

# Child Welfare Agency Spending in Alabama in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Alabama for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

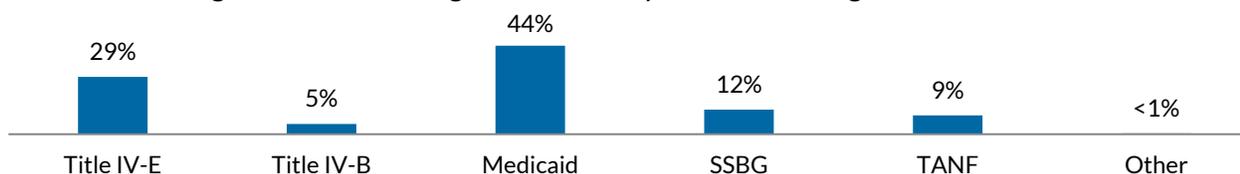
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$328,862,115	N/A	N/A
Federal	\$184,188,490	164%	-9%
State	\$141,620,823	N/A	-32%
Local	\$3,052,802	N/A	812%
Offsets and other <sup>3</sup>	Unable to provide	N/A	N/A

In SFY 2018, more than half of expenditures in Alabama was financed by federal dollars.



## Federal Expenditures

Medicaid is the largest federal funding source used by child welfare agencies in Alabama.



## Title IV-E

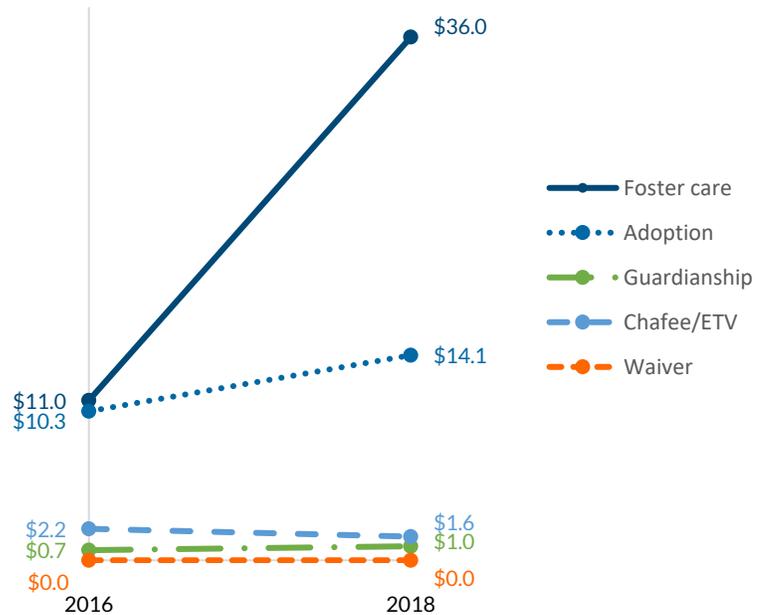
Total in SFY 2018: \$52,759,074

Change from SFY 2016: 118%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not Alabama, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$53 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in foster care, adoption, and guardianship, and a decrease in Chafee/ETV expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

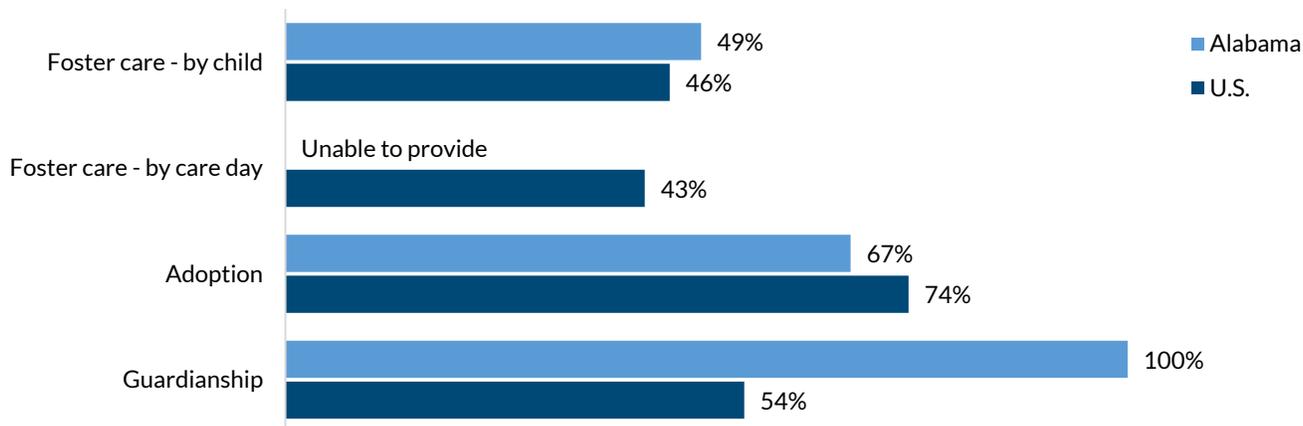


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



**Title IV-B** **Total in SFY 2018:** \$9,363,985 **Change from SFY 2016:** -15%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

**Medicaid** **Total in SFY 2018:** \$81,363,680 **Change from SFY 2016:**  
New funding source in SFY 2018

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

**Uses of Medicaid dollars by child welfare agencies in Alabama:**

- Rehabilitative services
- Targeted case management
- Treatment foster care
- Other: Inpatient psychiatric therapy for individuals under 21

**TANF** **Total in SFY 2018:** \$17,292,974 **Change from SFY 2016:** 89%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

**Top categories of TANF spending by child welfare agencies in Alabama:**

- Other child welfare services
- Emergency assistance
- Family preservation services

## SSBG

Total in SFY 2018: \$22,601,649

Change from SFY 2016: -5%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Alabama:

- Case management services
- Child protective services
- Administrative costs

## Other federal funds

Total in SFY 2018: \$807,128

Change from SFY 2016: -49%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Alabama uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on out-of-home placements and much larger proportion on preventive services.



## Top funding sources for child welfare expenses

Alabama indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – Title IV-B – State funds
	Family foster care	– Title IV-E – Title IV-B – State funds
	Congregate care	– Title IV-E – Title IV-B – State funds

Service category	Sub-category	Top funding sources <sup>15</sup>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- TANF</li> <li>- State funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- Title IV-B</li> <li>- State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>- TANF</li> <li>- SSBG</li> <li>- State funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- Title IV-B</li> <li>- State funds</li> </ul>

## Out-of-home placement setting expenditures<sup>16</sup>

Below is a detailed breakdown of Alabama's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$11,028,643	\$935,843	\$11,964,486	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$58,940,317</b>	-	-	<b>\$39,061,879</b>

"-" means the state was unable to provide information.

## Adoption and guardianship costs<sup>17</sup>

Below is a detailed breakdown of Alabama's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$16,115,977	\$1,634,425	\$17,750,402	-	-	-
Post-adoption supports and services	-	\$1,195,332	-	-	-	-
Guardianship assistance	\$834,947	\$133,504	\$968,451	-	-	-
Post-guardianship supports and services	\$0	\$0	\$0	-	-	-
<b>Total</b>	-	<b>\$2,963,261</b>	-	-	-	<b>\$2,893,473</b>

"-" means the state was unable to provide information.

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<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Alabama is October 1, 2017 to September 30, 2018.

<sup>2</sup> See the main report (*“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”*) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Alabama was unable to provide information about offsets and other funds for SFY 2018 so total expenditures may be understated and some comparisons to other SFYs cannot be made. In addition, Alabama was unable to report state and local expenditures for SFY 2016, therefore some comparisons to other SFYs cannot be made.

<sup>3</sup> Alabama was unable to provide information about offsets, third party in-kind contributions, and private dollars for SFY 2018.

<sup>4</sup> By “foster care,” we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By “adoption,” we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By “guardianship,” we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By “transition supports,” we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

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The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency's(ies') total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>12</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>13</sup> See endnote 2.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Alabama, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

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**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

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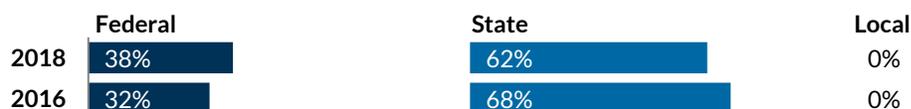
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Alaska increased since SFY 2016 and decreased from SFY 2008 to 2018.

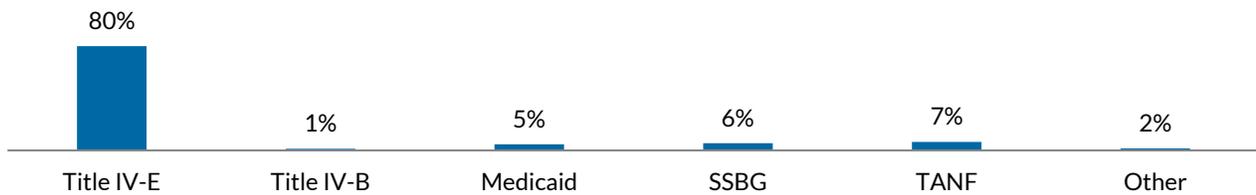
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$160,153,202	6%	-12%
Federal	\$59,367,489	24%	18%
State	\$97,417,400	-6%	-26%
Local	\$0	0%	0%
Offsets and other <sup>3</sup>	\$3,368,313	N/A	N/A

The proportion of spending from federal, state, and local sources in Alaska has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by federal dollars.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Alaska.



## Title IV-E

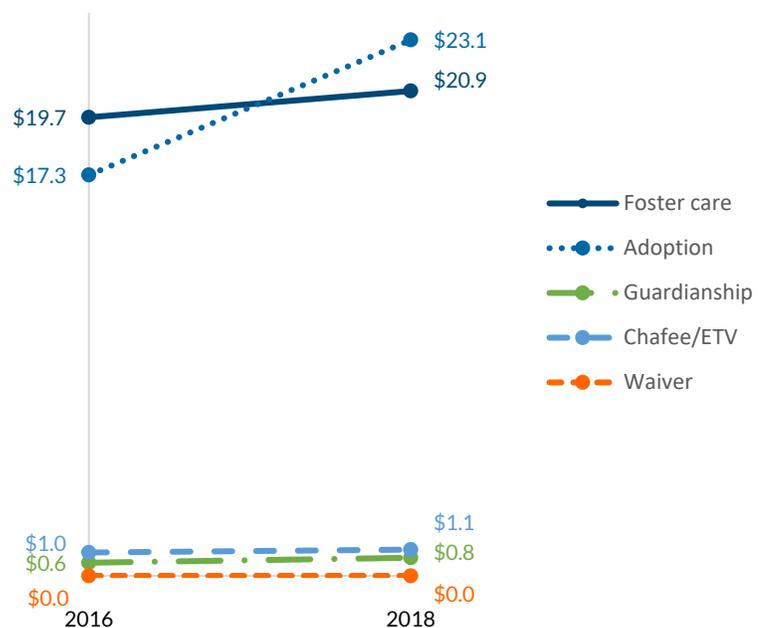
Total in SFY 2018: \$47,750,594

Change from SFY 2016: 24%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not Alaska, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$48 million in Title IV-E expenditures in SFY 2018, \$46 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase across all expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

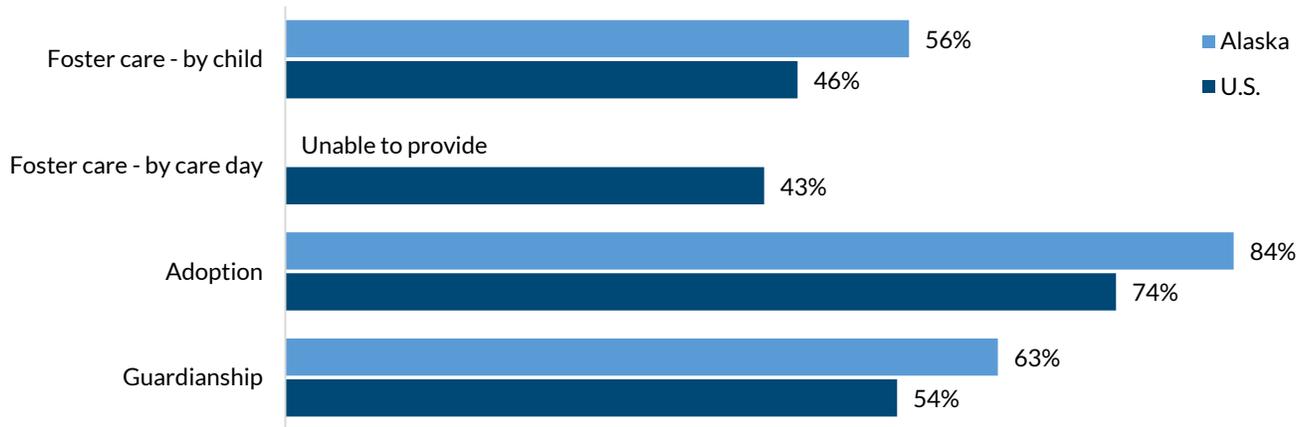


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



### Title IV-B

Total in SFY 2018: \$731,192

Change from SFY 2016: 71%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$2,787,302

Change from SFY 2016: 348%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in Alaska:

- Rehabilitative services
- Treatment foster care

### TANF

Total in SFY 2018: \$3,873,956

Change from SFY 2016: 44%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Alaska:

- Family preservation services
- Other child welfare services
- Supportive services

## SSBG

Total in SFY 2018: \$3,297,777

Change from SFY 2016: 13%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Alaska:

- Case management services
- Child protective services
- Foster care services for children

## Other federal funds

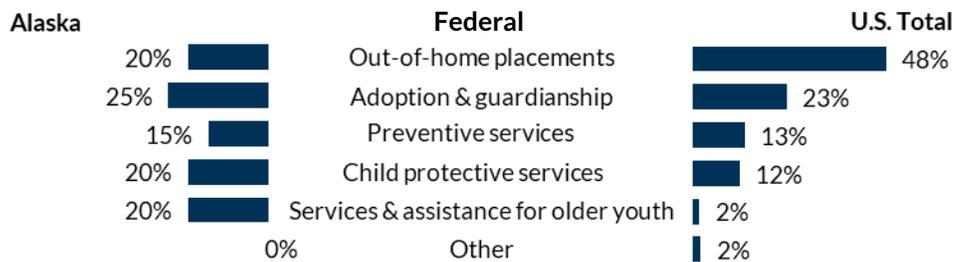
Total in SFY 2018: \$926,667

Change from SFY 2016: -67%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Alaska uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a much smaller proportion on out-of-home placements and a larger proportion on services and assistance for older youth.



Alaska uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on out-of-home placements and larger proportion on adoption and guardianship services.



## Top funding sources for child welfare expenses

Alaska indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – State funds
	Family foster care	– Title IV-E – State funds
	Congregate care	– Title IV-E – State funds
Preventive services	All preventive services categories	– Title IV-B – Other federal funds – State funds
	Parent skill-based programs and services	– Title IV-B – Medicaid – State funds
	Mental health treatment	– Medicaid – State funds
	Financial supports	– Title IV-E
	Caseworker visits and administration	– Title IV-E – SSBG – State funds
Adoption and guardianship		– Title IV-E – SSBG – State funds
Child protective services		– Title IV-E – SSBG – State funds
Services and assistance for older youth		– Title IV-E – Other federal funds – State funds

## Out-of-home placement setting expenditures<sup>17</sup>

Below is a detailed breakdown of Alaska's spending on out-of-home care.

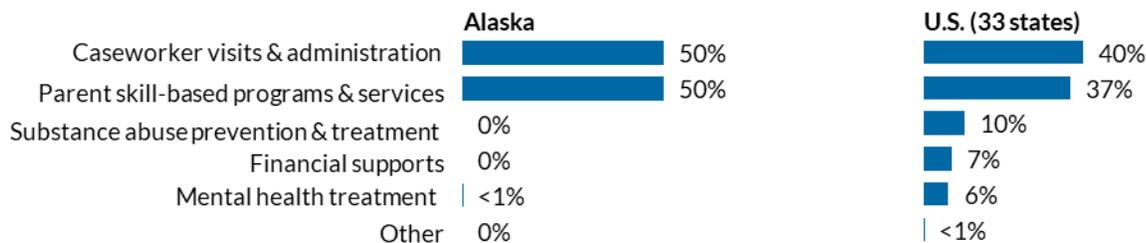
	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	\$16,847,800	\$187,560	\$17,035,360
Service costs	-	-	-	-	-	-

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of Alaska's state/local spending on preventive services, the state spends half on parent skill-based programs and half on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs

Below is a detailed breakdown of Alaska's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	-	-	-	\$19,925,100	-	-
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	-	-	-	\$554,662	-	-
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Alaska is July 1, 2017 to June 30, 2018.

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The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we

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treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

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<sup>3</sup> Alaska was unable to provide information about third party in-kind contributions for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By “foster care,” we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By “adoption,” we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By “guardianship,” we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By “transition supports,” we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

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The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for the methodology used to calculate these rates.

The state calculated the foster care (by child), adoption, and guardianship coverage rates using an average quarterly count of unduplicated children instead of the total number of children for the SFY.

<sup>9</sup> For this survey, states were asked to report their child welfare agency’s(ies’) total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total

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reported here may not represent the state's total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

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<sup>13</sup> See endnote 2.

Alaska was unable to report SFY 2018 expenditures for the Adoption Opportunities Program. Therefore, the total amount of "other federal" expenditures may be understated.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Alaska, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

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<sup>16</sup> This information is presented in no particular order.

<sup>17</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

<sup>18</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Arizona in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Arizona for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Arizona decreased slightly since SFY 2016 and increased from SFY 2008 to 2018.

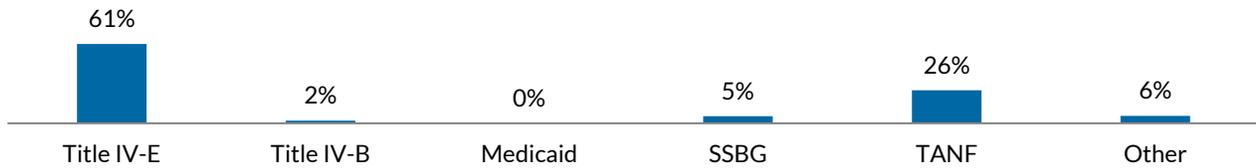
	Amount in SFY 2018	SFY 2016	% Change from SFY 2008
<b>Overall</b>	\$900,139,286	-3%	39%
Federal	\$512,028,405	10%	51%
State	\$380,949,797	-17%	23%
Local	\$1,440,845	New funding source in SFY 2018	New funding source in SFY 2018
Offsets and other <sup>3</sup>	\$5,720,239	N/A	N/A

The proportion of spending from federal, state, and local sources in Arizona has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by federal dollars.

	Federal	State	Local
2018	57%	43%	<1%
2016	50%	50%	0%

# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Arizona.

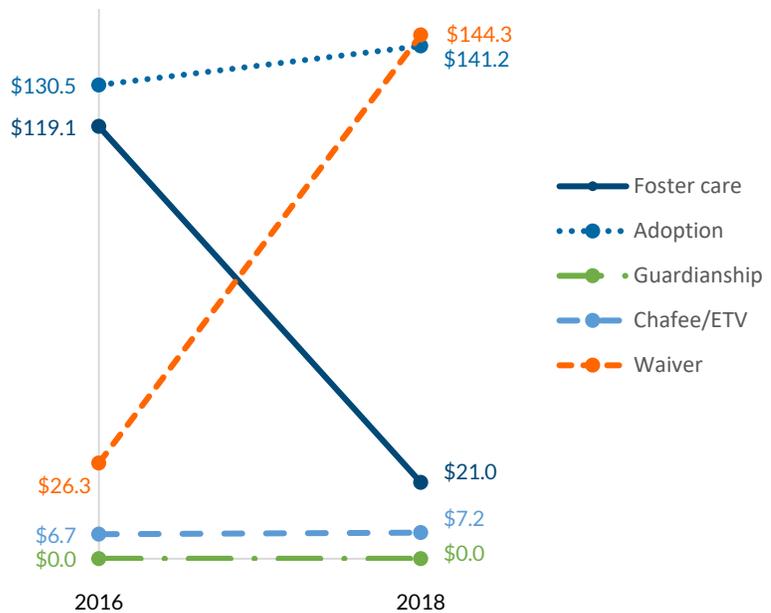


## Title IV-E Total in SFY 2018: \$313,720,976 Change from SFY 2016: 11%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Arizona, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$314 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in adoption, Chafee/ETV, and waiver expenditures and a decrease in foster care expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

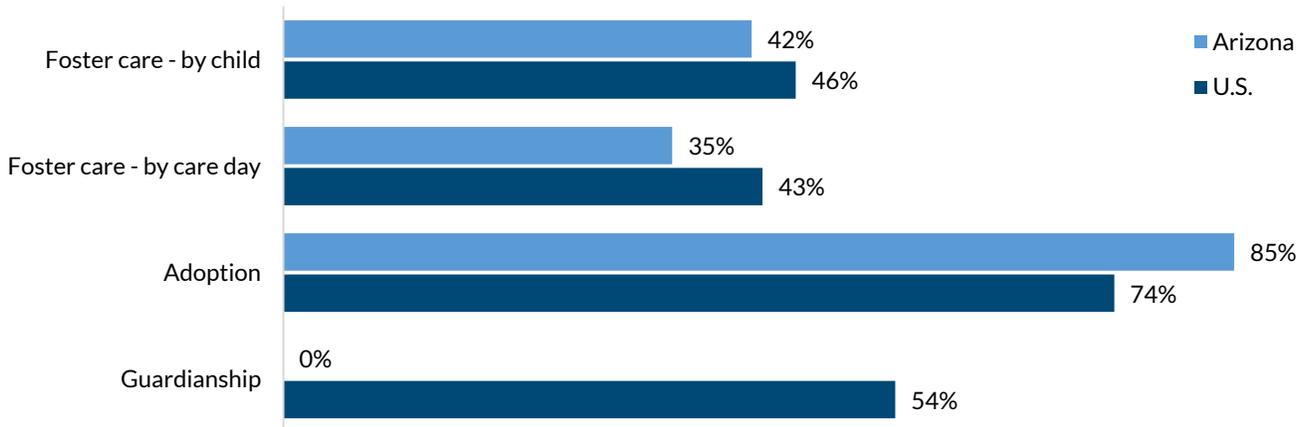


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$144 million**

Arizona reported \$144 million in waiver expenditures in SFY 2018. Arizona began its waiver in July 2016.

### Arizona spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$121,880,400
Expenditures that would be reimbursable if the child was IV-E eligible	\$21,596,118
Expenditures that are were reimbursable only because of waiver	\$0
Project development and evaluation costs	\$815,609

## Title IV-B

**Total in SFY 2018: \$10,482,392**

**Change from SFY 2016: -27%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$0**

**Change from SFY 2016: 0%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## TANF

Total in SFY 2018: \$130,864,343

Change from SFY 2016: -3%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Arizona:

- Foster care payments
- Child welfare services
- Relative foster care payments and adoption/guardianship subsidies

## SSBG

Total in SFY 2018: \$27,772,840

Change from SFY 2016: 27%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Arizona:

- Foster care services for children
- Case management services
- Other

## Other federal funds

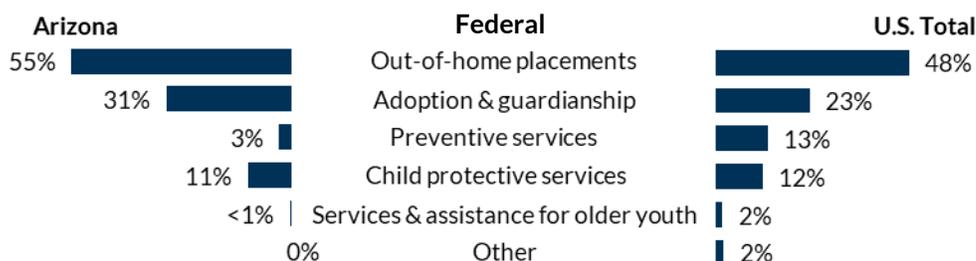
Total in SFY 2018: \$29,187,854

Change from SFY 2016: 129%

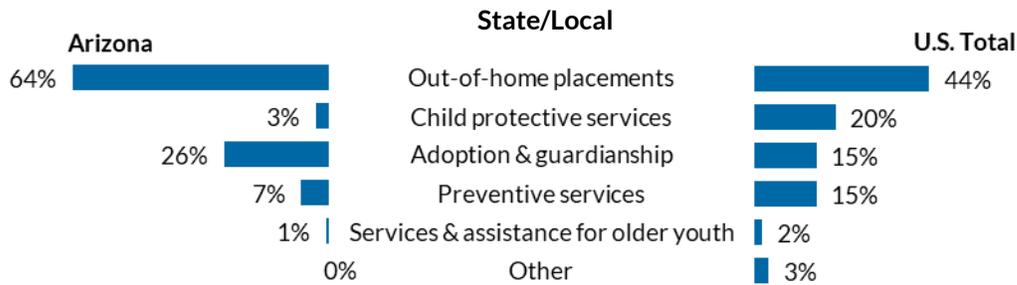
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Arizona uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on preventive services and a larger proportion on adoption and guardianship services.



Arizona uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a much larger proportion on out-of-home placements and a smaller proportion on child protective services.



## Top funding sources for child welfare expenses

Arizona indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>State funds</li> <li>Local funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>State funds</li> <li>Local funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>TANF</li> <li>Other federal funds</li> <li>State funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>TANF</li> <li>State funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>TANF</li> <li>State funds</li> </ul>
	Adoption and guardianship	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>

Service category	Sub-category	Top funding sources <sup>16</sup>
Child protective services		- Title IV-E
		- TANF
		- State funds
Services and assistance for older youth		- Title IV-E
		- State funds

## Out-of-home placement setting expenditures<sup>17</sup>

Below is a detailed breakdown of Arizona's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$30,259,080	\$54,432,425	\$84,691,505	\$21,228,497	\$39,209,289	\$60,437,786
Service costs	\$47,748,185	\$76,812,701	\$124,560,886	\$15,835,250	\$35,876,980	\$51,712,230
Administrative and training costs	\$25,716,396	\$45,456,985	\$71,173,381	\$35,253,590	\$95,758,603	\$131,012,193
<b>Total</b>	<b>\$103,723,661</b>	<b>\$176,702,111</b>	<b>\$280,425,772</b>	<b>\$72,317,337</b>	<b>\$170,844,872</b>	<b>\$243,162,209</b>

"-" means the state was unable to provide information.

## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of Arizona's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$149,022,315	-	-	\$81,240,473	-	-
Post-adoption supports and services	\$1,473,821	-	-	\$1,145,444	-	-
Guardianship assistance	\$2,418,787	-	-	\$9,479,909	-	-
Post-guardianship supports and services	\$0	\$0	\$0	\$0	-	-
<b>Total</b>	<b>\$152,914,923</b>	<b>-</b>	<b>-</b>	<b>\$91,865,826</b>	<b>-</b>	<b>-</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Arizona is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the

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SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

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<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

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**MARCH 2021**

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- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$162,419,450	N/A	16%
Federal	\$105,184,431	9%	36%
State	\$55,861,186	-14%	-11%
Local	\$0	N/A	0%
Offsets and other <sup>3</sup>	\$1,373,833	N/A	N/A

In SFY 2018, more than half of expenditures in Arkansas was financed by federal dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Arkansas.



## Title IV-E

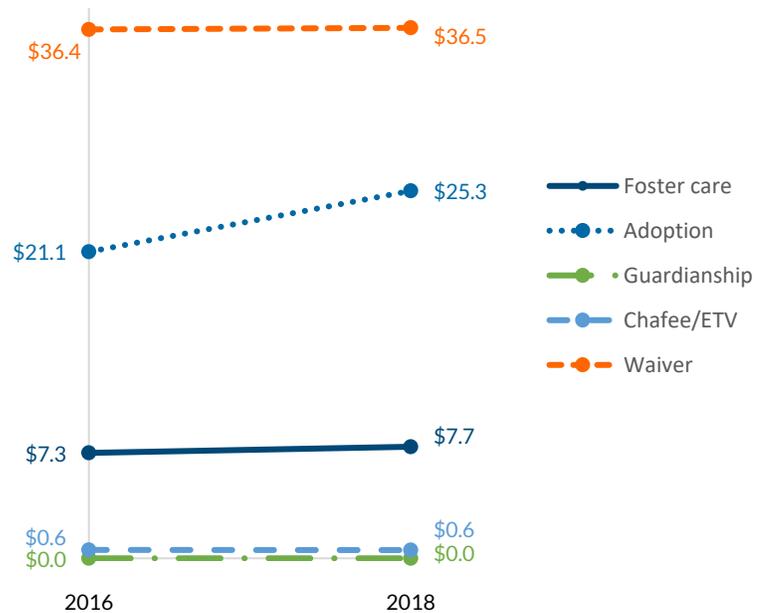
Total in SFY 2018: \$70,094,095

Change from SFY 2016: 7%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Arkansas, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$70 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in foster care and adoption expenditures, and a decrease in Chafee/ETV expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

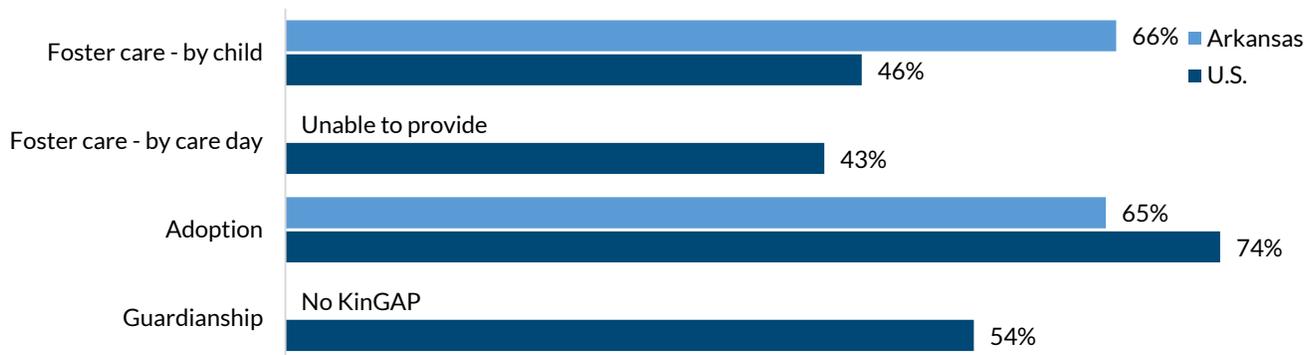


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$37 million**

Arkansas reported \$37 million in waiver expenditures in SFY 2018. Arkansas began its waiver in July 2013.

### Arkansas spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$29,149,987
Expenditures that would be reimbursable if the child was IV-E eligible	\$7,239,849
Expenditures that are were reimbursable only because of waiver	\$0
Project development and evaluation costs	\$144,033

## Title IV-B

**Total in SFY 2018: \$7,750,791**

**Change from SFY 2016: 10%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$1,511,725**

**Change from SFY 2016: 64%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### Uses of Medicaid dollars by child welfare agencies in Arkansas:

- Targeted case management

## TANF

**Total in SFY 2018: \$14,908,947**

**Change from SFY 2016: 39%**

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Arkansas:

- Family preservation services
- Emergency services
- Other child welfare services

### SSBG

Total in SFY 2018: \$10,244,025

Change from SFY 2016: -7%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Arkansas:

- Counseling services
- Prevention and intervention services
- Residential treatment

### Other federal funds

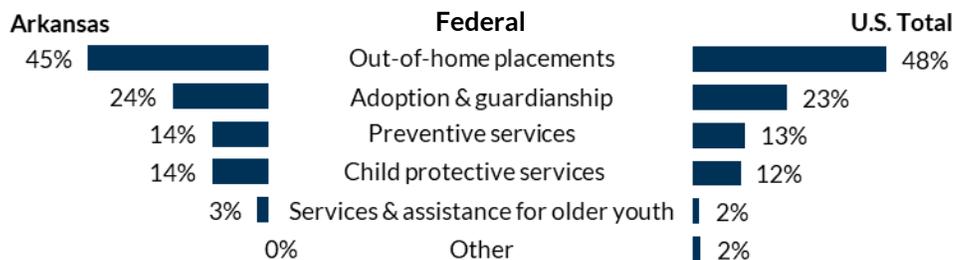
Total in SFY 2018: \$674,848

Change from SFY 2016: -51%

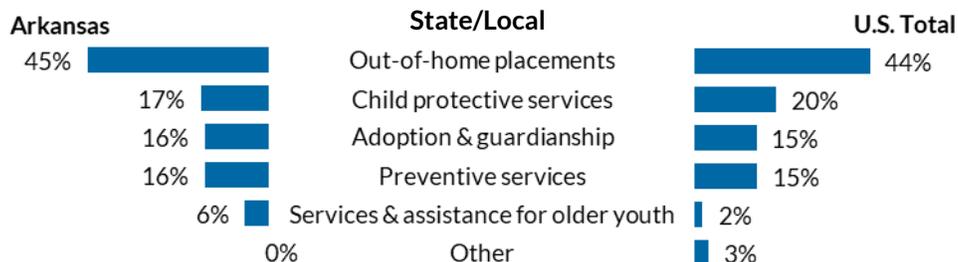
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Arkansas uses its federal funds slightly differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on out-of-home placements and a larger proportion on child protective services.



Arkansas uses its state/local funds slightly differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on child protective services and other uses of federal funds and a larger proportion on services and assistance for older youth.



## Top funding sources for child welfare expenses

Arkansas indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– State funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– State funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– SSBG</li> <li>– State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– State funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>

## Out-of-home placement setting expenditures<sup>17</sup>

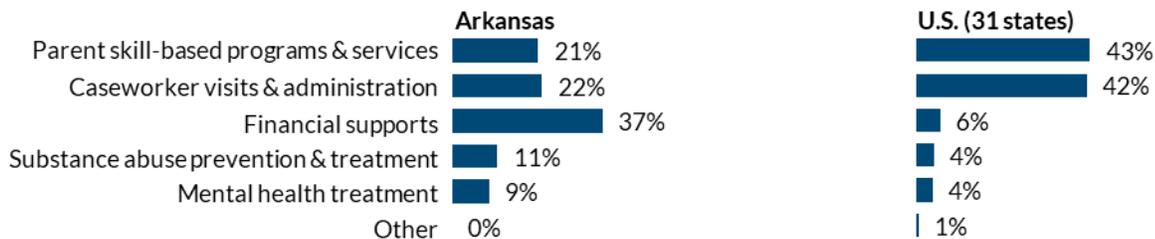
Below is a detailed breakdown of Arkansas's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	<b>\$25,137,534</b>

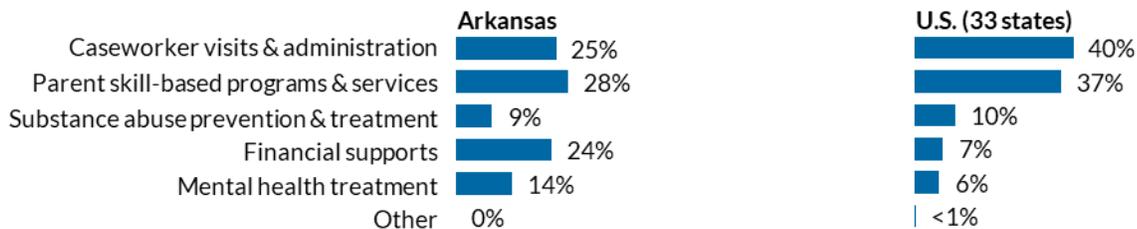
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of Arkansas's federal spending on preventive services, the state spends more than a third on financial supports. This is different than other states.



Out of Arkansas's state/local spending on preventive services, the state spends more than a quarter on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of Arkansas's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$21,661,552	\$3,645,776	\$25,307,328	-	-	-
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	\$0	\$0	\$0	-	-	-
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	<b>\$8,937,790</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Arkansas is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Arkansas was unable to report local expenditures for SFY 2016, therefore some comparisons to other SFYs cannot be made.

<sup>3</sup> Arkansas was unable to provide information about some categories of offsets, third party in-kind contributions, private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child

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welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

Arkansas was unable to report expenditures for Title IV-E foster care maintenance payments for SFY 2018. Therefore, the reported Title IV-E amount may be understated.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency’s(ies’) total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state’s total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the “*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*” report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>12</sup> The formal SSBG category names and definitions are available in the “*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*” report.

<sup>13</sup> See endnote 2.

Arkansas was unable to report SFY 2018 expenditures for the following programs: Children's Justice Act, Adoption Opportunities, and Maternal, Infant, and Early Childhood Home Visiting. Therefore, the total amount of “other federal” expenditures may be understated.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Arkansas, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Arkansas, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>16</sup> This information is presented in no particular order.

<sup>17</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for definitions of family foster care and congregate care.

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The reported state/local expenditure amounts are approximations.

<sup>18</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>19</sup> The reported state/local amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in California in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in California for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

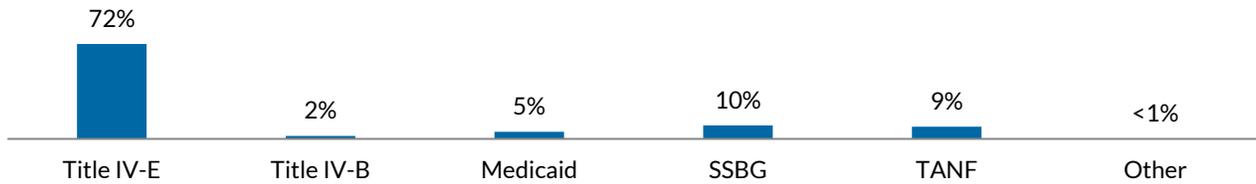
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$4,867,209,623	N/A	N/A
Federal	\$2,763,642,560	6%	16%
State	\$185,526,202	N/A	-88%
Local	\$1,918,040,860	N/A	140%
Offsets and other <sup>3</sup>	Unable to provide	N/A	N/A

The proportion of spending from federal, state, and local sources in California has not changed since SFY 2016.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in California.



## Title IV-E

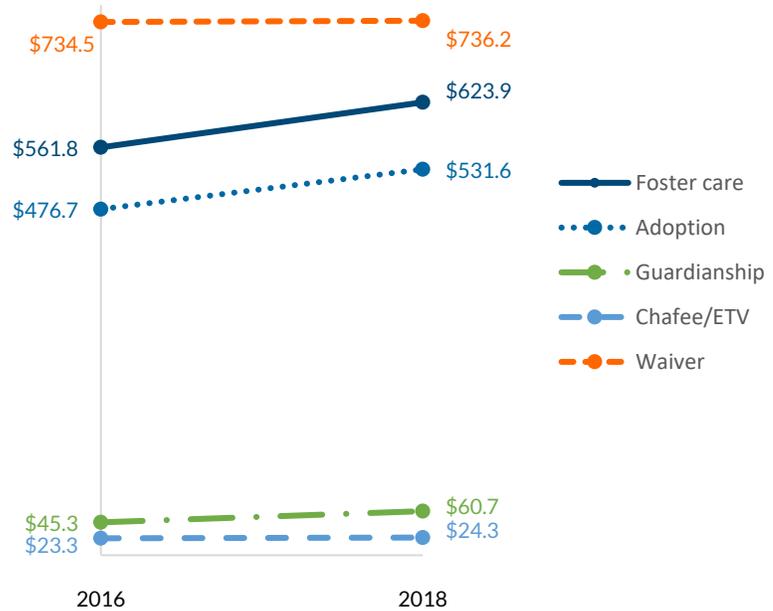
Total in SFY 2018: \$2,000,568,545

Change from SFY 2016: 9%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including California, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$2,001 billion in Title IV-E expenditures in SFY 2018 nearly all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase across all expenditures except for waiver expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

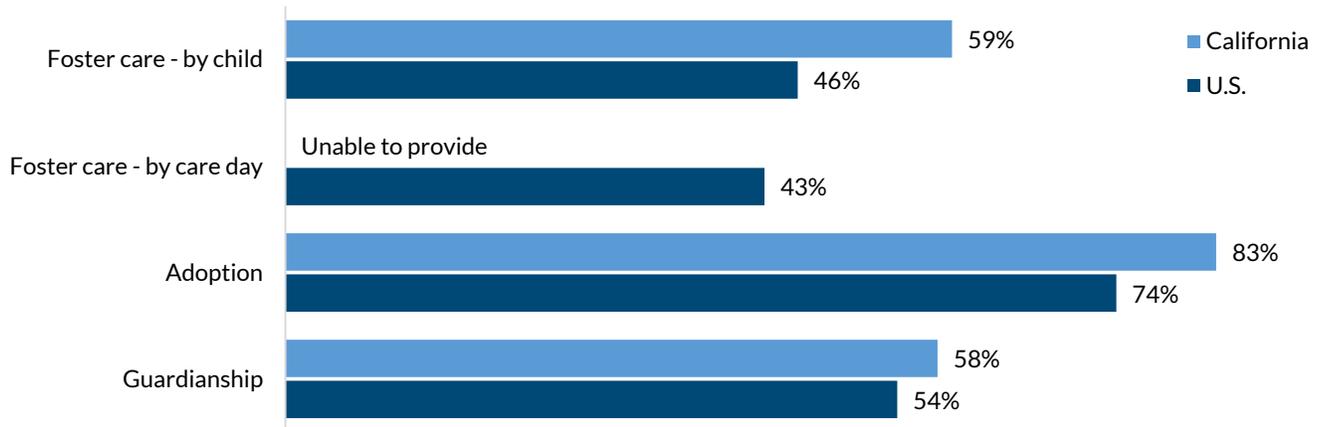


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$736  
million**

California reported \$736 million in waiver expenditures in SFY 2018. California began its waiver in July 2007.

## Title IV-B

**Total in SFY 2018:** \$62,174,665

**Change from SFY 2016:** -4%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018:** \$151,313,892

**Change from SFY 2016:** 3%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### Uses of Medicaid dollars by child welfare agencies in California:

- Targeted case management
- Other: Administrative costs

## TANF

Total in SFY 2018: \$258,223,879

Change from SFY 2016: 1%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in California:

- Child welfare services
- Emergency services
- Relative foster care payments and adoption/guardianship subsidies

## SSBG

Total in SFY 2018: \$284,663,716

Change from SFY 2016: -2%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in California:

- Day care for children
- Foster care services for children
- Services for people with disabilities

## Other federal funds

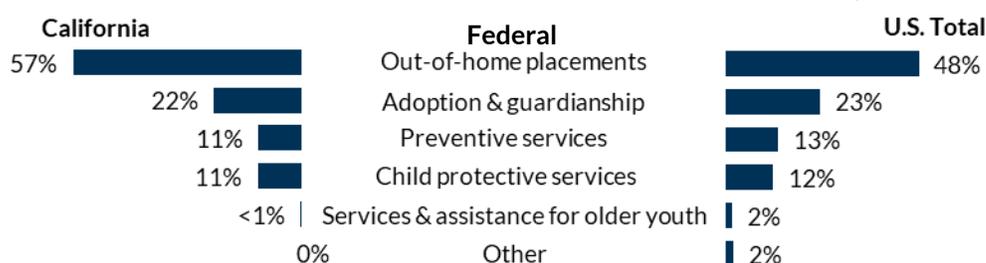
Total in SFY 2018: \$6,697,863

Change from SFY 2016: 23%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

California uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on other categories.



## Top funding sources for child welfare expenses

California indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– Local funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– Local funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– Medicaid</li> <li>– Local funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– Local funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– Local funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– TANF</li> <li>– Local funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>

## Out-of-home placement setting expenditures<sup>16</sup>

Below is a detailed breakdown of California's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$89,575,503	\$157,672,145	\$247,247,648	\$291,629,057	\$327,019,770	\$618,648,827
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$1,556,221,840</b>	-	-	-

"-" means the state was unable to provide information.

## Adoption and guardianship costs<sup>17</sup>

Below is a detailed breakdown of California's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$453,720,169	\$77,906,287	\$531,626,456	\$680,580,254	-	-
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	\$57,010,882	\$3,679,211	\$60,690,093	\$63,012,027	-	-
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$594,542,498</b>	-	-	-

"-" means the state was unable to provide information.

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Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

California was unable to provide information about offsets, third party in-kind contributions, and private dollars for SFY 2018 so total expenditures may be understated and some comparisons to other SFYs cannot be made. The state also reported that state/local expenditures for SFY 2018 are underestimated because not all county expenditures are reported through the state claiming process. In addition, California was unable to provide state and local expenditures separately for SFY 2016. Instead, they reported state and local expenditures combined.

<sup>3</sup> California was unable to provide information about offsets, third party in-kind contributions, and private dollars for SFY 2018.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

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The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

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Total TANF expenditures exclude any funds transferred to SSBG.

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**MARCH 2021**

# Child Welfare Agency Spending in Colorado in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Colorado for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

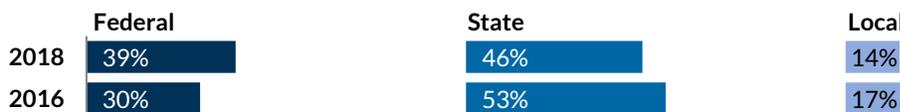
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Colorado decreased since SFY 2016 and decreased from SFY 2008 to 2018.

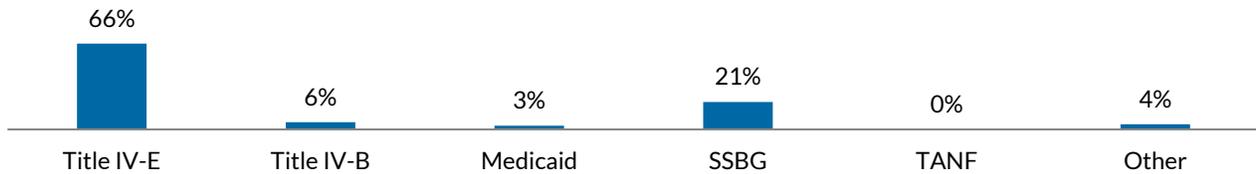
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$390,495,868	-21%	-21%
Federal	\$150,996,558	2%	-14%
State	\$178,525,786	-31%	-18%
Local	\$54,632,766	-37%	-45%
Offsets and other <sup>3</sup>	\$6,340,758	N/A	N/A

The proportion of spending from federal, state, and local sources in Colorado has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by federal dollars.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Colorado.

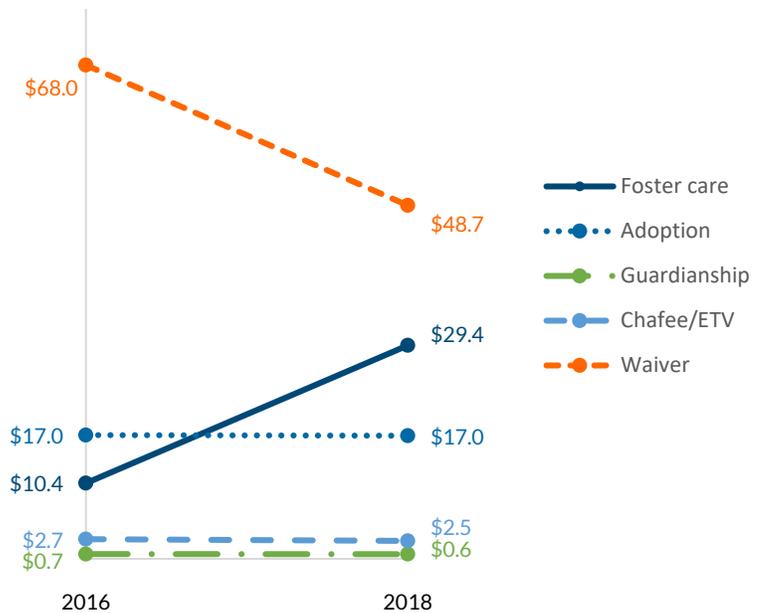


## Title IV-E Total in SFY 2018: \$100,074,026 Change from SFY 2016: 1%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Colorado, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$100 million in Title IV-E expenditures in SFY 2018, \$98 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was a decrease across all expenditures except for foster care expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

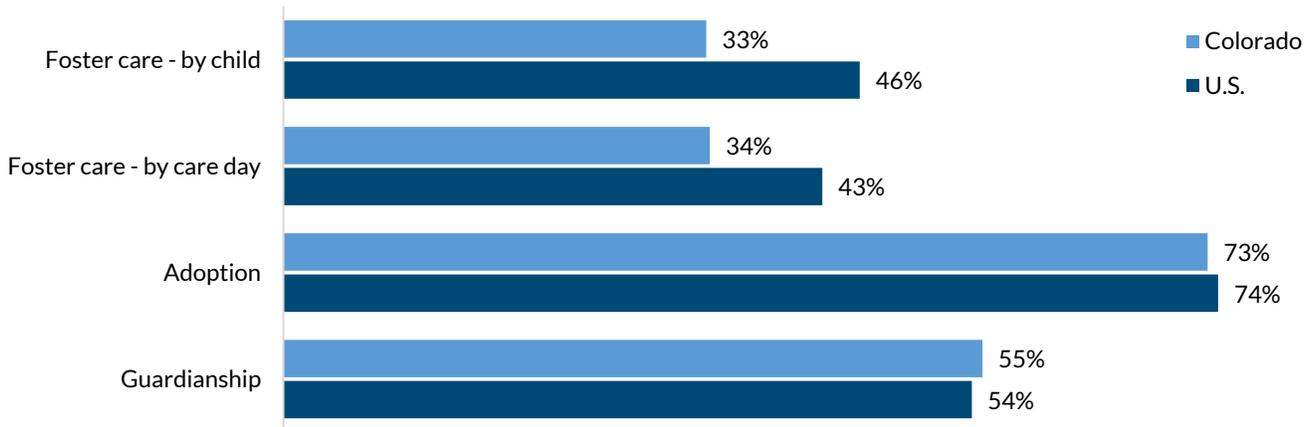


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$49  
million**

Colorado reported \$49 million in waiver expenditures in SFY 2018. Colorado began its waiver in July 2013.

### Colorado spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$42,813,458
Expenditures that would be reimbursable if the child was IV-E eligible	\$0
Expenditures that are were reimbursable only because of waiver	\$5,583,987
Project development and evaluation costs	\$291,706

## Title IV-B

**Total in SFY 2018:** \$8,440,164

**Change from SFY 2016:** 10%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018:** \$4,386,402

**Change from SFY 2016:** -1%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in Colorado:

- Rehabilitative services
- Treatment foster care
- Other: Training

### TANF

Total in SFY 2018: \$0

Change from SFY 2016: 0%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### SSBG

Total in SFY 2018: \$32,023,199

Change from SFY 2016: 19%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Colorado:

- Administrative costs
- Foster care services for children
- Case management services

### Other federal funds

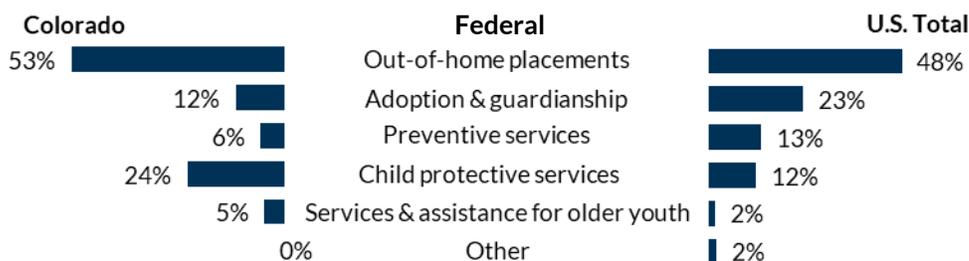
Total in SFY 2018: \$6,072,767

Change from SFY 2016: -39%

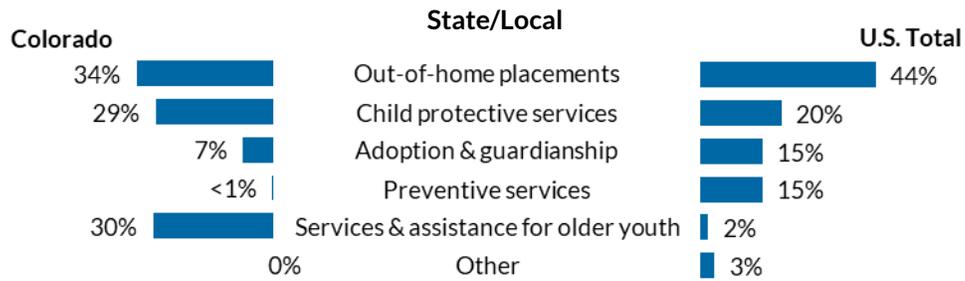
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Colorado uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on adoption and guardianship services and a larger proportion on child protective services.



Colorado uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on preventive services and a much larger proportion on services and assistance for older youth.



## Top funding sources for child welfare expenses

Colorado indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>– Title IV-E</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>

## Out-of-home placement setting expenditures<sup>17</sup>

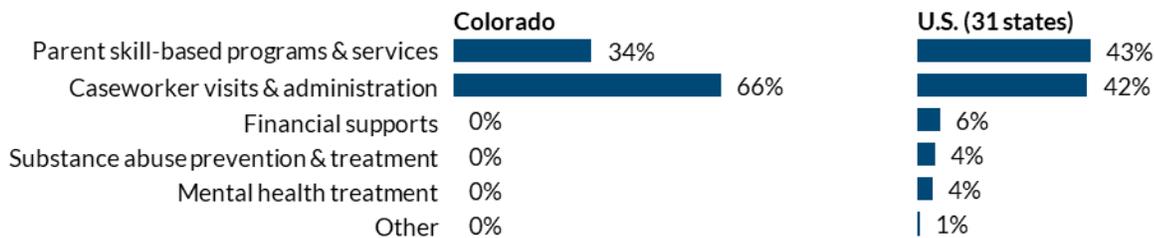
Below is a detailed breakdown of Colorado’s spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	<b>\$29,470,881</b>	<b>\$48,689,151</b>	<b>\$78,160,032</b>	<b>\$15,573,747</b>	<b>\$63,186,331</b>	<b>\$78,760,078</b>

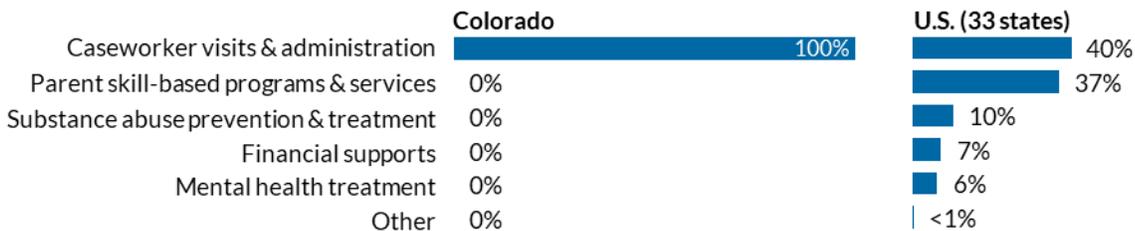
“-” means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of Colorado’s federal spending on preventive services, the state spends more than half on caseworker visits and administration. This is different than other states.



Out of Colorado’s state/local spending on preventive services, the state spends all on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of Colorado’s spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$14,591,375	\$2,371,584	\$16,962,959	\$14,589,366	\$2,115,465	\$16,704,831
Post-adoption supports and services	-	-	-	\$0	\$0	\$0
Guardianship assistance	\$199,651	\$444,396	\$644,047	\$199,613	\$388,515	\$588,128
Post-guardianship supports and services	-	-	-	\$0	\$0	\$0
<b>Total</b>	-	-	<b>\$17,835,463</b>	<b>\$14,788,979</b>	<b>\$2,503,980</b>	<b>\$17,292,959</b>

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<sup>18</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>19</sup> The total federal adoption and guardianship expenditures is higher than the sum of the two reported categories because the state cannot disaggregate expenditures for post-adoption and post-guardianship services/activities, but can report the total amount for federal adoption and guardianship expenditures.

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**MARCH 2021**

# Child Welfare Agency Spending in Connecticut in SFY 2018



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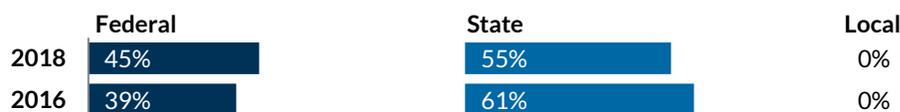
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- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Connecticut decreased since SFY 2016 and decreased from SFY 2008 to 2018.

	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$737,697,784	-8%	-20%
Federal	\$333,067,515	6%	12%
State	\$401,586,171	-18%	-35%
Local	\$0	0%	0%
Offsets and other	\$3,044,098	N/A	N/A

The proportion of spending from federal, state, and local sources in Connecticut has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by federal dollars.



## Federal Expenditures

TANF is the largest federal funding source used by child welfare agencies in Connecticut.



### Title IV-E

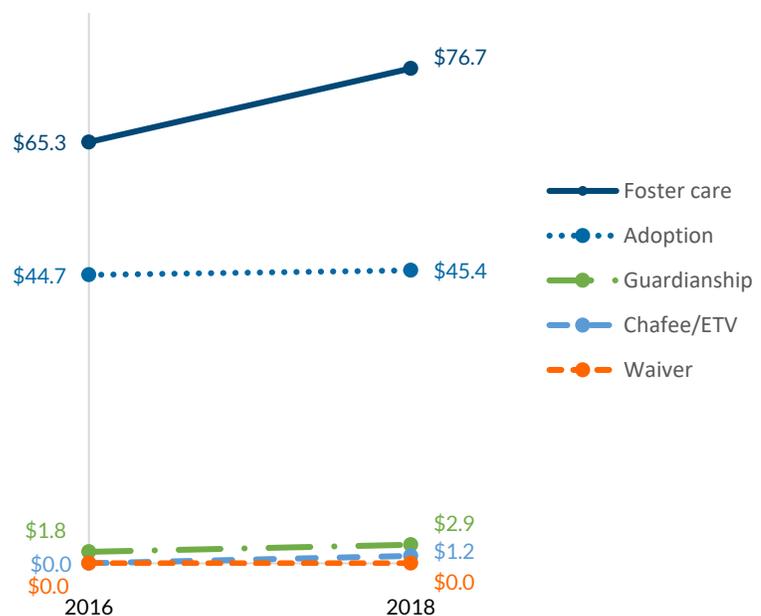
Total in SFY 2018: \$126,099,434

Change from SFY 2016: 13%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, but not Connecticut, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$126 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase across all expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending  
(in millions of dollars)

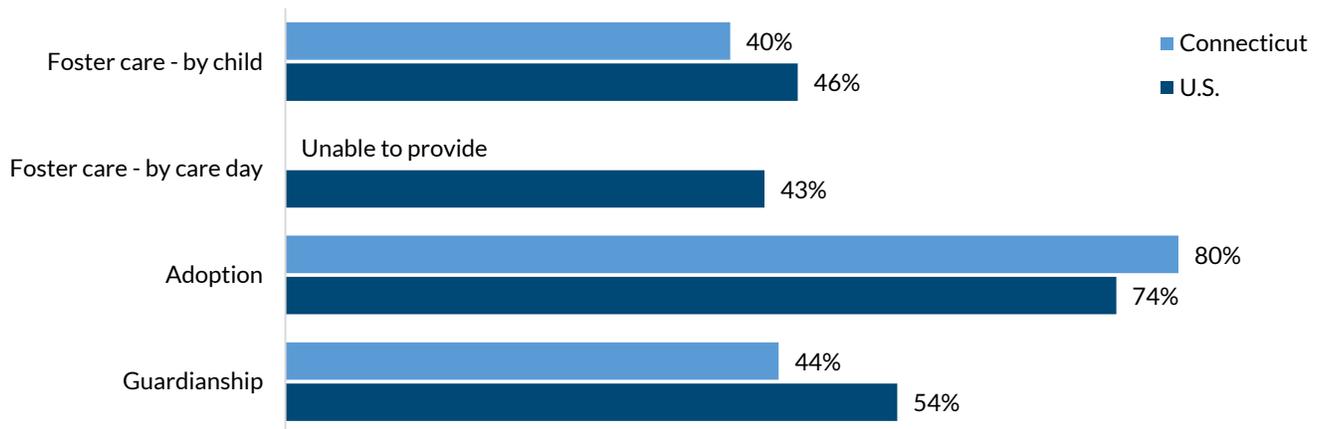


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-B

Total in SFY 2018: \$4,154,731

Change from SFY 2016: -3%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$25,508,139

Change from SFY 2016: 4%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in Connecticut:

- Rehabilitative services

### TANF

Total in SFY 2018: \$175,514,439

Change from SFY 2016: 9%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Connecticut:

- Family preservation services
- Services for children and youth
- Supportive services

## SSBG

Total in SFY 2018: \$0

Change from SFY 2016: -100%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

## Other federal funds

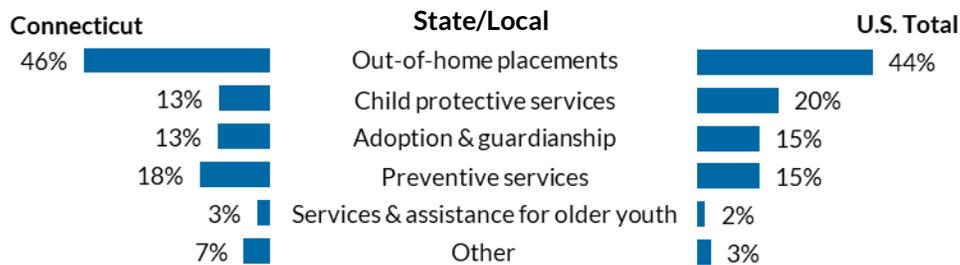
Total in SFY 2018: \$1,790,772

Change from SFY 2016: -84%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Connecticut uses its state/local funds differently than the national pattern.<sup>13</sup> The state spends a smaller proportion on child protective services and a larger proportion on out-of-home placements and other uses of state/local funds.



## Top funding sources for child welfare expenses

Connecticut indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>14</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – State funds
	Family foster care	– Title IV-E – State funds
	Congregate care	– Title IV-E – State funds
Preventive services	All preventive services categories	– Title IV-B – TANF – State funds
	Parent skill-based programs and services	– Title IV-B – TANF – State funds

Service category	Sub-category	Top funding sources <sup>14</sup>
	Substance abuse prevention and treatment	– Title IV-B – TANF – State funds
	Mental health treatment	– Title IV-B – TANF – State funds
	Financial supports	– Title IV-E – State funds
	Caseworker visits and administration	– Title IV-B – TANF – State funds
<b>Adoption and guardianship</b>		– Title IV-E – Title IV-B – State funds
<b>Child protective services</b>		– Title IV-B – TANF – State funds
<b>Services and assistance for older youth</b>		– Title IV-E – Title IV-B – State funds

## Out-of-home placement setting expenditures<sup>15</sup>

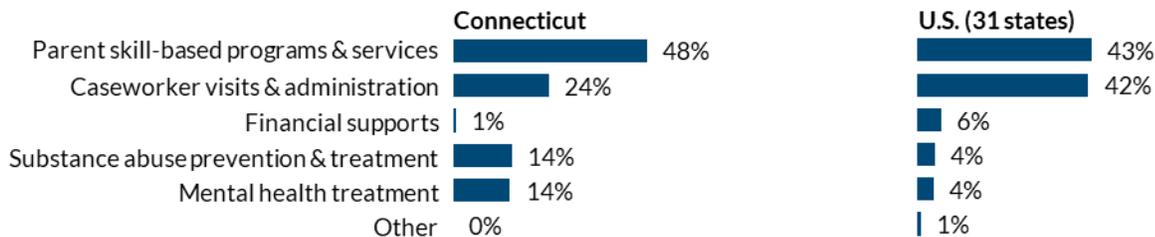
Below is a detailed breakdown of Connecticut’s spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	-	<b>\$135,909,633</b>	<b>\$136,621,076</b>	<b>\$272,530,709</b>

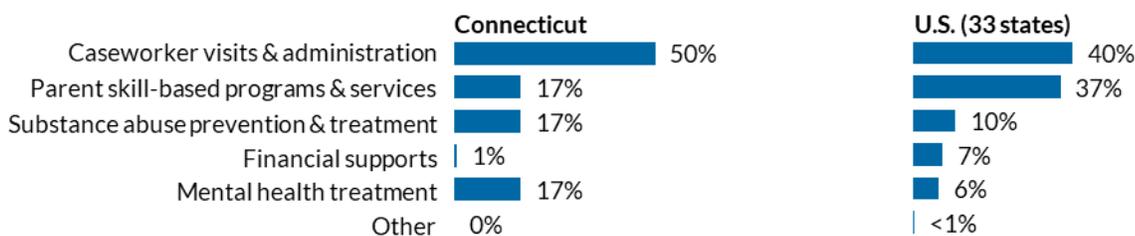
“-” means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>16</sup> Out of Connecticut's federal spending on preventive services, the state spends almost half on parent skill-based programs. This is different than other states.



