

STATE MODELS FOR CHILD WELFARE SYSTEM OPERATIONS AND FINANCING: RESEARCH & PRACTICE

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Child Welfare Financing Information

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State-Administered, County-Administered, and Hybrid Child Welfare Systems: Strengths, Challenges, and Considerations

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Child Welfare Financing Information

Prepared for:

**Minnesota Legislative
Task Force on Child
Protection**

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Casey Family Programs

SAFE STRONG SUPPORTIVE

SAFE CHILDREN STRONG FAMILIES SUPPORTIVE COMMUNITIES SAFE CHILDREN STRONG FAMILIES SUPPORTIVE COMMUNITIES SAFE CHILDREN STRONG FAMILIES SUPPORTIVE COMMUNITIES SAFE CHILDREN STRONG FAMILIES SUPPORTIVE COMMUNITIES SAFE CHILDREN STRONG FAMILIES SUPPORTIVE COMMUNITIES SAFE CHILDREN STRONG FAMILIES SUPPORTIVE COMMUNITIES

safe children | strong families | supportive communities



Key Point

- Always remember that the important considerations are your **vision and goals** for the children and families you serve.
- Funding is important – but...

Funding =
Gas in the
tank



Vision & Goals =
GPS Setting

SAFE**STRONG**SUPPORTIVE

CHILD WELFARE FUNDING SOURCES

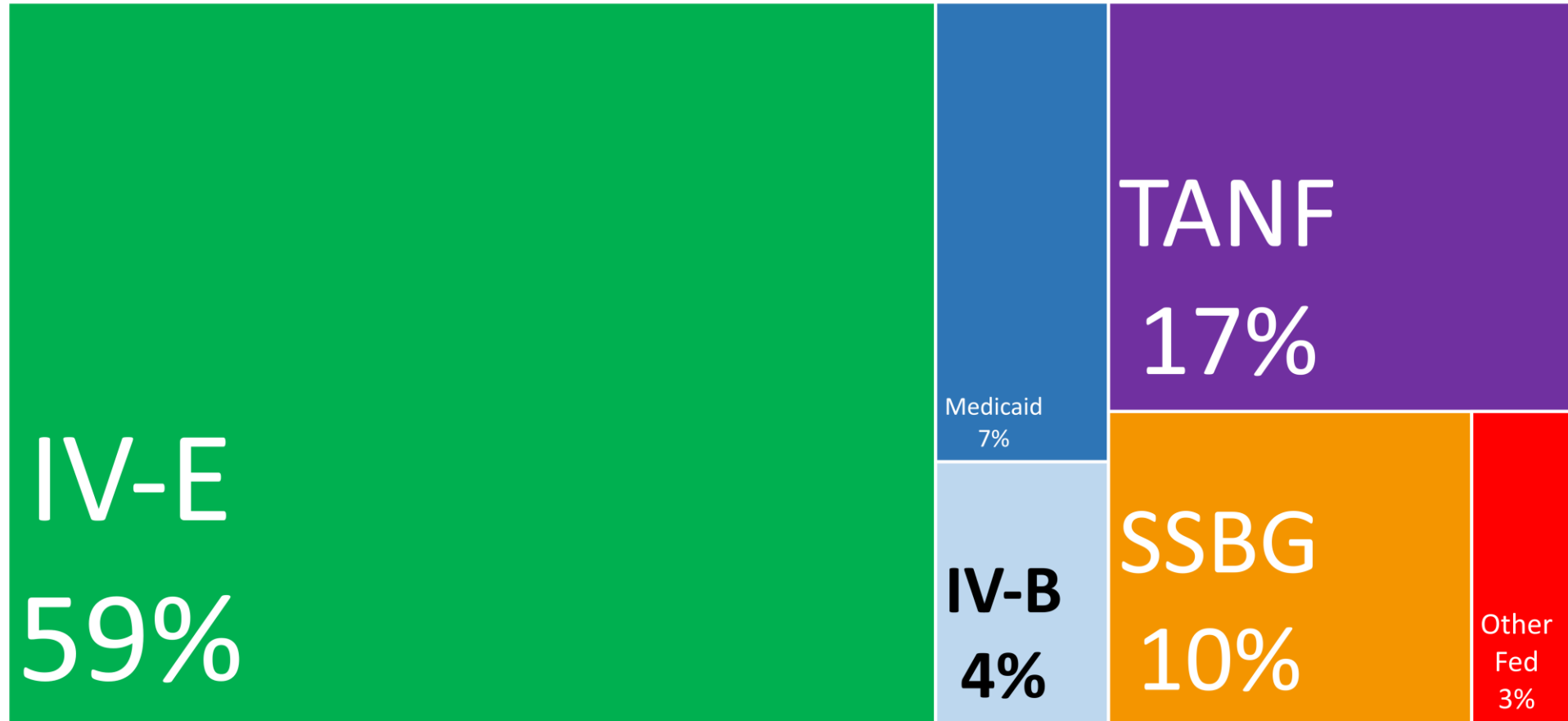
DEDICATED FUNDS

- **Title IV-B**
 - Subpart 1 – Stephanie Tubbs Jones Child Welfare Services Program
 - Subpart 2 – MaryLee Allen Promoting Safe and Stable Families
- **CAPTA (Child Abuse Prevention and Treatment Act)**
- **Title IV-E**
 - Foster Care
 - Adoption Assistance
 - Guardianship Assistance
 - Chafee (Successful Transitions to Adulthood)
 - Prevention Services
 - Kinship Navigator

