The President's Fiscal Year 2022 Budget Request

This year's budget was released on Friday, May 28, 2021. The President's fiscal year (FY) 2022 budget begins on October 1, 2021. This year's budget, the first for the new Biden Administration, is the first budget since the end of a ten-year budget cap law that required a "parity" in spending increases and restrictions between the defense budget and those remaining departments considered "non-defense" spending including programs under the State Department and Veterans Affairs. The Administration describes this as a budget that lays out "the essential investments that [the Biden] Administration has proposed through the American Jobs Plan and the American Families Plan."

Within child welfare the budget includes some significant increases within the Child Abuse Prevention and Treatment (CAPTA) law and Title II, Community-Based Child Abuse Prevention (CB-CAP) state grants ($49 million), a new $100 million through Child Welfare Services to address racial inequity in child welfare and a significant increase of $9 million for the Family First Act Clearinghouse (up from $2 million).

Items that will indirectly have an effect on families and children and, by extension child welfare, include a major initiative to address the social determinants of health (SDoH) with an increase from the CDC's $3 million to $150 million. Building on a proposed expansion of early childhood education the budget includes major increases for Head Start ($1.2 billion), Child Care ($1.4 billion) and pre-kindergarten state grants ($175 million). The Administration also seeks increases of more than 15 percent for the Maternal and Child Health Block Grant and a more than 50 percent increase from the pre-pandemic levels for the Individuals with Disabilities Education Act: Infants and Toddlers (IDEA Part C)

There are many proposals to expand access to health care especially for populations of color through Medicaid including a Medicaid increased match for states that have not extended Medicaid coverage through the ACA and a proposal to lift the cap and adjust the Medicaid matching rate (FMAP) on Medicaid for Puerto Rico and the territories.

Additionally, the President requests $100 million to establish a new program to encourage community-based alternatives to youth incarceration, in support of juvenile justice system reforms and to reduce the number of incarcerated youths.

Also embedded in the budget are proposals to address one of CWLA's key priorities the extension and expansion of the Child Tax Credit (CTC) to reduce child poverty by nearly 50 percent.

Key Children's Programs Monitored or Followed by CWLA

Title IV-E, Social Security Act

Family First Prevention Services Act (FFA)-Update

The Administration is proposing increased funding for the Family First Prevention Services Act (FFA, PL 115-123) clearinghouse. The additional $2 million provided in FY 2021 will increase to $9 million in FY 2022. These funds have been in addition to regular funding when the clearinghouse was created. At budget time 34 programs had been approved.

The Administration also proposes an increase and continuation of appropriated funds to develop kinship navigator programs with an additional $30 million provided through the Promoting Safe and Stable Families program, this is an increase from the $20 million in FY 2021.

The Administration estimates that 3,500 children received services through the FFA in FY 2020. They also project that under current patterns 180,000 children will be served annually through FFA by the year 2031.

Title IV-E Foster Care Payments

As an entitlement, Title IV-E foster care funding is determined by the level of need and number of claims filed by states for reimbursement at the federal level. For 2022, the Administration projects that Title IV-E foster care maintenance and administrative costs will be at $5.821 billion, a projected increase from the projected updated cost of $5.796 billion in 2021. Total costs have been increasing over the past several years due to an increase in foster care placements.

The funding, according to the budget appendix will cover an estimated 191,000 children in foster care in FY 2022. For federal fiscal year 2019 (last complete data), more than 432,007 children were in out-of-home (foster) care, representing a decrease of 2.5 percent in comparison to FY 2018. This is the total number including children not covered by federal funding through Title IV-E foster care.

According to HHS information provided in 2020, the average monthly number of children for whom agencies receive federal foster care payments declined from more than 300,000 in FY 1999 to fewer than 157,000 in FY 2012. Since that point it has steadily increased despite the income eligibility requirements linked to the 1996 AFDC program. According to budget documents, in 2000, 51 percent of children in foster care were covered by Title IV-E foster care funding.

By 2020 the percentage of children in foster care covered by federal Title IV-E has decreased to 39 percent despite the five years of increases in the foster care population from 2012 to 2017. One caution is that these foster care, adoption assistance and subsidized guardianship numbers are all projected, and they are all likely to be adjusted up or down over the next two years as state claims and future projections are adjusted.

Title IV-E Adoption Assistance Payments

Title IV-E Adoption Assistance funding like foster care is based on claims filed by states for federal reimbursement. For 2022, the projected cost for Title IV-E Adoption Assistance payments and administrative costs are projected to be $3.739 billion, a decrease from the projected total of $3.802 billion in 2021. An estimated 552,000 children will be helped by adoption assistance-related federal funding in FY 2022, which is a projected decrease from last year's projection for FY 2021. One caution is that these foster care, adoption assistance and subsidized guardianship numbers are all projected, and they are all likely to be adjusted up or down over the next two years as state claims and future projections are adjusted.

Adoption Assistance payments are designed to assist families that may need additional financial support when adopting a child who has special needs. States individually establish the definition of "special needs" children. Children considered special needs could include any child in foster care; siblings with a goal of being adopted together; older children; children who have been in care for several years; or children with disabilities or other developmental, health, or physical challenges.

