Children and Families

Child Welfare Services

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LFB Summary Items for Which an Issue Paper Has Been Prepared

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May, 2019 | Joint Committee on Finance | Paper #205

Children and Families Aids Funding Increase (Children and Families -- Child Welfare Services)

[LFB 2019-21 Budget Summary: Page 80, #1]

CURRENT LAW

In Wisconsin, the child welfare system is county-operated and state-supervised, except in Milwaukee County, where the system is administered by the Division of Milwaukee Child Protective Services (DMCPS) in the Department of Children and Families (DCF). All county and state child welfare systems operate under the same federal and state laws, regulations, and standards. Eleven tribes in Wisconsin also provide child welfare services directly based on their tribal codes, policies, and tribal practices, although many have written agreements with county agencies.

Each county has its own child welfare system that includes the county department of human or social services (except in Milwaukee County), the courts, and other agencies that provide services to children and their families. The child protective services unit in each county department is responsible for providing services to abused and neglected children. The responsibility for the care of children in the system is shared between the juvenile court and the county department of human services or social services. Child welfare services are provided to Native American children by tribal social services departments.

DCF is responsible for providing statewide leadership and supervision of child welfare standards and practices. DCF administers state and federal funds for child welfare services and assures compliance with state and federal law, regulations, and policy.

Under the children and family aids (CFA) program, DCF distributes state and federal funds to counties to support services related to child abuse and neglect (including prevention, investigation, and treatment services), child welfare services to families, and community-based

juvenile justice services. CFA funds are generally allocated in the calendar year in two increments. Approximately 25% of CFA funds are made available to counties from January through June. The remaining 75% of CFA funds are added to the contract in July for unreimbursed expenses through June and for July through December. Counties may carry over up to three percent of CFA funds from one year into the next. Current law requires counties to match 9.89% of their CFA allocation. However, because no matching is required for the 25% of CFA funds made available from January through June, the effective annualized rate is only 7.4%.

In 2018-19, DCF was budgeted $74,308,000 to fund CFA, including: (a) $26,396,400 GPR; (b) $37,738,200 in federal funds from state foster care reimbursement claims under Title IV-E of the Social Security Act; (c) $2,900,000 in federal funds the state receives under Title IV-B, subpart 1 of the Social Security Act; (d) $3,983,600 in federal funds from the Social Services Block Grant (SSBG); and (e) $3,289,800 in federal funds from the temporary assistance for needy families block grant.

GOVERNOR

Provide $3,750,000 GPR in 2019-20 and $15,000,000 GPR in 2020-21 to increase the CFA allocation. Increase the statutory children and family aids allocations to reflect this and other items in the bill that would modify funding for the program so that $78,708,100 (all funds) in 2019-20 and $90,478,400 (all funds) in 2020-21 would be allocated for the program.

Together with the proposed increase in foster care rates under the bill (addressed in LFB Budget Paper #206), the total the amount of the CFA allocation is shown in Table 1.

TABLE 1

Children and Family Aids under the Governor's Budget

	2019-20	2020-21
2018-19 Statutory Allocation	$74,308,000	$74,308,000
Cost to Continue Act 59 Foster Care Rate Increases	432,200	380,400
Foster Care Rate Increase in Bill	165,100	497,200
CFA Funding Increase	3,750,000	15,000,000
Placements for Parents Living in Treatment Programs	186,600	186,600
Program Revenue Reestimates	-133,700	106,300
Statutory Allocations in Bill	$78,708,100	$90,478,400

DISCUSSION POINTS

1. DCF allocates the CFA to counties through contracts that specify: (a) the manner in which counties will provide the services subject to the contract; (b) the process by which the state reimburses counties for eligible services; and (c) county record-keeping and reporting requirements.

The allocations for calendar year 2019 are shown in Attachment 1, including the required county match. In practice, most counties provide funding well above the match requirement.

2. Attachment 2 shows the out-of-home care caseloads as of December 31, from 2012 through 2018, by placement type. Prior to 2012, caseloads had been decreasing. However, Attachment 2 shows a marked increase in the number of children in out-of-home placements outside of Milwaukee County during the past several years. The out-of-home caseload outside of Milwaukee County was 4,311 in 2012. In 2018, the caseload was 5,379 (an increase of 24.8%).

3. According to a 2016 report from DCF and the Governor's Task Force on Opioid Abuse, Combating Opioid Abuse, county child protective services have seen a significant surge in cases due in part to opioid related child welfare cases and parental drug abuse. The Children in Out-of-Home Care annual report by DCF indicates that 16.6% of the removals of children from their home and into out-of-home care in 2017 were due in part to caretaker drug abuse and another 1.2% were due to child drug abuse. Overall, caretaker drug abuse was a factor in 33.2% of the children removed from their homes. The Governor's Task Force recommended additional state resources for the CFA in order to assist counties to hire additional staff to care for such children.

4. Due to the increase in caseloads, the Wisconsin Counties Association (WCA) indicates that the workload of case workers has increased substantially across the state. According to a caseload study by the Wisconsin County Human Service Association (WCHSA), counties outside of Milwaukee County currently have average caseloads of one social worker per 15 cases (or 30 children per worker) and one supervisor for every seven workers. For comparison, the Child Welfare League of America recommends no more than 12 to 15 children per case worker and five caseworkers per supervisor. Further, under DMCPS contracts with outside vendors to provide case management and ongoing services in Milwaukee County, the contract agencies are required to provide enough case managers such that there is one staff member for every 15 children. In addition, the agencies must ensure that there is one supervisor for every six staff members.

5. WCA indicates that the increased workload on caseworkers is causing retention issues and increased turnover of experienced staff. Further, the WCA indicates that the increased workloads on caseworkers has adversely affected children by increasing the amount of time they spend in out-of-home care.

6. According to a caseload study by the WCHSA, judging from standards that would require no more than 10 children per case worker and five caseworkers per supervisor, counties outside of Milwaukee County would need an additional 327 caseworkers and 145 supervisors. The WCHSA estimates that it would cost more than $36.8 million annually to increase staff to meet such standards.

7. County spending has increased as caseloads have increased. Table 2 summarizes information the Department of Health Services collects annually from counties on county administered programs that provide services for abused and neglected children and child welfare services directed at the prevention of family break-up, youth development, and improved family functioning involved in the child welfare system.

TABLE 2

County-Reported Expenditures on Child Abuse and Neglect Services and Child Welfare Services

	Calendar Year			
	2014	2015	2016	2017
Services for Abused and Neglected Children				
Total Spending for County-Administered Programs	$127,341,000	$133,957,400	$142,714,100	$152,370,900
County Spending (Local Funds)	$73,846,800	$76,378,000	$84,101,000	$92,926,600
Increase in Spending from Local Funds from Previous Year		$2,531,200	$7,723,000	$8,825,600
Child Welfare Services				
Total Spending for County-Administered Programs	$77,010,700	$73,735,700	$80,310,000	$81,432,600
County Spending (Local Funds)	$34,602,600	$31,241,500	$33,792,900	$36,542,700
Increase in Spending from Local Funds from Previous Year		-$3,361,100	$2,551,400	$2,749,800

Source: Department of Health Services Program Participation System

8. Table 2 shows that, during the last four years for which information is available, counties reported spending on services for abused and neglected children increased from $73.8 million in 2014 to $92.9 million in 2017. During this period, total spending (spending supported from all fund sources) for these county administered services increased from $127.3 million $152.4 million. During this four-year period, the costs of other child welfare services provided by counties increased, but less significantly than the costs of county services for abused and neglected children.

9. Funding under the CFA has not increased as rapidly as county caseloads or expenditures over the same time period. In 2011, state funding contract provided CFA funding of $64.9 million to counties. In 2017, the state contract provided $68.8 million, an increase of 6.0%.

10. Funding for the CFA was increased under 2017 Act 59 such that the 2019 contract funding provided for counties other than Milwaukee County is $74.8 million.

11. As shown in Table 3, in 2010-11, the CFA was budgeted $64.1 million (including $30.0 million GPR). In 2018-19, overall funding for the CFA had increased by 15.9% to $74.3 million (including $26.4 million GPR). The increase in funding has been entirely from federal sources of revenue, including temporary funding available under the federal American Recovery and Reinvestment Act (ARRA) and targeted case management (TCM) medical assistance funds for certain activities conducted by child welfare workers. State general purpose revenue provided for the CFA has declined by $3.6 million since 2010-11.

TABLE 3

Funding Budgeted for Children and Family Aids, by Source
State Fiscal Years 2010-11 through 2018-19

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
GPR	$29,995,200	$29,995,200	$29,995,200	$29,413,900	$29,413,900	$29,359,100	$25,658,600	$26,135,200	$26,396,400
FED - SSBG	8,005,200	8,376,300	8,376,300	8,220,200	8,202,400	7,680,700	7,296,700	7,288,700	7,273,400
FED - IV-B	2,880,800	3,078,800	3,043,600	3,230,600	3,230,600	2,996,000	2,900,000	2,900,000	2,900,000
FED - IV-E	18,260,600	18,841,600	17,303,100	25,610,800	25,628,600	28,229,000	32,472,600	33,887,200	37,738,200
FED - IV-E ARRA	4,950,000	0	0	0	0	0	0	0	0
TCM	0	6,183,600	7,757,300	0	0	0	0	0	0
Total	$64,091,800	$66,475,500	$66,475,500	$66,475,500	$66,475,500	$68,264,800	$68,327,900	$70,211,100	$74,308,000
Percent Change from Previous Year		3.7%	0.0%	0.0%	0.0%	2.7%	0.1%	2.8%	5.8%

12. The federal Department of Health and Human Services (DHHS) conducts a federal child and family services review (CFSR) to determine each state's conformance with federal requirements under Titles IV-B and IV-E of the federal Social Security Act. DHHS conducted a CFSR for Wisconsin in 2018, which included a review of 65 cases (40 foster care and 25 in-home) in Barron, Brown, and Milwaukee counties. The CFSR assessed statewide performance with regard to seven child and family outcomes and seven systemic factors. DCF received the CFSR findings in September, 2018.

13. Overall, DHHS determined that Wisconsin was not in substantial conformance with any of the seven outcome areas and only one of the seven systemic factors. The final CFSR report found an increase in reports of maltreatment related to parental substance abuse, but that achieving permanency was affected by a lack of family engagement and an inadequate array of services, including wait lists for inpatient and outpatient substance abuse treatment, housing, transportation, and visitation facilitators. Further, based on interviews conducted as part of the CFSR, the report identified a severe shortage of foster homes and noted that the number of residential beds in Wisconsin to care for children with complex needs has decreased, increasing the need to send children out of the state to receive services.

