

To: Subcommittee on Income Security and Family Support of the U.S. House Committee on Ways and Means

From: National Foster Care Coalition

Re: Written comments from National Foster Care Coalition for Hearing on Improving the Child Welfare System

Date: March 7, 2008

Dear Chairman McDermott,

Thank you for allowing the National Foster Care Coalition (NFCC) to submit written comments regarding the February 27, 2008 Hearing on Improving the Child Welfare System. NFCC supports the Invest in KIDS Act, H.R. 5466 and comprehensive reform of the child welfare system as we know it.

The National Foster Care Coalition builds public and political will to improve the lives of children and youth involved with the foster care system. The National Foster Care Coalition (NFCC) brings together advocacy organizations, direct service providers, and individuals concerned with the well being of children and youth served by the child welfare systems, as well as the policies and programs intended to assist them. Over the past ten years, Coalition members have collaborated to advocate for improved federal and state policies, to educate each other about effective policies and programs, and to create a diverse network of organizations and individuals able to speak in a collective voice on behalf of our constituents. NFCC aims to educate its members on important policy developments, and to build their capacity to participate actively in policy development and implementation processes. NFCC members are representative of a wide range of advocacy, service, and consumer-led organizations, many of which have not been traditionally represented in national policy discussions and advocacy efforts.

The key provisions of the bill address existing challenges and shortcoming by the child welfare system. NFCC supports: giving States additional funding to strengthening families by providing prevention resources and in-home services as an alternative to placing children and youth in care; allowing States to be assisted in placing foster children and youth with relatives, familiar friends, or neighbors that can provide safe, stable, caring families through legal guardianship; improving child welfare worker skill sets and reducing caseloads to reflect in positive outcomes for foster children and youth; prohibiting income requirements for foster care reimbursements; and extending the foster care to 21 for young people who will benefit from the resources made available through the child welfare system.

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

A long-standing concern of child welfare advocates and other stakeholders is the lack of flexibility in federal funding for child welfare services. Current federal funding supports do not allow states the ability to develop and implement a flexible array of services for children and

families, and does, in fact, create disincentives for services other than out-of-home care placement. Without the ability to utilize a wider range of interventions, including prevention and aftercare services, states will not be able to improve outcomes for children, youth and families.

H.R. 5466 represents a comprehensive effort to address many of the current shortcomings of the federal foster care funding structure. We emphasize the critical need for maintaining sufficient federal supports for our most vulnerable children and families, while increasing states' ability to provide a flexible range of services to families in need. While we recognize that an uncapped entitlement for an unlimited range of child welfare services is an untenable strategy, we also recognize the need to guarantee states a significant, ongoing, federal role in child welfare service delivery, including both funding and oversight.

The current fiscal relationship between the states and the federal government will result in a significant decline in the number of children eligible for federal financial support, as much as 5,000 children each year. We believe the funding system should support states in improving outcomes and reducing the number of children and youth in out-of-home placement, while holding states accountable for those outcomes. The current system provides a financial disincentive for states to reduce foster care placement, and provides no supports for innovative prevention strategies, such as in-home services or aftercare supports that would help to both reduce initial foster care placement and prevent foster care re-entry. The Invest in KIDS Act represents an alternative approach to federal funding that will safely reduce the number of children in foster care and help communities support and strengthen families.

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

The current federal funding structure for child welfare does not support a comprehensive service continuum that includes prevention, 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 safely in their homes as well as return to their biological families with the supports needed to ensure safety and permanency. It makes fiscal sense to fund the up-front part of the child welfare system to prevent more children from entering foster care. Approximately 10 percent of federal funding supports prevention, which is an insufficient investment in this critical part of the service continuum.

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 and has become significantly outdated. 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.

H.R. 5466 takes significant steps toward resolving the current funding limitations. The flexibility provided by the proposed restructuring would allow states to support families and help them keep children at home safely, as well as bring those children who have been removed back home as quickly as possible. We appreciate Chairman McDermott and the subcommittee's efforts to

expand opportunities for states to develop effective prevention, intervention, and aftercare programs.