When Congress tied eligibility for foster care funding to the 1996 AFDC eligibility standards, the same link between AFDC and Adoption Assistance was also created. In 2008, the passage of the Fostering Connections to Success Act (PL 110-351) created a gradual de-link of Adoption Assistance eligibility from the AFDC. Starting in fiscal year 2010, newly adopted children who were 16 or older were eligible without regard to AFDC eligibility. This has been adjusted downward each year. In 2018, all new special needs adoptions were eligible for federal support. The link to AFDC was eliminated by FY 2018 but then extended or re-established for the youngest infants and toddlers until July 1, 2024, as a partial offset of the Families First Act enacted on February 9, 2018 (PL 115-123).

Adoption Assistance includes an administrative funding match to address managing the program and training staff and adoptive parents. The number of children subsidized by this program and the level of federal reimbursement has increased significantly as permanent adoptive homes are found for more children and as eligibility has expanded.

Title IV-E Adoption and Kinship Incentives

For FY 2022, the Administration requests the total for this year's adoption incentive fund be maintained at FY 2021 funding level of $75 million. The continued total of $75 million will assist states in catching up on recent shortfalls. In FY 2018 Congress first increased the fund from $39 million to $75 million because states were falling short of being awarded what they had earned. Each year, HHS would take from the new appropriations to fully fund and make up for the previous year's shortfall. Over time the $39 million was not even covering half of what the states had earned. Since the FY 2018 increase, states are gradually catching up. Continued funding at $75 million should assure that in a few more years, $75 million will cover one year's full funding.

When Congress passed the Adoption and Safe Families Act (ASFA), they created this incentive fund under Title IV-E. If states increase the number of children adopted from foster care over a previous year's high mark, they are awarded an incentive from this appropriation. Congress reauthorized the Incentive Fund as part of the Title IV-B programs in February 2018 as part of the Families First Act. The latest modifications to the incentive fund that extended it to some kinship placements was enacted as part of the 2014 reauthorization. It now awards incentives based on increases in both adoptions and subsidized/kinship guardianship placements.

The FY 2020 awards cover adoptions and kinship placements that took place in FY 2019 with the dollars coming from FY 2020. Total funding awarded last year was $70.4 million—an increase from $66 million the previous year. In FY 2019 (latest data) 66,035 children were adopted from foster care and 122,000 were waiting to be adopted a decrease from the 125,000 children in foster care were waiting to be adopted in 2018. The 66,035 children adopted from foster care in 2019 represent an increase from 63,000 in FY 2018.

The 2014 reauthorization through the Preventing Sex Trafficking and Strengthening Families Act) changed the incentive fund in several ways:

- In addition. to rewarding an increase in adoption from foster care, states are awarded based on increases in subsidized guardianships.

- The awards were adjusted in terms of categories of adoptions/guardianship placements so that $5,000 is earned per increased adoptions; $4,000 is earned for overall kinship placements; $7,500 is earned per pre-adolescent (ages 9-14) adoption/guardianship placements; and $10,000 is earned per increase in in older adoption/kinship placements (ages 14 and older).

- The awards as always are based on an increase over the previous year, but this formula is based on a rate increase instead a specific number. That is intended to allow states that have been reducing their foster care population (thus reducing the pool of children waiting for adoption) to receive an award for positive permanency policies.

- All awards for guardianships are new, as is the subcategory targeting ages 9-14. This is an attempt to place a greater focus on a population that has shown an increased presence in the waiting-to-be-adopted category.

Title IV-E Tribal Foster Care and Adoption Assistance

As a result of the Fostering Connections to Success Act, $3 million is allocated each year for technical assistance to tribal governments or consortia that seek to oversee their own Title IV-E programs. Funding is mandatory and provided each year. ACF has awarded planning grants to 39 tribes since FY 2009. Seventeen tribes have been approved to operate the title IV-E program.

Title IV-E Kinship Guardianship Assistance Payments

As a state optional entitlement, states may establish a program to support kinship-guardianship placements. The Administration project that 45,800 children will be covered under this program in FY 2022. The cost of $254 million in FY 2022 represents a decrease from the projected FY 2021 costs of $271 million. One caution is that these foster care, adoption assistance and subsidized guardianship numbers are all projected, and they are all likely to be adjusted up or down over the next two years as state claims and future projections are adjusted.

According to a July 2020 Government Accountability Office (GAO) report subsidized guardianships option has been implemented by 33 states with an additional three states (Arkansas, North Carolina, and Oklahoma) having taken the option, but they were not serving families in 2019. As of December 2019, 14 tribes have been approved to operate Title IV-E kinship-guardianship programs.

Title IV-E John H. Chafee Foster Care Independence Program and Education Vouchers

The John H. Chafee Foster Care Independence program continues at $143 million in FY 2022 the same as FY 2021. The program's mandatory funding was increased in 2020 by $3 million. The $143 million is mandatory funding under Title IV-E and does not require an annual appropriation. The slight increase is a result of the Preventing Sex Trafficking and Strengthening Families Act of 2014 which had resulted in a small savings/budget score starting in 2020 because of other cuts and restrictions in that law. The $143 million in Chafee funds does not include relief funding provided in December 2020 to address the COVID-19 pandemic.