NON-DEDICATED FUNDS

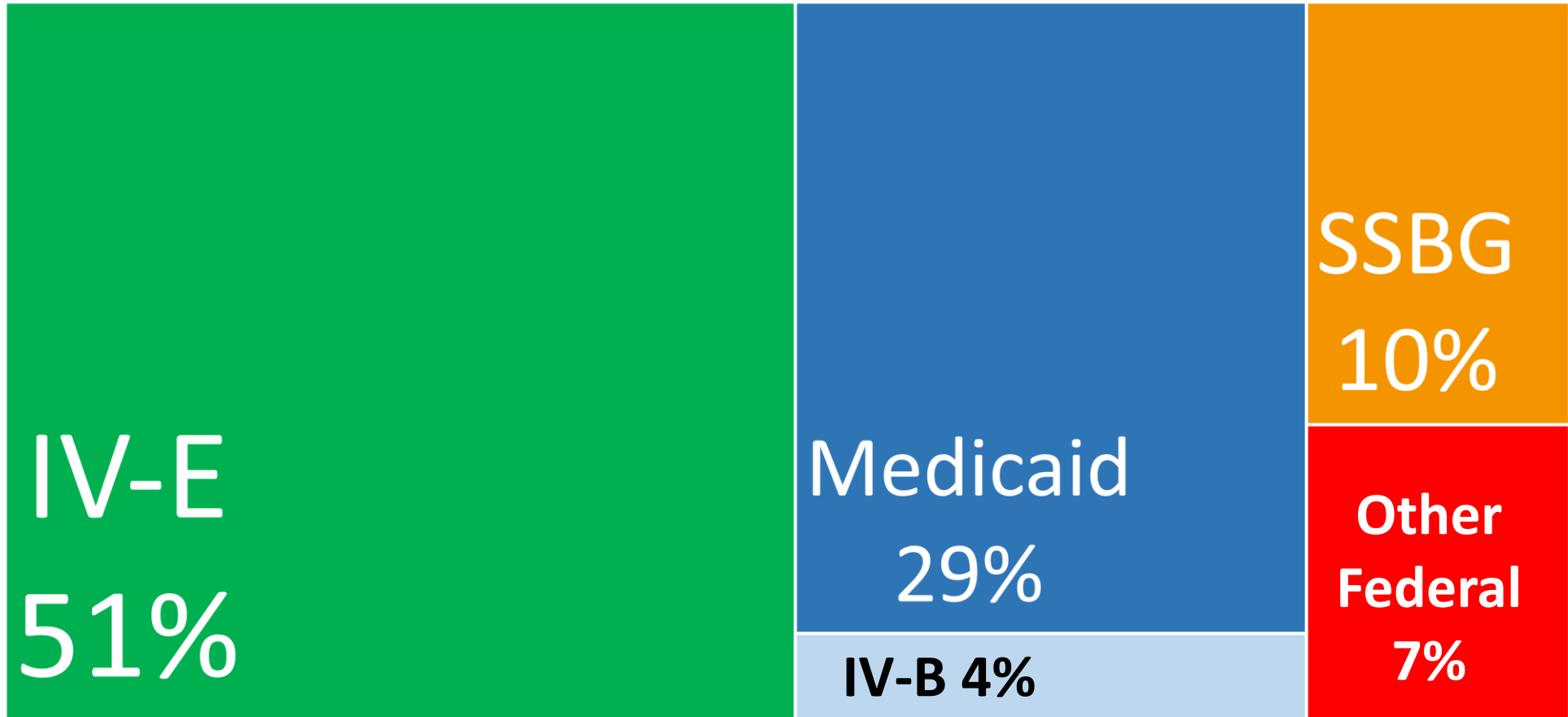
- **TANF** (Temporary Assistance to Needy Families)
- **SSBG** (Social Services Block Grant)
- **Medicaid**
- **SSI/SSDI**
- **State Funding**
(beyond matching requirements)

U.S. Federal Child Welfare Spending SFY 2020 (\$15.2 Billion) – Child Trends Survey



