

# House Appropriations Committee

88th Legislative Session

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# Community Organizations are Fundamental to Texas Child Welfare

- Texas relies on mission-driven, community organizations across Texas to serve and care for children youth and families – across the full continuum
- Child welfare is an array of direct services and supports
  - Prevention and Family Preservation
  - Foster and Adoptive Families
  - Intensive Residential Treatment
  - Mental Healthcare
  - Kinship support
  - Post-Permanency and Post-Adoption Supports
  - Transitional and Independent Living
  - Child Sex Trafficking Recovery



## *System Snapshot:* Data, policy changes shifting focus to family services across the continuum.

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- The Texas child welfare landscape is changing
  - **22%** of investigations in 2022 were substantiated with a reason to believe, compared to **28%** in 2020
  - **5%** of all cases were opened to family-based safety services in 2022, compared to **13%** in 2020
  - **3%** led to a removal in 2022, **5%** led to a removal in 2020
- State and federal policy increasingly focused on keeping children out of foster care, providing stability to families at home
- More investment and policy focus needed on getting families in crisis services



***System Snapshot:***  
**Texas' capacity building efforts are working, but more work to be done to shift capacity to meet the need.**

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- Historic numbers of children without placement (CWOP) in 2021 put into motion capacity building efforts
- Capacity building is more than beds:
  - Skilled workforce and caregivers
  - Treatment services
  - Crisis intervention
  - Supervision and coaching
  - Continuous quality improvement
- Legacy CWOP declined and steady, no CBC CWOP so far in 2023
- Next steps: Stabilizing children in all settings, levels of care
  - Focus on healing trauma and stability in placements
  - Improving outcomes like placement with kin, time to permanency

# Other System Drivers

- Rising cost of care
  - Inflation, operational requirements
  - Insurance – more than half of survey respondents report increase of more than 70% in cost and a loss of coverage options
- More or different resources needed to respond to changing oversight and regulatory environment
- Workforce challenges
  - Increased salaries, market competition
  - Work requires dedicated, skilled staff



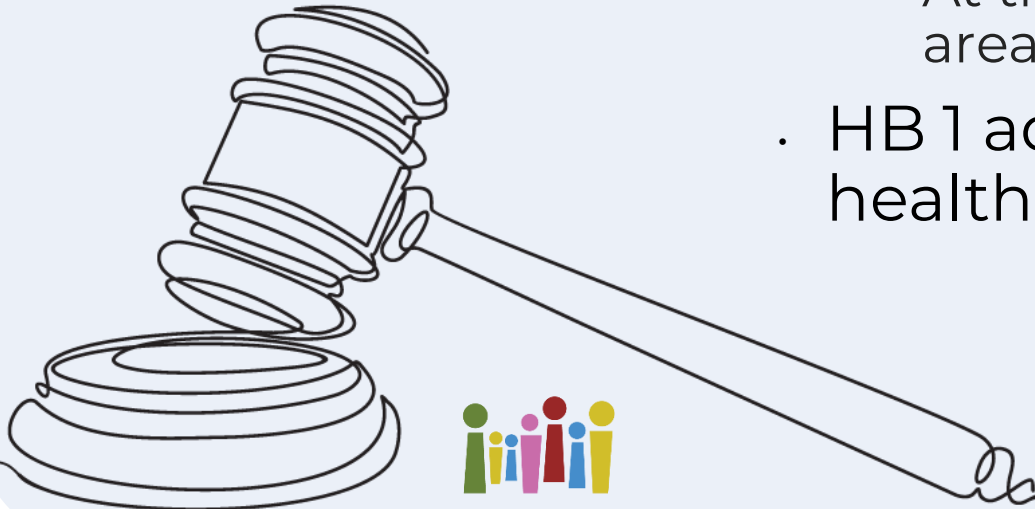
# 87th Budget and Child Welfare Accomplishments

- Continued community-based prevention programs
- Piloted new family preservation pilots in 4 regions
- Continued investment in Community Based Care
  - Four regions continued operations
  - Four new regions funded, three in procurement in North and East TX
- Progressing foster care rate methodology
- Capacity Building Funding
  - *Sustain*: \$70m supplemental "add-on" for rates – higher levels of care
  - *Build*: \$20m capacity building grants – statewide
  - *Build*: \$34m capacity building grants - CBC



# A strong start for kids and families in HB 1 Thank you!

- HB 1 adds \$100 million biennium for foster payment rate increases and signals support for Rate Methodology Modernization
- HB 1 also continues implementation and expansion of Community Based Care in four new regions, as well as support for current regions and those under procurement.
  - At the end of FY 25 – 11 out of 16 catchment areas in CBC
- HB 1 adds funding for children's mental health programs and innovation





# The DFPS LAR reinforces quality services and needed infrastructure.



- Strengthen Prevention & Early Intervention Programs
- Expand and Support Community-based Care
  - Interoperability, salary increases, lawsuit compliance, Office of CBC Transition
- Grow post-permanency supports to serve more families after a child experiences foster care and to prevent further system involvement
- Continue support for Kinship Caregivers through concrete funds, licensure cost reimbursement, and enhanced PCA payments



***Recommendation:***  
**A comprehensive approach to foster care rates. Prioritize outcomes and provide stability to the system.**

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- Broadly support stabilizing foster care through \$100 million rate increase in HB 1
- Continue supplemental "add-on" capacity rates as requested in DFPS LAR
- Support HB 1 rider for updated foster care rate methodology



## ***Recommendation:* Capacity building funding is working and should be continued.**

- Continue the flexible funding by the 87th Legislature: - \$34m CBC, \$20m in grants to legacy regions , additional \$25.5m for new CBC areas
- CBC capacity building funding evaluation found:
  - Few to little kids in unlicensed care (CWOP)
  - Decreased number of youth out of state or in shelters
  - Targeted recruitment of foster families
  - Increased development of kinship care
  - Improved competencies of CBC supervisors
- Statewide capacity building for treatment foster care, treatment kinship care, QRTP and more





***Recommendation:* Fund critical mental health services for children and their families.**

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- Support increased funding for RTC Project (foster care diversion) at HHSC, keeping youth with their families.
- Improved support of Medicaid credentialed providers serving children and youth in communities
- Support growth of other mental health programs that serve children and families

## ***Recommendation:* Build on efforts to support families across the continuum.**

- SB 1896 (Kolkhorst) provisional licensure in development, more needed to support improved path for kin
  - Verified kinship caregivers have more support and receive the full foster care rate
  - Serve higher needs kids with more therapeutic supports
  - Maximizes federal funding
  - Families are eligible for Permanency Care Assistance (West)
- Expand evidence-based family preservation services statewide with unexpended FFTA funding, will advance SB 910 (Schwertner) & SB 1896 (Kolkhorst) from the 87th Legislature
- Continue HB 3041 (Frank) family preservation pilots



# Thank you!

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