Out of Connecticut's state/local spending on preventive services, the state spends half on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs<sup>17</sup>

Below is a detailed breakdown of Connecticut's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	-	-	-	-	-	\$41,146,230
Post-adoption supports and services	-	-	-	-	-	\$2,517,270
Guardianship assistance	-	-	-	-	-	\$10,543,270
Post-guardianship supports and services	-	-	-	\$0	\$0	\$0
<b>Total</b>	-	-	<b>\$21,533,927</b>	-	-	<b>\$54,206,770</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Connecticut is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included

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those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> By “foster care,” we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By “adoption,” we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By “guardianship,” we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By “transition supports,” we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for the methodology used to calculate these rates.

<sup>8</sup> For this survey, states were asked to report their child welfare agency’s(ies’) total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state’s total IV-B expenditures.

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<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Connecticut indicated their state changed the way they distributed SSBG funds. Previously, funds were divided among the state's human service agencies. However, beginning in SFY 2018, the state no longer allocates SSBG funds to the child welfare agency. The state increased the child welfare agency's general fund allotment to offset this loss.

<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Connecticut, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>14</sup> This information is presented in no particular order.

<sup>15</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>16</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>17</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Delaware in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Delaware for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Delaware increased since SFY 2016 and increased from SFY 2008 to 2018.

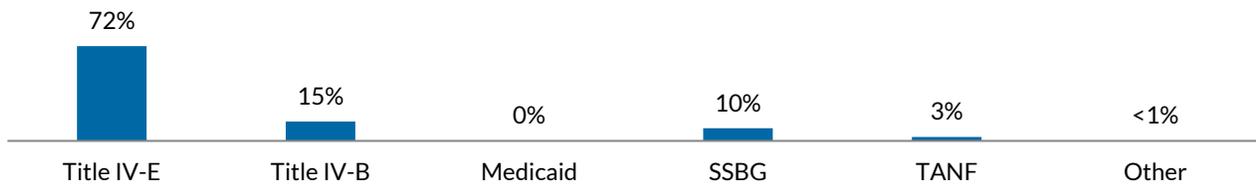
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$75,636,023	8%	8%
Federal	\$12,260,477	3%	-5%
State	\$62,276,637	7%	9%
Local	\$0	0%	0%
Offsets and other	\$1,098,909	N/A	N/A

The proportion of spending from federal, state, and local sources in Delaware has not changed since SFY 2016.

	Federal	State	Local
2018	16%	84%	0%
2016	17%	83%	0%

## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Delaware.



### Title IV-E

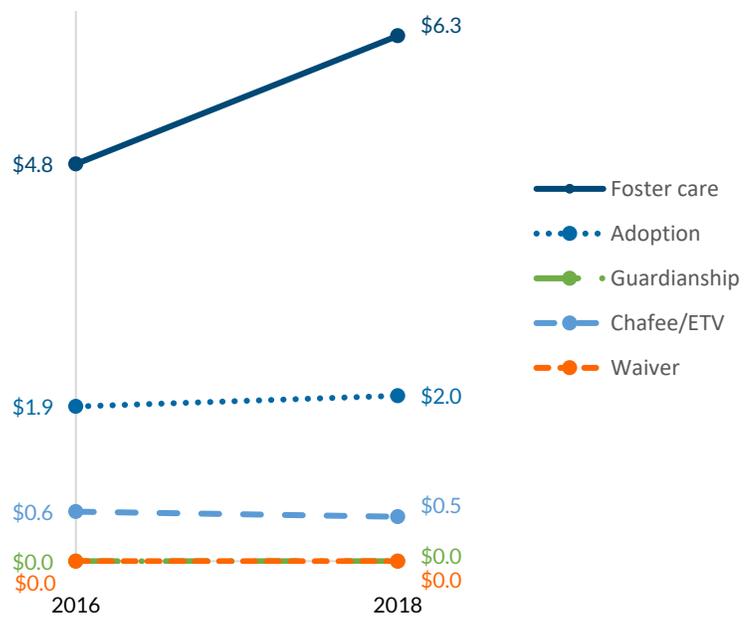
Total in SFY 2018: \$8,862,736

Change from SFY 2016: 22%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, but not Delaware, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$9 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was a decrease in Chafee/ETV expenditures and an increase in foster care and adoption expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending  
(in millions of dollars)

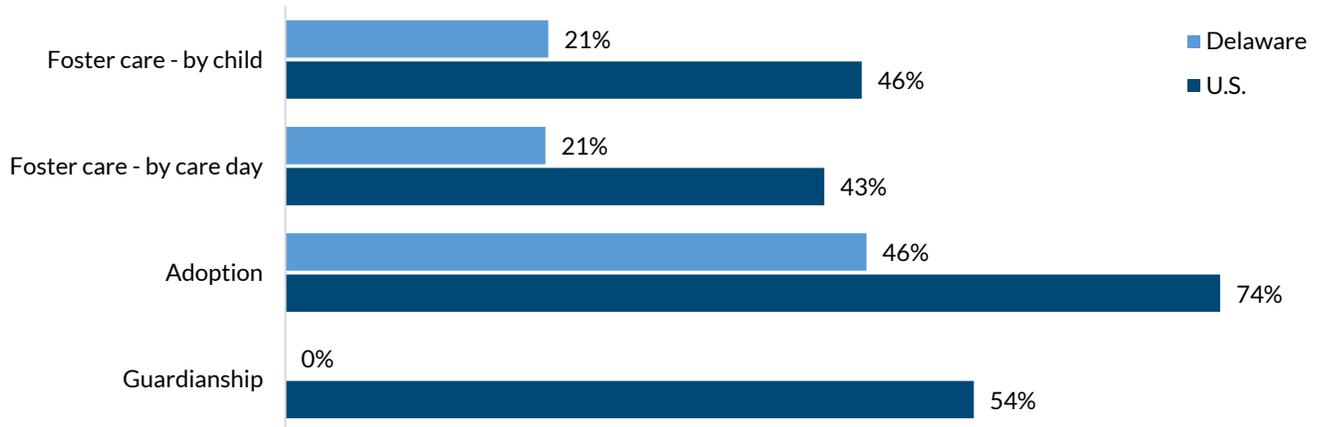


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-B

Total in SFY 2018: \$1,813,966

Change from SFY 2016: -4%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$0

Change from SFY 2016: 0%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### TANF

Total in SFY 2018: \$367,557

Change from SFY 2016: -29%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Delaware:

- Early care and education

### SSBG

Total in SFY 2018: \$1,177,708

Change from SFY 2016: -10%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

## Top categories of SSBG spending by child welfare agencies in Delaware:

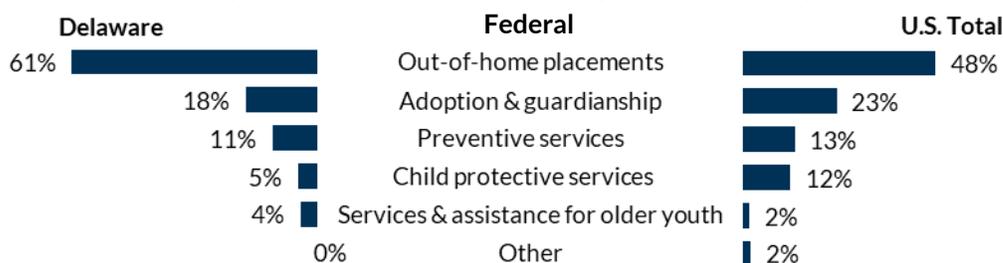
- Foster care services for children

**Other federal funds** Total in SFY 2018: \$38,510 Change from SFY 2016: -96%

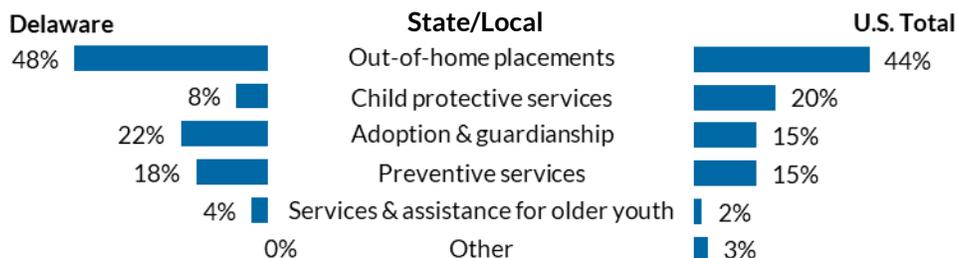
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Delaware uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on child protective services.



Delaware uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on adoption and guardianship services and a smaller proportion on child protective services.



## Top funding sources for child welfare expenses

Delaware indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- SSBG</li> <li>- State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- SSBG</li> <li>- State funds</li> </ul>

Service category	Sub-category	Top funding sources <sup>15</sup>
	Congregate care	– Title IV-E – State funds
<b>Preventive services</b>	All preventive services categories	– Title IV-B – State funds
	Parent skill-based programs and services	– Title IV-B – State funds
	Substance abuse prevention and treatment	– State funds
	Mental health treatment	– State funds
	Financial supports	– State funds
	Caseworker visits and administration	– Title IV-B – State funds
<b>Adoption and guardianship</b>		– Title IV-E – Title IV-B – State funds
<b>Child protective services</b>		– Title IV-E – SSBG – State funds
<b>Services and assistance for older youth</b>		– Title IV-E – State funds

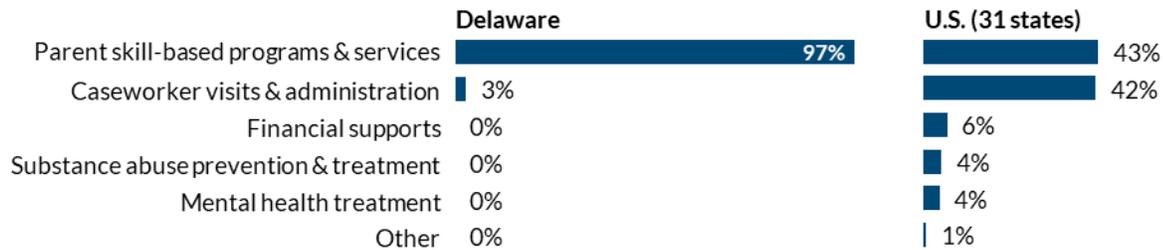
## Out-of-home placement setting expenditures<sup>16</sup>

Below is a detailed breakdown of Delaware’s spending on out-of-home care.

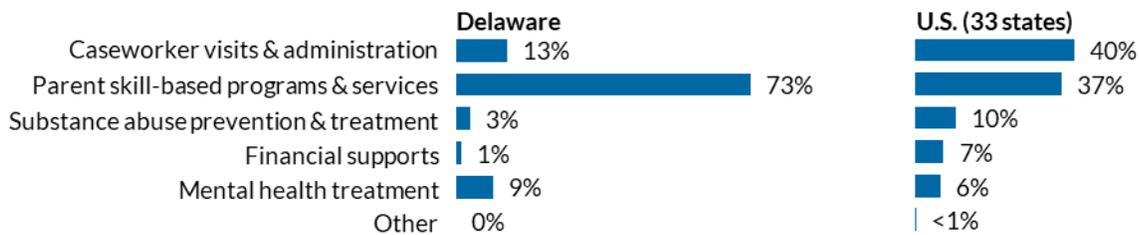
	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$1,822,586	\$153,597	\$1,976,183	\$13,191,272	\$4,739,456	\$17,930,728
Service costs	\$0	\$0	\$0	\$0	\$0	\$0
Administrative and training costs	\$5,296,391	\$237,152	\$5,533,543	\$11,133,723	\$920,066	\$12,053,789
<b>Total</b>	<b>\$7,118,977</b>	<b>\$390,749</b>	<b>\$7,509,726</b>	<b>\$24,324,995</b>	<b>\$5,659,522</b>	<b>\$29,984,517</b>

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Delaware's federal spending on preventive services, the state spends the vast majority on parent skill-based programs. This is different than other states.



Out of Delaware's state/local spending on preventive services, the state spends nearly three quarters on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of Delaware's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative and training costs	Total	Assistance payments/services costs	Administrative and training costs	Total
Adoption assistance	\$1,749,973	\$244,394	\$1,994,367	\$5,527,158	\$4,889,186	\$10,416,344
Post-adoption supports and services	\$0	\$348,277	\$348,277	\$1,243,644	\$1,100,097	\$2,343,741
Guardianship assistance	\$0	\$0	\$0	\$331,020	\$293,939	\$624,959
Post-guardianship supports and services	\$0	\$0	\$0	\$74,482	\$66,138	\$140,620
<b>Total</b>	<b>\$1,749,973</b>	<b>\$592,671</b>	<b>\$2,342,644</b>	<b>\$7,176,304</b>	<b>\$6,349,360</b>	<b>\$13,525,664</b>

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<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Delaware is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

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<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

Delaware noted that they experienced a significant increase in Title IV-E Foster Care Program expenditures due to a major SACWIS program in SFY 2018.

<sup>7</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

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The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

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<sup>16</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported state/local expenditure amounts are approximations.

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**MARCH 2021**

# Child Welfare Agency Spending in the District of Columbia in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in the District of Columbia for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

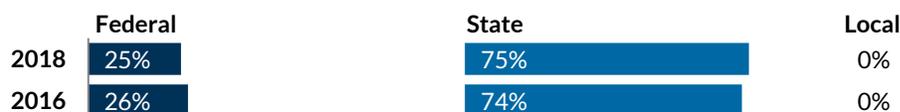
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in the District of Columbia decreased since SFY 2016 and decreased from SFY 2008 to 2018.

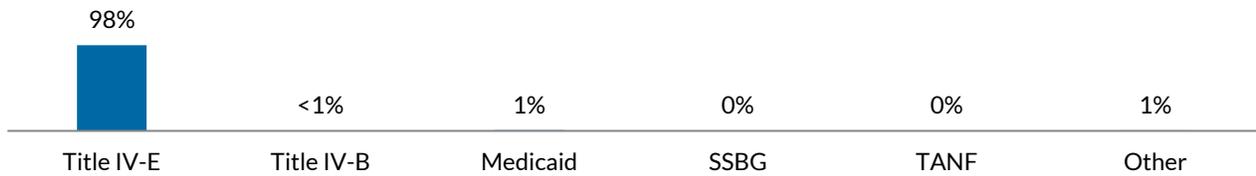
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$210,455,958	-6%	-44%
Federal	\$51,415,014	-13%	-47%
State	\$157,590,323	-4%	-44%
Local	\$0	0%	0%
Offsets and other <sup>3</sup>	\$1,450,621	N/A	N/A

The proportion of spending from federal, state, and local sources in the District of Columbia has not changed since SFY 2016.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in the District of Columbia.

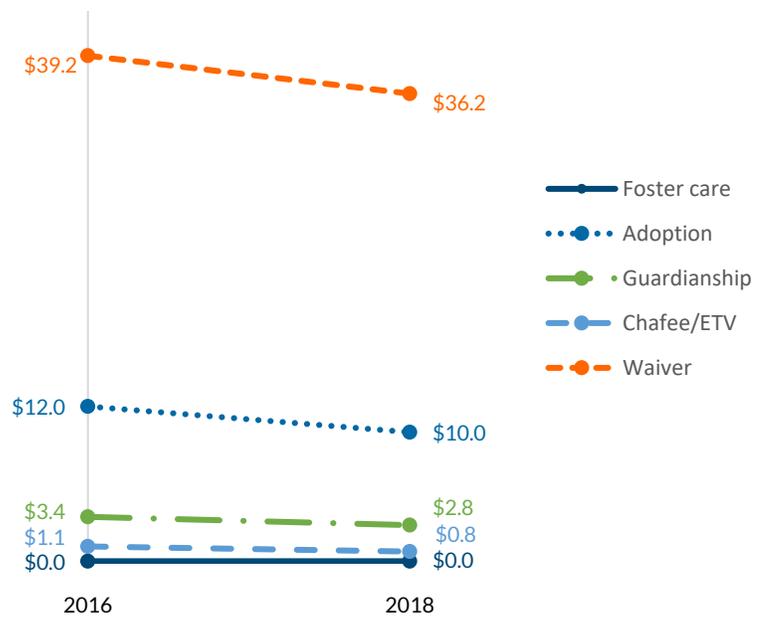


## Title IV-E Total in SFY 2018: \$50,471,475 Change from SFY 2016: -9%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including the District of Columbia, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$50 million in Title IV-E expenditures in SFY 2018, nearly all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was a decrease across all expenditures except for foster care expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

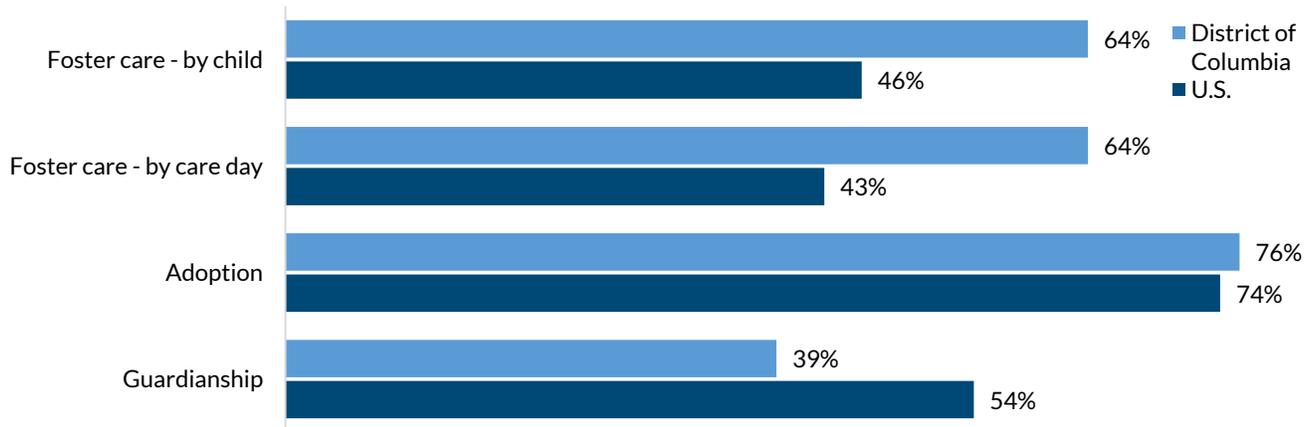


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$36  
million**

The District of Columbia reported \$36 million in waiver expenditures in SFY 2018. The District of Columbia began its waiver in April 2014.

### The District of Columbia spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$25,172,518
Expenditures that would be reimbursable if the child was IV-E eligible	\$0
Expenditures that are were reimbursable only because of waiver	\$10,984,838
Project development and evaluation costs	\$69,615

## Title IV-B

**Total in SFY 2018: \$186,716**

**Change from SFY 2016: -82%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$444,241**

**Change from SFY 2016: -15%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in the District of Columbia:

- Other: Administration of medical clinic to perform Medicaid-reimbursable screening and lab testing for children entering foster care

**TANF** **Total in SFY 2018:** \$0 **Change from SFY 2016:** 0%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

**SSBG** **Total in SFY 2018:** \$0 **Change from SFY 2016:** 0%

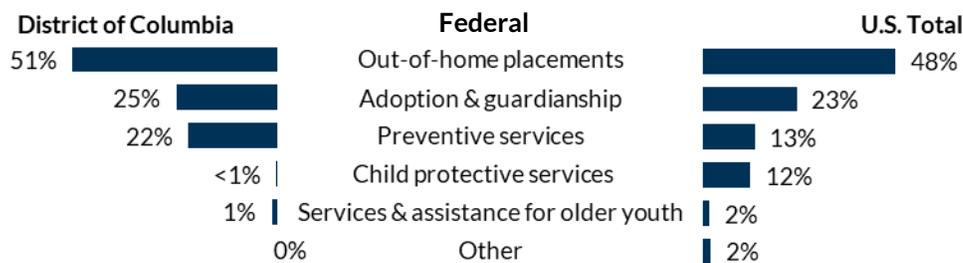
The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

**Other federal funds** **Total in SFY 2018:** \$312,582 **Change from SFY 2016:** -84%

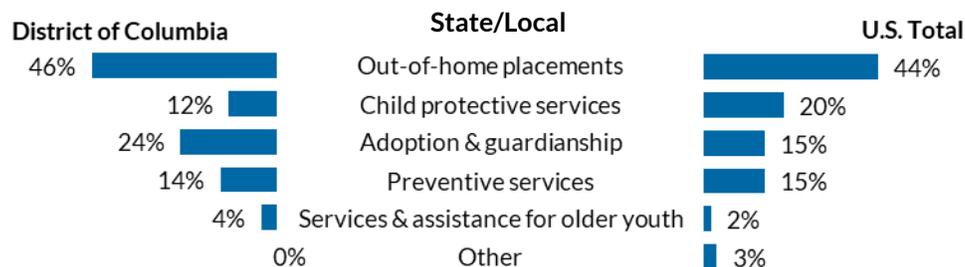
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

The District of Columbia uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on preventive services and a smaller proportion on child protective services.



The District of Columbia uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a larger proportion on adoption and guardianship services and a smaller proportion on child protective services.



## Top funding sources for child welfare expenses

The District of Columbia indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – State funds
	Family foster care	– Title IV-E – State funds
	Congregate care	– Title IV-E – State funds
Preventive services	All preventive services categories	– Title IV-E – Title IV-B – State funds
	Parent skill-based programs and services	– Title IV-E – Title IV-B – State funds
	Substance abuse prevention and treatment	– Title IV-E – State funds
	Mental health treatment	– State funds
	Financial supports	– State funds
	Caseworker visits and administration	– Title IV-E – State funds
Adoption and guardianship		– Title IV-E – State funds
Child protective services		– Title IV-B – State funds
Services and assistance for older youth		– Title IV-E – Other federal funds – State funds

## Out-of-home placement setting expenditures<sup>17</sup>

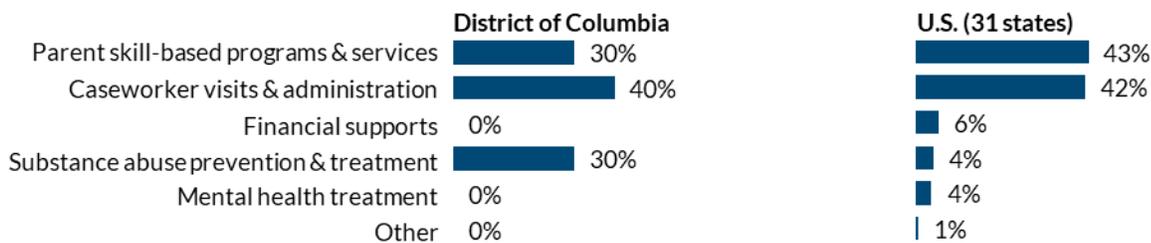
Below is a detailed breakdown of the District of Columbia's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$4,352,496	\$229,079	\$4,581,575	\$10,700,000	\$4,300,000	\$15,000,000
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$25,172,518</b>	-	-	<b>\$72,491,549</b>

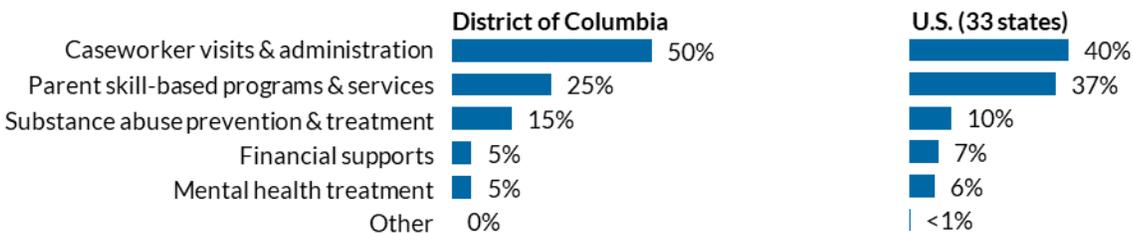
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of the District of Columbia's federal spending on preventive services, the state spends almost half on caseworker visits and administration. This is similar to other states.



Out of the District of Columbia's state/local spending on preventive services, the state spends half on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of the District of Columbia's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$9,355,068	\$640,645	\$9,995,713	\$17,500,000	-	-
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	\$2,711,167	\$84,891	\$2,796,058	\$10,200,000	-	-
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$12,791,771</b>	-	-	<b>\$37,821,678</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for the District of Columbia is October 1, 2017 to September 30, 2018.

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The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

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<sup>9</sup> For this survey, states were asked to report their child welfare agency’s(ies’) total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state’s total IV-B expenditures.

DC indicated there was a large change in their IV-B expenditures between SFYs 2016 and 2018 because they opted to expend most of their appropriated 2018 IV-B funds in 2019.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

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DC was unable to report SFY 2018 expenditures for the Maternal, Infant, and Early Childhood Home Visiting program. Therefore, the total amount of “other federal” expenditures may be understated.

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**MARCH 2021**

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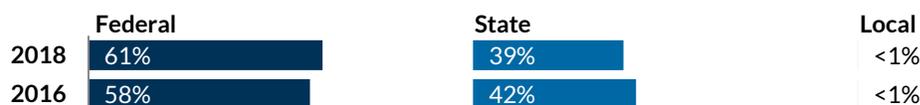
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Florida decreased slightly since SFY 2016 and decreased from SFY 2008 to 2018.

	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$1,295,069,665	-3%	-8%
Federal	\$776,840,104	1%	15%
State	\$499,341,442	-11%	-31%
Local	\$326,769	-39%	-82%
Offsets and other	\$18,561,350	N/A	N/A

The proportion of spending from federal, state, and local sources in Florida has changed slightly since SFY 2016. In SFY 2018, a slightly larger proportion of total expenditures was financed by federal dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Florida.



### Title IV-E

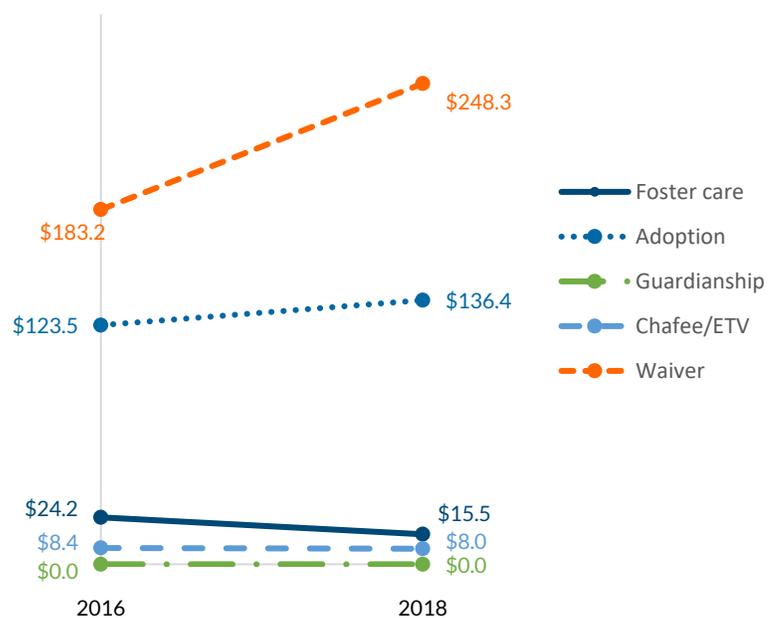
Total in SFY 2018: \$408,943,632

Change from SFY 2016: 21%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, including Florida, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$409 million in Title IV-E expenditures in SFY 2018, \$408 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in adoption and waiver expenditures and a decrease in foster care and Chafee/ETV expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending  
(in millions of dollars)

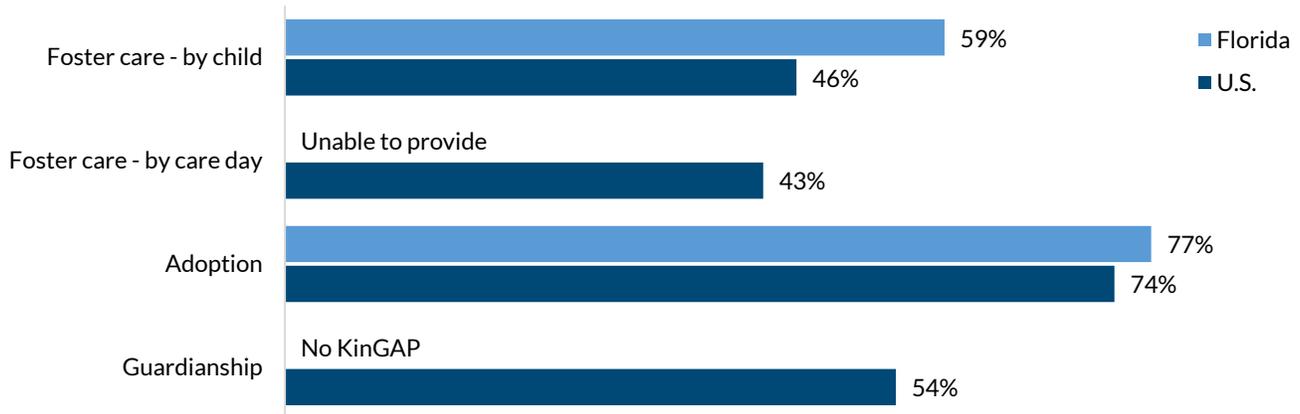


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



## Title IV-E waiver

**\$248 million**

Florida reported \$248 million in waiver expenditures in SFY 2018. Florida began its waiver in October 2006.

### Florida spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$97,869,347
Expenditures that would be reimbursable if the child was IV-E eligible	\$43,818,281
Expenditures that are were reimbursable only because of waiver	\$106,543,550
Project development and evaluation costs	\$66,399

## Title IV-B

**Total in SFY 2018:** \$43,698,962

**Change from SFY 2016:** 15%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018:** \$1,967,570

**Change from SFY 2016:** 7%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in Florida:

- Treatment foster care
- Other: Case management and referrals to medical providers; Early Periodic Screening and Detection Test (EPSDT) scheduling and follow up; transportation to health care providers

**TANF** **Total in SFY 2018:** \$171,198,443 **Change from SFY 2016:** -13%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Florida:

- Other child welfare services
- Early care and education
- Supportive services

**SSBG** **Total in SFY 2018:** \$146,516,790 **Change from SFY 2016:** -13%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Florida:

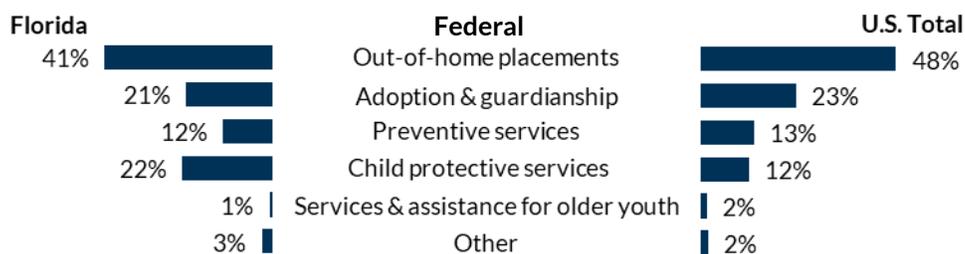
- Delinquency-related services
- Foster care services for children
- Child protective services

**Other federal funds** **Total in SFY 2018:** \$4,514,707 **Change from SFY 2016:** -79%

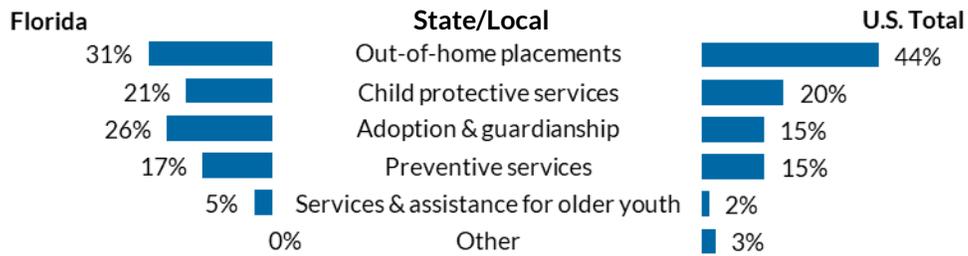
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Florida uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a smaller proportion on out-of-home placements and a larger proportion on child protective services.



Florida uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on out-of-home placements and a larger proportion on adoption and guardianship services.



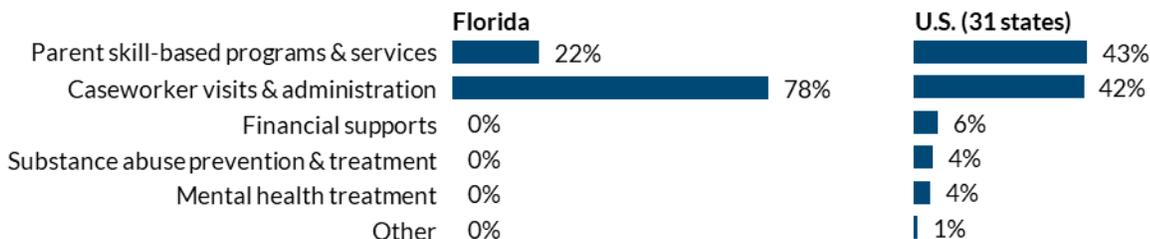
## Top funding sources for child welfare expenses

Florida indicated the top sources of funds for each of the following categories of child welfare expenses:

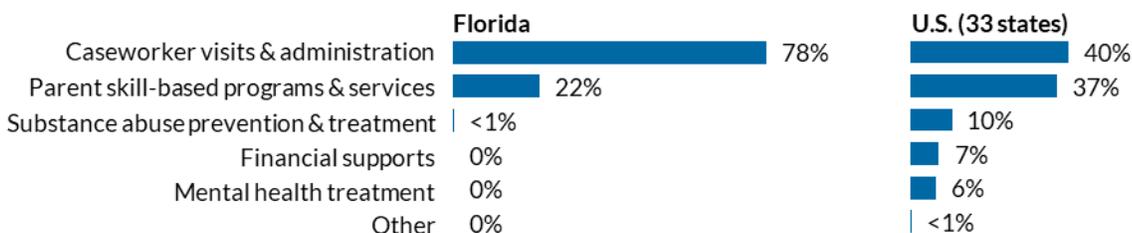
Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>TANF</li> <li>State funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>State funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>TANF</li> <li>SSBG</li> <li>State funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> </ul>

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>16</sup> Out of Florida's federal spending on preventive services, the state spends more than three quarters on caseworker visits and administration. This is different than other states.



Out of Florida's state/local spending on preventive services, the state spends more than three quarters on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs<sup>17</sup>

Below is a detailed breakdown of Florida's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	-	-	-	-	-	-
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	\$0	\$0	\$0	\$0	\$0	\$0
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	-	-	<b>\$164,224,002</b>	-	-	<b>\$130,613,270</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Florida is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child

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welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies') total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total

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reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Florida, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Florida, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>17</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Georgia in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Georgia for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

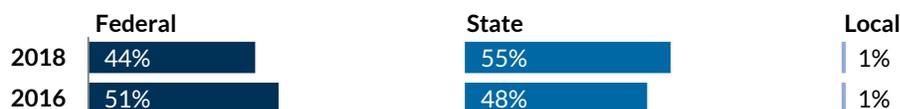
This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$879,830,040	N/A	N/A
Federal	\$389,714,488	4%	-13%
State	\$480,546,279	34%	60%
Local	\$9,569,273	18%	96%
Offsets and other <sup>3</sup>	Unable to provide	N/A	N/A

The proportion of spending from federal, state, and local sources in Georgia has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by state dollars.



# Federal Expenditures

TANF is the largest federal funding source used by child welfare agencies in Georgia.

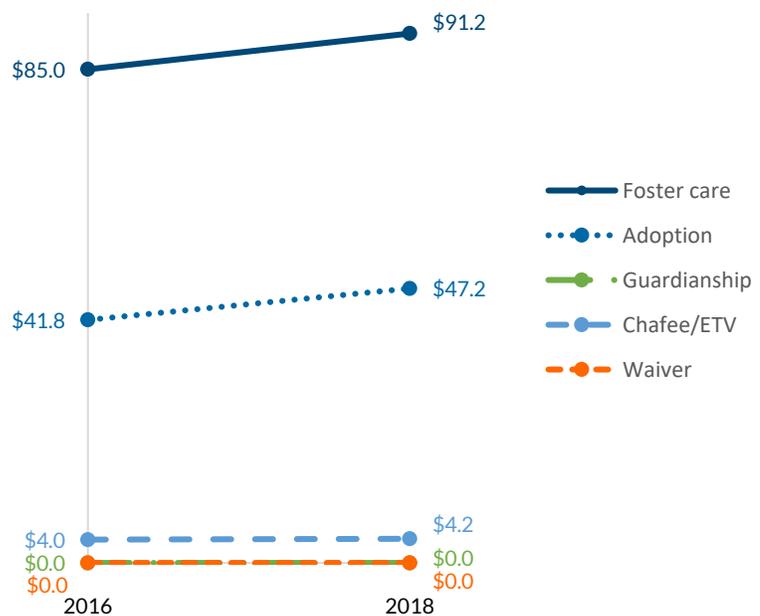


## Title IV-E Total in SFY 2018: \$145,314,663 Change from SFY 2016: 11%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not Georgia, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$145 million in Title IV-E expenditures in SFY 2018, \$143 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase across all expenditures except guardianship expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

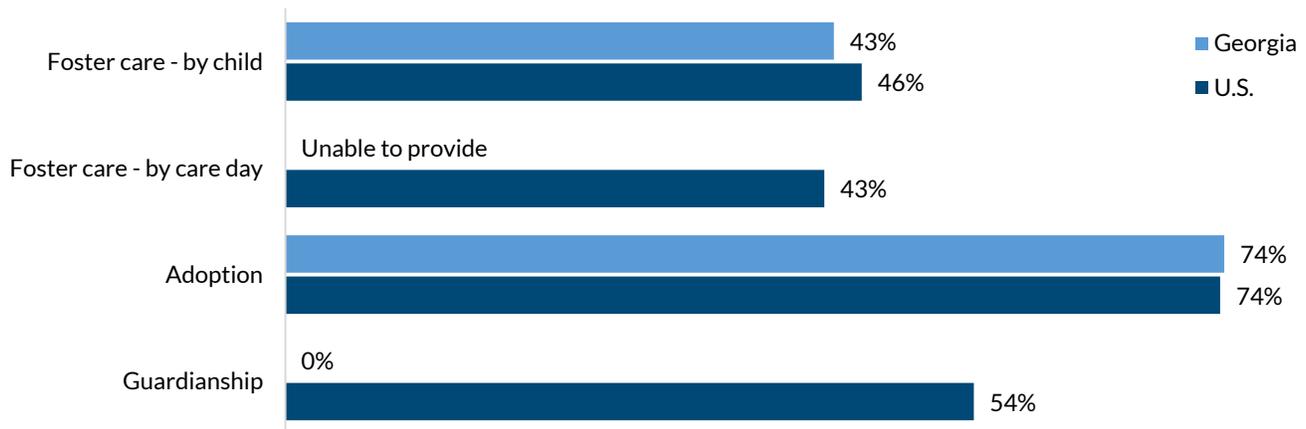


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



### Title IV-B

**Total in SFY 2018:** \$24,094,722

**Change from SFY 2016:** 89%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

**Total in SFY 2018:** \$789,310

**Change from SFY 2016:** 270%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### TANF

**Total in SFY 2018:** \$213,905,446

**Change from SFY 2016:** 2%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Georgia:

- Family preservation services
- Other child welfare services
- Child welfare services

### SSBG

**Total in SFY 2018:** \$2,910,682

**Change from SFY 2016:** -68%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

## Top categories of SSBG spending by child welfare agencies in Georgia:

- Other
- Child protective services

**Other federal funds** Total in SFY 2018: \$2,699,665 Change from SFY 2016: -76%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

### Top funding sources for child welfare expenses

Georgia indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>14</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– TANF</li> <li>– State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– TANF</li> <li>– State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– TANF</li> <li>– State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>– TANF</li> <li>– Other federal funds</li> <li>– State funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>– TANF</li> <li>– Other federal funds</li> <li>– State funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>– TANF</li> <li>– Other federal funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>– TANF</li> <li>– Other federal funds</li> <li>– State funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>– TANF</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>– TANF</li> <li>– State funds</li> </ul>

Service category	Sub-category	Top funding sources <sup>14</sup>
Adoption and guardianship		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- TANF</li> <li>- State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>- TANF</li> <li>- State funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- Other federal funds</li> <li>- State funds</li> </ul>

## Adoption and guardianship costs

Below is a detailed breakdown of Georgia’s spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$56,875,057	-	-	\$30,578,825	-	-
Post-adoption supports and services	\$1,831,627	-	-	\$1,263,721	-	-
Guardianship assistance	\$7,098,157	-	-	\$1,452,824	-	-
Post-guardianship supports and services	\$0	\$0	\$0	\$0	-	-
<b>Total</b>	<b>\$65,804,841</b>	-	-	<b>\$33,295,370</b>	-	-

“-” means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Georgia is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

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To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Georgia was unable to provide information about offsets for SFY 2018 so total expenditures may be understated, and some comparisons to other SFYs cannot be made.

<sup>3</sup> Georgia was unable to provide information about offsets for SFY 2018.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency's(ies') total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

When asked if the state experienced any changes in how Medicaid is used for child welfare services/activities, Georgia noted that all children in foster care were transitioned from fee-for-service to managed care starting in SFY 2018.

<sup>11</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

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Total TANF expenditures exclude any funds transferred to SSBG.

<sup>12</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>13</sup> See endnote 2.

<sup>14</sup> This information is presented in no particular order.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Hawai'i in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Hawai'i for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Hawai'i decreased since SFY 2016 and decreased from SFY 2008 to 2018.

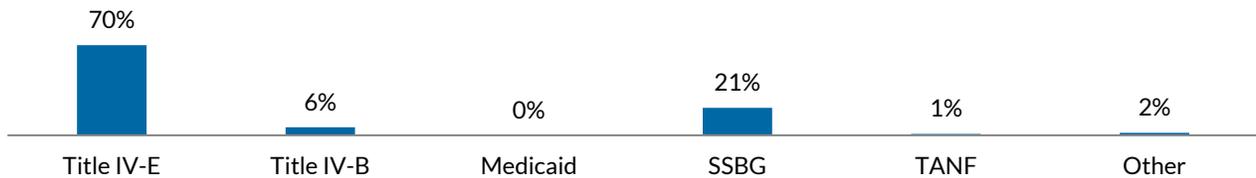
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$89,217,225	-23%	-42%
Federal	\$47,886,576	-5%	-31%
State	\$40,403,191	N/A	-52%
Local	\$0	N/A	0%
Offsets and other <sup>3</sup>	\$927,458	N/A	N/A

The proportion of spending from federal, state, and local sources in Hawai'i has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by federal dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Hawai'i.



**Title IV-E** **Total in SFY 2018: \$33,342,581** **Change from SFY 2016: 145%**

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Hawai'i, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$33 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup>

### Title IV-E program expenditures in Hawai'i

Foster care	\$1,307,653
Adoption	\$15,013,673
Guardianship	\$2,243,313
Chafee/ETV	\$289,236
Waiver	\$14,488,706

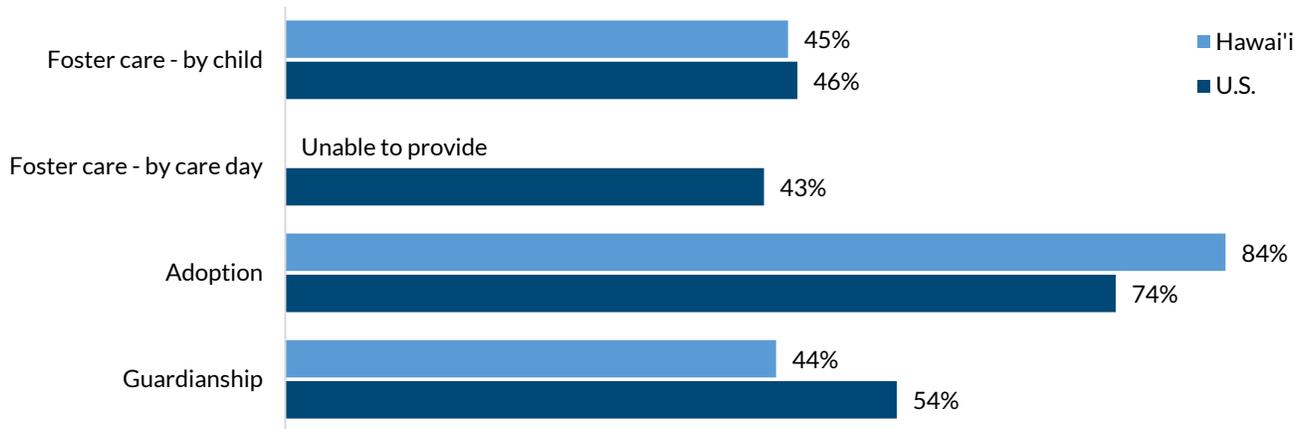
### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by

Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-E waiver

**\$14 million**

Hawai'i reported \$14 million in waiver expenditures in SFY 2018.

#### Hawai'i spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$11,559,339
Expenditures that would be reimbursable if the child was IV-E eligible	\$0
Expenditures that are were reimbursable only because of waiver	\$2,710,287
Project development and evaluation costs	\$219,080

### Title IV-B

**Total in SFY 2018: \$2,971,004**

**Change from SFY 2016: 206%**

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

**Total in SFY 2018: \$0**

**Change from SFY 2016: 0%**

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## TANF

Total in SFY 2018: \$498,847

Change from SFY 2016: -90%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Hawai'i:

- Family preservation services
- Supportive services
- Other child welfare services

## SSBG

Total in SFY 2018: \$10,149,768

Change from SFY 2016: 60%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Hawai'i:

- Prevention and intervention services
- Child protective services
- Case management services

## Other federal funds

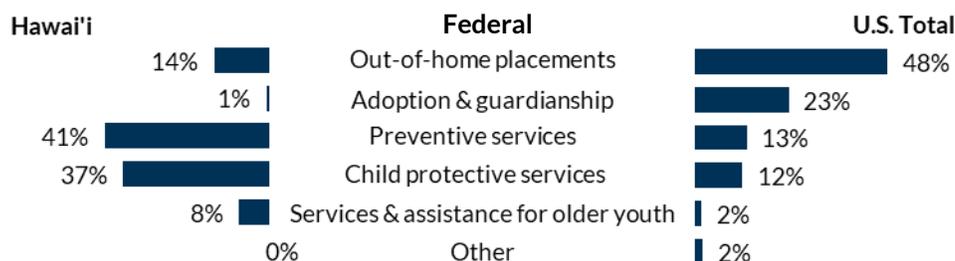
Total in SFY 2018: \$924,376

Change from SFY 2016: -96%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Hawai'i uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a much smaller proportion on out-of-home placements and a much larger proportion on preventive services.



Hawai'i uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on out-of-home placements and a much larger proportion on child protective services.



## Top funding sources for child welfare expenses

Hawai'i indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-B – SSBG – State funds
	Family foster care	– Title IV-E – State funds
	Congregate care	– Title IV-B – SSBG – State funds
Preventive services	All preventive services categories	– Title IV-E – Title IV-B – State funds
	Parent skill-based programs and services	– TANF – SSBG – State funds
	Substance abuse prevention and treatment	– SSBG
	Mental health treatment	– SSBG – State funds
	Caseworker visits and administration	– SSBG – State funds
Adoption and guardianship		– Title IV-B – State funds
Child protective services		– SSBG – State funds
Services and assistance for older youth		– Title IV-E – Title IV-B – State funds

## Out-of-home placement setting expenditures<sup>16</sup>

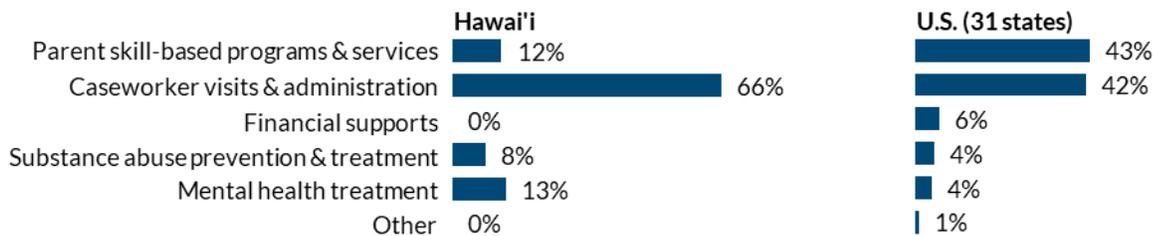
Below is a detailed breakdown of Hawai'i's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$3,226,723	-	-	\$11,112,705	-	-
Service costs	\$0	\$234,248	\$234,248	-	\$1,494,725	-
Administrative and training costs	\$9,511,122	-	-	-	-	-
<b>Total</b>	<b>\$12,737,845</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

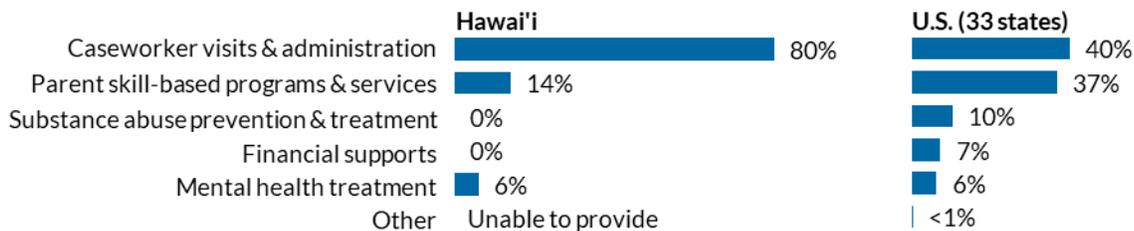
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Hawai'i's federal spending on preventive services, the state spends more than half on caseworker visits and administration. This is different than other states.



Out of Hawai'i's state/local spending on preventive services, the state spends more than three quarters on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs

Below is a detailed breakdown of Hawai'i's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$14,185,678	\$827,995	\$15,013,673	-	-	-
Post-adoption supports and services	-	\$11,370	-	-	-	-
Guardianship assistance	\$2,004,795	\$238,518	\$2,243,313	-	-	-
Post-guardianship supports and services	\$0	\$11,370	\$11,370	-	-	-
<b>Total</b>	-	<b>\$1,089,253</b>	-	-	-	-

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Hawai'i is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Hawai'i indicated that some of their reported expenditures for SFY 2016 were incorrect, but the state was unable to provide a correction. Also, Hawai'i was unable to provide state and local expenditures separately for SFY 2016. Instead, they reported state and local expenditures combined.

<sup>3</sup> Hawai'i was unable to provide information about some categories of offsets for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

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<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

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The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

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<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

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Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

<sup>12</sup> See endnote 2.

Hawai’i was unable to report SFY 2018 expenditures for the Adoption Opportunities program. Therefore, the total amount of “other federal” expenditures may be understated.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Hawai’i, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

Hawai’i did not include foster care maintenance payments when calculating the percentage for out-of-home placement costs.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Hawai’i, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report (*“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”*) for definitions of family foster care and congregate care.

The reported state/local expenditure amounts are approximations.

<sup>17</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

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The reported percentages are approximations. Hawai'i was unable to report the percentage of state/local prevention expenditures spent on "other" prevention services. Since the remaining categories of services sum to 100%, the reported percentages are likely overestimated.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Illinois in SFY 2018



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This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Illinois decreased slightly since SFY 2016 and decreased from SFY 2008 to 2018.

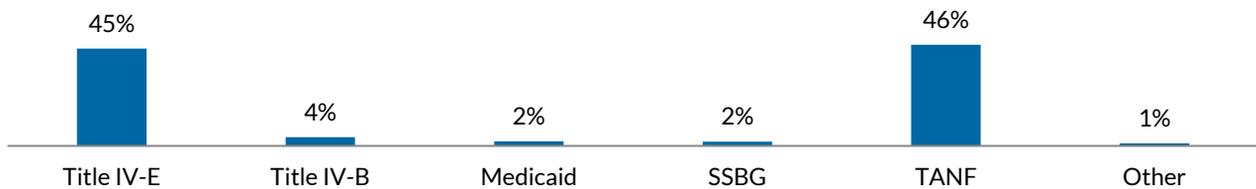
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$1,089,469,633	-4%	-27%
Federal	\$634,226,162	-4%	-7%
State	\$433,117,339	-7%	-46%
Local	\$0	0%	0%
Offsets and other	\$22,126,132	N/A	N/A

The proportion of spending from federal, state, and local sources in Illinois has not changed since SFY 2016.

	Federal	State	Local
2018	59%	41%	0%
2016	59%	41%	0%

# Federal Expenditures

TANF is the largest federal funding source used by child welfare agencies in Illinois.



## Title IV-E

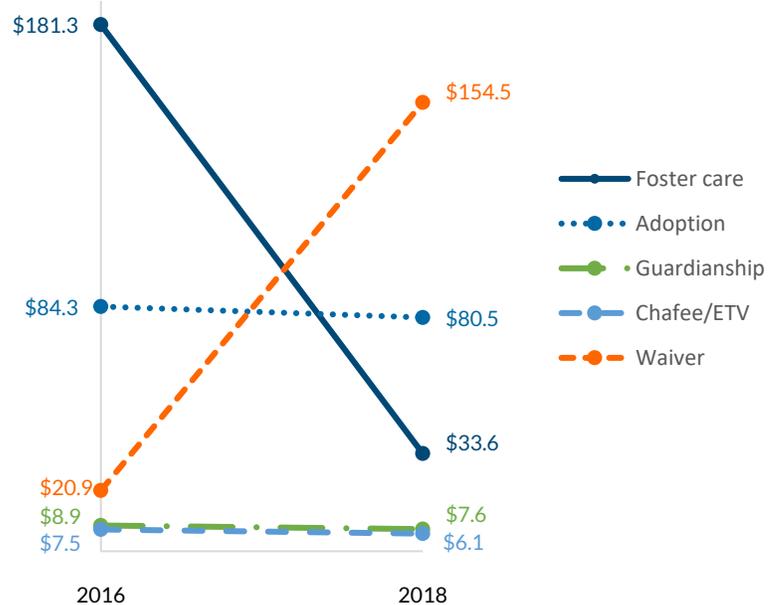
Total in SFY 2018: \$282,316,077

Change from SFY 2016: -7%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, including Illinois, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$282 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was a decrease across all expenditures except for waiver expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending (in millions of dollars)

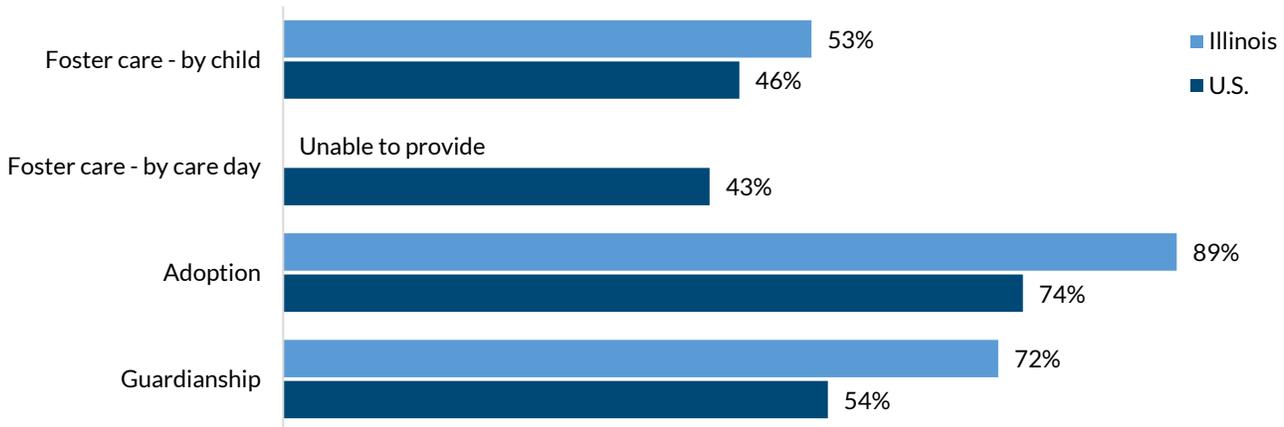


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



## Title IV-E waiver

**\$155 million**

Illinois reported \$155 million in waiver expenditures in SFY 2018. Illinois began its waiver in April 2000.

### Illinois spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$104,373,501
Expenditures that would be reimbursable if the child was IV-E eligible	\$49,388,812
Expenditures that are were reimbursable only because of waiver	\$260,687
Project development and evaluation costs	\$525,489

## Title IV-B

**Total in SFY 2018: \$25,421,252**

**Change from SFY 2016: 6%**

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$13,218,660**

**Change from SFY 2016: -4%**

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in Illinois:

- Rehabilitative services
- Other: Administration

### TANF

**Total in SFY 2018:** \$293,559,855

**Change from SFY 2016:** 2%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Illinois:

- Emergency assistance
- Child welfare services
- Other

### SSBG

**Total in SFY 2018:** \$12,461,698

**Change from SFY 2016:** 8%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Illinois:

- Day care for children
- Adoption services
- In-home services

### Other federal funds

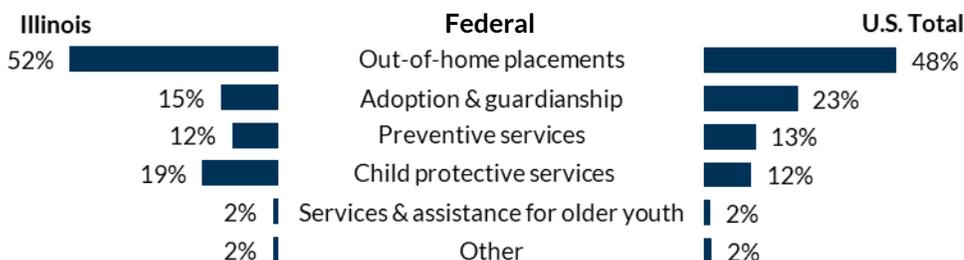
**Total in SFY 2018:** \$7,248,619

**Change from SFY 2016:** -67%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Illinois uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a smaller proportion on adoption and guardianship services and a larger proportion on child protective services.



Illinois uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on preventive services and child protective services.



## Top funding sources for child welfare expenses

Illinois indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>TANF</li> <li>State funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>TANF</li> <li>State funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>Medicaid</li> <li>State funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
	Adoption and guardianship	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Title IV-B</li> <li>State funds</li> </ul>

Service category	Sub-category	Top funding sources <sup>15</sup>
Child protective services		- Title IV-E
		- TANF
		- State funds
Services and assistance for older youth		- Title IV-E
		- TANF
		- State funds

## Out-of-home placement setting expenditures<sup>16</sup>

Below is a detailed breakdown of Illinois's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$329,797,604</b>	-	-	<b>\$225,221,016</b>

"-" means the state was unable to provide information.

## Adoption and guardianship costs<sup>17</sup>

Below is a detailed breakdown of Illinois's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	-	-	-	-	-	-
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	-	-	-	-	-	-
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$91,962,793</b>	-	-	<b>\$90,954,641</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Illinois is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included

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those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> By “foster care,” we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By “adoption,” we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By “guardianship,” we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By “transition supports,” we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for the methodology used to calculate these rates.

Illinois’ coverage rates are based on an average quarterly number of children instead of the total number of children for the SFY.

<sup>8</sup> For this survey, states were asked to report their child welfare agency’s(ies’) total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total

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reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Illinois, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Illinois, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>17</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Indiana in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Indiana for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

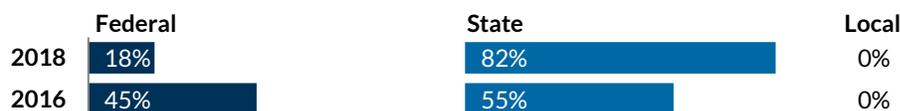
This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

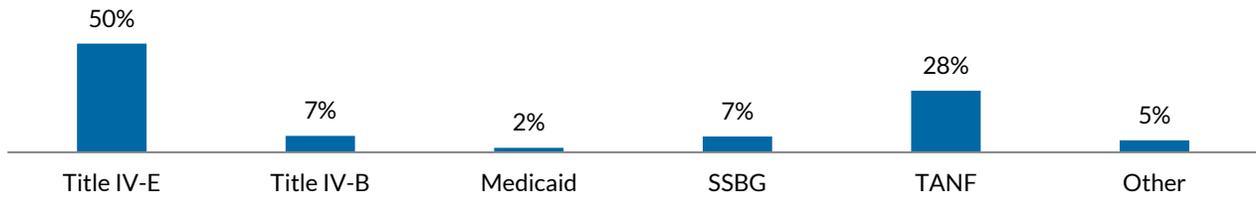
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$1,138,046,715	36%	N/A
Federal	\$198,425,094	-47%	<-1%
State	\$930,612,708	100%	N/A
Local	\$0	0%	N/A
Offsets and other <sup>3</sup>	\$9,008,913	N/A	N/A

The proportion of spending from federal, state, and local sources in Indiana has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by state dollars.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Indiana.



## Title IV-E

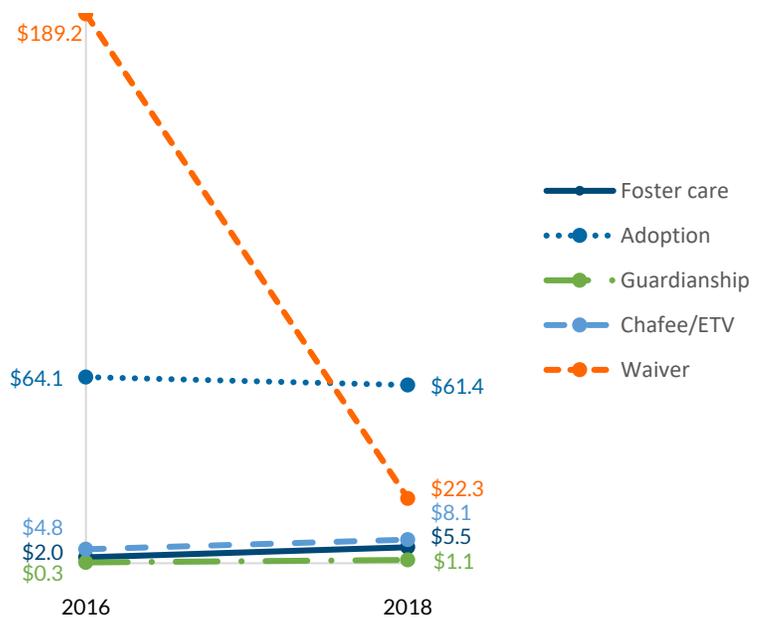
Total in SFY 2018: \$98,423,028

Change from SFY 2016: -62%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Indiana, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$98 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase foster care, Chafee/ETV, and guardianship expenditures and a decrease in adoption and waiver expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

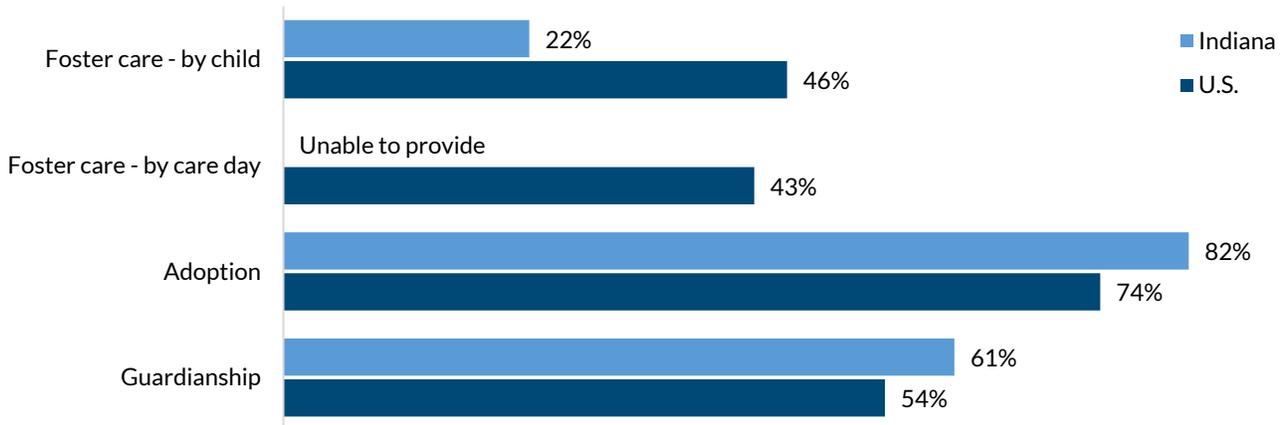


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$22 million**

Indiana reported \$22 million in waiver expenditures in SFY 2018. Indiana began its waiver in January 1998.