The (Title IV-E) Independent Living program is targeted to assist youth who have not been placed in a permanent family and who are aging out of foster care. In FY 2017 17,147 young people exited foster care through emancipation— "aged out," the lowest total since 2003. The highest number for a single year was 29,730 in FY 2007 (AFCARS #15). In FY 2019 (latest data) 20,445 youth aged out of foster care. Under COVID-19 relief, youth up to age 27 in FY 2020 or 2021 can be served.

The Families First Act allowed states to use these funds to age 23 if that state has extended foster care to 21 an option created in the 2008 Fostering Connections to Success Act. Pre-pandemic data suggest that 24 states have taken this option. The various pandemic relief measures allowed youth to stay beyond age 21 with all states directed to extend care to age 21.

The Chafee program provides a variety of services including, educational assistance, career development, vocational training, job placement, life skills training, home management, health services, substance abuse prevention, preventive health services, and for eligible youth over age 18, room and board, if the state limits this spending to 30 percent of the state grant for room and board.

Tribes with their own IV-E plan (17 tribes) or a title IV-E tribal/state agreement have the option to directly receive a portion of the state's Chafee grant to provide services to tribal youth. As of FY 2019, seven tribes have chosen to apply for and receive direct funding.

The Administration seeks $48 million for Education and Training Vouchers in FY 2022. This is an increase from $43 million in FY 2021 and more recent years. It too does not count additional funding provided through COVID-19 relief. Funding is authorized for a maximum of $60 million. It has never been fully funded and began in FY 2002 at $45 million. Unused funds by one state are redistributed. The 2018 Families First Act allows states to use these funds to age 26 instead of age 23.

The proposed increase will provide support to an additional 1,000 to 2,000 young people on top of the approximately 15,000 vouchers to current and former foster care youth.

Title IV-B, Social Security Act

Title IV-B Part 1, Stephanie Tubbs Jones Child Welfare Services (CWS)

Title IV-B, Child Welfare Services, is funded at $275 million a slight increase of $6 million from $269 million in FY 2021. The increase begins to restore past cuts imposed over the past ten years when budget caps were in effect. CWS was reauthorized in 2018 as part of the Family First Act. Since 1980 it has been authorized for up to $325 million, which is funded through the annual appropriations process. It has never been fully funded. Each state’s share is based on the state's population under age 21 as compared to other states. CWS has always been one of the most flexible child welfare funding sources. Funds can be used for a range of child welfare services, including prevention of child abuse, prevention of foster care placements, and early intervention. Some states may use their funds to address adoption and foster care expenses. A tribal set-aside is based on an HHS formula or calculation.

As was the case in other areas, short term limited funds of $45 million was provided in March 2020 during the pandemic. The $500 million provided through this program to help states transition from waivers to the Family First Act has expired and was allocated to states in FY 2020 and 2021.

Child Welfare Training and Research, Addressing Racial Inequities in Child Welfare

Housed under Title IV-B, the funding total under this category is expanded by $100 million to address racial inequities within child welfare. In addition to FY 2021 total of $21 million in FY 2021:

- A new $100 million competitive grant proposal to address racial inequities in child welfare and reorients child welfare systems towards prevention-oriented practice. Few additional details are available.
- $7 million that has been allocated to promote research and training for the child welfare workforce. Funding helps to provide leverage to institutions of higher learning and other

non-profits by supporting their on-going projects. This initiative has been in place for decades.
- Child Welfare Innovation and Research of approximately $14 million to continue funding for demonstration projects across the country to reduce foster care placements.

The new funding would require state, local, and tribal child welfare agencies to partner with other government and community stakeholders across the education, health, human services, and early childhood sectors to advance comprehensive policy and practice reforms. These reforms would focus on advancing racial equity and safely reducing the number of children entering foster care, particularly in communities over-represented in the child welfare system.

The child welfare agencies and their partners would engage together in continuous improvement cycles to make progress towards these reform goals. Specifically, they would come together regularly to identify strategies the agencies and their partners would undertake individually and collectively to advance these reform goals, exchange data to assess their progress towards the goals, and modify their strategies based on insights they gain from this data on how they can improve.

The agencies and their partners could use the funds for a variety of purposes to make progress toward the reform goals, such as funds to recruit parents and children with lived experience to serve as peer mentors and navigators; develop help lines to refer families to essential services; ensure families can access emergency assistance, respite care, and other supportive services in their own communities to prevent a removal; better equip caseworkers to meet the needs of the communities they serve; implement race-blind decision making practices; build data systems to inform decision making on both individual cases and systemic reforms; and ensure child welfare agencies and their partners have the tools they need to better distinguish poverty from neglect and direct services appropriately.

Technical assistance and evaluation support will be provided to grantees. ACF expects to direct funding under this program to a relatively limited number of grantees, representing both geographic and urban/rural diversity, in order to ensure sufficient resources and support could be given to each grantee. Strategies and reforms identified under this program would be used to inform the broader work of advancing equity and prevention across the nation's child welfare systems.

Title IV-B part 2, The Marylee Allen Promoting Safe and Stable Families (PSSF)

Promoting Safe and Stable Families (PSSF) is a combination of funding streams for different but related services. Like CWS, PSSF was reauthorized in 2018 as part of the Families First Act of 2018. The Families First Act of 2018 modified the previous restriction on the use of PSSF funds for reunification. The original law allowed use of reunification funds for 15 months after a child was removed from the home. The new provision starts that 15-month clock after reunification. Created as a new source of family preservation funding in 1993, the block grant was amended and expanded as part of the Adoption and Safe Families Act (ASFA) in 1997.The funding for the original PSSF program has been divided into four broad categories: family preservation, family support, family reunification, and adoption services.

