



Capitol View On Kids

*The latest news on children and families in
in Washington D.C.*

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New Data on Child Welfare Spending Released

Child Trends has released "Federal, State, and Local Spending to Address Child Abuse and Neglect in SFYS 2008 AND 2010". The report is the latest edition of the surveys conducted by the Urban Institute and Child Trends with the support of the Annie E. Casey and Casey Family Programs foundations. Dating back to the late 1990s the surveys give a state by state snap-shot of state spending on child welfare services with details on where states are drawing federal funding from and how much in state dollars states are investing. Some of the key findings comparing state fiscal years 2006 through 2010 include:

- Child welfare spending increased, but rate of growth slowed. States spent \$29.4 billion in federal, state, and local funds for child welfare in state fiscal year (SFY) 2010. Between 2006 and 2008, total spending increased by 1%, and between 2008 and 2010, expenditures increased 2% overall. Without the temporary enhanced federal reimbursements states received in FY 2010 through the Title IV-E as part of the American Recovery and Reinvestment Act (ARRA) of 2009, the overall increase in spending between 2008 and 2010 is 1%.
- The federal share of child welfare spending, for the first time in the survey's history, was lower than the share from state dollars in 2008. In 2008, federal funds accounted for 43% of all spending, while state dollars accounted for 45%, and local dollars for 12%. By 2010, the proportion reverted back to the federal share exceeding the state share. The increase in federal share was due in part to the availability of federal funds through ARRA, but the share of federal funds in 2010 exceeds the state share even when ARRA funds are excluded.
- Title IV-E comprised more than half of all federal dollars spent on child welfare. In 2010, Title IV-E accounted for 52% of all federal funds and represented the largest category of federal funds. The second largest federal funding stream for 2010 was Temporary Assistance for Needy Families (TANF, 22% of all federal dollars spent on child welfare), followed by the Social Services Block Grant (SSBG, 12%), Medicaid (7%), Title IV-B (5%), and "other" (3%).
- Spending from the Title IV-E Foster Care Program decreased. In 2010, states spent \$3.6 billion in Title IV-E foster care funds a 17% decrease from the amount spent on the Title IV-E foster care program in SFY 2006. Overall spending decreases in Title IV-E foster care is related to declining numbers of children in foster care as well as declining numbers of children being eligible for maintenance payments due to the policy that links Title IV-E foster care eligibility to a 1996 income requirement tied to the defunct AFDC program.
- Title IV-E Adoption Assistance payments are greater than Foster Care Maintenance payments in 2008 and 2010 confirming previous national data. Thirty-three states reported higher spending for Title IV-E adoption assistance than foster care maintenance payments in 2010, an increase from 2006 when 26 states reported adoption assistance exceeding foster care maintenance.
- The largest percent increases in federal funding are TANF and SSBG. TANF and SSBG (including TANF funds transferred to SSBG by states) experienced the largest increases between SFY 2006 and SFY 2010 of all the major federal funding streams (growing by 18% and 24%, respectively).
- Medicaid expenditures on child welfare services declined steeply. States spent over \$1 billion in Medicaid dollars in 2010 for child welfare-related services such as rehabilitative services, targeted

case management, and Medicaid-funded therapeutic foster care. This represents a 37% decrease in Medicaid expenditures on child welfare since SFY 2006.

The report continues to reinforce earlier surveys that there is no real clarity in regard to how states choose the funding formulas for their child welfare systems. There is no clear relationship between funding patterns and other factors such as a state's size, location, region, economic makeup or caseloads. To have a clearer understanding one would have to understand the budget politics that take place within each of the fifty states not just recently but over the more than decade of these surveys. Of particular interest are the increases in SSBG and TANF spending. More than 20 states increased their use of TANF funds. While that could be a positive use of TANF funds, particularly if a state used flexible TANF funds to wrap preventive and other services around vulnerable families. On the other hand one of the major criticisms of TANF during the great recession is that it failed to react to the higher unemployment so if a state froze or reduced caseloads while placing dollars into child welfare, it may not be a positive outcome. SSBG continues to be an ever-critical funding source of child welfare and even with much of the SSBG funding coming from a transfer of TANF into SSBG, it raises questions about what will happen to state child welfare funding if Congress follows along with the House-passed reconciliation bill to eliminate SSBG. Other significant questions include the reduction in Medicaid funding compared to earlier surveys and the significant declines in state draw-downs of Title IV-B child welfare funding. Medicaid may in part be driven federal restrictions on the use of Medicaid for child welfare services and despite a congressional and administrative reversal many states may be reluctant to open up their Medicaid plans in the same way to restore or provide services such as rehabilitative services. The IV-B reductions are surprising. While Congress did cut appropriation for Title IV-B funding through the Promoting Safe and Stable Families program by \$25 million in 2007 that results in less than a ten percent cut for both IV-B programs yet 26 states indicated they had reduced IV-B funding by more than ten percent with nine claiming reductions of more than 30 percent. It suggests that some states may be turning down federal funds despite IV-B requiring only a 25 percent match (one state dollar generates three federal dollars). One other significant detail is that for the first time the survey gives some idea of how much in Title IV-E funds are drawn down by juvenile justice agencies with the survey indicating that \$250 million was drawn in this way. The Child Trends report is online: http://www.childtrends.org/Files//Child_Trends-2012_06_20_FR_CaseyCWFinancing.pdf



