



**Testimony of Ken Deibert
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Written Testimony**

**Before the Subcommittee on Income Security
and Family Support
Ways and Means Committee
U.S. House of Representatives**

Hearing on Improving the Child Welfare System

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Introduction

Mr. Chairman and members of the subcommittee, thank you for the opportunity to spend some time with you today. I am Ken Deibert, President of the National Association of Public Child Welfare Administrators. I am here today to testify on behalf of NAPCWA, an affiliate of the American Public Human Services Association, and the state of Arizona, where I serve as the Deputy Director of Children, Youth, and Families at the Department of Economic Security, the agency responsible for our state's child welfare programs. Our members are deeply committed to improving the practice of child welfare to ensure that vulnerable children are protected, and just as importantly that they have every opportunity to grow and develop in a supportive family environment.

We appreciate Chairman McDermott's and the subcommittee's continuing efforts to develop legislation that, in our view, will improve outcomes for vulnerable children by investing in families, improving accountability in the child welfare system, and finding safe, stable, and permanent homes for foster children.

Title I – Providing Services to Strengthen Families and Reduce the Need for Foster Care

A long-standing concern of state and local child welfare administrators has been the lack of flexibility in the current funding structure for child welfare services. Current funding mechanisms do not allow states the ability to effectively develop and support the array of services needed to improve outcomes for children and families.

We recognize that this comprehensive effort to address many of the current shortcomings of the federal foster care system represents careful compromise and consideration of maintaining sufficient federal supports for our most vulnerable children and families. Currently, Title IV-E of the Social Security Act, the primary federal funding source for foster care, imposes a perverse incentive on states to remove children from their families and maintain them in out-of-home care placements. This policy framework is not only harmful to children and their families, it places onerous fiscal burdens on states as they strive to support safe and timely permanency options for children.

Nationally, there are approximately 500,000 children in foster care on any given day. According to nationally collected data, under the current fiscal structure, the number of children eligible for federal financial support is projected to decline by approximately 5,000 children each year. We believe the funding system should reward states for reducing the number of children entering foster care, not punish them, as does the current funding system. In Arizona, the need for realignment of resources was recognized when the number of children in foster care increased by an annual rate of 20 percent. In September 2005, Arizona published "Strengthening Families: A Blueprint for Realigning Arizona's Child Welfare System." One of our key strategies was the implementation of intensive in-home services to enable more children to remain at home when safe to do so. With the support of Governor Napolitano and our legislature, we have been able to redirect some of our state funds to accomplish this goal. Since July 2003, the number of children served safely in their homes in Arizona has increased by 67 percent and the number of children in foster care has decreased by 2 percent. Increasing Arizona's

capacity to provide in-home services was the right thing to do, but at the same time placed limitations on our ability to fund other aspects of the continuum of services needed to truly strengthen our child welfare system. The Invest in KIDS Act represents an alternative approach to federal funding that will safely reduce the number of children in foster care and lead to improved outcomes for children and strengthened families.

Title II – Ensuring Federal Foster Coverage for All Children in Need

The current federal framework does not support a comprehensive service system that encompasses prevention, efforts to move children quickly and safely to permanency, and post-permanency services. The funding opportunities proposed by this resolution for the provision of preventative services, in-home services, and post-permanency services will ensure more children can remain in their homes when safe to do so. These services are a critical component in the continuum of supports we need to strengthen families. It makes fiscal sense to fund the up-front part of the child welfare system to prevent more children from entering foster care. Rather than ensuring effectively aligned resources, the current system encourages children remaining in placements outside of their homes and families, while failing to intervene before this level of involvement is imminent. On average, only 10 percent of federal funding supports prevention. Moreover, a recent analysis by Prevent Child Abuse America estimates that the nation’s total annual cost of child abuse—including the responses of the foster care, juvenile justice, law enforcement, and health care systems – totals nearly \$104 billion.

Under the existing financial reimbursement structure, Title IV-E eligibility is directly tied to the 1996 Aid to Families and Dependent Children income eligibility requirements, which has not been adjusted for inflation. States have seen a steady decline in the number of children eligible for Title IV-E reimbursement because of the current eligibility formula. Since 1998, 35,000 fewer children have been eligible, and states have lost an estimated \$1.9 billion in federal foster care support.

