



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #269

Home Visiting (Children and Families -- Child Welfare)

[LFB 2023-25 Budget Summary: Page 114, #14]

CURRENT LAW

The Department of Children and Families (DCF) administers a home visiting program and several other programs that provide services to families to prevent child abuse and neglect. Local and tribal child welfare agencies also provide preventive supports and services, including with state and federal funds. Broadly, these programs serve families where there is a risk of abuse or neglect, or there has been contact with child protective services, but it has been determined to be safe and in the child's best interest for the child to remain in their parents' care. By providing supportive services, education, parenting skills development, guidance, referrals, and other interventions, these programs seek to strengthen families and reduce the need to remove children into foster care.

The Child Abuse and Neglect Prevention Board, an independent state agency, also provides funding for preventive services, including early interventions before families have had contact with the child welfare system. The Joint Committee on Finance considered the Prevention Board Board's budget on May 4 and adopted a motion to: (a) increase funding the agency provides to support family resource centers by \$500,000 GPR annually; and (b) increase funding for a parent education program known as the Positive Parenting Program by \$500,000 GPR annually.

Currently, the Family Foundations Home Visiting (FFHV) program is the largest prevention program administered by DCF. The program provides grants to county agencies, cities, nonprofit agencies, and tribal organizations to provide voluntary home visiting services, which center on regular visits from a nurse or other professional trained in child development and parenting. In 2022-23, DCF funded FFHV grants with the full \$8,564,700 FED the state received under the Maternal, Infant, and Early Childhood Home Visiting (MIECHV) grant program, \$6,212,100 FED

from the state's Temporary Assistance for Needy Families (TANF) funds, and \$1,985,700 GPR budgeted in a dedicated annual appropriation. Grantees are required to provide matching funds equal to 25% of the grant amount.

DCF also provides grant funding related to abuse and neglect prevention under two smaller programs. The Brighter Futures Initiative is a statewide program that is intended to prevent and reduce youth violence and other delinquent behavior, youth alcohol and other drug use and abuse, child abuse and neglect, and non-marital pregnancy. The target population is youths between the ages of 12 and 21 in, or at risk of entering, the child welfare system. Base funding for the Brighter Futures Initiative is \$4,382,400, consisting of federal funds and GPR budgeted under both DHS and DCF. Separately, DCF is budgeted \$500,000 in TANF funds annually to support grants to expand prevention services that reduce the contact families have with the child welfare system and prevent the removal of children from their homes.

Federal matching funds provided under Title IV, Part E of the Social Security Act provide a significant source of funding for child welfare activities. The federal Family First Prevention Services Act of 2018 expanded eligibility for Title IV-E reimbursement to certain preventive services, effective in Wisconsin October 1, 2021. Only services provided to: (a) children identified as candidates for out-of-home care; (b) youths in out-of-home care who are parents or are pregnant; or (c) parents or kin caregivers of such children and youths are eligible for reimbursement. There is no restriction on the recipients' income for prevention services. Eligible expenditures will qualify for 50% federal reimbursement through October, 2026, and reimbursement at the state's federal medical assistance percentage (FMAP), approximately 60%, thereafter.

The federal Administration for Children and Families (ACF) maintains a clearinghouse of prevention services program models and evidence supporting the effectiveness of each. Models are rated as well supported by the evidence, supported, promising, or not meeting the fundamental criteria. To be eligible for reimbursement, state programs must adhere to a model listed on the clearinghouse as meeting the fundamental criteria. Beginning in FFY 2024, at least 50% of expenditures must be for well-supported programs.

Three of the four program models currently used under FFHV are rated as well-supported. DCF specified these programs in Wisconsin's Title IV-E prevention plan, which has been approved by ACF, and will begin claiming federal matching funds for GPR expenditures on these services when provided to candidates for out-of-home care and pregnant and parenting youth. Under a federal maintenance of effort requirement, the first \$353,900 of total GPR expenditures for the FFHV program is not eligible for federal matching.

