Federal Legislative Update on Child Welfare

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Federal child welfare finance reform is a strategy to achieve the goal of safely reducing the need for foster care by preventing child abuse and neglect and finding safe, permanent and loving families for all children.

Informed by our direct practice and strategic consulting work

Significant support at all levels of leadership including our Board of Trustees
Why is federal child welfare finance reform important?

• The goal in child welfare should be to ensure the safety, permanency and well-being of children and their families.

• However, “we have a well-intentioned system that is operating in a policy and practice construct that doesn’t align with what research on child development tells us.”
  – Dr. David Sanders, Casey Family Programs
What is the challenge?

• The major federal funding source for foster care is not aligned with providing services to address existing needs, support good practice and enhance well-being.
  – It is triggered when a child enters out-of-home care.
  – It is tied to a non-existent eligibility program.
  – It does not promote the integration of well-being with work to promote safety and permanency.
Child Welfare Spending

• States spent $28.2 billion on child welfare in SFY2012:
  o $12.7 billion in federal funds (45%)
  o $10.9 billion in state funds (39%)
  o $4.6 billion in local funds (16%)

National Child Welfare Funding
SFY2012: $28.2 billion

- Federal: 45%
- State: 39%
- Local: 16%

Why do we believe finance reform is important to achieve better outcomes?

- Federal finance reform will promote strong and healthy families by allowing for a **complete continuum of services** including:
  - prevention services that are available to vulnerable children and families before serious risk has developed or harm has occurred,
  - *temporary* foster care that helps children return to a family setting as soon as possible,
  - therapeutic, mental and behavioral health and other individualized services that improve well-being, and
  - post-permanency supports to provide ongoing assistance to vulnerable families.
Current federal funding imbalance

Title IV-E

$4.4 billion
Amount of Title IV-E money spent to maintain children in foster care

170,100 children receive federal foster care dollars

Title IV-B

$703 million
Amount of Title IV-B money available to be invested in keeping children safely out of foster care

3,004,500 children are involved in reports of maltreatment or other issues where timely interventions are important

Sources: Adoption and Foster Care Analysis and Reporting System (AFCARS) and the National Child Abuse and Neglect Data System (NCANDS), provided in part by the National Data Archive on Child Abuse and Neglect data (NDACAN). Updated as of March 2013. U.S. Department of Health and Human Services, Administration for Children and Families.
Why do we believe finance reform is possible?

- Significant legislative success and support for improvements in child welfare policy
  - Fostering Connections to Success and Increasing Adoptions Act of 2008
  - Child and Family Services Improvement and Innovations Act of 2011
  - Protect Our Kids Act of 2012
  - Preventing Sex Trafficking and Strengthening Families Act of 2014
  - Introduction of new proposals in Congress addressing the financing of child welfare
What has occurred over the years?

• U.S. Senate Caucus on Foster Youth hosted an event in the summer of 2014 to examine finance reform proposals – over a dozen groups presented.

• President Obama’s FY2016 Budget included a number of new proposals related to child welfare financing.
  – U.S. Senate Finance Committee Chairman Orrin Hatch recognized child welfare as a common ground issue in the HHS Budget hearing.
What has occurred to bring us to the Family First Prevention Services Act?

- Hearings and introduction of numerous proposals in Congress that include changes to financing of child welfare at the federal level since 2013. Most recently:
  - U.S. Senate Committee on Finance Chairman Hatch (R-UT) publicly stated in February 2016 that he would have a bipartisan mark up of child welfare legislation this fall.
  - Sen. Ron Wyden (D-OR) introduced legislation with numerous cosponsors include Sen. Cantwell. Identical legislation was introduced in the U.S. House.
  - Sen. Michael Bennett (D-CO) and Sen. Mike Crapo (R-ID) introduced a bipartisan proposal to address financing.
  - Numerous other legislative proposals were introduced.
The Family First Prevention Services Act of 2016

• Introduced in June 2016 by key leaders in the U.S. House of Representatives, with identical legislation introduced in the U.S. Senate
  – Embraced by key leaders of key Committees which oversee funding for child welfare programs at the federal level.

• Passed the U.S. House of Representatives unanimously by voice vote in late June, and currently pending consideration by the U.S. Senate
The Family First Prevention Services Act of 2016

• Landmark bipartisan, bicameral legislation that would fundamentally shift how the federal government partners with states and tribes to support families.

• Culmination of years of discussion among key Congressional leaders who share a vision and are passionate about keeping children safely with their families.
Every child deserves a family.
We help children by supporting families.
The Family First Prevention Services Act of 2016

• Would create a new option for states to receive open-ended entitlement funding for up to 12 months for prevention services for children and their caregivers at risk of placement in foster care, as well as pregnant and parenting youth
  – New option would begin on October 1, 2019 (Federal Fiscal Year 2020) to allow time to develop these programs.

• Services eligible for federal reimbursement would be mental health services, substance abuse prevention services and in-home parenting skills
  – Services would need to be evidence-based and provided in a trauma-informed way.
The Family First Prevention Services Act of 2016

- Also beginning in FY2020 would be new federal policy on what out-of-home placements would be eligible for federal reimbursement
  - Focus is on family foster care homes
  - New policy would allow for placement in “qualified residential treatment programs”
    - These programs would have a number of requirements to qualify for reimbursement
    - States and courts would be engaged in these placements
    - Goal is to ensure the necessity and appropriateness of the ongoing placement
The Family First Prevention Services Act of 2016

- Would continue important prevention funding to states and tribes through other programs, as well as funds for courts and substance abuse programs.

- Would also make improvements to the federal program that supports youth who age out of foster care to encourage transition services and expand supports.
What are the next steps?

- Congress will return the week of November 14.
- Key leaders have indicated their interest in advancing this legislation before the end of this Congressional session.
Questions??

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