



Child Welfare Agencies' Service Gaps and Strategies for Using Federal Funds to Preserve and Reunite Families

**National Association for Welfare Research and
Statistics Workshop
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Why We Did This Study

- The U.S. Government Accountability Office (GAO), an independent, nonpartisan agency, is the audit, evaluation, and investigative arm of the U.S. Congress.
- Congress mandated GAO conduct this study under the Child and Family Services Improvement and Innovation Act of 2011.

Research Objectives

1. What services do child welfare agencies have difficulty securing for children and their families?
2. How do selected states use funds provided under Title IV-B of the Social Security Act?
3. What other sources of federal funding do states use to fund child welfare services?

Methodology Overview

- Reviewed data and findings from:
 - The National Survey of Child and Adolescent Well-Being (NSCAW),
 - Administration for Children and Families (ACF) aggregate report on Child and Family Services Reviews,
 - Annie E. Casey Foundation survey of state child welfare agencies,
 - Federal expenditure reports for Temporary Assistance for Needy Families (TANF) and Social Services Block Grant (SSBG).
- Analyzed expenditure reports for 4 selected states: Florida, Minnesota, New Mexico, and Virginia.
- Interviewed state and local child welfare officials in 4 selected states (3-4 localities per state).
- Interviewed knowledgeable ACF officials and child welfare experts.
- Conducted discussion group at ACF Conference on Child Abuse and Neglect.