DISCUSSION POINTS

1. Assembly Bill 43 and Senate Bill 70 would provide \$1,200,000 GPR in 2023-24 and \$4,000,000 (\$3,896,000 GPR and \$104,000 FED from Title IV-E) in 2024-25 to expand the Family Foundations Home Visiting (FFHV) program. DCF currently contracts with 22 agencies to provide home visiting services, covering 40 counties and six tribes and bands. DCF intends to use the additional funding in the bill to expand the geographic reach of the home visiting program by

contracting with approximately 12 additional organizations to provide these services in new locations. DCF indicates that each new location could serve multiple counties, tribes, or bands. The funding reflects \$100,000 per new agency in 2023-24 for start-up costs and an average of \$333,300 per new agency in ongoing funding, beginning in 2024-25, for full service costs.

2. In 2022, child protective services agencies across the state conducted investigations into 22,500 allegations of child abuse and neglect. Of those cases, 3,900 necessitated removal of the child from the home and placement into out-of-home care, such as foster care. Neglect was the most common reason for removal, followed by parent substance use disorders. As of May, 2023, there are 6,433 children in court-ordered out-of-home care.

3. Preventing neglect and other forms of child maltreatment would strengthen families and reduce child protective services (CPS) and out-of-home care expenses borne by counties and the state. At the national level, as reflected in the Family First Prevention Services Act of 2018, policies have shifted over recent years to place a higher priority on preventive services that help children remain safely with their own parents rather than being placed in out-of-home care. Preventing abuse and neglect improves children's safety, prevents traumatic experiences that have long-lasting negative consequences, decreases the need for disruptive and painful removals of children from their parents, and supports parents—who often have the best knowledge of their children and a strong commitment to caring for them—so that they can provide the best possible care for their children.

4. Home visiting programs do not limit the ability of child welfare agencies to investigate reports of abuse and neglect and recommend removal to out-of-home care when necessary. If abuse or neglect has occurred or is deemed likely to occur, the decision of where to place a child always rests with the court, and is required to be made based on what placement setting would be in the best interests of the child.

5. The Family Foundations Home Visiting program provides services focused on new parents, infant care, and early childhood development. Services follow one of several different models, some beginning early in pregnancy and some extending as far as age three. The program focuses on families at risk of abuse and neglect, including young and first-time parents. Participants can be referred to the program by health care providers, child welfare agencies, or other human services workers, or can apply independently. The Early Head Start Home-Based Option model provides early, continuous, intensive, and comprehensive child development and family support services to low-income families. The Healthy Families America model focuses on supporting positive parent-child interactions. Home visitors under the Parents as Teachers model build parents' understanding of child development, provide early detection of developmental delays and health issues, and increase children's school readiness. The Nurse-Family Partnership model, in use since 1977, pairs an at-risk family with a registered nurse (RN) early in pregnancy and continues home visits until the child turns two, providing guidance on health, child safety and care, and families' economic self-sufficiency.

6. Three of these models have been rated as well-supported by the evidence by the IV-E prevention clearinghouse, indicating rigorous studies have demonstrated their positive effects. The Healthy Families America model exhibits a large improvement (23 percentile points) in future child delinquency rates, and significant improvements in maltreatment rates, educational attainment, and

several other outcomes. The Parents as Teachers model achieves a six percentile point reduction in out-of-home placement rates and significant improvements in indicators of child well-being and parenting practices. The Nurse-Family Partnership model demonstrates a six percentile point reduction in maltreatment risk, eight percentile point improvements in child cognitive functioning and in child behavioral and emotional functioning, and significant improvements in parenting practices and other indicators of child and family well-being.

7. Statewide, 30 local organizations currently provide home visiting services under the FFHV program. As shown in the attachment, services are available in 40 counties and six tribes and bands. In 2021, the most recent year for which information is available, the programs served a total of 2,165 families.