### Indiana spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$0
Expenditures that would be reimbursable if the child was IV-E eligible	\$0
Expenditures that are were reimbursable only because of waiver	\$22,170,406
Project development and evaluation costs	\$131,127

## Title IV-B

**Total in SFY 2018: \$14,855,623**

**Change from SFY 2016: -31%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$4,098,169**

**Change from SFY 2016: -12%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in Indiana:

- Rehabilitative services
- Treatment foster care

**TANF** **Total in SFY 2018:** \$55,832,816 **Change from SFY 2016:** 35%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Indiana:

- Family preservation services
- Work, education, and training activities
- Early care and education

**SSBG** **Total in SFY 2018:** \$14,332,714 **Change from SFY 2016:** -51%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Indiana:

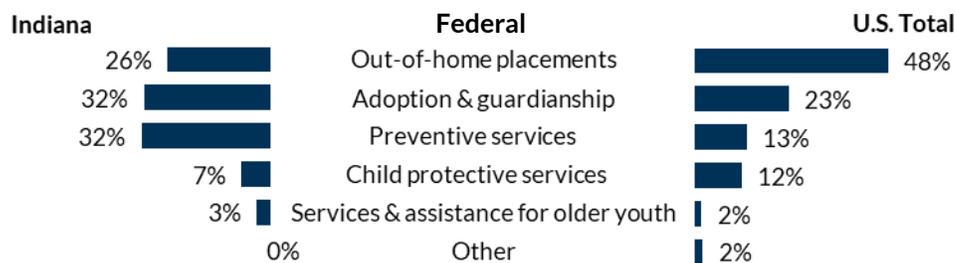
- Case management services
- Prevention and intervention services
- Foster care services for children

**Other federal funds** **Total in SFY 2018:** \$10,882,744 **Change from SFY 2016:** -39%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Indiana uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a much smaller proportion on out-of-home placements and a larger proportion on preventive services.



Indiana uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on adoption and guardianship services and a larger proportion on preventive services.



## Top funding sources for child welfare expenses

Indiana indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	- Title IV-E
		- Medicaid
Preventive services	All preventive services categories	- State funds
		- Title IV-B
		- TANF
		- State funds
		- TANF
		- Other federal funds
Adoption and guardianship	Substance abuse prevention and treatment	- State funds
		- Other federal funds
Child protective services	Mental health treatment	- State funds
		- Other federal funds
		- State funds
Services and assistance for older youth	Financial supports	- Other federal funds
		- State funds
Adoption and guardianship		- Title IV-E
		- State funds
Child protective services		- SSBG
		- Other federal funds
		- State funds
Services and assistance for older youth		- Title IV-E
		- Other federal funds
		- State funds

## Out-of-home placement setting expenditures<sup>17</sup>

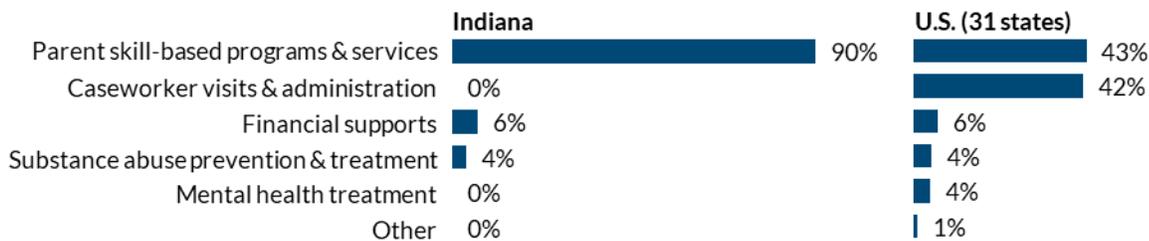
Below is a detailed breakdown of Indiana's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$7,036,177	\$4,703,132	\$11,739,309	-	-	\$266,481,789
Service costs	\$12,744,213	\$8,518,487	\$21,262,700	-	-	\$72,422,642
Administrative and training costs	\$10,701,347	\$7,152,997	\$17,854,344	-	-	\$120,751,708
<b>Total</b>	<b>\$30,481,737</b>	<b>\$20,374,616</b>	<b>\$50,856,353</b>	-	-	<b>\$459,656,139</b>

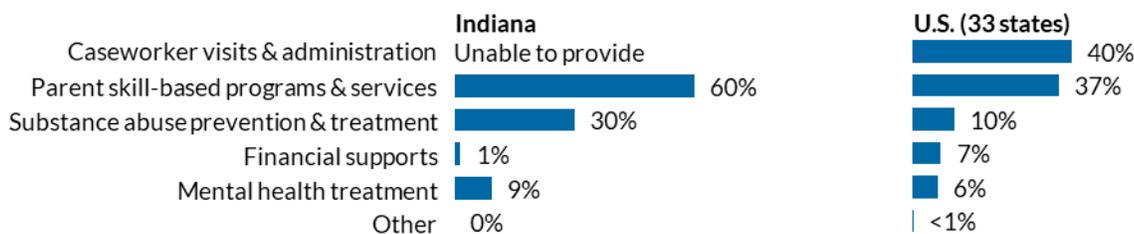
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of Indiana's federal spending on preventive services, the state spends the vast majority on parent skill-based programs. This is different than other states.



Out of Indiana's state/local spending on preventive services, the state spends more than half on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of Indiana's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$53,690,662	\$8,226,053	\$61,916,715	\$44,625,735	\$312,665	\$44,938,400
Post-adoption supports and services	\$0	\$0	\$0	\$0	\$0	\$0
Guardianship assistance	\$586,948	\$39,927	\$626,875	\$1,264,024	\$93,320	\$1,357,344
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$54,277,610</b>	<b>\$8,265,980</b>	<b>\$62,543,590</b>	<b>\$45,889,759</b>	<b>\$405,985</b>	<b>\$46,295,744</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Indiana is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Indiana was unable to provide state and local expenditures for SFY 2008, therefore some comparisons to SFY 2008 cannot be made.

<sup>3</sup> Indiana was unable to provide information about third party in-kind contributions for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

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<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (*“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”*) for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency’s(ies’) total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state’s total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>12</sup> The formal SSBG category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

<sup>13</sup> See endnote 2.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Indiana, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Indiana, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>16</sup> This information is presented in no particular order.

<sup>17</sup> See the main report (*“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”*) for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>18</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

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The reported percentages are approximations. Indiana was unable to report the percentage of state/local prevention expenditures spent on "caseworker visits and administration." Since the remaining categories of services sum to 100%, the reported percentages are likely overestimated.

<sup>19</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Iowa in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Iowa for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Iowa increased slightly since SFY 2016 and decreased from SFY 2008 to 2018.

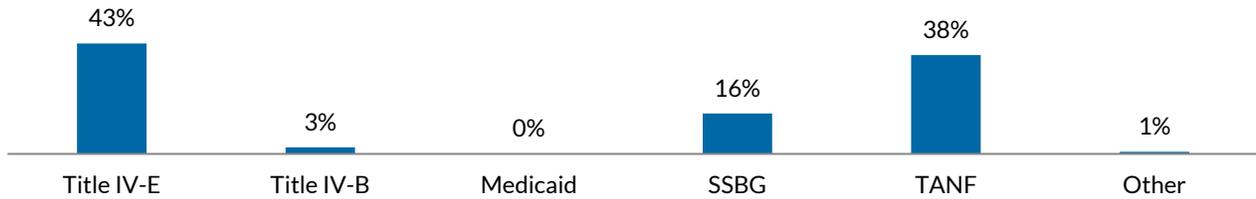
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$296,192,828	4%	-8%
Federal	\$151,352,572	<1%	5%
State	\$140,605,857	6%	-21%
Local	\$0	0%	-100%
Offsets and other <sup>3</sup>	\$4,234,399	N/A	N/A

The proportion of spending from federal, state, and local sources in Iowa has not changed since SFY 2016.

	Federal	State	Local
2018	52%	48%	0%
2016	53%	47%	0%

# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Iowa.

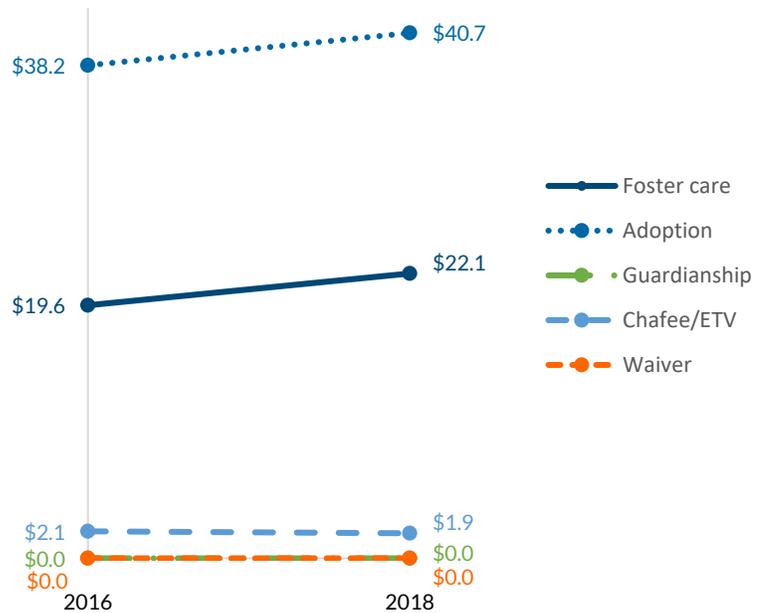


## Title IV-E Total in SFY 2018: \$64,710,311 Change from SFY 2016: 8%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not Iowa, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$65 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in foster care and adoption expenditures and a decrease in Chafee/ETV expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

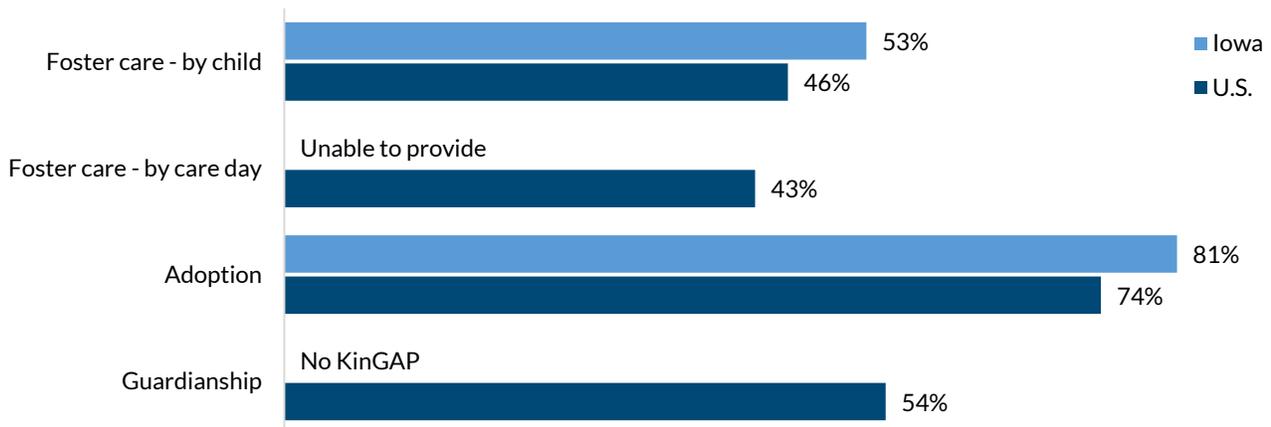


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



### Title IV-B

Total in SFY 2018: \$3,845,206

Change from SFY 2016: -15%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$0

Change from SFY 2016: 0%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### TANF

Total in SFY 2018: \$57,953,131

Change from SFY 2016: -3%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Iowa:

- Family preservation services
- Other
- Other child welfare services

### SSBG

Total in SFY 2018: \$23,660,712

Change from SFY 2016: 6%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

## Top categories of SSBG spending by child welfare agencies in Iowa:

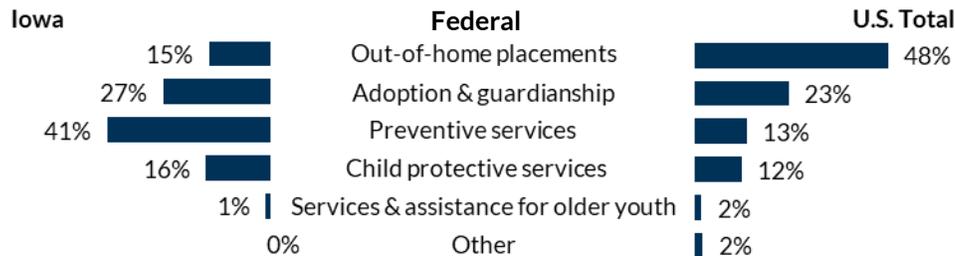
- Case management services
- Prevention and intervention services
- Residential treatment

**Other federal funds** Total in SFY 2018: \$1,183,212 Change from SFY 2016: -72%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Iowa uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a much smaller proportion on out-of-home placements and a much larger proportion on preventive services.



Iowa uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on out-of-home placements and a larger proportion on adoption and guardianship services.



## Top funding sources for child welfare expenses

Iowa indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	- Title IV-E
		- Title IV-B
		- State funds
Preventive services	All preventive services categories	- TANF
		- SSBG
		- State funds

Service category	Sub-category	Top funding sources <sup>16</sup>
Adoption and guardianship		– Title IV-E – State funds
Child protective services		– Title IV-B – State funds
Services and assistance for older youth		– Title IV-E – State funds

## Out-of-home placement setting expenditures<sup>17</sup>

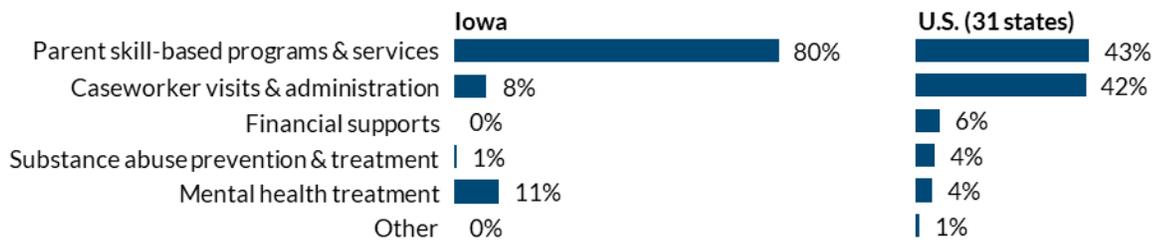
Below is a detailed breakdown of Iowa’s spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	\$7,524,056	\$6,201,814	\$13,725,870	\$1,657,322	\$3,395,051	\$5,052,373
<b>Total</b>	<b>\$12,755,732</b>	<b>\$10,514,101</b>	<b>\$23,269,833</b>	<b>\$15,203,355</b>	<b>\$33,640,202</b>	<b>\$48,843,557</b>

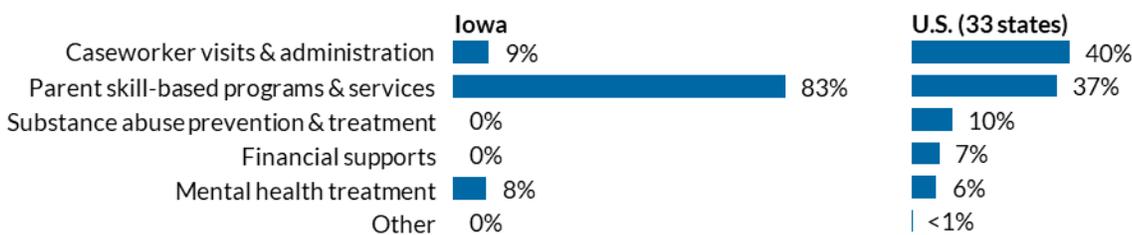
“-” means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of Iowa’s federal spending on preventive services, the state spends more than three quarters on parent skill-based programs. This is different than other states.



Out of Iowa’s state/local spending on preventive services, the state spends more than three quarters on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of Iowa's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$35,674,801	\$5,028,901	\$40,703,702	-	-	-
Post-adoption supports and services	\$0	\$0	\$0	-	-	-
Guardianship assistance	\$0	\$0	\$0	\$0	\$0	\$0
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$35,674,801</b>	<b>\$5,028,901</b>	<b>\$40,703,702</b>	<b>\$29,166,602</b>	<b>\$4,539,896</b>	<b>\$33,706,498</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Iowa is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> Iowa was unable to provide information about third party in-kind contributions and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote

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innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

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<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

When asked if the state experienced any changes in how Medicaid is used for child welfare services/activities, Iowa noted that all Medicaid services transitioned to managed care starting in April 2016.

<sup>11</sup> The formal TANF category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

Total TANF expenditures exclude any funds transferred to SSBG.

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<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Iowa, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

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**MARCH 2021**

# Child Welfare Agency Spending in Kansas in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Kansas for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Kansas increased since SFY 2016 and increased slightly from SFY 2008 to 2018.

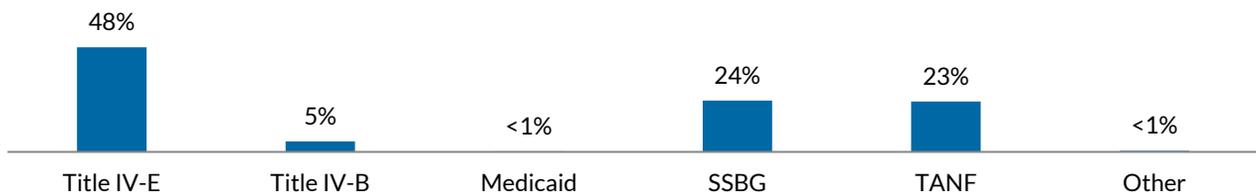
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$300,842,095	12%	4%
Federal	\$98,639,075	5%	24%
State	\$194,945,276	11%	-7%
Local	\$0	0%	0%
Offsets and other	\$7,257,744	N/A	N/A

The proportion of spending from federal, state, and local sources in Kansas has not changed since SFY 2016.

	Federal	State	Local
2018	34%	66%	0%
2016	35%	65%	0%

# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Kansas.

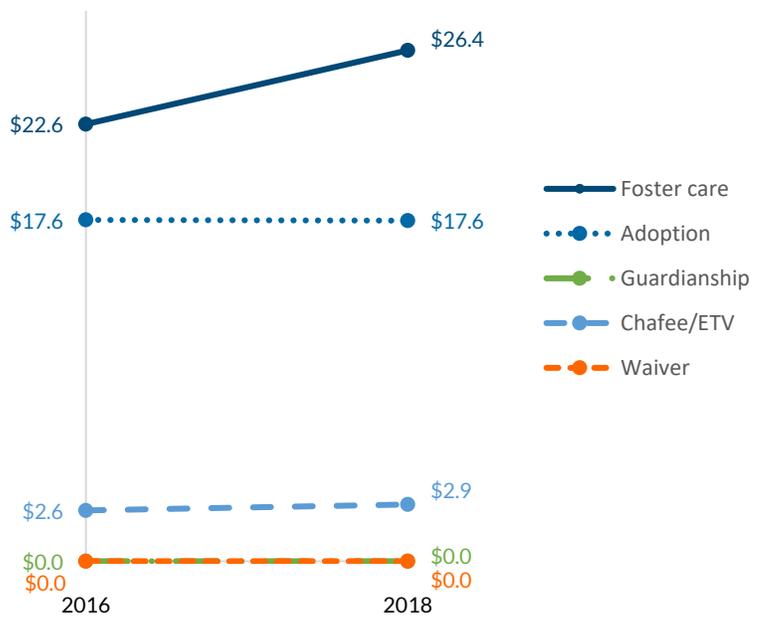


## Title IV-E Total in SFY 2018: \$47,228,908 Change from SFY 2016: 10%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, but not Kansas, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$47 million in Title IV-E expenditures in SFY 2018, nearly all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in foster care and Chafee/ETV expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending (in millions of dollars)

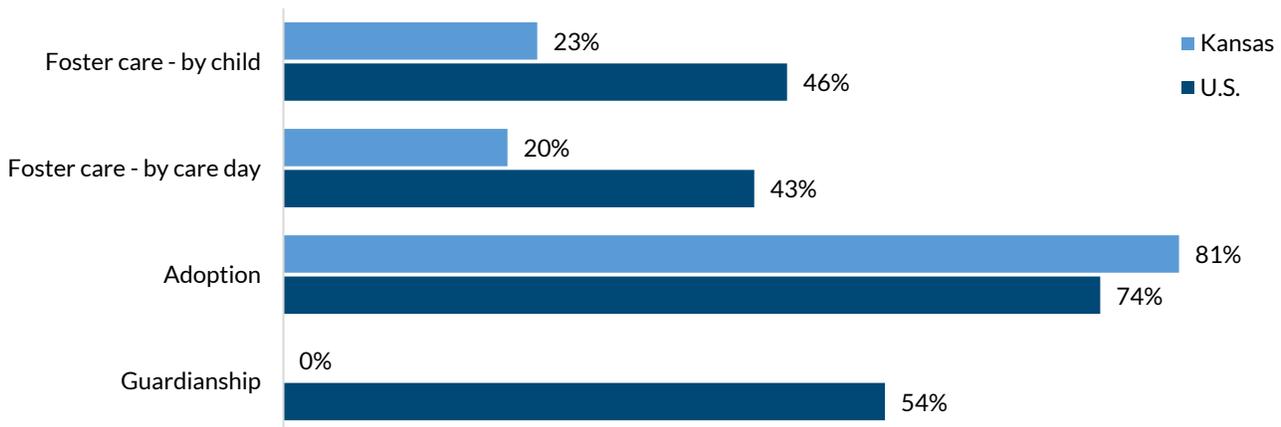


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-B

Total in SFY 2018: \$4,687,461

Change from SFY 2016: 5%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$252,628

Change from SFY 2016: -5%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in Kansas:

- Rehabilitative services

### TANF

Total in SFY 2018: \$22,777,436

Change from SFY 2016: -8%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Kansas:

- Emergency assistance
- Family preservation services

## SSBG

Total in SFY 2018: \$23,204,903

Change from SFY 2016: 16%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Kansas:

- Case management services
- Child protective services

## Other federal funds

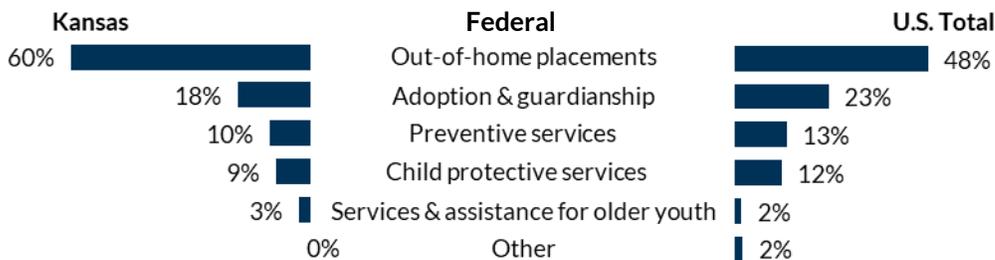
Total in SFY 2018: \$487,739

Change from SFY 2016: -64%

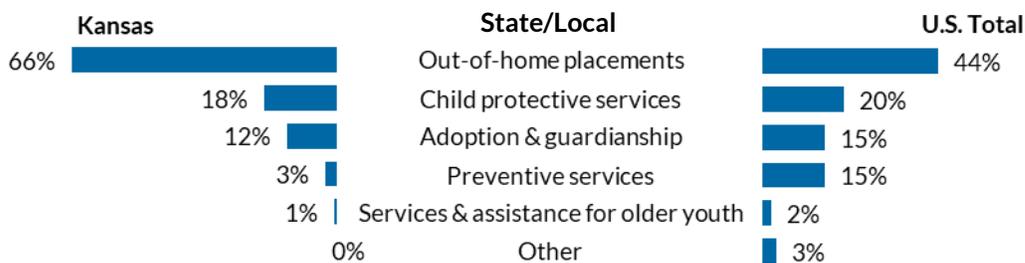
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Kansas uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on adoption and guardianship services.



Kansas uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a much larger proportion on out-of-home placements and a smaller proportion on preventive services.



## Top funding sources for child welfare expenses

Kansas indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – TANF – State funds
	Family foster care	– Title IV-E – TANF – State funds
	Congregate care	– Title IV-E – TANF – State funds
Preventive services	All preventive services categories	– Title IV-B – TANF – State funds
	Parent skill-based programs and services	– Other federal funds
	Financial supports	– Title IV-B – State funds
	Caseworker visits and administration	– Title IV-B – TANF – State funds
Adoption and guardianship		– Title IV-E – Title IV-B – State funds
Child protective services		– SSBG – State funds
Services and assistance for older youth		– Title IV-E – State funds

## Out-of-home placement setting expenditures<sup>16</sup>

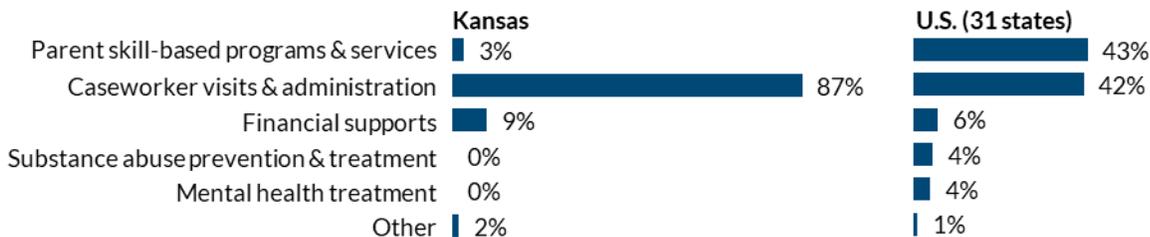
Below is a detailed breakdown of Kansas's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	\$30,189,730	-	-	\$71,588,248
<b>Total</b>	-	-	<b>\$58,711,666</b>	-	-	<b>\$128,188,248</b>

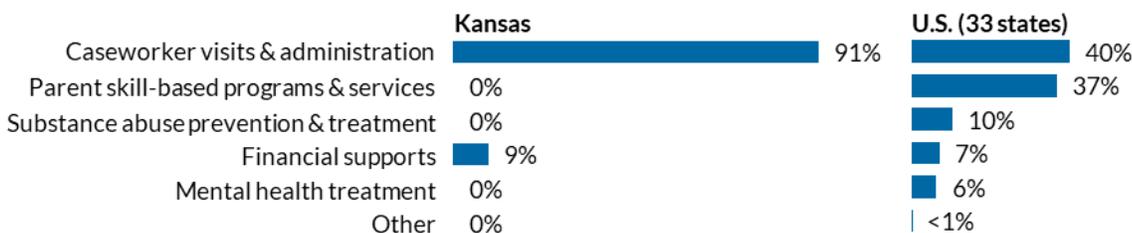
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Kansas's federal spending on preventive services, the state spends the vast majority on caseworker visits and administration. This is different than other states.



Out of Kansas's state/local spending on preventive services, the state spends the vast majority on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs

Below is a detailed breakdown of Kansas's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$16,750,792	\$1,208,481	\$17,959,273	\$20,402,704	\$2,582,108	\$22,984,812
Post-adoption supports and services	\$0	\$0	\$0	\$450,169	\$0	\$450,169
Guardianship assistance	\$0	\$0	\$0	\$646,385	\$56,960	\$703,345
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$16,750,792</b>	<b>\$1,208,481</b>	<b>\$17,959,273</b>	<b>\$21,499,258</b>	<b>\$2,639,068</b>	<b>\$24,138,326</b>

"-" means the state was unable to provide information.

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<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Kansas is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

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See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies)' total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. While most states were only able to provide approximations of how their funds were spent, Kansas provided precise information. Totals may not equal 100% due to rounding.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. While most states were only able to provide approximations of how their funds were spent, Kansas provided precise information. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>17</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Kentucky in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Kentucky for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Kentucky increased since SFY 2016 and increased from SFY 2008 to 2018.

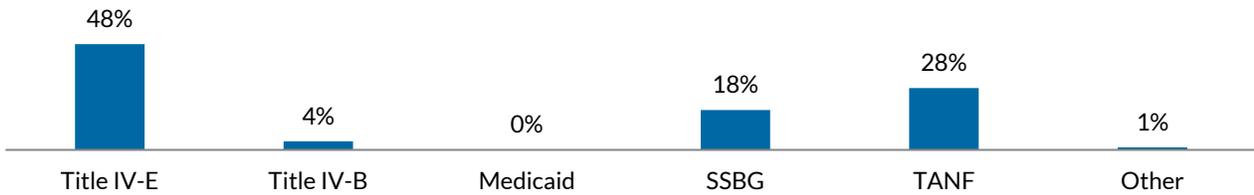
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$662,021,397	14%	18%
Federal	\$241,832,117	10%	10%
State	\$405,805,140	12%	19%
Local	\$0	0%	0%
Offsets and other	\$14,384,140	N/A	N/A

The proportion of spending from federal, state, and local sources in Kentucky has not changed since SFY 2016.

	Federal	State	Local
2018	37%	63%	0%
2016	38%	62%	0%

# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Kentucky.



## Title IV-E

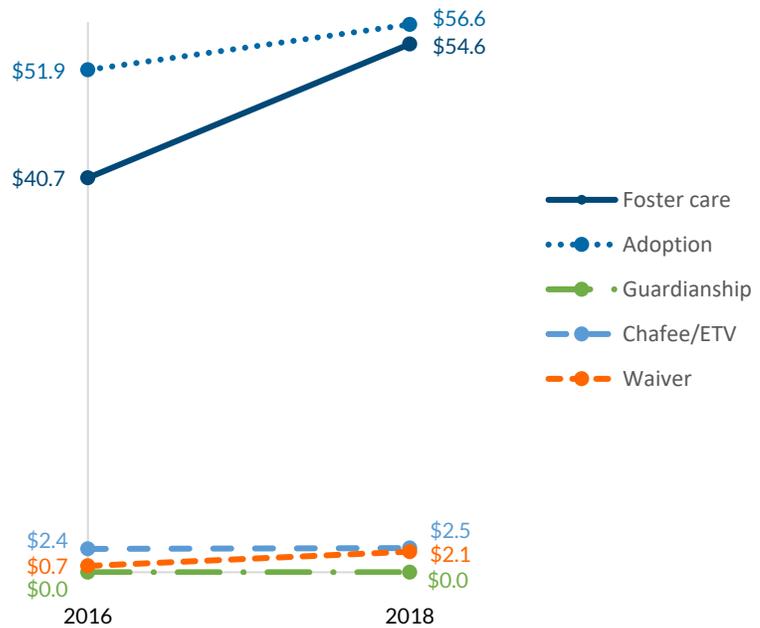
Total in SFY 2018: \$117,015,927

Change from SFY 2016: 22%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, including Kentucky, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$117 million in Title IV-E expenditures in SFY 2018, \$116 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase across all expenditures except for guardianship expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending  
(in millions of dollars)

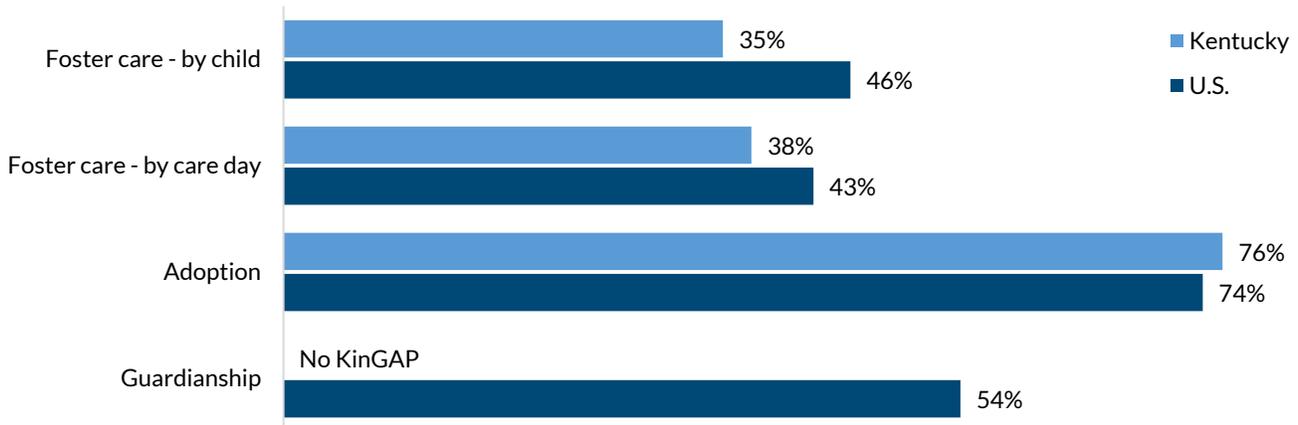


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



## Title IV-E waiver

**\$2  
million**

Kentucky reported \$2 million in waiver expenditures in SFY 2018. Kentucky began its waiver in October 2015.

### Kentucky spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$1,050,825
Expenditures that would be reimbursable if the child was IV-E eligible	\$0
Expenditures that are were reimbursable only because of waiver	\$0
Project development and evaluation costs	\$1,074,179

## Title IV-B

**Total in SFY 2018: \$9,368,464**

**Change from SFY 2016: -18%**

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$0**

**Change from SFY 2016: 0%**

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## TANF

Total in SFY 2018: \$68,482,193

Change from SFY 2016: -8%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Kentucky:

- Emergency assistance
- Family preservation services
- Work, education, and training activities

## SSBG

Total in SFY 2018: \$44,216,600

Change from SFY 2016: 70%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Kentucky:

- Child protective services
- Delinquency-related services
- Other

## Other federal funds

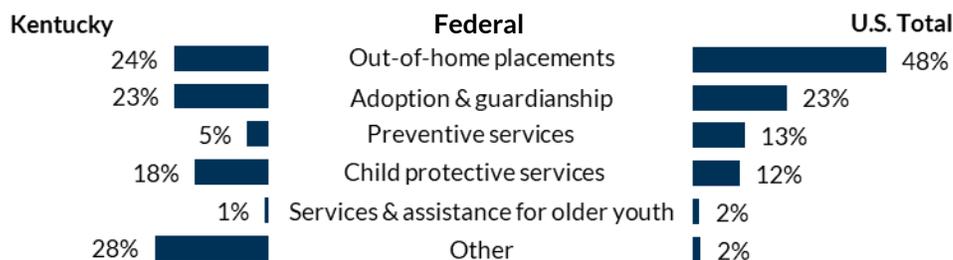
Total in SFY 2018: \$2,748,934

Change from SFY 2016: -80%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Kentucky uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a much smaller proportion on out-of-home placements and a much larger proportion on other uses of federal funds.



Kentucky uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on preventive services and a much larger proportion on child protective services.



## Top funding sources for child welfare expenses

Kentucky indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>TANF</li> <li>State funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>TANF</li> <li>State funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>TANF</li> <li>State funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>TANF</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>TANF</li> <li>State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>TANF</li> <li>State funds</li> </ul>

Service category	Sub-category	Top funding sources <sup>15</sup>
Adoption and guardianship		<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Title IV-B</li> <li>State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>TANF</li> <li>SSBG</li> <li>State funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> </ul>

## Out-of-home placement setting expenditures<sup>16</sup>

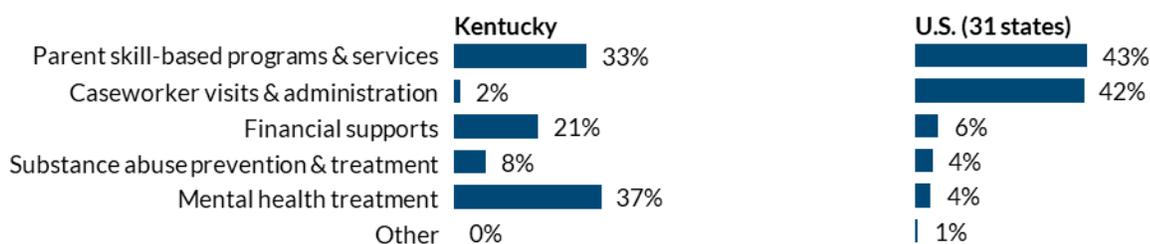
Below is a detailed breakdown of Kentucky's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$14,696,351	\$24,458,786	\$39,155,137	\$21,967,996	\$143,442,344	\$165,410,341
Service costs	\$1,050,825	\$537,639	\$1,588,465	\$2,127,429	\$0	\$2,127,429
Administrative and training costs	\$18,996,538	\$685,422	\$19,681,959	\$11,970,428	\$1,599,315	\$13,569,743
<b>Total</b>	<b>\$34,743,714</b>	<b>\$25,681,847</b>	<b>\$60,425,560</b>	<b>\$36,065,853</b>	<b>\$145,041,659</b>	<b>\$181,107,513</b>

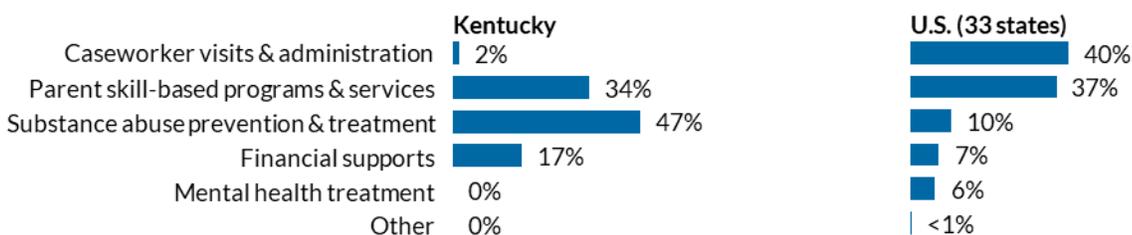
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Kentucky's federal spending on preventive services, the state spends more than a third on mental health treatment. This is different than other states.



Out of Kentucky's state/local spending on preventive services, the state spends almost half on substance abuse prevention and treatment. This is different than other states.



## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of Kentucky's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$54,377,753	\$2,212,613	\$56,590,366	\$57,265,446	\$1,443,734	\$58,709,180
Post-adoption supports and services	\$0	\$0	\$0	\$0	\$0	\$0
Guardianship assistance	\$0	\$0	\$0	\$0	\$0	\$0
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$54,377,753</b>	<b>\$2,212,613</b>	<b>\$56,590,366</b>	<b>\$57,265,446</b>	<b>\$1,443,734</b>	<b>\$58,709,180</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Kentucky is July 1, 2017 to June 30, 2018.

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To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

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<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would

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have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (*“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”*) for the methodology used to calculate these rates.

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<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

Total TANF expenditures exclude any funds transferred to SSBG.

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<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Kentucky, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

Kentucky reported some out-of-home care costs in the “other” category, therefore the percentage reported for out-of-home placement costs is underestimated.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Kentucky, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report (*“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”*) for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>17</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

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**MARCH 2021**

# Child Welfare Agency Spending in Louisiana in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Louisiana for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

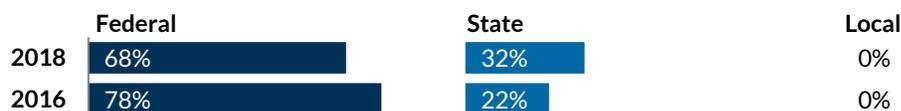
This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

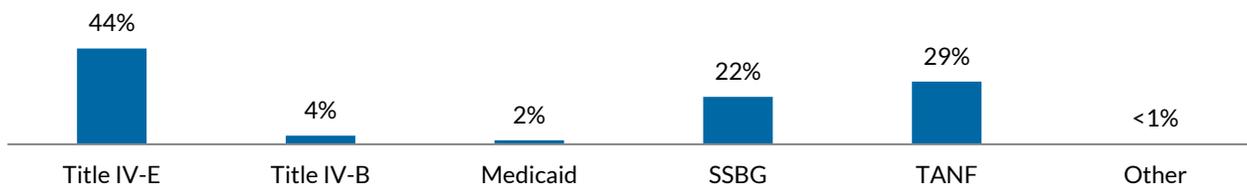
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$238,996,764	11%	N/A
Federal	\$161,268,928	-3%	-24%
State	\$74,632,850	57%	46%
Local	\$0	0%	N/A
Offsets and other	\$3,094,986	N/A	N/A

The proportion of spending from federal, state, and local sources in Louisiana has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by state dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Louisiana.



### Title IV-E

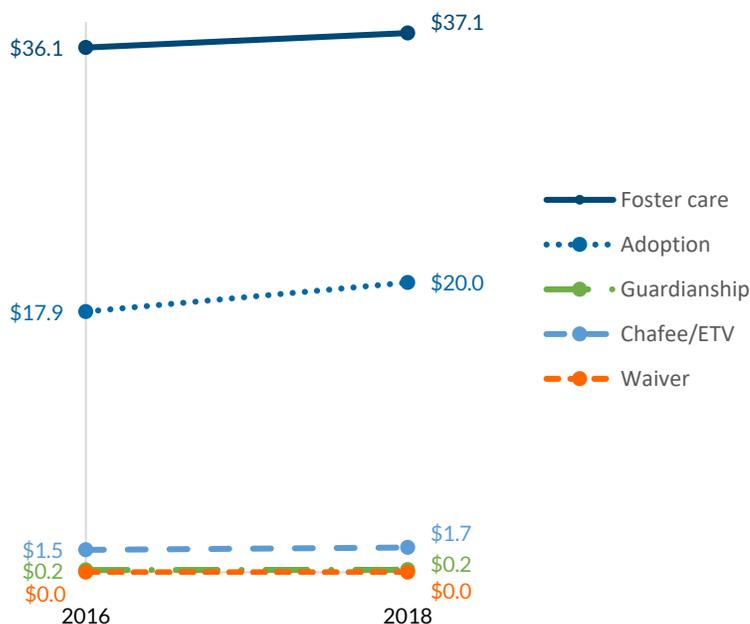
Total in SFY 2018: \$70,483,843

Change from SFY 2016: 26%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, but not Louisiana, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$70 million in Title IV-E expenditures in SFY 2018, \$59 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase across all expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending  
(in millions of dollars)

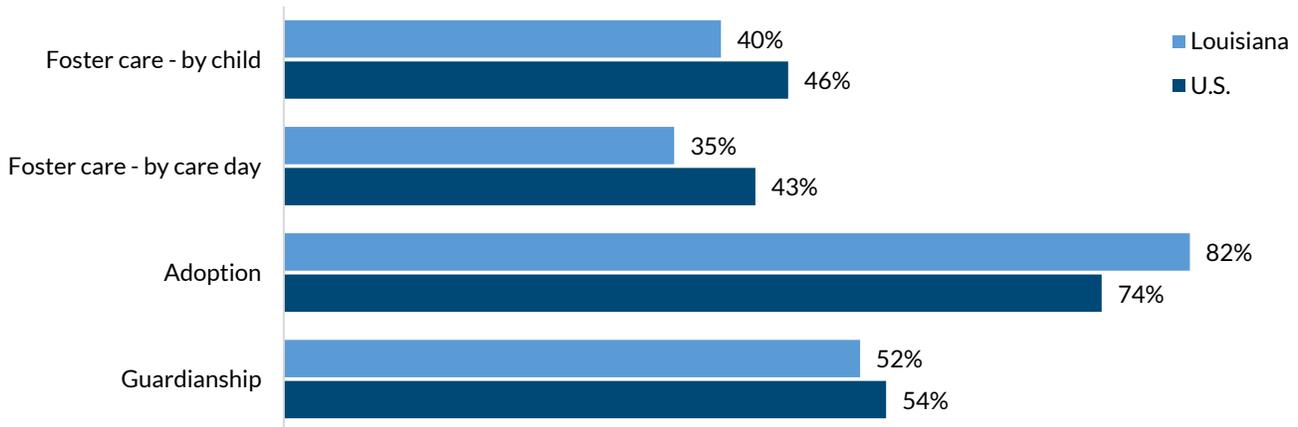


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-B

Total in SFY 2018: \$6,359,825

Change from SFY 2016: -48%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$2,893,541

Change from SFY 2016: -16%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in Louisiana:

- Other: Administration

### TANF

Total in SFY 2018: \$46,113,548

Change from SFY 2016: -1%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Louisiana:

- Other child welfare services
- Emergency services

## SSBG

Total in SFY 2018: \$34,878,906

Change from SFY 2016: -18%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Louisiana:

- Foster care services for children
- Child protective services
- Adoption services

## Other federal funds

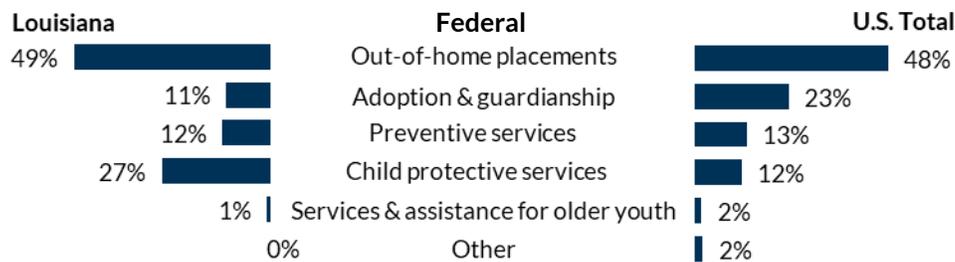
Total in SFY 2018: \$539,265

Change from SFY 2016: -91%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Louisiana uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a smaller proportion on adoption and guardianship and a larger proportion on child protective services.



Louisiana uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on preventive services and child protective services and a larger proportion on services and assistance for older youth.



## Top funding sources for child welfare expenses

Louisiana indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Medicaid</li> <li>– State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– 3rd party in-kind contributions</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– Other federal funds</li> <li>– 3rd party in-kind contributions</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Medicaid</li> <li>– State funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>– SSBG</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– 3rd party in-kind contributions</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– TANF</li> <li>– SSBG</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>

## Out-of-home placement setting expenditures<sup>16</sup>

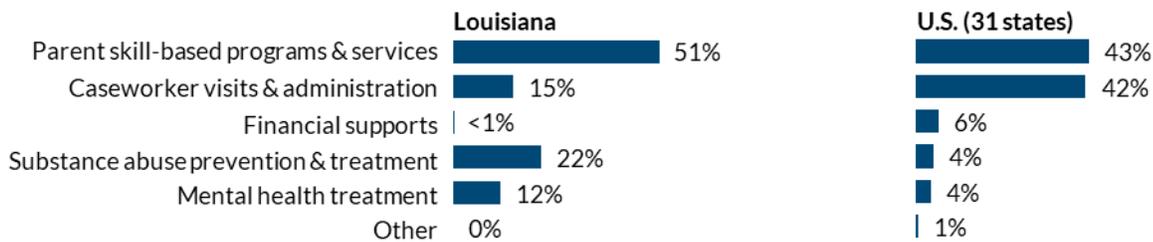
Below is a detailed breakdown of Louisiana’s spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$18,266,568	\$16,528,877	\$34,795,445	\$6,941,296	\$6,280,973	\$13,222,269
Service costs	\$19,195,570	-	-	\$7,294,317	-	-
Administrative and training costs	\$12,412,856	-	-	\$4,716,431	-	-
<b>Total</b>	<b>\$49,874,994</b>	<b>-</b>	<b>-</b>	<b>\$18,952,044</b>	<b>-</b>	<b>-</b>

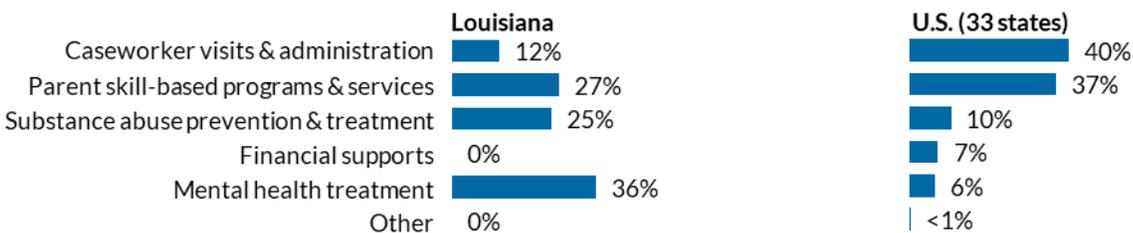
“-” means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Louisiana’s federal spending on preventive services, the state spends more than half on parent skill-based programs. This is different than other states.



Out of Louisiana’s state/local spending on preventive services, the state spends more than a third on mental health treatment. This is different than other states.



## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of Louisiana's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$17,098,764	-	-	\$5,213,919	\$2,292,287	\$7,506,206
Post-adoption supports and services	\$766,986	-	-	\$0	\$0	\$0
Guardianship assistance	\$168,010	-	-	\$97,127	\$0	\$97,127
Post-guardianship supports and services	-	\$0	-	\$0	\$0	\$0
<b>Total</b>	-	-	-	<b>\$5,311,046</b>	<b>\$2,292,287</b>	<b>\$7,603,333</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Louisiana is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Louisiana was unable to provide local expenditures for SFY 2008, therefore some comparisons to SFY 2008 cannot be made.

<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would

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have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

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<sup>7</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

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**MARCH 2021**

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## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

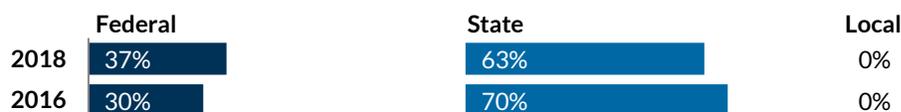
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Maine decreased since SFY 2016 and decreased from SFY 2008 to 2018.

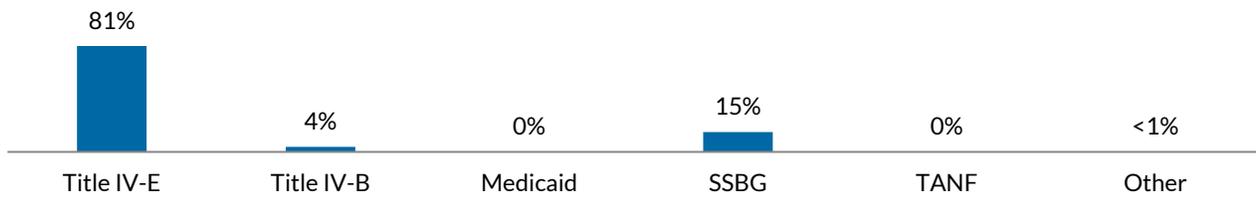
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$130,058,888	-6%	-10%
Federal	\$46,998,275	11%	5%
State	\$81,276,419	-16%	-19%
Local	\$0	0%	0%
Offsets and other	\$1,784,194	N/A	N/A

The proportion of spending from federal, state, and local sources in Maine has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by federal dollars.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Maine.

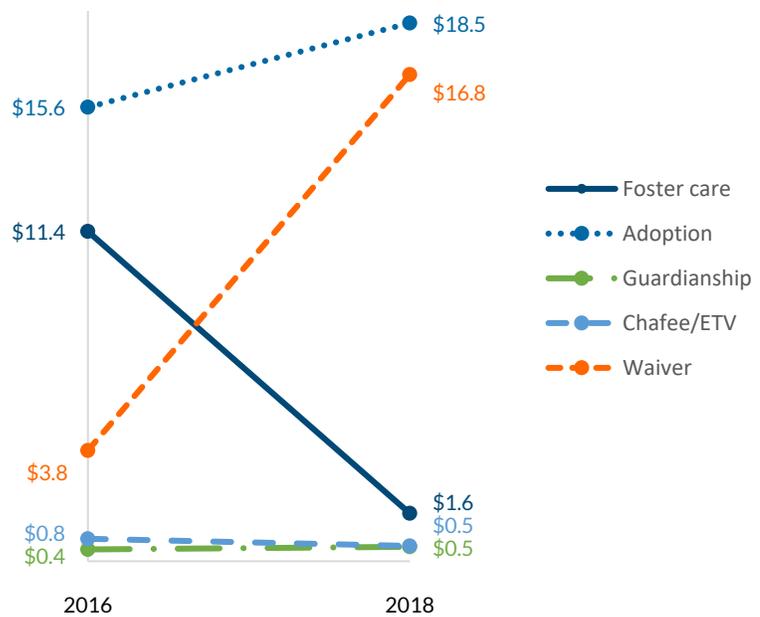


## Title IV-E Total in SFY 2018: \$37,961,543 Change from SFY 2016: 19%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, including Maine, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$38 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in adoption, guardianship, and waiver expenditures and a decrease in foster care and Chafee/ETV expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending (in millions of dollars)

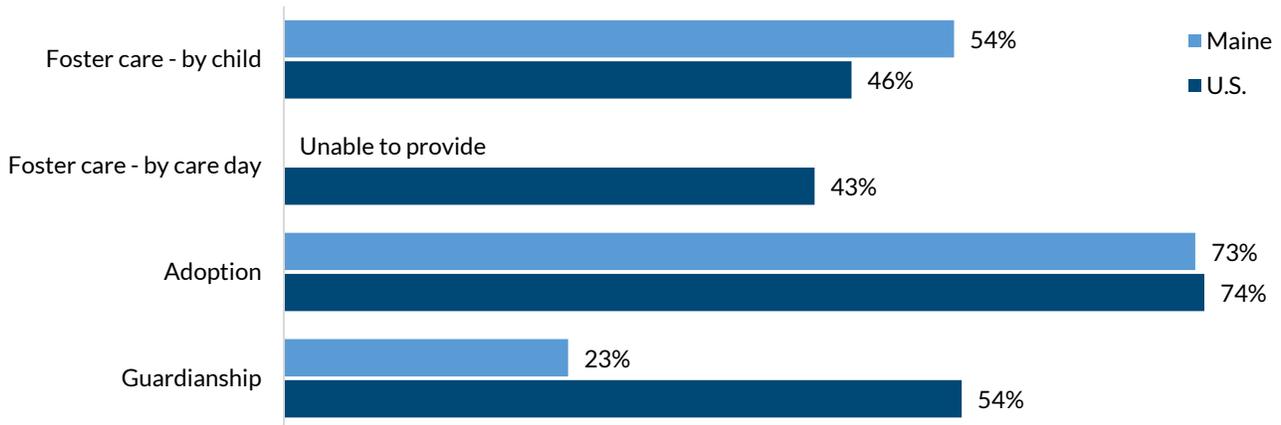


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



## Title IV-E waiver

**\$17  
million**

Maine reported \$17 million in waiver expenditures in SFY 2018. Maine began its waiver in April 2016.

### Title IV-B

**Total in SFY 2018: \$1,804,534**

**Change from SFY 2016: -12%**

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

**Total in SFY 2018: \$0**

**Change from SFY 2016: 0%**

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### TANF

**Total in SFY 2018: \$0**

**Change from SFY 2016: 0%**

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

## SSBG

Total in SFY 2018: \$7,100,360

Change from SFY 2016: 14%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Maine:

- Foster care services for children

## Other federal funds

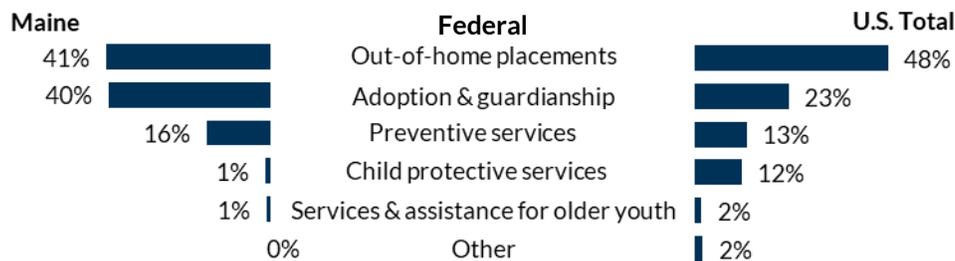
Total in SFY 2018: \$131,838

Change from SFY 2016: -93%

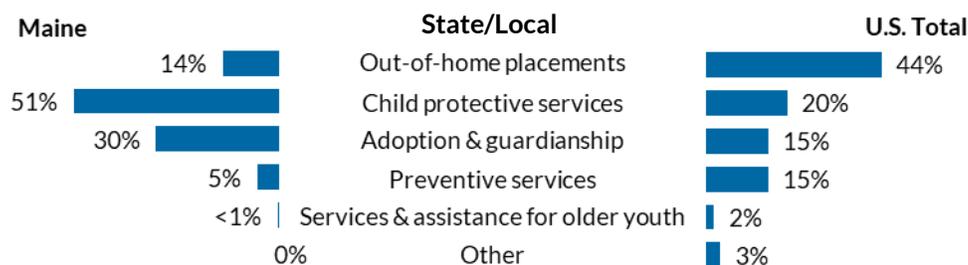
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Maine uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a larger proportion on adoption and guardianship and a smaller proportion on child protective services.



Maine uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a much smaller proportion on out-of-home placements and a much larger proportion on child protective services.



## Top funding sources for child welfare expenses

Maine indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – SSBG – State funds

Service category	Sub-category	Top funding sources <sup>15</sup>
	Family foster care	– Title IV-E – SSBG – State funds
	Congregate care	– Title IV-E – SSBG – State funds
<b>Preventive services</b>	All preventive services categories	– Title IV-E – Title IV-B – State funds
	Parent skill-based programs and services	– Title IV-E – State funds
	Substance abuse prevention and treatment	– State funds
	Mental health treatment	– State funds
	Financial supports	– Title IV-B – State funds
	Caseworker visits and administration	– Title IV-E – State funds
<b>Adoption and guardianship</b>		– Title IV-E – State funds
<b>Child protective services</b>		– Title IV-E – Other federal funds – State funds
<b>Services and assistance for older youth</b>		– Title IV-E – Other federal funds – State funds

## Out-of-home placement setting expenditures<sup>16</sup>

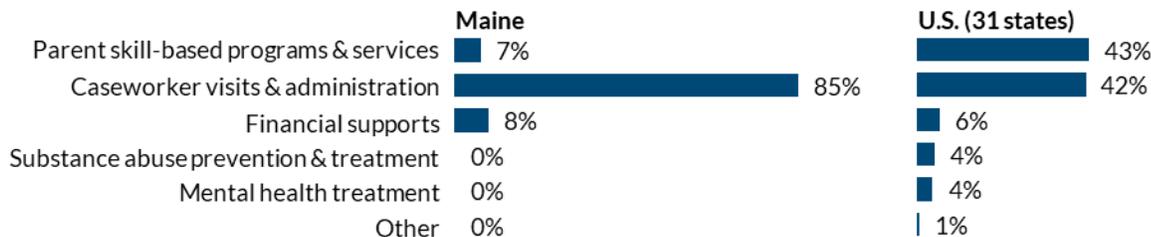
Below is a detailed breakdown of Maine's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$11,092,994	\$381,845	\$11,474,839	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	\$2,943,733
<b>Total</b>	-	-	<b>\$19,310,471</b>	-	-	<b>\$11,078,515</b>

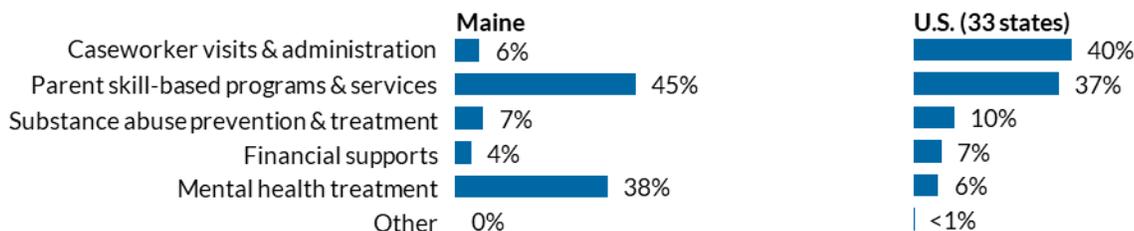
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Maine's federal spending on preventive services, the state spends more than three quarters on caseworker visits and administration. This is different than other states.



Out of Maine's state/local spending on preventive services, the state spends almost half on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of Maine's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	-	-	-	-	-	-
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	-	-	-	-	-	-
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	<b>\$17,015,296</b>	<b>\$2,207,772</b>	<b>\$19,223,068</b>	<b>\$24,603,917</b>	<b>\$18,577</b>	<b>\$24,622,494</b>

"-" means the state was unable to provide information.

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<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Maine is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

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See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies') total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Maine, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Maine, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>17</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>18</sup> The reported federal amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Maryland in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Maryland for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Maryland held steady since SFY 2016 and decreased from SFY 2008 to 2018.

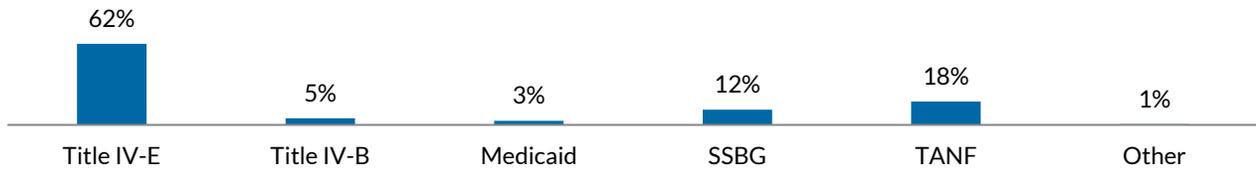
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$526,958,509	<-1%	-24%
Federal	\$148,450,598	<-1%	-49%
State	\$369,291,320	-2%	-6%
Local	\$3,766,632	-8%	-34%
Offsets and other <sup>3</sup>	\$5,449,959	N/A	N/A

The proportion of spending from federal, state, and local sources in Maryland has not changed since SFY 2016.

	Federal	State	Local
2018	28%	71%	1%
2016	28%	71%	1%

# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Maryland.



