

## FIRST FOCUS POLICY RECOMMENDATIONS: CHILD MALTREATMENT

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### ABOUT THIS SERIES:

When the economy takes a downturn, it often hits the most vulnerable children and families the hardest. The recent recession is no exception. In their paper, "The Effect of Recession on Child Well-Being: A Synthesis of the Evidence by PolicyLab, Children's Hospital of Philadelphia," Katherine Sell and colleagues at PolicyLab at The Children's Hospital of Philadelphia (CHOP) Research Institute synthesize evidence of the effects of the recent and prior recessions on child well-being.

Among their takeaway messages is that it takes years post-recession for families to bounce back to pre-recession income levels, and low-income families take even longer to rebound. A second key finding is that public programs play a pivotal role in blunting the negative impacts of a recession.

As the economy weakens and state and local revenues dwindle, the need for public programs grows. The federal government can help by bolstering public programs and supporting states in their efforts to meet the needs of children and families.

This series of policy briefs will consider the role of public programs in the process of economic recovery and provide recommendations for improving the provision of services to vulnerable children and families as we bounce back from the most recent recession.

Recent data from child welfare sources suggest that maltreatment rates and need for child welfare system involvement continues to fall despite the recession. The 2009 Adoption and Foster Care Analysis and Reporting System (AFCARS) report, which is released annually, finds that the number of children in foster care dropped by 8 percent in one year and by more than 20 percent over the last decade.<sup>1</sup> Additionally, data released from multiple sources beyond AFCARS, including the National Child Abuse and Neglect Data System (NCANDS), the Fourth National Incidence Study (NIS-4) and law enforcement numbers all demonstrate reduction in child abuse levels.<sup>2,3</sup>

However, data also point to noticeable spikes in neglect following both the 1990-1991 and 2001 recessions, and representatives of child welfare agencies and hospitals across the country are reporting considerable increases in cases of child maltreatment. A recent study – which included four geographically disparate children's hospitals - detected a nearly two-fold increase in abusive head trauma (from 4.8 cases per month to 9.3 cases per month) since the start of the recession.<sup>4</sup> Another study documented a correlation between rising unemployment and rising rates of reported maltreatment. Using state-level unemployment statistics and NCANDS child abuse data from the past 18 years, researchers found that each percentage point increase in state-level unemployment was associated with an increase in child abuse reports of approximately .50 per 1000 children.<sup>5</sup> The study also noted a lag in reporting; child abuse reports increased the year after the state unemployment rate rose. Lastly, a number of recent news stories have also highlighted an increase in child abuse rates and suggested a link to the recent economic downturn.



Although the link between recessions and child abuse is not clear, what is known is that as states struggle to balance budgets and make difficult funding decisions, many have cut child welfare programs. According to the Center on Budget and Policy Priorities (CBPP), cuts enacted since 2008 in at least 46 states and the District of Columbia have occurred in all major areas of services, including health care, services to the elderly and disabled, K-12 education, higher education, and other areas including child welfare. For instance, in Connecticut, the governor has ordered budget cuts to programs that help prevent child abuse and provide legal services for foster children.<sup>6</sup> In Pennsylvania, the budget proposed by Governor Rendell would cut funding for child welfare by one-quarter, and in Colorado, the legislature might be forced to consider additional cuts to the child welfare system.<sup>7</sup> Over the past three years, 35 children have died in the Colorado child welfare system and yet it has had its funding reduced by \$6.7 million in next year's budget.<sup>8</sup> As we navigate the current economic downturn, it is critical that we continue to invest in our existing child welfare system and maintain social service programs to support families and better care for our most vulnerable children.

### Extension of Temporary Assistance for Needy Families (TANF) Emergency Fund

This fund expired on September 30th, despite being hailed as a successful job creation program and a source of additional cash assistance to struggling families. Without an extension of this program, most states will lose subsidized employment programs for low-income parents and likely be forced to cut back on crucial support services for families including child welfare.

### Reauthorizing Child Abuse Prevention and Treatment Act (CAPTA)

Congress can help the most distressed states provide additional prevention and early intervention services, as well as child protection services, by increasing funds that go to community-based child abuse prevention programs through CAPTA. Community-based organizations receiving CAPTA funds play a critical role in delivering prevention services, but their budgets—often based on charitable donations—are likely to suffer in difficult economic times. These grants support efforts to develop, operate, expand or enhance community initiatives aimed at preventing abuse and neglect, and provide a range of services designed to strengthen families.