Child Welfare Financing Survey, Child Trends, May 2023

MN Federal Child Welfare Spending SFY 2020 (\$233 Million) – Child Trends Survey



Child Welfare Financing Survey, Child Trends, May 2023

U.S. Child Welfare Spending

SFY 2020 (\$31.4 Billion) – Child Trends Survey

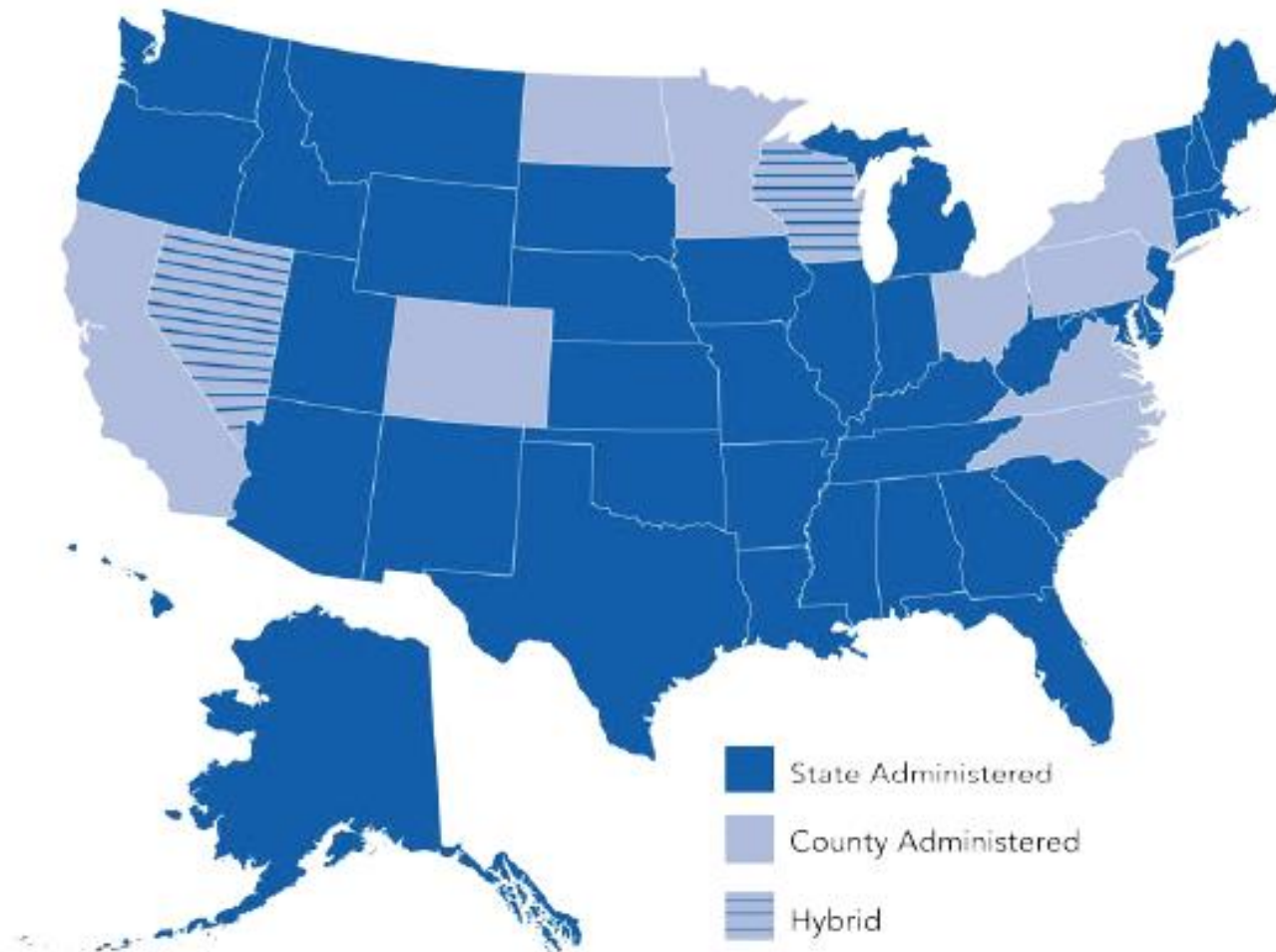
State
57%

Federal
43%

Child Welfare Financing Survey, Child Trends, May 2023

Percentages exclude California and Wyoming who did not report state spending amounts. Total amount \$31.4 include these states)

Child Welfare Systems by Type of Administration



County operated child welfare systems represent 18% of States (with DC) but include 31% of the children in foster care. (AFCARS 2021)