8. As noted above, the new Title IV-E prevention program provides federal matching funds for qualifying services provided for children who are candidates for foster care. Federal law defines candidacy as being at imminent risk of entering foster care. Wisconsin's federally-approved prevention plan further defines candidates as children who: (a) have been evaluated by a local child welfare agency and determined to be safe at home with services to mitigate identified dangers; (b) have been reunified with their parents following an out-of-home placement or youth justice system involvement, and require services to prevent re-entry; or (c) are involved in the youth justice system and have certain risk factors.

9. Given these restrictions, only a portion of the GPR spent under the FFHV program will be eligible for Title IV-E prevention matching funds. The FED funding provided in AB 43/SB 70 reflects DCF's estimate that 5.2% of the cases served by FFHV would meet the definition of candidates for out-of-home care, the share of FFHV cases in 2020-21 that could be matched with a prior child protective services investigation. FFHV's early intervention strategy, often beginning services during pregnancy, means that many of the families the programs serve never reach the point of requiring a child protective services investigation that could identify them as candidates. Expenditures of federal TANF and MIECHV funds cannot qualify for federal Title IV-E prevention matching funds.

10. The federal Consolidated Appropriations Act enacted in December, 2022, expanded and modified the MIECHV grant program. Wisconsin's standard allocation, which was \$8.6 million for services delivered beginning in federal fiscal year (FFY) 2022-23, is expected to increase to \$9.4 million per year, with an additional \$0.5 million (\$9.9 million total) for FFY 2023-24 only. In addition, the Act created a new matching portion of the MIECHV grant that will provide an additional \$3 of federal funding for each \$1 of state funding expended above a maintenance-of-effort level, up to a maximum award amount. Wisconsin's maintenance of effort amount is \$985,700 GPR, and the table below shows the expected maximum matching FED grant amounts for each of the next five years.

Estimated MIECHV Funding Above FFY 2022-23 Base Level (\$ in Millions)

<u>FFY</u>	<u>Standard Grant</u>	<u>Matching Grant</u>	<u>Total</u>
2023-24	\$1.3	\$0.0	\$1.3
2024-25	0.8	0.7	1.5
2025-26	0.8	1.4	2.2
2026-27	0.8	2.0	2.8
2027-28	0.8	3.9	4.7

11. DCF estimates that implementing a home visiting program at a new local agency would require ongoing funding of \$333,300 on average, and that new agencies could typically provide services covering two counties or tribes. The required funding and region covered could vary significantly between organizations, however, depending on the size of the at-risk population in their service area and the geographic extent of the county or tribal boundaries. Based on recent grant applications, DCF anticipates that new agencies would require start-up funding of approximately 30% of their ongoing grant prior to the first year of operations.

12. The Committee could provide \$4,000,000 (\$3,896,000 GPR and \$104,000 FED from Title IV-E) beginning in 2024-25 and corresponding start-up funding of \$1,200,000 GPR in 2023-24, as provided in AB 43/SB 70, to support expanding FFHV services to approximately 12 new local agencies. These agencies could make services available in approximately 24 counties and tribes that currently do not have access to FFHV programs. The expansion in MIECHV funding could support additional new home visiting agencies, and both funding sources could also support increasing funding provided to existing grantees to enable them to serve more at-risk families. [Alternative 1]

13. Taking into account the anticipated \$1.3 million increase in MIECHV funding for 2023-24 and the gradually increasing amounts in subsequent years, the Committee could provide reduced start-up funding in 2023-24 and provide one-time funding in 2024-25 that would be replaced by MIECHV in 2025-26 and beyond. Bringing the all-funds change to base to \$1.8 million in 2023-24 and \$6.0 million in 2024-25 would allow the program to continue at this funding level in 2025-26 and at or above this level in subsequent years with the same \$4.0 million in ongoing funding as provided under AB 43/SB 70, and maintain the 30% start-up funding in the first year. This would require \$478,000 GPR in 2023-24, one-time funding of \$429,000 (\$417,800 GPR and \$11,200 FED from Title IV-E) in 2024-25, and ongoing funding of \$4,000,000 (\$3,896,000 GPR and \$104,000 FED from Title IV-E) beginning in 2024-25. The combined state and MIECHV funding increase of \$6.0 million would support expanding FFHV services to approximately 37 counties and tribes, all those that do not currently have services available. Service coverage would depend on the availability of suitable local agencies to provide home visiting services, and these funds could also be used to increase funding provided to existing grantees to enable them to serve more at-risk families. [Alternative 2]