## Title IV-E

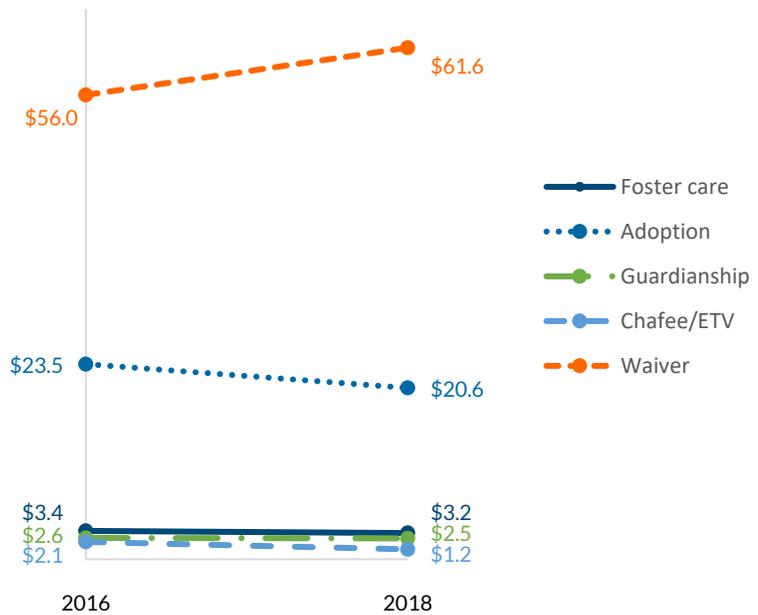
Total in SFY 2018: \$91,762,420

Change from SFY 2016: 5%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Maryland, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$92 million in Title IV-E expenditures in SFY 2018, \$89 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was a decrease across all expenditures except waiver expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

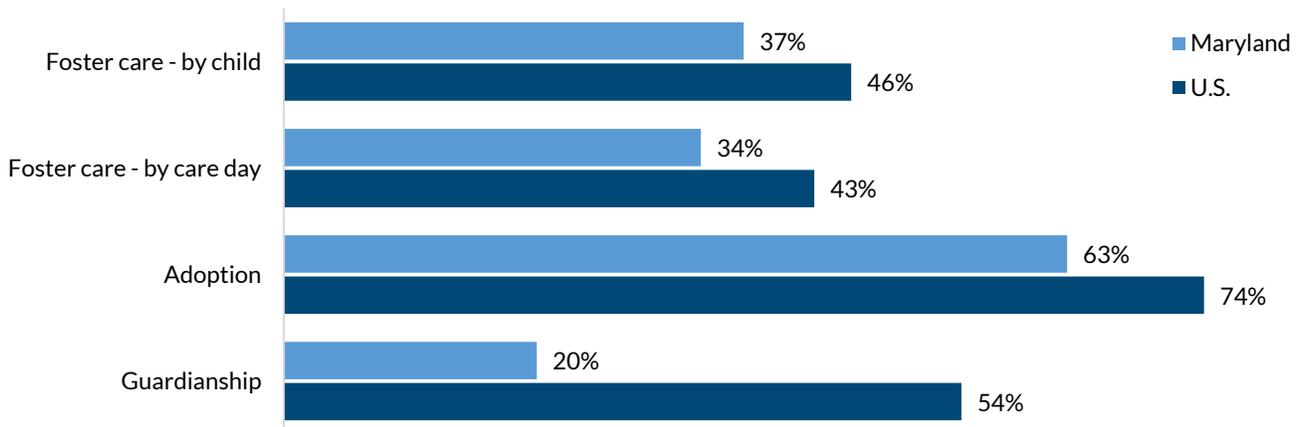


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$62  
million**

Maryland reported \$62 million in waiver expenditures in SFY 2018. Maryland began its waiver in July 2015.

### Maryland spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$52,415,969
Expenditures that would be reimbursable if the child was IV-E eligible	\$5,346,811
Expenditures that are were reimbursable only because of waiver	\$3,752,226
Project development and evaluation costs	\$134,306

## Title IV-B

**Total in SFY 2018: \$7,455,350**

**Change from SFY 2016: -1%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$4,649,534**

**Change from SFY 2016: -16%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in Maryland:

- Other: Caseworker referral to medical services

**TANF** **Total in SFY 2018:** \$26,501,153 **Change from SFY 2016:** -19%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Maryland:

- Family preservation services
- Services for children and youth
- Basic assistance

**SSBG** **Total in SFY 2018:** \$17,250,520 **Change from SFY 2016:** 24%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Maryland:

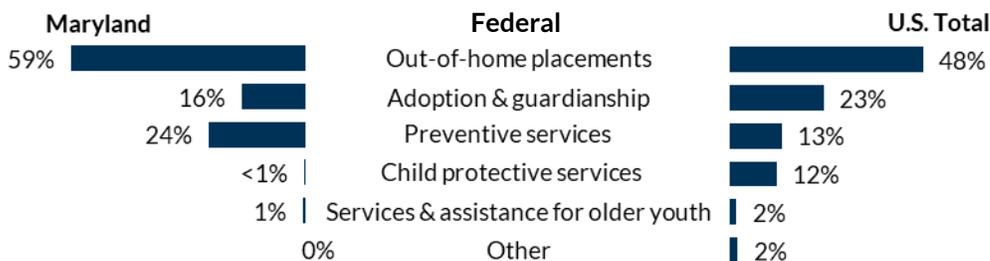
- Foster care services for children
- In-home services
- Child protective services

**Other federal funds** **Total in SFY 2018:** \$831,621 **Change from SFY 2016:** -26%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Maryland uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on preventive services and a smaller proportion on child protective services.



Maryland uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on out-of-home placements and child protective services and a larger proportion on preventive services.



## Top funding sources for child welfare expenses

Maryland indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– TANF</li> <li>– State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– TANF</li> <li>– State funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>– Other federal funds</li> <li>– State funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>

## Out-of-home placement setting expenditures<sup>17</sup>

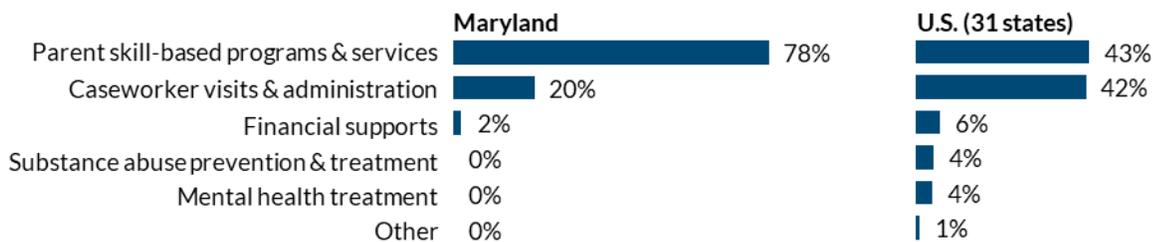
Below is a detailed breakdown of Maryland's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	\$25,417,367	\$4,382,305	\$29,799,672	-	-	-
<b>Total</b>	<b>\$61,915,716</b>	<b>\$23,434,701</b>	<b>\$85,350,417</b>	<b>\$83,647,227</b>	<b>\$79,844,484</b>	<b>\$163,491,711</b>

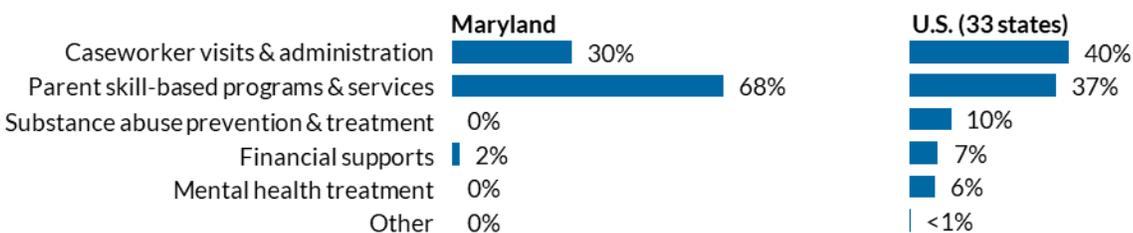
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of Maryland's federal spending on preventive services, the state spends more than three quarters on parent skill-based programs. This is different than other states.



Out of Maryland's state/local spending on preventive services, the state spends more than half on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of Maryland's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$19,956,153	\$693,203	\$20,649,356	\$31,676,433	\$711,738	\$32,388,171
Post-adoption supports and services	\$0	\$0	\$0	\$0	\$0	\$0
Guardianship assistance	\$2,494,897	\$13,395	\$2,508,292	\$12,313,442	\$65,341	\$12,378,783
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$22,451,050</b>	<b>\$706,598</b>	<b>\$23,157,648</b>	<b>\$43,989,875</b>	<b>\$777,079</b>	<b>\$44,766,954</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Maryland is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

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Maryland reported Supplemental Security Income, Social Security Disability Insurance, and Veteran's Administration funds as local expenditures instead of as "other federal" expenditures for SFY 2016.

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**MARCH 2021**

# Child Welfare Agency Spending in Massachusetts in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Massachusetts for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Massachusetts increased since SFY 2016 and increased from SFY 2008 to 2018.

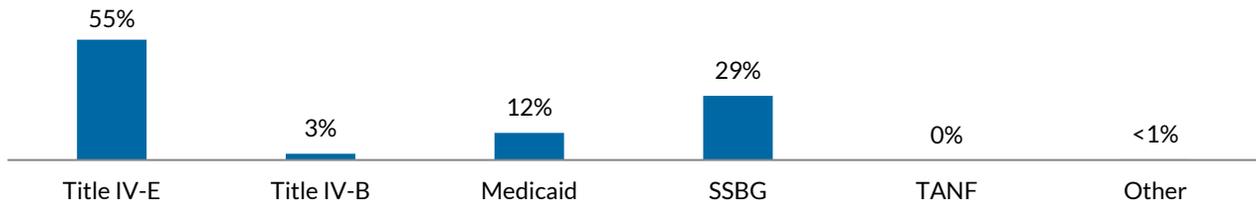
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$1,220,742,341	31%	30%
Federal	\$267,153,930	15%	-16%
State	\$946,788,205	36%	52%
Local	\$0	0%	0%
Offsets and other	\$6,800,206	N/A	N/A

The proportion of spending from federal, state, and local sources in Massachusetts has changed slightly since SFY 2016. In SFY 2018, a slightly larger proportion of total expenditures was financed by state dollars.

	Federal	State	Local
2018	22%	78%	0%
2016	25%	75%	0%

## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Massachusetts.



### Title IV-E

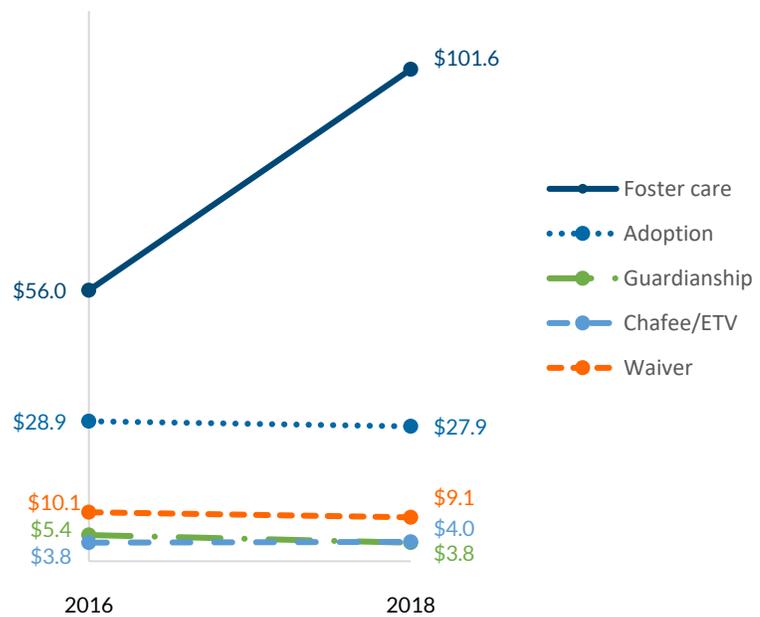
Total in SFY 2018: \$147,023,804

Change from SFY 2016: 41%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, including Massachusetts, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$147 million in Title IV-E expenditures in SFY 2018, \$146 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in foster care and Chafee/ETV expenditures and a decrease in adoption, guardianship, and waiver expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending  
(in millions of dollars)

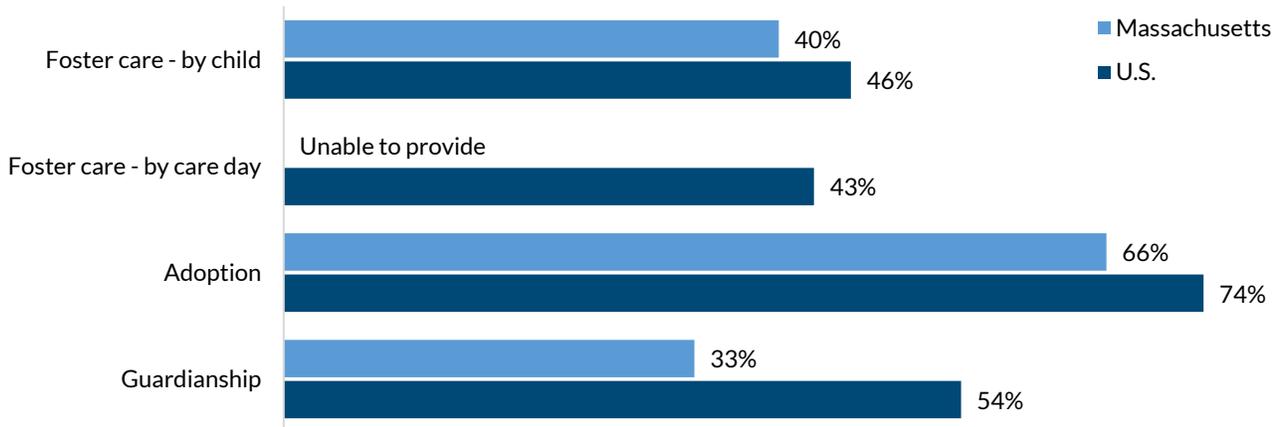


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



## Title IV-E waiver

**\$9  
million**

Massachusetts reported \$9 million in waiver expenditures in SFY 2018. Massachusetts began its waiver in January 2014.

### Massachusetts spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$0
Expenditures that would be reimbursable if the child was IV-E eligible	\$9,064,223
Expenditures that are were reimbursable only because of waiver	\$0
Project development and evaluation costs	\$0

## Title IV-B

**Total in SFY 2018: \$7,747,631**

**Change from SFY 2016: -1%**

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$33,059,222**

**Change from SFY 2016: 10%**

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in Massachusetts:

- Rehabilitative services
- Other: Medicaid administration

### TANF

Total in SFY 2018: \$0

Change from SFY 2016: 0%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### SSBG

Total in SFY 2018: \$78,515,714

Change from SFY 2016: -4%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Massachusetts:

- Foster care services for children
- Residential treatment
- In-home services

### Other federal funds

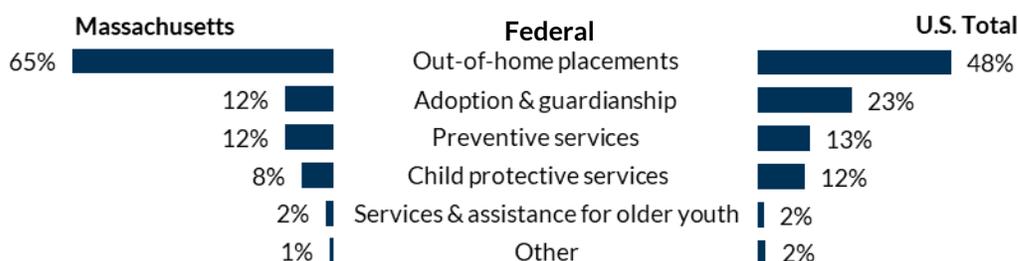
Total in SFY 2018: \$807,559

Change from SFY 2016: -90%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Massachusetts uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on adoption and guardianship services.



Massachusetts uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on child protective services.



## Top funding sources for child welfare expenses

Massachusetts indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>Medicaid</li> <li>SSBG</li> <li>State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>SSBG</li> <li>State funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>SSBG</li> <li>State funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>State funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>Medicaid</li> <li>State funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>SSBG</li> <li>State funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>
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Service category	Sub-category	Top funding sources <sup>15</sup>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Other federal funds</li> <li>– State funds</li> </ul>

## Out-of-home placement setting expenditures<sup>16</sup>

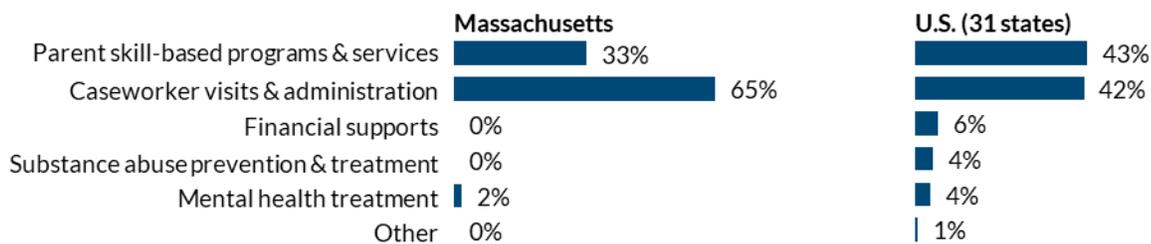
Below is a detailed breakdown of Massachusetts’s spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$53,750,000	\$81,750,000	\$135,500,000	\$106,500,000	\$179,600,000	\$286,100,000
Service costs	\$0	\$550,000	\$550,000	-	-	-
Administrative and training costs	\$32,780,000	\$5,900,000	\$38,680,000	-	-	-
<b>Total</b>	<b>\$86,530,000</b>	<b>\$88,200,000</b>	<b>\$174,730,000</b>	-	-	<b>\$505,587,813</b>

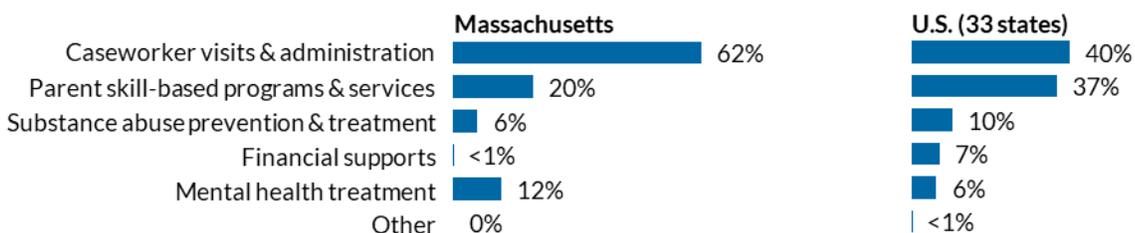
“-” means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Massachusetts’s federal spending on preventive services, the state spends more than half on caseworker visits and administration. This is different than other states.



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## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of Massachusetts's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$22,910,000	\$4,950,000	\$27,860,000	\$48,900,000	-	-
Post-adoption supports and services	\$1,350,000	\$0	\$1,350,000	\$3,500,000	-	-
Guardianship assistance	\$3,090,000	\$740,000	\$3,830,000	\$25,600,000	-	-
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$27,350,000</b>	<b>\$5,690,000</b>	<b>\$33,040,000</b>	<b>\$78,000,000</b>	<b>-</b>	<b>\$104,293,140</b>

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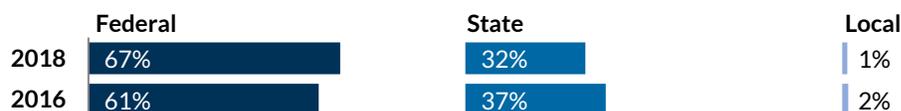
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- State and local funds

## Overall Expenditures<sup>2</sup>

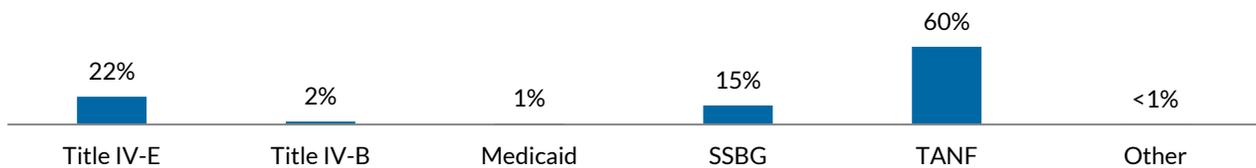
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$1,281,121,489	6%	N/A
Federal	\$853,527,106	16%	N/A
State	\$406,915,531	-10%	424%
Local	\$17,351,279	-11%	-83%
Offsets and other <sup>3</sup>	\$3,327,573	N/A	N/A

The proportion of spending from federal, state, and local sources in Michigan has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by federal dollars.



# Federal Expenditures

TANF is the largest federal funding source used by child welfare agencies in Michigan.

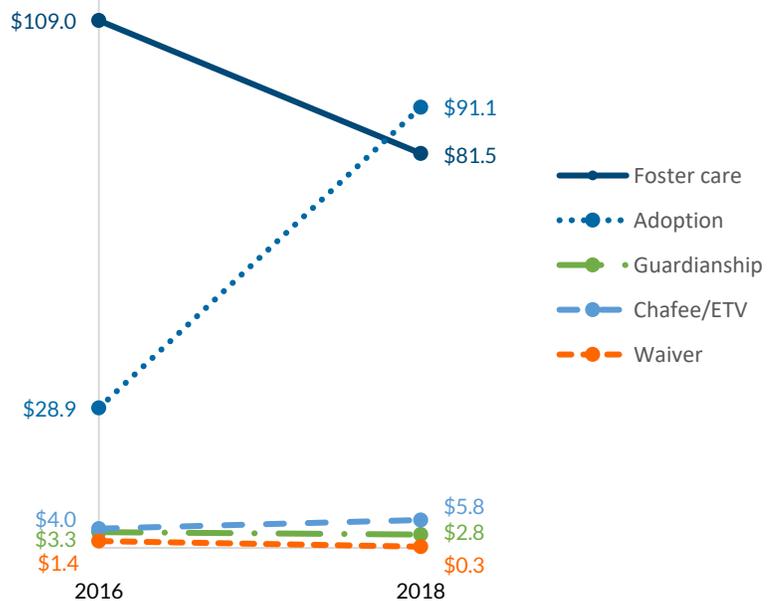


## Title IV-E Total in SFY 2018: \$183,839,261 Change from SFY 2016: -21%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Michigan, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$184 million in Title IV-E expenditures in SFY 2018, \$181 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was a decrease across all expenditures except Chafee/ETV expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

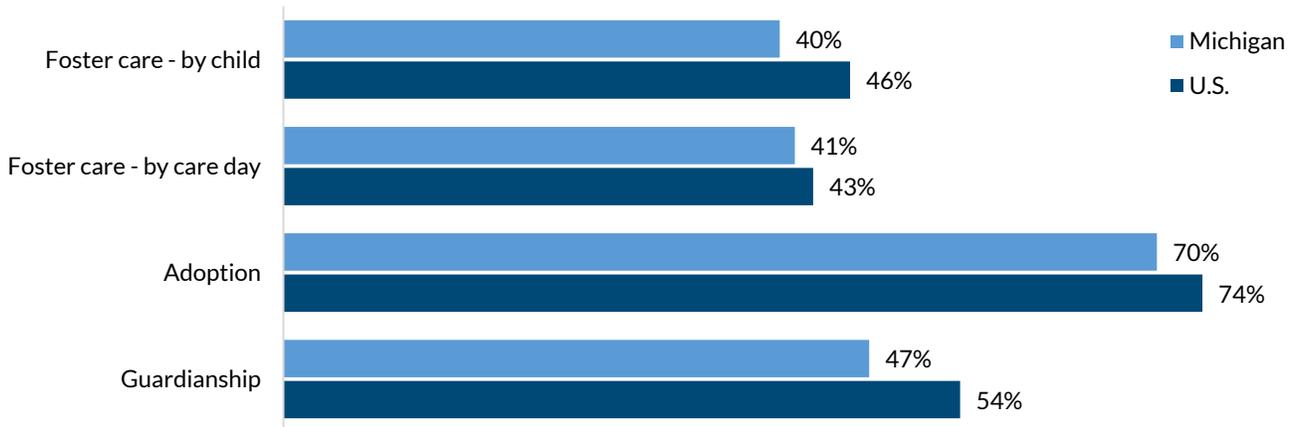


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$255,061**

Michigan reported \$255,061 in waiver expenditures in SFY 2018. Michigan began its waiver in August 2013.

### Michigan spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$0
Expenditures that would be reimbursable if the child was IV-E eligible	\$0
Expenditures that are were reimbursable only because of waiver	\$255,061
Project development and evaluation costs	\$0

## Title IV-B

**Total in SFY 2018: \$19,192,754**

**Change from SFY 2016: -11%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$6,094,432**

**Change from SFY 2016: -27%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in Michigan:

- Rehabilitative services
- Targeted case management
- Treatment foster care

### TANF

Total in SFY 2018: \$516,160,065

Change from SFY 2016: 31%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Michigan:

- Program management
- Basic assistance
- Relative foster care payments and adoption/guardianship subsidies

### SSBG

Total in SFY 2018: \$125,919,216

Change from SFY 2016: 59%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Michigan:

- In-home services
- Other
- Child protective services

### Other federal funds

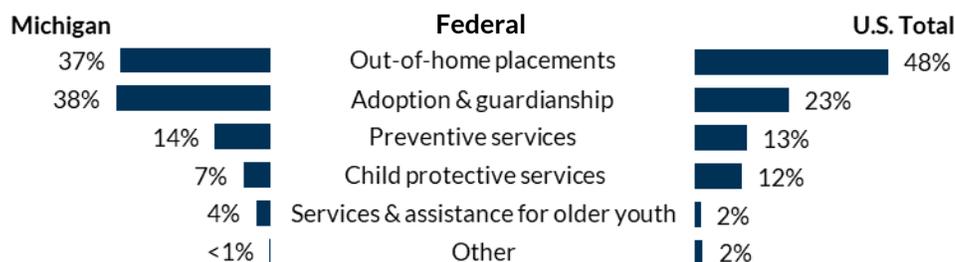
Total in SFY 2018: \$2,321,379

Change from SFY 2016: 70%

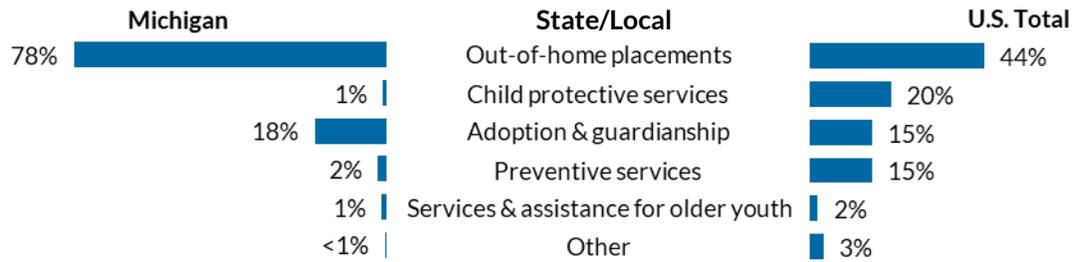
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Michigan uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on out-of-home placements and a larger proportion on adoption and guardianship services.



Michigan uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a much larger proportion on out-of-home placements and a smaller proportion on child protective services.



## Top funding sources for child welfare expenses

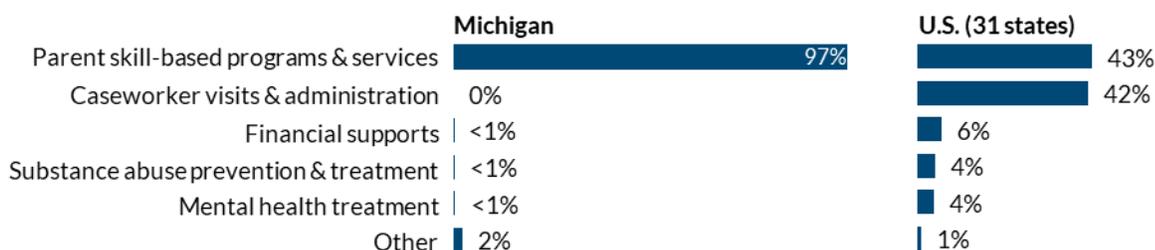
Michigan indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	- Title IV-E
		- TANF
		- State funds
	Family foster care	- Title IV-E
		- State funds
		- Local funds
	Congregate care	- Title IV-E
		- TANF
		- State funds
Preventive services	All preventive services categories	- Title IV-E
		- TANF
		- State funds
	Parent skill-based programs and services	- Title IV-B
		- TANF
		- State funds
	Substance abuse prevention and treatment	- SSBG
- State funds		
Mental health treatment	- Title IV-B	
	- TANF	
	- State funds	
Financial supports	- Title IV-E	
	- TANF	
	- State funds	
Adoption and guardianship	- Title IV-E	
	- TANF	
	- State funds	
Child protective services	- Title IV-E	
	- TANF	
	- State funds	

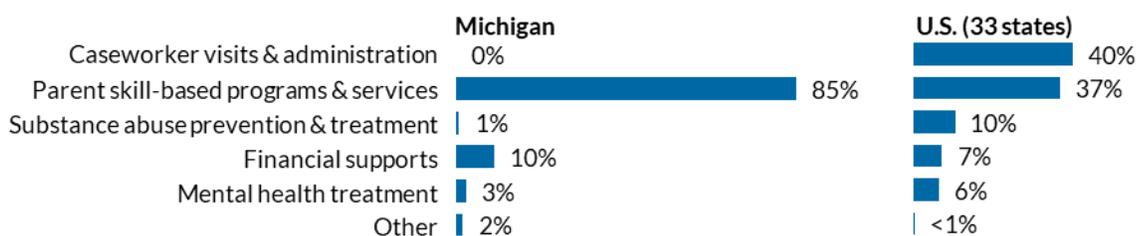
Service category	Sub-category	Top funding sources <sup>16</sup>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– SSBG</li> <li>– State funds</li> </ul>

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Michigan’s federal spending on preventive services, the state spends the vast majority on parent skill-based programs. This is different than other states.



Out of Michigan’s state/local spending on preventive services, the state spends more than three quarters on parent skill-based programs. This is different than other states.



<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Michigan is October 1, 2017 to September 30, 2018.

<sup>2</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

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Michigan was unable to provide Medicaid expenditures for SFY 2008, therefore some comparisons to SFY 2008 cannot be made.

<sup>3</sup> Michigan was unable to provide information about third party in-kind contributions for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency's(ies)' total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>12</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>13</sup> See endnote 2.

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<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Michigan, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Michigan, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>16</sup> This information is presented in no particular order.

<sup>17</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Minnesota in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Minnesota for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

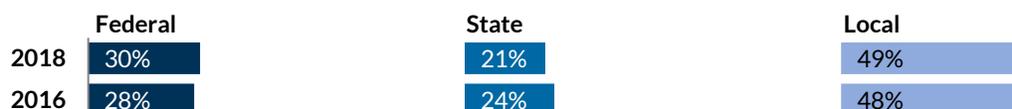
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Minnesota increased since SFY 2016 and increased from SFY 2008 to 2018.

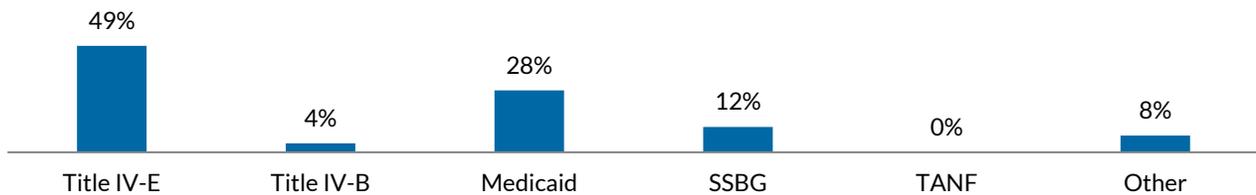
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$690,047,880	18%	6%
Federal	\$204,696,335	24%	13%
State	\$147,519,619	6%	-13%
Local	\$336,810,909	20%	13%
Offsets and other <sup>3</sup>	\$1,021,017	N/A	N/A

The proportion of spending from federal, state, and local sources in Minnesota has changed slightly since SFY 2016. In SFY 2018, a slightly larger proportion of total expenditures was financed by federal dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Minnesota.



### Title IV-E

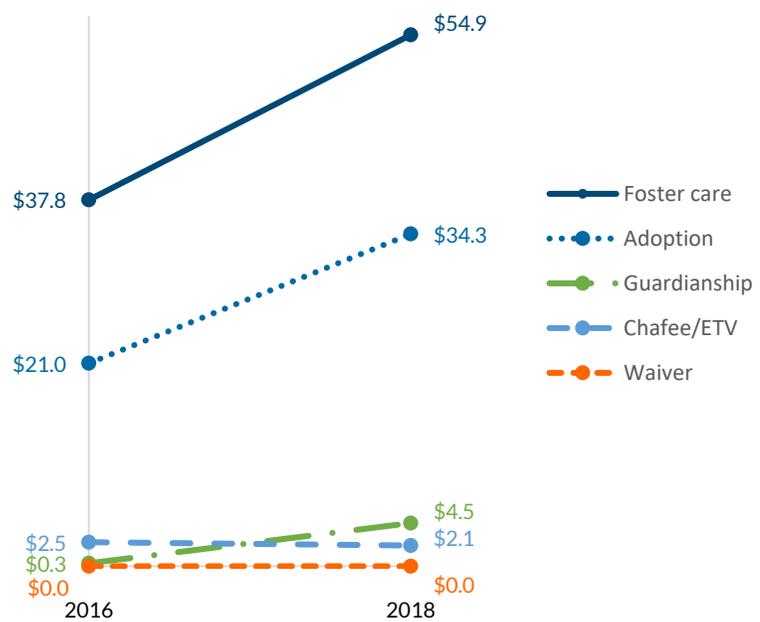
Total in SFY 2018: \$99,394,937

Change from SFY 2016: 61%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not Minnesota, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$99 million in Title IV-E expenditures in SFY 2018, \$96 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase across all expenditures except Chafee/ETV expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

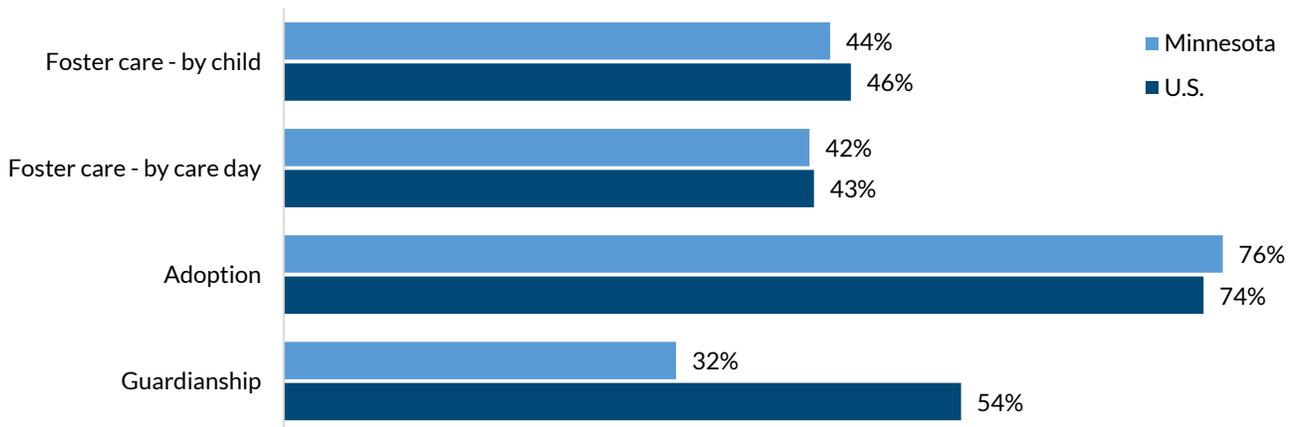


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



### Title IV-B

**Total in SFY 2018:** \$8,295,191

**Change from SFY 2016:** 33%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

**Total in SFY 2018:** \$57,799,640

**Change from SFY 2016:** -2%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in Minnesota:

- Rehabilitative services
- Targeted case management
- Treatment foster care

### TANF

**Total in SFY 2018:** \$0

**Change from SFY 2016:** 0%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### SSBG

**Total in SFY 2018:** \$23,623,448

**Change from SFY 2016:** -1%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

## Top categories of SSBG spending by child welfare agencies in Minnesota:

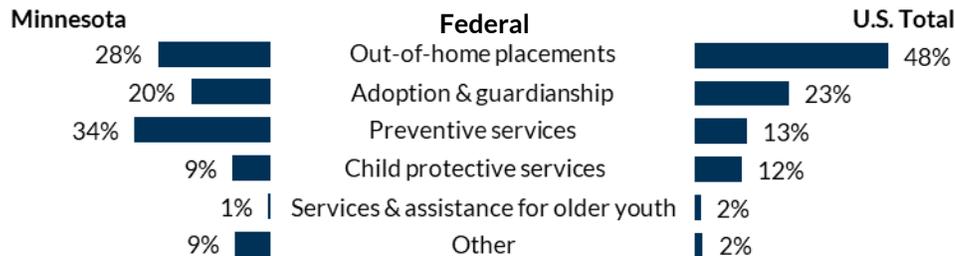
- Case management services
- Foster care services for children
- Prevention and intervention services

**Other federal funds** Total in SFY 2018: \$15,583,119 Change from SFY 2016: 11%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Minnesota uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a much smaller proportion on out-of-home placements and a much larger proportion on preventive services.



Minnesota uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on out-of-home placements and a larger proportion on preventive services and other uses of state/local funds.



## Top funding sources for child welfare expenses

Minnesota indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- State funds</li> <li>- Local funds</li> </ul>

Service category	Sub-category	Top funding sources <sup>16</sup>
	Family foster care	<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- State funds</li> <li>- Local funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- State funds</li> <li>- Local funds</li> </ul>
<b>Preventive services</b>	All preventive services categories	<ul style="list-style-type: none"> <li>- Other federal funds</li> <li>- State funds</li> <li>- Local funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- State funds</li> <li>- Local funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>- Other federal funds</li> <li>- State funds</li> <li>- Local funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>- SSBG</li> <li>- Other federal funds</li> <li>- State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>- Other federal funds</li> <li>- State funds</li> <li>- Local funds</li> </ul>
<b>Adoption and guardianship</b>		<ul style="list-style-type: none"> <li>- Other federal funds</li> <li>- State funds</li> <li>- Local funds</li> </ul>
<b>Child protective services</b>		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- State funds</li> <li>- Local funds</li> </ul>
<b>Services and assistance for older youth</b>		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- State funds</li> <li>- Local funds</li> </ul>

## Out-of-home placement setting expenditures<sup>17</sup>

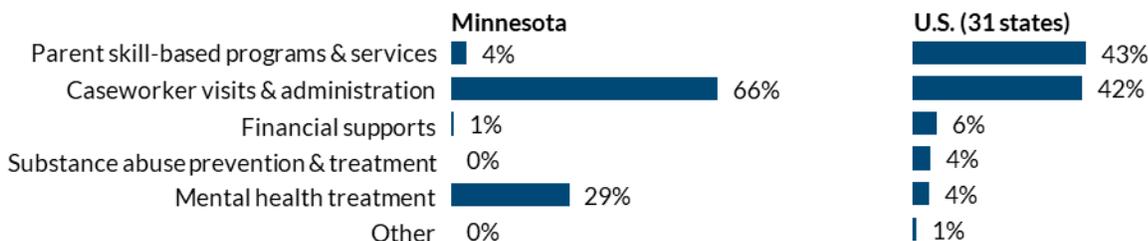
Below is a detailed breakdown of Minnesota's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$57,028,398</b>	<b>\$96,770,923</b>	<b>\$48,613,158</b>	<b>\$145,384,081</b>

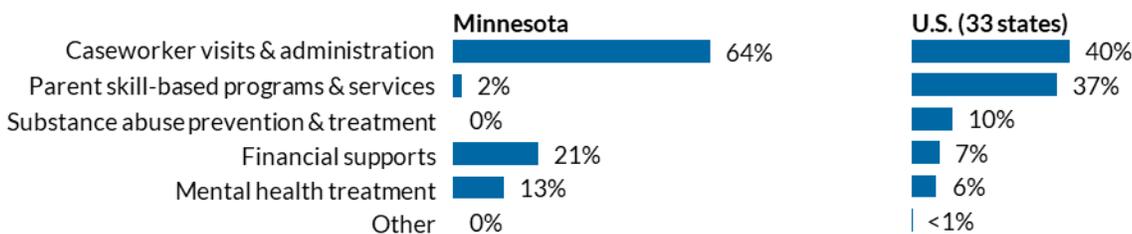
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of Minnesota’s federal spending on preventive services, the state spends more than half on caseworker visits and administration. This is different than other states.



Out of Minnesota’s state/local spending on preventive services, the state spends more than half on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of Minnesota’s spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	-	-	\$34,321,884	-	-	\$47,137,390
Post-adoption supports and services	-	-	\$1,434,155	-	-	-
Guardianship assistance	-	-	\$4,456,364	-	-	\$1,579,914
Post-guardianship supports and services	-	-	\$216,546	-	-	-
<b>Total</b>	-	-	<b>\$40,428,949</b>	-	-	-

“-” means the state was unable to provide information.

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<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Minnesota is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> Minnesota was unable to provide information about some categories of offsets for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

Minnesota was unable to report "post-demonstration guardianship assistance and services costs: administrative and training costs," therefore SFY 2018 Title IV-E Guardianship Assistance Program expenditures may be understated.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

Minnesota indicated that their large change in Title IV-E Guardianship Assistance Program expenditures was because they previously reported administrative expenditures for this program with Adoption Assistance administrative expenditures.

<sup>8</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

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The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency's(ies') total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>12</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>13</sup> See endnote 2.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Minnesota, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Minnesota, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>16</sup> This information is presented in no particular order.

<sup>17</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>18</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>19</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Mississippi in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Mississippi for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Mississippi increased since SFY 2016 and increased from SFY 2008 to 2018.

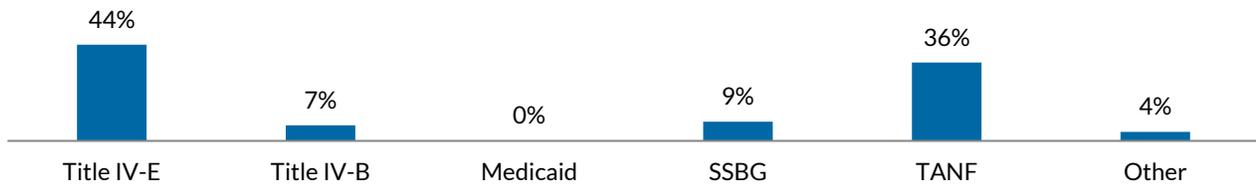
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$196,471,044	18%	102%
Federal	\$98,501,721	18%	49%
State	\$97,969,323	18%	213%
Local	\$0	-100%	0%
Offsets and other <sup>3</sup>	\$0	N/A	N/A

The proportion of spending from federal, state, and local sources in Mississippi has not changed since SFY 2016.

	Federal	State	Local
2018	50%	50%	0%
2016	50%	50%	<1%

# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Mississippi.

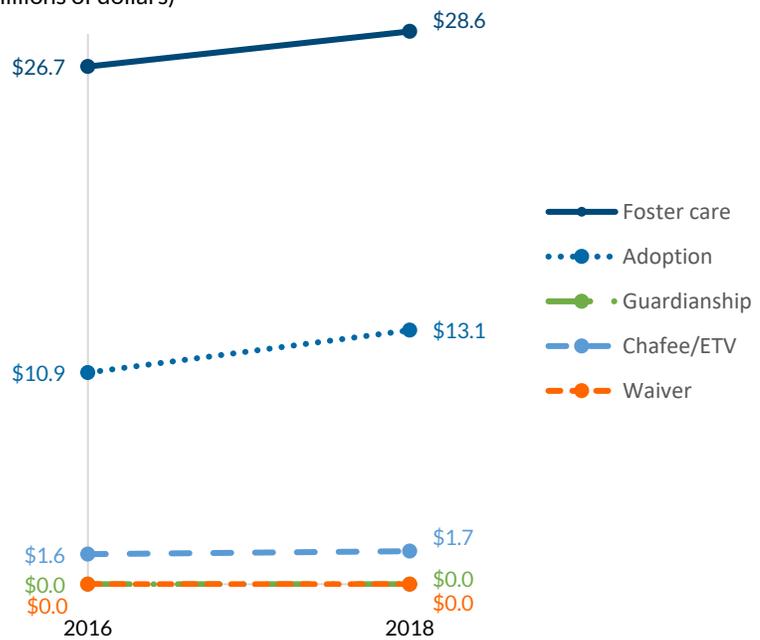


## Title IV-E Total in SFY 2018: \$43,379,546 Change from SFY 2016: 11%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not Mississippi, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$43 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase across all expenditures except guardianship expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)



### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-B

Total in SFY 2018: \$7,028,537

Change from SFY 2016: -5%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

Total in SFY 2018: \$0

Change from SFY 2016: 0%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## TANF

Total in SFY 2018: \$35,351,875

Change from SFY 2016: 107%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

## SSBG

Total in SFY 2018: \$8,648,125

Change from SFY 2016: -36%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

## Other federal funds

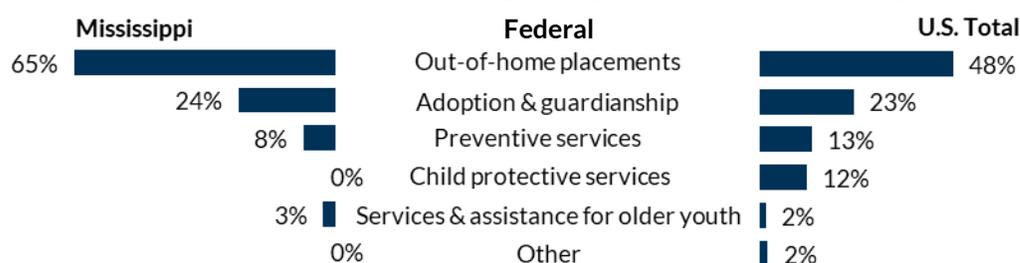
Total in SFY 2018: \$4,093,638

Change from SFY 2016: -35%

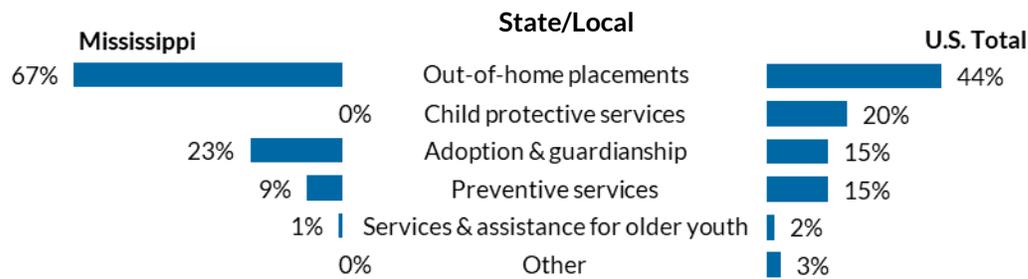
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Mississippi uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a smaller proportion on child protective services and a larger proportion on out-of-home placements.



Mississippi uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a much larger proportion on out-of-home placements and a much smaller proportion on child protective services.



<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Mississippi is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> Mississippi was unable to provide information about third party in-kind contributions and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By “foster care,” we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By “adoption,” we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By “guardianship,” we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By “transition supports,” we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

Mississippi was unable to report SFY 2018 Title IV-E expenditures on juvenile justice services/activities, Title IV-E funds used as reimbursement or passed through to tribes, and Title IV-E expenditures for other allowable services/activities. Therefore, the total amount of Title IV-E expenditures may be understated.

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<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies') total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

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<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Mississippi, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

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**MARCH 2021**

# Child Welfare Agency Spending in Missouri in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Missouri for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

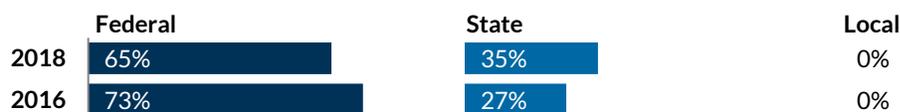
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Missouri increased since SFY 2016 and decreased slightly from SFY 2008 to 2018.

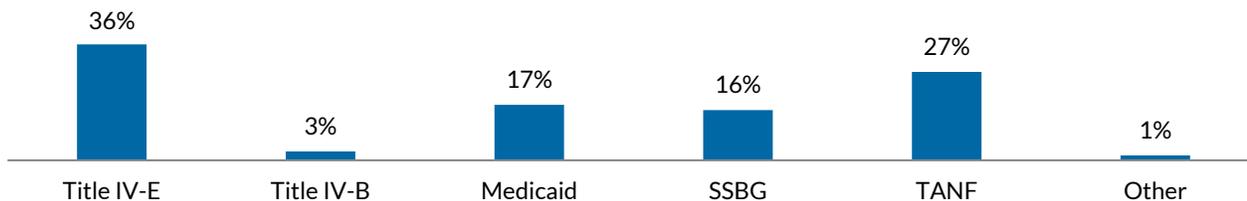
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$514,915,412	24%	-5%
Federal	\$324,499,563	7%	34%
State	\$177,902,889	59%	-40%
Local	\$0	0%	0%
Offsets and other <sup>3</sup>	\$12,512,960	N/A	N/A

The proportion of spending from federal, state, and local sources in Missouri has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by state dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Missouri.



### Title IV-E

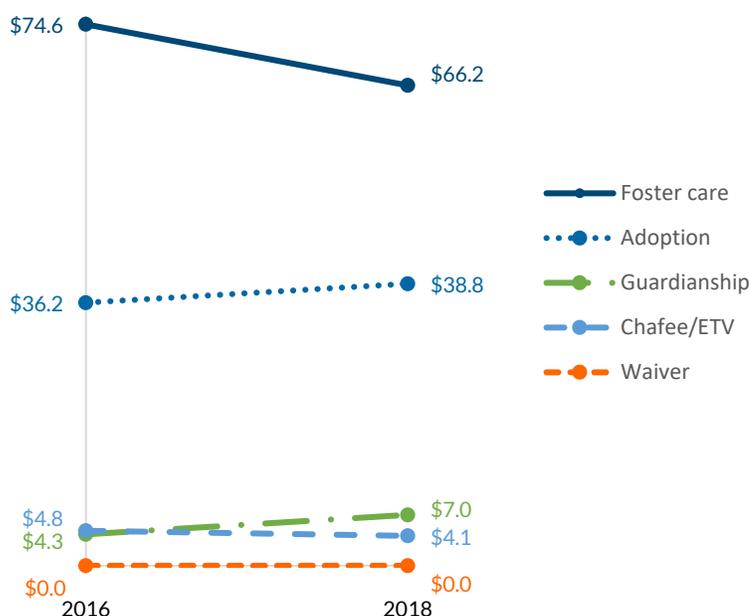
Total in SFY 2018: \$116,225,812

Change from SFY 2016: -3%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not Missouri, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$116 million in Title IV-E expenditures in SFY 2018, nearly all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in adoption and guardianship expenditures and a decrease in foster care and Chafee/ETV expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

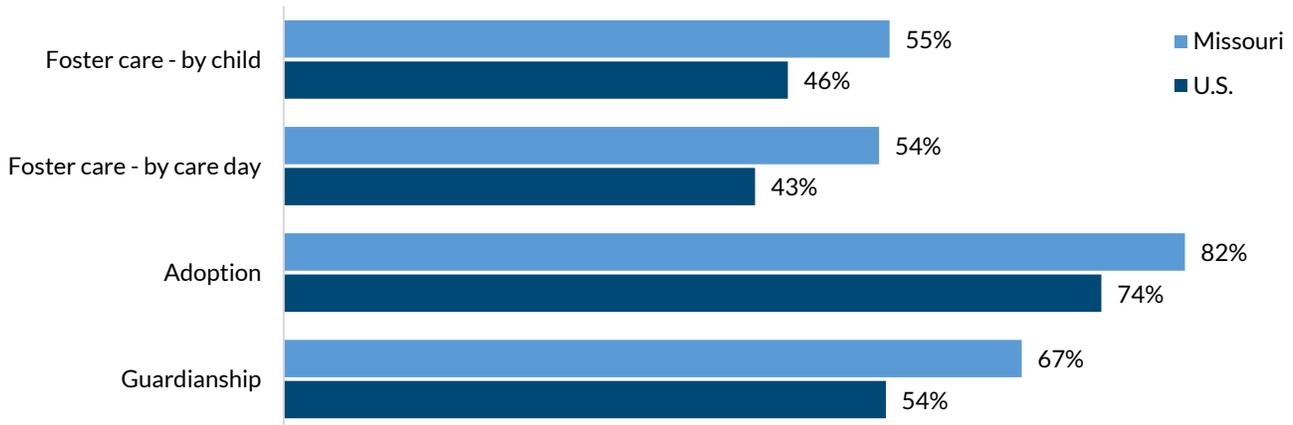


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



### Title IV-B

**Total in SFY 2018:** \$8,897,004

**Change from SFY 2016:** -15%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

**Total in SFY 2018:** \$55,569,451

**Change from SFY 2016:** 25%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in Missouri:

- Rehabilitative services
- Treatment foster care

### TANF

**Total in SFY 2018:** \$88,622,642

**Change from SFY 2016:** 3%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Missouri:

- Foster care payments
- Emergency assistance
- Child welfare services

## SSBG

Total in SFY 2018: \$50,320,860

Change from SFY 2016: 55%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Missouri:

- Case management services
- Adoption services
- Foster care services for children

## Other federal funds

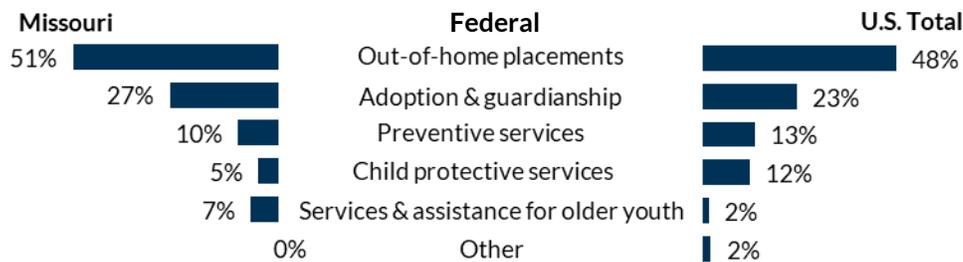
Total in SFY 2018: \$4,863,794

Change from SFY 2016: -47%

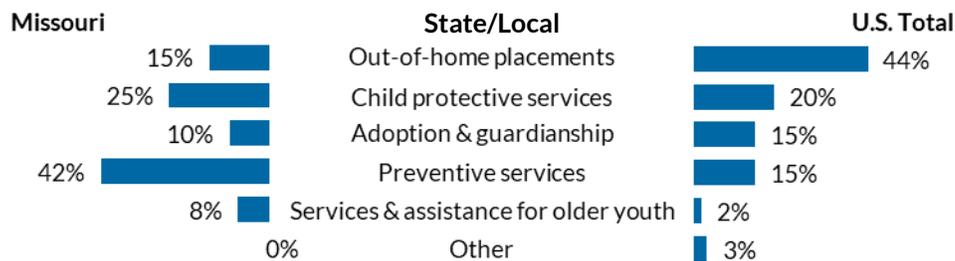
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Missouri uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on child protective services and a larger proportion on services & assistance for older youth.



Missouri uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a much smaller proportion on out-of-home placements and a much larger proportion on preventive services.



## Top funding sources for child welfare expenses

Missouri indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
<b>Out-of-home placements</b>	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Medicaid</li> <li>– TANF</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– TANF</li> <li>– SSBG</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– TANF</li> <li>– SSBG</li> </ul>
<b>Preventive services</b>	All preventive services categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– SSBG</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– State funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– Other federal funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>– Medicaid</li> <li>– SSBG</li> <li>– State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>– SSBG</li> <li>– Other federal funds</li> <li>– State funds</li> </ul>
<b>Adoption and guardianship</b>		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– TANF</li> </ul>
<b>Child protective services</b>		<ul style="list-style-type: none"> <li>– SSBG</li> <li>– Other federal funds</li> <li>– State funds</li> </ul>
<b>Services and assistance for older youth</b>		<ul style="list-style-type: none"> <li>– TANF</li> <li>– Other federal funds</li> <li>– State funds</li> </ul>

## Out-of-home placement setting expenditures<sup>17</sup>

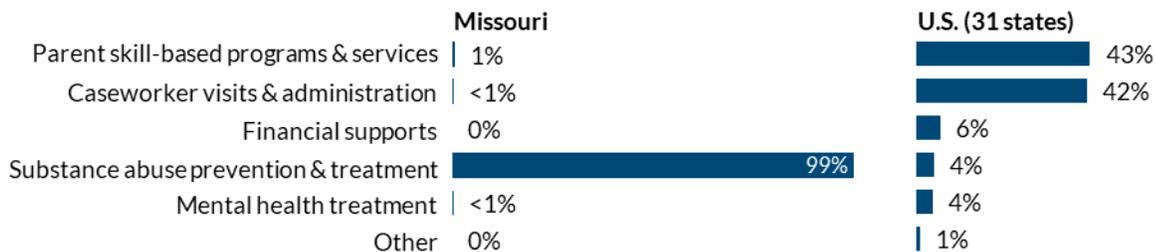
Below is a detailed breakdown of Missouri's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	<b>\$60,183,451</b>	<b>\$103,088,728</b>	<b>\$163,272,179</b>	<b>\$10,015,514</b>	<b>\$10,127,174</b>	<b>\$20,142,688</b>

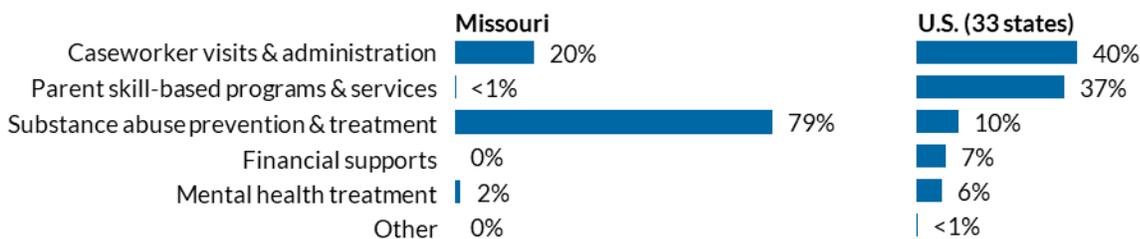
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of Missouri's federal spending on preventive services, the state spends almost all on substance abuse prevention and treatment. This is different than other states.



Out of Missouri's state/local spending on preventive services, the state spends more than three quarters on substance abuse prevention and treatment. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of Missouri's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$67,810,416	\$3,529,790	\$71,340,206	\$327,633	\$3,122	\$330,755
Post-adoption supports and services	\$5,008,774	\$0	\$5,008,774	\$6,360	\$0	\$6,360
Guardianship assistance	\$9,925,838	\$680,640	\$10,606,479	\$12,194,405	\$413,387	\$12,607,793
Post-guardianship supports and services	\$4,535	\$0	\$4,535	\$59,085	\$0	\$59,085
<b>Total</b>	<b>\$82,749,564</b>	<b>\$4,210,430</b>	<b>\$86,959,994</b>	<b>\$12,587,483</b>	<b>\$416,509</b>	<b>\$13,003,992</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Missouri is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Missouri indicated that some of their reported expenditures for SFY 2016 were incorrect, but the state was unable to provide a correction.

<sup>3</sup> Missouri was unable to provide information about third party in-kind contributions and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

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<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency’s(ies’) total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state’s total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the “*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*” report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>12</sup> The formal SSBG category names and definitions are available in the “*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*” report.

<sup>13</sup> See endnote 2.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Missouri, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Missouri, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>16</sup> This information is presented in no particular order.

<sup>17</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>18</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures

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authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>19</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Montana in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Montana for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Montana increased since SFY 2016 and increased from SFY 2008 to 2018.

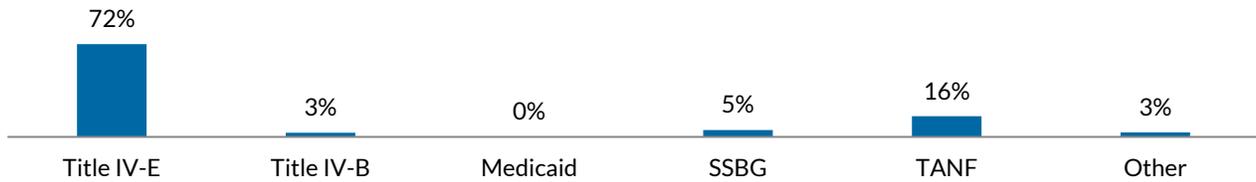
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$96,615,468	14%	26%
Federal	\$37,176,565	15%	7%
State	\$57,764,997	11%	37%
Local	\$0	0%	0%
Offsets and other <sup>3</sup>	\$1,673,905	N/A	N/A

The proportion of spending from federal, state, and local sources in Montana has not changed since SFY 2016.

	Federal	State	Local
2018	39%	61%	0%
2016	38%	62%	0%

# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Montana.

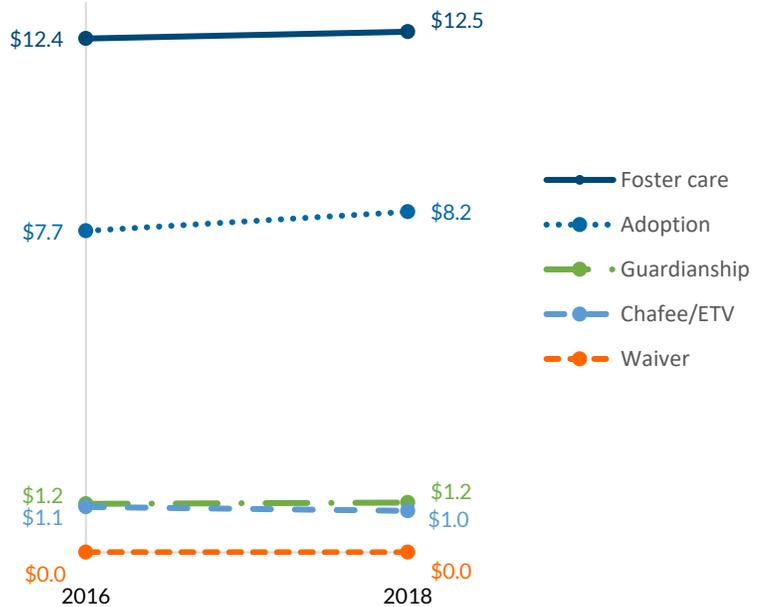


## Title IV-E Total in SFY 2018: \$26,721,582 Change from SFY 2016: 19%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not Montana, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$27 million in Title IV-E expenditures in SFY 2018, \$23 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in adoption and guardianship expenditures and a decrease in Chafee/ETV and waiver expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

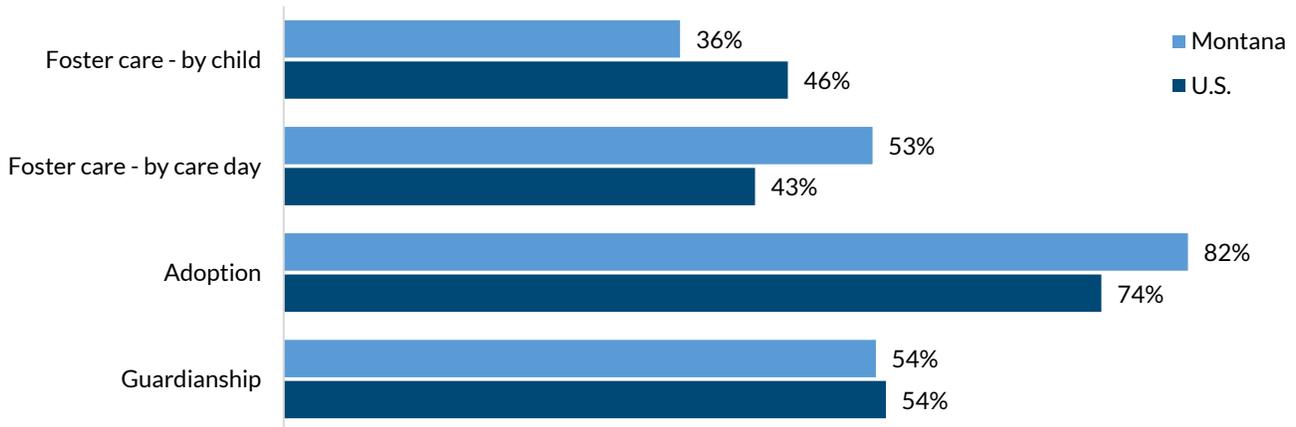


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



### Title IV-B

Total in SFY 2018: \$1,191,668

Change from SFY 2016: -6%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$0

Change from SFY 2016: 0%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### TANF

Total in SFY 2018: \$5,982,531

Change from SFY 2016: 9%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Montana:

- Child welfare services
- Emergency services
- Relative foster care payments and adoption/guardianship subsidies

### SSBG

Total in SFY 2018: \$1,998,226

Change from SFY 2016: -4%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

## Top categories of SSBG spending by child welfare agencies in Montana:

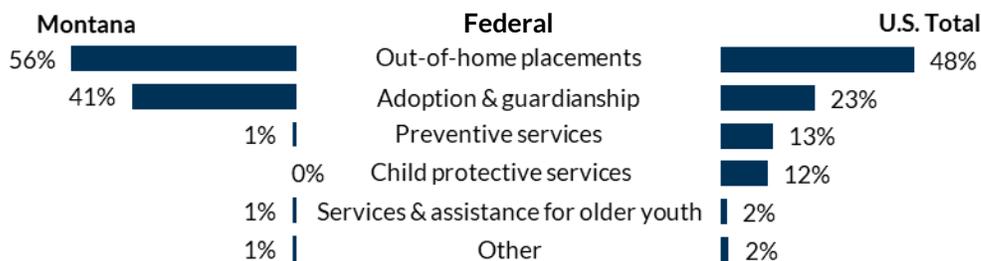
- Administrative costs

**Other federal funds** Total in SFY 2018: \$1,282,557 Change from SFY 2016: 5%

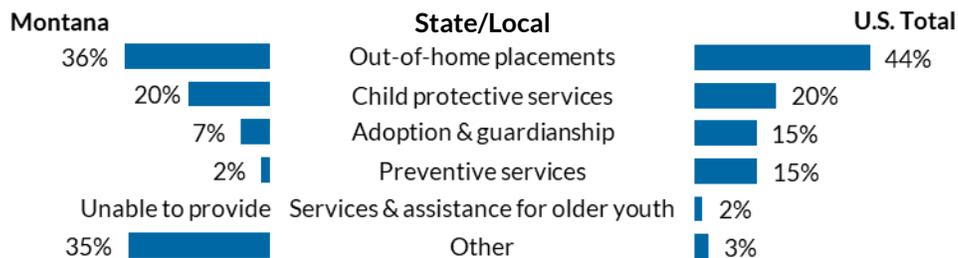
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Montana uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on adoption and guardianship services and a smaller proportion on preventive services and child protective services.