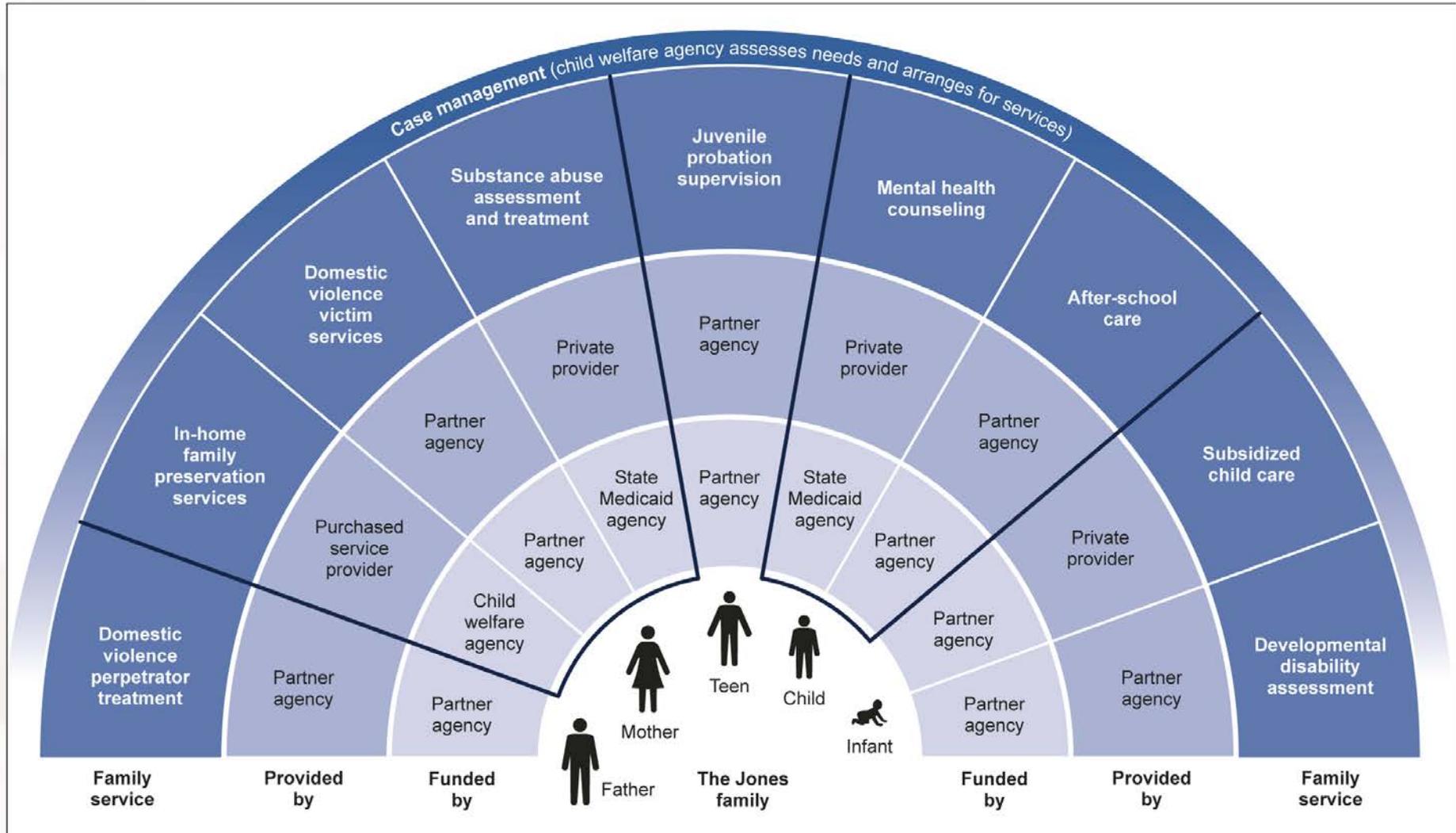
Child Welfare

- An estimated 6.3 million children were referred to child welfare agencies in FFY 2012. An estimated 686,000 were found to be victims of abuse or neglect.
- If it is not in a child's best interest to remain at home, the child may be placed in foster care or in the care of relatives.
- Many children (both victims and non-victims) referred to child welfare agencies, as well as their caregivers and families, received child welfare services.

Child Welfare Services

- Child welfare services are provided for several purposes:
 - Prevention: prevent abuse or neglect,
 - Preservation: stabilize the family so the child can remain safely at home,
 - Reunification: help the family reunite if the child has been placed in foster care.
- Services may include home visiting, parent support services, and counseling or treatment to address mental health, substance abuse, or domestic violence issues.
- Agencies may also provide services to address families' material needs (e.g., clothing, housing or employment assistance).

Example of Types of Services and Providers a Child Welfare Agency May Secure to Meet the Needs of a Hypothetical Family



Source: GAO analysis of sample case provided by local child welfare agency.

Federal Dedicated Funding for Child Welfare

- In FY 2010, 46% of child welfare expenditures were from federal sources, with 43% from state funds and 11% from local funds, according to a Casey Family Programs survey.
- Title IV-E: Large majority of federal funding dedicated to child welfare.
 - \$7.1 billion appropriated in FY 2012, about 89% of dedicated federal child welfare appropriations.
 - Generally used to partially reimburse states for foster care maintenance payments for eligible children.
- Title IV-B: Primary source of federal child welfare funding available for services, but much smaller funding source.
 - \$730 million in FY 2012, about 9% of dedicated federal child welfare appropriations.
 - Two formula grant programs: Child Welfare Services Program (Subpart I) and Promoting Safe and Stable Families Program (Subpart II).

Other Federal Funding

- Additional federal funding for child welfare under Child Abuse Prevention and Treatment Act (CAPTA).
 - \$189 million in FY 2012, about 2% of federal child welfare appropriations.
- Other non-dedicated federal funding sources may be available to finance child welfare services:
 - TANF
 - SSBG
 - Medicaid



What services, if any, do child welfare agencies have difficulty securing for children and their families?