14. To reduce ongoing GPR commitment, the Committee could select any lower amount. For example, to provide \$3,000,000 (\$2,922,000 GPR and \$78,000 FED from Title IV-E) in ongoing funding beginning in 2024-25, and account for the MIECHV funding and need for 30% start-up funding as in Alternative 2, the Committee could additionally provide \$177,000 GPR in 2023-24 and

one-time funding of \$429,000 (\$417,800 GPR and \$11,200 FED from Title IV-E) in 2024-25. This would bring the all-funds FFHV expansion to \$5.0 million beginning in 2024-25, sufficient to support approximately 15 new agencies serving approximately 30 counties and tribes that do not currently have access to FFHV services. Once the federal MIECHV expansion is fully phased in (2027-28), the estimated all-funds amount available would be \$7.7 million above the 2022-23 base level. [Alternative 3]

15. As another example of a reduced ongoing GPR commitment, the Committee could provide \$1,285,000 (\$1,251,600 GPR and \$33,400 FED from Title IV-E) beginning in 2024-25. Corresponding one-time funding of \$426,000 (\$414,900 GPR and \$11,100 FED from Title IV-E) in 2024-25 would allow the all-funds amount in 2024-25 to match the expected amount in 2025-26, a \$3.3 million expansion. Once the federal MIECHV expansion is fully phased in (2027-28), this would bring the estimated all-funds amount available to \$6.0 million above the 2022-23 base level. This corresponds to the estimated funding needed to implement FFHV services in all 37 remaining counties and tribes that currently do not have access to these services, although this funding level would not be reached until 2027-28, by which time costs and the population in need of services may have increased. In 2024-25, the \$3.3 million all-funds increase could support approximately 10 new local home visiting agencies, serving approximately 20 counties and tribes that do not currently have access to FFHV programs. [Alternative 4]

16. The Committee could determine that the increased MIECHV funding will provide sufficient home visiting services, and take no action. The \$1.5 million MIECHV increase in 2024-25 could support four to five new local home visiting agencies, serving approximately nine counties and tribes that do not currently have access to FFHV programs. [Alternative 5]

ALTERNATIVES

1. Provide \$1,200,000 GPR in 2023-24 and \$4,000,000 (\$3,896,000 GPR and \$104,000 FED from Title IV-E) in 2024-25 to expand the Family Foundations Home Visiting (FFHV) program.

ALT 1	Change to Base
GPR	\$5,096,000
FED	<u>104,000</u>
Total	\$5,200,000

2. Provide \$478,000 GPR in 2023-24 and \$4,429,000 (\$4,313,800 GPR and \$115,200 FED from Title IV-E), consisting of one-time funding of \$429,000 (\$417,800 GPR and \$11,200 FED from Title IV-E) and ongoing funding of \$4,000,000 (\$3,896,000 GPR and \$104,000 FED from Title IV-E), in 2024-25 to expand the Family Foundations Home Visiting (FFHV) program.

ALT 2	Change to Base
GPR	\$4,791,800
FED	<u>115,200</u>
Total	\$4,907,000

3. Provide \$177,000 GPR in 2023-24 and \$3,429,000 (\$3,339,800 GPR and \$89,200 FED from Title IV-E), consisting of one-time funding of \$429,000 (\$417,800 GPR and \$11,200 FED from Title IV-E) and ongoing funding of \$3,000,000 (\$2,922,000 GPR and \$78,000 FED from Title IV-E), in 2024-25 to expand the Family Foundations Home Visiting (FFHV) program.