In addition, a portion of PSSF funding is designated (approximately $30 million) is allocated for court improvement programs (CIP). These CIPs receive $20 million in mandatory funding and in addition they receive $9 million from the base PSSF program with 3.3 percent set-aside of any discretionary/appropriated funds. The Administration seeks to increase the set aside to 5 percent of the appropriated funds which they are attempting to increase from the FY 2021 total of $59 million to $106 million.

In addition to this mandatory set-aside, $20 million is designated for competitive grants to address substance abuse (Regional Partnership Grants) while another $20 million is set aside for workforce development. These workforce grants are allocated to states if they meet a requirement to visit children in foster care at least once a month.

In FY 2022, the President is requesting an increase in appropriated/discretionary PSSF funding to $106 million with the added $40 million in funds being designated for: $30 million for Kinship Navigator programs (an increase of $10 million), $7 million for supplemental substance abuse funding and an increase to $9 million for the Family First Act clearinghouse increased from $2 million to $9 million. As noted, the Administration proposes an increase in the CIP set aside from 3.3 percent to 5 percent.

Title IV-A, Temporary Assistance for Needy Families (TANF), Social Security Act

The Temporary Assistance for Needy Families (TANF) five-year reauthorization ran out in FY 2010, but it is currently extended until the end FY 2023 (October 1, 2023). Since it expired, Congress and several Administrations have agreed to a series of short-term extensions ranging from a few months to two years at a time. Since its creation, TANF has lost more than 35 percent of its value due to inflation.

The Administration proposes no changes within the TANF program (aside from increases in child care-associated funding). They highlight that TANF was designed to provide states with more flexibility while requiring them to engage recipients in work activities. TANF provides states, territories, and eligible tribes the opportunity to design programs funding a wide range of services that support children and families in alignment with the program's purposes, which include providing assistance so that children may be cared for in their own homes or with relatives, promoting job preparation, work, and the formation and maintenance of two parent families.

Gone from the budget are the previous Administrations proposals to reduce TANF by $1 billion while eliminating the Social Services Block Grant (SSBG). Also absent from the budget are proposals to reduce the TANF contingency fund and other related small TANF funds.

<u>Early Childhood Education and Care Care/</u> ***<u>Child Care Development Block Grant/CCDG</u>***

Child Care Funding has three funding streams: discretionary funding, funding based on historic spending, and funding based on states matching federal funds. Discretionary funding is appropriated each year and provided to states by a population formula, while the mandatory funding is written into the TANF law and set for five or six years at a time. This mandatory funding is divided into two sets; one of which is allocated to states based on historic spending, while the second of which is provided to states only if each state provides a match in funding.

Child Care and Development Block Grant (CCDBG)

The Administration is calling for major expansions in child care funding (likely enacted through a future reconciliation bill) called the Child Care for American Families Plan that would include a new child care program. The goal is to provide affordable, high quality child care for low-income and middle-class families for children birth to age five. The Child Care for American Families program would invest $250 billion over 10 years in funding for affordable, high-quality child care. As part of a first step the Administration seeks funding increases in both appropriated and mandatory funds.

The CCDBG generally refers to all child care funding both the discretionary (appropriated) funds and the mandatory funds written into the TANF law. Both funding sources are covered by the same CCDBG regulations that were revised because of the 2014 CCDBG reauthorization.

Under TANF states receive a share of child care mandatory funds. The budget includes $3.55 billion in budget authority for the Child Care Entitlement in FY 2022, equal to the mandatory and supplemental funding in FY 2021 enacted. This increase was enacted as part of one of the COVID-19 relief packages and raised funds from $2.9 billion. Unlike parts of the mandatory funding this FY 2021 and FY 2022 increase does not require states to match the funds to draw them down. In addition to the mandatory funding, the Administration's budget is proposing funding increases of $1.466 billion in FY 2022 at $7.377 billion. Total federal funds would exceed $10.9 billion.

The 2014 bipartisan reauthorization of the CCDBG Act added requirements for increased quality, health and safety protections and certain protections for families receiving subsidies. Due to the nature of the CCDBG, increasing quality and health and safety comes from the same funding source as supply and expanded child care eligibility. State proposals to weaken standards would fly in the face of bipartisan agreement that sought to improve the quality of child care and early childhood education by making state requirements more rigorous. The dramatic increase of $2.8 billion over the past three budgets is the first step after the 2014 reauthorization to make improvements in quality, safety and health and supply.

Head Start

As part of the Biden Administration early childhood education and child care expansion they are seeking additional funding for Head Start. The Administration proposes an FY 2022 funding request of $11.932 billion up from the FY 2021 level of $10.748 billion. Created in the 1960s, the Head Start program provides grants to local agencies with the aim of delivering comprehensive child development services to young children. Additionally, Head Start targets familial needs by supplying families with essential supports and services. Although the program focuses on preschoolers, in 1995 it expanded its focus to infants and toddlers with the creation of Early Head Start.

