father is enrolled in Medicaid.

Substance abuse assessment and service planning—The father completes an initial drug test. In addition, a clinician conducts a substance abuse assessment and determines that outpatient treatment is the most appropriate treatment level for the father. The contractor documents this assessment in a service plan and provides this plan to the department caseworker to ensure the caseworker is updated on the father's status as it relates to the child's case. During this time, the contractor also works with the father to understand any potential barriers to his treatment. The father does not have a working vehicle to be able to attend substance abuse treatment, so the contractor provides assistance with the cost of repairing his vehicle.

Substance abuse awareness services—During the service planning process, the father has been hesitant about needing substance abuse treatment, and the contractor believes he and his wife would benefit from attending substance abuse awareness services to understand how substance abuse is impacting their family and what they can expect from treatment.

Substance abuse treatment with continuous service coordination—After completing several weeks of substance abuse awareness services, the father is willing to enter treatment, and begins attending 3 hours per week of face-to-face individual, group, and family therapy sessions with his wife, as well as completing required drug testing. The contractor provides monthly client progress reports to the department caseworker during this time.

Recovery maintenance—The father completes 5 months of therapeutic treatment and required monthly drug testing and is ready to transition out of outpatient treatment. The contractor works with the father, family, and other stakeholders such as the department caseworker to create a recovery maintenance service plan, which includes working with the father to establish him in a community sobriety group and conducting regular phone call check-ins with the father. The father stays in recovery maintenance for 6 months and completes monthly drug tests during this time. The department caseworker follows the father's progress through the monthly client progress reports until the father's case is closed and he has achieved sobriety.

Source: Auditor General staff summary of a fictional client's participation in the AFF program based on a review of program documents and interviews with department and contractor staff.

these requirements. The evaluation also reported that, of the 111,899 drug tests administered to clients during fiscal year 2016, more than half had a negative result with no substances detected.

Additionally, the evaluation includes information on (1) the reduction of child maltreatment by program clients and (2) permanency outcomes for children associated with referrals to the program.[8] Specifically, the evaluator

[8] Permanency refers to the permanent, legal placement of a child after the child is removed from his/her home. Child permanency can include reunification with parents, guardianship, and adoption.

analyzed data on AFF referrals between April 30, 2011 through June 30, 2016. Among clients who successfully completed the AFF program, about 57 percent had no subsequent child maltreatment reports made to the Department. For children associated with a referral to the program, about 59 percent had achieved permanency by the end of fiscal year 2016.[9] Of the children who had achieved permanency, about 48 percent were reunified with their families, 43 percent were adopted, and 6 percent were placed with a guardian.[10]

AFF program funding

Various funding sources are used to pay for clients' AFF program services, including department funding, Medicaid (through AHCCCS), private insurance, tribal funding, federal funding for veterans, and Medicare. A.R.S. §8-812 requires Medicaid or private insurance to be used, if available, prior to using department funding (see textbox for information about contractors' funding eligibility screening processes).[11] According to the fiscal year 2016 program evaluation, Medicaid and department funding were the most common funding sources used that year. Specifically, of the referrals that resulted in an initial substance abuse assessment, approximately 57 percent were funded by Medicaid at the time of the assessment, while 38 percent were funded by the Department and 5 percent by other sources. The funding source for specific clients may change during the program for various reasons, such as changes in a client's Medicaid eligibility or private insurance due to a client's employment status. According to the fiscal year 2016 program evaluation, approximately 42 percent of referrals whose cases closed that year were funded by Medicaid, while 55 percent were funded by the Department and 3 percent by other sources.

