



Child Protective Services

House Human Services Committee

February 22, 2007

Chairman Rose and members, I am Jodie Smith, the Public Policy Coordinator at Texans Care For Children. We are a non-profit organization composed of over 120 organizations and individuals working to improve the well-being of Texas' children. Texans Care For Children's Board is composed of leaders from across the state representing various sectors including business, church, professional, volunteer and non-profit organizations. We advocate for state and local policy that brings about a better quality of life for the children of our state. Each session, in concert with our membership, we develop a legislative agenda that supports efforts to improve the lives of Texas' children in six areas: child poverty, child health care, child mental health, early care and education, child welfare, and juvenile justice. I appreciate the opportunity to provide information to you today about important current issues in Child Protective Services.

Thank you for addressing the crisis in foster care in 2005. We want you to know that the crisis is not over; it has simply shifted to another part of the system. Please continue the investment that you made last session to keep kids in the state's care safe.

Conservatorship Caseworkers

What is the problem concerning funding for conservatorship caseworkers?

- Conservatorship workers are responsible for the children who come into the state's care. Texas CPS conservatorship caseloads currently average 45, even though the Child Welfare League of America recommends caseloads of 12-15 and the national average is approximately 24.
- During the 79th Legislative Session, the Texas Legislature made no appropriation for additional conservatorship caseworkers, choosing instead to invest in investigative caseworkers. Many conservatorship caseworkers moved to other areas of the agency, leaving their positions unfilled and creating additional work for those who remained.
- In the first three months of 2004, nearly 27 percent of children in foster care did not receive a single caseworker visit, though the federal requirement is that 90% of children in the state's care should be visited in person once a month. Texas' poor performance in this area is undoubtedly due to high child-to-caseworker ratios.
- Overburdened caseworkers sometimes fail to make appropriate decisions about children in the system, compromising the safety of children in the state's care.
- Because of large caseload burdens, caseworkers burn out. Turnover is very high, at 40% for new caseworkers as of 2005. High turnover translates into a less experienced workforce and greater stress on remaining workers.

What will it cost Texas if we do not invest in conservatorship caseworkers this session?

- Conservatorship caseworkers will continue to carry the excessive weight of caseloads more than double the national recommended levels.
- It costs the state \$16,983 to train a replacement for each CPS caseworker who quit in 2002 and 2003. With current turnover rates around 40% for new caseworkers, the state bears a heavy cost that it could reduce with more appropriate staffing levels.
- In 2004, 38 foster children died under the state's watch, and in 2005 that number increased to 48 foster children. If we do not provide the resources necessary to devote more attention to all children in the system, we can expect that more children will die.

What can Texas do?

The Department of Family and Protective Services estimates that conservatorship caseloads will grow to 54 in 2008 and 58 in 2009. DFPS has now laid out a new exceptional item in its budget request to continue CPS Reforms. The proposal would lower conservatorship caseloads to 41 by FY 2009. While that is a positive step, it does not go far enough to keep kids in the state's care safe. Language should be added to the Family Code to require that conservatorship caseloads be lowered much closer to national standards of 12-15 cases per worker or to the national average of 24 cases.

Capacity and Reimbursement Rates

What is the problem?

- Because of a lack of appropriate placements, only 42% of children in the Texas foster care system are placed in their home counties.
- The number of children in foster care is expected to increase from 19,025 in 2006 to 24,451 by 2009, an increase of almost 30%. The number of children in foster care was already increasing before reforms passed by the 79th Legislature; from 1999-2003, the total number of children in foster care rose by 40%.
- With improved capacity to remove children from dangerous situations, the state also needs to fund increased capacity of the foster care system.
- Texas especially lacks capacity for several special populations. For example, many youth stay in state hospitals after their discharge date because there are not enough therapeutic foster homes to discharge them to. DFPS has asked for an exceptional item to begin addressing these children's needs. However, there are also specific needs for:
 - children with both mental illness and mental retardation,
 - babies, and
 - medically-needy children.
- Currently, foster families receive \$20.56 per day for basic foster care and institutions receive \$37.00 per day. *There are layers of unmet need throughout the foster care system, and inadequate reimbursement rates are a primary culprit.*
- With higher reimbursement rates from the state, all providers of care can improve the quality of services available to the children under their care.
- One result of a lack of appropriate placements for children is more emergency shelter placements, where the state paid \$94 per day in FY 2005, compared with \$20.56 per day for basic foster care with a foster family. Another result is compromised well-being of children placed in inappropriate foster care placements.

What can Texas do?

First, increase reimbursement rates for all foster care and substitute care services in order to increase the quality and capacity of the foster care system to adequately meet the needs of foster children. Second, refrain from making policy changes that would have the impact of reducing the number of foster homes. For any proposal that comes before you, it is important that you ask the question: could this action reduce the number of foster homes? An answer of “yes” is a compelling argument against any proposal.

Kinship Care

Why is it important to expand assistance to Kincare families?