Coalitions Focus on Oversight of Psychotropic Medication in Foster Care

On Thursday June 21, the Child Welfare and Mental Health Coalition and National Foster Care Coalition sponsored a meeting on the oversight and use of psychotropic medication for children in foster care. Featured speakers included Dr. David Rubin and Meredith Matone from PolicyLab at The Children's Hospital of Philadelphia, Dr. James Rogers, the Texas Department of Family and Protective Services, and Clare Anderson and Kate Stepleton from the Administration on Children, Youth and Families (ACYF), Nadia Sexton, the Centers on Medicaid and Medicare Services (CMS), and David DeVoursney, the Substance Abuse and Mental Health Services Association (SAMSHA).

Dr Rubin gave an overview of the PolicyLab's efforts to improve the quality of health care for children in foster care. He presented some of the PolicyLabs most recent research based on a review of Medicaid data. Based on their research they were able to analyze the use of psychotropic medications, use of multiple prescriptions per child and the use of antipsychotic medications. The PolicyLab was able to track individual state progress or lack of progress between 2002 through 2007. One of the states that received a great deal of focus was the state of Texas. Texas has implemented a number of reforms to address the over use of medication and to improve the care children are receiving while in care. Dr Rogers presented

on the initiatives the state of Texas has taken to reduce the use of prescription medication. Texas reforms were driven by the 2004 state comptroller's report that was highly critical of the Texas child welfare system. In 2005 state legislation established new procedures for all children under a single managed care organization along with new rules on medical consent for children in foster care. Texas also instituted a health passport which is an electronic health care record tracking system open to key parties involved in the care of the foster child. Data now show that the state has reduced the use of a range of prescription medications including the use of antipsychotic, antidepressants, stimulants and mood stabilizers by a range of 70 to 36 percent. The Texas data was in fact verified by the independent research by PolicyLab. One area of consensus was that the goal wasn't just the reduction in the use of prescription medication but the improved health care and treatment for children in care. Dr Rubin stated he was not against the use of prescription medication but for the proper use. He pointed out that for those children being overmedicated there had to be alternate forms of treatment and therapy.

PolicyLab expects to post an interactive map featuring state by state data on antipsychotics and polypharmacy use at some point in July. They will also have a national analysis on the use of antipsychotic use and mental health diagnosis trends among all Medicaid enrolled foster children between 2002 and 2007 in the fall of 2012. For more information on PolicyLab go online: <http://policylab.us>



Reunification Briefing Focuses on Parental Assistance

Last week a briefing jointly sponsored by the ABA's Center on Children and the Law, the National Foster Care Coalition, Children and Families Futures and the Child Welfare League of America focused attention on reunification of children and families in foster care. The briefing was part of celebrating June as National Reunification Month (http://www.americanbar.org/groups/child_law/what_we_do/projects/nrd.html). The national initiative has been jointly promoted by a number of organizations over the past several years. With over half of children exiting foster care for reunification, the event is an effort to celebrate the successes that a majority of families experience through reunification. The briefing included presentations by Robin Lyde, parent advocate from New York City, Susan Jacobs from the Center for Family Representation (CFR) and Judge Larnzell Martin Jr, from Prince George's County, Maryland. Part of the focus of the briefing was on the effort of the Center for Family Representation to assist parents using a model that provides the parent or parents with a team that includes a parent advocate, a social worker and an attorney. They indicate that they are successful in keeping 73 percent of client's children out of foster care entirely and that in cases where the child is placed in foster care, the average length of stay in care is 2.2 months. Susan Jacobs indicated that the New York program was able to increase the number of reunifications for families that used their programs. <http://www.cfrny.org/about-us/our-results>