Contractors' processes for screening clients' funding eligibility

As part of determining an appropriate funding source for clients, the contractors are required to screen clients to determine the availability of alternative funding sources before using department funding. The Department developed a benefits screening tool for contractors to use to determine an individual's access to or eligibility for alternative funding sources for treatment. This tool includes questions such as whether the client is on Medicaid or has an application pending. The tool also includes income guidelines that can help contractors determine whether a client may be eligible for Medicaid assistance if not currently enrolled. Additionally, two of the three contractors are RBHA-contracted providers and reported using a database available through the RBHAs that lists individuals currently receiving Medicaid benefits. These contractors reported using this database to screen for clients' Medicaid eligibility at various phases of clients' treatment, including when a client is referred, prior to a client receiving services, and monthly as part of their billing process. The third contractor is not a RBHA-contracted provider and does not have access to the RBHA database; however, it reported coordinating with RBHA-contracted service providers to screen clients for alternative sources of funding such as Medicaid. For example, when this agency coordinates with a RBHA-contracted provider to arrange a service for a client, that RBHA-contracted provider will use the RBHA database to screen a client. All three contractors reported that if a client is not enrolled in Medicaid but may be eligible for it, they assist the client with completing an application online, as required in the AFF program contracts. In addition, all three contractors indicated that it is beneficial to them if a client is enrolled in Medicaid, because clients can receive additional services, such as medical services, that they would not be able to receive with department funding.

Source: Auditor General staff interviews with contractors and review of the Department's benefits screening tool.

According to department records, the Department spent approximately $8.9 million on the AFF program in fiscal year 2017. According to department staff, this amount could increase because the contractors can still invoice the Department in fiscal year 2018 for services provided to clients during fiscal year 2017. This amount does not

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[9] As noted in the evaluation, children named in a child maltreatment report associated with the AFF program during calendar year 2016 would not reasonably have been expected to achieve permanency by the end of fiscal year 2016.

[10] The remaining 3 percent of children exited department care for various reasons, such as running away or transfer to another agency.

[11] Program services that are not covered by Medicaid or other insurance are paid with department funding. For example, according to the Department, concrete supportive services are generally billed to the Department when not covered by Medicaid.

include costs for AFF program services billed to other funding sources, such as Medicaid and private insurance, because this information is not tracked.

The availability of multiple funding sources helps ensure that funding is not a barrier to AFF program participation. Representatives from both the Department and AHCCCS reported that sufficient funding was available through these sources to pay for all clients' AFF program services and that no potential clients would be turned away or waitlisted because of funding constraints. All three contractors also indicated that there are no waitlists for clients to receive services. One contractor indicated that substance abuse assessments can be delayed in rural areas because there are fewer clinics available to provide this service. However, if this occurs, clients are still engaged in the program, such as through substance abuse awareness services, until the assessments can be conducted.

AFF program design incorporates best practices for substance abuse treatment and child welfare

As administered by the Arizona Department of Child Safety (Department), Arizona Families F.I.R.S.T. (Families in Recovery Succeeding Together), or the AFF program, incorporates best practices for substance abuse treatment and addressing the needs of families with co-occurring substance abuse and child maltreatment (see the Introduction, pages 3 through 5 for an overview of the AFF program). Use of these best practices is generally included in the Department's contracts with contracted substance abuse treatment providers (contractors) for the AFF program: Terros Health, Inc. (Terros); Southeastern Arizona Behavioral Health Services, Inc. (SEABHS); and Arizona Partnership for Children (AzPaC). Department staff reported that they researched best practice literature when developing the contracts' scope of work. Auditors included this literature in their review of best practices for treating substance abuse in general and for meeting the needs of families with co-occurring substance abuse and child maltreatment. The AFF program incorporates practices auditors identified in their review of best practices, and this chapter includes no recommendations. Specifically:

- **Collaboration between child welfare agency and substance abuse treatment providers—**Literature indicates that neither child welfare systems nor substance abuse treatment providers alone are able to adequately address the needs of families with children in the child welfare system because of substance abuse.[12] However, coordination among these entities helps ensure that clients receive needed services and that children have a safe, substance abuse-free home.[13]

