CHILD WELFARE FINANCING
BREAKOUT SESSION
Nebraska Child Welfare Forum
September 13, 2012

The Annie E. Casey Foundation
Child Welfare Funding Landscape

**Dedicated Funds:**
Title IV-E,
Title IV-B, Chafee,
State and Local Child Welfare Allocations

**Typically-Used Human Service Funds:**
TANF, SSBG, Medicaid

**Other Aligned Funding:**
MHBG, SABG, IDEA, Title I, WIA
# The Child Welfare Funding Landscape: Dedicated Child Welfare Funds

*(2010 Funding Levels from Child Trends Study: Federal, State, and Local Spending to Address Child Abuse and Neglect, June 2012)*

<table>
<thead>
<tr>
<th>Funding Stream</th>
<th>US Amount</th>
<th>% of Total US Spend</th>
<th>Nebraska Amount</th>
<th>% of Total State Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>IV-E Foster Care</td>
<td>3.56 bil</td>
<td>12 %</td>
<td>19.61 mil</td>
<td>7 %</td>
</tr>
<tr>
<td>IV-E Adoption Assistance</td>
<td>2.43 bil</td>
<td>8 %</td>
<td>12.05 mil</td>
<td>5 %</td>
</tr>
<tr>
<td>IV-E Guardianship Assistance</td>
<td>9.47 mil</td>
<td>.03%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>IV-B: Parts 1 &amp; 2</td>
<td>614.39 mil</td>
<td>2%</td>
<td>3.18 mil</td>
<td>1 %</td>
</tr>
<tr>
<td>Chafee</td>
<td>171.35 mil</td>
<td>1%</td>
<td>1.26 mil</td>
<td>1 %</td>
</tr>
<tr>
<td>State</td>
<td>$12.52 bil</td>
<td>43%</td>
<td>161.02 mil</td>
<td>60 %</td>
</tr>
<tr>
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</tr>
<tr>
<td>TANF</td>
<td>2.97 bil</td>
<td>10 %</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>SSBG</td>
<td>1.55 bil</td>
<td>5 %</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Medicaid</td>
<td>1.03 bil</td>
<td>4 %</td>
<td>62.92 mil</td>
<td>24%</td>
</tr>
</tbody>
</table>
Example: Arizona Cross-Agency Partnership to Maximize Medicaid for Behavioral Health

- Behavioral health and child welfare officials worked together to identify use and costs of behavioral health services provided to youth in child welfare.

- A higher rate was allocated to Regional Behavioral Health Authorities for child welfare involved youth.

- Medicaid changed the definition used to determine medical need for 24-hour treatment services to include lack of an appropriate community placement option.

- Title IV-E allocated to support therapeutic foster care.

- New processes established to ensure eligible youth in juvenile justice enrolled in Medicaid freed up state dollars to fill gaps in treatment dollars for juvenile justice population.
Example: Blending Funding to Support Coordinated Services in Milwaukee

- Funding from four agencies
  - Medicaid pays a fixed rate per youth per month
  - Child welfare pays a case rate
  - Juvenile justice pays a case rate for diversions fixed annual amount
  - Behavioral health contributes block grant funding.

- Blended funding supports care coordination, connection to appropriate community-based services, and diversion from out of home placement.

- Reduced average number of youth in residential care from 375 to 80 placements; psychiatric inpatient from 5,000 days per year to less than 200 days; and juvenile correctional placements from 385 to 185 per year.
Financing Infrastructure

• Partnership structure that enables multiple public agencies to plan for coordinated services and financing.

• Data collection on utilization and expenditures on residential placements, behavioral health, and community-based services.
  
  ➢ Identify opportunities to maximize use of IV-E and Medicaid funding

• Analysis of assessment, utilization, and expenditure data to Identify if expenditures are aligned with needs.
  
  ➢ Least restrictive placements needed.

  ➢ Appropriate prevention and community-based supports funded.

  ➢ Enhanced services and payments targeted to those with highest needs.
Financing Infrastructure

- Strong systems and processes to ensure all eligible youth, placements, and services qualified for Medicaid and IV-E.
- Appropriate financing structures and accountability mechanisms to ensure efficiency and focus on outcomes.
  - Blended and braided funding
  - Risk-based financing
  - Performance-based incentives