In our view, H.R. 5466 does make significant strides toward resolving the current funding limitations. The flexibility provided by this resolution would allow states to support families of children who enter foster care to help them rebuild their lives and welcome children home as quickly as possible. In Arizona, we were fortunate to receive a IV-E demonstration waiver that has allowed us to provide intensive, flexible services using IV-E funds to expedite reunification of children with their families. Our initial results are very promising. In the first year of this project, children and families who participated in the program saw a 43 percent higher rate of reunification than the comparable control group. We appreciate the subcommittee’s effort to expand opportunities for states to develop programs such as our intensive family intervention program.

The draft legislation proposes reducing all Federal Medical Assistance Percentages in order to offset the federal financial burden of de-linking. NAPCWA supports federal policies that optimize state flexibility. This act’s proposal to de-link IV-E eligibility is a crucial element in reforming the child welfare system. In light of state fiscal difficulties in the states, and the uncertainty related to the rising cost of child welfare, caseload dynamics, and other factors, we urge the subcommittee to consider alternate funding solutions. NAPCWA would like the opportunity to work with states to explore the

implications of this proposed legislation and offer feedback that may guide the subcommittee in making future amendments.

Further, the proposed cap on administrative reimbursement will limit state flexibility in covering integral service components. Administrative reimbursement covers costs related to determining eligibility, setting rates for foster homes and institutions, and the proportionate share of related agency overhead. We urge the subcommittee to reconsider limitations in administrative reimbursement.

I represent the great state of Arizona which is home to 21 federally recognized tribes, I can't pass up this opportunity voice our full support for the tribes' ability to apply for their own Title IV-E funding as they do now under Title IV-B.

Title III – Supporting a Qualified Child Welfare Workforce

States continue to make investments in improving the competence of the child welfare workforce and lowering caseloads. As we continue to increase the demand for better outcomes from the child welfare system, then we should invest in improving the quality of the child welfare workforce.

We commend the subcommittee for recognizing the importance of supporting and retaining a qualified child welfare workforce. State capacity to improve outcomes for children and families is highly dependent upon the ability to hire and retain qualified staff able to work collaboratively with families and communities. Ensuring realistic work loads is as important as having qualified staff.

We appreciate that this resolution acknowledges the importance of the critical role caseload plays in our ability to achieve safety, permanency and well-being for children. The Child Welfare Service Quality Improvement grant program described in Title III of the proposed legislation is a necessary and worthwhile program. States struggle to support their child welfare workforce in ways that allow them to successfully serve children and families. The grant program provides funding to states allowing them to increase the capacity and quality of their workforce by increasing coordination. Providing workers with the support, training, and resources they need is a crucial piece of the child welfare system. Currently, many case workers are required to meet a near impossible level of service to their clients. Workers are expected to be liaisons among the court system, mental health, juvenile justice, substance abuse, and child welfare systems, as well as other systems. The vast array of systems that workers touch can be particularly demanding and difficult. Allowing states to receive increased funding to improve coordination among these entities will allow workers to spend more time and energy focusing on working directly with children and families.

We fully support giving states the opportunity to access increased reimbursement to cover training expenses for a broader spectrum of professionals who are all integral to a high-performing, comprehensive child welfare system. We strongly support the subcommittee's expansion of the scope of training reimbursement.

Title IV – Connecting Children to Support, Family, Health Care, and School

Subtitle A – Connection to Support

In the “typical” American family, youth are continually supported by their parents until approximately age 24. The federal system is currently designed to provide support to youth until the age of 18—although some states do have state-funded extended foster care programs.

Youth exiting the foster care system do so with significantly higher levels of need than their non foster care counterparts in the areas of health, mental health, and physical and developmental disabilities. Very often, their experiences in the foster care system have contributed to or exacerbated their needs. One in four youth aging out of the foster care system experiences post-traumatic stress disorder. This population will require additional support services as they develop independence and self-sufficiency in the areas of housing, education, employment and permanency connections.