Pre-Kindergarten

The budget proposes a universal preschool program which would include high-quality early learning to all 3- and 4-year-old children. This initiative is combined with major expansions of both universal child care and greater funding for Head Start and Early Head Start. Much of this would be accomplished through a future reconciliation package of legislation. For FY 2022 appropriations would increase from the FY 2021 total of $275 million to $450 million in FY 2022.

Nita Lowey 21st Century Learning Centers

The President proposes an increase for the 21st Century Community Learning Centers for a total of $1.310 billion an increase from FY 2021 at $1,258 billion. The 21st Century Learning Centers were created through the Elementary and Secondary Education Act (ESEA). These centers were established to support after-school programs and to expand coverage beyond traditional child care. Eligible programs include local educational agencies (LEAs), cities, counties, and community-based agencies. Applicants are required to plan their programs through a collaborative process that includes parents, youth, governmental agencies, and representatives of participating schools or local educational agencies. Funding is allocated through the U.S. Department of Education.

The new Administration proposed increase is in line with recent congressional support for the program and a rejection of the previous Administration's efforts to eliminate the program by allocating funds through Title I of the Elementary and Secondary Education Act.

Child Care services funded under CCDBG are restricted to children to the age of 14. This program was created through and is housed in the Education Department to, in part, address school-based programs directed to older youth. It also serves as an after-school program for youth when other programs and services do not exist in a community.

Promise Neighborhoods

The Promise Neighborhoods program was created under the Obama Administration and is based on the model established by the Harlem Children's Zone. The goal is to establish a school-based program that joins together public, private, philanthropic, and business community interests to develop a comprehensive model. Early on in a child's life and continuing through elementary and secondary school years, programs will wrap a range of services around the prospective student and family with a goal of preparing students for success through college and later employment. The initial grants were for planning. The Administration is seeking level funding at $81 million.

Social Determinants of Health

Social determinants of health (SDoH) are the conditions in the places where people are born, live, learn, work, play, and worship that influence the availability of fair and just opportunities and resources needed to practice healthy behaviors and affect a wide range of health and social life outcomes.

As noted in a recent CWLA- and Centene Corporation call for abstracts, the body of research and literature related to how social, economic, and environmental factors impact overall health is growing. It generally is accepted that addressing social needs is important in improving an individual's health and decreasing health disparities. However, understanding how to address SDoH in an impactful way still is a challenge. This is especially so for the child and family serving systems when engaging the child welfare population, which has often experienced/experiences significant adverse childhood experiences and other issues such as intergenerational trauma and abuse, poverty, chronic neglect, economic insecurities, housing instability, and residing in communities where there is significant violence.

The role of the child welfare community in addressing these issues is even less understood. The COVID-19 pandemic highlighted the significant disparities for communities, families, and children who are Black, Brown, and Indigenous, many of whom experience inequities in child welfare.

The Administration's budget states that differences in social determinants of health contribute to the stark and persistent chronic disease disparities in the United States among racial, ethnic, and socioeconomic groups, systematically limiting opportunities for members of some groups to be healthy. Interventions targeting these factors have tremendous potential to narrow disparities across many chronic diseases by removing systemic and unfair barriers to practicing healthy behaviors.

The CDC first received $3 million in dedicated funding for a Social Determinants of Health program in FY 2021. The FY 2022 budget invests an additional $150 million to enhance and expand CDC's funding to all states and territories to plan and implement interventions to improve health equity.

<u>Maternal and Child Health Block Grant, Title V Social Security Act</u>

Maternal and Child Health Block Grant

Enacted in 1935 as a part of the Social Security Act, Title V provides formula funding to all states to address maternal and child health programs. The main block grant will be funded with at $823 million which is an increase from $712 million in current year funding. Of the total, 85 percent of funding is distributed to states, with the remaining funds reserved for national programs. States use funding for planning and allocating services to both mothers and children. States are required to work collaboratively with other organizations to conduct comprehensive needs assessments. Once needs are assessed, states must identify priorities to comprehensively address these needs and must serve as the payer of last resort for services that do not receive coverage from any other program.

Home Visitation Title V Social Security Act (MIECHV)

Created under the Affordable Care Act (ACA, PL 111-148), the Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program provides funding to all states to promote the use and expansion of home visitation programs. Funding must be used for evidenced-based models with a limited amount of funding available for innovative programs that show promise. To be eligible for funding, states are required to undergo a rigorous planning process and the home visitation programs must undergo substantial evaluation. Funding for the program is mandatory and includes scheduled increases. The program was reauthorized for five years as part of the February 9, 2018, CR (PL 115-123) at $400 million but it is cut annually to $377 million.

Similar to several other mandatory spending programs, MIECHV is still subject to a "sequestration" which imposes annual across-the-board cuts. These cuts are also imposed on several other critical programs such as Promoting Safe and Stable Families (PSSF), the Social Services Block Grant (SSBG) and many others. They are in effect until 2030. Past negotiations to temporary lift parts of the ten-year budget caps, extended these cuts as a way to temporarily lift the caps.

Title IXX, Medicaid

The Administration projects costs to be $570 billion over the projected total of $521 billion in FY 2021. Because Medicaid is an entitlement dependent on the number of individuals covered, these are projected costs that will be adjusted dependent on actual draw-down.