Data from ACF's National Survey of Child and Adolescent Well-Being Indicate Service Gaps

Percent of Caregivers and Children with Selected Service Needs Who Reported They Had Not Received Related Services in the Past 12 Months: 2008-2009

| Service need | Percent of individuals not receiving needed service in past 12 months | 95 percent confidence interval |
|--|---|--------------------------------|
| Caregivers | | |
| Substance abuse services | 91 | 88 – 95 |
| Domestic violence services | 88 | 84 – 92 |
| Mental health services | 48 | 43 – 53 |
| Children | | |
| Individualized Family Service Plan or Individualized Education Program to address developmental problems in children 5 and under | 87 | 82 – 92 |
| Behavioral health services (1.5- to 10-year-olds) | 58 | 50 – 65 |
| Behavioral health services (11- to 17-year-olds) | 48 | 40 – 56 |

Sources: H. Ringeisen et al., *NSCAW II Baseline Report: Caregiver Health and Services*, OPRE Report #2011-27d (Washington, D.C.: 2011). H. Ringeisen et al., *NSCAW II Baseline Report: Children's Services*, OPRE Report#2011-27f. (Washington, D.C.: 2011)



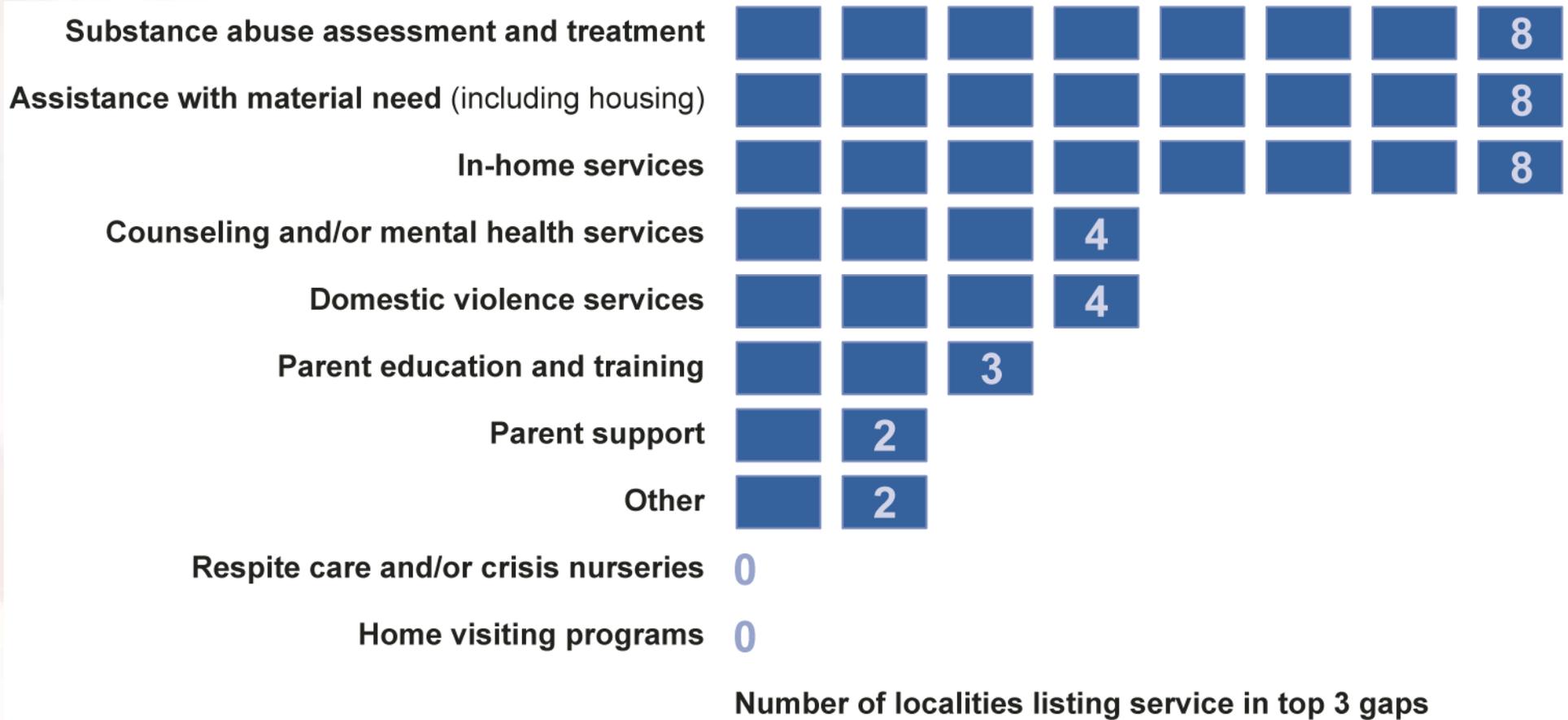
Additional Evidence of Service Gaps

- ACF Child and Family Services Reviews from 2007-2010 found 20 of 52 states did not have an appropriate range of services to adequately address the needs of children and families.
- 25 of 41 states responding to Casey Family Programs survey reported waiting lists for at least one service provided by child welfare agencies or their purchased service providers.



What services, if any, do child welfare agencies have difficulty securing for children and their families?

Top Child Welfare Service Gaps Reported by 13 Selected Localities (3 Selections per Locality)



Source: GAO analysis of information provided by child welfare officials in 13 selected localities.



Factors contributing to service gaps

- Provider shortages
- Lack of health insurance
- Inadequate transportation
- Limited funding for preventive services
- Challenges accessing services from partner agencies



Impact of Service Gaps