Montana uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on preventive services and a much larger proportion on other uses of state/local funds.



## Top funding sources for child welfare expenses

Montana indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – TANF – State funds
	Family foster care	– Title IV-E – TANF – State funds

Service category	Sub-category	Top funding sources <sup>16</sup>
	Congregate care	<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- TANF</li> <li>- State funds</li> </ul>
<b>Preventive services</b>	All preventive services categories	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- State funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- Other federal funds</li> <li>- State funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>- State funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>- State funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>- State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- State funds</li> </ul>
<b>Adoption and guardianship</b>		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- TANF</li> <li>- State funds</li> </ul>
<b>Child protective services</b>		<ul style="list-style-type: none"> <li>- State funds</li> </ul>
<b>Services and assistance for older youth</b>		<ul style="list-style-type: none"> <li>- Other federal funds</li> </ul>

## Out-of-home placement setting expenditures<sup>17</sup>

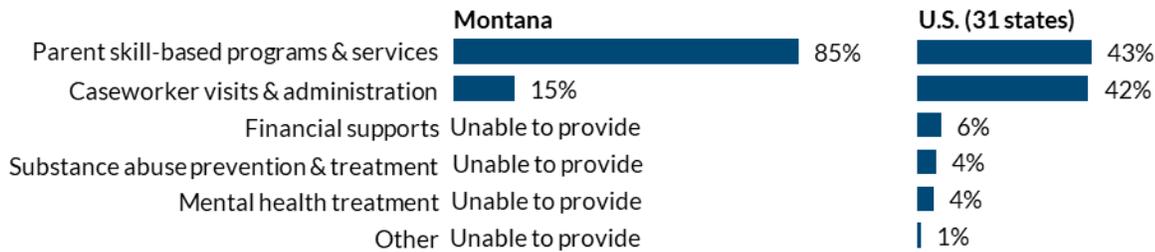
Below is a detailed breakdown of Montana's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	<b>\$18,397,394</b>	<b>\$1,729,810</b>	<b>\$20,127,204</b>	<b>\$9,670,542</b>	<b>\$4,948,555</b>	<b>\$14,619,097</b>

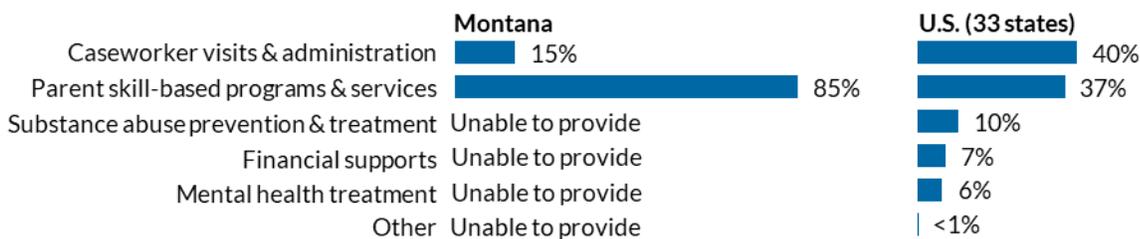
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## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of Montana's federal spending on preventive services, the state spends more than three quarters on parent skill-based programs. This is different than other states.



Out of Montana's state/local spending on preventive services, the state spends more than three quarters on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of Montana's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	-	-	\$13,162,261	-	-	\$2,694,382
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	-	-	\$1,840,306	-	-	\$1,343,318
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

"-" means the state was unable to provide information.

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The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

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<sup>3</sup> Montana was unable to provide information about some categories of offsets, third party in-kind contributions, and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

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<sup>8</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

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The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency's(ies)' total federal IV-B expenditures for child welfare

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services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>12</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>13</sup> See endnote 2.

Montana was unable to report SFY 2018 expenditures for the Adoption Opportunities program. Therefore, the total amount of "other federal" expenditures may be understated.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Montana, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Montana, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

Montana was unable to report the percentage of state/local spending spent on services and assistance for older youth. Since the remaining categories of services sum to 100%, the reported percentages are likely overestimated.

<sup>16</sup> This information is presented in no particular order.

<sup>17</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>18</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations. Montana was unable to report the percentage of federal and state/local prevention expenditures spent on substance abuse prevention and treatment programs and services, mental health treatment programs and services, financial supports, and "other." Since the remaining categories of services sum to 100%, the reported percentages are likely overestimated.

<sup>19</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Nebraska in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Nebraska for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$233,195,261	N/A	N/A
Federal	\$45,293,824	N/A	N/A
State	\$187,901,436	57%	18%
Local	\$0	N/A	0%
Offsets and other <sup>3</sup>	Unable to provide	N/A	N/A

## Federal Expenditures

### Title IV-E

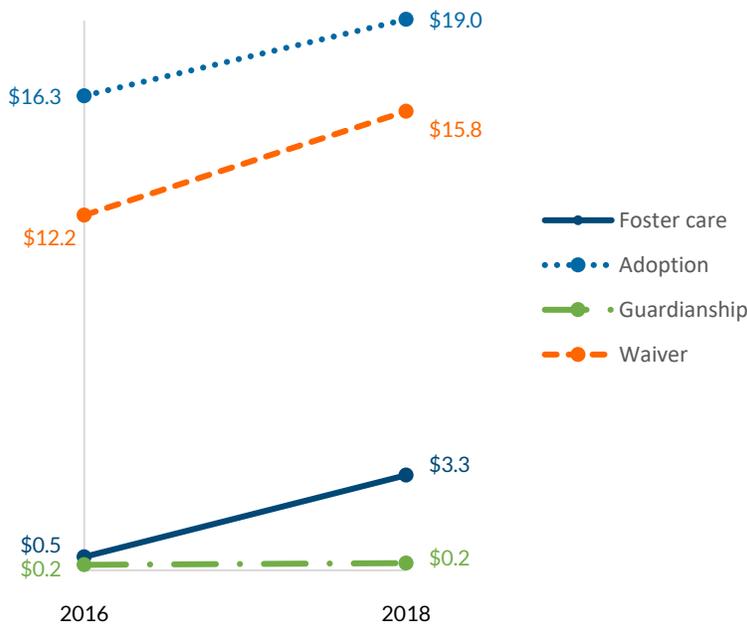
**Total in SFY 2018:** \$38,299,468

**Change from SFY 2016:** 31%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Nebraska, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$38 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase across all expenditures compared to SFY 2016.<sup>7</sup>

**Title IV-E Program Spending**  
(in millions of dollars)

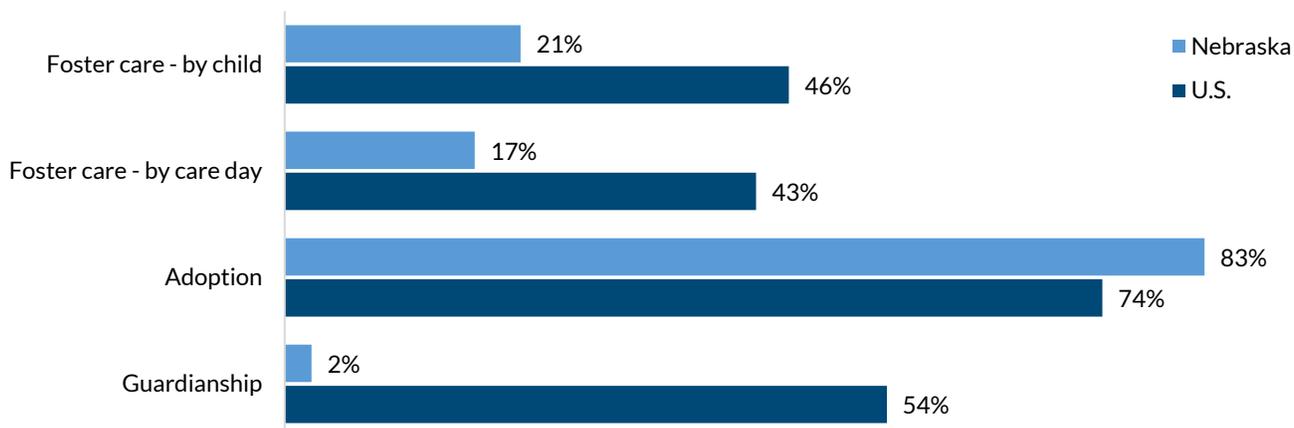


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



### Title IV-E waiver

**\$16 million**

Nebraska reported \$16 million in waiver expenditures in SFY 2018. Nebraska began its waiver in July 2014.

### Title IV-B

**Total in SFY 2018: \$2,820,244**

**Change from SFY 2016: 91%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

**Total in SFY 2018: \$0**

**Change from SFY 2016: N/A**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### TANF

**Total in SFY 2018: \$4,174,112**

**Change from SFY 2016: -23%**

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Nebraska:

- Family preservation services

### SSBG

**Total in SFY 2018: \$0**

**Change from SFY 2016: -100%**

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

## Use of Funds

### Top funding sources for child welfare expenses

Nebraska indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>13</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – State funds
	Family foster care	– Title IV-E – State funds
	Congregate care	– Title IV-E – State funds
Preventive services	All preventive services categories	– State funds
	Parent skill-based programs and services	– State funds
	Substance abuse prevention and treatment	– State funds
	Mental health treatment	– State funds
	Financial supports	– Title IV-E – State funds
	Caseworker visits and administration	– State funds
Adoption and guardianship		– Title IV-E – State funds
Child protective services		– TANF – State funds
Services and assistance for older youth		– State funds

## Out-of-home placement setting expenditures<sup>14</sup>

Below is a detailed breakdown of Nebraska’s spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	\$2,158,055
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

“-” means the state was unable to provide information.

## Adoption and guardianship costs<sup>15</sup>

Below is a detailed breakdown of Nebraska’s spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$17,850,937	\$1,120,170	\$18,971,107	\$16,118,494	\$1,120,166	\$17,238,660
Post-adoption supports and services	-	-	-	\$854,167	-	-
Guardianship assistance	\$95,035	\$152,030	\$247,065	\$85,812	\$152,024	\$237,836
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

“-” means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Nebraska is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior

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surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Nebraska was unable to report other federal and offsets/other funds for SFY 2018, so total federal and total expenditures may be understated and some comparisons to other SFYs cannot be made. In addition, Nebraska was unable to report Medicaid, other federal, and local expenditures for SFY 2016, so some comparisons to other SFYs cannot be made.

<sup>3</sup> Nebraska was unable to provide information about offsets, third party in-kind contributions, and private dollars for SFY 2018.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

Nebraska was unable to report expenditures for the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood and Education and Training Vouchers for SFY 2016.

<sup>8</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency's(ies)' total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match,

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and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

Nebraska was unable to report Medicaid expenditures for SFY 2016.

<sup>11</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>12</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>13</sup> This information is presented in no particular order.

<sup>14</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>15</sup> The reported amounts are approximations.

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**MARCH 2021**

# Child Welfare Agency Spending in Nevada in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Nevada for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

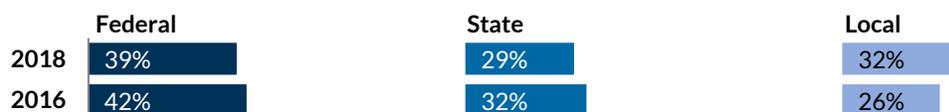
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Nevada increased since SFY 2016 and increased from SFY 2008 to 2018.

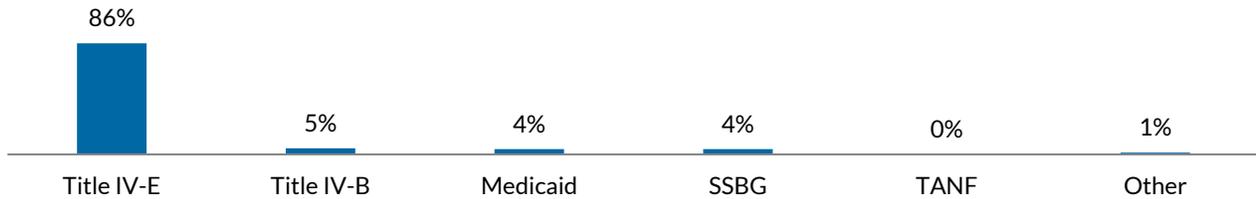
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$259,701,920	13%	48%
Federal	\$102,147,032	6%	73%
State	\$74,923,957	2%	-3%
Local	\$82,445,987	39%	109%
Offsets and other <sup>3</sup>	\$184,944	N/A	N/A

The proportion of spending from federal, state, and local sources in Nevada has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by local dollars.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Nevada.

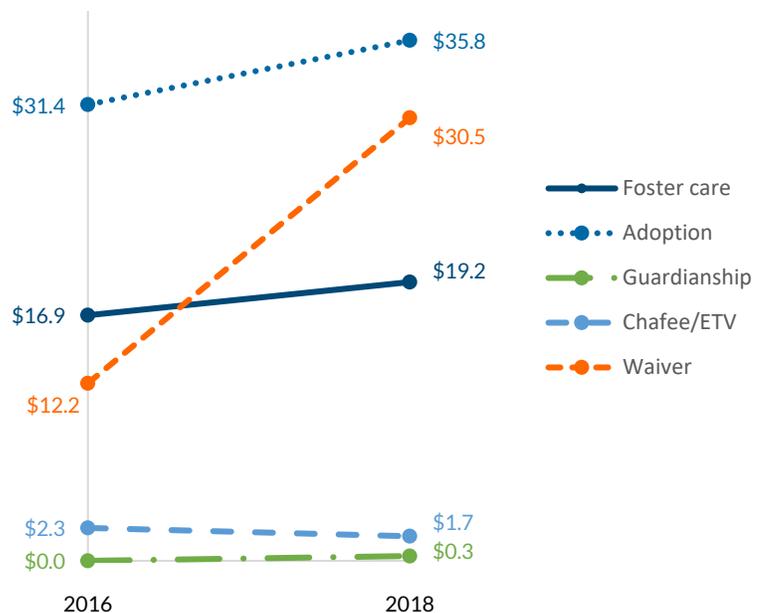


## Title IV-E Total in SFY 2018: \$87,575,741 Change from SFY 2016: 10%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Nevada, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$88 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase across all expenditures except Chafee/ETV expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

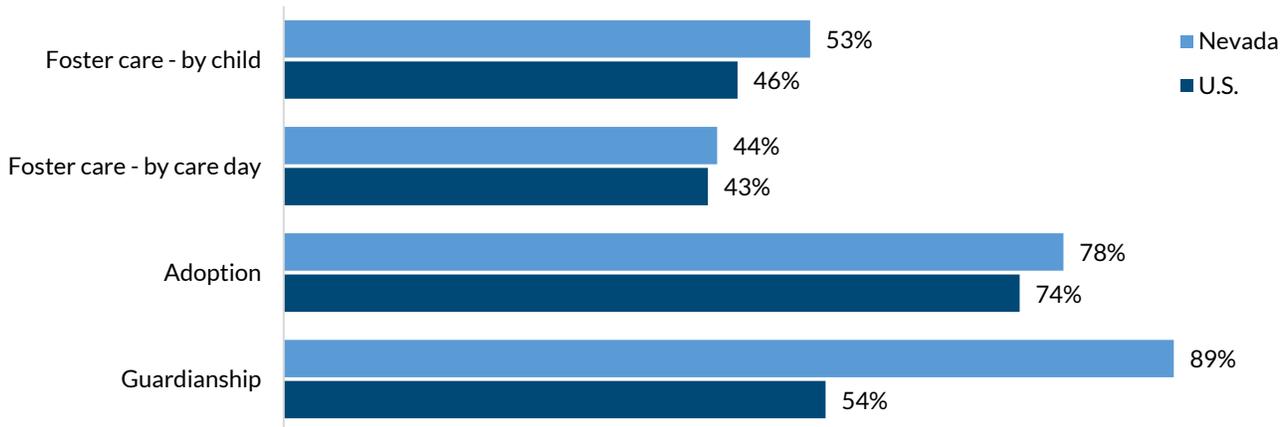


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$31  
million**

Nevada reported \$31 million in waiver expenditures in SFY 2018. Nevada began its waiver in July 2015.

### Nevada spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$12,522,692
Expenditures that would be reimbursable if the child was IV-E eligible	\$17,945,236
Expenditures that are were reimbursable only because of waiver	\$0
Project development and evaluation costs	\$42,171

## Title IV-B

**Total in SFY 2018: \$4,771,792**

**Change from SFY 2016: -3%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$4,211,961**

**Change from SFY 2016: -18%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in Nevada:

- Targeted case management
- Other: Medicaid administration

### TANF

Total in SFY 2018: \$0

Change from SFY 2016: 0%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### SSBG

Total in SFY 2018: \$4,153,340

Change from SFY 2016: -7%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Nevada:

- Foster care services for children
- Administrative costs
- Adoption services

### Other federal funds

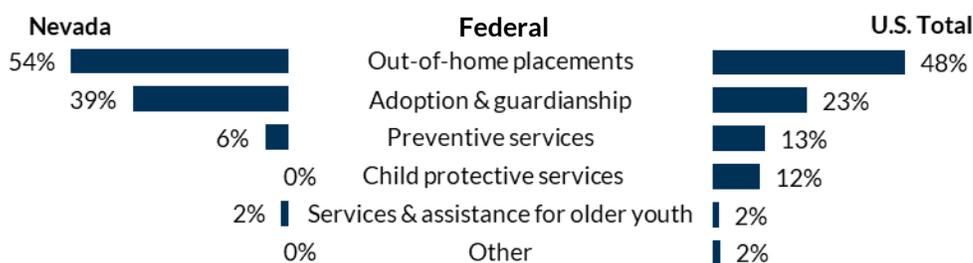
Total in SFY 2018: \$1,434,199

Change from SFY 2016: -35%

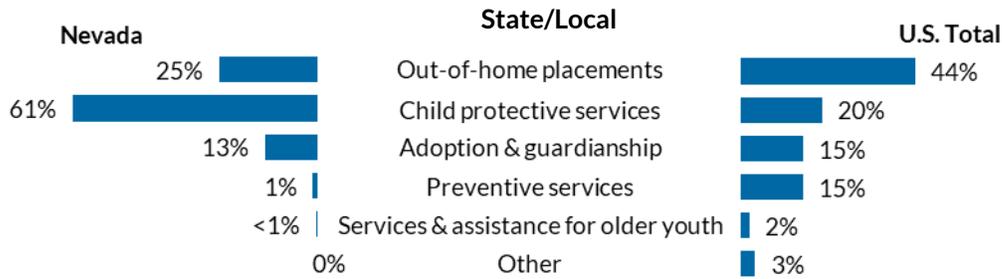
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Nevada uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on adoption and guardianship services and a smaller proportion on child protective services.



Nevada uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on out-of-home placements and a much larger proportion on child protective services.



## Top funding sources for child welfare expenses

Nevada indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>– State funds</li> <li>– Local funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>– Other federal funds</li> <li>– State funds</li> <li>– Local funds</li> </ul>

## Out-of-home placement setting expenditures<sup>17</sup>

Below is a detailed breakdown of Nevada’s spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$55,094,194</b>	-	-	<b>\$38,702,163</b>

"-" means the state was unable to provide information.

## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of Nevada's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	-	-	-	-	-	-
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	-	-	-	-	-	-
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$39,402,844</b>	-	-	<b>\$20,449,594</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Nevada is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> Nevada was unable to provide information about third party in-kind contributions and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

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<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

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<sup>8</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

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The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

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<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

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<sup>16</sup> This information is presented in no particular order.

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<sup>17</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

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**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in New Hampshire in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in New Hampshire for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

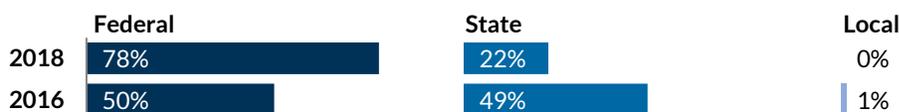
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in New Hampshire decreased since SFY 2016 and decreased from SFY 2008 to 2018.

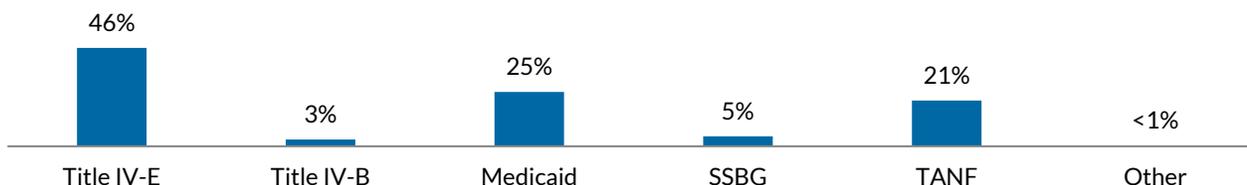
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$58,265,493	-34%	-54%
Federal	\$42,823,275	-3%	-16%
State	\$12,400,883	-71%	-82%
Local	\$0	-100%	-100%
Offsets and other <sup>3</sup>	\$3,041,335	N/A	N/A

The proportion of spending from federal, state, and local sources in New Hampshire has changed since SFY 2016. In SFY 2018, a greater proportion of total expenditures was financed by federal dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in New Hampshire.



### Title IV-E

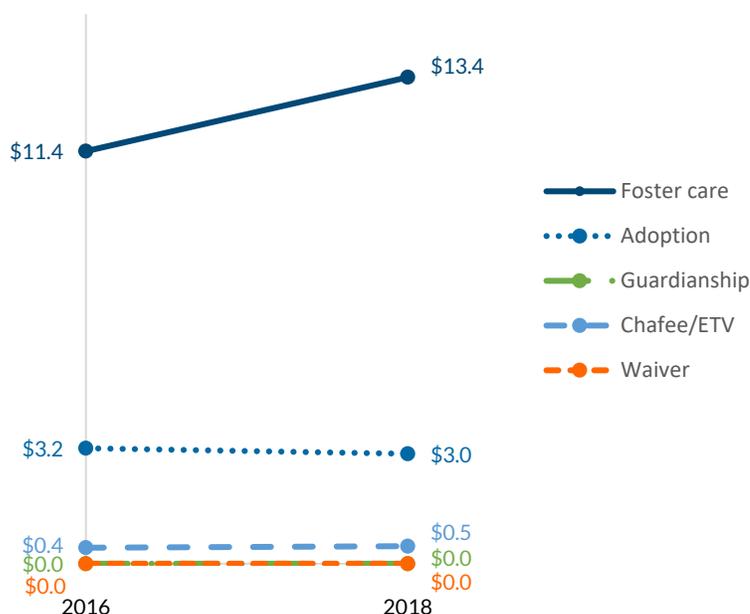
Total in SFY 2018: \$19,543,005

Change from SFY 2016: 30%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not New Hampshire, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$20 million in Title IV-E expenditures in SFY 2018, \$17 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was a decrease in adoption expenditures and an increase in foster care and Chafee/ETV expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

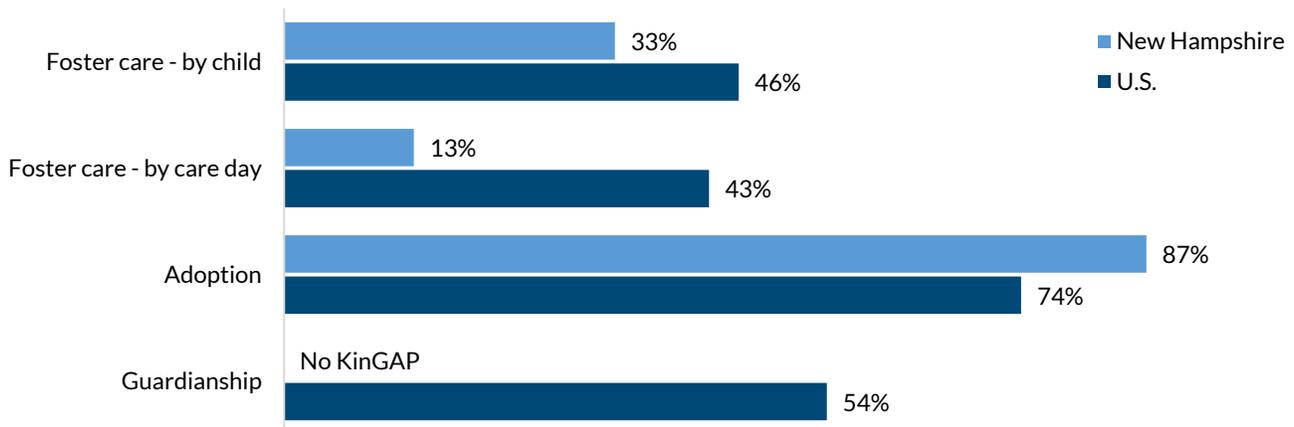


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



### Title IV-B

Total in SFY 2018: \$1,349,058

Change from SFY 2016: 6%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$10,800,820

Change from SFY 2016: -43%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in New Hampshire:

- Rehabilitative services
- Treatment foster care

### TANF

Total in SFY 2018: \$9,084,339

Change from SFY 2016: 83%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in New Hampshire:

- Foster care payments
- Emergency assistance
- Family preservation services

## SSBG

Total in SFY 2018: \$1,976,410

Change from SFY 2016: 21%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in New Hampshire:

- Prevention and intervention services
- Administrative costs
- Counseling services

## Other federal funds

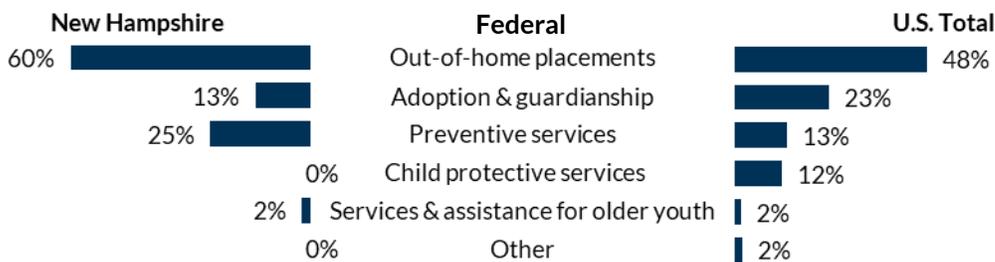
Total in SFY 2018: \$69,643

Change from SFY 2016: -97%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

New Hampshire uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on preventive services and a smaller proportion on child protective services.



New Hampshire uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on child protective services and a larger proportion on preventive services.



## Top funding sources for child welfare expenses

New Hampshire indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – Other federal funds – State funds
	Family foster care	– Title IV-E – Other federal funds – State funds
	Congregate care	– Title IV-E – Other federal funds – State funds
Preventive services	All preventive services categories	– Title IV-B – Medicaid – State funds
	Mental health treatment	– Medicaid – State funds
	Financial supports	– State funds
	Caseworker visits and administration	– Title IV-E – State funds
Adoption and guardianship		– Title IV-E – Medicaid – State funds
Child protective services		– State funds
Services and assistance for older youth		– Title IV-E – Medicaid – Other federal funds

## Out-of-home placement setting expenditures<sup>17</sup>

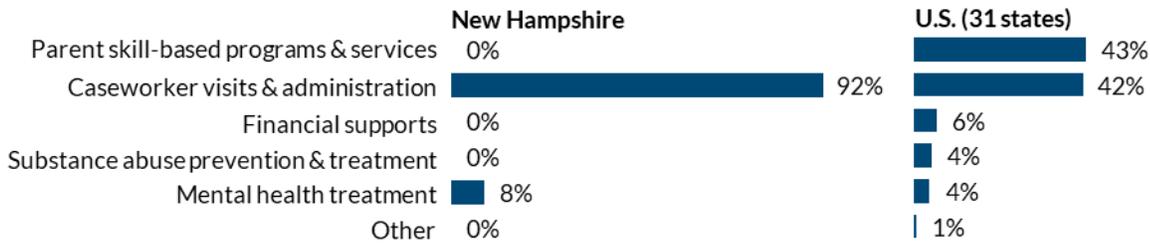
Below is a detailed breakdown of New Hampshire's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	\$1,921,375
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	\$11,479,312
<b>Total</b>	-	-	<b>\$22,485,026</b>	-	-	-

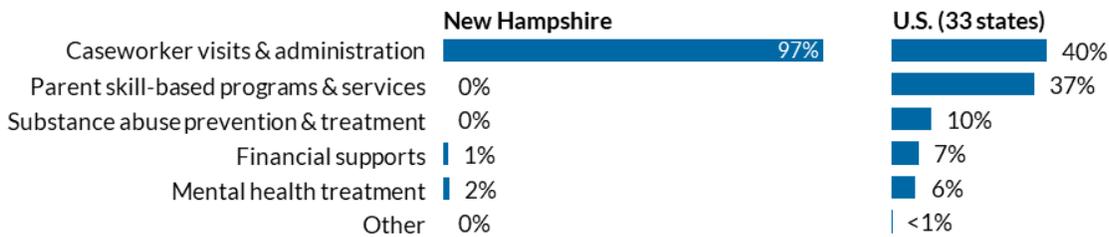
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of New Hampshire's federal spending on preventive services, the state spends the vast majority on caseworker visits and administration. This is different than other states.



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## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of New Hampshire's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$2,082,793	\$945,096	\$3,027,889	\$2,082,793	-	-
Post-adoption supports and services	-	-	-	\$20,278	-	-
Guardianship assistance	\$0	\$0	\$0	\$0	\$0	\$0
Post-guardianship supports and services	-	-	-	\$0	\$0	\$0
<b>Total</b>	-	-	-	<b>\$2,103,071</b>	-	-

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for New Hampshire is July 1, 2017 to June 30, 2018.

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The reported amounts are approximations.

<sup>18</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

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**MARCH 2021**

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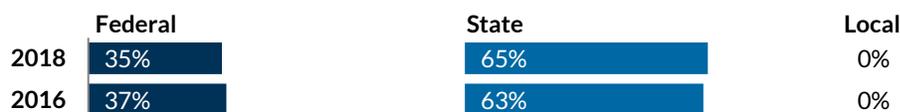
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in New Jersey increased slightly since SFY 2016 and increased slightly from SFY 2008 to 2018.

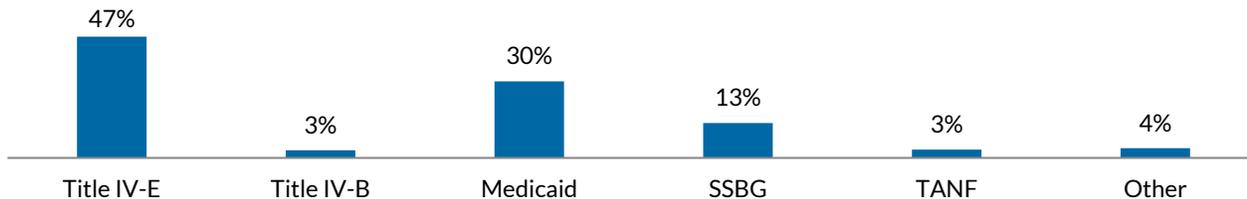
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$1,084,053,558	2%	2%
Federal	\$381,443,535	-2%	26%
State	\$693,366,765	3%	-9%
Local	\$0	0%	0%
Offsets and other	\$9,243,258	N/A	N/A

The proportion of spending from federal, state, and local sources in New Jersey has not changed since SFY 2016.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in New Jersey.



### Title IV-E

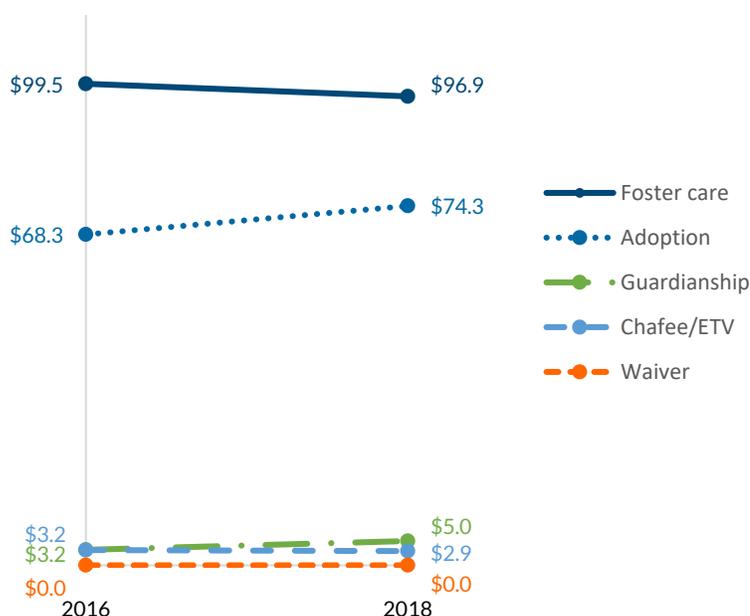
Total in SFY 2018: \$179,104,876

Change from SFY 2016: 3%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, but not New Jersey, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$179 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in adoption and guardianship expenditures and a decrease in foster care and Chafee/ETV expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending  
(in millions of dollars)

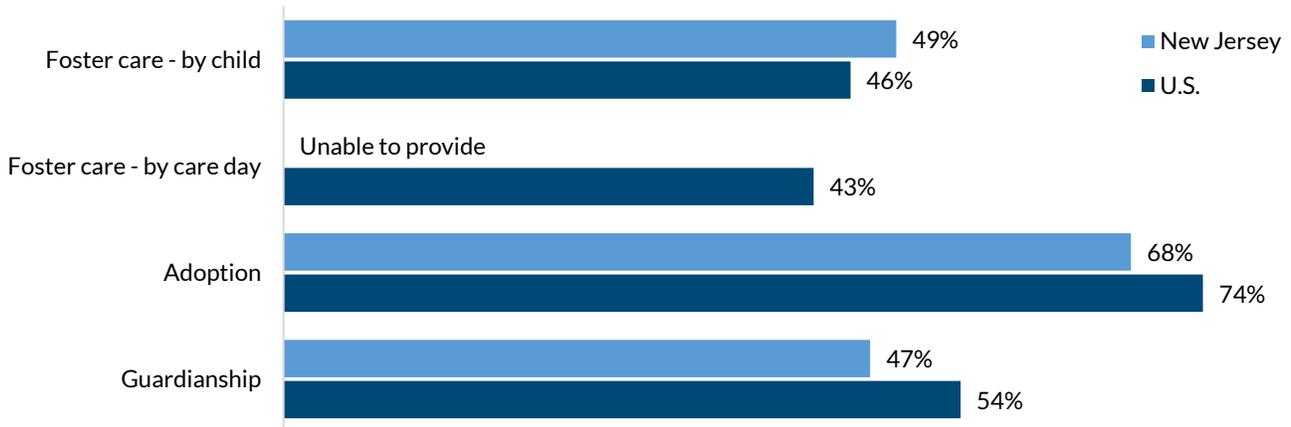


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-B

Total in SFY 2018: \$11,217,444

Change from SFY 2016: <1%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$113,064,971

Change from SFY 2016: -5%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in New Jersey:

- Rehabilitative services

### TANF

Total in SFY 2018: \$12,170,765

Change from SFY 2016: -5%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in New Jersey:

- Services for children and youth
- Child welfare services
- Family preservation services

## SSBG

Total in SFY 2018: \$51,483,131

Change from SFY 2016: -5%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in New Jersey:

- Case management services
- Administrative costs
- Other

## Other federal funds

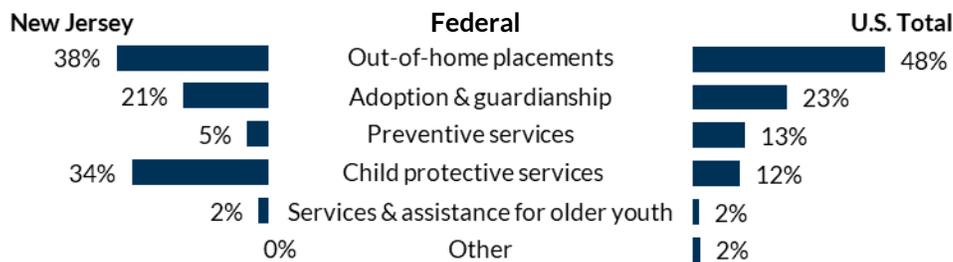
Total in SFY 2018: \$14,402,348

Change from SFY 2016: -26%

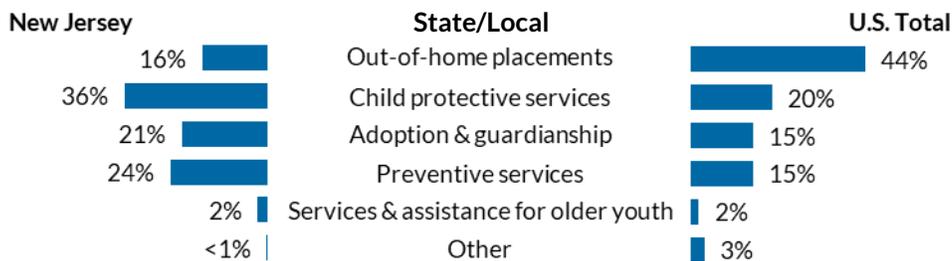
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

New Jersey uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a smaller proportion on out-of-home placements and a much larger proportion on child protective services.



New Jersey uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a much smaller proportion on out-of-home placements and a larger proportion on child protective services.



## Top funding sources for child welfare expenses

New Jersey indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	- Title IV-E
		- Medicaid
		- State funds
Preventive services	All preventive services categories	- Title IV-B
		- Other federal funds
		- State funds
	Parent skill-based programs and services	- Other federal funds
		- State funds
	Substance abuse prevention and treatment	- Other federal funds
	Mental health treatment	- State funds
	Financial supports	- Other federal funds
		- State funds
	Caseworker visits and administration	- Other federal funds
Adoption and guardianship		- Title IV-E
		- Other federal funds
		- State funds
Child protective services		- Medicaid
		- SSBG
		- State funds
Services and assistance for older youth		- Title IV-E
		- TANF
		- State funds

## Out-of-home placement setting expenditures<sup>16</sup>

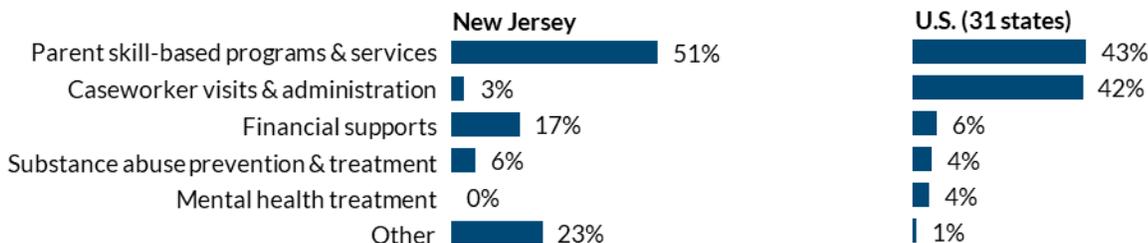
Below is a detailed breakdown of New Jersey's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$143,384,625</b>	-	-	<b>\$113,157,456</b>

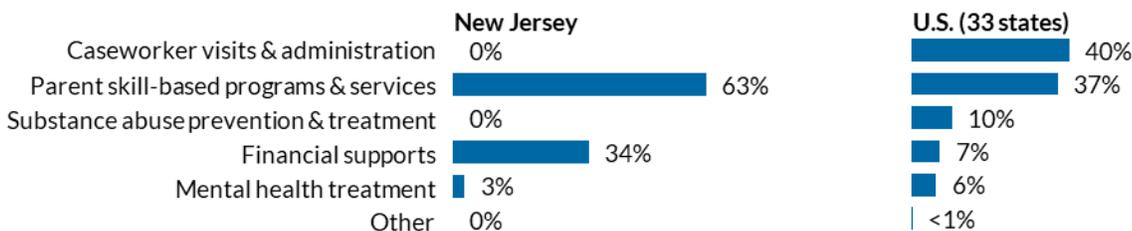
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of New Jersey's federal spending on preventive services, the state spends more than half on parent skill-based programs. This is different than other states.



Out of New Jersey's state/local spending on preventive services, the state spends more than half on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of New Jersey's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$52,662,653	\$21,963,391	\$74,626,044	\$126,929,808	-	-
Post-adoption supports and services	\$1,339,455	-	-	\$445,221	-	-
Guardianship assistance	\$3,150,235	\$1,866,989	\$5,017,224	\$24,438,150	-	-
Post-guardianship supports and services	\$1,339,455	-	-	-	-	-
<b>Total</b>	<b>\$58,491,798</b>	-	-	-	-	-

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for New Jersey is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

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The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies)' total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare

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services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including New Jersey, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including New Jersey, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>17</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>18</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in New Mexico in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in New Mexico for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

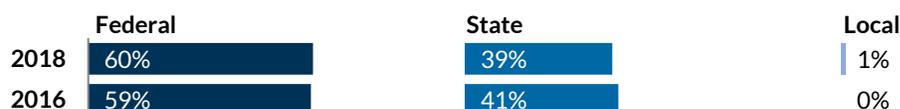
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in New Mexico increased since SFY 2016 and decreased from SFY 2008 to 2018.

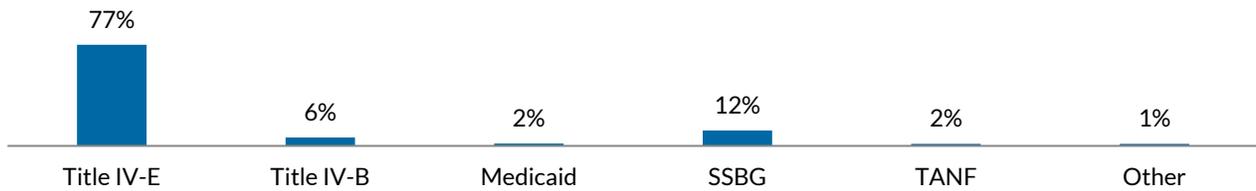
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$104,546,039	7%	-9%
Federal	\$57,491,227	-1%	-16%
State	\$37,759,745	-6%	-20%
Local	\$1,051,986	New funding source in SFY 2018	New funding source in SFY 2018
Offsets and other <sup>3</sup>	\$8,243,081	N/A	N/A

The proportion of spending from federal, state, and local sources in New Mexico has changed slightly since SFY 2016. In SFY 2018, a slightly smaller proportion of total expenditures was financed by state dollars.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in New Mexico.



## Title IV-E

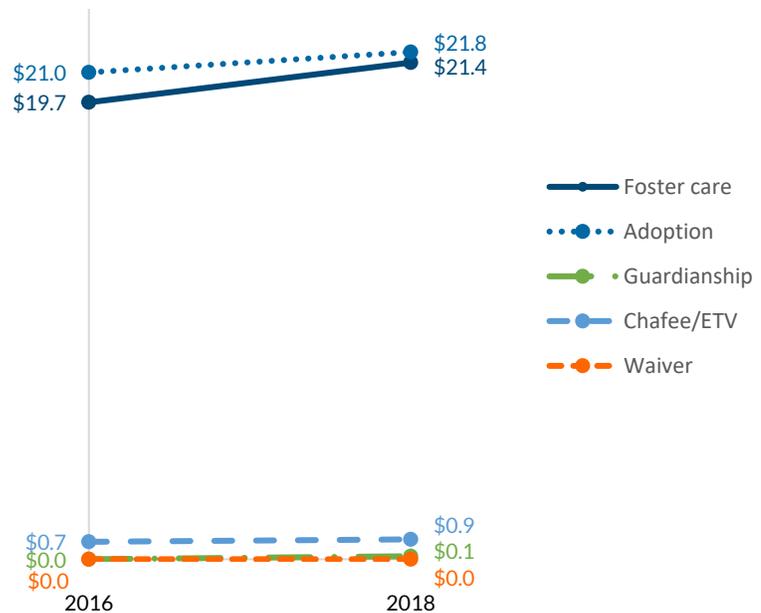
Total in SFY 2018: \$44,326,561

Change from SFY 2016: 7%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not New Mexico, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$44 million in Title IV-E expenditures in SFY 2018, nearly all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase across all expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

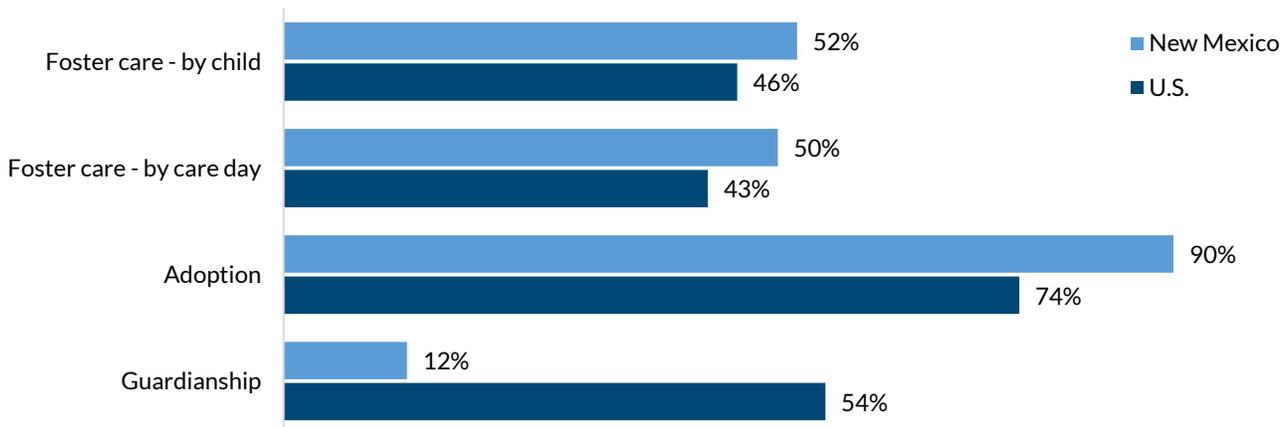


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



### Title IV-B

Total in SFY 2018: \$3,649,910

Change from SFY 2016: -22%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$1,021,427

Change from SFY 2016: 5%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in New Mexico:

- Other: Administrative

### TANF

Total in SFY 2018: \$900,000

Change from SFY 2016: 6%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in New Mexico:

- Early care and education
- Family preservation services
- Work, education, and training activities

## SSBG

Total in SFY 2018: \$6,745,361

Change from SFY 2016: -12%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in New Mexico:

- Adoption services
- Child protective services
- Day care for children

## Other federal funds

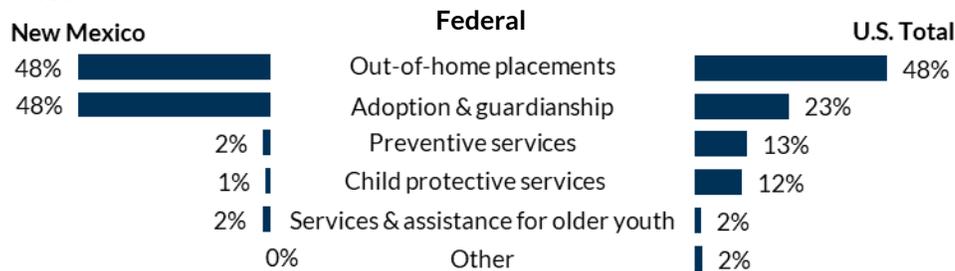
Total in SFY 2018: \$847,968

Change from SFY 2016: -65%

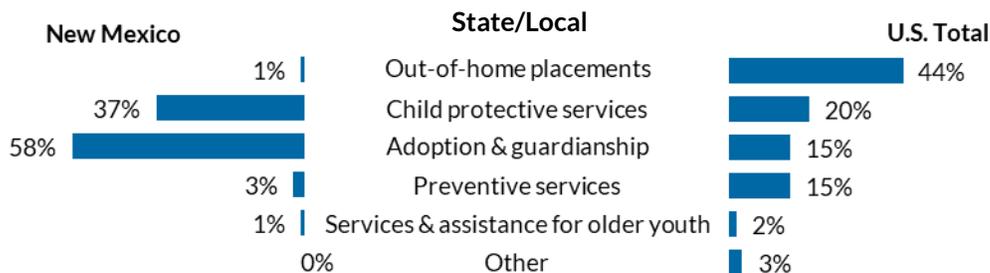
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

New Mexico uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a much larger proportion on adoption and guardianship services and a smaller proportion on preventive and child protective services.



New Mexico uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a much smaller proportion on out-of-home placements and a much larger proportion on adoption and guardianship services.



## Top funding sources for child welfare expenses

New Mexico indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Medicaid</li> <li>– State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– Other federal funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– State funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– Other federal funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– State funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> </ul>

## Out-of-home placement setting expenditures<sup>17</sup>

Below is a detailed breakdown of New Mexico's spending on out-of-home care.

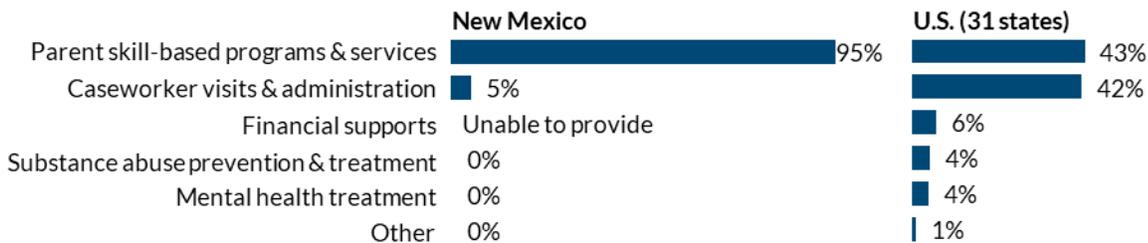
	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$10,157,363	\$363,996	\$10,521,359	\$4,190,828	-	-
Service costs	\$0	\$0	\$0	\$0	-	-

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Administrative and training costs	\$11,220,409	\$0	\$11,220,409	\$9,754,825	-	-
<b>Total</b>	<b>\$21,377,772</b>	<b>\$363,996</b>	<b>\$21,741,768</b>	<b>\$13,945,653</b>	-	-

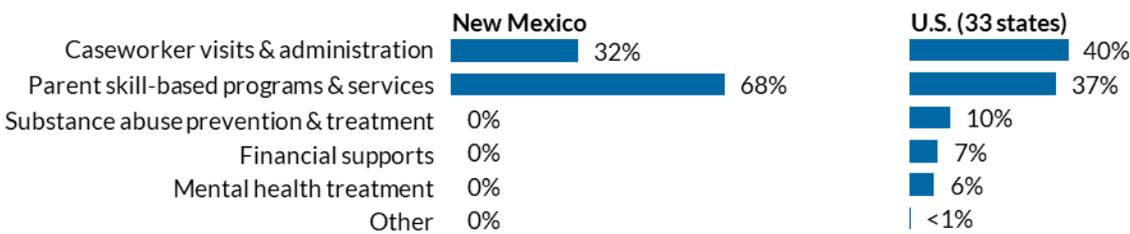
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of New Mexico's federal spending on preventive services, the state spends the vast majority on parent skill-based programs. This is different than other states.



Out of New Mexico's state/local spending on preventive services, the state spends more than half on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of New Mexico's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$18,952,107	\$2,878,725	\$21,830,832	\$7,395,725	\$2,878,724	\$10,274,449
Post-adoption supports and services	\$0	\$0	\$0	-	-	-
Guardianship assistance	\$123,571	\$6,126	\$129,697	\$47,675	\$6,124	\$53,799
Post-guardianship supports and services	\$0	\$0	\$0	-	-	-
<b>Total</b>	<b>\$19,075,678</b>	<b>\$2,884,851</b>	<b>\$21,960,529</b>	-	-	-

"-" means the state was unable to provide information.

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<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for New Mexico is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

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<sup>3</sup> New Mexico was unable to provide information about some categories of offsets and third party in-kind contributions for SFY 2018, so the amount of offsets and other funds may be understated.

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<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

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The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

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<sup>16</sup> This information is presented in no particular order.

<sup>17</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>18</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations. New Mexico was unable to report the percentage of federal prevention expenditures spent on financial supports. Since the remaining categories of services sum to 100%, the reported percentages are likely overestimated.

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**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in New York in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in New York for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

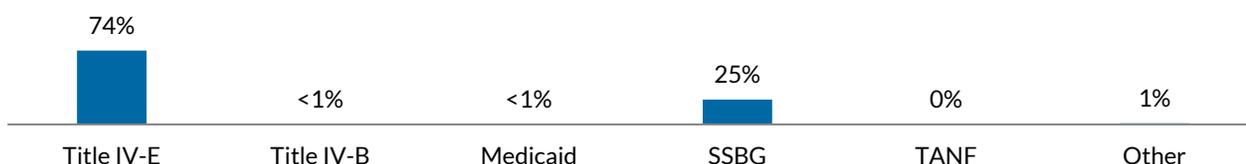
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$2,256,127,759	N/A	N/A
Federal	\$800,249,473	-5%	-33%
State	\$1,111,512,336	-26%	-20%
Local	\$344,365,950	N/A	-69%
Offsets and other <sup>3</sup>	Unable to provide	N/A	N/A

In SFY 2018, almost half of expenditures in New York was financed by state dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in New York.



## Title IV-E

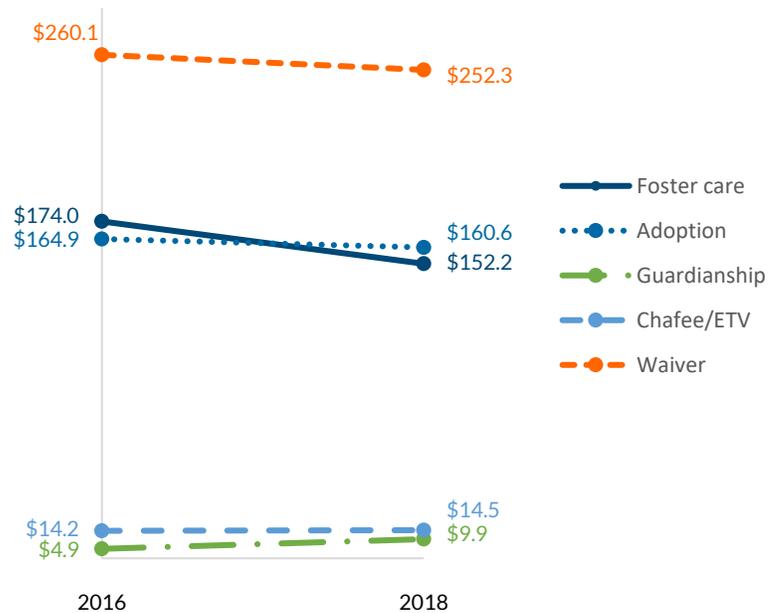
Total in SFY 2018: \$589,481,708

Change from SFY 2016: -5%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including New York, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$589 million in Title IV-E expenditures in SFY 2018, nearly all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in guardianship and Chafee/ETV expenditures and a decrease in foster care, adoption, and waiver expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

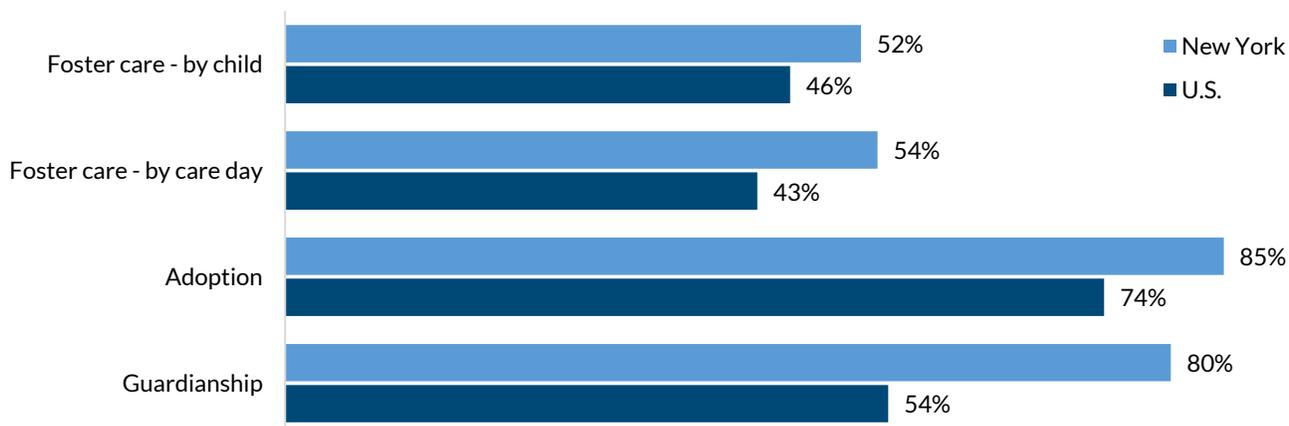


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



### Title IV-E waiver

**\$252 million**

New York reported \$252 million in waiver expenditures in SFY 2018. New York began its waiver in January 2014.

#### New York spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$237,279,797
Expenditures that would be reimbursable if the child was IV-E eligible	\$0
Expenditures that are were reimbursable only because of waiver	\$14,880,194
Project development and evaluation costs	\$108,944

### Title IV-B

**Total in SFY 2018: \$920,604**

**Change from SFY 2016: -97%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

**Total in SFY 2018: \$2,258,109**

**Change from SFY 2016: -16%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### TANF

**Total in SFY 2018: \$0**

**Change from SFY 2016: 0%**

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

## SSBG

Total in SFY 2018: \$198,487,052

Change from SFY 2016: 11%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in New York:

- Prevention and intervention services
- Child protective services
- Day care for children

## Other federal funds

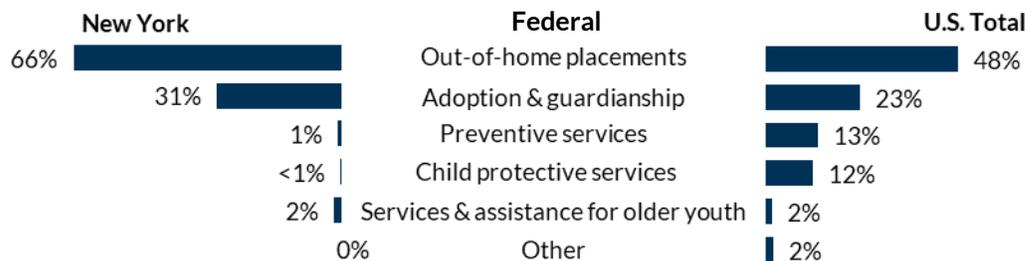
Total in SFY 2018: \$9,102,000

Change from SFY 2016: -3%

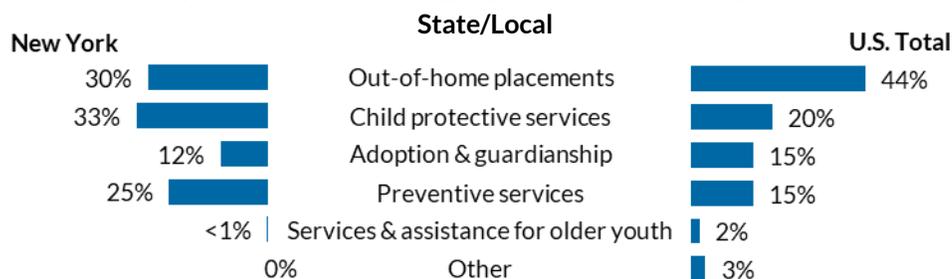
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

New York uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on preventive services and child protective services.



New York uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on out-of-home placements and a larger proportion on child protective services.



## Top funding sources for child welfare expenses

New York indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- State funds</li> <li>- Local funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- State funds</li> <li>- Local funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- State funds</li> <li>- Local funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- State funds</li> <li>- Local funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- State funds</li> <li>- Local funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- State funds</li> <li>- Local funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- State funds</li> <li>- Local funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- State funds</li> <li>- Local funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- State funds</li> <li>- Local funds</li> </ul>

## Out-of-home placement setting expenditures<sup>17</sup>

Below is a detailed breakdown of New York's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$482,144,583</b>	-	-	<b>\$383,256,000</b>

"-" means the state was unable to provide information.

## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of New York's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$155,494,513	\$5,106,621	\$160,601,134	-	-	-
Post-adoption supports and services	\$0	\$0	\$0	-	-	-
Guardianship assistance	\$8,726,414	\$1,178,285	\$9,904,699	-	-	-
Post-guardianship supports and services	\$0	\$0	\$0	-	-	-
<b>Total</b>	<b>\$164,220,927</b>	<b>\$6,284,906</b>	<b>\$170,505,833</b>	-	-	<b>\$152,766,216</b>

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**MARCH 2021**

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## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in North Carolina increased since SFY 2016 and increased from SFY 2008 to 2018.

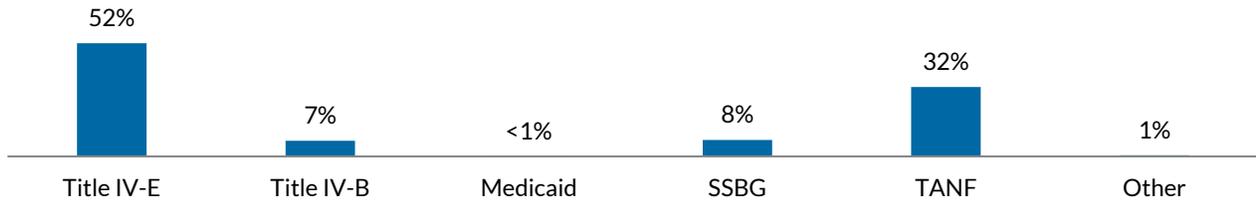
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$678,852,511	8%	20%
Federal	\$284,529,961	8%	-4%
State	\$118,861,077	7%	20%
Local	\$273,815,207	8%	60%
Offsets and other	\$1,646,266	N/A	N/A

The proportion of spending from federal, state, and local sources in North Carolina has not changed since SFY 2016.

	Federal	State	Local
2018	42%	18%	40%
2016	42%	18%	41%

# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in North Carolina.