- Kinship care allows children to maintain family and community connections, maintain ethnic and cultural identities, and reduces the trauma caused through loss and attachment issues.
- One quarter of all non-paid relative placements in Texas fail and children return to paid foster care.
- Paid relative placements tend to last 30% longer than non-relative placements.
- Nationally, more than half (54%) of children in kinship care live in families with incomes below 200 percent of the federal poverty level. 55% live with a single caregiver, and 52% live with a caregiver over 50 years of age. About a quarter (24%) live with a caregiver without a high school degree.
- A greater proportion of kinship families live in poverty than non-kin foster families. 50% of children in kinship foster care live in low-income households, compared with 24% of children living with non-kin foster parents.
- The number of foster homes has not kept pace with the growing number of children in the state’s care. Expanded support for Kincare relatives will increase the likelihood that kinship placements will be stable and decrease demands on the foster care system.
- Increasing supports for kinship care could cost the state less than placing children in foster care, depending on how the assistance is structured.
- Expanded financial assistance for low-income Kincare Relatives will reduce the risk of failed kinship placements, since the biggest barriers for these families are financial ones.

What will it cost Texas if we do not act during this session?

- Relative caregivers are a resource to the state as it faces a shortage of appropriate foster care placements. However, without expanded support, a significant percentage of relative placements fail and Texas will have to pay the full cost of placing children in the regular foster care system.
- If kin cannot afford to take on financial responsibility for children and the number of available non-kin foster home placements does not keep pace with the growth in children entering the system, the state can expect to pay for more emergency shelter placements, which cost almost four times the daily rate of basic care with a foster family.

What can Texas do?

Implement a Kinship Care Subsidy Program for Kincare Relatives at or below 200% of the federal poverty level who become a child’s legal guardian or custodian. One option for expanding kincare support would be to begin with children, mainly youth, whose permanency plan is long-term foster care. The total number of children in this situation is currently around 3000. However, only a portion of those would have appropriate kin placements, and only a portion of those would be under 200% of the federal poverty level. Extending monthly payments to families who could care for some portion of these 3000 children would be a great first step. These youth are already in long-term foster care, so the cost of implementing the program

wouldn't be a new cost—it would just shift the payment from a foster family to a relative—and it could provide vital family connections particularly to older youth who really need family support to transition to independent living.

Child Abuse and Neglect Prevention Funding

Why is it important to increase prevention funding?

- Prevention is cheaper than the cure, both in financial and human costs. We know that supporting families early means less child mistreatment, yet we often cut prevention programs first when there are budget problems. By helping children early, we assist them in developing healthy lives, save money in the long run, and build stronger and safer communities.
- Prevention programs were cut drastically during the 2003 budget shortfall. Though partial restoration was made in 2005, growth in the child population and inflation leave the state behind 2003 funding levels for prevention.
- Counties often commit juvenile offenders to the Texas Youth Commission (TYC) due to a lack of resources in the community to help that child. Investing prevention and early intervention dollars at the community level is the key to preventing a child or family's situation from escalating to the point where a child is removed from the home either into foster care or into the juvenile justice system.
- Programs like Community Youth Development (CYD) have been shown to improve outcomes for the children they touch. The Criminal Justice Policy Council (CJPC) evaluated CYD and found that Child Protective Services investigations went down in ZIP codes with CYD programs and that juvenile crime referrals also declined in comparison to areas without CYD programs.
- The Services to At-Risk Youth Program (STAR) also benefits at-risk children. The CJPC found that 80% of program participants reported improvement during follow-up surveys.

What will it cost Texas if we do not invest more in Prevention this session?

- For each child who is committed to TYC, it costs the state \$96,000.
- For each child who enters the foster care system, it costs the state \$109.38 per day or \$39,785 per year.
- By comparison, it costs \$376 per year to enroll one child in the Community Youth Development program, as of 2001, and \$645 for the STAR program.
- Investing in prevention programs is fiscally smart, since we know that incarceration and foster care are much more expensive than prevention efforts.

What can Texas do?

The Legislature should fund prevention services at least at pre-2003 levels adjusted upward for inflation and growth in the child population. DFPS' exceptional item request, while an important step in the right direction, does not get us back to where we were prior to 2003, nor does the current version of the appropriations bill. The current bill would continue Texas' backward movement in funding prevention, rather than moving the state forward.

Child Protective Services Reform at the

Half-Way Point of the 80th Texas Legislature

If you have any questions, please feel free to contact me at 512.473.2274 or visit our website at www.texanscareforchildren.org.

What Has Happened to CPS Reform in the 80th Session?

SB 758 by Nelson (companion HB 2140 by Rose) is the primary vehicle for improving the Child Protective Services (CPS) reforms begun by the 79th Legislature (SB 6 by Nelson). The bill was amended and heard by the Senate Health and Human Services committee on March 22, 2007,

then amended and left pending again on March 27. Although the bill has many sections, the committee substitute provisions that are currently the focus of most attention are:

- Retaining requirements for Department of Family and Protective Services (DFPS) to privatize all substitute care services (foster and adoption services) and moving the deadline up two years to September 2009.
- Repealing the privatization of case management services in 100% of cases and, instead, requiring a pilot project where DFPS would have to contract for case management for a goal of 10% of CPS cases.
- Redefining “case management” and adding “conservatorship services” so that DFPS would retain, even in the pilot project area(s), the decision-making authority concerning a child’s placements and service plans and a responsibility for court-related duties.
- Requiring DFPS to develop a plan for reducing caseloads as part of a larger improvement plan that it would implement “only to the extent funds are available.”