Allowing states the flexibility to continue funding foster care services for youth to the age of 19, 20 or 21 significantly improves states’ abilities to ultimately improve outcomes for older youth.

Supporting youth who have been in the foster care system up to age 21 is good policy. It is the right thing to do for so many reasons. We fully support the inclusion in this resolution provisions to do just that.

Subtitle B – Connections to Family

There has been a significant shift in child welfare over the last decade as the number of children living with relatives and other kinship providers increases. It is estimated that about one-third of all children in foster care live with relatives, many of whom are grandparents. Kinship care may present a viable permanency opportunity for children in foster care since it provides a stable and familiar environment. State funds provide only limited financial assistance and social work support to kinship placements, leaving families struggling to maintain relative children in their homes. Title IV-E of the Social Security Act mandates that federal funding may only be allocated for licensed foster care placements. Although kinship caregivers have the option to become licensed, they often face barriers in the licensing process stemming from issues of space in the home, background checks, and lack of finances to support the child. Additional flexibility for this funding would allow more relatives to receive support to raise children in their own families, allowing more permanent homes for these children.

Arizona, like many states, has recognized the critical role relatives and foster parents can play in providing stable, long-term support for children who cannot be reunified with their biological families. About 14 percent of children who exit foster care in Arizona achieve permanency through legal guardianship. Since 1994, eight states have introduced subsidized guardianship programs through federal waivers that allow kinship caregivers the opportunity to become legal guardians of a child, receive adequate financial support,

and allow for permanency for the children in their homes. These waiver programs, while still in process, have shown very positive preliminary results. Kinship guardianship assistance payments present states with another viable permanency option that strengthens family connections for children and improves outcomes. We support the draft legislation's additional option extended to states for this program.

Family Connection Grants will competitively offer states the opportunity to implement kinship navigator programs. States that already offer these programs successfully assist kinship care providers in navigating the complexities of the system to better support the children in their care. We commend the Chairman's commitment to improving relative caregivers' quality of care.

Adoption or guardianship provides many children for whom we are responsible with a wonderful opportunity to have a family. Congress has recognized the importance of connecting children with permanent families by providing incentives to states for improving rates of adoption of children in foster care. I am pleased to inform you that as a direct result of these incentives, Arizona has been able to improve our practice and services to adoptive families. This resulted in an increase in adoptions of 62 percent since 2003. With the additional support provided by this resolution, adoptions and guardianships will continue to increase. We appreciate the support of the subcommittee in recognizing the importance of children achieving permanency.

The proposed changes to the protocols surrounding the Adoption Tax Credit potentially expand the financial support available to adoptive parents. We also support the proposed extension and expansion of the Adoption Incentive Program.

Maintaining strong sibling relationships among children in foster care is a critical ingredient to positive outcomes. We strongly support the proposed increased focus on placing siblings together unless the safety and well-being of a child is compromised.

The Deficit Reduction Act has further reduced the funds that states receive to support children and families. This act significantly shifted major costs of providing services to children placed with non-licensed relatives. Many states took action to attempt to mitigate the loss, but were largely unsuccessful.

For example, Arizona has made a significant commitment to place children with relatives. Over a third of our foster care population is placed with relatives, most of whom are unlicensed. In June 2006, Arizona estimated its Title IV-E administrative loss to be at about \$15 million annually due to the requirement that all foster families must meet all the licensing requirements for foster parents. In Arizona we have been fortunate up to this point to have the support to replace these lost funds, but with a looming shortfall in state revenues in of over \$1 billion in this current fiscal year, ongoing support is a concern. We fully support providing states with the option to allow for separate licensing standards for relatives in order to receive federal funding. This provision will greatly benefit relative caregivers and children.

Subtitle C—Connections to Health Care

Children in the child welfare system are more likely to experience health and mental health issues than their peers in the general population. We support the proposed Health Oversight and Coordination Plan, but urge the subcommittee to grant states additional funding to ensure the effective implementation of this plan.