The Biden Administration marks an end to the previous Administrations proposals to cap or cut Medicaid through waivers and other proposals. The budget provides an FMAP increase that temporarily increases the Medicaid Federal share of home and community-based expenditures by an estimated $12.8 billion through a 10 percent increase in the Federal Medical Assistance Percentage (FMAP) for all states.

As a result of previous COVID-19 relief, there is a temporary 5 percent FMAP increase for any states that expand Medicaid that have not already done so. These increases are targeted to the 12 states that have yet to expand Medicaid health insurance coverage through the Affordable Care Act (ACA).

The President's budget also proposes ending the Medicaid funding cap for Puerto Rico and other territories and seeks to bring the Medicaid matching rate (FMAP) in line with the states.

Medicaid was created in 1965 along with Medicare. It serves the poor while Medicare provides coverage to those 65 and older. Medicaid provides health coverage to millions of low-income adults, children, pregnant women, elderly adults, and people with disabilities. It is also the biggest funder of long-term care coverage available through the federal government including those who are covered by Medicare.

Medicaid is administered by states and is matched by the federal government with at least half the health costs paid for by the federal government with some state getting as much as 83 percent of their costs covered by the federal government. More than 69 million people are covered by Medicaid. Nearly 49 million children, combined, are covered by Medicaid or the Children's Health Insurance Program (CHIP). Children comprise 40 percent of the enrolled Medicaid population and 19 percent of the costs.

Medicaid helps state and local agencies get treatment to children in foster family homes, children with special needs in residential treatment, children who move from foster care to guardianship, and those with special needs adopted from foster care. Medicaid allows for important therapeutic case management and therapeutic treatment; colocation of health experts in child welfare offices; services and treatment for children in foster care with multiple complex needs; and assistance for their parents, which helps shorten their stays in foster care and reunite families.

Medicaid is also critical to expanded access to substance use treatment. Access to such treatment can be a major factor in child welfare, treatment for parents is critical. According to the National Center on Behavioral Health, many states with the highest opioid overdose death rates have used Medicaid to expand access to medication-assisted treatment. This includes 49.5 percent of medication-assisted treatment in Ohio, 44.7 percent in West Virginia, 44 percent in Kentucky, 34.2 percent in Alaska, and 29 percent in Pennsylvania.

Title XX, the Social Services Block Grant (SSBG), Social Security Act

The President's budget includes the Social Services Block Grant (SSBG), at the budget sequestration level of $1.640 billion below the actual the $1.7 billion entitlement fund to states. SSBG is currently providing less than the $1.7 billion because it is cut by the across-the-board sequestration cuts which are still in effect for some programs (see home visiting).

It should be noted that SSBG provides approximately 11 percent of federal child welfare spending in the Child Trends Survey of states. At the same time, TANF provided 22 percent of federal child welfare spending, according to the same survey. As a result, a full 33 percent of federal child welfare spending would be severely cut or eliminated. In fact, the budget explanation indicates that since they will eliminate SSBG, the ten percent that is transferred from TANF to SSBG is the rationale for the ten percent cut to TANF.

A state specific example of how significant SSBG and TANF are to child welfare is the state of Florida. According to a recent Child Trends survey, in 2016 the state of Florida had a statewide waiver of Title IV-E Foster Care funding. In that year, the Title IV-E waiver provided Florida with $176 million while TANF provided $188 million and SSBG provided $162 million of the state's total federal child welfare spending. The Administration budget would eliminate the SSBG funding and reduce TANF by approximately 10 percent.

SSBG is a federal block grant and is an entitlement to the states. Converted into a block grant from an entitlement structure under President Ronald Reagan, SSBG is generally the biggest federal source of funds of Child Protective Services (CPS). Some funding for some states is funding transferred from the TANF block grant but even without those additional dollars SSBG still represents the biggest federal funding source of CPS.

Almost all the states will spend some potion of SSBG on protective services, foster care services, adoption services, services for displaced youth and other child welfare related services each year. However, it can vary from year to year. SSBG funds can be spent on more than 29 categories of services that range from elderly services (e.g., home delivered meals) to children's services (e.g., child protection or child care) to disability services (e.g., to transportation or home chore services). States determine eligibility standards and can move dollars from year to year to address their most pressing needs.

SSBG is also vital to other human services, some of which impact on child well-being including the funding that is dedicated to addressing adult protective services such as domestic violence prevention. In 2014, 37 states utilized funds in this way, with states such as New York and Texas investing significant funds ($66 million and $39 million respectively); 21 states use SSBG to fund special services for the disabled, 17 provide services to youth at risk, and 16 strengthen their home-delivered meals programs by using SSBG.

Title XXI, Children's Health Insurance Program (CHIP)

The Children's Health Insurance Program (CHIP) has had a significant impact on reducing the number of uninsured children. Approximately 9.1 million children were covered through CHIP in 2020, with additional children getting covered through Medicaid because of CHIP outreach efforts.

The Balanced Budget Act of 1997 established the Children's Health Insurance Program (CHIP) under title XXI of the Social Security Act. Title XXI provides Federal matching funds to States to enable them to extend coverage to uninsured children from low-income families. States can use title XXI funds for obtaining health benefit coverage for uninsured children through a separate CHIP program, a CHIP Medicaid expansion program, or a combination of both. The Children's Health Insurance Program was reauthorized as part the Bipartisan Budget Act (PL 115-123) for ten years. CHIP is a health care block grant at $17.142 billion in FY 2022.