  Consistent with this recommended practice, the AFF program is, by design, a collaboration between the Department, its substance abuse treatment contractors, and the Regional Behavioral Health Authority (RBHA) provider network. The AFF program offers community-based substance abuse treatment services and supportive services to parents, guardians, or custodians of a child named in a maltreatment report where substance abuse is a significant barrier to preserving or reunifying the family.[14] For each client, the collaboration between the Department and its contractors begins when a department DCS specialist (caseworker) refers a parent, guardian, or custodian with a possible substance abuse problem to one of its three substance abuse treatment contractors. Upon referral, contractor staff will reach out to the client to determine if they are willing to participate in the AFF program. If a client accepts treatment, the contractors are required to provide a continuum of services based on the needs of each individual family. This collaboration extends through the duration of the client's treatment and ends when the client completes the maintenance recovery phase of the AFF program (see Introduction, pages 3 through 5, for more information on the phases of the AFF program). Contractors are also required to provide monthly client progress reports to the client's department caseworker to review and assess evolving client needs and progress toward child safety goals. The collaboration also relies on a family-centered approach to treatment and, depending on the contractor, use of a peer recovery coach assigned to each family (see next bullets).

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[12] Substance Abuse and Mental Health Services Administration. (2016). *A collaborative approach to the treatment of pregnant women with opioid use disorders*. HHS Publication No. (SMA) 16-4978. Rockville, MD: U.S. Department of Health and Human Services.

[13] He, A.S., & Phillips, J. (2017). Interagency collaboration: Strengthening substance abuse resources in child welfare. *Child Abuse & Neglect*, 64, 101 – 108.

[14] Clients' participation in the AFF program is voluntary and is not contingent on having an open child welfare case with the Department or having a child removed from the home.

- **Family-centered practice—**For instances where substance abuse is co-occurring with child welfare cases, literature supports the practice of providing family-centered treatment services rather than treating only the individual with the substance abuse problem.[15] According to literature, family-centered practice consists of providing trained program staff who engage all family members in treatment and services. Literature indicates that parents are more likely to achieve sobriety and children are more likely to be safe in their custody when family-centered treatment services are provided in conjunction with other practices discussed in this chapter. Some literature cites Kentucky's Sobriety Treatment and Recovery Team (START) program as an example of family-centered practice, where program staff are assigned to each family to help them through the phases of engagement, treatment, and recovery.[16]

  Consistent with the concept of family-centered practice, an essential element of the AFF program is incorporating the family, rather than just the client, in all phases of the program. Services provided to the family, such as parenting classes, childcare, and substance abuse group treatment, are managed through service coordination. For example, the AFF contractors coordinate with community partners to provide parenting classes and transportation to those classes. A client's participation in services is also reported to department caseworkers through the monthly client progress reports and in phone calls and emails between department caseworkers and the contractors. In addition, when it is safe and appropriate, all members of a family are educated on the effects of substance abuse on the entire family. For example, children and other family members can attend substance abuse treatment counseling sessions with a substance-abusing mother to help foster a unified understanding of the recovery process.

- **Timely outreach to engage clients—**A best practice for treating substance abuse is timely identification and outreach to individuals with a substance abuse problem because "providing quick access to intensive substance abuse treatment capitalizes on the potential readiness to change generated by a [maltreatment] report and recognizes the urgent needs to keep children safe."[17] Although the literature auditors reviewed did not specify a recommended amount of time for identification and outreach, one study determined that timely identification of substance abuse treatment needs has positive outcomes for clients if they are referred to a specialized caseworker who is focused on treatment access, engagement, and completion.[18,19]

  The AFF program is designed, through its contracts, to provide for timely outreach and engagement of clients. For example, contractors are required to attempt contacting the referred person within 1 business day of receiving a referral and should make a minimum of three outreach attempts within 5 business days, one of which must be in person. According to the 2016 AFF program evaluation, contractors attempted outreach within 1 business day for 95 percent of the 14,641 referrals that year and made three attempts within 5 business days for 67 percent of the referrals.[20] Further, contractor staff must conduct a client's substance abuse assessment within 7 working days of the date the client accepted services. Although the timeliness of the assessment is not reported in the fiscal year 2016 program evaluation, the evaluation found that 94 percent of clients who accepted program participation received a substance abuse assessment.