14. In response to the CFSR, DCF is developing a program improvement plan (PIP) to address the areas identified as needing improvement and submitted a preliminary plan to DHHS in December, 2018. In the preliminary PIP submitted to DHHS for review, DCF stated that the increase in workload and caseloads on child welfare workers is the major root cause of any weaknesses in performance on case practice items identified in the CFSR.

15. As stated in the PIP, cases of parental drug abuse are more complex than other cases and the marked increase in parental drug abuse has substantially increased both the number of cases and the amount of time and services needed for each case. Further, the sharp increase in caseloads has resulted in increased workloads on caseworkers. However, the PIP identified that state and local funding for the child welfare system has not kept pace with the recent increase in caseloads.

16. DCF indicates that the Governor's recommended increase to the CFA would help address the increased workloads and caseloads in counties outside of Milwaukee. However, according to DCF, no items in the preliminary PIP are contingent on approval of the proposed increase in CFA funding.

17. The Committee could approve the Governor's recommendation to increase the CFA allocations to counties by providing $3,750,000 GPR in 2019-20 and $15,000,000 GPR in 2020-21 without modification (Alternative A1). Increased funding would allow counties to hire additional staff, thereby reducing caseloads and improving turnover rates. Further, additional funding could alleviate the increased costs associated with the abuse of opioids and other drugs.

18. The increased child welfare costs cited by the administration to support the recommended increase of $15,000,000 GPR to the CFA in 2020-21 would appear to be equally applicable to child welfare costs in 2019-20. The Committee could provide an additional $11,250,000 GPR in 2019-20 in order to provide $15,000,000 GPR in each year of the biennium (Alternative A2).

19. Alternatively, the Committee could decide to provide federal Title IV-E matching funds for a portion of the Governor's recommended increase (Alternative A3). Title IV-E provides an open-ended entitlement to reimbursement for certain costs of providing foster care, adoption assistance, and kinship and guardianship assistance to children meeting eligibility requirements. The Governor's proposal to increase funding for the CFA would be funded entirely with GPR. Assuming that some portion of this funding is used to increase overall child welfare expenditures, rather than to replace county funding to support child welfare services, the increased CFA would result in an increase in matching IV-E funds that would accrue to an unused balance. The Committee could instead use the projected increase in IV-E funds to provide the same level of funding for the CFA in 2020-21 instead of GPR in one of the following amounts: (a) $1,000,000; (b) $2,000,000; (c) $3,000,000; (d) $4,000,000; (e) $5,000,000; (f) $6,000,000; or (g) $7,000,000.

20. During its public hearings on the budget bill, the Committee heard testimony from several county agency staff that funding for the CFA should be significantly increased. The WCHSA has requested an annual increase of $30,000,000 to the CFA allocation to cover out-of-home care expenses and the costs of hiring additional staff to decrease workloads of caseworkers throughout the state. Therefore, the Committee could decide to modify the Governor's recommendation to increase the amount of funding provided in the bill by $26,250,000 GPR in 2019-20 and by $15,000,000 GPR in 2020-21 (Alternative A4).

21. The Committee could choose to modify the Governor's recommendation to provide a different amount of funding in each year of the biennium (Alternative A5). For example, using both GPR and federal funding under Title IV-E the Committee could choose to provide an increase in one of the following amounts: (a) $2,000,000 annually; (b) $4,000,000 annually; (c) $6,000,000 annually; or (d) $8,000,000 annually.

22. Alternatively, the Committee could deny the Governor's recommended increase in funding, and decide to instead maintain funding levels at the cost to continue the program under current law (Alternative A6). DCF could request additional funding at a future time, such as when the PIP is completed.

23. Finally, the Committee could require DCF to issue a report to the Governor and appropriate standing committees of the Legislature regarding caseload and workload issues for Wisconsin child welfare workers (Alternative B1). The report would require DCF to propose statewide caseload standards for the child welfare system, identify caseloads in counties throughout the state, and propose solutions to assist counties to meet the new standards. Currently there are no state recommended caseload standards for county initial assessment, access, ongoing services, supervision, or foster parent licensing. Setting such standards would provide a measure to ensure that counties have sufficient resources to serve children and families.

ALTERNATIVES

A. Increased Funding for Children and Family Aids

1. Approve the Governor's recommendation to increase funding for the CFA by $3,750,000 GPR in 2019-20 and by $15,000,000 GPR in 2020-21. Modify the statutory allocations for the CFA to reflect the total funding that would be budgeted for the CFA program in the 2019-biennium, based on the Committee's decision on this and other items in the bill funded from the CFA.

ALT A1	Change to Base	Change to Bill
GPR	$18,750,000	$0

2. Modify the Governor's recommendation to provide an additional $11,250,000 GPR for the CFA in 2019-20 so that the total funding increase for the CFA would be $15,000,000 GPR annually. Modify the statutory allocations for the CFA to reflect the total funding that would be budgeted for the CFA program in the 2019-21 biennium, based on the Committee's decision on this and other items in the bill funded from the CFA.

ALT A2	Change to Base	Change to Bill
GPR	$30,000,000	$11,250,000

3. Modify the Governor's recommendation to utilize federal matching revenues under Title IV-E of the Social Security Act to increase the CFA in 2020-21, instead of GPR, in one of the following amounts: (a) $1,000,000 FED; (b) $2,000,000 FED; (c) $3,000,000 FED; (d) $4,000,000 FED; (e) $5,000,000 FED; (f) $6,000,000 FED; or (g) $7,000,000 FED. The total (all funds) increase for the CFA would equal the GPR increase recommended by the Governor under Alternative 1.

ALT A3		Change to Base	Change to Bill
3a	GPR	$17,750,000	- $1,000,000
	FED	1,000,000	1,000,000
		$18,750,000	0
3b	GPR	$16,750,000	- $2,000,000
	FED	2,000,000	2,000,000
		$18,750,000	0
3c	GPR	$15,750,000	- $3,000,000
	FED	3,000,000	3,000,000
		$18,750,000	0
3d	GPR	$14,750,000	- $4,000,000
	FED	4,000,000	4,000,000
		$18,750,000	0
3e	GPR	$13,750,000	- $5,000,000
	FED	5,000,000	5,000,000
		$18,750,000	0
3f	GPR	$12,750,000	- $6,000,000
	FED	6,000,000	6,000,000
		$18,750,000	0
3g	GPR	$11,750,000	- $7,000,000
	FED	7,000,000	7,000,000
		$18,750,000	0

4. Increase funding in the bill by $26,250,000 GPR in 2019-20 and by $15,000,000 GPR in 2020-21 so that a total funding increase of $30,000,000 GPR would be provided annually. Modify the statutory allocations for the CFA to reflect the total funding that would be budgeted for the CFA program in the 2019-21 biennium, based on the Committee's decision on this and other items in the bill funded from the CFA.

ALT A4	Change to Base	Change to Bill
GPR	$60,000,000	$41,250,000

5. Modify the Governor's recommendation to provide GPR and federal Title IV-E funding to increase the CFA by one of the following amounts: (a) $2,000,000 annually; (b) $4,000,000 annually; (c) $6,000,000 annually; or (d) $8,000,000 annually. The bill would be modified to accurately reflect the total CFA allocation as approved by the Committee, including the cost to continue under current law and any approved changes to foster care rates.

ALT A5		Change to Base	Change to Bill
5a	GPR	$2,000,000	- $16,750,000
	FED	2,000,000	2,000,000
		$4,000,000	- $14,750,000
5b	GPR	$4,000,000	- $14,750,000
	FED	4,000,000	4,000,000
		$8,000,000	- $10,750,000
5c	GPR	$6,000,000	- $12,750,000
	FED	6,000,000	6,000,000
		$12,000,000	- $6,750,000
5d	GPR	$8,000,000	- $10,750,000
	FED	8,000,000	8,000,000
		$16,000,000	- $2,750,000

6. Delete the additional funding that would be provided to increase funding for the CFA (-$3,750,000 GPR in 2019-20 and -$15,000 GPR in 2020-21). Modify the statutory allocations for the CFA to reflect the funding that would be budgeted for the CFA program in the 2019-biennium, based on the amount of funding the Committee approves for other items in the bill

ALT A6	Change to Base	Change to Bill
GPR	$0	-$18,750,000

B. Statewide Caseload Standards

1. Require DCF to issue a report to the Governor and appropriate standing committees of the Legislature on or before January 31, 2020, regarding caseload and workload issues for Wisconsin child welfare workers. As part of the report, require DCF to propose statewide caseload standards for the child welfare system, identify caseloads in counties throughout the state, and propose solutions to assist counties to meet the new standards.

2. Take no action on establishing additional reporting requirements.

Prepared by: John D. Gentry
Attachments

ATTACHMENT 1

Children and Family Aids Allocations to Counties
Calendar Year 2019

County	Total Allocation	County Match
Adams	$281,241	$20,708
Ashland	375,093	27,686
Barron	702,646	52,093
Bayfield	277,891	20,408
Brown	3,313,642	245,115
Buffalo	345,747	25,606
Burnett	280,903	20,785
Calumet	417,656	30,953
Chippewa	923,755	68,534
Clark	630,364	46,514
Columbia	655,935	48,620
Crawford	475,432	35,249
Dane	6,040,266	446,274
Dodge	1,090,628	80,330
Door	368,772	27,369
Douglas	833,633	61,731
Dunn	612,010	45,201
Eau Claire	1,781,940	131,172
Florence	224,538	16,594
Fond du Lac	1,664,038	122,916
Forest	266,290	19,800
Grant	787,257	58,282
Green	463,058	34,176
Green Lake	284,885	20,979
Iowa	318,035	23,495
Iron	148,137	10,862
Jackson	512,163	37,776
Jefferson	988,673	73,004
Juneau	358,043	26,572
Kenosha	2,786,975	204,985
Kewaunee	314,406	23,072
La Crosse	1,990,187	147,320
Lafayette	303,735	22,483
Langlade	393,159	29,132
Lincoln	457,999	34,004

