Example:

Here are some helpful tips:

- If you have a question or comment that you’d like to share with us at any point during the webinar, please use the question box.
- Whether calling in on your phone (recommended) or participating solely via your computer, please remember you will be muted throughout the webinar.
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Agenda

• Background about the Child Welfare Financing Survey
• Key findings
• Tour of online products
• Commentary from Joan Smith, Casey Family Programs and Don Winstead
• Questions
Overview

- Funded by the Annie E. Casey Foundation and Casey Family Programs; conducted by Child Trends

- **Current survey extends biennial tracking since 1996**
  - 9th iteration of national child welfare financing survey
  - Survey tool adapted over time to address issues of key interest
    - E.g., new questions related to how states spend federal and state/local dollars

- **Goal is to document the sources and amounts of spending by child welfare agencies across the U.S.**
  - Data allow for documentation of national and state-specific trends, as well as comparisons across states

- 52 states (including DC and Puerto Rico) participated in the SFY 2014 survey
Overview, cont.

• Survey collected data on states’ expenditures on child welfare activities—sources and amounts—for state fiscal year 2014
  – “Expenditures”: all SFY expenditures for the programs, case management, administration, and operation of state’s child welfare services system. (Not unspent allocated/appropriated funds)
  – “Child welfare”: all of the following services administered by the child welfare agency to children/young adults* and families:
    • Services to prevent abuse and neglect
    • Family preservation services
    • Child protective services (intake, family assessment, investigation, and case management)
    • In-home services
    • Out-of-home placements
    • Adoption and guardianship services & supports
    • Services for youth who have aged out of foster care

*(including youth who are 18 and older)
Summary of Key Findings

1. Total child welfare expenditures decreased since SFY 2012
2. States are spending less federal money and more of their own funds
3. States spend their federal and state/local dollars in similar ways
4. Expenditures from most major federal funding sources declined, except Title IV-E
5. Title IV-E continues to be the largest source of federal funds spent on child welfare, but this varies by state
6. Around half of children are eligible for IV-E foster care assistance, and slightly over three-quarters are eligible for adoption assistance

7. Ten percent of Title IV-E waiver funds were used to support activities not traditionally funded via Title IV-E

8. States' utilization of flexible funding streams (TANF and SSBG) varies

9. Among states using Medicaid for child welfare activities, the most common use is for rehabilitative services
Key Finding #1: Total child welfare spending in the U.S. decreased 1% since SFY 2012

Total reported child welfare expenditures, SFY 2004 – SFY 2014

*Subset of states with sufficient data across decade
About half of states reported an increase in total spending while the other half reported a decrease.
Why did child welfare spending decrease slightly from 2012 to 2014?

• Federal data show that in 2014...
  – Fewer children received prevention services than in 2012
  – Children spent less time in foster care (on average) than in 2012
  – Fewer children were adopted with public child welfare agency involvement than in 2012

• BUT, we also know that compared to 2012...
  – More children were investigated/assessed for alleged maltreatment
  – More children were determined to be victims of abuse or neglect
  – More children were in foster care
  – In previous years, expenditures routinely increased in times of foster care caseload decreases

• Therefore, caseload changes alone cannot account for changes in expenditures.
Why did child welfare spending decrease from 2012 to 2014?, cont.

• **What might account for the decrease?**
  
  – Placement costs decreasing?
    
    • Fewer children in congregate care placements (i.e., group homes & institutions) in 2014 than in 2012
    
    • More children placed in relative foster homes in 2014 than in 2012—are these homes costing states less than non-relatives?
  
  – Changes to/reductions in foster care provider rates or treatment provider rates?
  
  – Did economic conditions in states contribute to reduced public expenditures?
    
    • Increased “competition” for federal sources not dedicated to child welfare, such as TANF and SSBG?
  
  – Are states spending less on “front-end” services, such as prevention or family support/preservation?
  
  – Sequestration
Key Finding #2: States are spending less federal money and more of their own funds

- Expenditures of federal dollars declined by 3%, and expenditures of state/local dollars (combined) increased by <1% since SFY 2012
- Federal share of child welfare spending decreased since SFY 2012

Federal and state/local spending, SFY 2004 – SFY 2014
(30 states with comparable data)
## Variation in states’ reliance on federal vs. state/local dollars

<table>
<thead>
<tr>
<th>State</th>
<th>Federal</th>
<th>State/Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>48%</td>
<td>52%</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>46%</td>
<td>54%</td>
</tr>
<tr>
<td>Ohio</td>
<td>36%</td>
<td>64%</td>
</tr>
<tr>
<td>New Jersey</td>
<td>35%</td>
<td>65%</td>
</tr>
<tr>
<td>Indiana</td>
<td>32%</td>
<td>68%</td>
</tr>
<tr>
<td>Colorado</td>
<td>29%</td>
<td>71%</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>21%</td>
<td>79%</td>
</tr>
</tbody>
</table>
Key Finding #3: States spend their federal and state/local dollars in similar ways.