The Child Abuse Prevention and Treatment Act (CAPTA)

The Administration proposes additional increases for both the state grants under CAPTA and the Community-Based Grants to Prevent Child Abuse and Neglect (CB-CAP). State Grants would be funded at $120 million—an increase from FY 2021 $90 million, and an increase for Community-Based Grants to Prevent Child Abuse and Neglect at $80 million—up from $60 million in FY 2021. CAPTA Discretionary Grants would remain at $35 million.

Both increases represent significant progress from before FY 2018 when CB-CAP was at $39 million and CAPTA state grants were below $30 million.

In 2018 and 2019 as part of the budget agreement and opioids-related legislation CAPTA state grants were increased by $60 million bringing it to its historic high of $85 million. The CAPTA law was further amended to have a more explicit directive to states in implementing "plans of safe care." These plans build on past legislative language that direct states to have a plan of safe care for infants born exposed to substances. Last year advocates successfully worked toward an additional increase of $5 million. The proposed total of $120 million in FY 2022 for state grants under CAPTA would represent significant progress from the FY 2017 funding total of $25 million.

The Child Abuse Prevention and Treatment Act (CAPTA), first authorized in 1974 (P.L. 93-247), is the only federal legislation exclusively dedicated to the prevention, assessment, identification, and treatment of child abuse and neglect. It is a continuum of child maltreatment services and supports. The three main funding streams from CAPTA are State Grants, Discretionary Grants for research and demonstration projects, and Community Based Grants to Prevent Child Abuse and Neglect. The State Grants aim to help states improve their CPS systems and develop innovative approaches. To qualify for these grants, states must meet eligibility requirements such as having a child protection system in place. Additionally, states must enact laws preserving victim confidentiality, appoint Guardians Ad Litem, and establish citizen review panels.

CAPTA discretionary funds support state efforts to improve their practices in preventing and treating child abuse and neglect. Funds support program development, research, training, technical assistance, and the collection and dissemination of data to advance the prevention and treatment of child abuse and neglect. These funds also support the National Child Abuse and Neglect Data System, the only federal data collection effort to annually determine the scope of child maltreatment. Funding also supports the National Office of Child Abuse and Neglect, the National Resource Center on Child Maltreatment, and the National Clearinghouse on Child Abuse and Neglect.

Community-Based Child Abuse Prevention

The Community-Based Child Abuse Prevention (CB-CAP), Title II of CAPTA, grants support state efforts to develop, operate, and expand a network of community-based, prevention-focused family support programs that coordinate resources among a range of existing public and private organizations. Goals include support families to prevent child abuse and neglect; develop a continuum of preventive services through state and community-based nongovernmental organizations; and publicize activities focusing on the healthy and positive development of families and the prevention of child abuse and neglect. Voluntary home visiting programs are a core local service, as are programs serving families that include children or parents with disabilities. Funding is allocated to states by a formula based on the number of children in a state's population.

Seventy percent of a state's grant amount is calculated based on the number of children under 18 in the state, with a minimum award of $200,000 per state. The remaining funds are awarded to states based on the amount leveraged by the state from private, state, or other non-federal sources.

The Administration proposes an additional increase of $20 million raising FY 2022 levels to $80 million, significant progress in raising this targeted child abuse prevention fund from its decades-long level of $39 million. In FY 2020 advocates successfully lobbied for an increase of more than $15 million from its old level of $39 million. It was the first increase for CB-CAP since FY 2005.

CAPTA and CB-CAP are the subject of a reauthorization effort through the House Education and Labor and Senate HELP Committees this year.

Adoption Opportunities

The Adoption Opportunities program was established in 1978 (P.L. 95-266) and was most recently reauthorized in 2003 (P.L.108-36, with CAPTA) and requires a reauthorization most likely as part of CAPTA. In 2011, the Adoption Opportunities program increased from $26 to $39 million when the Adoption Awareness Program ($12 million) was eliminated as a standalone program. The Adoption Awareness Program was ultimately combined with Adoption Opportunities because of their shared mission.

Funding provided for Adoption Opportunities is administered by HHS and is distributed through competitive grants and contracts. The program provides grants to address post-adoption services, the recruitment of minority families and the adoption of older children. Programs such as AdoptUSKids are a national example of some of the programs funded through Adoption Opportunities.

In 2022, the Administration is proposing an additional increase for Adoption Opportunities to $46 million up from $44 million in FY 2021 and $42 million in FY 2020.

The additional $2 million will be used to address efforts in Diligent Recruitment Plans to effectively focus on targeting homes and families that meet the needs and reflect the racial or cultural representation of children and young people in care. A Quality Improvement Center or other national effort will use a data-driven approach to work with local sites and build upon ACF's work with regional offices and constituency groups that revealed an urgent need to meet diligent recruitment requirements under the Multiethnic Placement Act and Adoption Opportunities.

The Adoption Opportunities Act is part of a reauthorization effort through the House Education and Labor and Senate HELP Committees this year. (part of CAPTA reauthorization)

Non-CAPTA, Child and Youth Protection, Child Abuse Prevention and Support

Court Appointed Special Advocates (CASAs)

The Administration proposes level funding for the Court Appointed Special Advocates (CASA). The funding is found in the Department of Justice. As has been the case in recent budgets, the Administration is proposing to fund CASAs at $11 million.