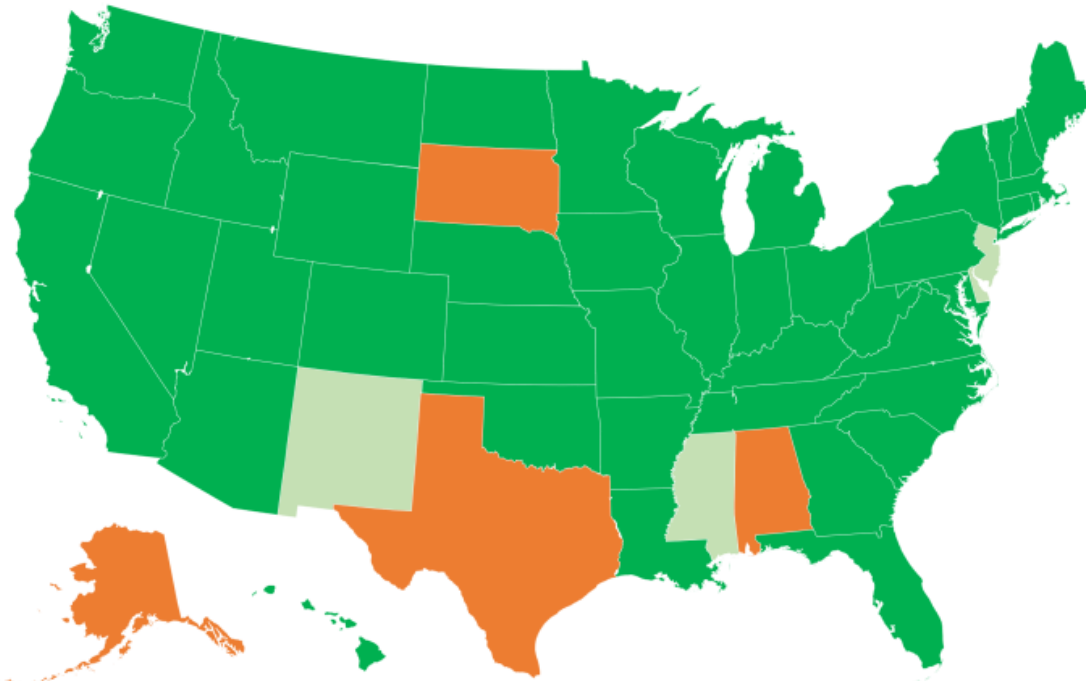
Percent of Child Welfare Expenditures from State/Local Funds

Child Trends Survey of SFY 2020 (published 2023)

CA was unable to report state/local expenditures and are excluded.
Of the remaining 8 county operated systems, 7 had State/Local expenditures above the US Average.