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[15] Huebner, R.A., Young, N.K., Hall, M.T., Posze, L., & Willauer, T. (2017). Serving families with child maltreatment and substance abuse disorders: A decade of learning. *Journal of Family Social Work*, 20(4), 288-305.

[16] Kentucky's Department for Community Based Services implemented the START program in 2006. The START program is a child welfare-led program designed for families with children age 5 years or younger with a substantiated maltreatment claim and parental substance abuse is a primary risk factor. Kentucky's Department collaborates with the Kentucky Division of Behavioral Health to address that risk factor. START program goals include ensuring child safety, reduction of out-of-home care, family reunification, and improvement of parenting abilities. The California Evidence-Based Clearinghouse for Child Welfare determined that START program practices yield benefits for participants that are comparable to or better than comparative practices.

[17] Huebner et al., 2017.

[18] Ryan, J.P., Perron, B.E., Moore, A., Victor, B.G, & Park, K. (2017) Timing Matters; A randomized control trial of recovery coaches in foster care. *Journal of Substance Abuse Treatment*, 77, 178-184.

[19] In Huebner et al. (2017), researchers indicate that START service delivery standards specify that clients should complete at least five treatment sessions within 30 days of a maltreatment report. However, auditors did not compare this or interim time frames to the AFF program because the phases of each program are different.

[20] This number includes 5,030 continuing referrals that opened prior to the start of the fiscal year.

- **Peer recovery coaching—**Another best practice for treating substance abuse that co-occurs with child maltreatment is assigning peer recovery coaches to program clients. Peer recovery coaches are themselves in recovery from substance abuse and, therefore, in a position to relate to and engage clients. The goal of peer recovery coaching is to establish a one-on-one relationship with each client that provides support, encouragement, and motivation by appealing to the client's strengths. A study of the AFF program found that peer recovery coaches are effective in promoting treatment retention.[21] Like the AFF program, the Kentucky START program uses peer recovery coaches, who are called "family mentors." The qualifications for peer recovery coaches in these two programs vary slightly, but, in general, both Kentucky's family mentors and the AFF program's peer recovery coaches are individuals who have prior experience with the child welfare system, achieved sobriety, and have undergone substance abuse treatment training.[22] Family mentors' job duties include mentoring in sober parenting, attending family case conferences, seeking services for clients, and helping parents navigate the child welfare and substance abuse treatment systems.

  The AFF program contracts allow for the use of recovery coaches, although this use is not required. Specifically, contractors have a choice to employ recovery coaches, which are defined by the AFF program contract as clients who have successfully completed the program. Successful completion is measured by a client whose child abuse case has been closed for at least 1 year and who has remained substance-free for a minimum of 1 year following treatment. Recovery coaches are also required to complete a minimum of 15 hours of training provided by the contractor, which covers topics such as helping clients increase their skills and resources to manage their recovery and linking clients to community resources. Recovery coaches, if used, can be involved in all phases of the program, from outreach to recovery maintenance. The goal behind this recovery coach role is to provide encouragement to clients that recovery and success is possible. Of the three contractors:

  - Terros reported that it uses recovery coaches as defined in the contracts. This contractor reported that, as of February 2018, it had nine recovery coach positions, of which one position was vacant. According to the contractor, the recovery coaches worked with about 800 clients in the outreach phase and about 145 clients in the recovery maintenance phase of the AFF program during fiscal year 2017.