Proportion of federal and state/local expenditures on categories of services:

- **Federal**
  - Out-of-home placement: 46%
  - Adoption & legal guardianship: 19%
  - In-home preventive services: 15%
  - Child protective services: 15%
  - Services & assistance for older youth: 2%
  - Other: 2%

- **State/Local**
  - Out-of-home placement: 47%
  - Adoption & legal guardianship: 16%
  - In-home preventive services: 17%
  - Child protective services: 15%
  - Services & assistance for older youth: 2%
  - Other: 3%
Key Finding #4: Expenditures from most major federal funding sources declined, except Title IV-E

Change in child welfare spending between SFY 2012 and SFY 2014, by federal funding source

<table>
<thead>
<tr>
<th>Affected by sequestration</th>
<th>NOT affected by sequestration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title IV-B -6%</td>
<td>Medicaid -10%</td>
</tr>
<tr>
<td>SSBG -17%</td>
<td>TANF -3%</td>
</tr>
<tr>
<td></td>
<td>Other -1%</td>
</tr>
</tbody>
</table>

Title IV-E 2%
Key Finding #5: Title IV-E continues to be the largest source of federal funds spent on child welfare, but this varies by state.
Variation in states’ use of federal funding sources

### California
- Medicaid: 69%<br>- TANF: 3%<br>- SSBG: 5%<br>- Other: 10%<br>- Other: 12%<br>

### Florida
- Medicaid: <1%<br>- TANF: 50%<br>- SSBG: 6%<br>- Other: 29%<br>- Other: 13%<br>- Other: 3%

### Michigan
- Medicaid: 38%<br>- TANF: 3%<br>- SSBG: 44%<br>- Other: 14%<br>- Other: 1%

### Montana
- Medicaid: 64%<br>- TANF: 5%<br>- SSBG: 15%<br>- Other: 6%<br>- Other: 10%

### New York
- Medicaid: <1%<br>- TANF: 50%<br>- SSBG: 3%<br>- Other: 30%<br>- Other: 16%<br>- Other: 1%

### Tennessee
- Medicaid: 29%<br>- TANF: 5%<br>- SSBG: 58%<br>- Other: 7%<br>- Other: 1%

### Utah
- Medicaid: 44%<br>- TANF: 8%<br>- SSBG: 20%<br>- Other: 22%<br>- Other: 5%

Legend:
- IV-E
- IV-B
- Medicaid
- TANF
- SSBG
- Other
Key Finding #6: Around half of children are eligible for IV-E foster care assistance, and slightly over three-quarters are eligible for adoption assistance.
There is wide variation in the percentage of children receiving Title IV-E foster care and adoption assistance.

**Foster care**
- 0 states: 2 states (Florida, Ohio)
- 81-100%: 8 states
- 71-80%: 9 states
- 61-70%: 16 states
- 51-60%: 13 states
- 41-50%: 1 state (Delaware)
- 31-40%: 1 state (Wyoming)
- 21-30%: 13 states
- 0-20%: 1 state (Wyoming)

**Adoption**
- 0 states: 16 states
- 81-100%: 18 states
- 71-80%: 12 states
- 61-70%: 3 states
- 51-60%: 1 state (Delaware)
- 41-50%: 1 state (Wyoming)
- 31-40%: 0 states
- 21-30%: 0 states
- 0-20%: 0 states

States mentioned:
- Arizona, Montana
- Arkansas, Nevada
- California, New Hampshire
- Hawaii, New Mexico
- Idaho, Ohio
- Illinois, Texas
- Indiana, Vermont
- Missouri, Washington
Key Finding #7: Ten percent of Title IV-E waiver funds were used to support activities not funded via traditional Title IV-E

Title IV-E waiver spending in SFY 2014 (among 18 states)

- Costs that would have been reimbursed without waiver: 58%
- Costs for IV-E eligible activities for non-IV-E eligible children: 32%
- Costs for non-IV-E eligible services/activities: 9%
- Project development and evaluation costs: 1%
Nationally, TANF expenditures decreased 3% since SFY 2012, but states vary in use.

Key Finding #8: States’ utilization of flexible funding streams varies - TANF

- **41% or more**: 6 states - Connecticut, Georgia, Illinois, Michigan, North Dakota, Wyoming
- **31-40%**: 4 states - Colorado, DC, Hawaii, Maine
- **21-30%**: 9 states - Alaska, Minnesota, Nevada, New Mexico, Puerto Rico, Tennessee, Massachusetts, Utah
- **11-20%**: 10 states
- **10% or less**: 11 states
- **No TANF**: 12 states
Child welfare activities most commonly supported by TANF

- Child welfare services: 15 states
- Family preservation services: 15 states
- Foster care payments: 11 states
- Other child welfare services: 10 states
- Emergency assistance: 9 states
- Other: 8 states
- Benefits for children in informal kin settings: 7 states
- Relative foster care payments & adoption/guardianship subsidies: 7 states
- Services for children and youth: 7 states
- Program management: 7 states
- Emergency services: 6 states
- Work, education, & training activities: 5 states
- Early care & education: 2 states
- Supportive services: 2 states
- Adoption services: 0 states
Key Finding #8: States’ utilization of flexible funding streams varies - SSBG

Nationally, SSBG expenditures decreased 17% since SFY 2012, but states vary in use

- 31% or more: 2 states
  - Massachusetts
  - Puerto Rico
- 21-30%: 4
- 11-20%: 23
- 2-10%: 17
- 1% or less: 3
- No SSBG: 3
  - DC
  - North Dakota
  - West Virginia
Child welfare activities most commonly supported by SSBG

- Foster care for children: 26 states
- Child protective services: 26 states
- Prevention & intervention services: 16 states
- Administrative costs: 15 states
- Case management services: 14 states
- Residential treatment: 9 states
- In-home services: 8 states
- Adoption services: 7 states
- Other uses: 5 states
- Day care for children: 4 states
- Counseling services: 3 states
- Independent & transitional living services: 2 states
- Services for people with disabilities: 1 state
- Delinquency-related services: 1 state
- Substance abuse services: 1 state
- Did not use SSBG: 3 states
Key Finding #9: Among states that use Medicaid for child welfare activities, most common use is rehabilitative services.

39 states reported using $886.2 million in Medicaid funds for child welfare services in SFY 2014.
More information available on our website

www.childtrends.org:

• Report detailing national findings
• Funding source fact sheets
• State-specific fact sheets
Commentary

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