

FINANCING CHILD WELFARE SERVICES

ACTION

- Maintain the basic safety net of Title IV-E entitlement funding for foster care and adoption assistance for children needing help.
- Reform the outdated federal eligibility for foster care and adoption assistance which covers children only if they are removed from families that would have been eligible for cash assistance/AFDC as it existed on July 16, 1996.
- Extend federal Title IV-E funding to support children in kinship and guardianship placements and children living in tribal nations.
- Supply new funding to provide a flexible array of services to prevent child abuse and neglect, support children in care, reunite children in foster care with their families, and further support adoptive families.
- Preserve access to Title IV-E administrative funds used for activities that advance the well-being of children in the child welfare system.
- Strengthen the child welfare workforce by preserving access to Title IV-E administrative funds, providing expanded worker training, and by providing additional funding to promote and support this workforce.

CWLA'S CALL FOR MAKING CHILDREN A NATIONAL PRIORITY

The child welfare system—with thousands of dedicated workers and hundreds of child-serving agencies nationwide—provides the direct services needed to protect children from abuse and neglect. These agencies and workers play a vital role in helping children who are experiencing the effects of abuse and neglect. The system, however, is struggling to fully

address the needs of the children it serves. During a year in which political leaders and the public are searching for issues that can cross party lines and bridge philosophical differences, CWLA believes child welfare system reform offers such an opportunity. Substantial changes are needed at the federal, state, and local levels to get more children the help they need and deserve. As a nation, we can and must do better for our most vulnerable children.

The current federal funding structure fails to adequately support the best possible outcomes for children and families. Maintaining the status quo is not sufficient. CWLA strongly urges Congress to pass legislation that addresses the shortcomings in current federal funding patterns and improves chances and outcomes for children and families. Improvements are essential if states are to be held accountable for meeting the federal goals of safety, permanence, and well-being for all children as established by the Child and Family Services Review (CFSR) process and the 1997 Adoption and Safe Families Act (ASFA). Congress mandated these goals, but without appropriate federal support, few states will be able to maintain the progress they have made—let alone reach their goals.

CWLA believes federal, state, and local governments must share responsibility for abused and neglected children. We are opposed, therefore, to proposals that would limit, cap, or convert current entitlement funding into a federal block grant. Such an approach would lock in current inequities among states, and seriously erode federal support for children in crisis. The history of entitlement programs that were converted into fixed flexible block grants is not encouraging. Over time, block grant funds are eroded through inflation, actual cutbacks, or a combination of both. In addition, the initial promise of increased flexibility can and has been diluted through complex spending requirements set



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at the federal, state, and local levels and through new mandates added in future reauthorizations or reforms.

Instead, we recommend Congress embrace CWLA's vision and reaffirm the federal government's commitment to protect and care for abused and neglected children. Congress should implement and sustain policy changes that lead to an improved and well-supported child welfare system capable of protecting children and supporting families. These improvements require a reconfigured and enhanced system of shared financial responsibilities among federal, state, local, and tribal governments.

CWLA'S VISION FOR CHILD WELFARE

CWLA envisions a future that allows families, communities, organizations, and governments the ability to ensure that all children and youth benefit from the resources necessary to grow into healthy, contributing members of society.

CWLA's vision for an optimal child welfare system encompasses a continuum of services ranging from prevention of abuse and neglect, to permanency and stability for children who experience out-of-home care. Key ingredients of this system are: a family-centered approach; an ample, stable, and highly professional workforce; the availability and targeted application of services to prevent child abuse and neglect; maintaining families when maltreatment has occurred and child safety can be reasonably assured; and achieving permanency and stability for children who must experience foster care.

Child welfare services must be available to families whenever concerns arise about the safety, nurturance, and well-being of children. A network of community-based, family-centered organizations, whose mission is to support and stabilize children, youth, and families with appropriate sensitivity to family culture, would be able to provide these services. These components are consistent with current research and with federal expectations associated with the CFSR process and AFSA.

CWLA's ultimate goal is to achieve better outcomes for the children and families who encounter the child welfare system by:

- preventing abuse and neglect,
- preventing unnecessary separation of children from their homes,
- minimizing how long children remain in foster care should placement be necessary,
- sustaining completed permanent placements, and
- ensuring no disproportionate effect on children or families of any culture.

CROSSING THE PARTISAN AND PHILOSOPHICAL DIVIDE IN THE 110TH CONGRESS

Reform of the child welfare system is a very real opportunity for the 110th Congress to reach across party and philosophical lines and truly make a positive difference. There is, after all, no question that preventing child abuse and neglect from happening and helping child victims are universal concerns and priorities.