County	Total Allocation	County Match
Manitowoc	$1,341,189	$99,267
Marathon	1,749,285	128,693
Marinette	612,197	45,316
Marquette	224,265	16522
Menominee	376,109	27711
Milwaukee	6,684,367	491,298
Monroe	642,575	47,524
Oconto	477,996	35,389
Oneida	547,390	40,447
Outagamie	2,174,533	161,027
Ozaukee	903,209	66,547
Pepin	203,669	15,093
Pierce	502,712	37,176
Polk	649,605	47,945
Portage	862,081	63,234
Price	292,479	21,493
Racine	3,626,442	267,761
Richland	398,341	29,466
Rock	3,138,283	231,973
Rusk	364,476	26,948
St. Croix	575,147	42,562
Sauk	781,840	57,930
Sawyer	384,490	28,334
Shawano	557,158	41,428
Sheboygan	1,721,029	127,561
Taylor	425,997	31,420
Trempealeau	511,745	38,000
Vernon	490,468	36,367
Vilas	261,994	19,328
Walworth	1,171,549	86,653
Washburn	307,189	22,841
Washington	1,154,492	85,486
Waukesha	3,885,542	287026
Waupaca	693,697	51,173
Waushara	375,883	27,898
Winnebago	2,543,565	188,211
Wood	1,306,505	96,025
Total	$74,588,628	$5,508,873

ATTACHMENT 2

Out-of-Home Care Caseloads as of December 31 -- 2012 through 2018

Year		Court-Ordered Kinship Care	Foster Homes	Group Homes	Residential Care Centers	Other Placements*	Total
2012	Milwaukee County	289	1,282	133	89	148	1,941
	All Other Counties	481	3,011	193	294	332	4,311
	Wisconsin Total	770	4,293	326	383	480	6,252
2013	Milwaukee County	358	1,400	149	75	202	2,184
	All Other Counties	553	3,012	168	276	327	4,336
	Wisconsin Total	911	4,412	317	351	529	6,520
2014	Milwaukee County	434	1,429	154	100	159	2,276
	All Other Counties	565	3,316	174	263	275	4,593
	Wisconsin Total	999	4,745	328	363	434	6,869
2015	Milwaukee County	348	1,481	151	81	196	2,257
	All Other Counties	708	3,470	154	284	295	4,911
	Wisconsin Total	1,056	4,951	305	365	491	7,168
2016	Milwaukee County	333	1,461	149	64	152	2,159
	All Other Counties	846	3,704	146	298	329	5,323
	Wisconsin Total	1,179	5,165	295	362	481	7,482
2017	Milwaukee County	460	1,177	143	70	331	2,181
	All Other Counties	999	3,268	144	287	918	5,616
	Wisconsin Total	1,459	4,445	287	357	1,249	7,797
2018	Milwaukee County	426	1,179	142	55	302	2,104
	All Other Counties	916	3,063	140	289	971	5,379
	Wisconsin Total	1,342	4,242	282	344	1,273	7,483

*Primarily includes children living with unlicensed relatives and non-relatives and children in secured facilities.

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May, 2019 | Joint Committee on Finance | Paper #206

Adoption Assistance, State Foster Care, and Subsidized Guardianship (Children and Families -- Child Welfare Services)

[LFB 2019-21 Budget Summary: Page 82, #3]

CURRENT LAW

The Department of Children and Families (DCF) is budgeted funds for: (a) adoption assistance payments to persons who adopt children with special needs; and (b) out-of-home care costs for children under guardianship of the state (children with special needs in cases where parental rights have been terminated and who are awaiting adoption) who do not live in Milwaukee County. Funding for foster care payments DCF makes on behalf of children with special needs in Milwaukee County is budgeted as part of the budget for the Division of Milwaukee Child Protective Services (DMCPS). In addition, funding is budgeted to support contracts with agencies that provide case management and adoptive placement services.

Base funding for state foster care, adoption assistance payments, and adoption assistance contracts is $93,990,000 all funds ($50,924,700 GPR and $42,065,300 FED). The federal funding is from Title IV-E of the federal Social Security Act.

GOVERNOR

Decrease funding by $2,679,100 (-$5,173,000 GPR and $2,493,900 FED) in 2019-20 and by $2,931,000 (-$5,331,200 GPR and $2,400,200 FED) in 2020-21 to reflect: (a) a reestimate of adoption assistance and state foster care payments and changes in federal claiming rates (-$2,004,300 GPR and $3,260,700 FED in 2019-20 and -$2,162,500 GPR and $3,167,000 FED in 2020-21); and (b) the transfer of subsidized guardianship payments to the appropriations for DMCPS, which administrates the program (-$3,168,700 GPR and -$766,800 FED annually).

MODIFICATION

Increase funding in the bill by $1,133,200 ($880,800 GPR and $252,400 FED) in 2019-20 and by $3,662,100 ($2,201,400 GPR and $1,460,700 FED) in 2020-21 to reflect reestimates of state costs for foster care and adoption assistance in the 2019-21 biennium. The revised estimates are shown in the attachment, as modified by the proposed transfer of subsidized guardianship funding to DMCPS appropriations.

Explanation: This modification reflects more recent expenditure information than was available when the Governor's budget was prepared (payment data through April, 2019, instead of data through June, 2018, used in developing the Governor's estimates). Specifically, program expenditures for state foster care were $353,200 in June, 2018, compared to $432,400 in April, 2019, and program expenditures for state adoption assistance were $7,349,900 in June, 2018, compared to $7,332,200 in April, 2019. Increases in state foster care caseloads and state expenditures is predictive of increased adoption assistance payments when such children are later adopted under the public adoption program. Thus, it is assumed that the estimated increase in state foster care expenditures in 2019-20 of 2.5% will lead to a 2.5% increase in adoption assistance payments in 2020-21.

	Change to	
	Base	**Bill**
GPR	-$7,422,000	$3,082,200
FED	6,607,200	1,713,100
Total	-$814,800	$4,795,300

Prepared by: John D. Gentry
Attachment

ATTACHMENT

Summary of Current Estimates of Adoption Assistance, Foster Care, Subsidized Guardianship and Related Contracted Services

	2019-20			2020-21			2019-21		
Expenditure Type	GPR	FED	All Funds	GPR	FED	All Funds	GPR	FED	All Funds
Adoption Assistance Payments	$46,340,000	$44,741,000	$91,081,000	$47,502,400	$45,855,600	$93,358,000	$93,842,400	$90,596,600	$184,439,000
Foster Care Payments	3,189,100	1,615,800	4,804,900	3,189,100	1,615,800	4,804,900	6,378,200	3,231,600	9,609,800
Adoption Assistance Contracts	2,615,300	1,633,700	4,249,000	2,615,300	1,633,700	4,249,000	5,230,600	3,267,400	8,498,000
Out of Home Care Extension For Residential Care Centers	36,800	9,800	46,600	36,800	9,800	46,600	73,600	19,600	93,200
Subtotal	$52,181,200	$48,000,300	$100,181,500	$53,343,600	$49,114,900	$102,458,500	$105,524,800	$97,115,200	$202,640,000
Transfer of Subsidized Guardianship Program to Division of Milwaukee Child Protective Services	-$3,168,700	-$766,800	-$3,935,500	-$3,168,700	-$766,800	-$3,935,500	-$6,337,400	-$1,533,600	-$7,871,000
Total Estimated Costs	$49,012,500	$47,233,500	$96,246,000	$50,174,900	$48,348,100	$98,523,000	$99,187,400	$95,581,600	$194,769,000
Funding in Bill	$48,131,700	$46,981,100	$95,112,800	$47,973,500	$46,887,400	$94,860,900	$96,105,200	$93,868,500	$189,973,700
Change to Bill	**$880,800**	**$252,400**	**$1,133,200**	**$2,201,400**	**$1,460,700**	**$3,662,100**	**$3,082,200**	**$1,713,100**	**$4,795,300**

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May, 2019 | Joint Committee on Finance | Paper #207

Tribal Family Services
(Children and Families -- Child Welfare Services)

[LFB 2019-21 Budget Summary: Page 82, #4]

CURRENT LAW

Tribal Family Services Program. The tribal family services program (FSP) is jointly administered by the Department of Health Services (DHS) and the Department of Children and Families (DCF). The program's purpose is similar to the community aids and children and family aids (CFA) programs, which provide state and federal funding to counties, but not tribes, to support a wide range of human services programs.

Tribes may use the FSP allocations for: (a) adolescent self-sufficiency services; (b) adolescent pregnancy prevention services; (c) an adolescent "choices" program, which is intended to assist adolescents in developing skills to reduce pregnancy and high school dropout rates, increase economic self-sufficiency, enhance self-esteem and responsible decision making, and neutralize sex-role stereotyping and bias; (d) domestic abuse services; (e) tribal child care; and (f) child welfare services.

As with community aids and the CFA program, DHS and DCF combine several state and federal funding sources to provide one annual FSP allocation to each tribe. In addition to base GPR funding ($1,271,900), the FSP allocation is partially supported with federal funding the state receives under Title IV-B, subpart 2 of the Social Security Act and the community services block grant (CSBG). Due to restrictions on the use of federal funding sources, tribes must ensure that funds are used in compliance with federal requirements. Tribes may use FSP allocations for certain administrative costs, purchased services, and payments to program participants.

In addition to the funding budgeted for the FSP, DCF is budgeted $717,500 PR annually from Indian gaming receipts to fund: (a) unexpected or unusually high-cost out-of-home care placements and guardianship payments ordered by tribal courts; and (b) out-of-home placements

of Indian juveniles who have been adjudicated delinquent by tribal courts. Tribes may request funding from the tribal high cost pool on a case-by-case basis.

Indian Gaming Receipts. Indian gaming receipts are statutorily defined as moneys received by the state from any of the following: (a) tribal reimbursement for state costs of regulation of Indian gaming under Indian gaming compacts; (b) payments by Indian gaming vendors and persons proposing to be Indian gaming vendors as reimbursement for state costs of certification and background investigations; (c) tribal reimbursement for state costs of gaming services and assistance provided by the state at the request of a tribe; and (d) tribal payments pursuant to the Indian gaming compacts.

The first draw on tribal gaming receipts is to the following appropriations: (a) a Department of Administration (DOA) general program operations appropriation relating to Indian gaming regulation under the compacts ($1,996,300 PR in 2018-19); (b) a department of justice Indian gaming law enforcement appropriation ($165,800 PR in 2018-19); and (c) an amount necessary to make all of the transfers specified under the DOA Indian gaming receipts appropriation to other state programs ($25,334,200 PR in 2018-19). Tribal gaming receipts remaining after these allocations are made are credited to the general fund.

