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In-Depth Summary of the Child and Family Services Improvement Act of 2006

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The Child and Family Services Improvement Act of 2006 (CFSIA) represents an important step toward providing crucial services to children and families involved or at risk of becoming involved with the child welfare system. Of particular benefit are the addition of \$40 million annually and the attention given to improving the workforce and addressing substance abuse, specifically methamphetamine abuse. The provisions of the law are outlined below.

The CFSIA reauthorizes the Promoting Safe and Stable Families program (PSSF) for five years (FFYs 2007 through 2011) at the levels authorized by the Deficit Reduction Act of 2005 (DRA). The specific funding levels are as follows: \$305 million authorized in mandatory funds; \$40 million authorized in mandatory, targeted grants; and \$200 million in discretionary grants. Additionally, the law *appropriated* \$40 million that was authorized for FFY 2006 by the DRA but not technically appropriated. Details of these funding streams are highlighted below.

CFSIA authorizes \$145 million for competitive grants to regional partnerships to improve the well-being and permanency outcomes for children affected by substance abuse. Priority will be given to partnerships that demonstrate that methamphetamine abuse and addiction are negatively affecting children in foster care or at risk of entering foster care in the region and that propose to address methamphetamine abuse. Grants are made in sums of \$500,000 to \$1,000,000 for periods of two to five years. Regional partnerships must be entered into by at least two partners—one of which must be the state child welfare agency, except in partnerships that include Indian tribes or tribal consortia. Other eligible entities include the following: the state agency responsible for administering the substance abuse prevention and treatment block grant; an Indian tribe or tribal consortium; nonprofit child welfare service providers; for-profit child welfare service providers; community health service providers; community mental health providers; local law enforcement agencies; judges and court personnel; juvenile justice officials; school personnel; tribal child welfare agencies; and any other providers, agencies, personnel, officials, or

entities that are related to the provision of child and family services. A regional partnership cannot be comprised solely of the state child welfare and substance abuse agencies.

The application must:

- Demonstrate that methamphetamine or other substance abuse has substantially impacted the number of children in out-of-home placements or the number of children at-risk for such placements in the region,
- Describe the goals and anticipated outcomes to be achieved during the grant period,
- Describe the joint activities to be funded by the grant, and
- Describe service integration and program collaboration strategies.

Funding specifics:

- \$40 million in 2007 with an 85% federal match
- \$35 million in 2008 with an 85% federal match
- \$30 million in 2009 with an 80% federal match
- \$20 million in 2010 with an 80% federal match
- \$20 million in 2011 with a 75% federal match

The funds can be used for variety of services and activities, including:

- Family-based comprehensive long-term substance abuse treatment,
- Early intervention and preventative services,
- Child and family counseling,
- Mental health services,
- Parent skills training, and
- Replication of successful models for providing family-based comprehensive long-term substance abuse treatment services.

By June 28, 2007, the Secretary of the Department of Health and Human Services (the Secretary) must establish performance indicators in consultation with the Administration for Children and Families (ACF), the Substance Abuse and Mental Health Services Administration, and the state and tribal organizations receiving grants.

Entities receiving these grants must submit annual reports on the services provided or activities performed with such funds. Beginning with the first annual report after the performance indicators are established, states must include information regarding the performance indicators. Based on the grantee reports, the Secretary must submit an annual report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. This report must include the following information:

- The services provided and activities conducted with grant funds;
- The performance indicators established by the Secretary; and
- Progress that has been made in addressing the needs of children and families with substance abuse problems, who come to the attention of the child welfare system, and progress that has been made in achieving the goals of child safety, permanence, and family stability.

The CFSIA provides \$40 million for FFY 2006 and authorizes \$55 million over FFYs 2008 through 2011 to state and territorial child welfare agencies (Indian tribes and tribal consortia are excluded) to support monthly caseworker visits. The emphasis is on activities intended to improve caseworker retention, recruitment, training, and access to the benefits of technology. These funds cannot be used to supplant any other federal funds.

Funding specifics:

- \$40 million for FFY 2006 (can be used through 2009)
- No funds authorized for FFY 2007
- \$5 million for FFY 2008
- \$10 million for FFY 2009
- \$20 million each for FFYs 2010 and 2011
- These funds are distributed based on the formula used to allocate basic PSSF funds.
- States are required to contribute a 25 percent state match.

States are responsible for using the funds to increase the percentage of children receiving monthly caseworker-child visits, with a goal of ensuring that at least 90 percent of children are visited at least monthly and that the majority of the visits occur in the child's residence.

- Starting October 1, 2008, states that have not made the requisite progress toward improving caseworker visits (see p. 8 for more detail) will face penalties in the form of an increased state match as follows:
 - A 1 percentage point increase in state match for falling short of their target goals by up to 10 percentage points,
 - A 3 percentage point increase for falling 10 to 20 points short, and
 - A 5 percentage point increase for falling 20 or more points short.