To support CWLA's vision for the well-being of children, CWLA offers policy recommendations based on and supported by research that outlines specific legislative changes needed to make progress towards reaching our goals of support and safety for children and families. These policy recommendations ensure that states have increased flexibility, investment, and accountability to improve child welfare services.

CWLA offers the following guidelines for a reform proposal:

- Maintain the basic federal safety net of Title IV-E entitlement funding for foster care and adoption assistance for children who need this help.
- Reform the current Title IV-E financial eligibility requirements. Today, a child in foster care or an adopted child in need of adoption assistance is eligible for federal support only if that child came from a family that would have qualified for cash assistance through the Aid to Families with Dependent Children (AFDC) program as it existed on July 16, 1996. This requirement defies logic. In fact, as a result of it, less than half the children in care are now covered by federal funding.
- Extend federal Title IV-E funding to support children in kinship and guardianship placements.
- Supply the new funding necessary to provide a flexible array of services to prevent child abuse and neglect; support children who are in foster care and those children who are either reunited with their families from foster care or who transition out of foster care into independent living; and support families who adopt children from the foster care system.
- Strengthen and preserve access to Title IV-E administrative funds used for activities related to advancing the well-being of children in the child welfare system.
- Implement a series of changes that will strengthen and build on the child welfare workforce. The foundation of our nation's ability to care for abused and neglected children is a well-trained, well-equipped child welfare workforce.
- Extend access to federal Title IV-E and Title IV-B funds to tribal governments and nations.



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- Preserve and better coordinate access by the child welfare system to necessary Medicaid, rehabilitative, and case management services so that children who are harmed have the chance to heal.

Expand Federal Support to More Children in Out-of-Home Care and in Need of Adoption: Update the Financial Eligibility Link for Title IV-E Foster Care and Adoption Assistance

Background: All children who have been abused or neglected and need foster care and adoption assistance should be eligible for federal assistance. Although Congress eliminated the AFDC program in 1996, Congress maintained the Title IV-E income eligibility link with AFDC, setting a goal to make changes later. No such change has been made.

Each year since 1996, Congress has delayed action to address this because of the increased federal cost. Meanwhile, since 1996, fewer and fewer children are eligible for federal foster care and adoption assistance because of the outdated standard, combined with the impact of inflation. Today, only 45% of all children in foster care nationwide receive federal Title IV-E assistance.

- **Needed Action:** The outdated financial eligibility criteria for federal foster care and adoption assistance must be eliminated. CWLA recognizes that incremental change may be necessary and under this strategy, several options are possible. The current eligibility link to AFDC can be phased out over time, the AFDC eligibility criteria can be replaced with a link to another federal program such as Medicaid or Temporary Assistance for Needy Families (TANF), or eligibility could be linked to another income threshold.

Expanding Permanency Options: Federal Support for Kinship and Guardianship Placements Through Title IV-E

Background: The Adoption and Safe Families Act of 1997 (ASFA) recognizes placement with a relative or a legal guardian as a permanency option for children in foster care. The federal government, however, makes no funds available on a continuing basis to help those relatives care for these children. In the past, some states have remedied this dilemma and have been able to receive federal funding to support this permanency option through approval of a Title IV-E child welfare waiver. Other states have relied exclusively on state funds or other federal funds such as TANF to support these children. A more comprehensive strategy must be implemented.

- **Needed Action:** Expand Title IV-E funding to provide support for kinship and guardianship placements.

Expand Access to Federal Child Welfare Supports: Tribal Populations

Background: Although federal law has established procedures and protections for placing Native American children in out-of-home care, adequate funding to provide these services has not followed. Tribal nations do not have the option of receiving Title IV-E federal foster care and adoption assistance funds directly. As a result, most Native American children placed in out-of-home and adoptive settings through tribal courts are not eligible for federal foster care maintenance or adoption assistance payments. In a few instances, tribes have negotiated agreements with states that allow them to access Title IV-E funds. These types of agreements have their own set of challenges for both tribal populations and state governments attempting to abide by federal fiscal requirements.

- **Needed Action:** Provide Native American tribes with direct access to federal funding for foster care, adoption, and kinship care through the Title IV-E program, and greater access to funding provided by Title IV-B programs.