  - SEABHS reported that, as of February 2018, it employed 43 peer support staff and 2 family support staff, whose roles are similar to that of recovery coaches. Although these peer and family support staff are not required to be graduates of the AFF program, they are certified in these roles through training required by the RBHA. Peer support staff have had substance abuse or mental health issues and provide support to clients, and family support staff have had experience with the behavioral health system and provide support to clients' family members. According to the contractor, approximately 85 percent of its cases used peer support staff and 30 percent used family support staff in fiscal year 2017.

  - AzPaC reported that it does not use a specific peer support role but that its AFF case managers handle these duties.

- **Motivational interviewing—**A best practice for treating substance abuse, motivational interviewing is a method of nonjudgmentally encouraging clients to engage in treatment by easing their resistance to change. Literature indicates that use of motivational interviewing is "very likely to produce a statistically significant and positive advantage for clients and may do so in less time" than treatment without the use of motivational interviewing.[23]

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[21] James, S., Rivera, R., & Shafer, M.S. (2014). Effects of peer recovery coaches on substance abuse treatment engagement among child welfare-involved parents. *Journal of Family Strengths*, 14(1).

[22] Huebner, R.A., Hall, M.T., Smead, E., Willauer, T., & Posze, L. (2018). Peer mentoring services, opportunities, and outcomes for child welfare families with substance abuse disorders. *Children and Youth Services Review*, 84, 239-246.

[23] Lundahl, B.W., Kunz, C., Brownell, C., Tollefson, D. & Burke, B.L. (2010). A meta-analysis of motivational interviewing: Twenty-five years of empirical studies. *Research on Social Work Practice*, 20(2), 137-160.

AFF program policies and procedures, which the contractors are required to follow, direct the contractors to train their employees on motivational interviewing. All three contractors reported that they provide some level of training on motivational interviewing to their employees and that this method is used in multiple phases of the AFF program, including engagement, substance abuse awareness services, and ongoing service delivery. The contractors identified motivational interviewing as an important strategy in helping clients work through any fear of change or uncertainty they may experience when working toward recovery from substance abuse.

- **Contingency management—**Another best practice for treating substance abuse, contingency management is the use of incentives to encourage clients to meet substance abuse treatment goals.[24] To implement this practice, providers set clearly defined performance measures that clients must meet before receiving incentives. A meta-review of 30 peer-reviewed studies that assessed using vouchers to incentivize clients to meet goals, such as abstinence and greater treatment attendance, found that clients were more likely to meet these goals when incentivized by vouchers than if no vouchers were offered. The vouchers had monetary values that could be exchanged for goods and services.

  Although the literature auditors reviewed focused on providing incentives to clients, the AFF program contracts require the Department to pay contingency management incentive payments to the three contractors when clients have completed specific milestones in the recovery maintenance phase. Specifically, contractors are given one-time payments of $250 per client for three points of progress during the recovery maintenance phase (for a maximum of $750 per client):

  - A client maintains continuous employment for 3 months, documented using paycheck stubs;
  - A client achieves reunification with children placed in out-of-home care; and
  - A client maintains sobriety for 3 months, documented through monthly drug tests conducted during the recovery maintenance phase.

  The incentive payments are paid with department funding (as opposed to Medicaid or private insurance) and provide motivation for clients to meet these milestones. Contractors reported that they pass on a portion of the incentive payment to clients, which aligns with the best practice of incentivizing clients. One contractor reported that it passes on 20 percent of the incentive payments to its clients. Another contractor reported that it passes on 50 percent of the incentive payments to its clients. The third contractor reported that it passes on at least 50 percent of the incentive payments to its clients but may pass on more based on clients' needs and participation. According to department records, the Department paid contractors approximately $88,000 for 352 incentive payments in fiscal year 2017.