GOVERNOR

Provide $446,700 (-$1,271,900 GPR and $1,718,600 PR) in 2019-20 and $595,600 (-$1,271,900 GPR and $1,867,500 PR) in 2020-21 to: (a) replace base GPR funding for the tribal family services program with PR from tribal gaming revenues (-$1,271,900 GPR and $1,271,900 PR annually); and (b) increase funding for the program from tribal gaming revenues by $446,700 PR in 2019-20 and $595,600 PR in 2020-21. The current GPR appropriation for the program would be renumbered and converted into a PR appropriation funded from tribal gaming revenue.

DISCUSSION POINTS

1. 2013 Act 20 created the tribal FSP to replace certain statutory earmarked amounts provided for specific tribal services, such as tribal child care and high-risk adolescents pregnancy and parenthood prevention. The tribal FSP was intended to provide DCF and the tribes with additional flexibility in meeting the social service needs of tribal populations.

2. The following table identifies the FSP grants each of the eleven federally recognized tribes or bands will receive in federal fiscal year 2018-19. As shown in the table, the GPR portion accounts for 63% of the total FSP allocation.

Tribal Family Services Program (FSP) Allocations
Federal Fiscal Year 2018-19

Tribe	GPR	Promoting Safe and Stable Families FED	Community Services Block Grant FED	All Funds
Bad River	$117,514	$35,364	$31,490	$184,368
Ho-Chunk	87,028	32,364	31,490	150,882
Lac Courte Oreilles	106,525	38,465	31,490	176,480
Lac du Flambeau	171,478	41,055	31,490	244,023
Menominee	156,110	71,107	31,490	258,707
Oneida	135,180	41,332	31,490	208,002
Potawatomi	119,555	20,024	31,490	171,069
Red Cliff	96,831	40,166	31,490	168,487
Saint Croix	96,031	22,566	31,490	150,087
Sokaogon	93,853	32,819	31,490	158,162
Stockbridge-Munsee	91,774	33,439	31,490	156,703
Total	**$1,271,879**	**$408,701**	**$346,390**	**$2,026,970**

3. The bill would increase funding for the tribal FSP allocations by $446,700 PR in 2019-20 and $595,600 PR in 2020-21 and change the state funding component from GPR to tribal gaming revenues. If the funding increase is approved, DCF plans to consult with the tribes to determine the best approach for distributing the increase in funding, such as by a population based formula or an across-the-board increase for each tribe.

4. DCF indicates that the rationale for increasing funding for the tribal FSP is similar to the funding increase under the bill for the children and family allocations, as discussed in LFB Paper #205. In summary, human services caseloads and associated expenditures have increased substantially over the previous few years due in part to recent increases in drug and alcohol abuse, especially of opioids, heroin, and methamphetamines. The costs of providing social services to meet these increasingly larger needs have strained tribal budgets.

5. A review of the grant applications tribes submitted for the 2018-19 federal fiscal year allocations indicates that tribes are expending their FSA allocations for the types of programs that are consistent with the statutory purposes for which the funding is budgeted. The attachment to this paper provides examples of programs tribes fund with their FSA allocations. This summary is based on the Oneida Tribe's 2018-19 federal fiscal year grant application. The tribe notes that the FSA funds support four programs in two different tribal departments, and that there remains a particular need for additional advocacy services for victims of domestic abuse.

6. GPR funding for the tribal FSP has remained constant at $1,271,900 GPR annually since its creation in 2014-15.

7. The Governor's recommendations presents two issues for the Committee's

consideration: (a) whether to increase state funding to support the FSA tribal allocations; and (b) whether to continue to fund the program with GPR or tribal gaming revenue. Although tribal gaming revenues are identified as program revenue within DCF's appropriations, the funding source would functionally remain as GPR because all tribal gaming revenue that is not allocated to state agencies is deposited in the state's general fund. If the Committee were to provide funding from tribal gaming revenues for tribal family services, the year-end balance of the state's general fund would ultimately be reduced by the same amount. Consequently, regardless of the funding source the Committee selects for the program, the net effect on the general fund would be the same.

8. In light of the Governor's recommendation to increase funding for children and family aids to address increased costs of county child welfare services, as discussed in LFB Paper #205, the Committee may also wish to increase FSP funding for children and family services provided by tribes, either with tribal gaming revenues (Alternative 1) or GPR if the Committee wishes to continue funding the program with GPR (Alternative 2).

9. If the Committee chooses to maintain base funding for the FSP, it could still choose to fund the program with tribal gaming revenues, rather than GPR (Alternative 3), or convert the program to GPR funding (Alternative 4).

ALTERNATIVES

1. *Governor's Recommendation*. Approve the Governor's the Governor's recommendation to: (a) change the state funding component for the tribal FSP from GPR to tribal gaming revenues; and (b) increase funding by $446,700 PR in 2019-20 and $595,600 PR in 2020-21.

ALT 1	**Change to Base**		**Change to Bill**	
	Revenue	**Funding**	**Revenue**	**Funding**
PR		$1,042,300		$0
GPR-Tribal	- $1,042,300		$0	

2. *Governor's Recommended Funding Increase, but Continue Funding the Program with GPR*. Modify the Governor's proposal by: (a) retaining base GPR funding for the program ($1,271,900 GPR annually) and deleting a corresponding amount of PR funding (-$1,271,900 PR annually); and (b) providing an additional $446,700 GPR in 2019-20 and $595,600 GPR in 2020-21) to increase state funding for the program. Increase estimates of available tribal revenues by $1,718,600 in 2019-20 and $1,867,500 in 2020-21.

ALT 2	Change to Base		Change to Bill	
	Revenue	Funding	Revenue	Funding
GPR		$1,042,300		$3,586,100
PR		0		- 3,586,100
Total		$1,042,300		$0
GPR-Tribal	$0		$3,586,100	

3. *Convert GPR Base Funding for the Program to PR Funding and Delete Funding Increase.* Modify the Governor's proposal by deleting the PR funding increase that would be provided under the Governor's bill (-$446,700 PR in 2019-20 and -$595,600 PR in 2020-21). Increase estimates of available tribal revenues by $1,718,600 in 2019-20 and $1,867,500 in 2020-21.

ALT 3	Change to Base		Change to Bill	
	Revenue	Funding	Revenue	Funding
GPR		- $2,543,800		0
PR		2,543,800		- 1,042,300
Total		$0		- $1,042,300
GPR-Tribal	$0		$1,042,300	

4. *Maintain Current Funding Level and Sources*. Take no action on this item, which would delete all of the Governor's recommended funding changes. Increase estimates of available tribal revenues by $1,718,600 in 2019-20 and $1,867,500 in 2020-21.

ALT 4	Change to Base		Change to Bill	
	Revenue	Funding	Revenue	Funding
GPR		$0		$2,543,800
PR		0		- 3,586,100
Total		$0		- $1,042,300
GPR-Tribal	$0		$3,586,100	

Prepared by: John D. Gentry
Attachment

ATTACHMENT

Summary of Services Described in Oneida Nation's 2018-19 Federal Fiscal Year FSA Grant Application

Domestic Abuse Services. Oneida Domestic Abuse services are available for any tribal woman or woman pregnant with a native child, including women from the Oneida Tribe and other tribes. Clients are made aware of the program through referrals from community members, family members, the Oneida Police Department, domestic violence shelters, and other tribal programs. Once a client is referred to the program, an intake is completed and a safety plan is developed to assess needs. After the initial session has been completed, the client will be educated on domestic violence, advocacy, court proceedings and offered support group. Clients in need of housing are given resources for landlords, economic support and provided transportation. The program helps to connect clients to tribal lay advocates and tribal attorneys, and other needed services.

Parenting Programs. The Oneida Nation Parenting Program serves Native American children and families (with priority status to Oneida community members) who reside in Brown and Outagamie counties. The Oneida parenting program provides parenting education and support services to families under child protection orders and individuals and families requesting to participate in the services. The parenting program receives referrals from the Indian Child Welfare Department, as well as from other tribal programs, county/state agencies and/or self-referrals. The parent program coordinator is responsible for completing referrals, intakes, assessments, providing individual support sessions, charting client progress, preparing and facilitating the parenting groups and closing client/worker relationships when necessary. Much of the service delivery is done through group facilitation, although the program also provides in-home support.

The parenting program offers three groups -- parent education class, trauma informed parenting and the teen parent support group

The Parent Education class uses the Conscious Discipline curriculum and is a closed, 12-week group that fulfills court mandates. Participants can also engage in individual support (home or office visits) as a way to transition group teachings into their home life. The parent education class uses conscious discipline and traditional teachings.

The Trauma Informed Parenting class uses the Strengthening Families and Systems: Building Relationship with Children Who Have Experienced Trauma curriculum (formerly titled Trauma Informed Parenting curriculum), and is an eight-week class. The curriculum is aimed towards biological parents, foster parents, Indian Child Welfare and child protective services workers and other professionals working with families. The focus is on working with, and parenting children who have experienced trauma; educating participants on how trauma impacts children and how caregivers can respond. The curriculum is from the National Child Traumatic Stress Network. The Parenting Coordinator was trained in this curriculum through participation in the Wisconsin Trauma Project.

The Oneida teen parent support group is an open, ongoing group for parents up to the age of 20. The teen parent support group focuses on parenting skills, life skills development, networking within the community, and cultural connections. The goals of the teen parent support group are as follows: (a) help teen parents with tools to build a healthy family; (b) assist with skills to overcome challenges of being a teen parent; (c) develop and define a family environment that is a source of strength and support, to include community resources; and (d) build independent living skills to strengthen the family and relationship within it

The parenting program also offers individual services in the form of either in office or in-home support. During these visits, the coordinator(s) assist in crisis situations that arise, assess the families, provide case management services and help the transfer-of-learning occur. In-home support is used to assist the parents to implement the classroom skills into their home and in-the-moment parenting. In-home support is available to participants in both the PEC and TPSG as well as to families who request this service and are not available to participate in the available groups.

Child Care Services. The Oneida child care services program provides financial assistance through subsidy programs to low-income families who are working, seeking work, participating in training/education, counseling services, or who are in approved activities.

The family service grant supports financial assistance for child care services for families while they are participating in any of the counseling services; AODA, domestic abuse, parenting, sexual assault, child abuse and neglect, nurturing fathers, wellness groups, Women's Circle, Strengthen Families, Foster Care and other areas as needed within social services.