Status of Family First Prevention Plans

From Listing on Children's Bureau Site



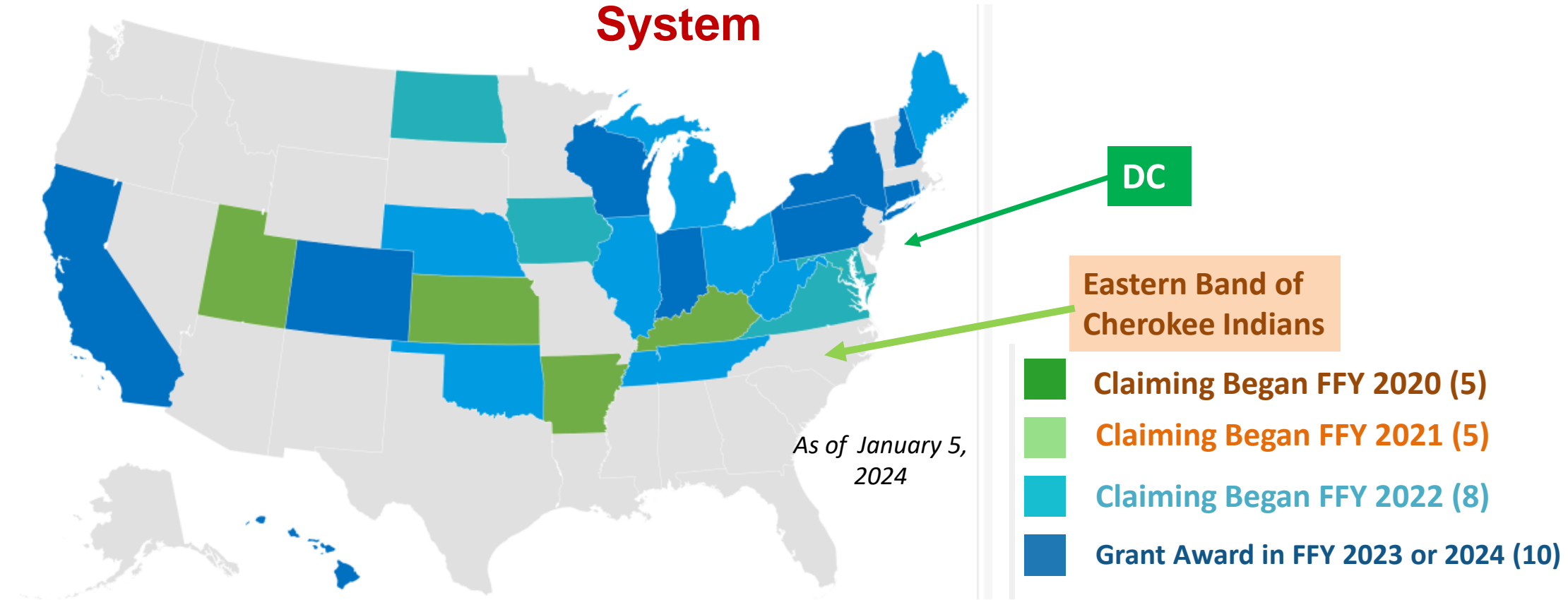
As of 1/5/2024

Tribes and Territories Submitted or Approved		States & DC	Tribes & Territories	Total
EASTERN BAND OF CHEROKEE INDIANS CHEROKEE, NORTH CAROLINA	Approved	43	4	47
CHEROKEE NATION, TALHLEQUAH, OK	Submitted - Not Approved	4	1	5
SALT RIVER PIMA MARICOPA INDIAN COMMUNITY	Not Yet Submitted	4	8	12
PORT GAMBLE S'KLALLAM TRIBE				
PUERTO RICO	Total	51	13	64

Status of Family First IV-E Prevention Claiming

Claims Data from Children's Bureau Web Site

Grant Awards from HHS Tracking Accountability in Government Grants System



Some Observations

- Like most states, title IV-E is the largest source of federal funds in Minnesota.
- Minnesota's percentage of child welfare expenditures from Medicaid is above average.
- Minnesota is 1 of about 8 states that did not report spending TANF funds on child welfare (although the SSBG expenditures do include some funds transferred from TANF). As of 9/30/2021, Minnesota had \$141 million in unobligated TANF funds.
- Like most county-operated states, Minnesota's percentage of non-federal expenditures on child welfare is above average.
- Minnesota's Family First Prevention Plan has been approved, but the state has not yet claimed title IV-E prevention funds.
- All of the federal funding sources used in child welfare are capped except for title IV-E and Medicaid.

STATE-ADMINISTERED, COUNTY-ADMINISTERED, AND HYBRID CHILD WELFARE SYSTEMS

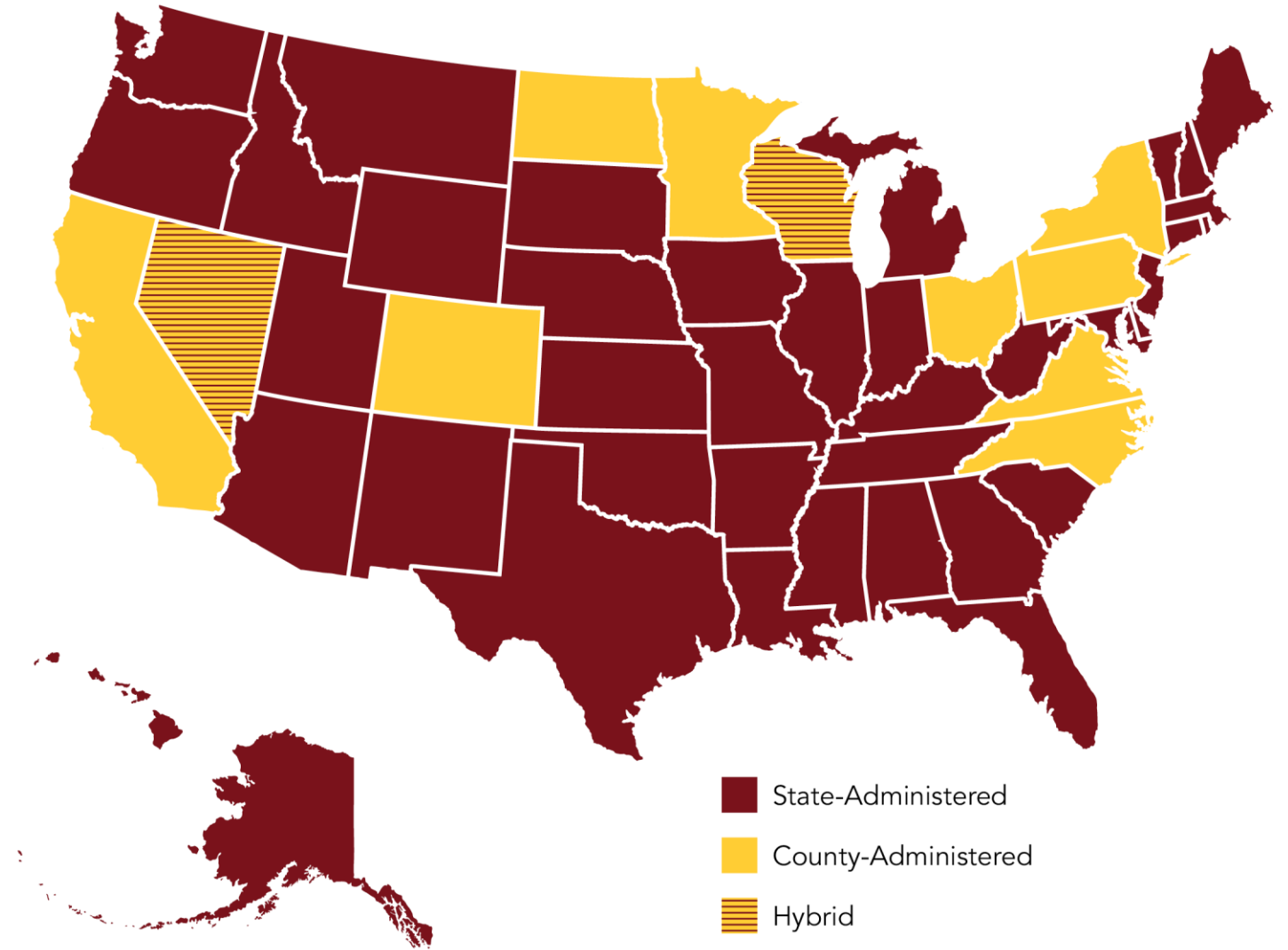
STRENGTHS, CHALLENGES, AND CONSIDERATIONS