Subtitle D—Connections to School

Numerous studies have demonstrated that foster children achieve at significantly lower rates educationally than other children. School mobility poses a particular challenge to children in foster care; 65 percent of youth who have aged out experienced seven or more school changes. The draft legislation would require that child welfare systems work closely with local educational agencies to keep children in their school of origin throughout placement changes, and facilitate smooth and timely transitions. While we support the intent of this proposed legislation, we feel that local educational agencies should also be required to assume equal responsibility in supporting educational outcomes for youth in foster care.

Conclusion

The fiscal year 2009 president's budget proposes level funding for Protecting Safe and Stable Families. PSSF dollars are a flexible funding source that allows states to provide comprehensive services to families who come into contact with the child welfare system. Additional funding for PSSF would increase the potential impact of the Invest in KIDS Act.

NAPCWA fully endorses APHSA's membership in the Partnership to Protect to Protect Children and Strengthen Families, a coalition of several national, state, and local organizations. The partnership recommends a series of reforms to the child welfare system that would strengthen its ability to serve children and families. I am pleased that many of the partnership's proposals are echoed in the Invest in KIDS Act. The partnership's full statement is attached here for your review. I ask that you consider how components from this statement may complement the proposed legislation.

I want to thank Chairman McDermott and the members of this Subcommittee for their thoughtful and innovative approach to dealing with a major overhaul of the current funding structure for child welfare services. We believe that implementing of the components of this resolution will further the efforts to providing states and local governments with the flexibility needed to address our common interest of protecting vulnerable children and supporting families.

We appreciate the intent of H.R. 5466 and your continued work to improve outcomes for vulnerable children.

Partnership to Protect Children and Strengthen Families

Changes Needed in Federal Child Welfare Law to Better Protect Children and Ensure Them Nurturing Families

Organizations representing public human services directors, public child welfare directors, private child and family service agencies, unions representing child welfare workers, and advocates for children (see attached list), have joined together in partnership to call on the 110th Congress to join them in a renewed commitment to protect the Nation's children. The partnership will work for a system that better protects all children by:

- Supporting the full range of services necessary to prevent child abuse and neglect;
- Ensuring that all children who have been abused and neglected, including those in foster care, have the services and supports they need to heal; and
- Guaranteeing the more than half a million children in foster care the help they need not just to survive, but to thrive and return to their families, or to live permanently with adoptive families or legal guardians (often grandparents or other relatives).

We cannot afford to waste the potential of another child! It is time for Congress to update outmoded financing strategies so the federal government can better help states prevent child abuse and neglect, protect and care for many more abused and neglected children, support a high quality child welfare workforce, and do more to increase accountability for outcomes for our most vulnerable children and their families. This year marks a decade since Congress passed major bipartisan child welfare reforms. Although progress has been made in those 10 years, much more remains to be done. It is time to build on gains made and lessons learned and for Congress to act now.

Innovations are underway in selected states and communities, but the federal-state partnership to help children and families in need must be renewed and strengthened if we are going to ensure progress for all children. Despite the efforts of creative leaders and dedicated staff, too many children today still remain in harm's way. A child is abused and neglected in America every 36 seconds. The Department of Health and Human Services reports that only six of every ten abused and neglected children get services. Those children who enter foster care remain an average of nearly two and one-half years. An estimated 114,000 children wait in foster care for adoptive or other permanent families. Eroding federal supports reach fewer than half of the children in foster care. Federal dollars for services to keep children out of care, and to get them out and keep them out once they are placed fall far short of the need. The average tenure of a child welfare agency worker, who is often called upon to make life and death decisions for children, is less than two years. It will take all of us working with others across the country to keep children safe and in nurturing families. We will need to invest additional funds and to support a broad range of

Partnership to Protect Children and Strengthen Families
January 2008

services and supports – including prevention, treatment and post-permanency services. On behalf of America’s children, we ask Congress to act now to do its part.