The Oneida Child Care Service Center, located within the Social Services Building is a drop-in child care center for families that utilize the services such as, mental health appointments and participation in meetings and activities within the social services building. There is no cost to the family, but they must remain on the premises while the children are in care. Child care is limited, based on the activities in which the families are participating.

Crisis respite care is also available for families experiencing emergency, crisis situations or for families needing a time-out. There is no income eligibility for the families. Services are limited to a referral from a social worker, health care professional, or mental health counselor.

Services for child care will be accessed through referrals from providers that the child care services program receives. A parent may also walk into the agency and request to see someone in child care. If possible, due to the nature and urgency of child care, and our responsibility to reduce child abuse and neglect, the program manager or child care case worker will see these customers as soon as possible. If more documentation is needed, staff will assist the customer by providing guidance through the steps need to be taken. Staff also assists by gathering verifications through other system access points that may help to complete their application. Customers may also call to request an application be mailed, faxed or sent by e-mail.

Limited Financial Assistance. The Oneida Community Social Services Block Grant (CSBG) Program benefits Native Americans who reside in Brown or Outagamie counties with short term financial assistance with rental assistance or food. The loss of income must have

occurred within the last 30 days from the date of the application. Prior to the last 30 days, the applicant must have had employment, unemployment, or Social Security benefits. Applicants must provide verification of loss or interruption of income in order to be eligible. The hardship may be caused due to loss of employment or medical emergencies. Qualified applicants are assisted with a $350.00 payment, paid to their landlord. Recipients are eligible one time in a twelve-month period starting from the last date of assistance received. Eligible applicants are able to receive a $50.00 gift card for a local grocery store when in need of supplemental food assistance within the home.

Applicants may be referred to Oneida Nation Tribal TANF or county Emergency Assistance programs, Food Share program, Energy Assistance, Salvation Army, St. Vincent de Paul and/or budget counseling to assist with their financial crisis.

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May, 2019 Joint Committee on Finance Paper #208

Qualified Residential Family-Based Treatment Facilities and Placements in Other States (Children and Families - Child Welfare Services)

[LFB 2019-21 Budget Summary: Page 83, #7 and Page 86, # 12]

CURRENT LAW

Children may be placed in out-of-home care as a result of one of four types of actions: (a) a children in need of protection or services (CHIPS) court order, in cases where a court determines that the removal of a child from his or her home and placement into out-of-home care is necessary to assure the child's safety; (b) a juvenile in need of protection or services (JIPS) court order, in cases where a court determines that a child has demonstrated certain behaviors, including being uncontrollable, running away, or truancy; (c) a delinquency court order, in cases were a child has engaged in a criminal act; or (d) a voluntary placement agreement (VPA) between a parent and the child welfare agency. If legal grounds exist to continue to hold the child in custody pending disposition of a CHIPS/JIPS case, the child may be held temporarily in certain placements, including the home of a relative or guardian, a foster home, a group home, or a shelter care facility.

GOVERNOR

Modify the Children's Code (Chapter 48) to conform to changes in federal law under the Family First Prevention Services Act (enacted as part of the federal Bipartisan Budget Act of 2018) by establishing qualified residential family-based treatment facilities (QRFTFs) as a placement option under specified circumstances. A "qualifying residential family-based treatment facility" would mean a certified residential family-based alcohol or drug abuse treatment facility: (a) that provides, as part of the treatment for substance abuse, parenting skills training, parent education, and individual and family counseling; and (b) whose substance abuse treatment, parenting skills training, parent education, and individual and family counseling is provided under an organizational structure and treatment framework that involves understanding, recognizing, and responding to the effects of all types of trauma and in accordance with recognized principles of a trauma-informed approach and trauma-specific interventions to address the consequences of

trauma and facilitate healing.

Under the bill a court would have jurisdiction under the Children's Code over a child whose parent: (a) is residing in a QRFTF; (b) signs the petition requesting jurisdiction; and (c) with the DCF's consent, requests that the child reside with him or her at the QRFTF. A child, or expectant mother, held in custody pending the disposition of a CHIPS case could be placed with their parent in a QRFTF if the child's permanency plan includes a recommendation for such a placement before the placement is made and the parent consents to the placement.

MODIFICATION

Modify the bill to clarify that a QRFTF where a child may be placed with a parent in a residential alcohol or drug abuse treatment facility means a facility that is certified by DHS as a residential alcohol or drug abuse treatment facility and is approved by DCF as meeting the criteria for a residential family-based alcohol or drug abuse treatment facility. Further, modify the bill to clarify that a court would have jurisdiction over a child whose parent will be residing in a QRFTF at the time of a child's placement with the parent (rather than currently residing in the QRFTF at the time of the CHIPS petition, as provided in the bill). Further, modify the bill to specify that either a county agency or DCF (rather than only DCF) must consent to the placement in the QRFTF and also prepare the permanency plan. Also, modify the bill sections related to the foster care aid program to insert cross references to the newly created QRFTF, instead of creating a new subdivision relating exclusively to QRFTF placements (as provided in the bill, which is unnecessary). Finally, modify the language used in the bill in order to match the language used elsewhere in related sections of the bill as follows: (a) change facility to the plural "facilities;" and (b) insert a more specific reference to the statutory subsection related to permanency plans and clarify that such a plan would need to be made before the placement in a QRFTF.

> **Explanation:** The corrections described above are needed to comply with federal Family First Prevention Services Act (FFPSA). The changes would improve the clarity and accuracy of the proposed state statutes and ensure consistency with existing state statutes.

Prepared by: John D. Gentry

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May, 2019 | Joint Committee on Finance | Paper #209

Foster Care and Kinship Care Rates and Foster Youth Driver's Licensing Program (Children and Families -- Child Welfare Services)

[LFB 2019-21 Budget Summary: Page 74, #20; Page 84, #8; and Page 85, #10]

CURRENT LAW

Foster Care. When placing a child in foster care, a placing agency uses a standardized assessment tool to assess the needs and strengths of the child and the needs of the child's foster parent. The results of the assessment are used to determine the certified level of foster care into which the child will be placed, what services will be provided, and what payment the foster parent will receive.

Under the levels of care foster care licensing system, a foster home is certified in one of five levels commensurate with the foster parent's knowledge, skills, training, experience, and relationship to the child. Level one certification applies to a foster home with a child-specific license, which is issued to a relative of a child or an individual who has a previous existing relationship with the child or the child's family. Level two certification applies to basic foster homes. Level three certification applies to moderate treatment foster homes. Level four certification applies to specialized treatment foster homes. Level five certification applies to exceptional treatment foster homes.

Counties, tribes, and the Department of Children and Families (DCF) make monthly payments to foster parents to support food, clothing, housing, basic transportation, personal care, and other expenses for children in foster care. All foster care payments include the basic maintenance rate, which is established by statute. Counties, tribes, and DCF also consider the needs of the child and may provide a supplemental payment or an exceptional payment, in addition to the basic payment, for foster homes certified at level two or higher. The maximum payment is $2,000 for the combined basic, supplement, and exceptional monthly rate.

Currently, the basic maintenance rate for all level one foster care providers is $244 per month. For levels two and above, the basic monthly maintenance rates are: (a) $404 for children up to age five; (b) $442 for children between the ages of five and 11; (c) $502 for children between the ages of 12 and 14; and (d) $524 for children ages 15 and older.

Kinship Care. Federal Temporary Assistance for Needy Family (TANF) block grant funds are budgeted to support monthly payments to certain qualifying individuals who care for relative children. In 2019, a qualifying caregiver receives $244 per month per child as a "kinship care" payment. In addition, a relative who has been appointed as a guardian of a child may be eligible to receive "long-term kinship care" payments. The monthly payment amounts for kinship care and long-term kinship care are the same. If a child is placed in the home of a kinship care relative under a court order, the relative is required to apply for a foster home license.

In counties and tribes other than Milwaukee County, relative caregivers receive these payments from the county or tribe, while caregivers in Milwaukee County receive these payments from DCF, which administers child welfare services in that county. Each calendar year, DCF allocates funding to counties based upon estimate caseloads to support the costs of making these payments.

The kinship care program is not administered as a statewide benefits program with a single budget. For this reason, although total funding budgeted for the program on a statewide basis may be sufficient to support all kinship care benefits costs, individual counties and tribes may have surpluses or shortfalls in their kinship care budgets when their actual caseloads do not correspond with the initial funding allocations they receive from DCF. DCF makes adjustments to the initial calendar year county allocations, based on caseload information the agency receives from counties. To the extent TANF funds are not sufficient to fund kinship care costs, counties and tribes can either support kinship care costs from other state aids or local property tax or other funds or place non-court-ordered cases on waiting lists. However, individuals who care for children under a court order may not be placed on waiting lists to receive kinship care payments.

GOVERNOR

Foster Care Payment Rates. Increase the basic maintenance rates paid to foster parents by 2.0% beginning January 1, 2020 and by an additional 2.0% beginning January 1, 2021. Provide $258,300 ($194,500 GPR and $63,800 FED) in 2019-20 and $777,900 ($585,600 GPR and $192,300 FED) in 2020-21 to increase the rates paid by counties (funded from the children and families aids allocation) and by DCF for Milwaukee County and the special needs adoption program. The federal funding is reimbursements under Title IV-E of the Social Security Act.

Table 1 identifies the current foster care rates and the rates recommended by the Governor that would take effect January 1, 2020, and January 1, 2021.

TABLE 1

Basic Monthly Foster Care Rates for Nonrelatives

	Current Rates	Recommended Rates as of January 1 2020	2021
Level One	$244	$249	$254
Levels Two and Above			
Under Age 5	404	412	420
Ages 5 through 11	442	451	460
Ages 12 through 14	502	512	522
Ages 15 and Over	524	534	545

Kinship Care Payments. Provide $4,106,000 FED in 2019-20 and $5,706,900 FED in 2020-21 to fund: (a) reestimates of program costs, based on the current payment rate ($3,858,800 in 2019-20 and $4,936,400) in 2020-21); and (b) increases in the monthly benefit by 2.0% annually, from $244 to $249 beginning January 1, 2020, and to $254 beginning January 1, 2021 ($247,200 in 2019-20 and $770,500 in 2020-21) so that the kinship care payment rates would continue to equal the level 1 foster care rates. In total, the bill would provide $26,847,200 in 2019-20 and $28,448,100 in 2020-21 to fund these payments.