The congressional sponsor of the briefing Congresswoman Gwen Moore (D-WS) made some introductory remarks at the outset of the briefing, she introduced a House resolution, H. RES 693, calling for the recognition of June as National Family Reunification Month. She has also introduced HR 3873 the Enhancing the Quality Parental Legal Representation Act. The bill would increase funding through the court improvement program under the Promoting Safe and Stable Families Program to encourage parental representation in child welfare cases.

In the 2006-2009 Child Welfare Outcomes Report to Congress (<http://www.acf.hhs.gov/programs/cb/pubs/cwo06-09/index.htm>) HHS drew some interesting conclusions about permanency including reunification of foster children with their families. The report concludes that a majority of states made considerable strides toward finding permanent homes for children who have been in foster care for 24 months or longer and that it would be useful to determine the drivers behind the success of the 70 percent of states that showed improved between 2006 and 2009. At the same time the report notes that finding permanent homes for children who entered care when they were age 13 or older has been a challenge. In addition to relatively low performance in 2009, there was a change in performance between 2006 and 2009 showing

a decline in this area. HHS states that the reasons for low or declining performance need to be understood better and strategies used by states that are more successful should be examined carefully.

Specifically in regard to reunification the report states that national performance on the median length of stay in foster care for children reunified showed a decline between 2006 and 2009. However, the reentry rate for children reunified improved within this same time period. They argued that the two areas should be reviewed in conjunction with one another so that strategies can be developed that improve performance in both the timeliness and permanency of reunifications. They pose the question, are there services that are effective in ensuring safe and timely reunifications, while also preventing reentry? HHS also concluded that states are less successful in reunifying children with diagnosed disabilities than children without, reunification is even less if a child entered foster care after the age of 12 and of the states that were successful in reunifying children within 12 months there appeared to be a correlation with states that had a higher percentage of children visited by caseworkers on a monthly basis. In regard to older youth they note that 45 percent of youth who exited foster care due to age or being emancipated were in foster care for three years or longer.



Appropriations Update

The House has now acted on eleven of twelve appropriations bills. The lone bill not debated at least in subcommittee is the Labor- Health and Human Services, Education (Labor-HHS) bill. Five bills have gone to the floor, five have made it through the full committee and one has made it through the subcommittee. On the Senate side nine bills including Labor-HHS have been approved by the full committee and three have not yet been acted upon. On June 14 the Senate Appropriations Committee approved the Labor-HHS bill with most of the key child welfare programs funded at the current year funding levels including the three key Child Abuse Prevention and Treatment Act (CAPTA) programs, the two Title IV-B programs (Child Welfare Services and Promoting Safe and Stable Families), the Adoption Opportunities Act, and the Education and Training Vouchers for youth in Foster Care. The Committee did provide \$5 million for the Administration's proposal to encourage programs and research to address victims of child sex trafficking within child welfare. The Senate bill also provides increases for the child care block grant, increased by \$160 million, Head Start increasing by \$70 million to bring total funding to \$8.039 billion and an increase of \$60 million for the Race to the Top Education funding increasing to \$600 million with a significant portion to go for the Early Learning Challenge Grants which are a part of the overall education funding program. It still remains uncertain when the House will approve their version of the Labor-HHS bill. Under the House framework, Labor-HHS will get \$150 billion down from nearly \$157 billion this year. The Senate has near level funding compared to this year. To see proposed budgets spending levels go to the National Foster Care Coalition website at: www.nationalfostercare.org



Correction

Last week the article on "Youth Forum Discusses Foster Care Placements" incorrectly identified Laurie Rubiner's current position, Ms Rubiner is the Chief of Staff for Senator Richard Blumenthal (D-CT).



UPCOMING CAPITOL HILL BRIEFINGS/EVENTS

- *On Wednesday, June 27th, First Focus is holding a Children's Budget Summit, the Summit will focus on how children have fared in the 2012 budget and appropriations process it will be held in the U.S. Capitol Visitor Center, Congressional Auditorium. RSVP to jareds@firstfocus.net*