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ADMINISTRATIVE STRUCTURES BY STATE

Nine states, including Minnesota, operate state-supervised, county-administered child welfare systems. In this map of the United State, the 40 states that are state-administered are shaded maroon. The 9 states that are state-supervised, county-administered are shaded gold. The 2 states that are a hybrid are shaded gold with maroon horizontal stripes. Some states may have shifted their administrative structure since this assessment in 2018. (Child Welfare Information Gateway, 2018).



DIFFERENCES ACROSS ADMINISTRATIVE STRUCTURES

The 2003 DHHS study identified a few key differences based on administrative structure:

State-Administered Systems

State-administered systems had a higher percentage of specialized workers (e.g., in conducting either screening/intake or investigations), and had more structured approaches for conducting risk assessments and training workers.

County-Administered Systems

County-administered systems seemed to be able to offer more services following an investigation, and focused more on efforts related to client and community interactions.

State-Administered Systems with Strong County Structure

State-administered systems with strong county structure appeared to engage in more expansive and flexible investigations.

DIFFERENCES ACROSS ADMINISTRATIVE STRUCTURES

No single organizational structure holds a clear general advantage over others. Both have their strengths and challenges; system performance may differ based on the specific performance indicator or outcome of interest (Wilson et al., 1996; Elgin & Carter, 2019).



Reorganization is costly and can distract staff from programmatic innovation and improvement. Study authors recommended that restructuring should only be undertaken if the current structure is so dysfunctional it cannot be reformed (Wilson et al., 1996).



HYBRID STRUCTURES

Two states are known to operate as hybrid systems: Nevada and Wisconsin (Child Welfare Gateway, 2018).

Wisconsin

Wisconsin is county-administered with the exception of Milwaukee County, which has been state-administered since 1998 in response to a 1993 lawsuit and subsequent settlement agreement in 2002.

Nevada

Nevada's child welfare system ostensibly operates as three regional service areas: the Rural Region (state-administered), and the Northern and Southern regions which operate as state-supervised, county-administered delivery systems (through the Washoe County and Clark County human services departments).

It is not clear if hybrid systems like NV and WI have any definitive advantages compared to other administrative structures.

DECISION-MAKING RESPONSIBILITY OFTEN RESTS WITH LOCALITIES, REGARDLESS OF ADMINISTRATIVE STRUCTURE

The national study by DHHS (2003) determined that decision-making responsibility was delegated to the local level, whether the state was state- or county-administered.

- Several states that met the classification of “state-administered” operated similarly to state-supervised, county-administered systems in practice. These states were classified throughout the report as *“state-administered systems with strong county structure.”*
- Only 7 states assigned primary responsibility for all CPS functions to the state or to regional offices in the state.



LIMITED EXISTING KNOWLEDGE ON THE IMPACT OF ADMINISTRATIVE STRUCTURE IN CHILD WELFARE

Few studies in the last 25 years have used administrative structure as a key indicator when exploring the efficiency of child welfare systems and/or child and family outcomes:

- National Study of Child Protective Services Systems and Reform Efforts, United States Department of Health and Human Services (DHHS), 2003
- State-level explorations, from Washington state, 1996; Minnesota legislative auditor report, 1998
- Academic literature (Elgin & Carter, 2019; Font & Maguire-Jack, 2021; Petersen et al., 2014)

While the studies identified differences between structures, **each system has distinct strengths and challenges**, and the literature does not point to one administrative structure being generally better than another.

Instead, the studies have indicated that there are **trade-offs** to each system; policymakers must consider which system is best for their local context, and whether the costs of shifting system structures will produce the desired results.

Importantly, findings that emphasize differences in child and family outcomes based on administrative structure are especially limited.