Foster Care Driver Licensing Program. Provide $89,700 GPR in 2019-20 and $289,200 GPR in 2020-21 and require DCF to establish, or contract for, a driver education program for youth in out-of-home care who are 15 years of age or older. Specify that the program would provide assistance with identifying and enrolling in an appropriate driver education course, obtaining an operator's license, and obtaining motor vehicle liability insurance. Authorize DCF to pay all of the following expenses: (a) fees required to enroll in a driver education course; (b) fees required to obtain an operator's license; and (c) the cost of motor vehicle liability insurance for the motor vehicle owned or used by the individual while participating in the program and after obtaining an operator's license, including any increase in the cost of motor vehicle liability insurance on a motor vehicle owned by an out-of-home care provider and used by the individual.

DISCUSSION POINTS

1. During the 2017-19 legislative session, the Assembly Speaker created a task force on foster care to improve the child welfare system. Based on information and recommendations received at the task force's public hearings, the task force co-chairs recommended, as part of the task force's June 20, 2018, final report, to increase foster care and kinship care payment rates. The task force heard testimony that the current rates do not adequately offset the expenses incurred for providing care, resulting in providers covering costs at their own expense. The testimony suggested that although payments are generally not the reason providers choose to provide care, low rates may contribute to the lack of providers in the state.

2. The basic maintenance rate is intended to cover basic costs of caring for a foster child on a monthly basis, including food, clothing, housing, basic transportation, personal care, and other expenses.

3. By contrast, supplemental and exceptional payments are not available in all cases. The supplemental rate is intended to cover the costs of a foster child's emotional, behavioral, or medical needs that require special care or supervision. The exceptional rate is intended to cover the costs of a foster child's extraordinary needs that require increased supervision, including severe behavioral problems, intensive physical needs, severe mental illness, chronic drug or alcohol abuse, or long distance travel to school. The supplemental and exceptional rates are determined based on the level of care required and the identified special needs of the child.

4. As shown in the following tables, the high frequency at which supplemental and exceptional payments are made available to foster families suggests that the current basic monthly payment may not be sufficient on its own to attract and retain foster homes.

5. In February, 2019, across all levels of care statewide, the average monthly foster care payment was $969, including the basic maintenance rate and supplemental or exceptional payments made to foster parents. Table 2 shows the total number of payments made across the state and the average, for each level of care in February, 2019.

TABLE 2

Foster Care Payment Rates by Level of Care Provided
February, 2019

	Level 1	Level 2	Level 3	Level 4	Level 5
Number of Children	49	3,853	661	270	10
Total Payments	$12,388	$2,998,931	$860,167	$582,714	$236,379
Average Payment	$253*	$778	$1,301	$2,158	23,638 **

* DCF indicates that the average is slightly higher than the basic rate because two children were mistakenly issued supplemental/exceptional payments due to modification of the provider from level 2 to level 1 (such payments would be recouped).

** Includes costs supported by children's long-term support through the Department of Health Services, such as significant medical, cognitive, and development needs.

6. Of these payments, 89% of cases received a supplemental payment, and 75% received an exceptional payment. Thus, no more than 11% of foster parents received only the basic rate. It is likely that even fewer families receive only the basic rate because some families may receive exceptional rates without supplemental rates.

7. As shown in the following Tables 3 and 4, the combined average supplemental and exceptional payments are a significant portion of the overall payment in all age groups and at all levels of foster care for which they are available.

8. Table 3 shows the average basic maintenance rate payment, the average supplemental payment, and the average exceptional payment by the level of care in February, 2019. Table 3 also shows the percent of children in care at each level in February, 2019.

TABLE 3

Average Basic, Supplemental, and Exceptional Foster Care Monthly Payment Rates by Level of Care Provided February, 2019

	Level 1	Level 2	Level 3	Level 4	Level 5
Basic	$250.53	$435.23	$456.29	$476.38	$519.60
Supplemental	N/A	187.55	426.98	499.47	656.00
Exceptional	N/A	269.49	497.55	1,312.20	22,462.34**
Percent Caseload	1.0%	79.6%	13.6%	5.6%	0.2%

**Includes costs supported by children's long-term support through the Department of Health Services, such as significant medical, cognitive, and development needs.

9. Table 4 shows the average supplemental payment, the average exceptional payment, and the average overall payment by the age of the child in out-of-home care in February, 2019. Table 4 also shows the percent of children in care in each age group. Note that many foster families do not receive supplemental and/or exceptional payments, and thus the overall average payment is not the sum of each payment type average.

TABLE 4

Average Supplemental and Exceptional Foster Care Payment Rates by Age of Child February, 2019

Average Payments	Ages 0-4	Ages 5-11	Ages 12-14	Ages 15 and Older
Basic	$403.08	$439.75	$499.32	$520.30
Supplemental	151.69	276.21	338.41	389.82
Exceptional	261.41	329.12	705.53	1,246.35
Overall	$704.07	$941.02	$1,308.70	$1,840.15
Percent of Caseload	42.3%	36.7%	11.1%	9.9%

10. As shown in Tables 3 and 4, it appears that the basic payment is, on average, less than half of the cost reimbursement made to foster families for most age groups and all levels of care (supplemental and exceptional payments are not available for level 1). This suggests that the current basic payment is not covering most expenses of caring for children in foster homes.

11. Furthermore, foster care rates are not adjusted for inflation or tied to the cost of care for a child. If not increased, the inflation-adjusted value of the basic maintenance payment would decrease over the next two fiscal years.

12. In Wisconsin, the annual basic maintenance payment for a five-year-old in level two foster care is currently $5,304. Under the Governor's recommendation, the annual amount would be $5,412 in 2020.

13. For comparison, the attachment shows the annual expenditures on a child by a married-couple family in the urban Midwest as estimated by the Expenditures on Children by Families, 2015 report. As shown in the attachment, the estimated annual expenditure in 2015 on a five-year-old by a two-parent, middle income family is estimated to be $12,420. Of this amount, it is estimated that $3,500 was spent on housing, $1,600 was spent on food, and $2,730 was spent for child care expenses and education.

14. The federal Department of Health and Human Services (DHHS) conducts a federal child and family services review (CFSR) to determine each state's conformance with federal requirements under Titles IV-B and IV-E of the federal Social Security Act. DHHS conducted a CFSR for Wisconsin in 2018, which included a review of 65 cases (40 foster care and 25 in-home cases) in Barron, Brown, and Milwaukee counties, and interviews with local stakeholders. The CFSR assessed statewide performance with regard to seven child and family outcomes and seven systemic factors. DCF received the CFSR findings in September, 2018. Overall, DHHS determined that Wisconsin was not in substantial conformance with any of the seven outcome areas and only one of the seven systemic factors. For the systemic factor of foster and adoptive parent licensing, recruitment, and retention, the CFSR stated that local stakeholders reported a severe shortage of foster homes and that there was a shortage of licensed foster homes for children with complex treatment needs. According to some stakeholders, the lack of available homes resulted in children being placed into higher levels of care than necessary or in congregate care because they were the only resources available. In one county, the report related that staff have stayed in the office with children because there were no placements available. Further, in some areas siblings had to be separated because of the lack of available placements for sibling groups.

15. The administration indicates that the recommended 2.0% rate increases in 2020 and 2021 would improve foster family retention, which may assist with efforts under DCF's program improvement plan to address issues identified by the CFSR as needing improvement.

16. Because increasing the foster care basic maintenance rates could help counties attract and retain foster parents to meet the needs of children, the Committee could approve the Governor's recommendation (Alternative a). As noted, this would increase rates by 2.0% for calendar year 2020 and by another 2.0% for calendar year 2021.

17. Because the 2019-21 budget would only fund the first half of the calendar year 2021 foster care and kinship care payments, the rate increase for the second half of calendar year 2021 would be funded in the 2021-23 budget. The estimated cost in the 2021-23 budget to continue foster care and kinship care payments in the second half of 2021 at the rates under Alternative 1 would be $781,300 [$391,200 GPR, $128,400 FED (Title IV-E) , and $261,700 FED (TANF)] over current

base funding levels.

18. Alternatively, the Committee could increase basic maintenance rates for foster care and kinship care benefits by 4% beginning on January 1, 2020, but not increase the rates on January 1, 2021 (Alternative b). This would eliminate the need to increase funding in the 2021-23 budget to fully fund the rate increase provided in this biennium. Under this alternative, funding relative to the base for basic monthly payments would increase by $519,600 [$391,200 GPR and $128,400 (FED Title IV-E)] in 2019-20 and $1,039,200 [$782,300 GPR and $256,900 FED (Title IV-E)] in 2020-21. Funding for kinship care benefits under the Governor's recommended TANF allocation would increase by $494,400 FED in 2019-20 and by $1,017,300 FED in 2020-21.

19. Likewise, the Committee could decide to increase basic maintenance rates for foster care and kinship care benefits by 6% beginning on beginning on January 1, 2020, but not increase the rates on January 1, 2021 (Alternative c). This would provide for an even larger increase than recommended by the Governor, while also eliminating the need to increase funding in the 2021-23 budget to fully fund the rate increase provided in this biennium. Under this alternative, funding relative to the base for basic monthly payments would increase by $777,900 [$585,600 GPR and $192,300 FED (Title IV-E)] in 2019-20 and $1,555,800 [$1,171,200 GPR and $384,600 FED (Title IV-E)] in 2020-21. Funding for kinship care benefits under the Governor's recommended TANF allocation would increase by $741,600 FED in 2019-20 and by $1,525,900 FED in 2020-21.

20. The Committee could choose to not provide an increase to the basic maintenance rates. The basic maintenance rate is meant to reimburse a foster parent's costs of caring for a foster child's basic child needs, and is not intended to cover all costs of raising a child nor as compensation for caring for a child. Given the total number of foster payments provided in Table 2, the Committee could conclude that the current payment levels are adequate to induce foster parents to care for children in Wisconsin.