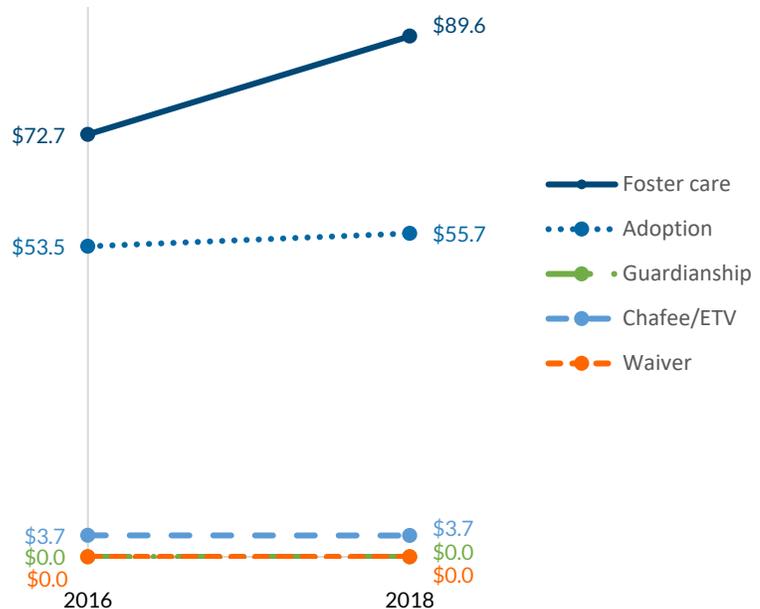


## Title IV-E Total in SFY 2018: \$149,002,141 Change from SFY 2016: 15%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, but not North Carolina, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$149 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in foster care and adoption expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending (in millions of dollars)

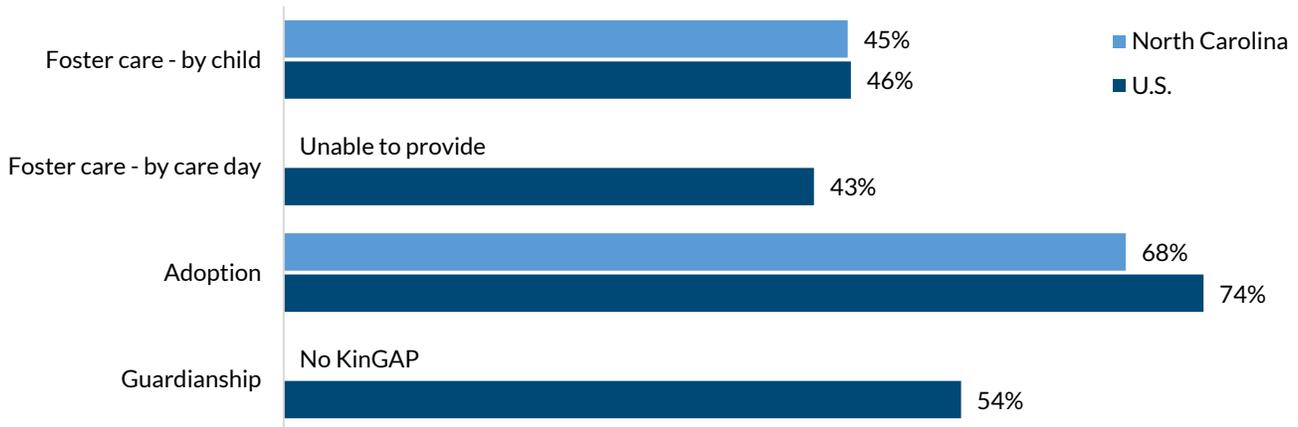


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-B

Total in SFY 2018: \$20,587,922

Change from SFY 2016: 6%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$153,737

Change from SFY 2016: 409%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in North Carolina:

- Other: Administration

### TANF

Total in SFY 2018: \$91,522,396

Change from SFY 2016: -1%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in North Carolina:

- Child welfare services
- Family preservation services
- Adoption services

## SSBG

Total in SFY 2018: \$21,614,246

Change from SFY 2016: 16%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in North Carolina:

- Foster care services for children
- Child protective services
- Adoption services

## Other federal funds

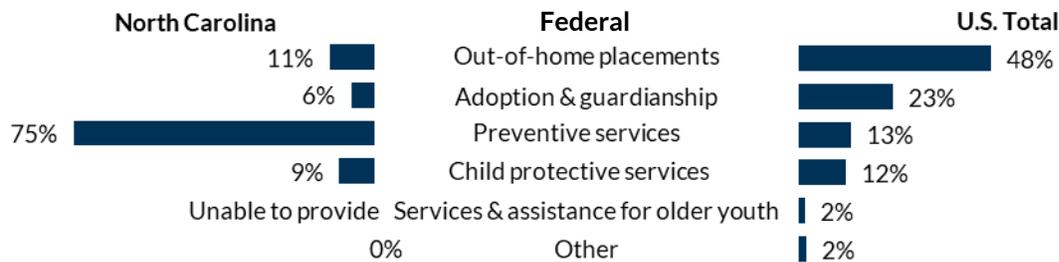
Total in SFY 2018: \$1,649,519

Change from SFY 2016: -25%

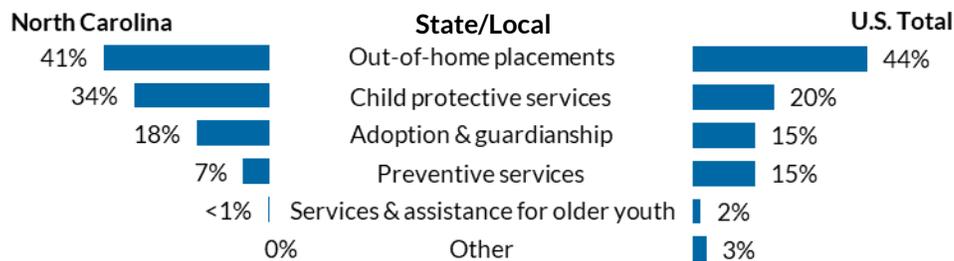
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

North Carolina uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a much smaller proportion on out-of-home placements and a much larger proportion on preventive services.



North Carolina uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on preventive services and a larger proportion on child protective services.



## Top funding sources for child welfare expenses

North Carolina indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – State funds – Local funds
	Family foster care	– Title IV-E – State funds – Local funds
	Congregate care	– Title IV-E – State funds – Local funds
Preventive services	All preventive services categories	– Title IV-E – State funds – Local funds
	Parent skill-based programs and services	– Title IV-E – State funds – Local funds
	Caseworker visits and administration	– Title IV-B – State funds – Local funds
	Adoption and guardianship	– Title IV-E – State funds – Local funds
Child protective services		– Title IV-E – State funds – Local funds
Services and assistance for older youth		– Title IV-E – State funds – Local funds

## Out-of-home placement setting expenditures<sup>16</sup>

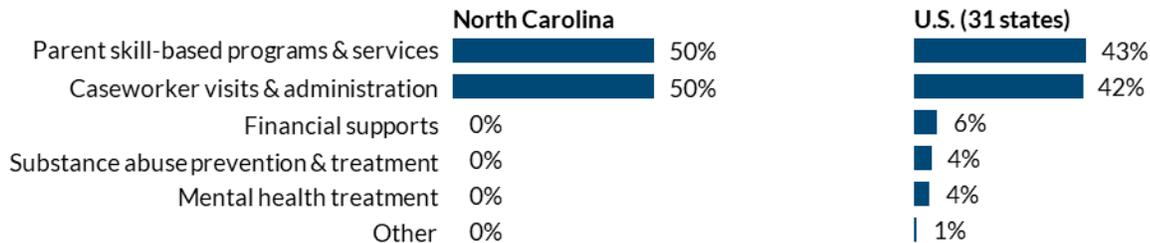
Below is a detailed breakdown of North Carolina's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$41,081,968	\$351,208	\$41,433,176	\$66,774,707	\$169,687	\$66,944,394
Service costs	\$64,658,723	-	-	\$92,730,091	-	-
Administrative and training costs	\$4,057,842	-	-	\$2,951,900	-	-
<b>Total</b>	<b>\$109,798,533</b>	<b>-</b>	<b>-</b>	<b>\$162,456,698</b>	<b>-</b>	<b>-</b>

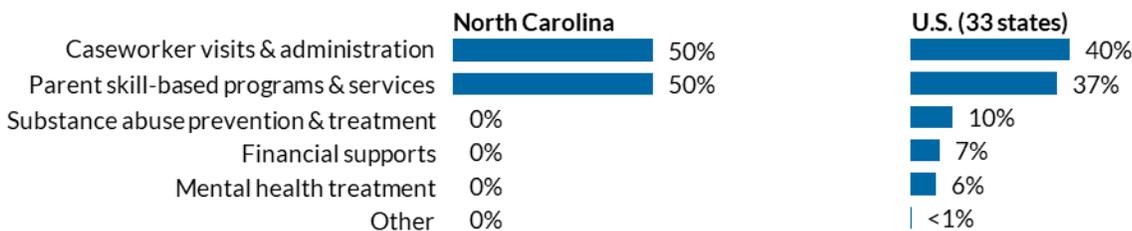
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of North Carolina's federal spending on preventive services, the state spends half on parent skill-based programs and half on caseworker visits and administration. This is different than other states.



Out of North Carolina's state/local spending on preventive services, the state spends half on parent skill-based programs and half on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of North Carolina's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$54,882,194	\$13,422,614	\$68,304,808	\$60,875,254	\$10,113,582	\$70,988,836
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	-	-	-	-	-	-
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for North Carolina is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures") for more specific information about the methodology, interpretation of findings, and important caveats.

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The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies)' total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare

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services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including North Carolina, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

North Carolina was unable to report the percentage of federal spending spent on services and assistance for older youth. Since the remaining categories of services sum to 100%, the reported percentages are likely overestimated.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including North Carolina, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>17</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>18</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in North Dakota in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in North Dakota for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$72,302,711	N/A	N/A
Federal	\$48,201,807	N/A	8%
State	\$24,100,904	-5%	70%
Local	Unable to provide	N/A	N/A
Offsets and other <sup>3</sup>	Unable to provide	N/A	N/A

## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in North Dakota.



## Title IV-E

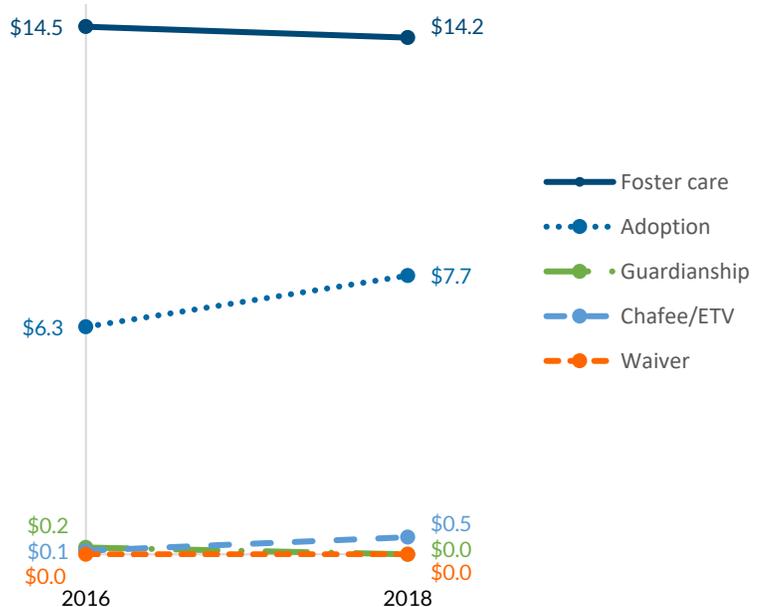
Total in SFY 2018: \$24,034,361

Change from SFY 2016: 14%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not North Dakota, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$24 million in Title IV-E expenditures in SFY 2018, \$22 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in adoption and Chafee/ETV expenditures and a decrease in foster care and guardianship expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

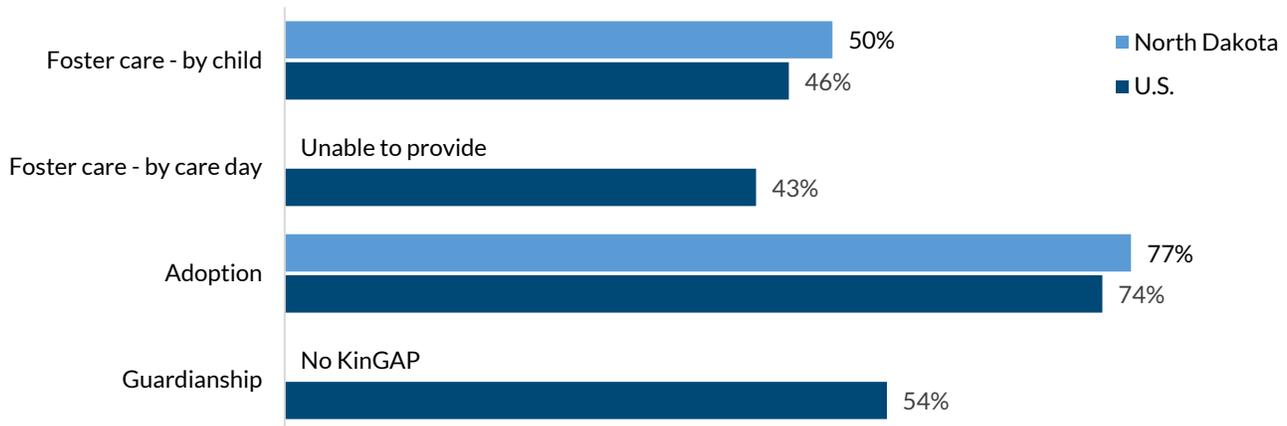


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



**Title IV-B** **Total in SFY 2018:** \$861,913 **Change from SFY 2016:** 20%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

**Medicaid** **Total in SFY 2018:** \$1,988,499 **Change from SFY 2016:** 21%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

**Uses of Medicaid dollars by child welfare agencies in North Dakota:**

- Rehabilitative services
- Targeted case management
- Treatment foster care

**TANF** **Total in SFY 2018:** \$19,098,060 **Change from SFY 2016:** -20%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

**SSBG** **Total in SFY 2018:** \$0 **Change from SFY 2016:** N/A

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

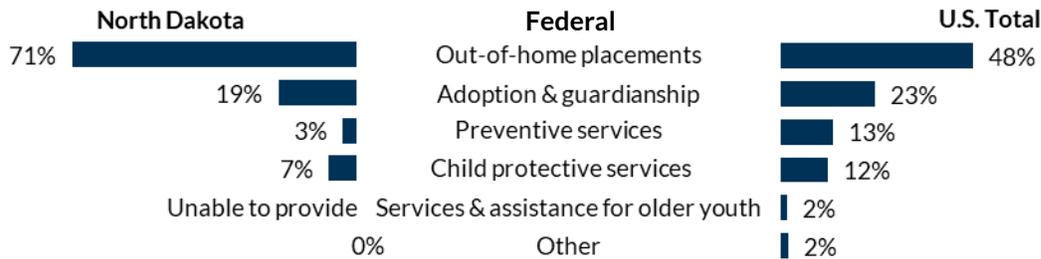
**Other federal funds** **Total in SFY 2018:** \$2,218,974 **Change from SFY 2016:** 18%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act,

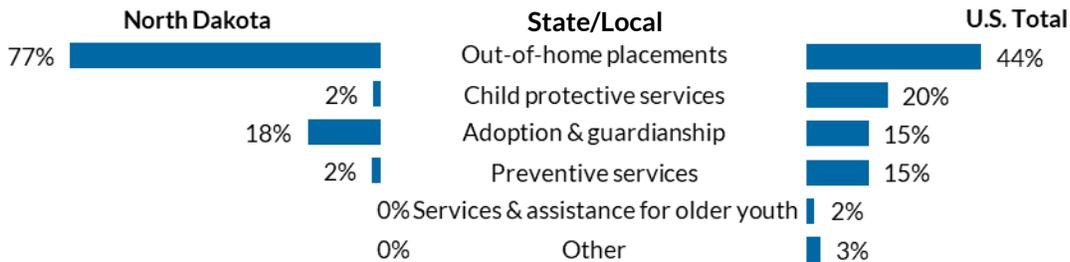
Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

North Dakota uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a much larger proportion on out-of-home placements and a smaller proportion on preventive services.



North Dakota uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a much larger proportion on out-of-home placements and a smaller proportion on child protective services.



<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for North Dakota is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

North Dakota was unable to report local expenditures and offsets/other expenditures for SFY 2018, therefore state/local and total expenditures may be understated and some comparisons to other SFYs cannot be made. In addition, North Dakota was unable to report SSBG and local expenditures for SFY 2016, therefore some comparisons to other SFYs cannot be made.

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<sup>3</sup> North Dakota was unable to provide information about offsets, third party in-kind contributions, and private dollars for SFY 2018.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

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<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

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<sup>8</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

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The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

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<sup>9</sup> For this survey, states were asked to report their child welfare agency's(ies)' total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>12</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

North Dakota was unable to report SSBG expenditures for SFY 2016.

<sup>13</sup> See endnote 2.

North Dakota was unable to report SFY 2018 expenditures for the Adoption Opportunities and Maternal, Infant, and Early Childhood Home Visiting programs. Therefore, the total amount of "other federal" expenditures may be understated.

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<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including North Dakota, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

North Dakota was unable to report the percentage of federal spending spent on services and assistance for older youth. Since the remaining categories of services sum to 100%, the reported percentages are likely overestimated.

<sup>15</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including North Dakota, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Ohio in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Ohio for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

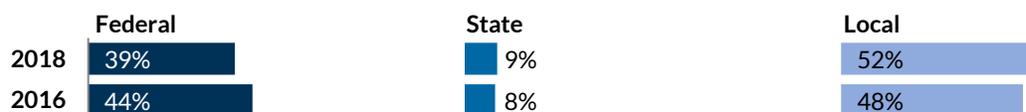
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Ohio decreased slightly since SFY 2016 and increased from SFY 2008 to 2018.

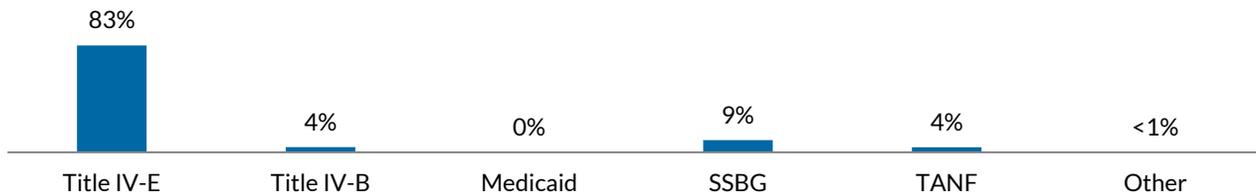
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$1,307,935,088	-3%	37%
Federal	\$507,740,218	-14%	-4%
State	\$112,623,995	3%	-5%
Local	\$683,783,375	5%	119%
Offsets and other <sup>3</sup>	\$3,787,500	N/A	N/A

The proportion of spending from federal, state, and local sources in Ohio has changed slightly since SFY 2016. In SFY 2018, a slightly larger proportion of total expenditures was financed by local dollars.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Ohio.



## Title IV-E

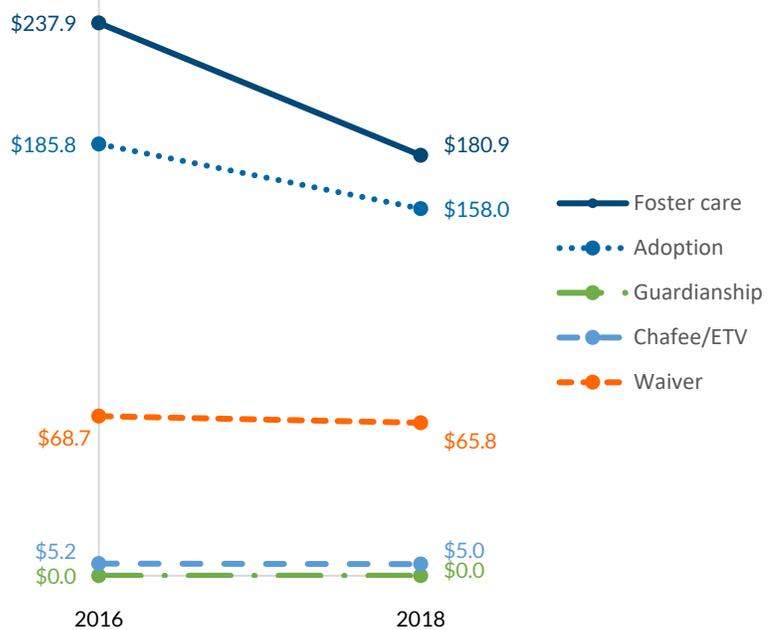
Total in SFY 2018: \$419,167,382

Change from SFY 2016: -16%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Ohio, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$419 million in Title IV-E expenditures in SFY 2018, \$410 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was a decrease across all expenditures except guardianship expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

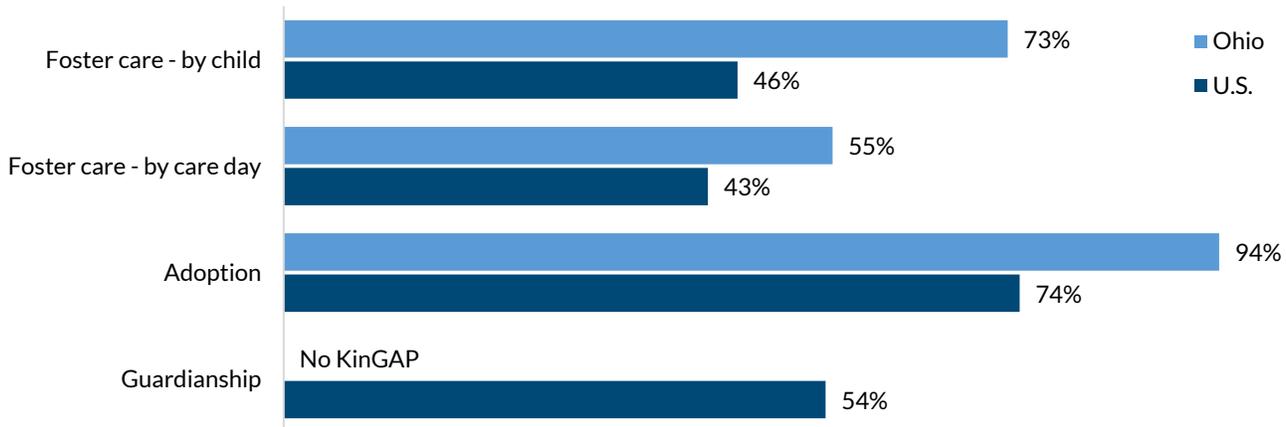


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$66  
million**

Ohio reported \$66 million in waiver expenditures in SFY 2018. Ohio began its waiver in October 1997.

### Ohio spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$30,115,390
Expenditures that would be reimbursable if the child was IV-E eligible	\$33,301,368
Expenditures that are were reimbursable only because of waiver	\$2,080,101
Project development and evaluation costs	\$329,130

## Title IV-B

**Total in SFY 2018: \$20,388,287**

**Change from SFY 2016: -6%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$0**

**Change from SFY 2016: 0%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## TANF

Total in SFY 2018: \$19,557,188

Change from SFY 2016: 21%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Ohio:

- Program management
- Basic assistance
- Administrative costs

## SSBG

Total in SFY 2018: \$47,731,580

Change from SFY 2016: 1%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Ohio:

- Case management services
- Child protective services
- Administrative costs

## Other federal funds

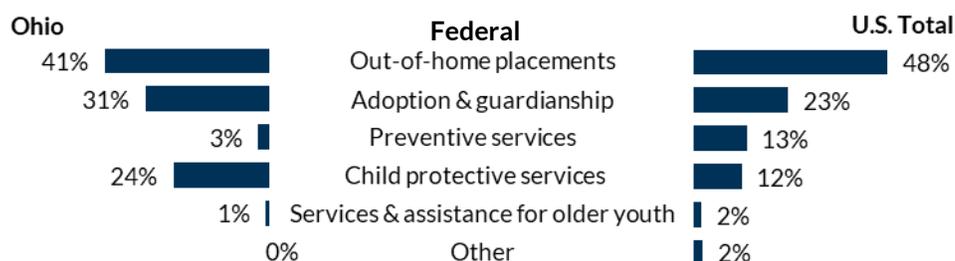
Total in SFY 2018: \$895,780

Change from SFY 2016: -86%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Ohio uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on preventive services and a larger proportion on child protective services.



Ohio uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on preventive services and a larger proportion on child protective services.



## Top funding sources for child welfare expenses

Ohio indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– TANF</li> <li>– Local funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– Local funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– Local funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– SSBG</li> <li>– Local funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>– SSBG</li> <li>– Local funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Other federal funds</li> <li>– Local funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– Local funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>

Service category	Sub-category	Top funding sources <sup>16</sup>
Child protective services		– Title IV-B
		– State funds
		– Local funds
Services and assistance for older youth		– Title IV-E
		– State funds
		– Local funds

## Out-of-home placement setting expenditures<sup>17</sup>

Below is a detailed breakdown of Ohio's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$87,683,071	\$53,656,319	\$141,339,391	\$113,349,865	\$121,910,128	\$235,259,992
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$204,302,627</b>	-	-	<b>\$390,239,611</b>

"-" means the state was unable to provide information.

## Adoption and guardianship costs

Below is a detailed breakdown of Ohio's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$68,681,116	\$89,294,983	\$157,976,099	\$37,576,576	\$84,091,676	\$121,668,252
Post-adoption supports and services	\$3,517,921	-	-	-	-	-
Guardianship assistance	\$0	\$0	\$0	\$0	\$0	\$0
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$72,199,037</b>	-	-	-	-	-

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Ohio is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the

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SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> Ohio was unable to provide information about third party in-kind contributions and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By “foster care,” we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By “adoption,” we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By “guardianship,” we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By “transition supports,” we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for the methodology used to calculate these rates.

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reported here may not represent the state's total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

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Total TANF expenditures exclude any funds transferred to SSBG.

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<sup>13</sup> See endnote 2.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Ohio, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

Ohio did not include post-adoption expenditures when calculating the percentage of federal expenditures spent on adoption and guardianship costs.

<sup>15</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Ohio, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>16</sup> This information is presented in no particular order.

<sup>17</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

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**MARCH 2021**

# Child Welfare Agency Spending in Oklahoma in SFY 2018



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## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

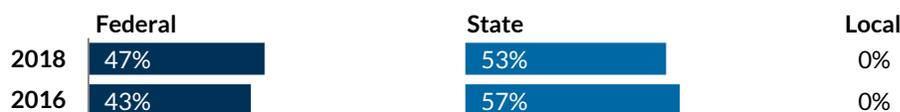
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Oklahoma held steady since SFY 2016 and increased from SFY 2008 to 2018.

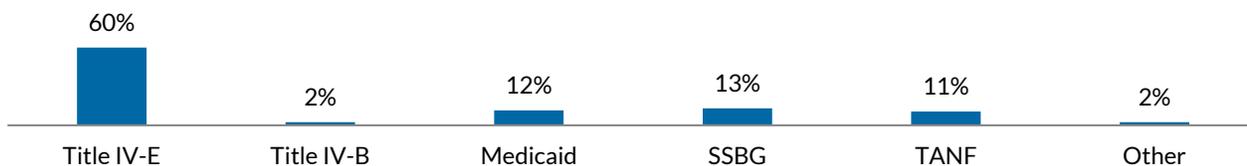
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$480,226,117	1%	60%
Federal	\$222,224,594	9%	19%
State	\$253,389,367	-6%	122%
Local	\$0	0%	0%
Offsets and other <sup>3</sup>	\$4,612,156	N/A	N/A

The proportion of spending from federal, state, and local sources in Oklahoma has changed slightly since SFY 2016. In SFY 2018, a slightly larger proportion of total expenditures was financed by federal dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Oklahoma.



### Title IV-E

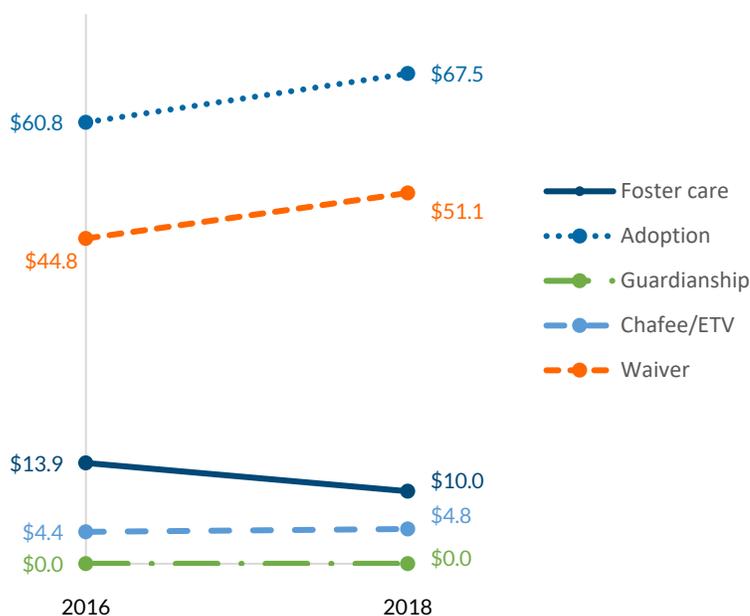
Total in SFY 2018: \$133,335,643

Change from SFY 2016: 8%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Oklahoma, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$133 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in adoption, Chafee/ETV, and waiver expenditures and a decrease in foster care expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)



### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E waiver

**\$51  
million**

Oklahoma reported \$51 million in waiver expenditures in SFY 2018. Oklahoma began its waiver in July 2015.

## Title IV-B

**Total in SFY 2018:** \$5,471,889

**Change from SFY 2016:** 7%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018:** \$25,564,209

**Change from SFY 2016:** 11%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### Uses of Medicaid dollars by child welfare agencies in Oklahoma:

- Rehabilitative services
- Targeted case management
- Treatment foster care

## TANF

**Total in SFY 2018:** \$23,522,456

**Change from SFY 2016:** 15%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Oklahoma:

- Foster care payments
- Family preservation services
- Emergency assistance

## SSBG

**Total in SFY 2018:** \$29,109,846

**Change from SFY 2016:** 7%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Oklahoma:

- Prevention and intervention services
- Child protective services
- Foster care services for children

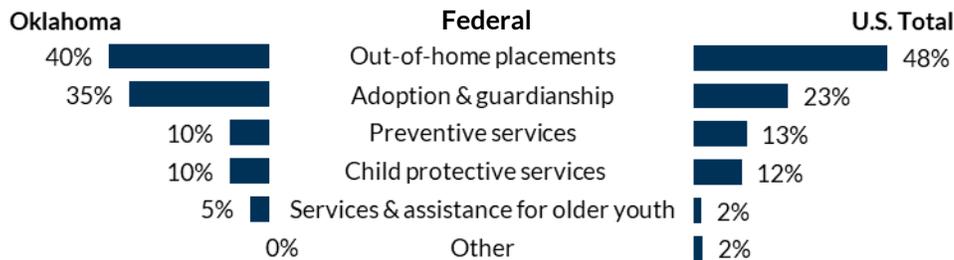
**Other federal funds** Total in SFY 2018: \$5,220,551

Change from SFY 2016: 20%

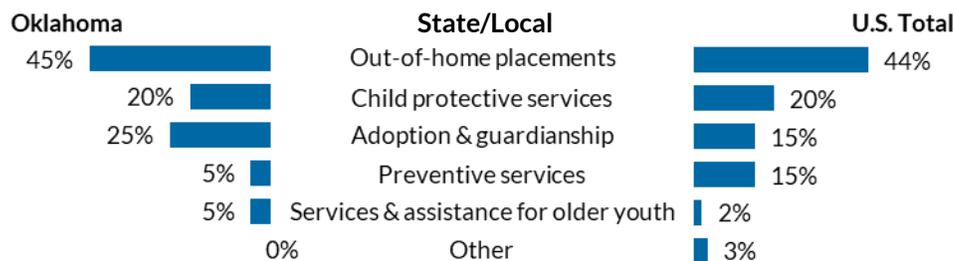
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Oklahoma uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a smaller proportion on out-of-home placements and a larger proportion on adoption and guardianship services.



Oklahoma uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on adoption and guardianship funds and a smaller proportion on preventive services.



<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Oklahoma is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report (“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

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To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> Oklahoma was unable to provide information about third party in-kind contributions and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

Oklahoma was unable to report SFY 2018 Title IV-E expenditures on juvenile justice services/activities, Title IV-E funds used as reimbursement or passed through to tribes, and Title IV-E expenditures for other allowable services/activities. Therefore, the total amount of Title IV-E expenditures may be understated.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies') total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Oklahoma, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Oklahoma, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Oregon in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Oregon for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$552,141,653	N/A	24%
Federal	\$262,664,024	-6%	-7%
State	\$280,540,693	33%	73%
Local	\$2,421,021	N/A	New funding source in SFY 2018
Offsets and other	\$6,515,915	N/A	N/A

In SFY 2018, more than half of expenditures in Oregon was financed by state dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Oregon.



## Title IV-E

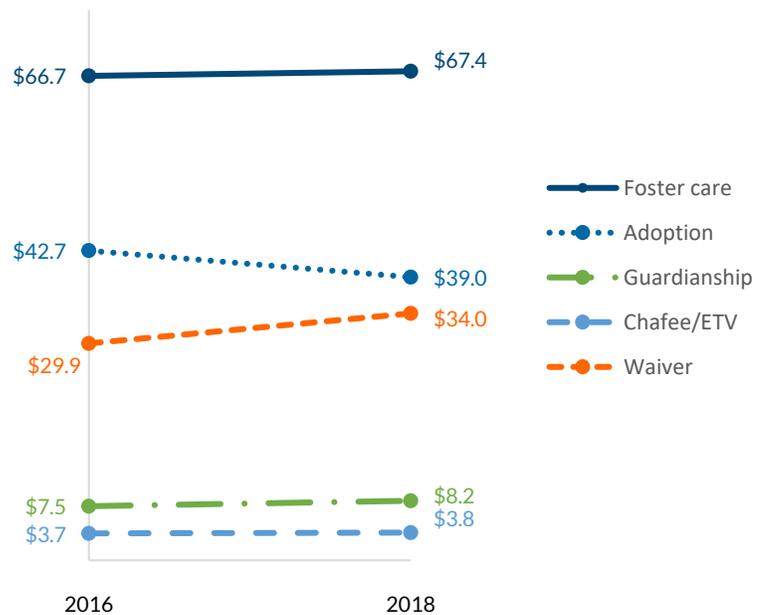
Total in SFY 2018: \$156,428,975

Change from SFY 2016: 4%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, including Oregon, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$156 million in Title IV-E expenditures in SFY 2018, \$152 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in guardianship, Chafee/ETV, and waiver expenditures and a decrease in adoption expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending  
(in millions of dollars)

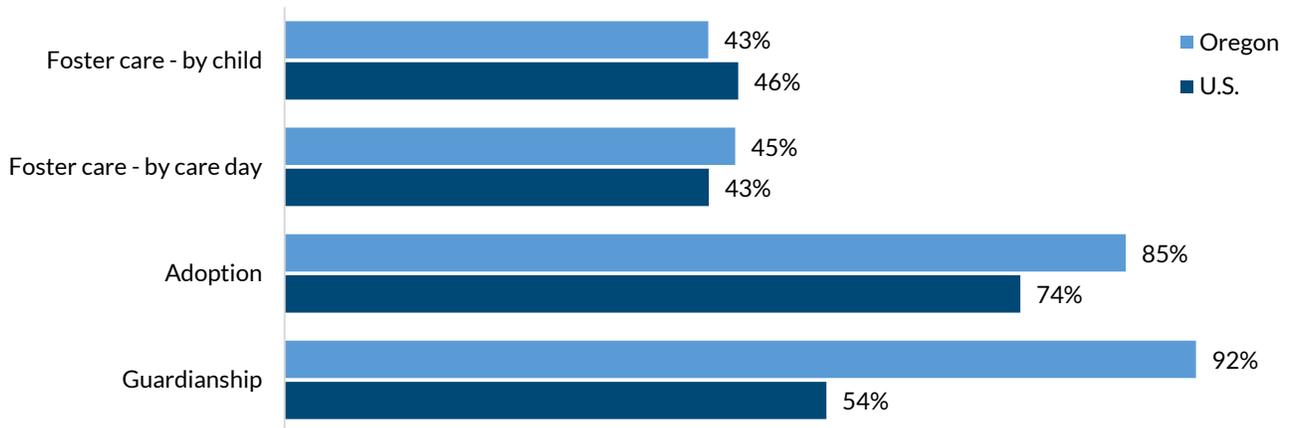


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., "care-days").<sup>7</sup>



## Title IV-E waiver

**\$34  
million**

Oregon reported \$34 million in waiver expenditures in SFY 2018. Oregon began its waiver in July 2015.

### Oregon spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$23,874,997
Expenditures that would be reimbursable if the child was IV-E eligible	\$0
Expenditures that are were reimbursable only because of waiver	\$9,488,303
Project development and evaluation costs	\$651,310

## Title IV-B

**Total in SFY 2018: \$5,752,273**

**Change from SFY 2016: -14%**

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$32,872,849**

**Change from SFY 2016: 26%**

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### Uses of Medicaid dollars by child welfare agencies in Oregon:

- Rehabilitative services
- Targeted case management
- Treatment foster care

## TANF

Total in SFY 2018: \$49,346,120

Change from SFY 2016: -37%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Oregon:

- Program management
- Foster care payments
- Emergency assistance

## SSBG

Total in SFY 2018: \$17,486,532

Change from SFY 2016: 70%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Oregon:

- Prevention and intervention services
- Child protective services
- Administrative costs

## Other federal funds

Total in SFY 2018: \$777,275

Change from SFY 2016: -90%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Oregon is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

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To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Oregon was unable to report local expenditures for SFY 2016, therefore some comparisons to other SFYs cannot be made.

<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies') total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>12</sup> See endnote 2.

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**MARCH 2021**

# Child Welfare Agency Spending in Pennsylvania in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Pennsylvania for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

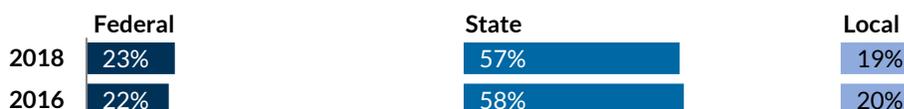
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Pennsylvania increased since SFY 2016 and decreased from SFY 2008 to 2018.

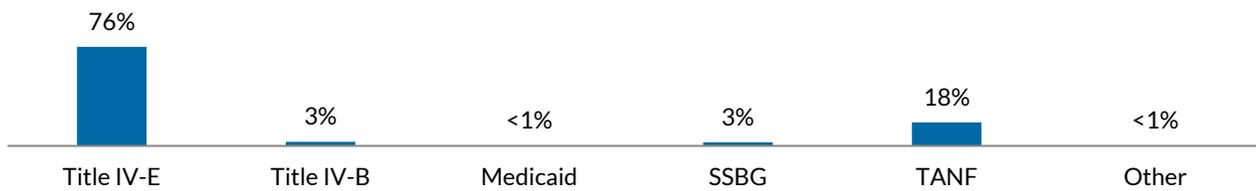
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$1,904,832,232	6%	-14%
Federal	\$441,254,876	13%	-22%
State	\$1,077,477,091	3%	-8%
Local	\$363,783,497	3%	-25%
Offsets and other <sup>3</sup>	\$22,316,768	N/A	N/A

The proportion of spending from federal, state, and local sources in Pennsylvania has not changed since SFY 2016.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Pennsylvania.

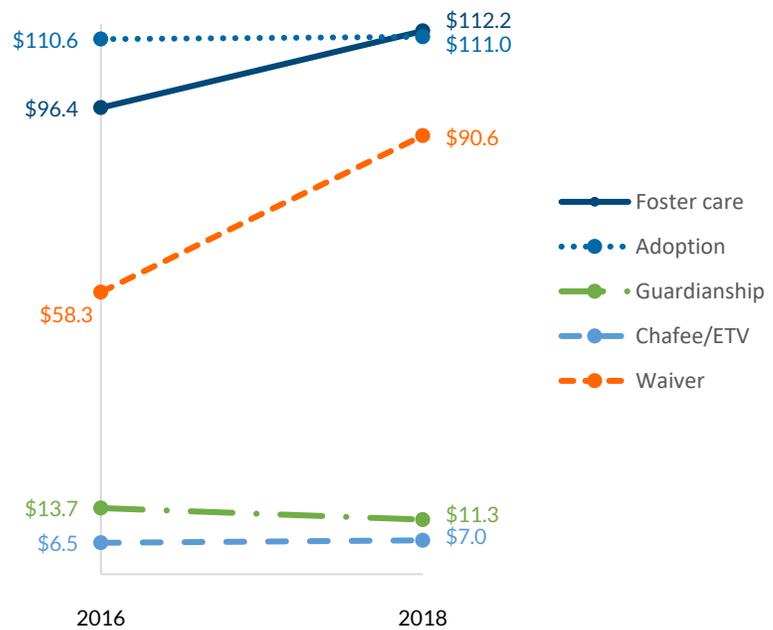


## Title IV-E Total in SFY 2018: \$333,389,507 Change from SFY 2016: 17%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Pennsylvania, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$333 million in Title IV-E expenditures in SFY 2018, \$332 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in foster care, Chafee/ETV, and waiver expenditures and a decrease in guardianship expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

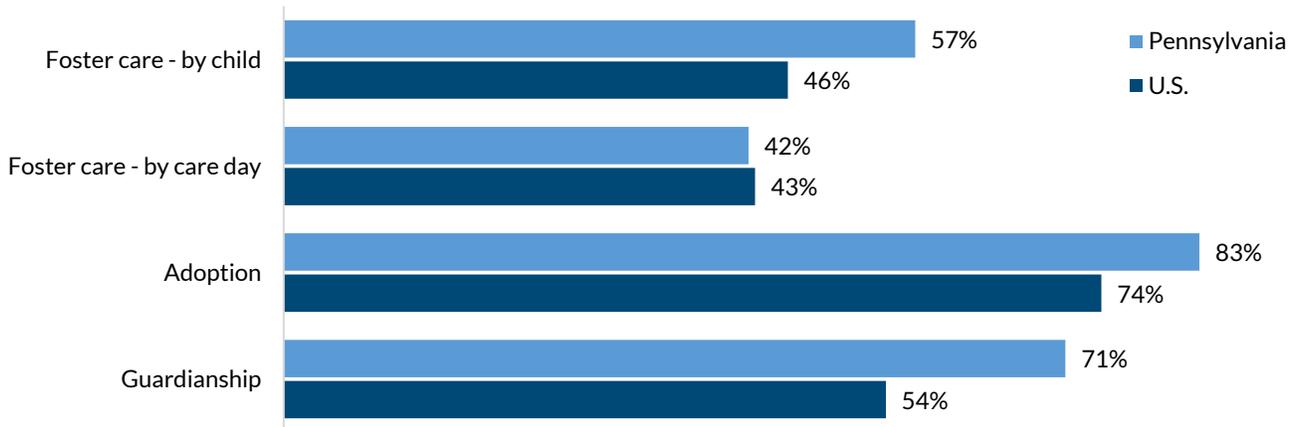


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$91 million**

Pennsylvania reported \$91 million in waiver expenditures in SFY 2018. Pennsylvania began its waiver in July 2013.

### Pennsylvania spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$33,686,846
Expenditures that would be reimbursable if the child was IV-E eligible	\$0
Expenditures that are were reimbursable only because of waiver	\$56,628,255
Project development and evaluation costs	\$314,452

## Title IV-B

**Total in SFY 2018: \$13,973,205**

**Change from SFY 2016: -24%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$1,133,665**

**Change from SFY 2016: 10%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in Pennsylvania:

- Rehabilitative services
- Treatment foster care

### TANF

Total in SFY 2018: \$79,198,677

Change from SFY 2016: 31%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Pennsylvania:

- Family preservation services
- Services for children and youth
- Relative foster care payments and adoption/guardianship subsidies

### SSBG

Total in SFY 2018: \$12,021,000

Change from SFY 2016: -4%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

#### Top categories of SSBG spending by child welfare agencies in Pennsylvania:

- Prevention and intervention services
- In-home services
- Foster care services for children

### Other federal funds

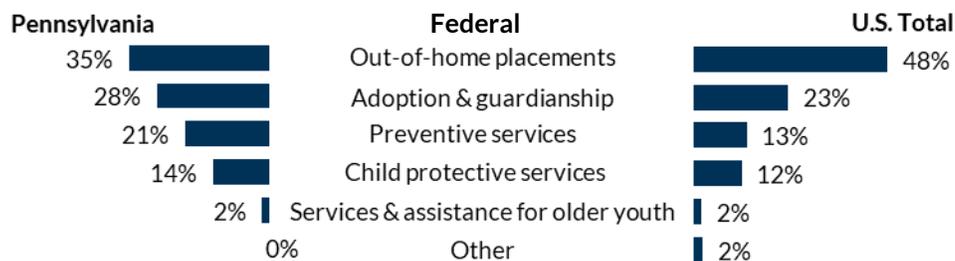
Total in SFY 2018: \$1,538,822

Change from SFY 2016: -89%

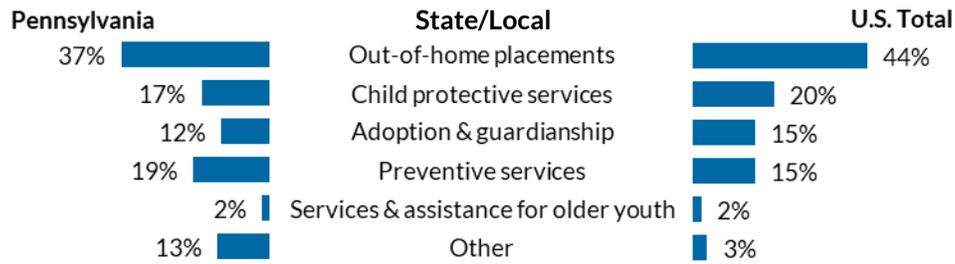
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Pennsylvania uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on out-of-home placements and a larger proportion on preventive services.



Pennsylvania uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on out-of-home placements and a larger proportion on other uses of state/local funds.



## Top funding sources for child welfare expenses

Pennsylvania indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> <li>Local funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> <li>Local funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> <li>Local funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>TANF</li> <li>State funds</li> <li>Local funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>TANF</li> <li>State funds</li> <li>Local funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>TANF</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>Medicaid</li> <li>State funds</li> <li>Local funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>TANF</li> <li>State funds</li> <li>Local funds</li> </ul>
Adoption and guardianship	Caseworker visits and administration	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> <li>Local funds</li> </ul>
		<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> <li>Local funds</li> </ul>
		<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> <li>Local funds</li> </ul>

Service category	Sub-category	Top funding sources <sup>16</sup>
Child protective services		- SSBG
		- State funds
		- Local funds
Services and assistance for older youth		- Title IV-E
		- State funds
		- Local funds

## Out-of-home placement setting expenditures<sup>17</sup>

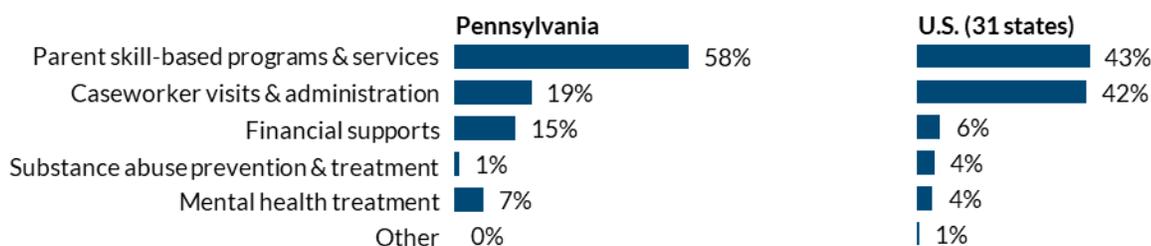
Below is a detailed breakdown of Pennsylvania's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$44,314,880	\$27,418,531	\$71,733,411	-	-	-
Service costs	\$8,084,776	\$6,477,381	\$14,562,157	-	-	-
Administrative and training costs	\$20,545,518	\$893,470	\$21,438,988	-	-	-
<b>Total</b>	<b>\$72,945,174</b>	<b>\$34,789,382</b>	<b>\$107,734,556</b>	<b>\$243,998,631</b>	<b>\$381,953,789</b>	<b>\$625,952,420</b>

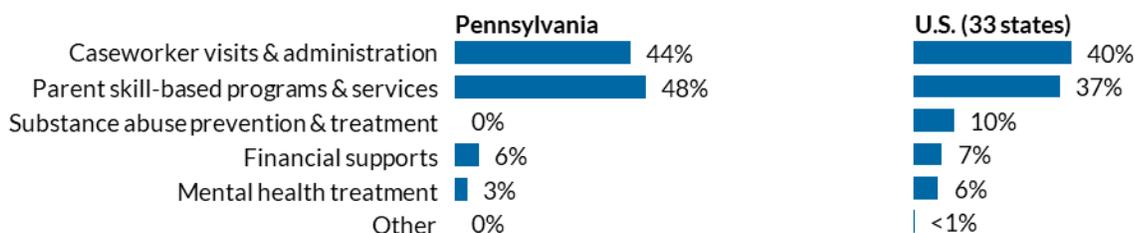
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of Pennsylvania's federal spending on preventive services, the state spends more than half on parent skill-based programs. This is different than other states.



Out of Pennsylvania's state/local spending on preventive services, the state spends almost half on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of Pennsylvania's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$76,853,092	\$1,049,823	\$77,902,915	-	-	\$103,096,016
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	\$10,568,287	\$17,811	\$10,586,098	-	-	\$24,445,355
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	<b>\$129,954,313</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Pennsylvania is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> Pennsylvania was unable to provide information about third party in-kind contributions and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote

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innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

Pennsylvania was unable to report "post-demonstration guardianship assistance and services costs," therefore SFY 2018 Title IV-E Guardianship Assistance Program expenditures may be understated.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency's(ies)' total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>12</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>13</sup> See endnote 2.

Pennsylvania was unable to report SFY 2018 expenditures for the Adoption Opportunities and Maternal, Infant, and Early Childhood Home Visiting programs. Therefore, the total amount of "other federal" expenditures may be understated.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Pennsylvania, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Pennsylvania, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

Pennsylvania included "out of home secure placement costs" in the percentage for "other" services and activities. Therefore, the percentage reported in the "out-of-home placements" category is likely underestimated.

<sup>16</sup> This information is presented in no particular order.

<sup>17</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

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The reported amounts are approximations.

<sup>18</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>19</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Puerto Rico in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Puerto Rico for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

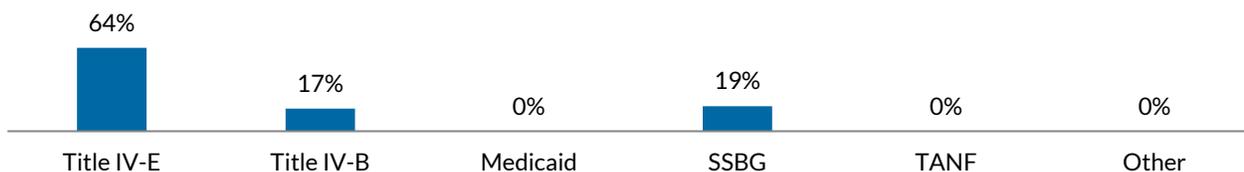
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$42,782,190	N/A	N/A
Federal	\$42,782,190	N/A	14%
State	Unable to provide	N/A	N/A
Local	Unable to provide	N/A	N/A
Offsets and other <sup>3</sup>	\$0	N/A	N/A

## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Puerto Rico.



## Title IV-E

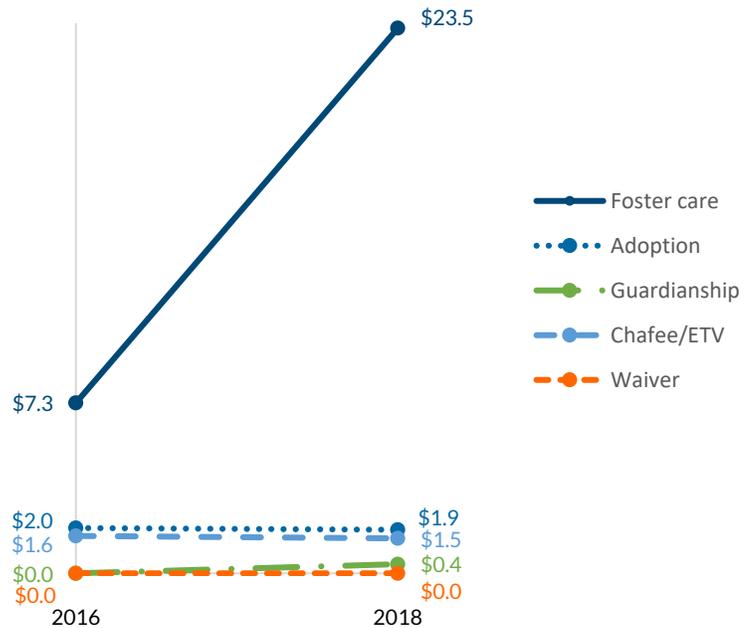
Total in SFY 2018: \$27,235,896

Change from SFY 2016: 150%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not Puerto Rico, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$27 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in foster care and guardianship expenditures and a decrease in adoption and Chafee/ETV expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

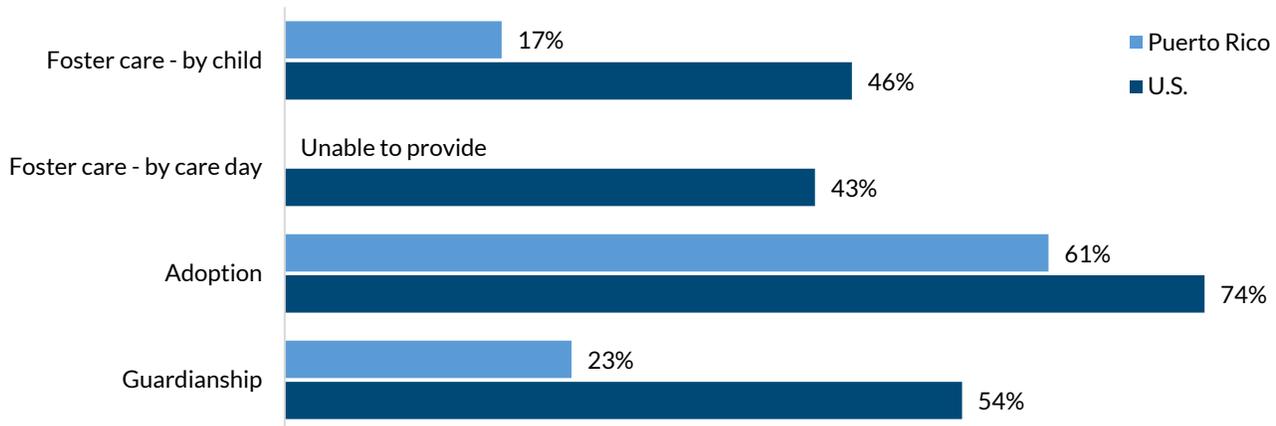


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



**Title IV-B** **Total in SFY 2018:** \$7,391,564 **Change from SFY 2016:** 90%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

**Medicaid** **Total in SFY 2018:** \$0 **Change from SFY 2016:** N/A

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

**TANF** **Total in SFY 2018:** \$0 **Change from SFY 2016:** N/A

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

**SSBG** **Total in SFY 2018:** \$8,154,729 **Change from SFY 2016:** -4%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

**Top categories of SSBG spending by child welfare agencies in Puerto Rico:**

- Foster care services for children
- Case management services
- Other

**Other federal funds** **Total in SFY 2018:** \$0 **Change from SFY 2016:** N/A

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act,

Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

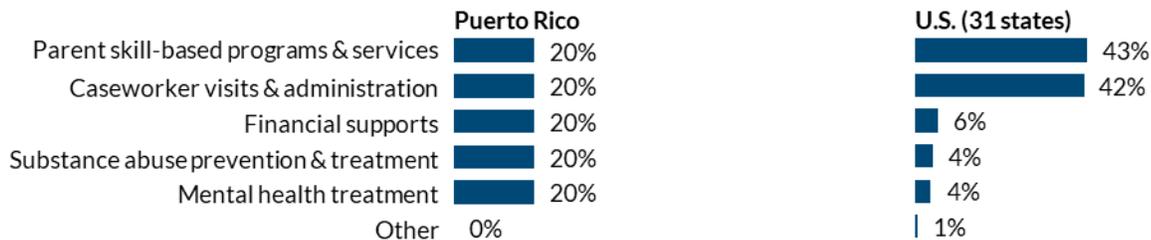
### Top funding sources for child welfare expenses

Puerto Rico indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>14</sup>
Preventive services	All preventive services categories	– Title IV-B – State funds
	Parent skill-based programs and services	– Title IV-B – State funds
	Substance abuse prevention and treatment	– Title IV-B – State funds
	Mental health treatment	– State funds
	Financial supports	– State funds
	Caseworker visits and administration	– Title IV-B
Adoption and guardianship		– Title IV-E – Title IV-B
Child protective services		– Title IV-B
Services and assistance for older youth		– State funds

### Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>15</sup> Out of Puerto Rico’s federal spending on preventive services, the state spends one fifth on all listed categories of prevention spending except for other uses of federal preventive funds. This is different than other states.



## Adoption and guardianship costs<sup>16</sup>

Below is a detailed breakdown of Puerto Rico's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$1,631,386	\$0	\$1,631,386	-	-	-
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	\$54,525	\$0	\$54,525	-	-	-
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Puerto Rico is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Puerto Rico was unable to report state and local expenditures for SFY 2018, therefore total expenditures may be understated and some comparisons to other SFYs cannot be made. In addition, Puerto Rico was unable to report its Medicaid, TANF, other federal, state, and local expenditures for SFY 2016, so comparisons to other SFYs cannot be made.

<sup>3</sup> Puerto Rico was unable to provide information about third party in-kind contributions and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

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<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (*“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”*) for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency’s(ies’) total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state’s total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

Puerto Rico was unable to report Medicaid expenditures for SFY 2016.

<sup>11</sup> The formal TANF category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

Total TANF expenditures exclude any funds transferred to SSBG.

Puerto Rico was unable to report TANF expenditures for SFY 2016.

<sup>12</sup> The formal SSBG category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

<sup>13</sup> See endnote 2.

Puerto Rico was unable to report “other federal” expenditures for SFY 2016.

<sup>14</sup> This information is presented in no particular order.

<sup>15</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>16</sup> The reported amounts are approximations.

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**MARCH 2021**

# Child Welfare Agency Spending in Rhode Island in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Rhode Island for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

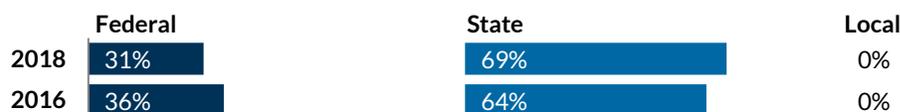
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- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

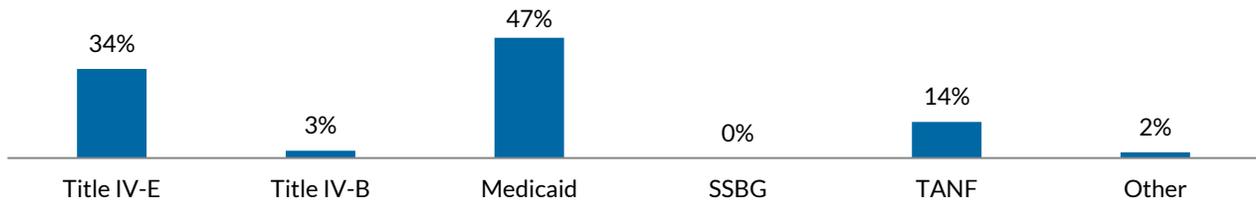
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$188,605,662	8%	N/A
Federal	\$56,990,643	-9%	N/A
State	\$129,218,263	16%	-3%
Local	\$0	0%	N/A
Offsets and other	\$2,396,757	N/A	N/A

The proportion of spending from federal, state, and local sources in Rhode Island has changed slightly since SFY 2016. In SFY 2018, a slightly larger proportion of total expenditures was financed by state dollars.



## Federal Expenditures

Medicaid is the largest federal funding source used by child welfare agencies in Rhode Island.



### Title IV-E

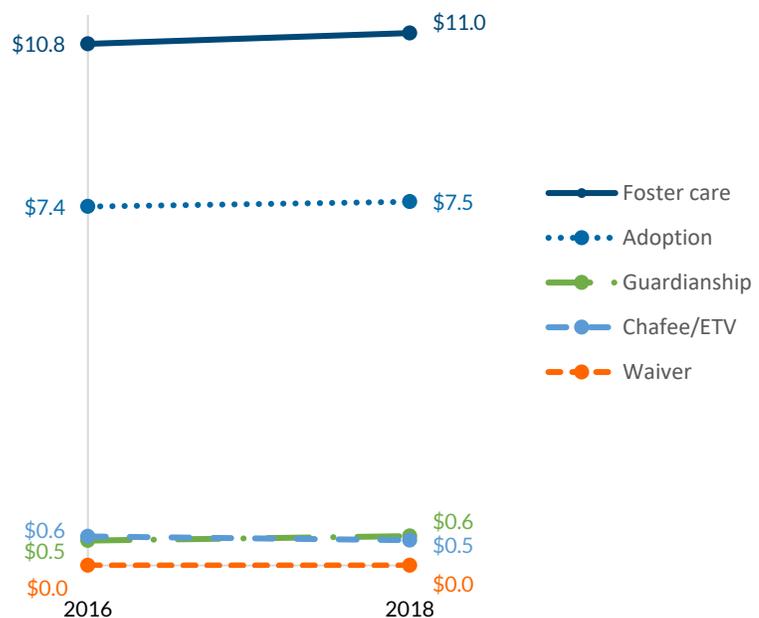
Total in SFY 2018: \$19,641,515

Change from SFY 2016: 2%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, but not Rhode Island, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$20 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in foster care and guardianship expenditures and a decrease in Chafee/ETV expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending  
(in millions of dollars)

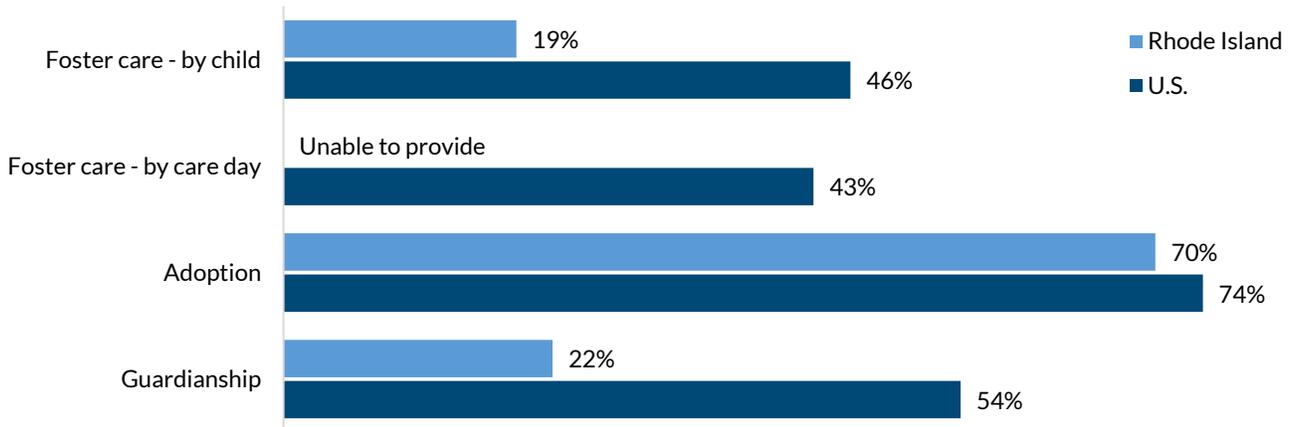


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-B

**Total in SFY 2018:** \$1,611,259

**Change from SFY 2016:** 13%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

**Total in SFY 2018:** \$26,518,549

**Change from SFY 2016:** 3%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in Rhode Island:

- Rehabilitative services
- Treatment foster care
- Other: Home-based treatment

### TANF

**Total in SFY 2018:** \$7,957,780

**Change from SFY 2016:** -33%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Rhode Island:

- Other

## SSBG

Total in SFY 2018: \$0

Change from SFY 2016: 0%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

## Other federal funds

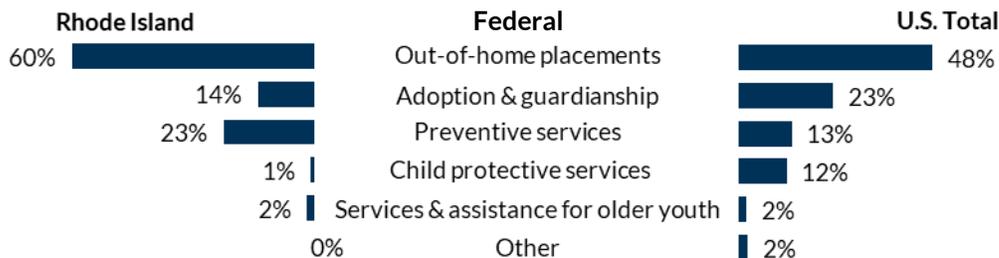
Total in SFY 2018: \$1,261,540

Change from SFY 2016: -70%

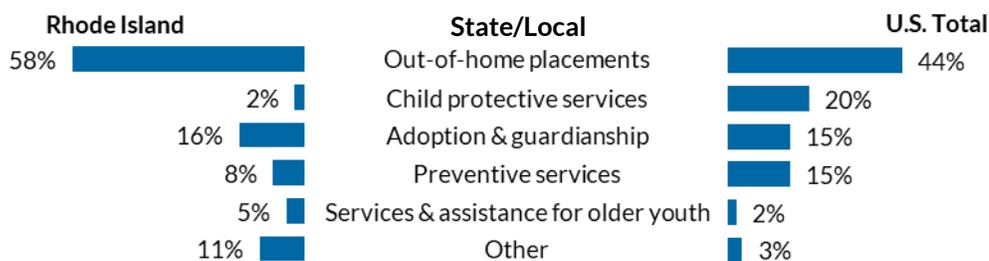
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Rhode Island uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on child protective services.