Unfortunately, CAPTA has been significantly underfunded in recent years. First Focus and others have urged significant increases in the authorized funding levels for each of the grant-making sections of CAPTA – discretionary grants at \$100 million for research, training, technical assistance, and program innovations; basic state grants at \$500 million for improvements to child protective services and in fulfillment of the federal requirements; and community-based prevention grants at \$500 million.

On September 22, legislation to reauthorize CAPTA was introduced in the Senate. The legislation, S. 3817 is scheduled for markup by the Senate Committee on Health, Education, Labor and Pensions (HELP) after Congress returns from recess. No date has set for a floor vote on the Senate bill. The Senate bill authorization provides an increase of 10% over the current authorized levels, which also included a “such sums” authorization for the out years. That would put the basic grants to states and discretionary grants at an authorized funding level of \$132 million for 2011 and such sums as necessary in the out years for , and \$88 million followed by such sums for the Community-Based Grants for the Prevention of Child Abuse and Neglect. While no companion bill has been

introduced in the House, we expect the House to follow once the Senate has acted on CAPTA reauthorization.

As we recover from the recent recession, communities are challenged to protect vulnerable children from abuse and neglect and support parents experiencing job loss and financial stress. Recent data also indicates that rates of child abuse may be increasing. CAPTA can play an important role in the federal response to the prevention of child maltreatment and the protection of abused and neglected children but we must adequately fund it.

### Implementing Fostering Connections to Success and Increasing Adoptions Act

Signed into law on October 7, 2008, the Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351) has led to notable improvements on behalf of children and families involved with the child welfare system. Fostering Connections provided states the option to place children existing foster care with relative guardians and to support youth aging out of foster care to the age of 21; strengthened the coordination and oversight of health care services for foster children; and established new requirements aimed at improving the oversight of foster children's educational stability and connection to siblings. The true impact of the legislation however, depends largely on how it is implemented.

To date, states have reported experiencing some challenges in implementing the law. Moving forward, we urge the Department of Health and Human Services (HHS) to provide assistance and training to states in regard to what they can and should do in implementing the law order to ensure its success.

Although states have experienced difficulties in implementation, many states have introduced or enacted legislation to implement various provisions of the law. According to the Children's Bureau, eight States, plus the District of Columbia, have filed plan amendments to extend Title IV-E funding to kinship subsidized guardianship.<sup>1</sup> The Child Welfare League of America (CWLA) has reported that Oklahoma, Massachusetts, Alaska, and New Mexico are among the States who have expressed in pursuing the kinship option.<sup>9</sup>

With guidance from HHS, we believe more States will pursue options set forth in Fostering Connections. Congress can also help ensure that the law is implemented successfully. Specifically, members of Congress can provide leadership and encourage states to take up the kinship guardianship assistance and extension of care beyond age 18 options.

### Reforming Child Welfare Financing

Although P.L. 110-351 had led to considerable improvements, in order to adequately meet the needs of vulnerable children and families, we need broader comprehensive child welfare financing reform. Critical limitations of the existing federal child welfare financing structure limit the ability of states to provide a diverse array of services to families in need and call attention to the need for a comprehensive reform of the fiscal system.

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<sup>1</sup> States that have received approval for their state plan amendments for the Kinship Guardianship Assistance Program (Kin-GAP) include: Tennessee, Pennsylvania, Rhode Island, Michigan, Oregon, Montana, New Jersey, Illinois and Washington, DC.

We need to invest more in prevention, front end services to address the growing needs of families during recessions. Currently, restrictions in the allowable use of funds result in the larger portion of federal funding being dedicated to foster care. States should be able to directly access Title IV-E funds for investments in a broad continuum of services for children and families, including prevention, early intervention, and post-permanency services.

At present, the use of title IV-E funds is limited to support for foster care, subsidized guardianship and adoption services, as well as administrative costs and caseworker training. In comparison, funding for prevention and reunification services is limited to primarily the Child Welfare Services Program and the Promoting Safe and Stable Families Program funds under SSA title IV-B - a rather small in comparison to resources dedicated to foster care. In fact, of the \$7.9 billion in federal funding dedicated to child welfare services, foster care accounts for \$4.6 billion, and adoption assistance makes up another \$2.2 billion. In contrast, only \$763 million is available for other child and family services and activities such as preventive and reunification services.<sup>10</sup> As a result, states are limited in their capacity to implement innovative policies and practices that support and strengthen families. Restricting the use of funds to foster care hinders the ability of states to develop innovative and effective alternative service delivery models and discourages investment in prevention, intervention and treatment services.