- Difficulty securing high-quality, timely treatment for parents with substance abuse problems can decrease likelihood of recovery and reunification.
- Lack of affordable housing may contribute to removal to foster care or prevent families from reunifying.
- Failure to provide services to address trauma of abuse and neglect may negatively affect children's well-being in the short and long term.



CWS (Subpart I)

- Requirements: states are limited in using these funds for child care, foster care maintenance or adoption assistance payments.
- In FY 2011, our four selected states used CWS funds to support a variety of services and activities, including case management, children’s legal services, and staff training.
- New Mexico largely spent CWS on foster care maintenance payments, which is permitted in limited circumstances.



PSSF (Subpart II)

- Requirements: states are required to spend at least 90% on family support, family preservation, time-limited family reunification, and adoption promotion and support services.
- In FY 2011, four selected states had different strategies for managing PSSF expenditures. For example:
 - VA and FL allowed local agencies to decide how to spend funding.
 - NM used for contracted community-based service providers in targeted geographic areas.



What other sources of federal funding do states use to fund child welfare services?

- TANF: 31 states in spring 2011.
- SSBG: 44 states in FY 2010.
- Medicaid: total number of states with child welfare agencies claiming reimbursement unknown.
- Other dedicated federal funds such as CAPTA.

Title IV-E Waiver Demonstration Projects

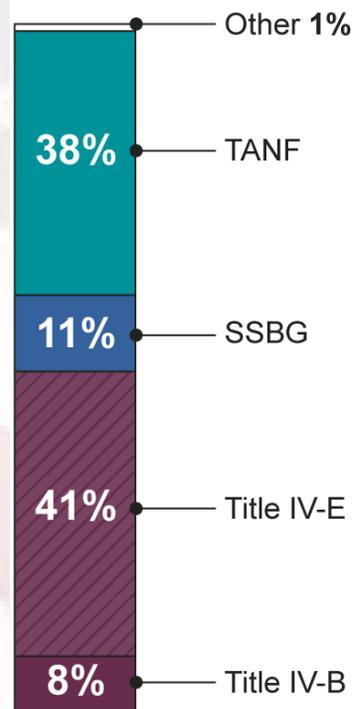
- In 2011, Congress authorized ACF to waive certain Title IV-E funding restrictions so that states with approved demonstration projects may spend those funds more flexibly.
 - Limited to approving 10 demonstration projects per year in FY 2012-2014.
- As of September 2013, 22 states were implementing waiver demonstration projects.
- Project goals vary, and include:
 - Reducing time in foster care,
 - Improving child and family outcomes, and
 - Preventing child abuse and neglect and re-entry into foster care.