Rhode Island uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on child protective services.



## Top funding sources for child welfare expenses

Rhode Island indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Medicaid</li> <li>State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> </ul>

Service category	Sub-category	Top funding sources <sup>15</sup>
	Congregate care	– Title IV-E – Medicaid – State funds
<b>Preventive services</b>	All preventive services categories	– Title IV-B – Medicaid – State funds
	Parent skill-based programs and services	– Title IV-B – Medicaid – State funds
	Substance abuse prevention and treatment	– Medicaid – TANF – State funds
	Mental health treatment	– Title IV-B – Medicaid – State funds
	Financial supports	– Title IV-E – State funds
	Caseworker visits and administration	– Title IV-E – TANF – State funds
<b>Adoption and guardianship</b>		– Title IV-E – Title IV-B – State funds
<b>Child protective services</b>		– Title IV-E – TANF – State funds
<b>Services and assistance for older youth</b>		– Title IV-E – Title IV-B – State funds

## Out-of-home placement setting expenditures<sup>16</sup>

Below is a detailed breakdown of Rhode Island's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$2,819,513	\$22,643,630	\$25,463,143	\$36,674,898	\$22,713,747	\$59,388,645
Service costs	\$928,474	-	-	-	-	-
Administrative and training costs	\$8,180,511	-	-	\$15,446,041	-	-
<b>Total</b>	<b>\$11,928,498</b>	-	-	-	-	-

"-" means the state was unable to provide information.

## Adoption and guardianship costs<sup>17</sup>

Below is a detailed breakdown of Rhode Island's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$6,419,625	\$1,006,640	\$7,426,265	\$17,915,438	\$1,020,517	\$18,935,955
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	\$511,600	\$94,106	\$605,706	\$1,451,132	\$80,229	\$1,531,361
Post-guardianship supports and services	\$109,393	-	-	-	-	-
<b>Total</b>	-	-	-	<b>\$19,909,625</b>	<b>\$1,100,746</b>	<b>\$21,010,371</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Rhode Island is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Rhode Island was unable to provide SSBG and local expenditures for SFY 2008, therefore some comparisons to SFY 2008 cannot be made.

<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

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<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies)' total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Rhode Island, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Rhode Island, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>17</sup> The reported federal amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

**Child Welfare Agency Spending SFY 2018: Rhode Island**

# Child Welfare Agency Spending in South Carolina in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in South Carolina for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

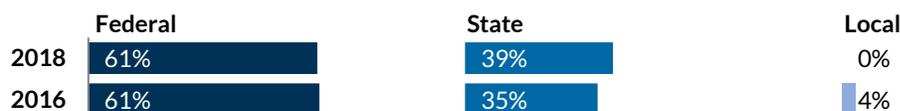
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in South Carolina increased slightly since SFY 2016 and decreased from SFY 2008 to 2018.

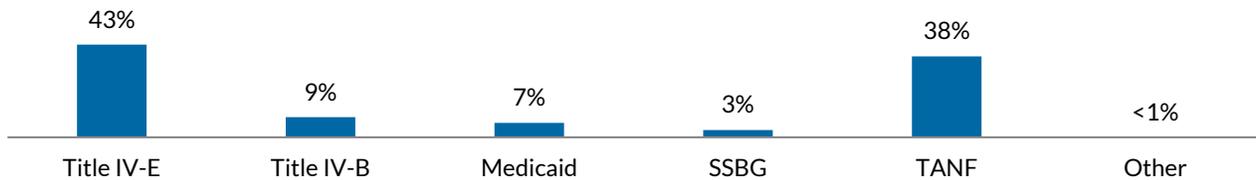
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$258,656,986	3%	-11%
Federal	\$147,204,742	-4%	-14%
State	\$95,078,202	8%	-16%
Local	\$0	-100%	-100%
Offsets and other	\$16,374,042	N/A	N/A

The proportion of spending from federal, state, and local sources in South Carolina has changed slightly since SFY 2016. In SFY 2018, a slightly larger proportion of total expenditures was financed by state dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in South Carolina.



### Title IV-E

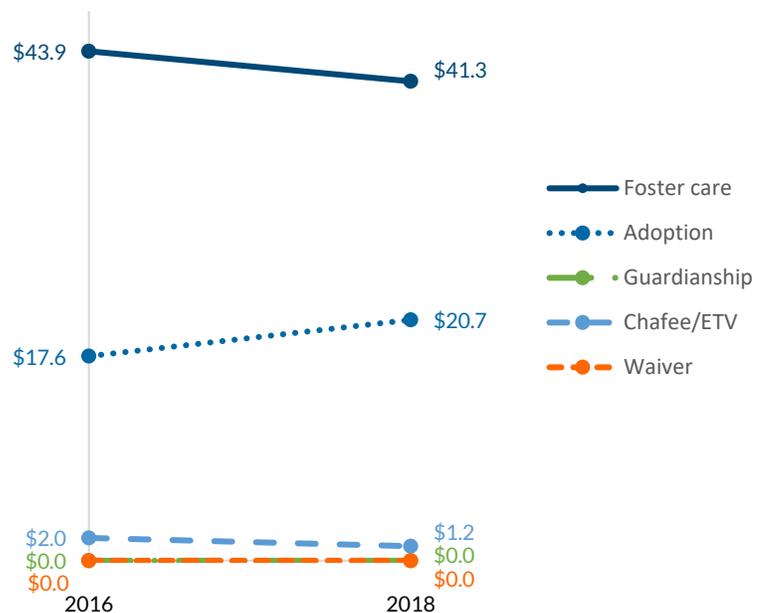
Total in SFY 2018: \$63,244,009

Change from SFY 2016: <-1%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, but not South Carolina, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$63 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in adoption expenditures and a decrease in foster care and Chafee/ETV expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending  
(in millions of dollars)

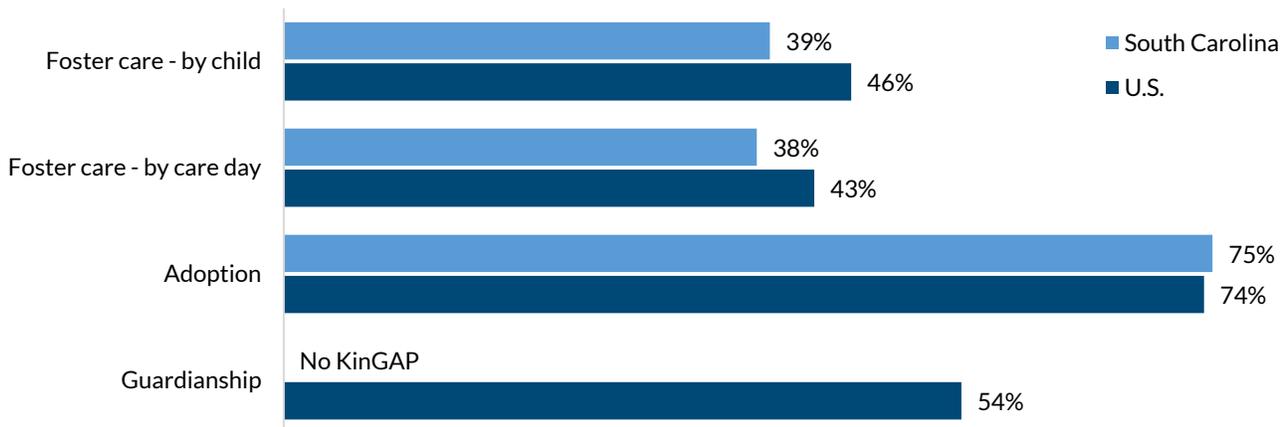


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-B

Total in SFY 2018: \$13,736,790

Change from SFY 2016: 83%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$9,863,139

Change from SFY 2016: -28%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in South Carolina:

- Rehabilitative services
- Treatment foster care

### TANF

Total in SFY 2018: \$55,241,100

Change from SFY 2016: 14%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in South Carolina:

- Services for children and youth
- Relative foster care payments and adoption/guardianship subsidies
- Basic assistance

## SSBG

Total in SFY 2018: \$4,991,607

Change from SFY 2016: -68%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in South Carolina:

- Case management services
- Child protective services
- Prevention and intervention services

## Other federal funds

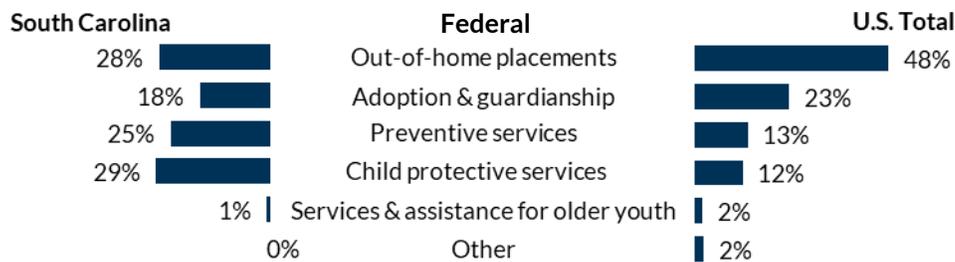
Total in SFY 2018: \$128,097

Change from SFY 2016: -98%

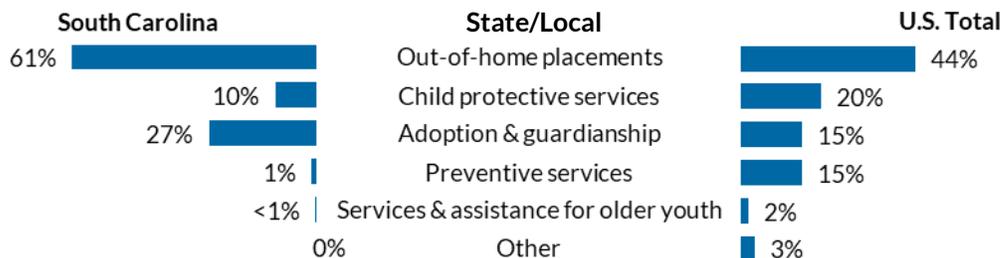
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

South Carolina uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a much smaller proportion on out-of-home placements and a larger proportion on child protective services.



South Carolina uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on preventive services.



## Top funding sources for child welfare expenses

South Carolina indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– 3rd party in kind contributions</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– TANF</li> <li>– State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– TANF</li> <li>– State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Title IV-B</li> <li>– TANF</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– 3rd party in-kind contributions</li> <li>– Private funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>– SSBG</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– 3rd party in-kind contributions</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>– SSBG</li> <li>– Other federal funds</li> <li>– State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– TANF</li> <li>– State funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– 3rd party in-kind contributions</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– TANF</li> <li>– State funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>– Other federal funds</li> <li>– State funds</li> <li>– 3rd party in-kind contributions</li> </ul>

## Out-of-home placement setting expenditures<sup>16</sup>

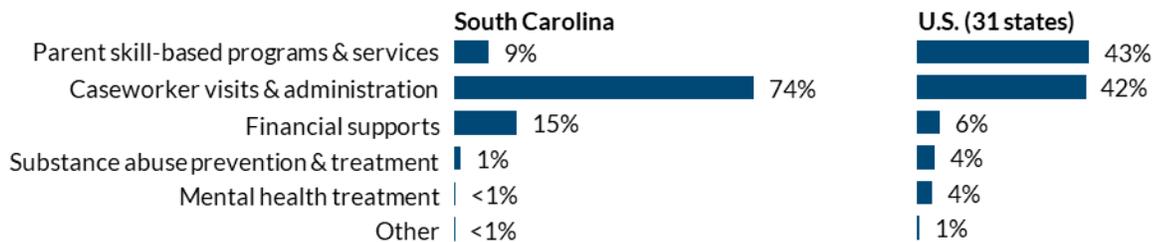
Below is a detailed breakdown of South Carolina's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$12,595,058	\$20,720,893	\$33,315,951	\$26,501,011	\$18,193,112	\$44,694,123
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$41,264,169</b>	-	-	<b>\$58,064,258</b>

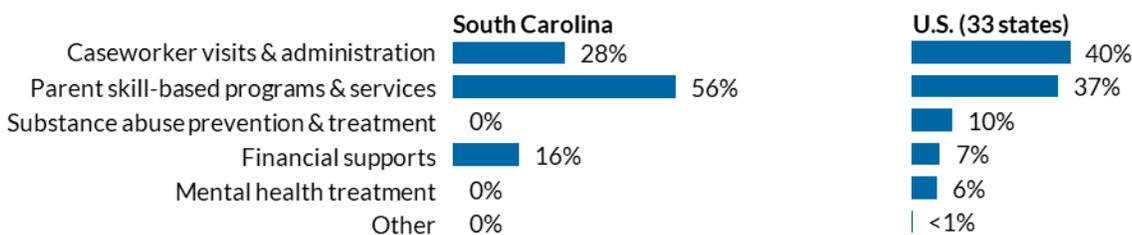
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of South Carolina's federal spending on preventive services, the state spends nearly three quarters on caseworker visits and administration. This is different than other states.



Out of South Carolina's state/local spending on preventive services, the state spends more than half on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of South Carolina's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$25,930,285	-	-	\$14,856,907	-	-
Post-adoption supports and services	-	\$110,902	-	-	\$36,967	-
Guardianship assistance	\$0	\$0	\$0	\$0	\$0	\$0
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	-	-	-	-	-	<b>\$25,538,005</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for South Carolina is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

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<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would

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<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

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<sup>7</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

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The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

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<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

Total TANF expenditures exclude any funds transferred to SSBG.

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<sup>15</sup> This information is presented in no particular order.

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The reported amounts are approximations.

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**MARCH 2021**

# Child Welfare Agency Spending in South Dakota in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in South Dakota for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

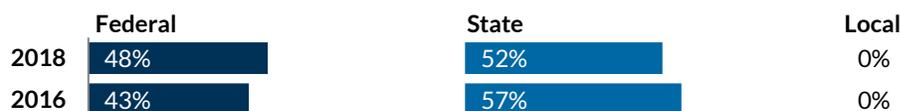
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in South Dakota increased since SFY 2016 and increased from SFY 2008 to 2018.

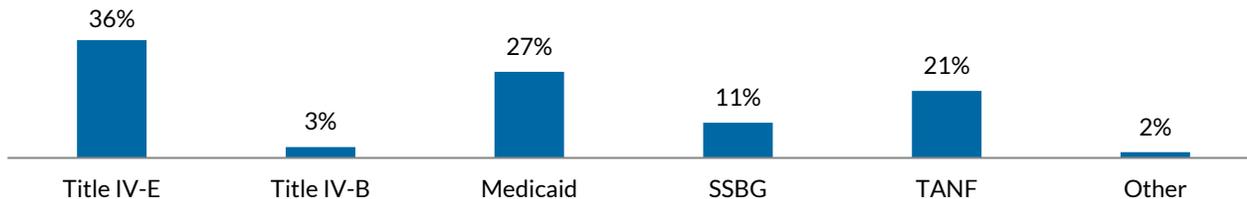
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$68,367,469	11%	7%
Federal	\$32,057,028	22%	-12%
State	\$35,237,243	<-1%	29%
Local	\$0	0%	0%
Offsets and other <sup>3</sup>	\$1,073,198	N/A	N/A

The proportion of spending from federal, state, and local sources in South Dakota has changed slightly since SFY 2016. In SFY 2018, a slightly larger proportion of total expenditures was financed by federal dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in South Dakota.



### Title IV-E

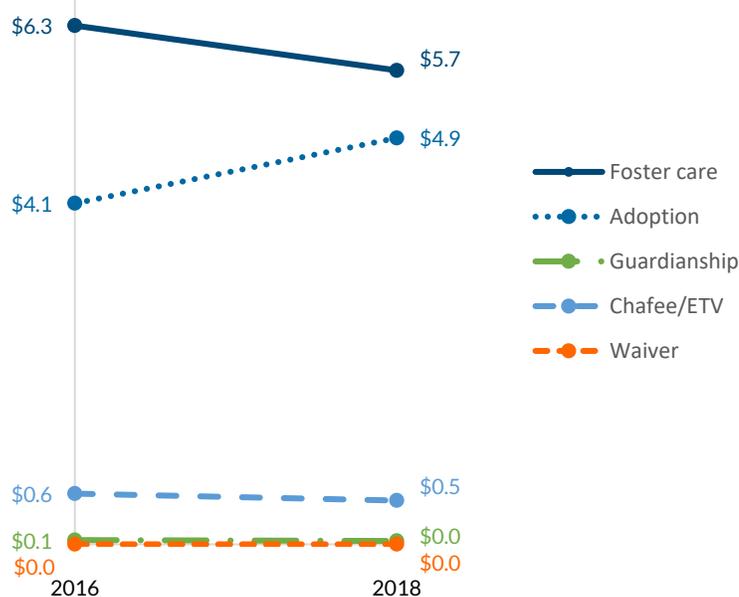
Total in SFY 2018: \$11,693,715

Change from SFY 2016: 6%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not South Dakota, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$12 million in Title IV-E expenditures in SFY 2018, \$11 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was a decrease across all expenditures except adoption expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending  
(in millions of dollars)

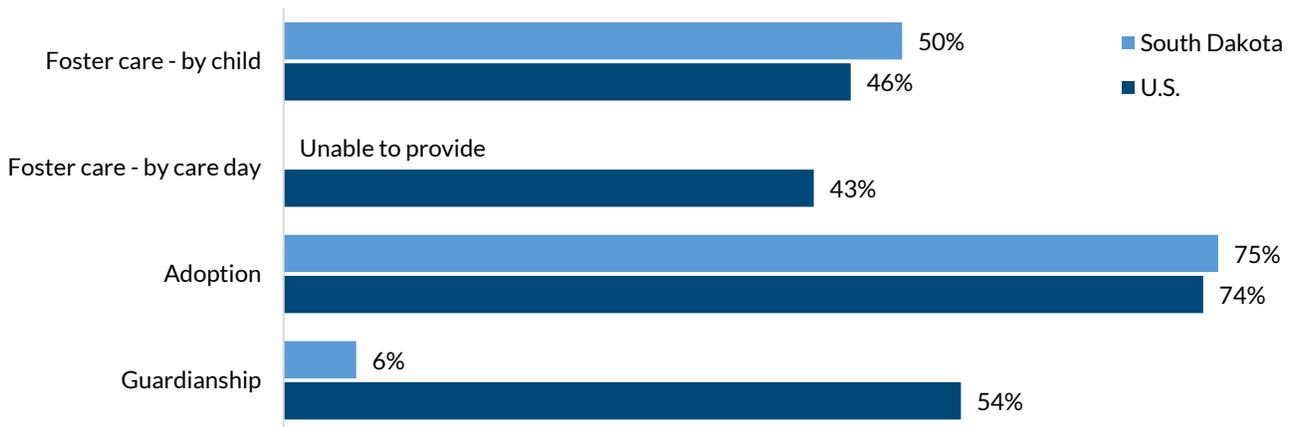


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



### Title IV-B

Total in SFY 2018: \$1,083,095

Change from SFY 2016: -11%

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$8,548,269

Change from SFY 2016: 27%

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in South Dakota:

- Rehabilitative services

### TANF

Total in SFY 2018: \$6,656,243

Change from SFY 2016: 92%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in South Dakota:

- Foster care payments
- Emergency assistance
- Program management

## SSBG

Total in SFY 2018: \$3,502,314

Change from SFY 2016: 35%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in South Dakota:

- Case management services
- Adoption services
- Child protective services

## Other federal funds

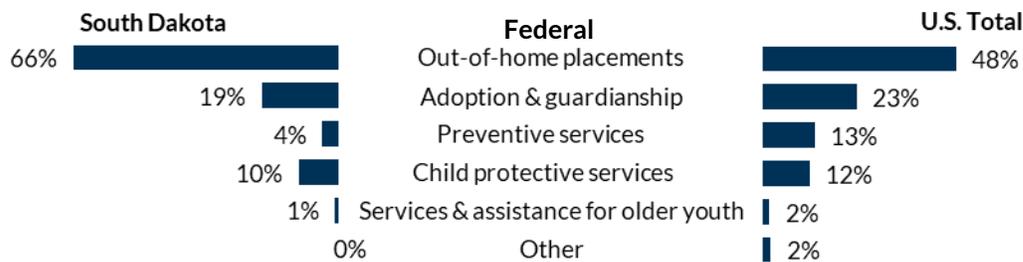
Total in SFY 2018: \$573,392

Change from SFY 2016: -52%

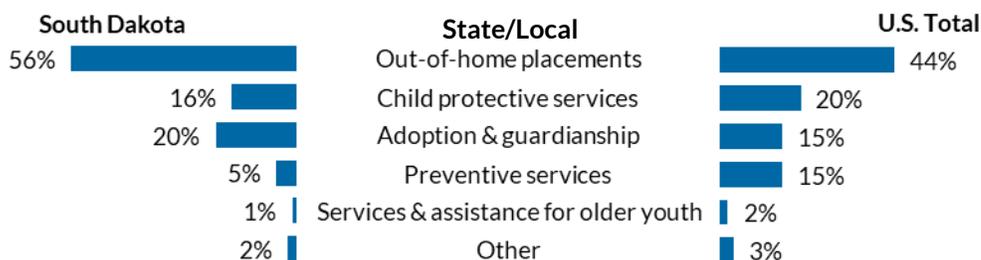
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

South Dakota uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on preventive services.



South Dakota uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on preventive services.



## Top funding sources for child welfare expenses

South Dakota indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – Medicaid – State funds
	Family foster care	– Title IV-E – TANF – State funds
	Congregate care	– Title IV-E – Medicaid – TANF
Preventive services	All preventive services categories	– Title IV-E – Title IV-B – State funds
	Parent skill-based programs and services	– Title IV-B – State funds
	Caseworker visits and administration	– Title IV-E – SSBG – State funds
Adoption and guardianship		– Title IV-E – SSBG – State funds
Child protective services		– Title IV-E – TANF – State funds
Services and assistance for older youth		– Title IV-E – State funds

## Out-of-home placement setting expenditures<sup>17</sup>

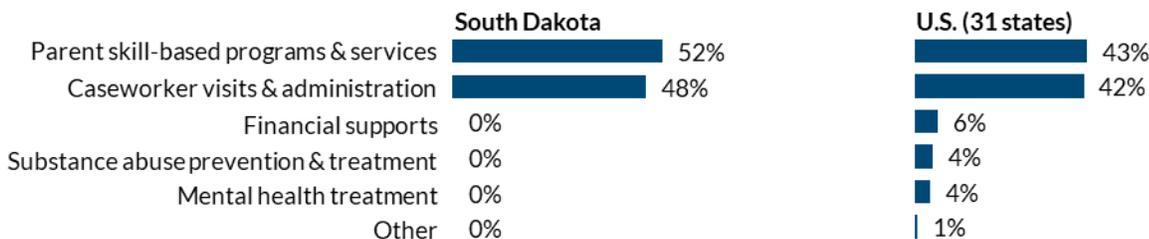
Below is a detailed breakdown of South Dakota's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	\$0	\$0	\$0	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	<b>\$7,392,049</b>	<b>\$9,809,866</b>	<b>\$17,201,915</b>	<b>\$4,228,149</b>	<b>\$8,872,197</b>	<b>\$13,100,346</b>

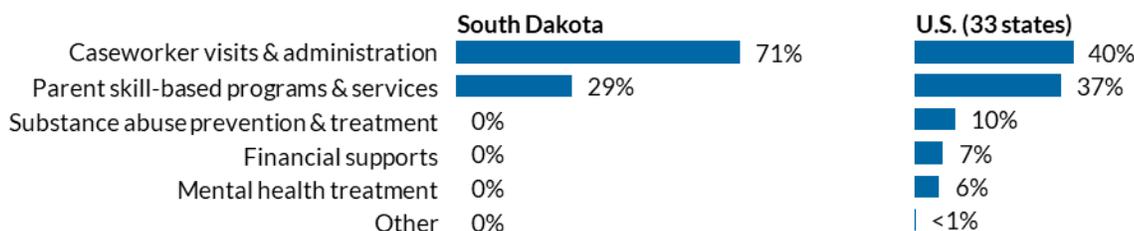
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of South Dakota's spending on preventive services, the state spends more than half on parent skill-based programs. This is different than other states.



Out of South Dakota's state/local spending on preventive services, the state spends nearly three quarters on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of South Dakota's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	-	-	\$5,260,488	-	-	\$5,317,953
Post-adoption supports and services	-	-	\$141,279	-	-	\$614,656
Guardianship assistance	-	-	\$565,573	-	-	\$989,543
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	-	-	<b>\$5,967,340</b>	-	-	<b>\$6,922,152</b>

"-" means the state was unable to provide information.

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<sup>3</sup> South Dakota was unable to provide information about third party in-kind contributions and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

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**MARCH 2021**

# Child Welfare Agency Spending in Tennessee in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Tennessee for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

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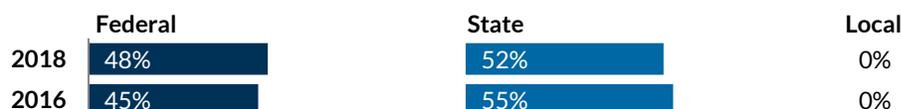
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Tennessee increased since SFY 2016 and increased from SFY 2008 to 2018.

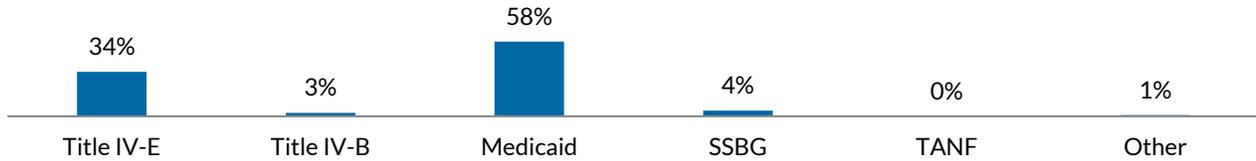
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$840,484,149	10%	45%
Federal	\$394,451,961	15%	66%
State	\$435,667,433	4%	27%
Local	\$0	0%	0%
Offsets and other	\$10,364,755	N/A	N/A

The proportion of spending from federal, state, and local sources in Tennessee has changed slightly since SFY 2016. In SFY 2018, a slightly larger proportion of total expenditures was financed by federal dollars.



# Federal Expenditures

Medicaid is the largest federal funding source used by child welfare agencies in Tennessee.

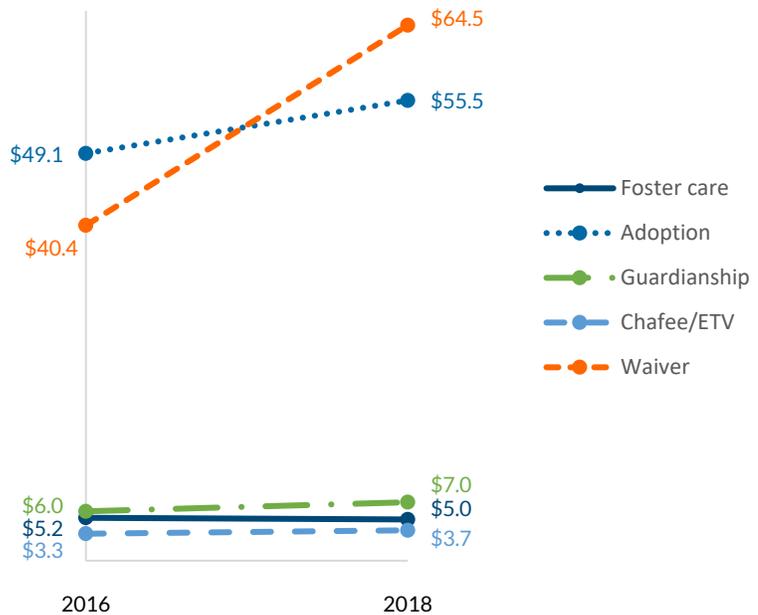


## Title IV-E Total in SFY 2018: \$135,701,170 Change from SFY 2016: 31%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, including Tennessee, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$136 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase across all expenditures except foster care compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending (in millions of dollars)

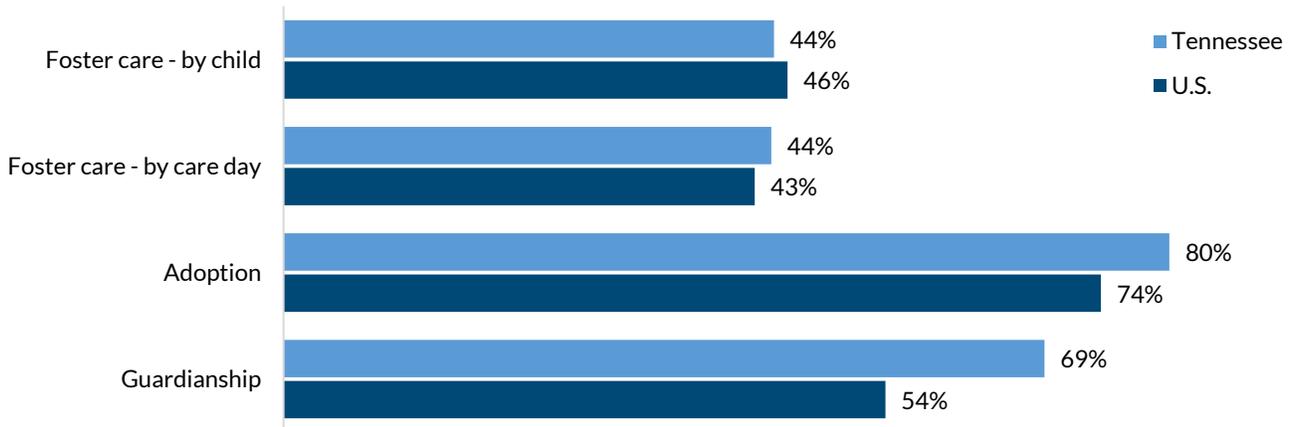


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



## Title IV-E waiver

**\$65  
million**

Tennessee reported \$65 million in waiver expenditures in SFY 2018. Tennessee began its waiver in October 2014.

### Tennessee spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$43,139,683
Expenditures that would be reimbursable if the child was IV-E eligible	\$16,037,553
Expenditures that are were reimbursable only because of waiver	\$5,203,693
Project development and evaluation costs	\$164,713

## Title IV-B

**Total in SFY 2018: \$10,382,496**

**Change from SFY 2016: -11%**

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$227,409,993**

**Change from SFY 2016: 12%**

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in Tennessee:

- Rehabilitative services
- Targeted case management
- Treatment foster care

**TANF** Total in SFY 2018: \$0 Change from SFY 2016: 0%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

**SSBG** Total in SFY 2018: \$17,235,902 Change from SFY 2016: 2%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Tennessee:

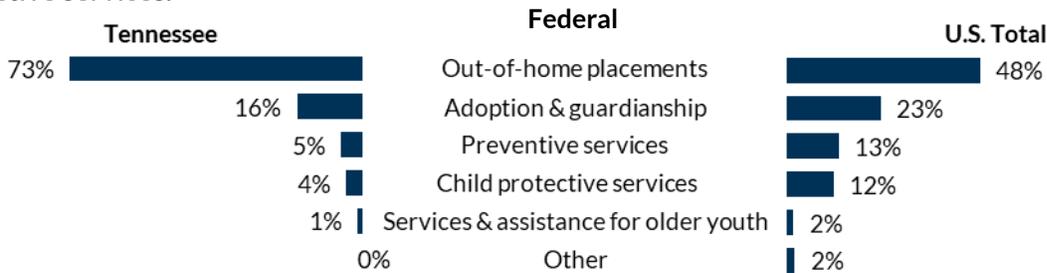
- Case management services
- Foster care services for children
- Administrative costs

**Other federal funds** Total in SFY 2018: \$3,722,400 Change from SFY 2016: -51%

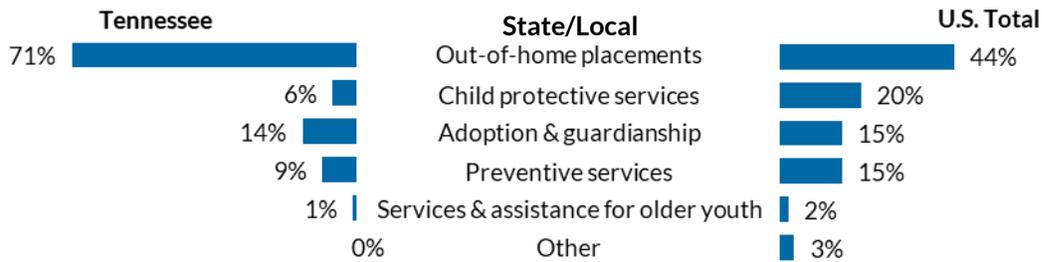
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Tennessee uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a much larger proportion on out-of-home placements and a smaller proportion on preventive services and child protective services.



Tennessee uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a much larger proportion on out-of-home placements and a smaller proportion on child protective services.



## Top funding sources for child welfare expenses

Tennessee indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Medicaid</li> <li>State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Medicaid</li> <li>State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Medicaid</li> <li>State funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>Title IV-B</li> <li>SSBG</li> <li>State funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Medicaid</li> <li>State funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>SSBG</li> <li>State funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>

## Out-of-home placement setting expenditures<sup>16</sup>

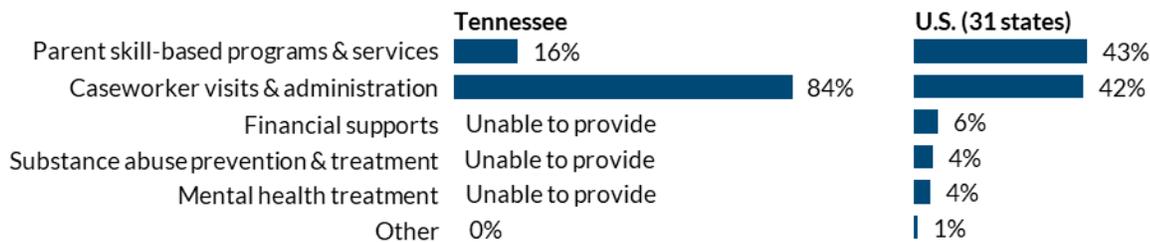
Below is a detailed breakdown of Tennessee's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$17,500,715	\$60,815,681	\$78,316,396	\$21,884,197	\$69,153,086	\$91,037,283
Service costs	\$70,358,054	\$123,080,966	\$193,439,020	\$117,102,630	\$61,576,440	\$178,679,070
Administrative and training costs	-	-	\$15,384,822	-	-	\$39,607,524
<b>Total</b>	-	-	<b>\$287,140,239</b>	-	-	<b>\$309,323,877</b>

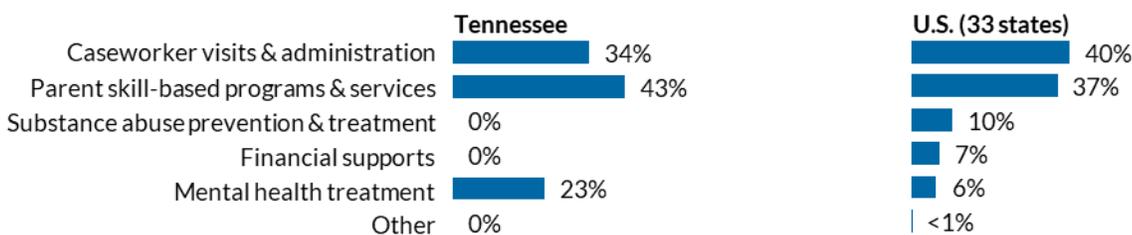
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Tennessee's federal spending on preventive services, the state spends more than three quarters on caseworker visits and administration. This is different than other states.



Out of Tennessee's state/local spending on preventive services, the state spends almost half on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of Tennessee’s spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$52,791,253	-	-	\$47,401,975	-	-
Post-adoption supports and services	\$1,746,840	-	-	\$1,183,022	-	-
Guardianship assistance	\$6,756,561	\$290,447	\$7,047,008	\$8,070,887	\$169,663	\$8,240,550
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$61,294,654</b>	<b>\$2,971,970</b>	<b>\$64,266,624</b>	<b>\$56,655,884</b>	<b>\$2,173,491</b>	<b>\$58,829,375</b>

“-” means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Tennessee is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> By “foster care,” we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By “adoption,” we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By “guardianship,” we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By “transition supports,” we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would

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have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (*“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”*) for the methodology used to calculate these rates.

<sup>8</sup> For this survey, states were asked to report their child welfare agency’s(ies’) total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state’s total IV-B expenditures.

Tennessee was unable to report expenditures of Title IV-B competitive funds for SFY 2018, so their total Title IV-B amount may be understated.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Tennessee, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Tennessee, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report (*“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”*) for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>17</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations. Tennessee was unable to report the percentage of federal prevention expenditures spent on substance abuse prevention and treatment programs and services, mental health treatment programs and

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services, and financial supports. Since the remaining categories of services sum to 100%, the reported percentages are likely overestimated.

<sup>18</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Texas in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Texas for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

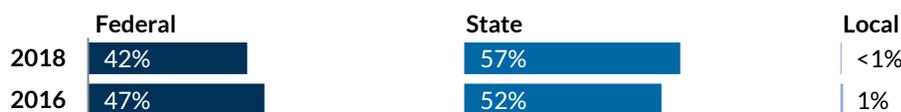
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Texas increased since SFY 2016 and increased from SFY 2008 to 2018.

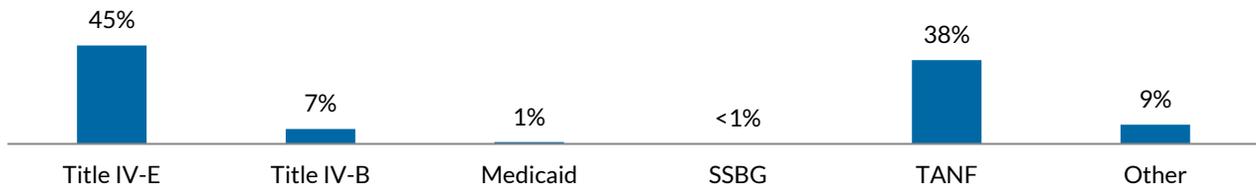
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$1,787,487,613	10%	25%
Federal	\$746,648,125	-2%	-18%
State	\$1,013,638,251	19%	99%
Local	\$5,519,705	-51%	-63%
Offsets and other	\$21,681,532	N/A	N/A

The proportion of spending from federal, state, and local sources in Texas has changed slightly since SFY 2016. In SFY 2018, a slightly larger proportion of total expenditures was financed by state dollars.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Texas.



## Title IV-E

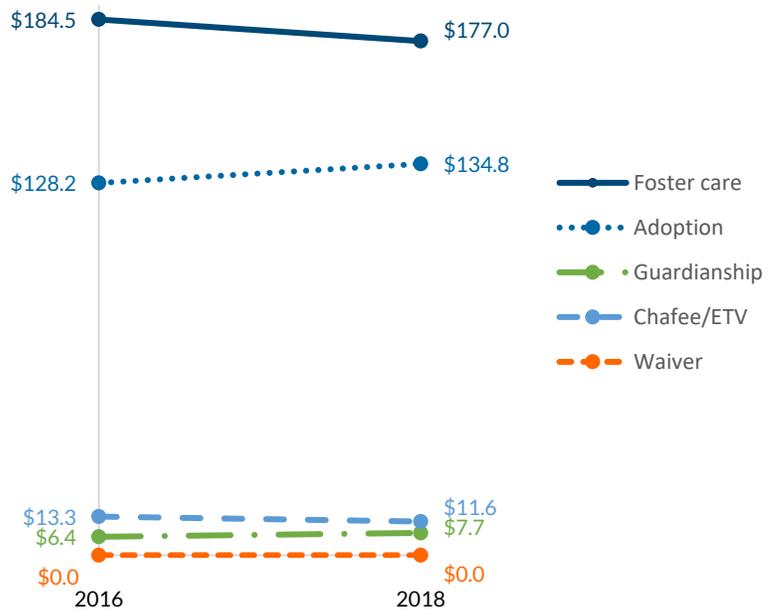
Total in SFY 2018: \$336,441,078

Change from SFY 2016: 1%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, but not Texas, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$336 million in Title IV-E expenditures in SFY 2018, \$331 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in adoption and guardianship expenditures and a decrease in foster care and Chafee/ETV expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending (in millions of dollars)

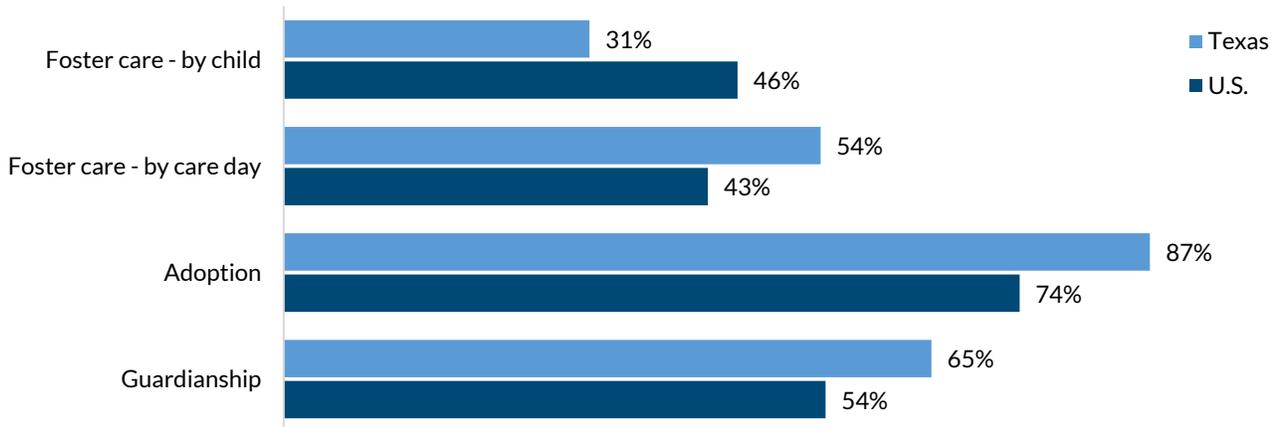


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-B

Total in SFY 2018: \$50,941,695

Change from SFY 2016: -10%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$6,077,278

Change from SFY 2016: 8%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in Texas:

- Other: Administration; eligibility and outreach

### TANF

Total in SFY 2018: \$286,248,128

Change from SFY 2016: -5%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Texas:

- Child welfare services
- Foster care payments
- Other

## SSBG

Total in SFY 2018: \$1,515,283

Change from SFY 2016: 4%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Texas:

- Child protective services

## Other federal funds

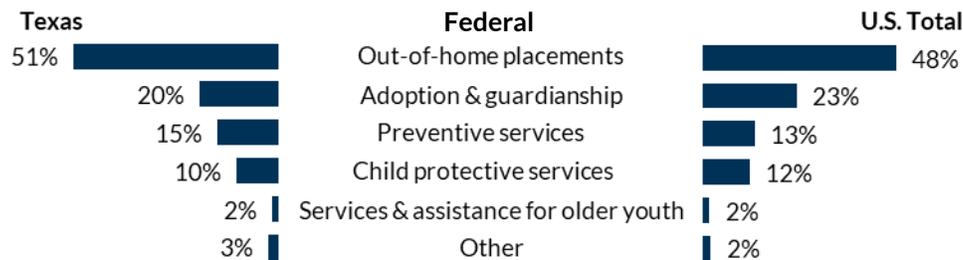
Total in SFY 2018: \$65,424,663

Change from SFY 2016: 3%

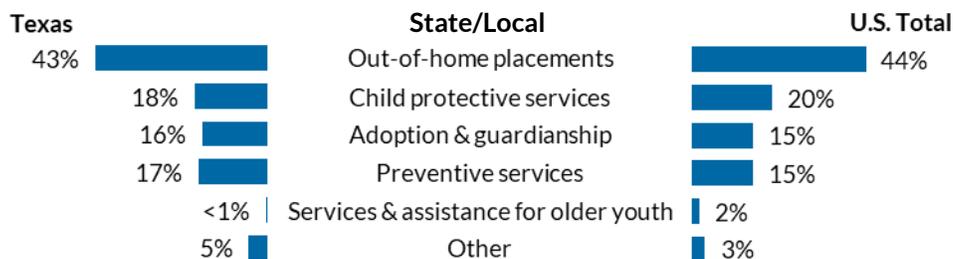
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Texas uses its federal funds slightly differently than the national pattern.<sup>13</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on adoption and guardianship.



Texas uses its state/local funds slightly differently than the national pattern.<sup>14</sup> The state spends a slightly larger proportion on preventive services and a slightly smaller proportion on child protective services and services and assistance for older youth.



## Top funding sources for child welfare expenses

Texas indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- TANF</li> <li>- State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- TANF</li> <li>- State funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- Title IV-B</li> <li>- State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- TANF</li> <li>- State funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- Other federal funds</li> <li>- State funds</li> </ul>

## Out-of-home placement setting expenditures<sup>16</sup>

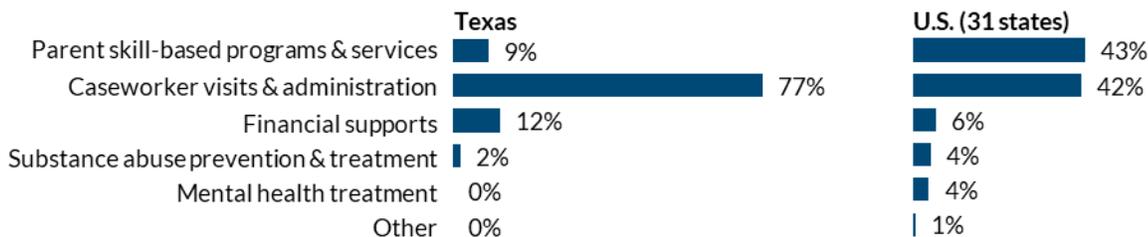
Below is a detailed breakdown of Texas's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$382,488,218</b>	-	-	<b>\$439,842,664</b>

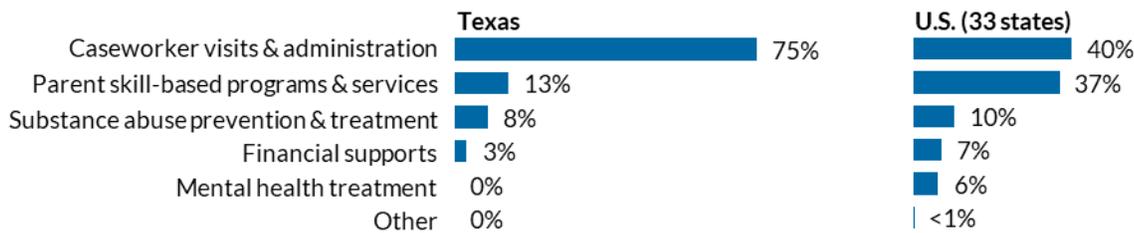
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Texas's federal spending on preventive services, the state spends more than three quarters on caseworker visits and administration. This is different than other states.



Out of Texas’s state/local spending on preventive services, the state spends three quarters on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of Texas’s spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$132,721,540	-	-	-	-	\$129,243,811
Post-adoption supports and services	\$2,515,964	-	-	-	-	\$11,594,156
Guardianship assistance	\$7,511,665	-	-	-	-	\$13,548,976
Post-guardianship supports and services	\$0	\$0	\$0	-	-	\$12,183,523
<b>Total</b>	<b>\$142,749,169</b>	<b>\$4,342,420</b>	<b>\$147,091,589</b>	-	-	<b>\$166,570,466</b>

“-” means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Texas is September 1, 2017 to August 31, 2018.

<sup>2</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

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To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

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<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

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The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

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<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

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<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Texas, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

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<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

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**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Utah in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Utah for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

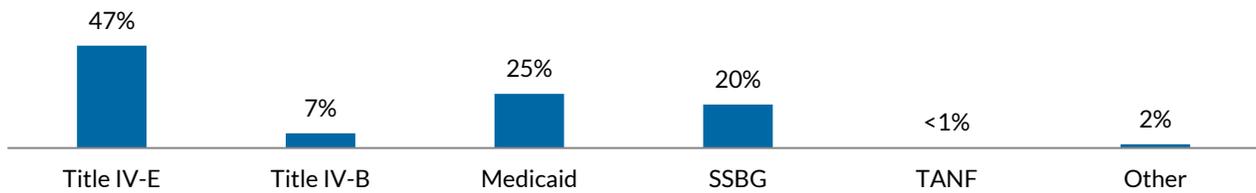
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$193,300,757	2%	N/A
Federal	\$82,585,046	4%	-11%
State	\$108,102,529	-3%	-4%
Local	\$0	0%	N/A
Offsets and other	\$2,613,182	N/A	N/A

The proportion of spending from federal, state, and local sources in Utah has not changed since SFY 2016.

	Federal	State	Local
2018	43%	57%	0%
2016	42%	58%	0%

# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Utah.

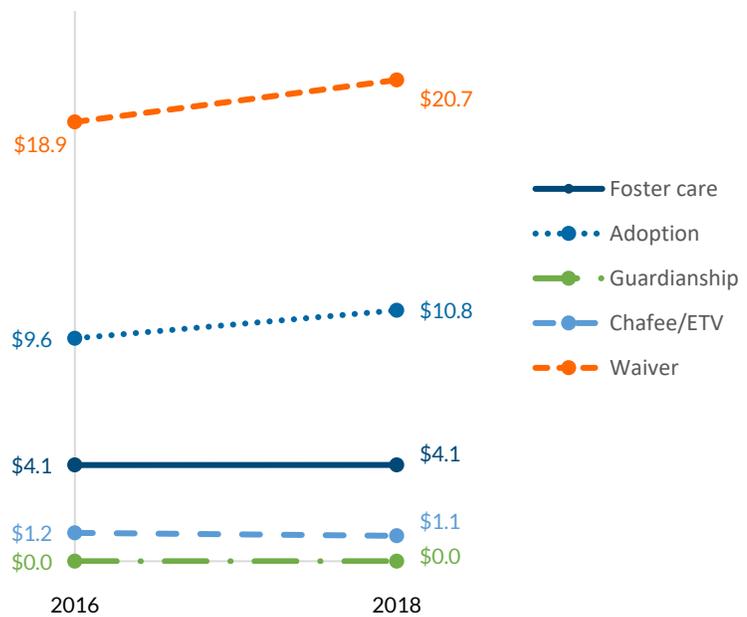


## Title IV-E Total in SFY 2018: \$38,635,001 Change from SFY 2016: 14%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, including Utah, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$39 million in Title IV-E expenditures in SFY 2018, \$37 million was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in adoption and waiver expenditures and a decrease in Chafee/ETV expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending (in millions of dollars)

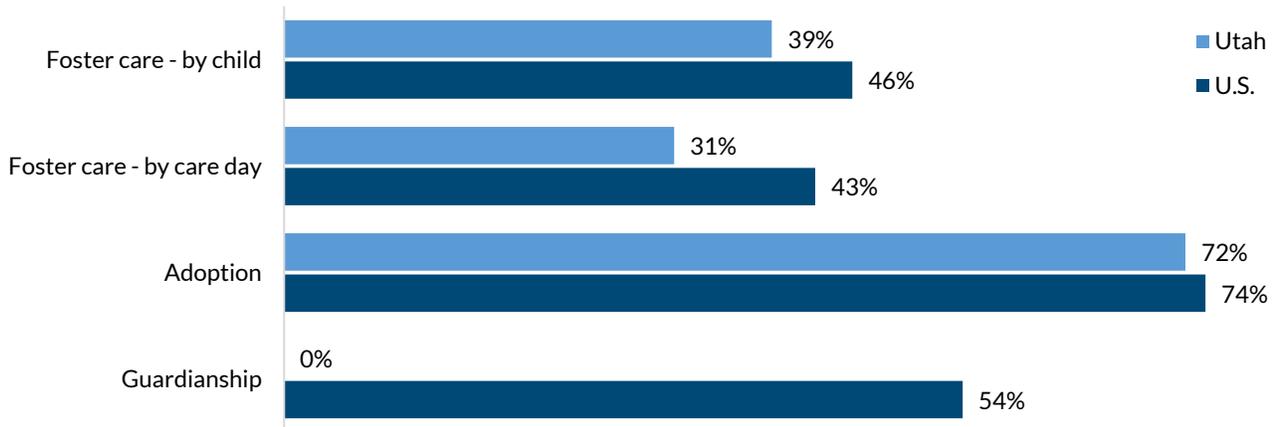


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



## Title IV-E waiver

**\$21  
million**

Utah reported \$21 million in waiver expenditures in SFY 2018. Utah began its waiver in October 2013.

### Utah spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$16,340,323
Expenditures that would be reimbursable if the child was IV-E eligible	\$2,026,269
Expenditures that are were reimbursable only because of waiver	\$2,074,330
Project development and evaluation costs	\$273,678

## Title IV-B

**Total in SFY 2018: \$5,540,706**

**Change from SFY 2016: -8%**

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$20,445,606**

**Change from SFY 2016: 6%**

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### Uses of Medicaid dollars by child welfare agencies in Utah:

- Rehabilitative services

**TANF** **Total in SFY 2018:** \$143,760 **Change from SFY 2016:** -47%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Utah:

- Work, education, and training activities

**SSBG** **Total in SFY 2018:** \$16,436,840 **Change from SFY 2016:** 2%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Utah:

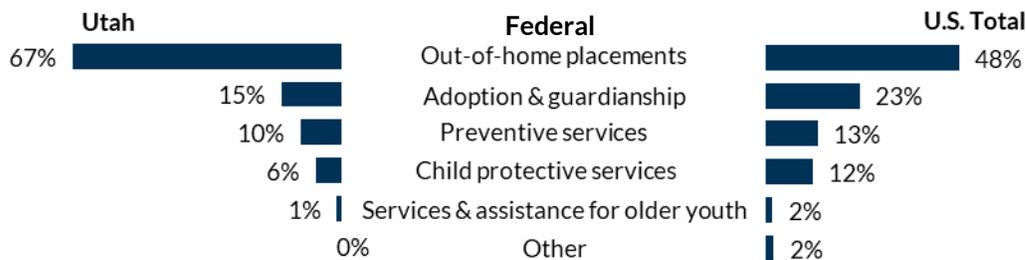
- Case management services
- Foster care services for children
- Child protective services

**Other federal funds** **Total in SFY 2018:** \$1,383,133 **Change from SFY 2016:** -61%

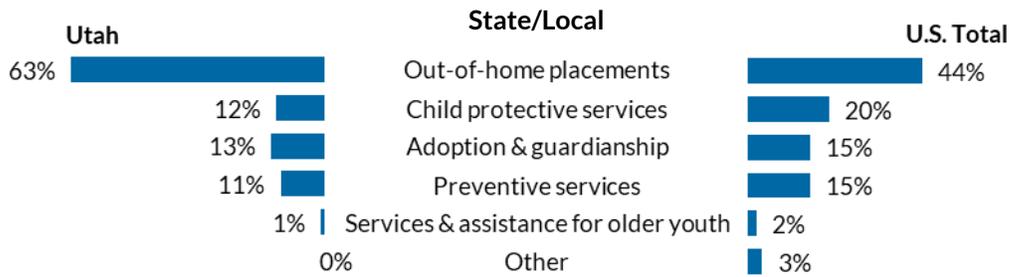
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Utah uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on adoption and guardianship.



Utah uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a much larger proportion on out-of-home placements and a smaller proportion on child protective services.



## Top funding sources for child welfare expenses

Utah indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>SSBG</li> <li>Other federal funds</li> <li>State funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Title IV-B</li> <li>State funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>SSBG</li> <li>State funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>Medicaid</li> <li>State funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Other federal funds</li> <li>State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Title IV-B</li> <li>State funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>Title IV-E</li> <li>SSBG</li> <li>State funds</li> </ul>

Service category	Sub-category	Top funding sources <sup>15</sup>
Child protective services		- Title IV-E
		- SSBG
		- State funds
Services and assistance for older youth		- Title IV-E
		- Other federal funds
		- State funds

## Out-of-home placement setting expenditures<sup>16</sup>

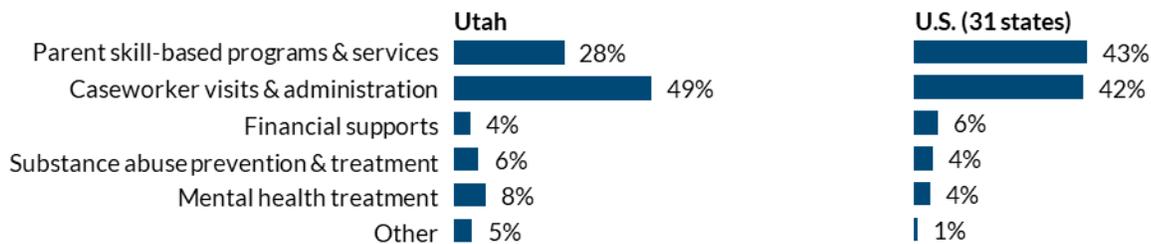
Below is a detailed breakdown of Utah's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$5,161,917	\$1,965,629	\$7,127,546	\$8,631,938	\$19,312,044	\$27,943,982
Service costs	-	-	\$38,707,580	-	-	\$18,694,814
Administrative and training costs	-	-	\$5,664,814	-	-	\$21,016,799
<b>Total</b>	-	-	<b>\$51,499,941</b>	-	-	<b>\$67,655,595</b>

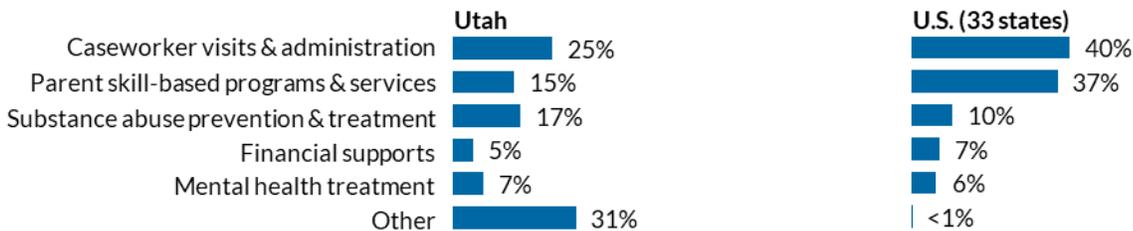
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Utah's federal spending on preventive services, the state spends almost half on caseworker visits and administration. This is different than other states.



Out of Utah's state/local spending on preventive services, the state spends more than a quarter on other uses of state/local preventive funds. This is different than other states.



## Adoption and guardianship costs

Below is a detailed breakdown of Utah's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$9,529,901	-	-	\$9,450,589	-	-
Post-adoption supports and services	\$339,362	-	-	\$659,166	-	-
Guardianship assistance	\$0	\$0	\$0	\$199,486	-	-
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$9,869,263</b>	<b>\$1,702,656</b>	<b>\$11,571,919</b>	<b>\$10,309,241</b>	<b>\$3,804,547</b>	<b>\$14,113,788</b>

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<sup>10</sup> The formal TANF category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

Total TANF expenditures exclude any funds transferred to SSBG.

Utah noted that they experienced a large decrease in TANF expenditures because the program that uses TANF was coming to an end in SFY 2018.

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**MARCH 2021**

# Child Welfare Agency Spending in Vermont in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Vermont for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

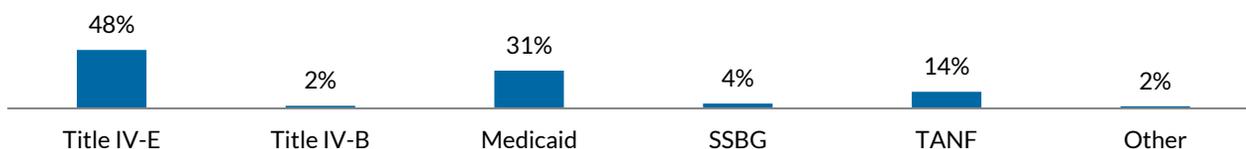
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$106,259,449	N/A	7%
Federal	\$45,249,331	N/A	-24%
State	\$60,007,718	N/A	49%
Local	\$0	N/A	0%
Offsets and other <sup>3</sup>	\$1,002,400	N/A	N/A

In SFY 2018, more than half of expenditures in Vermont was financed by state dollars.



## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Vermont.



## Title IV-E

Total in SFY 2018: \$21,629,721

Change from SFY 2016: N/A

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, but not Vermont, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$22 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup>

### Title IV-E program expenditures in Vermont

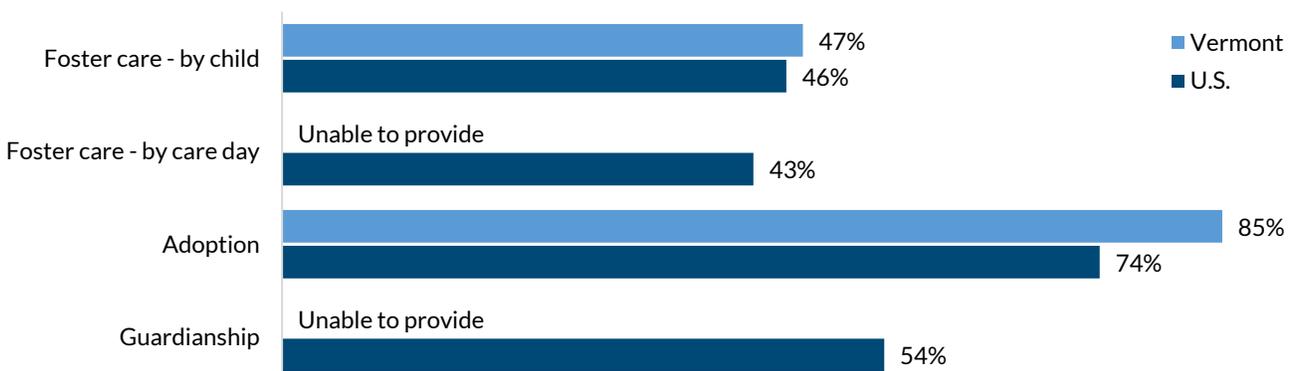
Foster care	\$10,948,165
Adoption	\$9,918,250
Guardianship	\$137,439
Chafee/ETV	\$625,867
Waiver	\$0

### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



**Title IV-B**      **Total in SFY 2018:** \$960,750      **Change from SFY 2016:** Unable to provide

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

**Medicaid**      **Total in SFY 2018:** \$13,967,382      **Change from SFY 2016:** N/A

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

**Uses of Medicaid dollars by child welfare agencies in Vermont:**

- Rehabilitative services
- Targeted case management
- Treatment foster care

**TANF**      **Total in SFY 2018:** \$6,135,401      **Change from SFY 2016:** N/A

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

**Top categories of TANF spending by child welfare agencies in Vermont:**

- Emergency services
- Child welfare services

**SSBG**      **Total in SFY 2018:** \$1,768,034      **Change from SFY 2016:** N/A

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

**Top categories of SSBG spending by child welfare agencies in Vermont:**

- Foster care services for children
- Prevention and intervention services
- Child protective services

**Other federal funds**      **Total in SFY 2018:** \$788,043      **Change from SFY 2016:** N/A

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

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<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Vermont is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Vermont did not respond to the SFY 2016 survey, so comparisons to SFY 2016 cannot be made.