The CFSIA enhances reporting and evaluation under Title IV-B

Each year the Secretary must use at least \$1 million for evaluations, research, and technical assistance related to the methamphetamine/substance abuse regional partnership grants, along with at least \$1 million for evaluations, research, and technical assistance pertaining to the child welfare workforce and caseworker visits to children.

States and tribes must submit expenditure reports to HHS annually, beginning June 30, 2007. State and tribal reports must include the following information:

- The planned child and family services expenditures under Title IV-B, subparts 1 and 2 for the next fiscal year;
- The *actual* Title IV-B, subparts 1 and 2 expenditures for the previous fiscal year; and
- The numbers of families and children served, as well as the population and geographic areas served by the state child welfare agency.

Based on these reports, ACF must report to Congress annually, beginning September 30, 2007.

The CFSIA enhances basic PSSF funding available to tribes as follows:

- Increases funding levels from 1 percent to 3 percent of mandatory funds (not including the new targeted grant funds)
- Increases funding levels from 2 percent to 3 percent of discretionary funds
- Allows intertribal consortia to apply for grants
- Tribes, like states, may not use PSSF to supplant other funds.
- The Secretary is no longer authorized to exempt tribes from PSSF requirements *except* in regard to the limit on administrative costs and the requirement that a significant portion of the funds be used for each of the four categories of services—family preservation, family support, time limited family reunification, and adoption promotion and support.

The CFSIA makes other changes to Titles IV-B and IV-E

The CFSIA:

- Amends the definition of “case review system” to require that states and tribes ensure that courts conducting permanency hearings consult with each child, in an age-appropriate manner, regarding his/her permanency plan.¹
- Requires that states develop, within one year of enactment, a Disaster Response Plan that details how, in areas adversely affected by a disaster, the state would:¹
 - Identify, locate, and continue to provide services for children under state care or supervision who are displaced as a result of disaster;
 - Respond and provide services, as appropriate, to children and families who need child welfare services as a result of a disaster;
 - Remain in communication with displaced caseworkers and other child welfare personnel;
 - Preserve essential program records; and

¹ This changes the requirements of both Title IV-E and subparts 1 and 2 of Title IV-B.

- Coordinate services and share information with other states.

The CFSIA reauthorizes the original court improvement program for FFYs 2007 through 2011. This is in addition to the new court improvement projects created by the DRA.²

The CFSIA reauthorizes the Program for Mentoring Children of Prisoners (in Title IV-B subpart 2) for FFYs 2007 through 2011.

The CFSIA creates a Service Delivery Demonstration Project, which allows for a three year cooperative agreement (with an option to renew for two years) between the Secretary and an eligible entity that will:

- Identify children of prisoners who need mentoring services but have not yet been matched;
- Give priority to identifying and serving children who live in areas not currently served by a grant recipient, who live in areas with a large number of children of prisoners, who reside in rural areas, or who are Indians;
- Identify qualifying programs in all 50 states and the District of Columbia;
- Distribute vouchers for mentoring services, to be used at qualified programs; and
- Monitor and oversee the delivery of mentoring services provided by programs accepting the vouchers.

The entity will be chosen on a competitive basis. Eligibility requirements include the following:

- Substantial experience working with organizations that provide mentoring to children of prisoners and developing quality standards for identifying and assessing such programs
- Submission of an application that includes:
 - Evidence that the entity is able to carry out the purposes of the program and the requirements of the cooperative agreement,
 - A service delivery plan that details the following:

² The DRA authorized \$10 million each for two new court improvement projects for federal fiscal years 2006 through 2010. One project helps states “ensure that the safety, permanence, and well-being needs of children are met in a timely and complete manner,” through collaborative planning and data and information sharing between the courts and the local and state child welfare agencies. The goal is to improve case tracking and analysis for the purpose of producing “safe and timely permanency decisions.” The other project provides funding for “cross-training” of judges, attorneys, and other legal personnel in child welfare cases and employees of the state child welfare agency (or the agency under contract with the state).

- A description of how the plan will ensure that children in groups given priority by Congress receive mentoring services and
 - A plan for distributing at least 3,000 vouchers in the first year of the cooperative agreement, 8,000 vouchers in the second year, and 13,000 vouchers in any subsequent year. The Secretary has the authority to modify the number of vouchers to ensure that each voucher provides mentoring services for a 12-month period.
- A description of how cooperation and collaboration will be ensured, and
 - Any other information required by the Secretary.