The financing structure should be modified to allow states to directly access title IV-E funds for investments in a broad continuum of services for children and families, including prevention, early intervention, treatment and post-permanency services. We also need to increase investments for specialized treatment services for children and families who experience crisis and increase services to support families after a crisis situation has stabilized. Allowing flexibility in the use of IV-E dollars and investing in “front-end” services will ensure that states have the resources they need to adequately care for the countless children and families that walk through their agency doors each day

### Reauthorizing and Expanding Child Welfare Demonstration Waivers

While reform is needed, it may take time for Congress to pass comprehensive child welfare financing legislation. Absent a broader reform of the child welfare financing structure, states are now in need of greater flexibility in the use of available federal child welfare funds.

Title IV-E waivers are a critical vehicle for promoting flexibility and fostering innovation in child welfare practice as the state level. And, in an increasingly difficult budget climate where states are forced to do more with less - waivers are a valuable and cost-effective tool for identifying what works in child welfare practice.

The legislative authority to approve new waivers expired on March 31, 2006. First Focus urges Congress to reinstitute and expand child welfare demonstration waivers. Although waivers have been limited to ten per year, more states should be allowed to replicate promising waiver models. First Focus recommends opening the waiver program to all states. Additionally, while the types of projects supported by IV-E waivers to date have been critical to increasing our knowledge base and informing best practices, we believe that IV-E waiver authority could be broadened to support new areas. Specifically, we recommend expanding IV-E waivers to support projects that address the needs of youth aging out of care, foster family resiliency and address poverty, test approaches to financing reform, and coordinate services between Medicaid and title IV-E.

### Endnotes:

- 1 Adoption and Foster Care Analysis and Reporting System (AFCARS) FY 2009 data (October 1, 2008 through September 30, 2009). *The AFCARS Report*.
- 2 National Data Archive on Child Abuse and Neglect (Initial release, August 01, 2010). *National Child Abuse and Neglect Data System (NCANDS) Child File, FY 2008*.
- 3 Sedlak, A.J., Mettenburg, J., Basena, M., Petta, I., McPherson, K., Greene, A. & Li, S. *Fourth National Incidence Study of Child Abuse and Neglect (NIS-4) Report to Congress*. U.S. Department of Health and Human Services (DHHS) Administration for Children and Families (ACF) Office of Planning, Research, and Evaluation (OPRE) and the Children's Bureau.
- 4 Berger R. (2010). *An increase in abusive head trauma during the current recession: A multi-center analysis*. Paper presented at the Pediatric Academic Societies' Annual Conference, Van Couver, British Columbia, Canada.
- 5 Sege R. (2010). *What happens to child maltreatment when unemployment goes up?* Paper presented at: American Academy of Pediatrics. Children's Health: Climbing to New Heights 2010; San Francisco, CA.
- 6 Johnson, N., Oliff, P., and Williams, E. (November 5, 2010). *An Update on State Budget Cuts At Least 46 States Have Imposed Cuts That Hurt Vulnerable Residents and the Economy*. Center on Budget and Policy Priorities.
- 7 Leachman, M., Williams, E., and Johnson, N. (August 13, 2010). *Failing to Extend Fiscal Relief to States Will Create New Budget Gaps, Forcing Cuts and Job Loss in at Least 34 States More Cuts in Health, Education and Other Areas Could Stall Nation's Economic Recovery*. Center on Budget and Policy Priorities.
- 8 Leachman, M., Williams, E., and Johnson, N. (August 13, 2010). *Failing to Extend Fiscal Relief to States Will Create New Budget Gaps, Forcing Cuts and Job Loss in at Least 34 States More Cuts in Health, Education and Other Areas Could Stall Nation's Economic Recovery*. Center on Budget and Policy Priorities.
- 9 Spears, L. (September 15, 2009). *Hearing on the Implementation of the Fostering Connections to Success and Increasing Adoptions Act*. Hearing Before the Committee on Ways and Means Subcommittee on Income Security and Family Support. Child Welfare League of America.
- 10 Stoltzfus, E. (February 26, 2008). *Child welfare issues in the 110th Congress*. CRS Reports for Congress.