<sup>3</sup> Vermont was unable to provide information about third party in-kind contributions and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

Vermont included costs for the juvenile justice population in the amount of Title IV-E spent by child welfare agencies on child welfare services/activities for SFY 2018.

<sup>7</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

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See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

Vermont indicated that their foster care (by child) and adoption coverage rates were calculated using numerators and denominators that included duplicate counts of youth. In addition, the adoption coverage rate captures guardianship assistance cases since the state was unable to separate adoption and guardianship cases.

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies') total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

Vermont did not respond to the SFY 2016 survey, so comparisons to SFY 2016 cannot be made.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

Vermont did not respond to the SFY 2016 survey, so comparisons to SFY 2016 cannot be made. When asked if the state experienced any changes in how Medicaid is used for child welfare services/activities, Vermont noted that they are no longer able to use Medicaid to pay for room and board costs for children who are not IV-E eligible. They previously used a 1115 waiver to cover these costs.

<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

Vermont did not respond to the SFY 2016 survey, so comparisons to SFY 2016 cannot be made.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Vermont did not respond to the SFY 2016 survey, so comparisons to SFY 2016 cannot be made.

<sup>12</sup> See endnote 2.

Vermont did not respond to the SFY 2016 survey, so comparisons to SFY 2016 cannot be made.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Virginia in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Virginia for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Virginia held steady since SFY 2016 and decreased from SFY 2008 to 2018.

	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$700,282,866	<1%	-14%
Federal	\$269,696,664	2%	29%
State	\$290,846,335	1%	-22%
Local	\$138,856,442	-5%	-42%
Offsets and other	\$883,425	N/A	N/A

The proportion of spending from federal, state, and local sources in Virginia has not changed since SFY 2016.

	Federal	State	Local
2018	39%	42%	20%
2016	38%	41%	21%

# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Virginia.

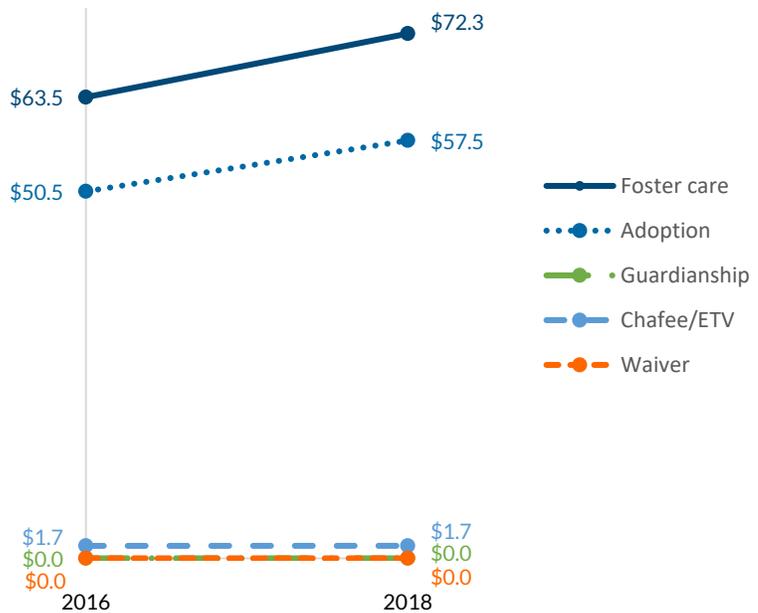


## Title IV-E Total in SFY 2018: \$131,541,469 Change from SFY 2016: 14%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, but not Virginia, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$132 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in adoption and foster care expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending (in millions of dollars)

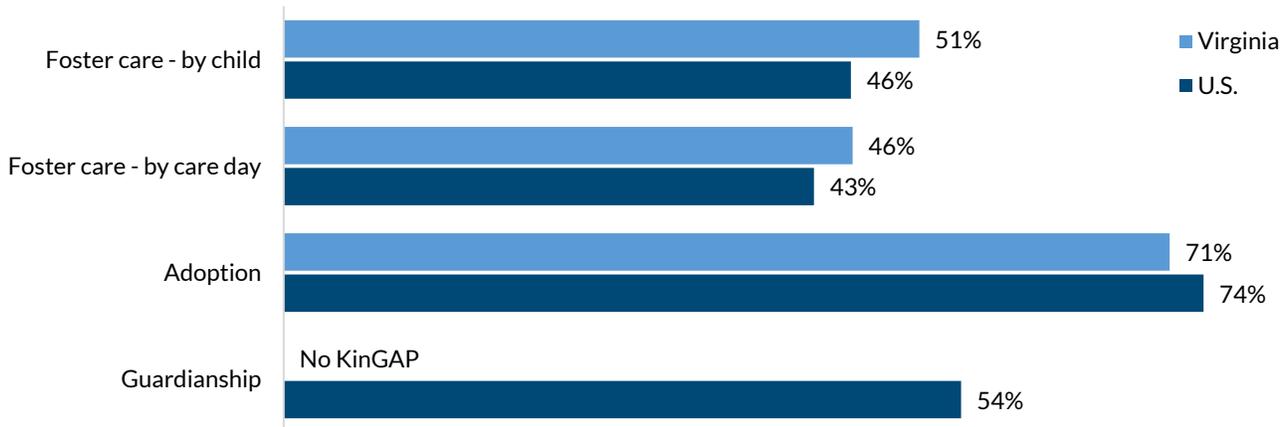


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-B

Total in SFY 2018: \$16,690,040

Change from SFY 2016: 55%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

Total in SFY 2018: \$39,005,305

Change from SFY 2016: -19%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

#### Uses of Medicaid dollars by child welfare agencies in Virginia:

- Rehabilitative services
- Targeted case management
- Treatment foster care

### TANF

Total in SFY 2018: \$38,545,569

Change from SFY 2016: -5%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

#### Top categories of TANF spending by child welfare agencies in Virginia:

- Family preservation services
- Other child welfare services
- Work, education, and training activities

## SSBG

Total in SFY 2018: \$38,524,297

Change from SFY 2016: -11%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Virginia:

- Child protective services
- Foster care services for children
- Adoption services

## Other federal funds

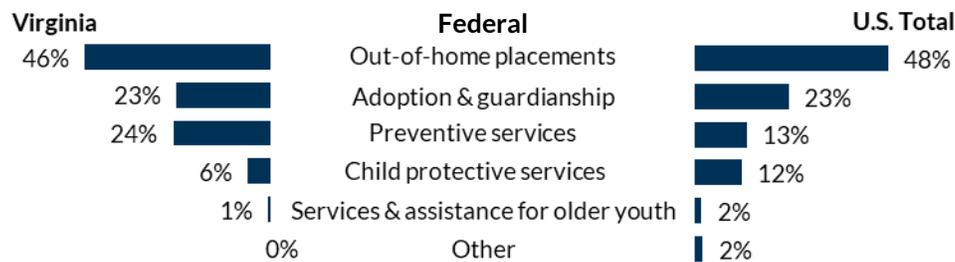
Total in SFY 2018: \$5,389,984

Change from SFY 2016: -23%

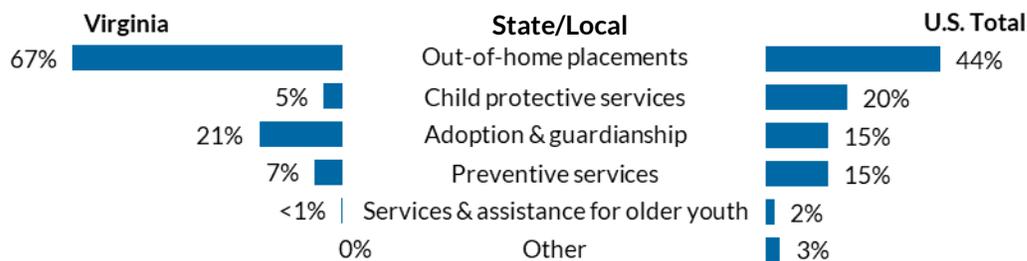
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Virginia uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a larger proportion on preventive services and a smaller proportion on child protective services.



Virginia uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a much larger proportion on out-of-home placements and a smaller proportion on child protective services.



## Top funding sources for child welfare expenses

Virginia indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Medicaid</li> <li>– State funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Medicaid</li> <li>– State funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– Medicaid</li> <li>– State funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>– TANF</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>– TANF</li> <li>– SSBG</li> <li>– Local funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>– Medicaid</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>– Title IV-B</li> <li>– State funds</li> <li>– Local funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>– Medicaid</li> <li>– State funds</li> <li>– Local funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– SSBG</li> <li>– State funds</li> </ul>
Child protective services		<ul style="list-style-type: none"> <li>– TANF</li> <li>– State funds</li> <li>– Local funds</li> </ul>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>– Title IV-E</li> <li>– State funds</li> <li>– Local funds</li> </ul>

## Out-of-home placement setting expenditures<sup>16</sup>

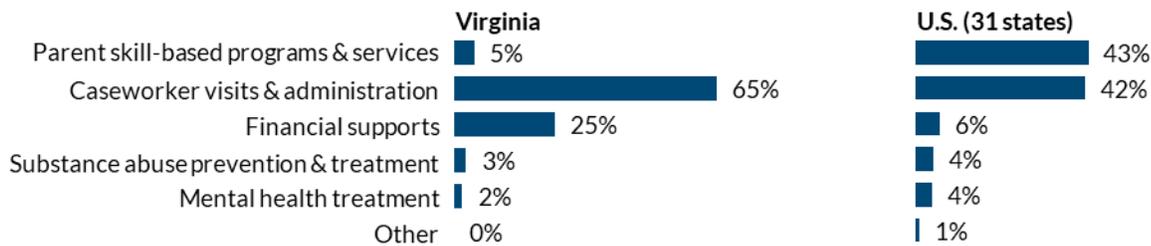
Below is a detailed breakdown of Virginia's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$20,670,274	\$10,803,625	\$31,473,899	\$151,157,992	\$80,098,385	\$231,256,377
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$124,491,980</b>	-	-	<b>\$289,361,850</b>

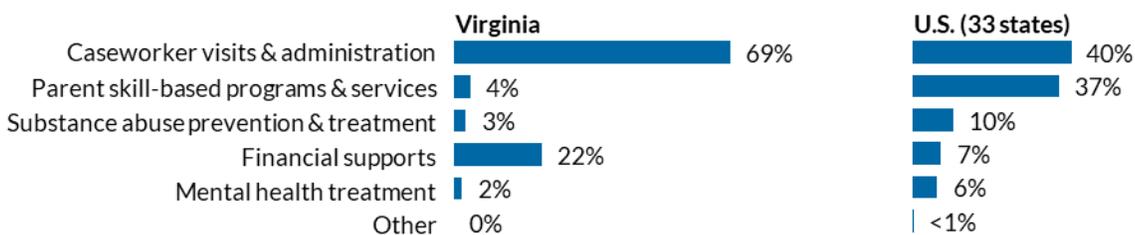
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Virginia's federal spending on preventive services, the state spends more than half on caseworker visits and administration. This is different than other states.



Out of Virginia's state/local spending on preventive services, the state spends more than half on caseworker visits and administration. This is different than other states.



## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of Virginia's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$50,163,755	-	-	\$69,994,370	-	-
Post-adoption supports and services	\$6,604,099	-	-	\$3,567,204	-	-
Guardianship assistance	\$0	\$0	\$0	\$0	\$0	\$0
Post-guardianship supports and services	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$56,767,854</b>	<b>\$6,260,256</b>	<b>\$63,028,110</b>	<b>\$73,561,574</b>	<b>\$15,687,693</b>	<b>\$89,249,267</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Virginia is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would

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have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (*“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”*) for the methodology used to calculate these rates.

<sup>8</sup> For this survey, states were asked to report their child welfare agency’s(ies’) total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state’s total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>10</sup> The formal TANF category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the *“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”* report.

<sup>12</sup> See endnote 2.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Virginia, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Virginia, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report (*“Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures”*) for definitions of family foster care and congregate care.

The reported amounts are approximations.

<sup>17</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>18</sup> The reported amounts are approximations.

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**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Washington in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Washington for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Washington increased since SFY 2016 and decreased from SFY 2008 to 2018.

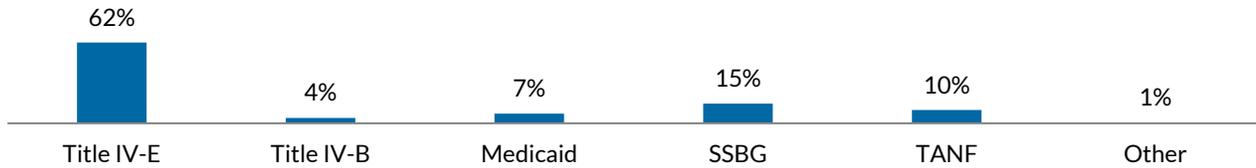
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$606,653,149	8%	-12%
Federal	\$277,567,062	6%	-11%
State	\$319,771,121	7%	-14%
Local	\$244,041	-35%	-84%
Offsets and other <sup>3</sup>	\$9,070,925	N/A	N/A

The proportion of spending from federal, state, and local sources in Washington has not changed since SFY 2016.

	Federal	State	Local
2018	46%	54%	<1%
2016	47%	53%	<1%

# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Washington.

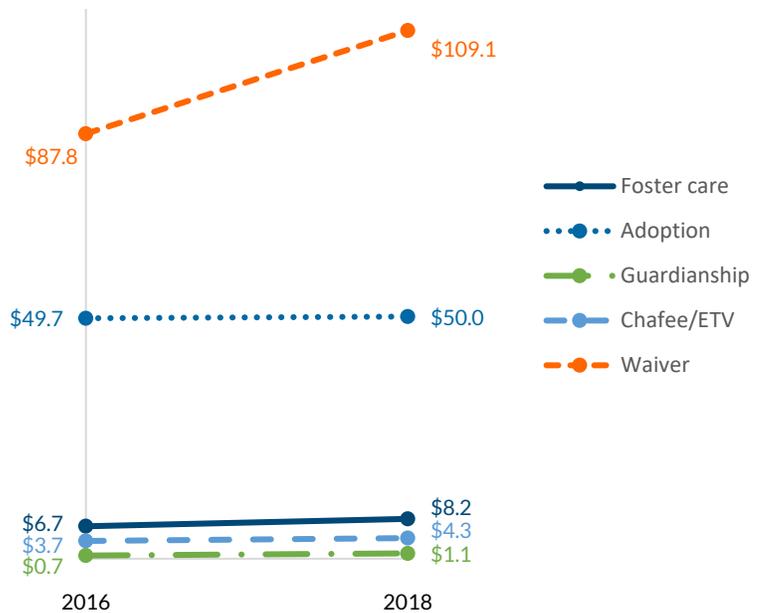


## Title IV-E Total in SFY 2018: \$173,099,302 Change from SFY 2016: 17%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Washington, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$173 million in Title IV-E expenditures in SFY 2018, nearly all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase across all expenditures except adoption expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

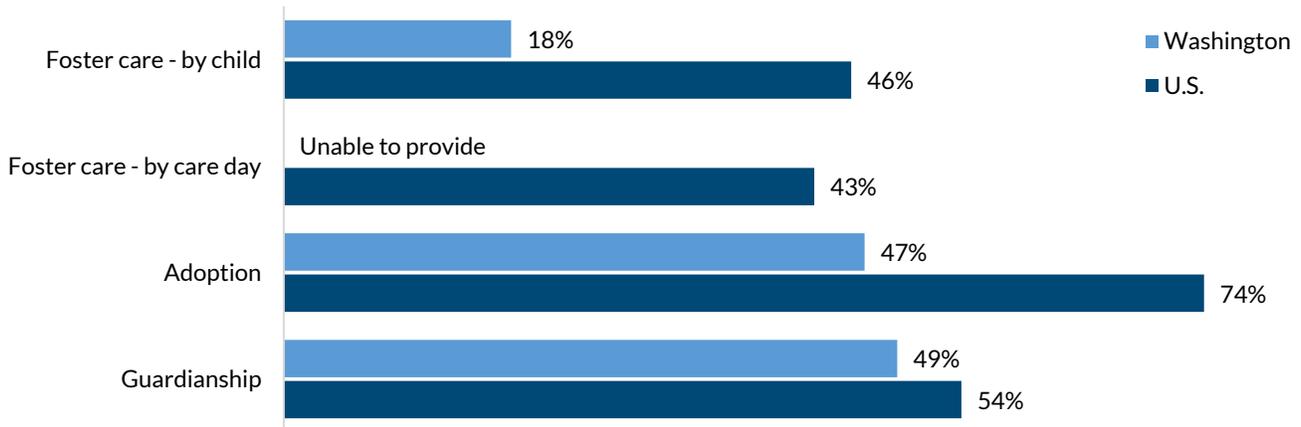


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$109 million**

Washington reported \$109 million in waiver expenditures in SFY 2018. Washington began its waiver in January 2014.

## Title IV-B

**Total in SFY 2018: \$11,521,789**

**Change from SFY 2016: -2%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$20,611,209**

**Change from SFY 2016: 6%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### Uses of Medicaid dollars by child welfare agencies in Washington:

- Rehabilitative services
- Targeted case management
- Treatment foster care

## TANF

Total in SFY 2018: \$28,386,321

Change from SFY 2016: -17%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Washington:

- Program management
- Services for children and youth
- Other

## SSBG

Total in SFY 2018: \$42,208,155

Change from SFY 2016: 4%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Washington:

- Foster care services for children
- Case management services
- Other

## Other federal funds

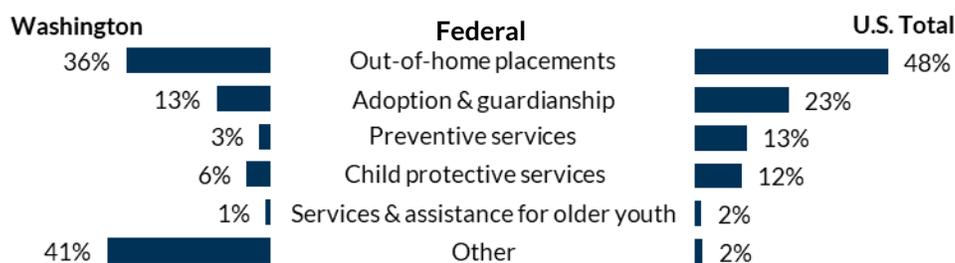
Total in SFY 2018: \$1,740,285

Change from SFY 2016: -80%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Washington uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on out-of-home placements and a much larger proportion on other uses of federal funds.



Washington uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a smaller proportion on child protective services and a much larger proportion on other uses of state/local funds.



## Top funding sources for child welfare expenses

Washington indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	- Title IV-E
		- Medicaid
Preventive services	All preventive services categories	- SSBG
		- Title IV-E
		- Title IV-B
		- State funds
		- Title IV-E
		- Title IV-B
		- State funds
Substance abuse prevention and treatment	Substance abuse prevention and treatment	- Title IV-E
		- Title IV-B
		- State funds
Mental health treatment	Mental health treatment	- Title IV-E
		- Title IV-B
		- State funds
Financial supports	Financial supports	- Title IV-E
		- Title IV-B
		- State funds
Caseworker visits and administration	Caseworker visits and administration	- Title IV-E
		- Title IV-B
		- State funds
Adoption and guardianship	Adoption and guardianship	- Title IV-E
		- Title IV-B
		- SSBG
Child protective services	Child protective services	- Title IV-E
		- Title IV-B
		- State funds

Service category	Sub-category	Top funding sources <sup>16</sup>
Services and assistance for older youth		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- Title IV-B</li> <li>- SSBG</li> </ul>

## Adoption and guardianship costs<sup>17</sup>

Below is a detailed breakdown of Washington’s spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$39,836,273	-	-	\$48,540,460	-	-
Post-adoption supports and services	\$3,510,139	\$0	\$3,510,139	\$4,552,078	\$0	\$4,552,078
Guardianship assistance	\$1,115,001	-	-	\$1,102,455	-	-
Post-guardianship supports and services	\$0	\$0	\$0	-	\$0	-
<b>Total</b>	<b>\$44,461,413</b>	-	-	-	-	-

“-” means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Washington is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> Washington was unable to provide information about third party in-kind contributions and private dollars for SFY 2018, so the amount of offsets and other funds may be understated.

<sup>4</sup> By “foster care,” we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System

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(CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency's(ies)' total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

<sup>11</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

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<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Washington, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

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<sup>16</sup> This information is presented in no particular order.

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**MARCH 2021**

# Child Welfare Agency Spending in West Virginia in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in West Virginia for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$245,419,045	N/A	N/A
Federal	\$187,593,061	N/A	N/A
State	\$55,310,885	-61%	-61%
Local	\$0	0%	0%
Offsets and other	\$2,515,099	N/A	N/A

## Federal Expenditures

### Title IV-E

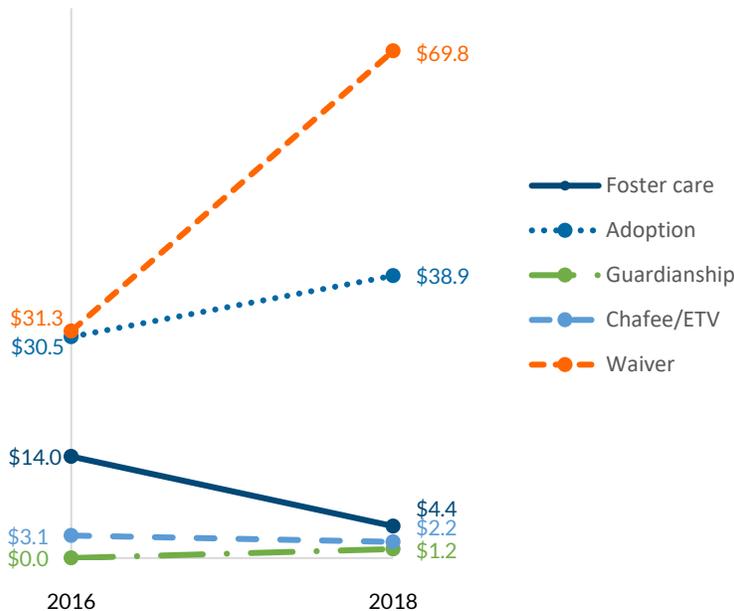
**Total in SFY 2018:** \$116,606,821

**Change from SFY 2016:** 48%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, including West Virginia, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$117 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in adoption, guardianship, and waiver expenditures and a decrease in foster care and Chafee/ETV expenditures compared to SFY 2016.<sup>6</sup>

**Title IV-E Program Spending**  
(in millions of dollars)

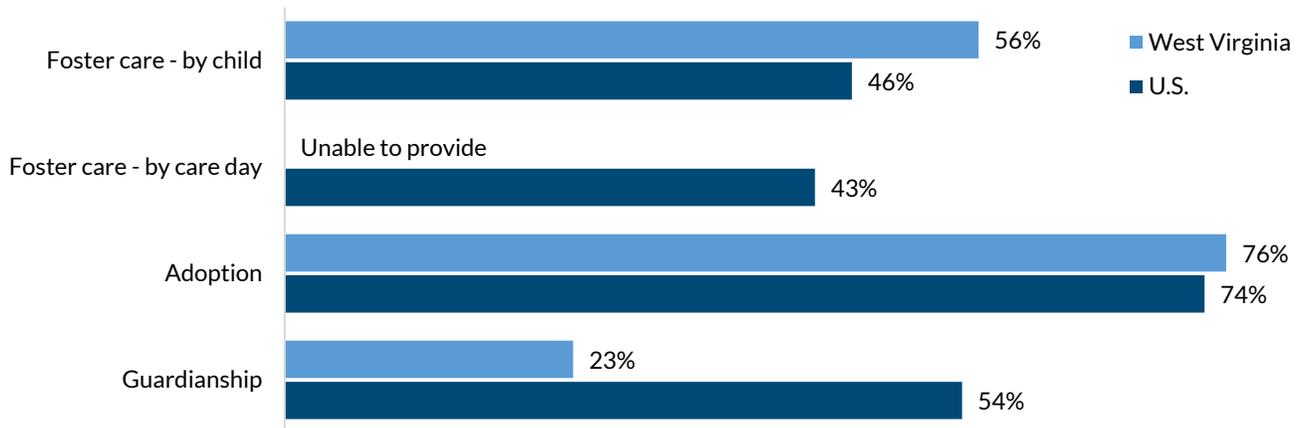


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



### Title IV-E waiver

**\$70 million**

West Virginia reported \$70 million in waiver expenditures in SFY 2018. West Virginia began its waiver in October 2015.

#### West Virginia spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$47,725,684
Expenditures that would be reimbursable if the child was IV-E eligible	\$0
Expenditures that are were reimbursable only because of waiver	\$22,044,373
Project development and evaluation costs	\$75,000

### Title IV-B

**Total in SFY 2018:** \$3,770,640

**Change from SFY 2016:** -4%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

### Medicaid

**Total in SFY 2018:** Unable to provide

**Change from SFY 2016:** N/A

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

### TANF

**Total in SFY 2018:** \$56,774,031

**Change from SFY 2016:** 227%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

## SSBG

Total in SFY 2018: Unable to provide Change from SFY 2016: N/A

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

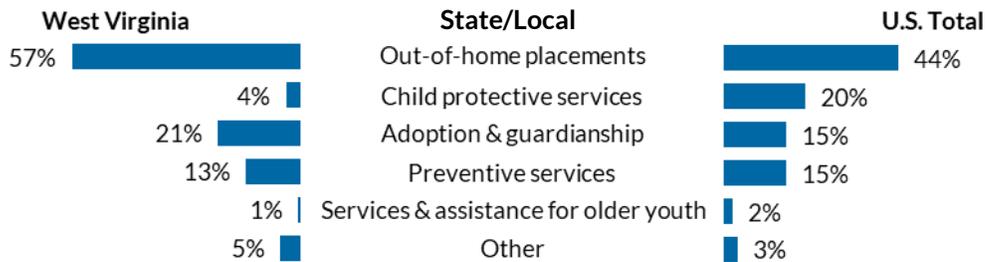
## Other federal funds

Total in SFY 2018: \$10,441,569 Change from SFY 2016: 504%

In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

West Virginia uses its state/local funds differently than the national pattern.<sup>13</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on child protective services.



## Top funding sources for child welfare expenses

West Virginia indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>14</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – TANF – State funds
	Family foster care	– Title IV-E – TANF – State funds
	Congregate care	– Title IV-E – TANF – State funds
Preventive services	All preventive services categories	– Title IV-E – TANF – State funds

Service category	Sub-category	Top funding sources <sup>14</sup>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- TANF</li> <li>- State funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>- Medicaid</li> <li>- State funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>- Medicaid</li> <li>- State funds</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>- TANF</li> <li>- Other federal funds</li> <li>- State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>- Other federal funds</li> <li>- State funds</li> </ul>
<b>Adoption and guardianship</b>		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- TANF</li> <li>- State funds</li> </ul>
<b>Child protective services</b>		<ul style="list-style-type: none"> <li>- Title IV-B</li> <li>- Other federal funds</li> <li>- State funds</li> </ul>
<b>Services and assistance for older youth</b>		<ul style="list-style-type: none"> <li>- Title IV-E</li> <li>- State funds</li> </ul>

## Out-of-home placement setting expenditures<sup>15</sup>

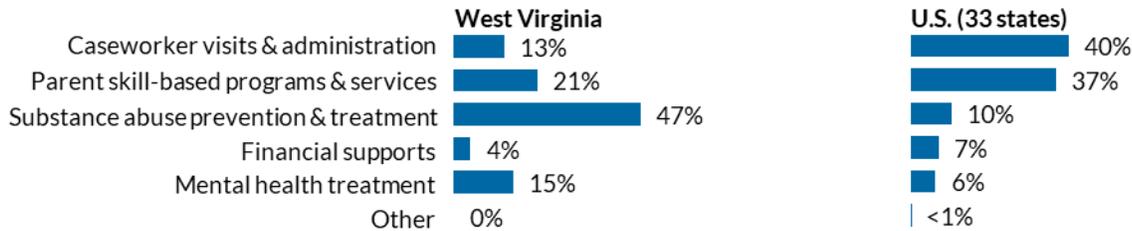
Below is a detailed breakdown of West Virginia's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	-	-	-	-	-	-
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	<b>\$31,416,583</b>

"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>16</sup> Out of West Virginia’s state/local spending on preventive services, the state spends almost half on substance abuse prevention and treatment. This is different than other states.



## Adoption and guardianship costs<sup>17</sup>

Below is a detailed breakdown of West Virginia’s spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	-	-	-	-	-	\$12,778,384
Post-adoption supports and services	-	-	-	-	-	\$3,941,607
Guardianship assistance	-	-	-	-	-	\$482,959
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

“-” means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for West Virginia is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012,

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and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

West Virginia was unable to report Medicaid and SSBG expenditures for SFY 2018, therefore total federal and total expenditures may be understated and some comparisons to other SFYs cannot be made. In addition, West Virginia was unable to provide Medicaid expenditures for SFY 2008, therefore some comparisons to SFY 2008 cannot be made.

<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

West Virginia was unable to report "foster care maintenance payments," therefore SFY 2018 Title IV-E Foster Care Program expenditures may be understated.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for the methodology used to calculate these rates.

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies') total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

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<sup>10</sup> The formal TANF category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

Total TANF expenditures exclude any funds transferred to SSBG.

<sup>11</sup> The formal SSBG category names and definitions are available in the "*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*" report.

<sup>12</sup> See endnote 2.

West Virginia was unable to report SFY 2018 expenditures for the Adoption Opportunities program. Therefore, the total amount of "other federal" expenditures may be understated.

<sup>13</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including West Virginia, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>14</sup> This information is presented in no particular order.

<sup>15</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

<sup>16</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations.

<sup>17</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Wisconsin in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Wisconsin for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

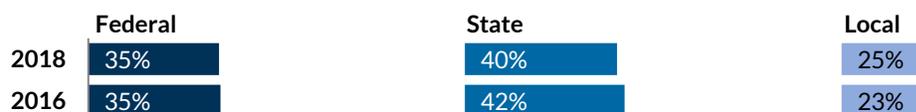
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

Overall child welfare agency spending in Wisconsin increased slightly since SFY 2016 and increased from SFY 2008 to 2018.

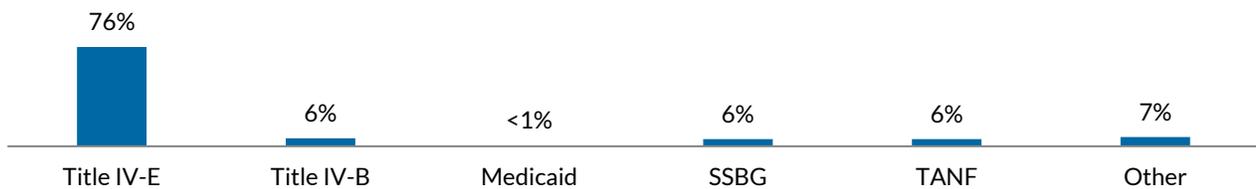
	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$499,074,264	4%	6%
Federal	\$170,890,699	1%	-15%
State	\$198,828,177	-3%	17%
Local	\$122,641,193	13%	21%
Offsets and other <sup>3</sup>	\$6,714,195	N/A	N/A

The proportion of spending from federal, state, and local sources in Wisconsin has changed slightly since SFY 2016. In SFY 2018, a slightly larger proportion of total expenditures was financed by local dollars.



# Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Wisconsin.



## Title IV-E

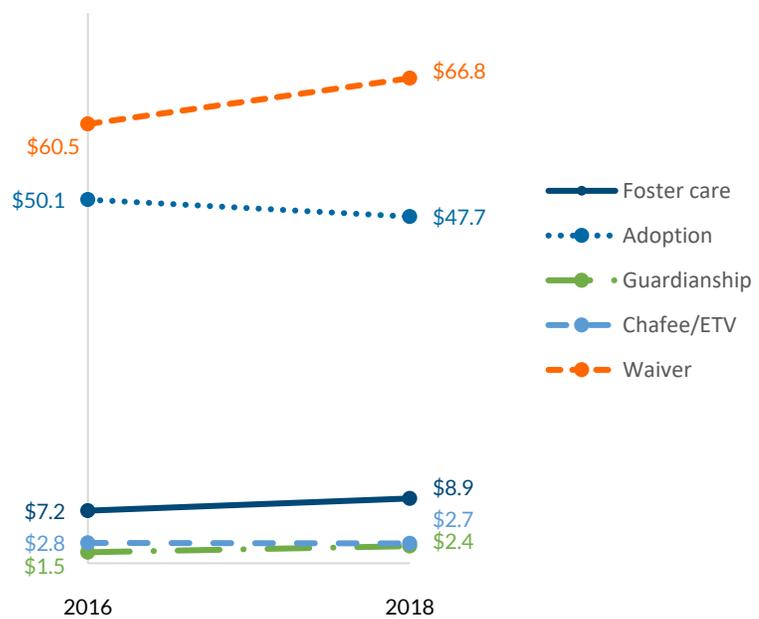
Total in SFY 2018: \$129,174,710

Change from SFY 2016: 6%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>4</sup> Some states, including Wisconsin, also reported Title IV-E waiver expenditures in SFY 2018.<sup>5</sup>

Of the \$129 million in Title IV-E expenditures in SFY 2018, nearly all was spent by state/local child welfare agencies on child welfare services and activities.<sup>6</sup> Among these services and activities, there was an increase in foster care, guardianship, and waiver expenditures and a decrease in adoption and Chafee/ETV expenditures compared to SFY 2016.<sup>7</sup>

Title IV-E Program Spending (in millions of dollars)

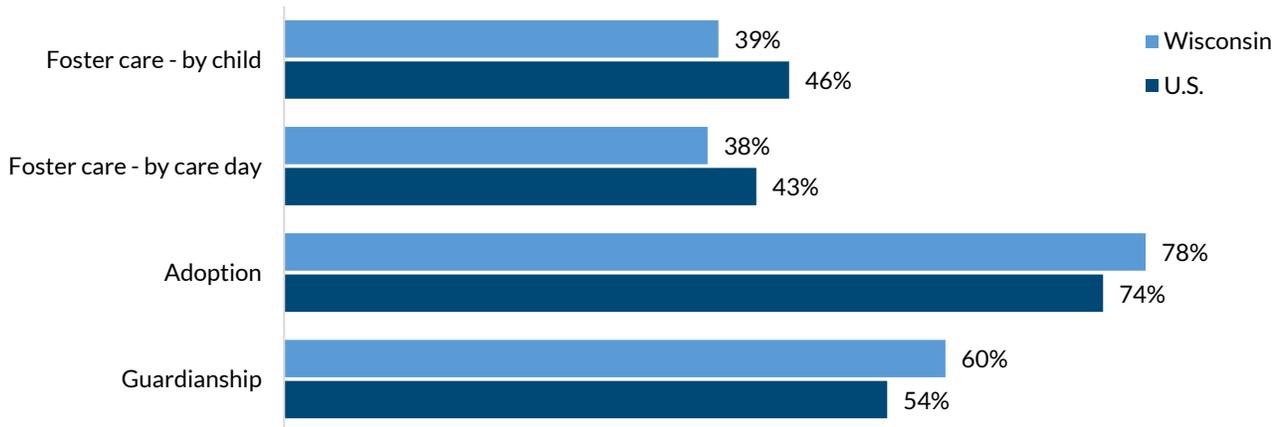


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>8</sup>



## Title IV-E waiver

**\$67  
million**

Wisconsin reported \$67 million in waiver expenditures in SFY 2018. Wisconsin began its waiver in October 2013.

### Wisconsin spent waiver dollars in the following manner:

Expenditures that would have been reimbursed without the waiver	\$59,898,649
Expenditures that would be reimbursable if the child was IV-E eligible	\$0
Expenditures that are were reimbursable only because of waiver	\$6,801,229
Project development and evaluation costs	\$105,848

## Title IV-B

**Total in SFY 2018: \$10,453,921**

**Change from SFY 2016: -4%**

Title IV-B<sup>9</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

## Medicaid

**Total in SFY 2018: \$528,604**

**Change from SFY 2016: -89%**

Medicaid<sup>10</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

## Uses of Medicaid dollars by child welfare agencies in Wisconsin:

- Rehabilitative services
- Treatment foster care

### TANF

Total in SFY 2018: \$9,404,936

Change from SFY 2016: 3,658%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>11</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

### Top categories of TANF spending by child welfare agencies in Wisconsin:

- Relative foster care payments and adoption/guardianship subsidies
- Family preservation services
- Other child welfare services

### SSBG

Total in SFY 2018: \$9,407,739

Change from SFY 2016: -13%

The Social Services Block Grant (SSBG)<sup>12</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

### Top categories of SSBG spending by child welfare agencies in Wisconsin:

- Foster care services for children
- Child protective services
- Administrative costs

### Other federal funds

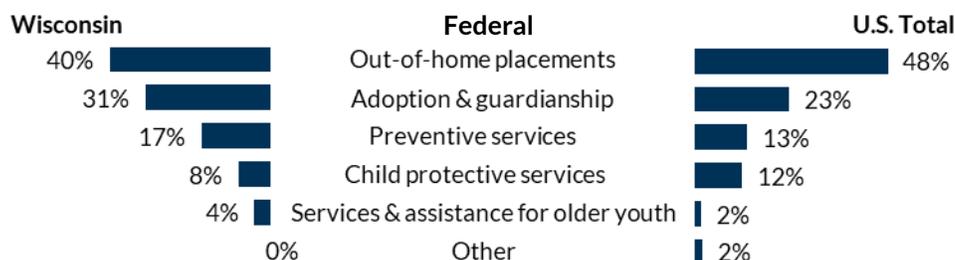
Total in SFY 2018: \$11,920,789

Change from SFY 2016: -41%

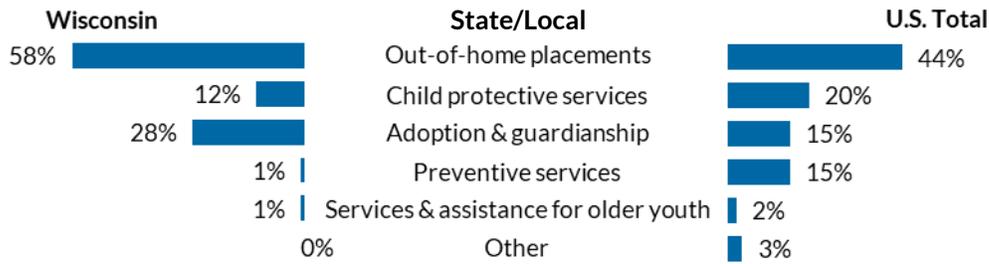
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children's Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>13</sup>

## Use of Funds

Wisconsin uses its federal funds differently than the national pattern.<sup>14</sup> The state spends a smaller proportion on out-of-home placements and a larger proportion adoption and guardianship services.



Wisconsin uses its state/local funds differently than the national pattern.<sup>15</sup> The state spends a larger proportion on out-of-home placements and a smaller proportion on preventive services.



## Top funding sources for child welfare expenses

Wisconsin indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>16</sup>
Out-of-home placements	All out-of-home placement categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> <li>Local funds</li> </ul>
	Family foster care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> <li>Local funds</li> </ul>
	Congregate care	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> <li>Local funds</li> </ul>
Preventive services	All preventive services categories	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>Other federal funds</li> </ul>
	Parent skill-based programs and services	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> <li>Other federal funds</li> </ul>
	Substance abuse prevention and treatment	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Other federal funds</li> </ul>
	Mental health treatment	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>TANF</li> </ul>
	Financial supports	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Other federal funds</li> <li>State funds</li> </ul>
	Caseworker visits and administration	<ul style="list-style-type: none"> <li>Title IV-E</li> <li>Other federal funds</li> <li>State funds</li> </ul>
Adoption and guardianship		<ul style="list-style-type: none"> <li>Title IV-E</li> <li>State funds</li> <li>Local funds</li> </ul>

Service category	Sub-category	Top funding sources <sup>16</sup>
Child protective services		- Title IV-E
		- State funds
		- Local funds
Services and assistance for older youth		- Title IV-E
		- Title IV-B
		- State funds

## Out-of-home placement setting expenditures<sup>17</sup>

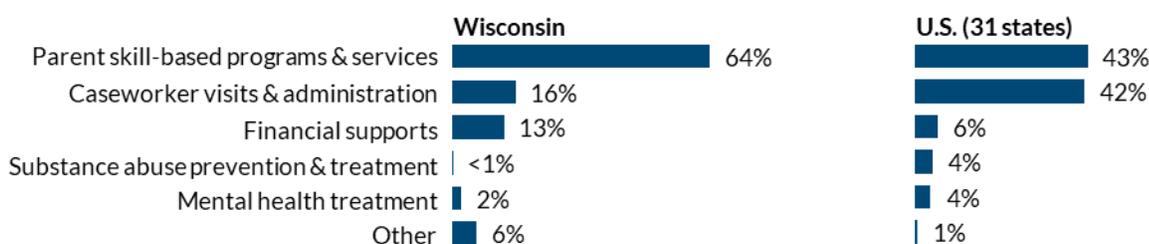
Below is a detailed breakdown of Wisconsin's spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$14,829,481	\$7,195,983	\$22,025,464	\$29,411,000	\$63,252,400	\$92,663,400
Service costs	-	-	\$8,209,523	-	-	-
Administrative and training costs	\$33,200,231	\$4,672,954	\$37,873,185	\$109,364,300	\$15,393,100	\$124,757,400
<b>Total</b>	-	-	<b>\$68,108,172</b>	-	-	-

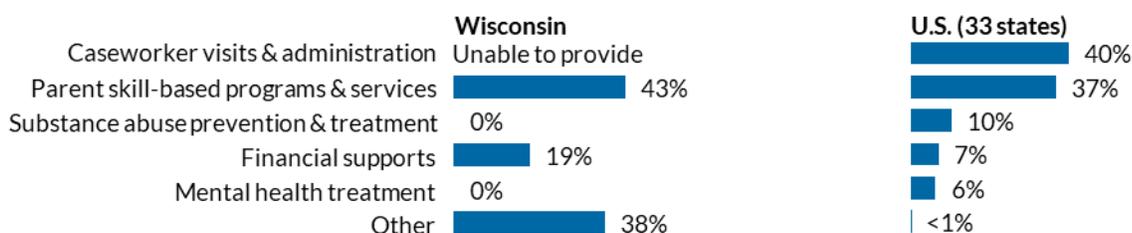
"-" means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>18</sup> Out of Wisconsin's federal spending on preventive services, the state spends more than half on parent skill-based programs. This is different than other states.



Out of Wisconsin's state/local spending on preventive services, the state spends almost half on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>19</sup>

Below is a detailed breakdown of Wisconsin's spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/services costs	Administrative & training costs	Total	Assistance payments/services costs	Administrative & training costs	Total
Adoption assistance	\$42,333,981	\$5,411,747	\$47,745,728	\$50,235,305	\$8,726,292	\$58,961,597
Post-adoption supports and services	-	-	-	-	-	-
Guardianship assistance	\$2,350,515	\$3,929	\$2,354,444	\$3,227,677	\$66,750	\$3,294,427
Post-guardianship supports and services	-	-	-	-	-	-
<b>Total</b>	-	-	<b>\$52,783,833</b>	-	-	<b>\$90,011,424</b>

"-" means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Wisconsin is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as "other federal funds" and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under "third-party income used as offsets" and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year's data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran's Administration funds since they had been captured under "other federal funds" in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

<sup>3</sup> Wisconsin was unable to provide information about third party in-kind contributions and private dollars for SFY 2018. The state was also only able to report some offsets for Milwaukee County, not the rest of the state. Therefore, the amount of offsets and other funds is likely understated.

<sup>4</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>5</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child

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welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>6</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

<sup>7</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>8</sup> The foster care coverage rate (or “penetration rate”) by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

See the full report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for the methodology used to calculate these rates.

<sup>9</sup> For this survey, states were asked to report their child welfare agency’s(ies’) total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state’s total IV-B expenditures.

<sup>10</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

Wisconsin indicated that their SFY 2018 Medicaid spending is less than SFY 2016 because they no longer claim Targeted Case Management.

<sup>11</sup> The formal TANF category names and definitions are available in the “*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*” report.

Total TANF expenditures exclude any funds transferred to SSBG.

Wisconsin indicated they experienced a large increase in TANF expenditures because they now use TANF to fund prevention services that were previously funded by another source, and received more TANF allocations for various programs they operate, such as home visiting.

<sup>12</sup> The formal SSBG category names and definitions are available in the “*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*” report.

<sup>13</sup> See endnote 2.

<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Wisconsin, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>15</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Wisconsin, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>16</sup> This information is presented in no particular order.

<sup>17</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for definitions of family foster care and congregate care.

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The reported amounts are approximations.

<sup>18</sup> The data in this fact sheet captures SFY 2018 expenditures, and therefore does not include Title IV-E prevention expenditures authorized by Family First since no states had approved Family First prevention plans at that time.

The reported percentages are approximations. Wisconsin was unable to report the percentage of state/local prevention expenditures spent on caseworker visits/administration. Since the remaining categories of services sum to 100%, the reported percentages are likely overestimated.

<sup>19</sup> The reported amounts are approximations.

**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and the expert consultation they provided to us throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**MARCH 2021**

# Child Welfare Agency Spending in Wyoming in SFY 2018



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. In state fiscal year (SFY) 2018, state and local child welfare agencies spent \$33 billion using a combination of federal, state, local, and other funds. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate. This document presents information on child welfare agency expenditures in Wyoming for SFY 2018,<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures.

## Other available resources

This document is part of an array of child welfare financing resources, available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

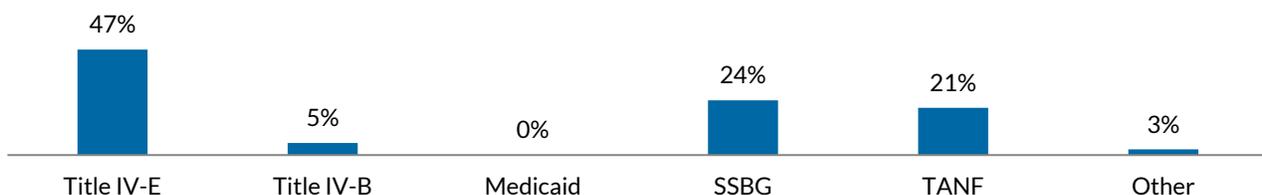
- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

## Overall Expenditures<sup>2</sup>

	Amount in SFY 2018	% Change from	
		SFY 2016	SFY 2008
<b>Overall</b>	\$11,305,513	N/A	N/A
Federal	\$10,742,526	-49%	-20%
State	Unable to provide	N/A	N/A
Local	\$0	0%	0%
Offsets and other	\$562,987	N/A	N/A

## Federal Expenditures

Title IV-E is the largest federal funding source used by child welfare agencies in Wyoming.



## Title IV-E

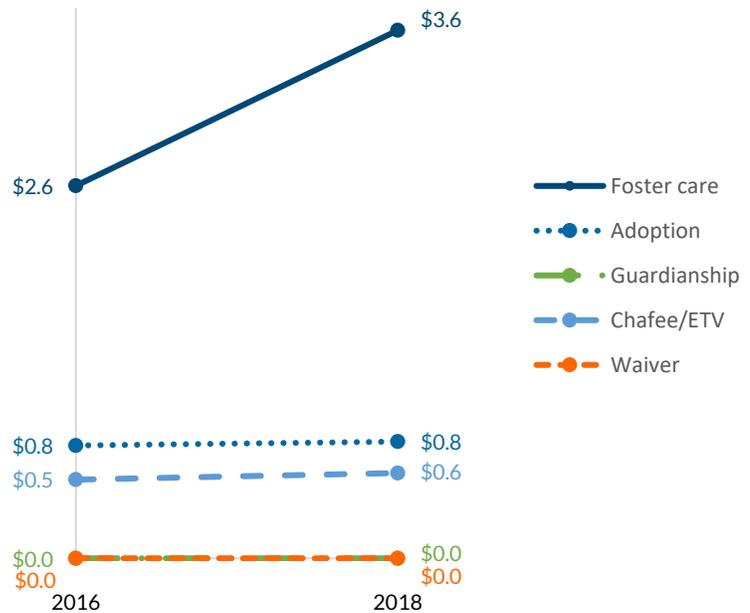
Total in SFY 2018: \$5,027,709

Change from SFY 2016: 29%

Title IV-E of the Social Security Act can be used for foster care, adoption, guardianship, and supports for transition-age youth (Chafee and Education and Training Vouchers).<sup>3</sup> Some states, but not Wyoming, also reported Title IV-E waiver expenditures in SFY 2018.<sup>4</sup>

Of the \$5 million in Title IV-E expenditures in SFY 2018, all was spent by state/local child welfare agencies on child welfare services and activities.<sup>5</sup> Among these services and activities, there was an increase in foster care, adoption, and Chafee/ETV expenditures compared to SFY 2016.<sup>6</sup>

Title IV-E Program Spending  
(in millions of dollars)

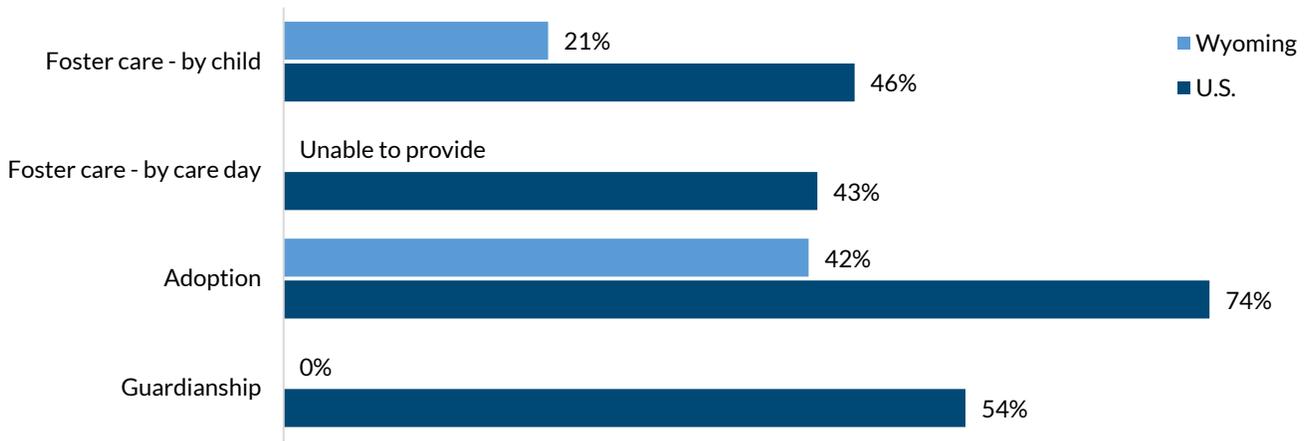


### Family First Prevention Services Act

The Family First Prevention Services Act of 2018 (Family First) reforms Title IV-E of the Social Security Act and other child welfare programs. Family First allows states and eligible tribes to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care. Additionally, Family First encourages children to be placed with families (kinship or foster) and makes changes to the types of congregate care placement settings eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse the costs of foster care maintenance payments for children placed with their parent in a substance abuse treatment facility, and to pay for the costs of eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act) in 2019, which provides time-limited funding to allow states additional flexibility and support to implement Family First. It also provides assistance to jurisdictions that had a Title IV-E waiver demonstration project to help cover any negative fiscal impacts due to the end of the waiver. The data in this fact sheet captures SFY 2018 expenditures, before most of the new Family First provisions became effective. The changes introduced by Family First (and the Transition Act) will directly impact child welfare financing structures in the future.

## Title IV-E coverage rates

States can claim Title IV-E funds as reimbursement for foster care maintenance, adoption assistance, and guardianship assistance payments. The chart below shows the percent of such payments reimbursed by Title IV-E. The foster care coverage rate is calculated as a proportion of children and as a proportion of the number of days children spent in foster care (i.e., “care-days”).<sup>7</sup>



**Title IV-B** **Total in SFY 2018:** \$575,197 **Change from SFY 2016:** -19%

Title IV-B<sup>8</sup> of the Social Security Act can be used for a variety of child welfare services, including the prevention of maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals.

**Medicaid** **Total in SFY 2018:** \$0 **Change from SFY 2016:** 0%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption, or Guardianship Programs are automatically eligible for Medicaid.

**TANF** **Total in SFY 2018:** \$2,256,914 **Change from SFY 2016:** -82%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF)<sup>10</sup> can also be used to support a variety of child welfare activities. TANF offers states very flexible funding for supporting children involved in the child welfare system.

**Top categories of TANF spending by child welfare agencies in Wyoming:**

- Relative foster care payments and adoption/guardianship subsidies
- Basic assistance

**SSBG** **Total in SFY 2018:** \$2,612,112 **Change from SFY 2016:** -13%

The Social Services Block Grant (SSBG)<sup>11</sup> is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.

**Top categories of SSBG spending by child welfare agencies in Wyoming:**

- Foster care services for children
- Residential treatment
- Adoption services

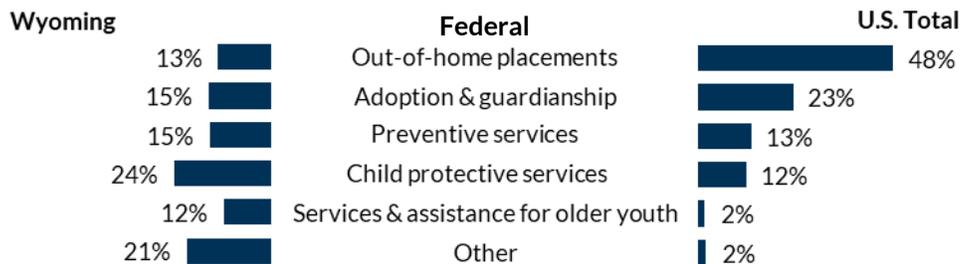
**Other federal funds** Total in SFY 2018: \$270,594

Change from SFY 2016: -52%

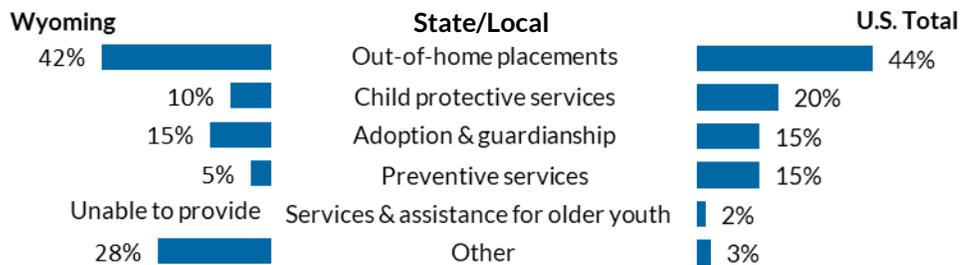
In addition to the major federal sources, child welfare agencies may use a variety of additional federal funding streams. These include the Child Abuse Prevention and Treatment Act, Children’s Justice Act, Adoption Opportunities, Adoption and Legal Guardianship Incentive Awards, and Maternal, Infant, and Early Childhood Home Visiting programs, among others.<sup>12</sup>

## Use of Funds

Wyoming uses its federal funds differently than the national pattern.<sup>13</sup> The state spends a much smaller proportion on out-of-home placements and a larger proportion on other uses of federal funds.



Wyoming uses its state/local funds differently than the national pattern.<sup>14</sup> The state spends a much larger proportion on other uses of state and local funds and a smaller proportion on child protective services and prevention.



## Top funding sources for child welfare expenses

Wyoming indicated the top sources of funds for each of the following categories of child welfare expenses:

Service category	Sub-category	Top funding sources <sup>15</sup>
Out-of-home placements	All out-of-home placement categories	– Title IV-E – TANF – State funds
	Family foster care	– Title IV-E – TANF – State funds
	Congregate care	– Title IV-E – TANF – State funds

Service category	Sub-category	Top funding sources <sup>15</sup>
Preventive services	Financial supports	– State funds
	Caseworker visits and administration	– State funds
Adoption and guardianship		– Title IV-E
		– SSBG
		– State funds
Child protective services		– Title IV-E
		– TANF
		– State funds
Services and assistance for older youth		– Title IV-E
		– SSBG
		– State funds

## Out-of-home placement setting expenditures<sup>16</sup>

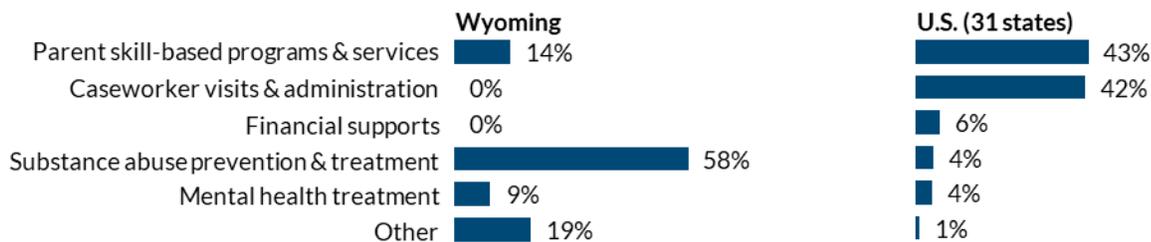
Below is a detailed breakdown of Wyoming’s spending on out-of-home care.

	Federal			State/Local		
	Family foster care	Congregate care	Total	Family foster care	Congregate care	Total
Maintenance payments	\$514,696	\$1,401,900	\$1,916,595	\$3,351,358	\$5,449,273	\$8,800,631
Service costs	-	-	-	-	-	-
Administrative and training costs	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

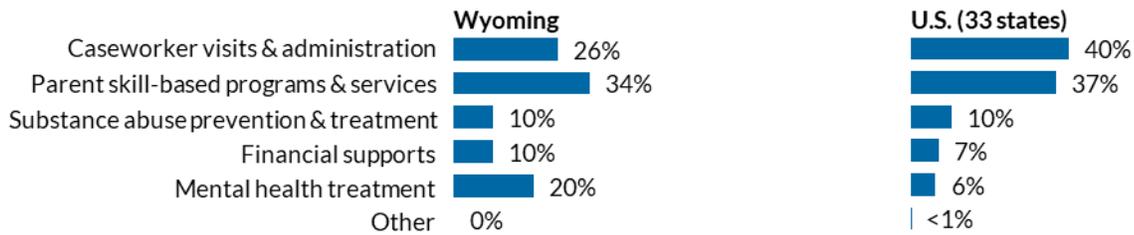
“-” means the state was unable to provide information.

## Preventive services

States provide a variety of services to prevent abuse and neglect, placement into foster care, or (re)entry into foster care.<sup>17</sup> Out of Wyoming’s federal spending on preventive services, the state spends more than half on substance abuse prevention and treatment. This is different than other states.



Out of Wyoming’s state/local spending on preventive services, the state spends more than a third on parent skill-based programs. This is different than other states.



## Adoption and guardianship costs<sup>18</sup>

Below is a detailed breakdown of Wyoming’s spending on adoption and guardianship costs.

	Federal			State/Local		
	Assistance payments/ services costs	Administrative & training costs	Total	Assistance payments/ services costs	Administrative & training costs	Total
Adoption assistance	\$773,336	\$30,469	\$803,805	\$1,500,000	-	-
Post-adoption supports and services	\$80,903	-	-	-	-	-
Guardianship assistance	\$0	\$0	\$0	\$586,861	-	-
Post-guardianship supports and services	\$0	\$0	\$0	-	-	-
<b>Total</b>	<b>\$854,239</b>	<b>-</b>	<b>\$1,652,201</b>	<b>-</b>	<b>-</b>	<b>-</b>

“-” means the state was unable to provide information.

<sup>1</sup> Each state reported data based on its State Fiscal Year 2018, which for Wyoming is July 1, 2017 to June 30, 2018.

<sup>2</sup> See the main report (“*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*”) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. We updated the SFY 2018 survey instrument to include IV-E expenditures for non-child welfare services/activities, third-party income used as offsets, third-party in-kind contributions, and private dollars. We included those expenditures in our calculations of SFY 2018 expenditures. In addition, the way child support was handled has changed. For the SFY 2012 survey and earlier, child support expenditures by child welfare agencies were treated as “other federal funds” and included in the total amount of federal expenditures and total amount of expenditures overall. In the SFY 2014 and SFY 2016 surveys, we treated child support as its own category separate from federal, state, and local funds and did not report child support as part of total federal, state, or local expenditures. In the SFY 2018 survey, child support is captured under “third-party income used as offsets” and is included in total expenditures. As a result, our expenditure data for SFY 2018 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded the following from SFY 2018 amounts: IV-E expenditures for non-child welfare services/activities, Title IV-E funds used as reimbursement or passed through to tribes, third party income used as offsets (except for Social Security Administration and Veteran’s Administration funds since they had been captured under “other federal funds” in prior surveys), third-party in-kind contributions, and private dollars. We also excluded child support dollars from SFY 2008, 2010, 2012, and 2018 calculations. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

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To enable comparisons, all dollar amounts from previous years have been inflated to 2018 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we excluded from analyses states that lacked sufficient data in either year.

Wyoming was unable to report state expenditures for SFY 2018, therefore total expenditures may be understated and some comparisons to other SFYs cannot be made.

<sup>3</sup> By "foster care," we refer to the Title IV-E Foster Care Program, which comprises foster care maintenance payments, administration, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs. By "adoption," we refer to the Title IV-E Adoption Program, which comprises adoption assistance payments, administration, and training. By "guardianship," we refer to the Title IV-E Guardianship Program, which comprises guardianship assistance payments, administration, and training. By "transition supports," we refer to the Title IV-E Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers.

<sup>4</sup> As a result of legislation enacted in 1994, there is time-limited authority granted through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or "waiver projects") are designed to promote innovation in the design and delivery of child welfare services to support child safety, permanency, and well-being. Waiver projects are required to be cost-neutral to the federal government (i.e., states do not receive more federal funds than they would have in the absence of the waiver) and are required to have an evaluation component. Even with a waiver, states are required to cover all activities they are obligated to provide as part of the IV-E program.

<sup>5</sup> The remaining expenditures were used as reimbursement or passed through to tribes or spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs.

Wyoming was unable to report Title IV-E expenditures on juvenile justice services/activities. Therefore, the total amount of SFY 2018 Title IV-E expenditures may be understated.

<sup>6</sup> States were instructed to report any IV-E waiver dollars separately from any other IV-E dollars, meaning that a state could have reported \$0 for any individual IV-E program (e.g., foster care). However, that does not mean that the state did not use IV-E dollars for foster care; rather, it means that all expenditures for those kinds of services or activities were captured under the IV-E waiver amount it reported.

<sup>7</sup> The foster care coverage rate (or "penetration rate") by child reflects the percentage of all children in out-of-home placements for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by child) is based on an analysis of 48 states.

The foster care coverage rate by care day reflects the percentage of total care days for which the state claimed Title IV-E funds as reimbursement for foster care maintenance payments. The national foster care coverage rate (by care day) is based on an analysis of 30 states.

The adoption coverage rate reflects the percentage of children receiving adoption subsidy payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national adoption coverage rate is based on an analysis of 49 states.

The guardianship coverage rate reflects the percentage of children receiving guardianship assistance payments for which the state claimed Title IV-E funds as reimbursement for those payments. The national guardianship coverage rate is based on an analysis of 33 states.

The national IV-E foster care, adoption, and guardianship coverage rates vary, due in part to different eligibility criteria for the programs.

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<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies)' total federal IV-B expenditures for child welfare services/activities. They were told to exclude any IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report *only those Medicaid funds which covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match*. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match, and so excludes costs associated with health care coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports child welfare clients and child welfare activities.

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Total TANF expenditures exclude any funds transferred to SSBG.

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<sup>14</sup> The national percentages are based on an analysis of 42 states that provided sufficient information. Most states, including Wyoming, were only able to provide approximations for how their funds were spent. Totals may not equal 100% due to rounding.

Wyoming included costs for "services and assistance for older youth" in the percentage for "other" services and activities. Therefore, the percentage reported in the "services and assistance for older youth" category is underestimated.

<sup>15</sup> This information is presented in no particular order.

<sup>16</sup> See the main report ("*Child Welfare Financing SFY 2018: A survey of federal, state, and local expenditures*") for definitions of family foster care and congregate care.

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