In order for a cooperative agreement to be awarded, the entity must do the following:

- Identify standards of quality for providers of mentoring services, and identify the providers that are therefore eligible for vouchers
- Identify eligible children
- Monitor and oversee delivery of mentoring services
- Maintain records and reports and cooperate with audits as necessary
- Cooperate fully with evaluations, which includes collecting and monitoring data
- Limit administrative expenditures annually to 10 percent of the amount awarded per fiscal year

Funding specifics:

Of the funds appropriated for the Program for Mentoring Children of Prisoners, the Secretary shall reserve not more than:

- \$5 million for the first fiscal year of the agreement,
- \$10 million for the second fiscal year,
- \$15 million for the third fiscal year in which funds are awarded, and
- No funds may be used for the demonstration project unless at least \$25 million is appropriated for the Program for Mentoring Children of Prisoners.

The Secretary must arrange for an independent evaluation of and report on the Program for Mentoring Children of Prisoners, including the demonstration project.

The CFSIA requires vouchers issued under this program to be disregarded for purposes of determining eligibility for any other federally funded assistance for the family.

Changes to Title IV-B subpart 1

The CFSIA:

Imposes a requirement for reauthorization on the Child Welfare Services program and reauthorizes the program for FFYs 2007 through 2011 at \$325 million per year. Prior to this legislation, Title IV-B subpart 1 was permanently authorized and not subject to reauthorization.

Rewords the purpose clause to say that the funds are to be used to promote state flexibility in the development and expansion of a coordinated child and family services program that utilizes community-based agencies and ensures that all children are raised in safe, loving families. The program is to accomplish this by:

- Protecting and promoting the welfare of all children;
- Preventing the neglect, abuse, or exploitation of children;
- Supporting at-risk families through services that allow children, where appropriate, to remain safely with their families or return to their families in a timely manner;
- Promoting the safety, permanence, and well-being of children in foster care and adoptive families; and
- Providing training, professional development, and support to ensure a well-qualified child welfare workforce.

Changes to allowable funding

The CFSIA:

- Spells out what constitutes administrative costs. Among other things, these include personnel functions, except the portion of workers' and supervisors' salaries attributable to providing casework services. This legislation caps purely administrative expenditures at 10 percent of the total expenditures on activities funded under this subpart, beginning October 1, 2007.
- Limits the use of federal Title IV-B subpart 1 funds for foster care, adoption assistance, and child care for FFYs 2007 through 2011. States may use these funds for these purposes only up to the level at which they did in FFY 2005.³
- Limits the amount of state and local foster care expenditures that can count towards a state's match requirement to the amount claimed as a state match in FFY 2005.
- Prohibits states from receiving Title IV-B subpart 1 funding in FFY 2008 unless they have provided FFY 2007 baseline data on the percentage of children in foster care who were visited on a monthly basis by their caseworker, as well as on the percentage of those visits that occurred in the child's residence.

³ Previously this amount was based on 1979 expenditures for these services, and the limit on child care expenditures applied only to child care for working parents or relatives receiving TANF.

- Permits reallocation of Title IV-B subpart 1 funds, as is currently allowed for subpart 2 funds. If a state does not need all of the funds allotted to it, the Secretary may reallocate those funds to other states that will be able to use the funds during the fiscal year, rather than returning the funds to the Treasury. Frequency and timing of these reallocations are at the Secretary's discretion.

Changes to the Title IV-B subpart 1 state plan

The CFSIA:

- Requires states to describe how they actively consult with and involve physicians and other medical professionals in assessing the health and well-being of children in foster care and in determining appropriate medical care for the children
- Clarifies that another planned permanent living arrangement (APPLA) may include a residential education program, and thus that child welfare services are available to children and youth in such settings
- Requires that, by October 1, 2007, state plans include a description of the state standards for the content and frequency of caseworker visits with children who are in foster care. The plan must ensure that children are visited by their caseworkers at least monthly and that the visits are well-planned and focused on issues related to case planning and service delivery to ensure safety, permanency, and well-being for the children.

Additional reporting requirements

The CFSIA requires:

- The Secretary, in consultation with each state, to establish, by June 30, 2008, a plan for ensuring that, by October 1, 2011, at least 90 percent of children in foster care are visited by their caseworkers on a monthly basis and that the majority of these visits take place in the child's residence. The plan must include target percentages for each fiscal year and a description of plans to achieve these targets, which may include caseworker retention, recruitment, and training activities, as well as those designed to improve access to technology.
- States to include in their annual child well-being outcome reports the percentage of children visited by their caseworkers on a monthly basis and the percentage of those visits that occurred in the child's residence.
- The Secretary to submit to Congress, by March 21, 2010, a progress report outlining states' progress toward meeting the monthly caseworker standards. It also requires the Secretary to offer, in consultation with the states, recommendations to help achieve these standards.