Other bills with relevant CPS Reform provisions:

Bill Number	Author	Purpose	Status
HB 363	Naishtat	Reverse privatization of case management	Referred to House Human Services
HB 1361	Naishtat	Reverse all mandatory CPS privatization on a specific timeframe	Referred to House Human Services
HB 2287	Turner	Allow Harris County to continue providing services if privatization proceeds	Referred to House Human Services; companion SB 813 is recommended for Local/Consent calendar
HB 3108	Bolton	Reduce CPS caseloads	Referred to House Human Services
HB 3756	Naishtat	Reduce CPS caseloads, Increase required qualifications of CPS workers, and establish minimum salary levels	Referred to House Human Services; Companion SB 1410 heard 3-22-07 in Senate Health and Human Services (left pending)
HB 3916	Hughes	Delay CPS privatization one year from SB 6 timelines	Referred to House Human Services
SB 813	Janek	Allow Harris County to continue providing services if privatization proceeds	Recommended for Local/Consent calendar; Companion HB 2287 is referred to House Human Services
SB 1410	West	Reduce CPS caseloads, Increase required qualifications of CPS workers, and establish minimum salary levels	Heard 3-22-07 in Senate Health and Human Services (left pending); Companion HB 3756 referred to House Human Services

What Does the House Need to do for Successful CPS Reform?

As the House considers its approach to CPS reform, four actions are needed in order to protect and better serve children in the CPS system:

1. Reverse Privatization of Substitute Care (Foster and Adoption Services)

The House is already leading the Senate in this area: the House version of the budget omits DFPS’ funding request (\$24.5 million in All Funds, \$17.6 million in General Revenue) to transfer state foster homes to the private sector while the Senate budget includes the funds. The House should hold its course on this issue. Foster families who work directly with the Department have chosen to do so even though they could go through a private child placing agency, instead. It is certain that some foster families would not transfer from the state to a private agency, which is a problem because Texas lacks enough foster families to place all foster children in appropriate placements. As a result, children are living temporarily in Child Protective Services offices and

staying in emergency shelters. Reducing the pool of qualified foster parents for any reason means less capacity to care for children. Further, DFPS substitute care services accounted for 64% of all adoptions last year. Losing DFPS' adoption capacity would decrease the state's ability to move children to permanency in a timely way.

2. Minimize Case Management Privatization

Texans Care For Children views privatization of Child Protective Services as the transfer of essential state functions to the private sector, which is subject to conflicts of interest not present in the public sector. The children of Texas need both the public and private components of today's child welfare system since every resource makes a difference in the under-resourced system that we have today. Public-private partnership is different than outsourcing, however, and it is the former that serves children's interests most clearly. The committee substitute of SB 758 is an improvement over current law in both the 10% pilot project and the definitions of case management (see below), but HB 1361 takes an optimal approach to privatization. HB 1361 would clarify DFPS' authority to contract for quality services at a good cost without requiring it to privatize any service on a set timeline.

3. Define Case Management Roles Carefully

The committee substitute of SB 758 strikes a delicate balance in crafting the role of the private provider and the public CPS caseworker for cases in which the case management function is privatized. The state stands in place of the parent for a foster child and it should retain decision-making authority concerning children in its charge. By giving a private provider authority to develop and revise case plans and coordinate a child and family's services, the strengths of the private sector can be well utilized, while not compromising the state's necessary responsibility for approving a child's placements and service plans, for carrying out court-related duties, or for taking any other actions necessary to provide for a child's safety and well-being. This is a very complex component of the privatization discussion, and if the House embraces any level of case management privatization, it should adopt this careful division of labor the Senate has developed.

4. Reduce Conservatorship Caseloads

Texas CPS conservatorship caseloads average 45, though the Child Welfare League of America recommends caseloads of 12-15 and the national average is 24. Because of caseload burdens, caseworkers burn out; turnover was 40% for new caseworkers in 2005. High turnover translates into a less experienced workforce and greater stress on remaining workers. Overburdened caseworkers sometimes fail to make appropriate decisions, compromising children's safety. In 2004, 38 foster children died under the state's watch, and in 2005 that number increased to 48. If we do not provide resources to devote more attention to all children in the system, we can expect that children will continue to die in the state's care. DFPS has requested funds, currently in the House and Senate budgets, to lower conservatorship caseloads to 41 by FY 2009. That is a positive step, but it does not go far enough to keep kids safe. Language from HB 3108, HB 3756, or SB 1410 and sufficient funding should be adopted to lower caseloads closer to the national average of 24 cases.

Respectfully,
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