The draft legislation proposes reducing all Federal Medical Assistance Percentages in order to offset the federal financial burden of de-linking. NFCC supports federal policies that optimize reasonable state flexibility. HR 5466's proposed delink of IV-E from AFDC eligibility is a crucial factor in successful reform of the child welfare system. States have been significantly burdened in eligibility determination, resources which could be more effectively utilized in providing direct services to families. Freeing states of this burden should allow them to shift some resources and recognize fiscal savings in terms of human resources and child welfare expenditures. The proposed cap on administrative reimbursement, however, may limit state flexibility in covering critical tasks directly related to the successful implementation of comprehensive child welfare services. 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, depending on what information is received regarding the fiscal implications and cost estimates for the restructuring process. We also fully support the tribes' ability to apply for their own Title IV-E funding as they do now under Title IV-B.

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

Subtitle A – Connection to Support

Learning to live independently, or interdependently, is a lifelong process. Childhood and adolescence are the developmental stages of life during which the competencies and relationships needed for a productive adult life are usually acquired. For most children, this process takes place as part of growing up in a family. Ongoing experiences within the family and in the community allow children to develop the knowledge and fundamental skills needed to move from dependence toward interdependence. In the family setting, children receive a range of supports, including economic and emotional, from parents and other family members as they make the transitions from childhood to adolescence and from adolescence to adulthood.

For many children, however, this family support is unavailable—for a few days, months, years, or for their entire childhood. At times when parental care and protection are unavailable, local government agencies become the community's designated agent *in loco parentis*. The first responsibility of the child welfare agency is to facilitate safety and permanence for children in foster care through reunification, adoption, guardianship, or other permanent family relationships. At the same time, caseworkers, service providers and caregivers should be aware of and support the development of knowledge, skills, and competencies that will contribute to self-sufficiency for all children and youth in foster care. An eventual transition to self-sufficient adulthood is a major goal for all children in care, whether they will return to a family, be adopted, or live independently.

The trauma of abuse and neglect, and subsequent removal from their family, the experience of foster care, as well as placement changes and delays in achieving permanency, frequently disrupt or create barriers to normal developmental opportunities and experiences. Thus, foster children

and youth in particular need additional supports and services that enable them to learn life skills, facilitate social and community connections, provide education about resources and they can access once on their own, and build educational and vocational competency. For those young people who will exit foster care without a family, these needs are particularly acute. Recent research from the University of Chicago clearly demonstrates the benefits and cost savings associated with extending the length of time that youth may remain in the care of the state. Allowing states the flexibility to continue funding foster care services for youth to the age of 21 significantly improves states' abilities to ultimately improve outcomes for older youth. We must keep in mind, also, that extending foster care to age 21 will allow for more time to help youth establish supportive connections with caring adults, and even to achieve permanency through adoption or guardianship. NFCC works with a number of young leaders in foster care who have been adopted after age 18.

Supporting youth who have been in the foster care system up to age 21 is good policy, and is universally acknowledged in the child welfare field as the right thing to do.

Subtitle B – Connections to Family

The Adoption and Safe Families Act, enacted in 1997, recognizes placement with a relative or a legal guardian as a permanency option for children in foster care; however, the federal government makes no funds available on a continuing basis to help those relatives care for the children.

The number of children living with relatives and other kinship providers has increased dramatically in recent years. It is estimated that about one-third of all children in foster care live with relatives, many of whom are grandparents; in some states, it is more than half of children in care. Kinship care is a viable permanency option for children in foster care since it provides a stable and familiar environment, and may help to minimize the disruption and trauma of removal from the home. State funds provide only limited financial assistance and support to kinship placements, leaving families, many of whom are poor, 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, or may not want to have the intrusive child welfare system involved in their lives. Additional flexibility for this funding would allow more relatives to receive support to care for their relatives' children, enabling quicker timelines to permanency and a stronger sense of security for the children. States currently use a variety of sources to fund kinship and subsidized guardianship placements for children. Since 1996, 12 states have received federal funding through a Title IV-E child welfare waiver to provide support for guardians of children who have previously been in foster care. The waivers allow states to use Title IV-E foster care funds for kinship and guardianship placements if states can provide the services without the federal government incurring any additional costs over a five-year period. States also rely on other sources of federal funding to support these placements, including Temporary Assistance for Needy Families (TANF) and the Social Services Block Grant (SSBG), though these funding sources are under great pressure and cannot

be relied upon for continued availability. Other states have relied exclusively on state and local funds.