- **Removing barriers to treatment—**Removing barriers to treatment is another best practice for treating substance abuse that co-occurs with child maltreatment. According to child welfare and substance abuse experts, clients are more likely to enter into and remain in treatment if barriers to participation are removed. These barriers can include a lack of transportation, health care, stable housing, and family counseling services.[25]

  The AFF program provides clients with various supportive services to help remove treatment barriers. As discussed in the Introduction (see page 4), these supportive services are specific to clients' and their families' individual needs and may be offered throughout the duration of clients' participation in the program. They fall into two categories:

[24] Lussier, J.P., Heil, S.H., Mongeon, J.A., Badger, G.J., & Higgins, S.T. (2006). A meta-analysis of voucher-based reinforcement therapy for substance use disorders. *Addiction*, 101(2), 192-203.

[25] Smith, V.C., Wilson, C.R., & American Academy of Pediatrics Committee on Substance Abuse and Prevention. (2016). Families affected by parental substance use. *Pediatrics*, 138(2).; and Choi, S. & Ryan, J.P. (2007). Co-occurring problems for substance abusing mothers in child welfare: Matching services to improve family reunification. *Children and Youth Services Review*, 209, 1395-1410.

- **Case coordination with auxiliary services** is provided to ensure seamless service delivery and help clients with their needs. Services can include, but are not limited to, drug screening, parenting classes, and employment assistance. According to the fiscal year 2016 AFF program evaluation, clients identified as needing substance abuse treatment received a total of 117,460 services that year, including both auxiliary services that are part of the AFF program (such as parenting, job readiness/employment, and domestic violence services) and other nonprogram services that may be covered by health insurance (such as mental health and medical services). Parenting and mental health services accounted for more than 65 percent of these services.

- **Concrete supportive services** provide access to resources that aid in recovery and meet the family's basic needs, when those needs are identified as a barrier to clients achieving and/or maintaining sobriety. Services can include, but are not limited to, transportation, child care, car repair, utility assistance, housing assistance, clothing/uniform vouchers, food boxes, and cellphone minutes. According to the Department, concrete supportive services are generally paid with department funding (as opposed to Medicaid or private insurance). There is a $600 limit per client, per year for these services. According to department records, the Department paid contractors approximately $181,000 for concrete supportive services provided to clients in fiscal year 2017. For the first half of fiscal year 2018, contractors requested payments from the Department for concrete supportive services for 622 clients, with the total amount requested per client ranging from $2.15 to $600 (the median amount requested was $54).

Department has implemented AFF program oversight

In addition to the statutorily required annual evaluation of Arizona Families F.I.R.S.T. (Families in Recovery Succeeding Together), or the AFF program, the Arizona Department of Child Safety (Department) has established other oversight controls in the AFF program contracts to help ensure that the contracted substance abuse treatment providers (contractors) are adhering to contract requirements.[26] These include the following:

- **Monthly progress reports—**The contractors are required to send monthly progress reports to each client's department DCS specialist (caseworker), which allows the caseworker to assess the client's evolving needs and progress toward child safety goals. These reports identify the client's current level of care (e.g., outpatient or residential treatment), the treatment and other services provided to the client that month, an assessment of the client's progress, the outcome of random alcohol and drug tests, the client's participation in services that include the child and family, and plans and goals to be addressed in the next 30 days.

- **Monthly invoices—**The contractors are required to submit monthly invoices for client services, which are billed to the responsible party (e.g., to the Department or insurance). The invoices include the number of clients receiving each type of service, the number of service units provided, the per-unit rate, and the total charged. For invoices submitted to the Department, department payment processing staff reported reviewing the invoices for three specific items: (1) payments for referral services are for clients who have not been referred to the AFF program in the previous 6 months, (2) payments for concrete support services do not exceed $600 per client per year, and (3) payments for recovery maintenance services are made at the correct point (i.e., 25 percent when a client starts recovery maintenance and 75 percent when the client has completed 6 months of recovery maintenance services).

  According to department staff, payment processing does not include a review of underlying documentation to ensure that invoiced services are supported. However, the Department reported that it plans to have its contract compliance staff periodically perform this type of review on a sample basis. The Department should carry out its plans to begin conducting this type of review.