This partnership of diverse organizations recommends a comprehensive package of reforms that will:

Guarantee services, supports and safe homes for every child who is at-risk of being or has been abused or neglected by strengthening the federal-state child welfare partnership by amending the federal Title IV-E statute to do the following without converting any of Title IV-E to a block grant:

- ***Promote investments in a broad continuum of services for children and families*** by allowing states that offer services and supports that safely reduce their foster care caseloads and expenditures to retain the Title IV-E federal funds they would have otherwise used for foster care and reinvest those funds in a range of services and supports that prevent child abuse and neglect, provided that the state dollars no longer needed for foster care are similarly invested.
- ***Ensure federal, as well as state, financial support for all children*** when they must be placed in foster care by eliminating the income eligibility criteria applicable to Title IV-E, provided that state funds currently used for foster care are reinvested in prevention and treatment services for children who are at-risk of being or have been abused or neglected.
- ***Guarantee children have access to critical post-permanency services*** by amending Title IV-E of the Social Security Act to allow funds to be used to provide such services and supports. These services will prevent the return to foster care of children who are reunited with their parents, placed permanently with relatives or adopted from care. They will also help older youth who “age out” of foster care successfully transition to adulthood.
- ***Guarantee children placed permanently with legal guardians (often grandparents or other relatives) receive federal, as well as state, financial support*** by amending Title IV-E to allow funds to be used for subsidized guardianships, when return home and adoption are not appropriate options.
- ***Ensure that children living with relatives while in foster care have access to Title IV-E federal, as well as state, financial support***, so long as the relatives have met state licensing standards that contain safety protections and criminal background checks.
- ***Assure that Native American children have access to federal support*** by allowing Indian tribes to have direct access to Title IV-E funding.

Promote program effectiveness:

- ***Improve outcomes for children by enhancing and sustaining a competent, skilled and professional child welfare workforce*** by allowing Title IV-E training funds to be used for training on all topics relevant to ensuring safety, permanency and well-being for children and for training to all staff who work with children who come to the attention of the child welfare system, including staff with private agencies as well as public agencies, court personnel, and those with expertise in health, mental health, substance abuse, and domestic violence services.
- ***Ensure that all children involved with the child welfare system receive intensive, quality casework services*** by increasing the Title IV-E federal match for casework services from 50 percent to the Federal Medical Assistance Percentage (FMAP) and thus increasing the capacity of child welfare agencies to address the needs of children and families. Assessments of children and families' needs, development and refinement of permanency plans, recruitment, licensing and supervision of foster and pre-adoptive parents are at the heart of child welfare casework and these activities should be reimbursed as more than simple administrative expenditures. General overhead and purely administrative expenditures would continue to be reimbursed at a 50 percent match.
- ***Promote rigorous evaluation of programs and practices*** and prevent the loss of critical child welfare funding by allowing states to reinvest penalties and disallowances back into the child welfare system to conduct evaluations of promising approaches to achieving safety, permanence and well-being for children and to implement practices and approaches that have been demonstrated to improve these outcomes for children.

Enhance accountability:

- ***Enhance fiscal accountability*** by requiring states to report annually on the funds spent on particular services and categories of services; the number of children and families provided each service; the duration of those services; and the number of children and families referred for services who are unable to access such services.
- ***Evaluate the effectiveness of this package of reforms*** five years after enactment by directing the Government Accountability Office to conduct a study of: (1) enhancements of preventive, permanency and post-permanency services; (2) changes in foster care placements; (3) recruitment, retention, and workloads of child welfare workers; and (4) improved outcomes for children who are at-risk of entering or have entered the child welfare system.
- ***Increase the knowledge about outcomes for children*** by allowing states to submit additional state level data during the Child and Family Service Review process.

Partnership to Protect Children and Strengthen Families **National Organizations**

Alliance for Children and Families
American Federation of State, County and Municipal Employees
American Humane Association
American Public Human Services Association
Association of University Centers on Disabilities
Association of American Indian Affairs, Inc.
Black Administrators in Child Welfare
Catholic Charities USA
Center for Law and Social Policy
Child Welfare League of America
Children's Defense Fund
Children's Research Center
Children's Rights
First Focus
Foster Family-based Treatment Association
Generations United
Lutheran Services in America
National Alliance of Children's Trust and Prevention Funds
National Association of Counsel for Children
National Association of Counties
National Association of Social Workers
National Child Abuse Coalition
National Foster Parent Association
National Indian Child Welfare Association
National Network for Youth
Prevent Child Abuse America
Voice for Adoption
Voices for America's Children

*Organizations in bold were the original partners.