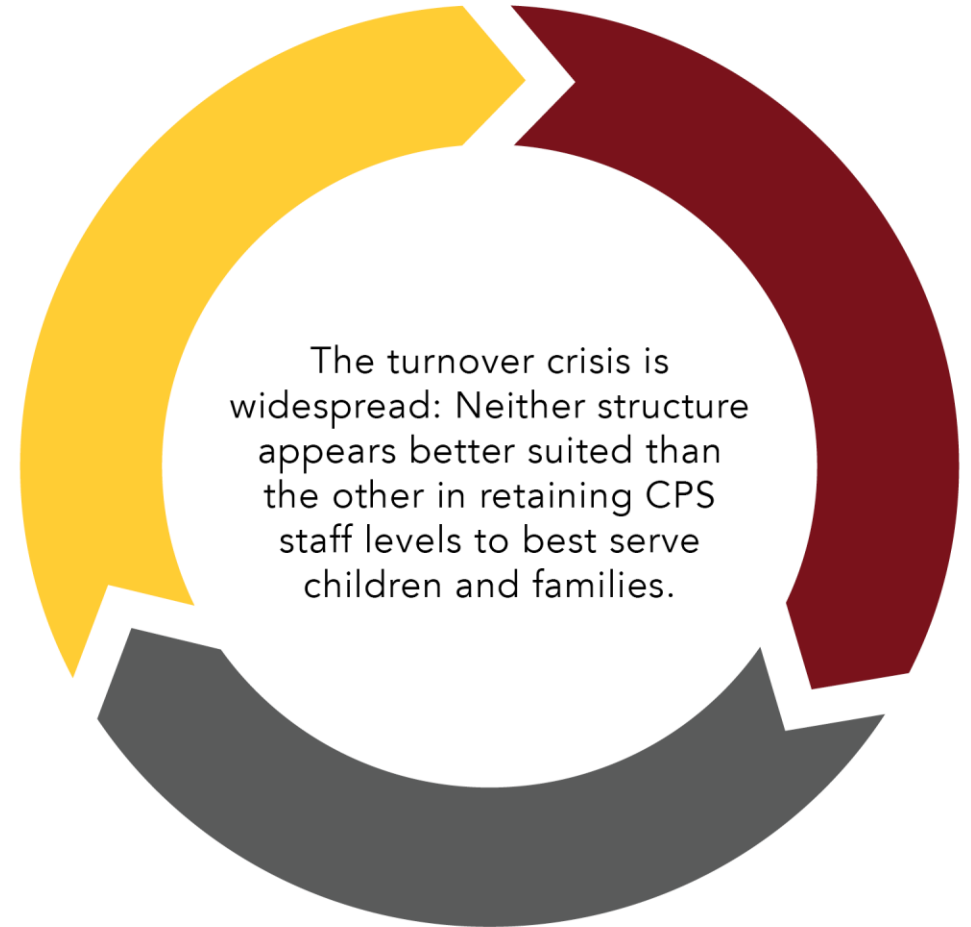
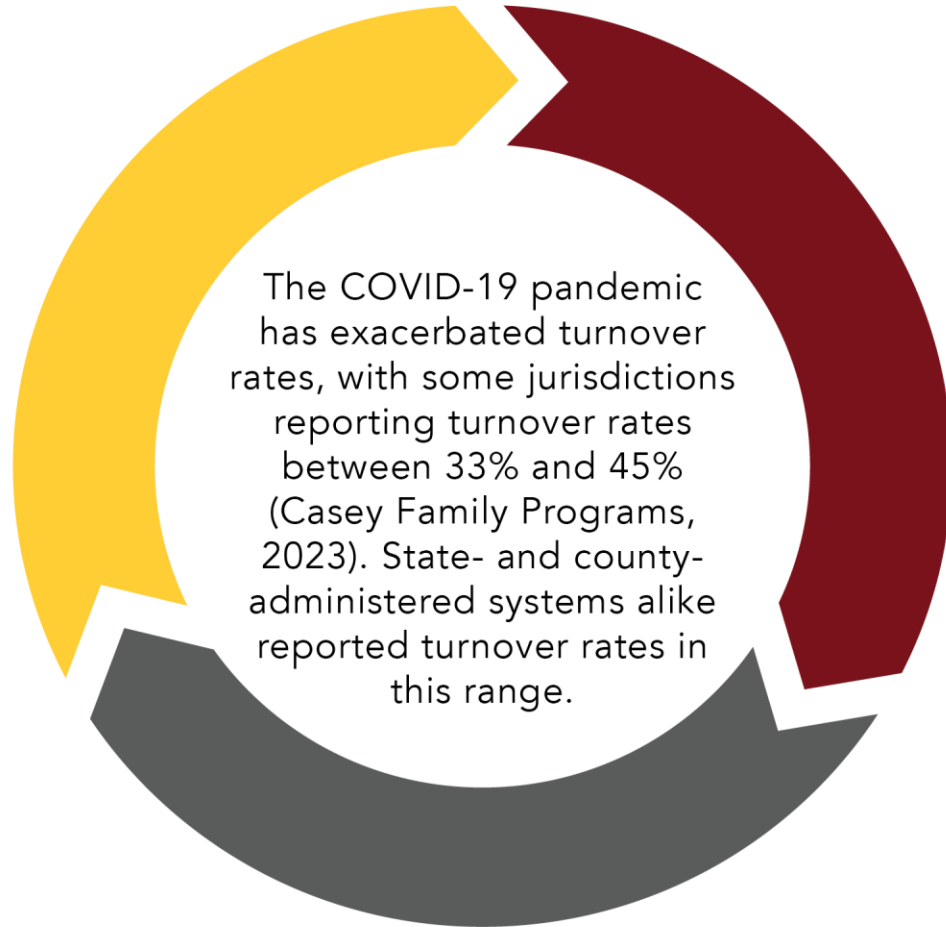
DIFFERENCES IN PERFORMANCE INDICATORS AND OUTCOMES