- **Quarterly collaborative meetings—**The contractors are required to conduct quarterly collaborative meetings and submit meeting minutes to the Department. These collaborative meetings are between the contractors, treatment providers, and other stakeholders, such as advocacy organizations. Department staff may also attend these meetings. The purpose of these meetings is to facilitate communication, identify and develop strategies to address barriers to service delivery, and provide training and technical assistance on the AFF program. The meetings are held with varied frequency (generally at least quarterly).

- **Site visits—**The contracts also allow for the Department to conduct site visits, and the Department reintroduced a site visit process in May 2017.[27] According to this process, department staff conduct

[26] See the Introduction, pages 5 through 7, for additional information about the statutorily required evaluations of the AFF program.

[27] The Department initially developed a site visit process that it reported using prior to August 2012. However, department staff reported that because of organizational changes, department program staff turnover, and a hiring freeze that occurred in late 2013 through November 2015, site visits were not conducted from approximately August 2012 until the new process was implemented in May 2017.

semiannual site visits at each of its contractors.[28] During the site visits, department staff review 9 to 12 case files using a standardized fidelity monitoring tool to assess the contractors' compliance with contract requirements and quality of services provided through the AFF program (see textbox for more information).[29] If there are noted deficiencies, department staff discuss them with the contractors, who explain their commitment to improve those practices by listing their action goals. According to the site visit process, department staff then follow up on those action goals during the next site visit.

During the initial site visits, which occurred between May 2017 and October 2017, department staff found that, for the files they reviewed, contractors lacked documentation of required communication with clients in some cases. For example, contractors did not always document communication with clients about the benefits of the AFF program at initial outreach and the clients' program goals for treatment. In addition, the contractors often did not revise clients' service plans quarterly, based on the changing needs of clients, as required in the contract. Department staff began their follow-up site visits in December 2017, and auditors reviewed the first completed follow-up site visit report for one provider. According to this report, department staff found that the areas for improvement from the first site visit had not been fully addressed, and they were continuing to work with the contractor to implement the recommendations. For example, the contractor reported it would continue to educate staff on the importance of detailed case notes and train staff on discussing the purpose and benefits of the AFF program with clients to improve client participation and outcomes.

Fidelity monitoring site visit tool

The site visit tool helps department staff ensure that the contractors are:

- Making timely contact and engagement with clients;
- Screening clients for benefits;
- Performing a comprehensive substance abuse assessment of clients;
- Including all required elements in clients' service plans, such as steps necessary to achieve clients' goals;
- Providing appropriate services to clients, such as substance abuse awareness services, outpatient treatment, or residential treatment;
- Coordinating services such as drug screens, concrete supportive services, or psychiatric services;
- Providing individualized services for clients;
- Discussing recovery maintenance plans with clients; and
- Continually engaging clients to continue participation in the AFF program.

Source: Auditor General staff review of AFF program fidelity monitoring tool.

In addition, the Department has an AFF program coordinator position to monitor the contractors and to manage the semiannual site visits. However, department staff indicated that this position has had regular turnover, and the position was vacant during most of auditors' review. Although other department staff took on some of the program coordinator's responsibilities while the position was vacant, department staff reported that this turnover has hindered the contractors' communication with the Department. For example, department staff reported that the contractors have been unsure of who from the Department to invite to the quarterly collaborative meetings. The Department most recently filled the position in February 2018.

Recommendation

2.1. The Department should carry out its plans to conduct periodic reviews, on a sample basis, of documentation supporting invoiced services to ensure these services are supported.

[28] For the contractor that serves the majority of AFF program clients, the Department conducts separate site visits for each of the three department regions that the contractor serves.

[29] According to department staff, the tool was designed to monitor compliance with substantive contractual requirements such as requirements related to outreach, assessment, and engagement in services. Auditors compared the tool to the AFF program contracts and agreed that it addresses substantive contractual requirements.