21. The foster care rates under the bill and under Alternatives a, b, and c are shown in the following Table 5.

TABLE 5

Foster Care Rates under Current Law,
Alternatives a (Governor's Budget), and Alternatives b and c

	Current	Governor's Budget		Alternatives b		Alternatives c	
	Law	2020	2021	2020	2021	2020	2021
Level One	$244	$249	$254	$254	$254	$259	$259
Levels Two and Above							
Under Age 5	$404	$412	$420	$420	$420	$428	$428
Ages 5 through 11	442	451	460	460	460	469	469
Ages 12 through 14	502	512	522	522	522	532	532
Ages 15 and Over	524	534	545	545	545	555	555

Kinship Care Payment Rate and Cost to Continue

22. Under current law, the statewide TANF allocation for kinship care benefits is $22,741,200 in 2018-19.

23. Based on increased caseloads through June, 2018, DCF forecast that kinship care expenditures would exceed the 2018-19 TANF allocation by approximately $2,500,000 unless counties covered the gap in funding or waitlisted participants. Therefore, in December, 2018, DCF requested, and DOA approved, a reallocation of TANF funds in that amount under Wis. Stat. § 49.175(2) from W-2 benefits into kinship care.

24. This reallocation did not update the statutory provision for the kinship care TANF allocation and was not reflected in the base budget.

25. The Governor's recommended increase would cover the $2,500,000 FED reallocated to kinship care payments in both 2019-20 and 2020-21.

26. Further, the Governor's recommendation would provide for another $1,358,800 FED in 2019-20 and $1,436,400 FED in 2020-21 in order to fund a projected increase in caseloads above the estimated 2018-19 caseload levels.

27. The Committee could approve the Governor's recommended funding for kinship care benefits (Alternative A1). The funds would be intended to cover all kinship care benefits without the need for counties to provide their own funding or to waitlist applicants.

28. However, based updated information through February, 2019, it is estimated that the cost-to-continue the kinship care program at current payment rates would be $3,399,400 in 2019-20 and $4,392,300 compared to the base TANF allocation, which is less than the funding recommended by the Governor for that purpose. Therefore, Committee could choose to decrease the TANF allocation under the bill by $459,400 in 2019-20 and $544,100 in 2020-21 (Alternative A2).

29. Alternatively, the Committee could choose to provide TANF in the amount of $2,068,000 annually to maintain kinship care benefits at the caseload projected as of the end of 2018-19 (Alternative A3). Under this alternative, funding would not be provided for projected caseload growth (an average of 350 cases per month in 2019-20 and 650 cases per month in 2020-21), compared to 2018-19. Counties would need to cover the anticipated gap in funding or waitlist voluntary kinship care applicants until funding becomes available.

30. The Committee could also reject the Governor's recommendations and choose not to increase funding for kinship care payments (Alternative A4).

Foster Care Youth Driver's Licensing Program

31. The Speaker's task force heard testimony that the ability to drive improves foster youth options for employment, education, and participation in social and educational activities, but that foster youth face difficulties obtaining a driver's license and automobile insurance.

32. The task force's final report recommended that the Legislature should explore options to

improve the ability of foster youth to drive.

33. DCF indicates that having a license and car insurance can provide normalcy for youth in foster care. The lack of access to driver education and a driver's license is a barrier to attending school, making appointments, developing social bonds, and securing and retaining gainful employment as foster youth transition from foster care into adulthood and independence. The barrier can be especially significant in rural areas.

34. Wisconsin uses a graduated license program for teenagers to obtain a driver's license. Youth older than 18 years of age can pass the driver's test and obtain a regular license without driver education. Youth older than 15 ½ years of age but younger than 18 years of age must first obtain a regular instruction permit prior to applying for a driver's license. After a minimum of six months of driving without any driving citations, a driver under the age of 18 can apply for a probationary license, but in addition to passing the driving exam must also complete a driver education course, have an adult sponsor, and accumulate hours of supervised driving experience (including 10 hours in the dark).

35. Under current law, foster parents can be reimbursed for the cost of driver education and driver licensing fees for foster youth as part of the exceptional foster care payment. However, DCF indicates that it is not evident how frequently such payment occurs or if some foster parents are unable or unwilling to cover the costs prior to receiving reimbursement.

36. The cost of car insurance is not reimbursable. DCF indicates that many out-of-home care providers are unable or unwilling to assume the costs associated with adding an adolescent to their insurance policy.

37. The cost of car insurance is a major obstacle to obtaining a driver's license because foster youth cannot complete the requisite amount of practice hours on the road if they are not insured.

38. Assuming that the average cost for driver education is $375 per pupil for behind the wheel training and classroom instruction and that the cost of getting an instruction permit and probationary license is $63, DCF estimates that the Governor's recommended funding would provide: (a) $75,000 for six months in 2019-20 and $150,000 in 2020-21 for program administration (including outreach to teens and foster parents), likely via a request for proposals from non-profits or other private contracting agencies; (b) $11,700 for three months in 2019-20 and $46,900 in 2020-21 for driver education fees for 125 youth; and (c) $3,000 in 2019-20 and $5,900 in 2020-21 for driver's licenses fees for approximately 94 youth. DCF estimates that in the first two years of the program approximately 30% of youth aged 15 to 18 in a family placement, group home, or supervised independent living setting for three months or longer would choose to participate, and that 75% of such participants would choose to take the test and obtain their license. Participation is expected to increase as the program expands and foster youth outreach increases.

39. Further, the funding provided would assist 36 foster youth obtain car insurance at an estimated cost range of $179 to $332 per month. DCF indicates that it is intended that the car insurance payments would be contingent upon certain conditions, such as grades in school and obtaining employment to help pay for the costs of insurance.

40. The Committee could find that the proposed foster youth driver licensing program would

improve normalcy for foster youth and improve the retention of foster families and therefore approve the Governor's recommended funding (Alternative B1).

41. Alternatively, the Committee could decide that reimbursement via the exceptional rate for the costs of driver's licenses and driver education is sufficient and that is unnecessary to provide for a new program to reimburse foster parents (Alternative B2).

ALTERNATIVES

A. Foster Care and Kinship Care

1. *Foster Care and Kinship Care Rate Options and Governor's TANF Caseload Estimate.* Approve the Governor's recommendation to allocate an additional $3,858,800 FED (TANF) in 2019-20 and $4,936,400 FED (TANF) in 2020-21 to fund reestimates of kinship care caseloads, based on the current payment rate. Additionally, modify the monthly foster care basic payment and kinship care payment by one of the following: (a) increase rates by 2.0% in 2020 and 2.0% in 2021; (b) increase rates by 4.0% in in 2020; (c) increase rates by 6.0% in 2020; or (d) maintain the rates at the same amount as under current law. Alternative 1a is the Governor's recommended kinship care TANF allocation and increase for foster care and kinship care monthly payments. The bill would be modified to update the kinship care TANF allocation to reflect the rate increase provided.

ALT A1		Change to Base	Change to Bill
1a	GPR	$780,100	$0
	FED	10,069,000	0
	Total	$10,849,100	$0
1b	GPR	$1,173,500	$393,400
	FED	10,692,200	623,200
	Total	$11,865,700	$1,016,600
1c	GPR	$1,756,800	$976,700
	FED	11,639,600	1,570,600
	Total	$13,396,400	$2,547,300
1d	GPR	$0	- $780,100
	FED	8,795,200	- 1,273,800
	Total	$8,795,200	- $2,053,900

2. *Alternative Foster Care and Kinship Care Rate Options with Reestimates of TANF Kinship Care Caseload.* Modify the Governor's recommendation by increasing the TANF allocation for the cost to continue the kinship care program by $3,399,400 FED in 2019-20 and $4,392,300 in 2020-21. Additionally, modify the monthly foster care basic payment and kinship care payment by one of the following: (a) increase rates by 2.0% in 2020 and 2.0% in 2021; (b) increase rates by 4.0% in in 2020; (c) increase rates by 6.0% in 2020; or (d) maintain the rates at the same amount as under current law. Alternative 2a would provide the Governor's recommended increase for foster care and kinship care monthly payments. The bill would be modified to update the kinship care TANF allocation to reflect the rate increase provided.

ALT A2		Change to Base	Change to Bill
2a	GPR	$780,100	$0
	FED	9,069,000	- 1,000,000
	Total	$9,849,100	- $1,000,000
2b	GPR	$1,173,500	$393,400
	FED	9,702,100	- 366,900
	Total	$10,875,600	$26,500
2c	GPR	$1,756,800	$976,700
	FED	10,656,100	587,100
	Total	$12,412,900	$1,563,800
2d	GPR	$0	- $780,100
	FED	7,791,700	- 2,277,300
	Total	$7,791,700	- $3,057,400

3. *Alternative Foster Care and Kinship Care Rate Options with Flat Funding of TANF Kinship Care Caseloads as of July 1, 2019.* Modify the Governor's recommendation by allocating federal TANF block grant funds in the amount of $2,068,800 annually to maintain kinship care caseloads at the amount projected for the end of 2018-19, based upon caseload data through 2018. Any shortfall in funding for increased caseloads in the 2019-21 biennium would either be absorbed by counties or addressed via waitlists for voluntary kinship care payments.

Additionally, modify the monthly foster care basic payment and kinship care payment by one of the following: (a) increase rates by 2.0% in 2020 and 2.0% in 2021; (b) increase rates by 4.0% in in 2020; (c) increase rates by 6.0% in 2020; or (d) maintain the rates at the same amount as under current law. Alternative 1a would provide the Governor's recommended foster care rate increase. The bill would be modified to update the kinship care TANF allocation to reflect the rate increase provided.

ALT A3		Change to Base	Change to Bill
3a	GPR	$780,100	$0
	FED	4,393,800	- 5,675,300
	Total	$5,173,900	- $5,675,300
3b	GPR	$1,173,500	$393,400
	FED	4,522,900	- 5,546,100
	Total	$5,696,400	- $5,152,700
3c	GPR	$1,756,800	$976,700
	FED	4,714,500	- 5,354,500
	Total	$6,471,300	- $4,377,800
3d	GPR	$0	- $780,100
	FED	4,137,600	- 5,931,400
	Total	$4,137,632	- $6,711,500

4. *Maintain Current Foster Care and Kinship Care Rates and Base Funding for Kinship Care Payments.* Take no action on this item. Retain the current foster care and kinship care monthly payment rates and base funding for kinship care payments.

ALT A4	Change to Base	Change to Bill
GPR	$0	- $780,100
FED	0	- 10,069,000
Total	$0	- $10,849,100

B. Foster Care Youth Driver's Licensing Program

1. Approve the Governor's recommendation to provide $89,700 GPR in 2019-20 and $289,200 GPR in 2020-21 and require DCF to establish, or contract for, a driver education program for youth in out-of-home care who are 15 years of age or older.