CASAs are trained volunteer adults who are appointed by the courts as officers of the courts to assist abused and neglected children. Their responsibility is to make recommendations to the judge about what is in the best interest of the child.

Consolidated Runaway and Homeless Youth Programs

This program is comprised of two: The Basic Center Program and the Transitional Living Program. The Basic Center program funds community-based programs that provide crisis intervention, temporary shelter counseling and family reunification. Centers will provide up to 21 days of shelter for a maximum of 20 youth. Funds are distributed to states by formula. The Transitional Living Program provides similar grants for youth aged 16 to 22 that are living in adult-supervised group homes. Funding lasts up to 18 months. These are youth who cannot live safely at home.

Under the Administration request funding at $124 million in FY 2022 up from $116 million in FY 2021 ($68 million for the Basic Centers, $56 million for Transitional Living). Last year the Trump Administration indicated there are 4.2 million youth and young adults ages 13 to 25 who experience homelessness over a 12-month period but that was before the pandemic.

McKinney-Vento Homeless Children and Youth

Funding for this program helps children and youth who are homeless but attending school through the use of school-based advocates and services. Along with these funds, states are to meet specified safeguards and requirements, and services including having a homeless liaison designated in each school district and a prohibition against segregating homeless students.

As the number of children attending school while living in homeless conditions with and without families has seen increases, Congress has responded although the need is still underfunded.
In recent years Congress has increased support of the program with a series of increases going from $77 million in 2017 to $93 million in FY 2019 to $101 million in FY 2020. For 2022 the Administration seeks $106 million, the same level as FY 2021.

Individuals with Disabilities Education Act: Infants and Toddlers (IDEA Part C)

The President is requesting a significant increase in regular appropriations. COVID-19 relief increased the FY 2021 level from $482 million to $732 million. The President's request for FY 2022 would maintain that $732 million funding through regular appropriations.

IDEA Part C provides formula grants to all states to help create systems of coordinated, comprehensive, multidisciplinary, interagency programs that will provide early intervention to children with disabilities, aged birth through two. The targeted population includes families with infants and toddlers with disabilities that are experiencing developmental delays in one or more areas, including cognitive development, physical development, communication development, socio-emotional development, or adaptive development. The intervention may also include children who have a diagnosed physical or mental condition that has a high probability of resulting in developmental delay. States have the discretion to provide services to infants and toddlers who are at risk of having substantial developmental delays if they do not receive appropriate early intervention services.

Juvenile Justice

The Juvenile Justice and Delinquency Prevention Act (JJDPA), first enacted in 1974 (PL 93-415) provides critical federal funding to states to comply with a set of core requirements designed to minimize the detention and incarceration of young people in juvenile and adult facilities, to protect youth in the system, to prevent juvenile crimes and to promote public safety.

In 2018, Congress passed the Juvenile Justice Reform Act, which reauthorized the Juvenile Justice and Delinquency Prevention Act (JJDPA) for the first time in sixteen years. The bill authorizes a total of $176 million every year for fiscal years 2019-2023 for the Department of Justice to operate programs under the Act. The FY 2022 budget is below authorized levels.

The Administration proposes $796 million for state and local juvenile justice programs, including programs aimed at delinquency prevention, intervention, and making improvements to the juvenile justice system. Title II State Formula Grants would be funded at $250 million; Title V Local Delinquency Prevention would be funded at $100 million; Youth Mentoring would be funded at $120 million; Child Abuse Training Programs would be funded at $6 million, and Victims of Child Abuse $50 million.

Additionally, the President requests $100 million to establish a new program to encourage community-based alternatives to youth incarceration, in support of juvenile justice system reforms and to reduce the number of incarcerated youths. And new budget request of $10 million for a community violence intervention initiative.

JJDPA Title II State Formula Grants programs supports efforts to develop and implement comprehensive state juvenile justice for state, local, and tribes.

Youth Mentoring programs supports faith and community-based, nonprofit, and for-profit organizations develop and implement innovative mentoring strategies and programs for youth involved in justice, reentry, and foster care system.

JJDPA Title V delinquency prevention grants provide resources to local government for a broad range of delinquency prevention programs and activities to benefit youth who are at risk of having contact with the juvenile justice system, funded at $14 million in FY2021. Investments in juvenile justice delinquency prevention programs are associated with improved public safety and better life outcomes for youth. Included in Title V is funding for Tribal Youth Program at $30 million. In addition, $15 million will support programs focusing on girls in the juvenile justice system.

Victims of Child Abuse

The Administration's Department of Justice budget also includes a continued funding for the Victims of Child Abuse program at $50 million, which is above the $28 million for FY 2021. Currently the funds help to maintain over 750 Children's Advocacy Centers across the country. The centers goals are to work with professionals from law enforcement to child protection agencies to ensure that investigations of abuse both physical and sexual are conducted in a way that does not further victimize the child. The National Children's Alliance indicates that approximately 300,000 children are helped through Centers and that these Centers provide child sexual abuse prevention training to approximately 500,000 people, including some school personal. The recent child sexual abuse prosecutions involving a former Penn State coach and USA Gymnastics doctor Larry Nassar suggested a lack of basic training of state-mandated child abuse and neglect reporters.

--Preliminary review