Methodology

Auditors used various methods to meet the report objectives related to the Arizona Department of Child Safety's (Department) substance abuse treatment program known as Arizona Families F.I.R.S.T. (Families in Recovery Succeeding Together), or the AFF program. Specifically:

- Auditors interviewed department staff in program development, budget and finance, contracts and procurement, billing, and office of prevention. Auditors also interviewed representatives from the three AFF program contractors (Terros Health, Inc.; Southeastern Arizona Behavioral Health Services, Inc.; and Arizona Partnership for Children), the Arizona Health Care Cost Containment System (AHCCCS), and Wellington Consulting Group, Ltd.

- Auditors reviewed literature and evidence-based practices in substance abuse treatment programs among families involved in child welfare, as cited throughout the report. To identify relevant literature, auditors conducted key words searches in Google Scholar and other research databases and reviewed the work of subject-matter experts. Auditors considered several factors in evaluating the literature such as how recently the literature was published, its research design and methodology, and how its conclusions align or disagree with the prevailing conclusions of the wider body of related work. This included reviewing literature and practices listed in the California Evidence-Based Clearinghouse for Child Welfare (CEBC).[30] Auditors also interviewed experts from Children and Family Futures (CFF) who were involved in developing the AFF program contracts.[31]

- Auditors reviewed the AFF program contracts and associated contract documents, department policies and procedures, AFF individual client progress reports, AFF program invoices, and the fiscal year 2016 AFF annual program evaluation. Auditors did not validate any of the data presented in the fiscal year 2016 AFF annual program evaluation.

- Auditors reviewed the Department's fidelity monitoring tool and compared it to contract requirements. In addition, auditors reviewed all six site visit reports for site visits that occurred between May 2017 and January 2018, and minutes from the AFF program contractors' 2017 collaborative meetings.

The Auditor General and staff express their appreciation to the Department's Director and staff, and the AFF program contractors, for their cooperation and assistance throughout this review.

[30] The CEBC is a clearinghouse for information on evidence-based practices related to child welfare that is funded by the California Department of Social Services, Office of Child Abuse Prevention.

[31] CFF is a nonprofit organization located in California whose mission is to improve safety, permanency, well-being, and recovery outcomes for children, parents, and families affected by trauma, substance use, and mental health disorders.

AGENCY RESPONSE

DEPARTMENT OF CHILD SAFETY
STATE OF ARIZONA

Arizona Department of Child Safety

Douglas A. Ducey
Governor

Gregory McKay
Director

March 26, 2018

Ms. Debra K. Davenport
Office of the Auditor General
2910 North 44th Street, Suite 410
Phoenix, AZ 85018

Dear Ms. Davenport:

The Arizona Department of Child Safety (Department) appreciates the opportunity to provide this response to the Auditor General's special report of the Arizona Department of Child Safety—Arizona Families F.I.R.S.T. (Families in Recovery Succeeding Together). Arizona Families F.I.R.S.T. (AFF) is a critical program that provides families the opportunity to overcome substance abuse in order to achieve the outcomes of family reunification and self-sufficiency.

The Auditor General's report has been reviewed. The Department agrees with the two identified findings that:

- the design of the AFF program incorporates best practices for substance abuse treatment and child welfare; and
- the Department has implemented AFF program oversight.

The response to the recommendation made in the Auditor General's report is enclosed. The Department appreciates the collaborative effort of the Auditor General's staff throughout this process.

Sincerely,

Gregory McKay
Director

Enclosure: DCS Recommendation Response

DCS Recommendation Response

Recommendation 2.1 *The Department should carry out its plans to conduct periodic reviews, on a sample basis, of documentation supporting invoiced services to ensure these services are supported.*

Department Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Department agrees with the Auditor General that it should continue its plans to conduct periodic reviews of invoices and the underlying documentation. As referenced in the Auditor General's report, the Department has begun planning for contract compliance staff to periodically perform this review on a sample basis. The Department expects to implement the review process by September 7, 2018.


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