ALT 3	Change to Base
GPR	\$3,516,800
FED	<u>89,200</u>
Total	\$3,606,000

4. Provide \$1,711,000 (\$1,666,500 GPR and \$44,500 FED from Title IV-E), consisting of one-time funding of \$426,000 (\$414,900 GPR and \$11,100 FED from Title IV-E) and ongoing funding of \$1,285,000 (\$1,251,600 GPR and \$33,400 FED from Title IV-E), in 2024-25 to expand the Family Foundations Home Visiting (FFHV) program.

ALT 4	Change to Base
GPR	\$1,666,500
FED	<u>44,500</u>
Total	\$1,711,000

5. Take no action.

Prepared by: Carl Plant
Attachment

ATTACHMENT

Family Foundations Comprehensive Home Visiting Program Funding - FFY 2023

<u>Local Implementing Agencies</u>	<u>Counties, Tribes, and Bands Served</u>	<u>DCF Grant</u>	<u>Agency Match</u>	<u>Total Contract</u>
Adams County Health Department	Adams, Juneau, and Sauk Counties	\$994,900	\$248,700	\$1,243,600
Children's Hospital of Wisconsin Community Services (CHW-CS) for Northwoods Healthy Families	Forest, Langlade, Lincoln, Oneida, and Vilas Counties	642,200	160,600	802,800
CHW-CS for Milwaukee County	Milwaukee County	579,400	144,800	724,200
CHW-CS for Western Wisconsin	Jackson and Trempealeau Counties	411,700	102,900	514,700
CHW-CS for Rock County	Rock County	516,200	129,100	645,300
Easter Seals Southeast Wisconsin	Milwaukee, Walworth, Waukesha, and Jefferson Counties	1,003,900	251,000	1,254,900
Family and Children's Center	La Crosse and Vernon Counties	563,600	140,900	704,500
Family Resource Center St. Croix Valley	St. Croix, Pierce, and Polk Counties	410,800	102,700	513,500
Family Services N.E.W.	Brown and Winnebago Counties	2,004,100	501,000	2,505,100
Great Lakes Inter-Tribal Council	Bad River Band of Lake Superior Chippewa, Sokaogon Chippewa Community, St. Croix Chippewa Indians of Wisconsin, Lac du Flambeau Band of Lake Superior Chippewa, and Burnett County	1,499,700	374,900	1,874,600
Indianhead Community Action Agency	Clark, Rusk, Sawyer, Taylor, and Washburn Counties	637,300	159,300	796,700
Kenosha County Division of Health Services	Kenosha County	1,538,300	384,600	1,922,800
Lac Courte Oreilles Mino Maajisewin Home Visitation Program	Lac Courte Oreilles Band of Lake Superior Chippewa	507,400	126,800	634,200
Lakeshore CAP	Manitowoc County	328,000	82,000	409,900
Milwaukee City Health Department	Milwaukee County	1,391,600	347,900	1,739,500
Next Door	Milwaukee County	457,200	114,300	571,500
Public Health Madison & Dane County	Dane County	338,000	84,500	422,500
Racine County Human Services	Racine County	952,000	238,000	1,190,000
Reach Dane for Green County	Green County	324,900	81,200	406,200
Red Cliff Band of Lake Superior Chippewa	Red Cliff Band of Lake Superior Chippewa	397,000	99,300	496,300
Southwestern Wisconsin Community Action Program	Iowa, Grant, Lafayette, and Richland Counties	357,400	89,400	446,800
Western NFP Collaborative	Chippewa, Eau Claire, and Dunn Counties	<u>414,400</u>	<u>103,600</u>	<u>518,000</u>
Total	40 Counties and 6 Tribes and Bands	\$16,268,700	\$4,067,200	\$20,335,900