Increase Services to Promote Safety and Permanence for Children: Title IV-B and CAPTA

Background: Child welfare agencies must be able to offer a flexible array of services—including prevention, family support, post-reunification, and postadoption services—to meet the needs of children and families. Federal Title IV-B funds are the most flexible funds available to provide these services, but the funding is significantly smaller compared to funding for foster care, adoption assistance, and other human resource programs. In 2006, both Title IV-B part 1, the Child Welfare Services (CWS) program, and Title IV-B part 2, the Promoting Safe and Stable Families (PSSF) program, were reauthorized (P.L. 109-288). Both programs, however, continue to be funded below the authorized or full funding level. Authorized funding for CWS is \$325 million, but it is actually funded at \$286 million. PSSF is authorized at \$505 million, yet is currently funded at only \$394 million. The Child Abuse Prevention and Treatment Act (CAPTA) also provides key funding for the child protective services system and it too remains well below its authorized funding total. Funding for CAPTA is authorized at \$280 million, but is actually funded at \$95 million.

- **Needed Action:** Provide a significant increase in funding for Title IV-B programs and CAPTA programs. Alternatively, then, fully fund CWS at \$325 million, PSSF at \$505 million and the CAPTA programs at \$280 million. These new investments must



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be independent of any changes in federal funding for out-of-home care.

Activities Supporting Children in the Child Welfare System: Title IV-E Administration

Background: Title IV-E Administrative costs include much more than the costs associated with office space and utilities. Title IV-E Administration provides funding for the time caseworkers spend preparing for and attending court hearings related to children in foster care; meeting with families and children to discuss what needs to be done to achieve permanency for the children; helping foster parents cope with the problems that children in their care are facing; advocating for children in other systems, such as the local schools; and referring children to needed services not provided by the child welfare agency.

States report annual administrative costs in four general subcategories: case planning and management, preplacement services, eligibility determination, and “other.” Even with this breakdown, spending allocations can still be unclear since a large amount of spending is categorized as “other.”

Needed Action:

- Strengthen, redefine, and preserve access to Title IV-E Administration funds used for activities that support children in the child welfare system.
- Clarify reporting on the use of Title IV-E Administration funds. Create new reporting mechanisms that more clearly indicate how these funds are used to support children in the child welfare system. For Title IV-E Administration reporting purposes, create separate administration and activity reporting categories. The administration category would include such items as the cost of furniture, equipment, clerical and secretarial support, recruitment and licensure of foster and adoptive parents, rate setting, and a proportional share of related agency overhead, such as human resources. The activities category would report the cost of worker staff time, travel expenses of staff associated with child-specific cases, the cost of supervisory staff associated with child-specific cases, and the cost of recruiting foster and adoptive families for specific children.

Strengthening the Child Welfare Workforce

Background: Child welfare work is labor intensive. This is evidenced by the current high turnover among workers; lack of experience, training, and supervision; and fundamental workforce issues of safety, high caseloads, inadequate compensation, unsafe working conditions, and low status in the community. To turn this around and provide

the concrete foundation of a workforce that will better serve children, workers need quality training, adequate supervision, manageable caseloads, and access to a full array of services for clients.

Under the 2006 reauthorization of the CWS and PSSF programs, a new initiative was created to assist states in workforce development. States are required to provide data demonstrating that children in care are receiving monthly visits by caseworkers. The goal is that all states will be providing monthly visits to children in foster care by the year 2012. To reach this goal, \$40 million in FY 2006 funds will be available to states through 2009. States will draw these funds down on a matching basis with the federal government providing a 75% match (for example, \$75 federal to \$25 state). Each state will receive an allotment of at least \$70,000, with the remaining funds distributed by a formula based on the one established under PSSF. Between 2006 and 2011, a total of \$95 million spread out over the five-year period will be available.

These funds can be used for workforce initiatives such as worker retention, recruitment, training, and access to better technology. Although limited, the funding is an important first step.

Needed Action:

- Maintain the federal commitment to provide training for child welfare workers through entitlement funding of the Title IV-E training program.
- Expand access to these federal training funds so they support the training of private agency staff, related child-serving agency workers, and court staff working with any children in the child welfare system. Allow these funds to be used for training on all subjects relevant to achieving positive outcomes for children.
- Increase funding to the new workforce initiative created through PSSF to help state and private child welfare agencies promote the child welfare workforce.
- Provide federal loan forgiveness to students who become child welfare workers.

Additional information and materials about CWLA's call for reform, and a review of existing child welfare financing resources and legislative proposals, are available on CWLA's website at www.cwla.org/advocacy/financing.htm.

Sources for statistical information are provided in the online version of this fact sheet. See www.cwla.org/advocacy/2007legagenda.htm.

C W L A C O N T A C T

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