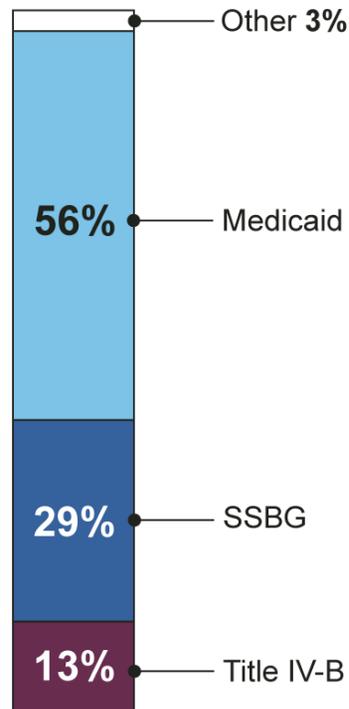
What other sources of federal funding do states use to fund child welfare services?

Federal Funding Used to Finance Services and Other Activities Covered Under Title IV-B for Selected States, State Fiscal Year 2011

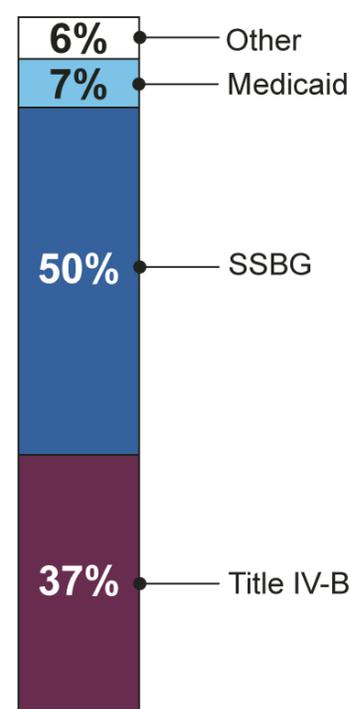
Florida (\$353 million)



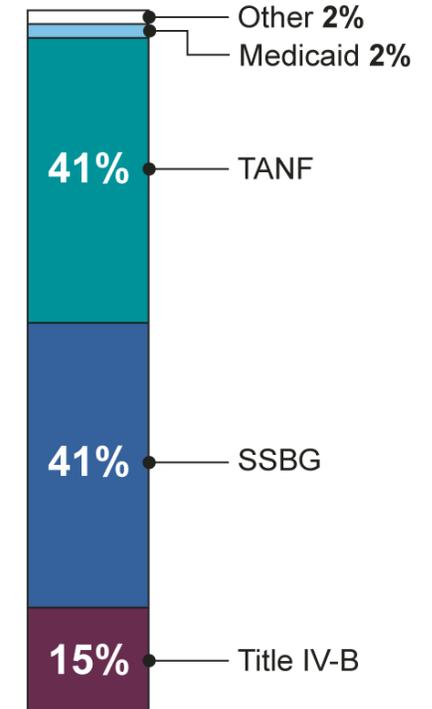
Minnesota (\$46 million)



New Mexico (\$10 million)



Virginia (\$84 million)



Source: GAO analysis of state data.

- Child welfare agencies operate in an environment of ongoing fiscal constraint and must make difficult choices about how to allocate limited resources.
- Despite their use of multiple federal funding streams, these agencies continue to struggle to meet the complex service needs of children and families who come in contact with the system.
- Title IV-E waivers granted by HHS to some states may provide useful information on the effects of shifting available resources from foster care costs to support services intended to reduce the need for foster care, without increasing funding overall.



All information in this presentation is based on GAO-13-170, CHILD WELFARE: States Use Flexible Federal Funds, But Struggle to Meet Service Needs. Publicly Released January 30, 2013.

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