

# At Issue:

## *Should states be allowed to convert federal foster care funds into capped block grants?*

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**S**tates should be allowed to convert the Title IV-E foster care entitlement program into a flexible, alternative financing structure. President Bush's proposed Child Welfare Program Option would allow them to do that. But the president's proposal is not a block grant. Its very name, Child Welfare Program Option, says it all: It is an option. If a state does not believe it is in its best interest to participate in this alternative, it may continue to participate in the current title IV-E entitlement program.

The states for many years have criticized the title IV-E program as too restrictive. For instance, it only provides funds for the maintenance of foster children who have been removed from a home that would have been eligible for assistance under the old welfare program and for child welfare training. Under current law, Title IV-E funds cannot be used for services that might prevent a child from being placed in foster care in the first place, that might facilitate a child's returning home, or that might help move the child to another permanent placement.

Under the proposed Program Option, states could choose to administer their program more flexibly, with a fixed allocation of funds over a five-year period. States would be able to use funds for foster care payments, prevention activities, permanency efforts, case management, administrative activities and training of child welfare staff. They would be able to develop innovative systems for preventing child abuse and neglect, keeping families and children safely together and quickly moving children toward adoption and permanency. They also would be freed from burdensome income-eligibility provisions that continue to be linked to the old welfare program.

Although states would have greater flexibility in how they use funds, they would still be held accountable for positive results. They would continue to be required to participate in Child and Family Services Reviews and to maintain the child safety protections, such as conducting criminal-background checks and licensing foster care providers, obtaining judicial oversight for removal and permanency decisions, developing case plans for all foster children and prohibiting race-based discrimination in placements. States also would be required to maintain their existing level of investment in the program.

Thus, the proposal allows — but does not force — states to enhance their child welfare services while relieving them of unnecessary administrative burdens. This option for flexible funding represents good public policy.

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**i**t is too common an occurrence to read a newspaper or listen to the news and learn about yet another seriously abused or neglected child, or a child welfare system struggling to protect the children in its care. Recently, every state, the District of Columbia and Puerto Rico had the performance of their child welfare system measured as a part of a federal review. States fell short in a variety of areas, including having excessive caseloads, inadequate supervision, inadequate training and lack of treatment services.

Each of these shortcomings relates to a failure to provide resources that would support high quality performance — resources that should be provided through investments made by the federal, state and local governments responsible for protecting abused and neglected children.

Yearly, states confirm nearly 900,000 reports of abuse and neglect. There are more than 550,000 children in the nation's foster care system. Too many of these children stay in foster care far longer than necessary because of the lack of appropriate support services. In fact, nearly 40 percent of abused and neglected children don't receive treatment to address the emotional trauma they have experienced. In addition, much of this abuse could have been avoided through prevention services.

There is indeed a need for greater flexibility in the use of federal funds to help address these service gaps. Proposals that condition flexibility on capping federal funding, however, are shortsighted and reflect a lack of responsiveness to the results of the federal review. While it may seem difficult to argue against an option being presented to the states that trades funding level for flexibility, it actually is quite easy when it is being presented as the federal government's solution to the problems facing our nation's child welfare system. Such a proposal is tantamount to a freeze on the federal commitment to protecting children and contradicts the vital role that the federal government plays in keeping children safe.

Flexibility is needed, but new federal investments are also needed so that fewer children are hurt and more parents can safely care for their children. The federal review clearly tells us that this is the case. It seems a fair demand, therefore, that our federal leaders bring forward a reform proposal that presents serious solutions to the trauma and horror that confronts our abused and neglected children — and no less.