Federal waiver programs, while still in process, have demonstrated great promise in terms of improved permanency outcomes. Kinship guardianship assistance payments present states with another viable strategy 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 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. 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.

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. Siblings can be of invaluable support to each other in dealing with the trauma of loss and separation from parents. Separation from a sibling in the aftermath of separation from parents can not only increase trauma but it can impede adaptation to the new living arrangements. Most children enter the child welfare system due to parental abuse or neglect. Siblings from these homes often cope by forming healthy and meaningful relationships with each other, the disruption of which may cause even more severe trauma than the stress of separation from their parents. The emotional stability of lasting sibling relationships can even serve to minimize some of the long term psychological damage caused by dysfunctional or disrupted parent/child attachments. Sibling relationships preserve a family and cultural history and identity which helps maintain a sense of self. Sibling relationships are special kinds of bonds that can be long-lasting and have meaning well into the future.

We strongly support the proposed increased focus on placing siblings together unless the safety and well-being of a child is compromised.

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

The educational needs of the 800,000 children and youth who enter foster care each year remains largely unrecognized in this country's schools. Yet the impact of the foster care experience on academic achievement is significant. A youth's foster care status alone can be associated with a drop in standardized test scores and other poor educational outcomes. 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 the 25,000 youth who age out of care each year have experienced seven or more school changes. Youth in care graduate from high school at disproportionately lower rates than their peers who are not in care, and less than 3% of foster care alumni go on to receive a bachelor's degree or certificate. Education is critical to independent adulthood, but young people in foster care face many circumstances that too often derail their academic achievement.

To ensure successful educational outcomes for children and youth in foster care across the country, 12 organizations have joined together as the National Working Group on Foster Care and Education. The working group partners are:

- * American Bar Association Center on Children and the Law
- * American Public Human Services Association
- * Casey Family Programs
- * Children's Defense Fund
- * Child Welfare League of America
- * Education Law Center (Pennsylvania)
- * Juvenile Law Center
- * National CASA Association
- * National Child Welfare Resource Center on Legal and Judicial Issues
- * National Council of Juvenile and Family Court Judges
- * National Foster Care Coalition
- * National Foster Parent Association

Collaboration is the key to achieving practice, policy, and cultural changes that support educational stability and achievement for children and youth in care and for those responsible for their well-being.

The working group heightens national awareness of the educational needs of children and youth in care, and promotes best and promising practices and reforms across educational, child welfare, and juvenile and family court systems. Additionally, Casey Family Programs has supported the establishment of the Legal Center for Foster Care and Education (<http://www.abanet.org/child/education/>), which serves as a national technical assistance resource and information clearinghouse on legal and policy matters affecting the education of children in the foster care system. The Legal Center FCE provides expertise to states and constituents, facilitates networking to advance promising practices and reforms, and provides technical assistance and training to respond to the ever-growing demands for legal support and

guidance. We urge the subcommittee to utilize the working group and the legal center as resources moving forward in this effort.

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. For example, The National Association for the Education of Homeless Children and Youth is working with child welfare organizations to develop strategies for expanding eligibility for Mc-Kinney-Vento program services to include all children in foster care while increasing program capacity and developing procedures for the smooth and effective implementation of this expansion of eligibility.

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.

NFCC thanks Chairman McDermott and the members of this Subcommittee for their thoughtful and innovative approach to strengthening child welfare services. Implementing components of this proposed legislation will further the efforts of states and local governments 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 children, youth, and families served by the child welfare system.

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