ALT B1	Change to Base	Change to Bill
GPR	$378,900	$0

2. Take no action on this item.

ALT B2	Change to Base	Change to Bill
GPR	$0	- $378,900

Prepared by: John D. Gentry
Attachment

ATTACHMENT

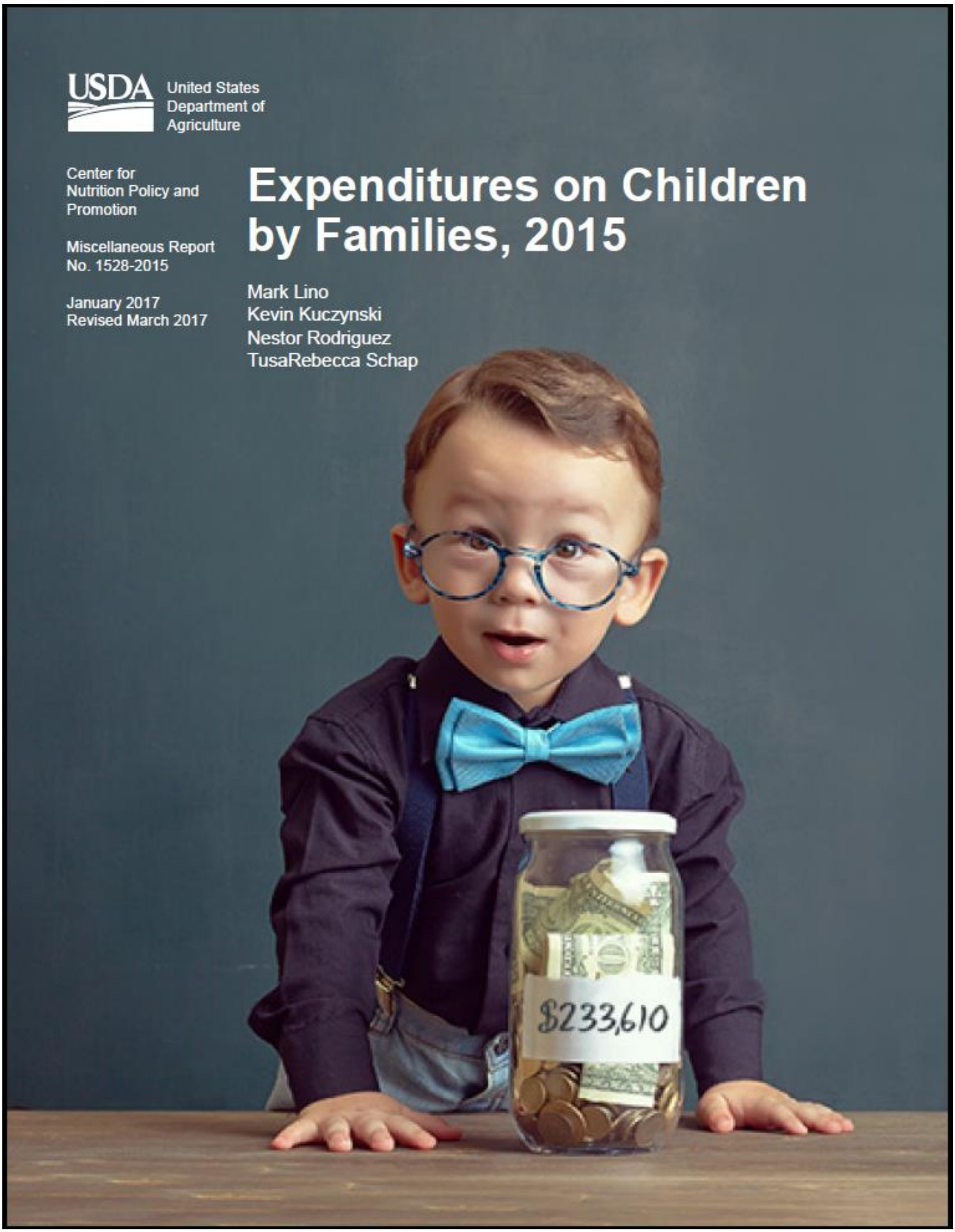
USDA
United States
Department of
Agriculture
Center for
Nutrition Policy and
Promotion
Miscellaneous Report
No. 1528-2015
January 2017
Revised March 2017
Expenditures on Children
by Families, 2015
Mark Lino
Kevin Kuczynski
Nestor Rodriguez
TusaRebecca Schap
$233,610

Table 4. Estimated annual expenditures on a child by married-couple families, urban Midwest, 2015

Age of child	Total expense	Housing	Food	Transportation	Clothing	Health care	Child care and education[a]	Miscellaneous[b]
Before-tax income: Less than $59,200 (Average = $37,600)								
0 - 2	$9,460	$3,010	$1,220	$1,120	$820	$800	$1,970	$520
3 - 5	9,460	3,010	1,260	1,170	680	740	1,970	630
6 - 8	9,060	3,010	1,820	1,230	680	770	800	750
9 - 11	9,690	3,010	2,080	1,270	840	890	800	800
12 - 14	9,310	3,010	2,160	1,420	910	850	310	650
15 - 17	9,660	3,010	2,180	1,610	880	900	450	630
Total expenses	**$169,920**	**$54,180**	**$32,160**	**$23,460**	**$14,430**	**$14,850**	**$18,900**	**$11,940**
Before-tax income: $59,200 to $107,400 (Average = $81,700)								
0 - 2	$12,370	$3,500	$1,490	$1,710	$890	$1,160	$2,730	$890
3 - 5	12,420	3,500	1,600	1,760	740	1,090	2,730	1,000
6 - 8	12,030	3,500	2,170	1,820	740	1,120	1,560	1,120
9 - 11	12,830	3,500	2,550	1,860	930	1,260	1,560	1,170
12 - 14	12,680	3,500	2,650	2,010	1,020	1,220	1,260	1,020
15 - 17	13,470	3,500	2,670	2,200	1,000	1,280	1,830	990
Total expenses	**$227,400**	**$63,000**	**$39,390**	**$34,080**	**$15,960**	**$21,390**	**$35,010**	**$18,570**
Before-tax income: More than $107,400 (Average = $177,300)								
0 - 2	$19,310	$5,200	$2,110	$2,510	$1,260	$1,570	$4,950	$1,710
3 - 5	19,320	5,200	2,220	2,560	1,090	1,480	4,950	1,820
6 - 8	18,900	5,200	2,840	2,620	1,090	1,430	3,780	1,940
9 - 11	20,200	5,200	3,440	2,660	1,350	1,780	3,780	1,990
12 - 14	20,540	5,200	3,430	2,810	1,490	1,730	4,040	1,840
15 - 17	22,730	5,200	3,590	3,000	1,450	1,800	5,880	1,810
Total expenses	**$363,000**	**$93,600**	**$52,890**	**$48,480**	**$23,190**	**$29,370**	**$82,140**	**$33,330**

Estimates are based on 2011-15 Consumer Expenditure Survey data (all data updated to 2015 dollars by using the Midwest region Consumer Price Index--All Urban Consumers). For each age category, the expense estimates represent average child-rearing expenditures for each age (e.g., the expense for the 3-5 age category, on average, applies to the 3-year-old, the 4-year-old, or the 5-year-old). The Total expenses (0 - 17) row represents the expenditure sum of all ages (0, 1, 2, 3, ...17) in 2015 dollars. The figures represent estimated expenses on the younger child in a two-child family. Estimates are about the same for the older child, so to calculate expenses for two children, figures should be summed for the appropriate age categories. To estimate expenses for an only child, multiply the total expense for the appropriate age category by 1.27. To estimate expenses for each child in a family with three or more children, multiply the total expense for each appropriate age category by 0.76. For expenses on all children in a family, these totals should be summed.

The Midwestern region consists of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

[a] Includes only families with child care and education expenses.
[b] Includes personal care items, entertainment, and reading materials.

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May, 2019 | Joint Committee on Finance | Paper #210

Background Checks for Congregate Care Workers (Children and Families - Child Welfare Services)

[LFB 2019-21 Budget Summary: Page 87, #13]

CURRENT LAW

State law requires workers in child welfare facilities to pass a number of background checks, but not a fingerprint-based background check. However, pursuant to the Family First Prevention Services Act (passed as part of the Bipartisan Budget Act of 2018), federal law now requires criminal fingerprint checks for all workers in licensed congregate care facilities.

GOVERNOR

The bill would require child welfare licensing entities to perform fingerprint-based background checks for all workers (not just those with regular, direct contact with clients) at a congregate care facility. Congregate care facility would mean a group home, shelter care facility, or residential care center for children and youth. A congregate care worker would mean an adult who works in a congregate care facility, including a person who has or is seeking a license to operate a congregate care facility, but not including an unpaid volunteer.

DCF would be required to obtain fingerprint checks of the national crime information databases, unless the search has been otherwise terminated. Consistent to background checks conducted under current law, the bill would also clarify certain limitations on disclosures of background checks for congregate care workers. The bill would update appropriations for both the Department of Health Services and the Department of Children and Families (DCF) to allow for increased program revenue associated with fingerprint check fees.

MODIFICATION

Modify the bill to require DCF (or the licensing entity) to perform child abuse and neglect

registry checks of congregate care workers who have lived in other jurisdictions. Also, modify the bill to limit the use of the child abuse and neglect registry checks for the purposes of background checks for congregate workers as provided under federal law. Further, modify the bill to transfer provisions in the bill that would allow disclosure of congregate care fingerprint background check information, as permitted under federal law, from a subsection pertaining to background checks for certain caregivers to which the federal provisions do not apply to a newly created subsection pertaining to congregate care workers. Finally, in another provision relating to the disclosure of confidential reports and records specifically to agencies, include a cross reference to federal law to clarify that records may be disclosed to agencies in other states for purposes of a background check of a congregate care worker under the reference federal law.

> **Explanation:** These modifications to the bill are needed to comply with changes to federal law under the Family First Prevention Services Act. Federal law requires that fingerprint based criminal background checks of national crime information databases and child abuse registry checks be applied to any adult working in a congregate care setting. Confidentiality of these checks is required under 42 USC § 67(a)(20).

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CHILDREN AND FAMILIES

Child Welfare Services

LFB Summary Items for Which No Issue Paper Has Been Prepared

Item #	Title
2	Milwaukee Child Protective Services -- Aids Payments and Contracted Services
5	Grants for Runaway and Homeless Youth Services
6	Child Welfare Data System Improvements
11	Read to Lead