Studies examining whether administrative structures may impact CPS performance and/or child and family outcomes are limited (Petersen et al., 2014).

Challenges remain in studying the influence of administrative structures, including a dearth of information, varying reporting styles and mechanisms across jurisdictions, and the myriad and complex ways states may differ that could also influence system performance and outcomes (Elgin & Carter, 2019; Petersen et al., 2014).



CPS STAFF TURNOVER RATES BY ADMINISTRATIVE STRUCTURE



CONSENT DECREES AND SETTLEMENT AGREEMENTS

According to Casey Family Programs (2022), as of April 2022 19 jurisdictions were under a consent decree or settlement agreement (including Hennepin County in Minnesota), 11 jurisdictions have exited a consent decree, and 11 jurisdictions have litigation pending in courts.

- In other words, 87% of state-administered systems have faced or currently face class-action litigation, compared to 44% of county-administered systems (with often a singular county being the focus of the litigation).



■ **85%**

35 (85%) of the 41 jurisdictions under consent decree or settlement agreement, which had exited a consent decree, and/or had litigation pending in courts were **state-administered**.

■ **10%**

were **county-administered**.

▨ **5%**

Two (5%) were **hybrid structures**.

CONSENT DECREES, SETTLEMENT AGREEMENTS, AND ADMINISTRATIVE STRUCTURE

System-wide reforms, including the shift to a hybrid system or different administrative structure, may be the result of a class-action lawsuit, resolved through a consent decree or settlement agreement.

Of the nine county-administered systems, three (33.3%) faced litigation that resulted in a consent decree or settlement agreement. Of these three, individual counties in CA (Los Angeles County; entered in 2020) and MN (Hennepin County; entered in 2019) were under settlement agreements. Ohio was under a consent agreement from 1986-2016 (30 years), when the state exited the consent decree.

Consent decrees are on the whole longer and more difficult to exit than settlement agreements.

CONSENT DECREES, SETTLEMENT AGREEMENTS, AND ADMINISTRATIVE STRUCTURE

Of the forty state-administered systems (including DC), 23 (57.5%) faced litigation that resulted in a consent decree or settlement agreement.

SIX

state-administered systems are currently* under consent decrees, with the earliest starting in 1991 (over 30 years) and the most recent beginning in 2008 (over 15 years).

ELEVEN

state-administered systems are currently* under settlement agreements, with the earliest starting in 2012 (approximately 11 years) and the most recent beginning in January 2021 (3 years).

SIX

state-administered systems were under consent decree or settlement agreement and have since exited the consent decree/settlement agreement or had the case closed or dismissed. The shortest consent decree that has been exited lasted nine years (KS, settlement agreement), and the longest lasted 31 years (CT, consent decree).

The two hybrid systems, WI (2002-2021) and NV (July 2015-Nov 2015), were under consent decree and have since exited or had the case closed.

**Information is up to date as of April 2022 (Casey Family Programs, 2022).*

SUMMARY AND CONSIDERATIONS

Little is known about the influence of administrative structure on child welfare system performance and child/family outcomes. The few studies that have explored this topic have found some differences, but ultimately that each system has strengths and trade-offs, not that one system is generally better than another.

To better support Minnesota's current county-administered structure, the state could:

- Invest additional state dollars into county CPS in order to ensure all agencies, regardless of county-level investment, have the resources they need to provide high quality service to children and families.
- Implement a statewide screening hotline (and helpline).

“ Getting the screening decision right — whether to screen a case in or out of the system — is one of the most important functions of a child protection agency... States that switch to centralized intake systems typically do so to deliver greater consistency and accountability in screening decisions. Most centralized systems include staff dedicated solely to screening hotline calls and centralized administrative functions for these staff, including standardized training, standardized decision tools, and quality monitoring processes. Centralized intake systems can also support implementation of large-scale policy and practice changes in a more consistent and timely manner. Decentralized systems are also effective, but issues related to consistency and accountability need further attention.
(Casey Family Programs, 2018)

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