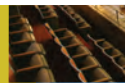




The 89th Texas Legislature



OUR PRIORITIES

The Texas Alliance of Child and Family Services (TACFS) members provide services to children and families across the continuum of needs, from primary prevention to post-adoption, family preservation, foster care services, Community-Based Care (CBC), mental and behavioral health services, adoption, and so much more. TACFS is committed to providing high-quality services across Texas, and we present the following priorities for consideration.



Establish a Full Continuum of Family Preservation Services

Keep kids and youth out of care and safely home with family, whether post-investigation or post-foster care placement through supports that meet the needs of kids and strengthen the whole family system.

Fund evidence-based services established through the Texas Family First Pilots. Establish target populations, which may include exposure to substances, domestic violence, youth at risk of relinquishment, or severe mental health needs.

Consider additional funding for in-home wraparound services and other programs that specifically support youth and their families on the verge of relinquishment and funding to expand the number of established Pilots. Use these established programs as a basis to submit a IV-E Prevention Plan to draw down federal funding to support.

Ensure additional services are voluntary and establish contract monitoring through performance measures, rather than maintaining open DFPS Child Protective Services cases for families voluntarily engaged in services, unless otherwise required by a court order. Invest post-adoption and post-permanency funding into services that prevent re-entry and keep families together.



Support Sustainability of Foster Homes and Community Organizations through Targeted Liability Support and Regulatory Streamlining

Foster families and community organizations continue to struggle to obtain and afford the statutorily required levels of liability insurance. Further, the regulatory and oversight structure for contracted providers is onerous and unnecessarily focused on “checking the box” rather than child safety.

Support reliable and stable insurance coverage for foster care providers. Foster families and providers are at risk of no longer being able to afford required liability insurance, putting at risk the entire network of foster care placements. Ensure that bad actors are appropriately punished for criminal acts by defining a provider in good standing.

Refocus on child safety by streamlining the regulation and oversight of contracted providers; implement recommendations made through the regulatory structure review required per Senate Bill 593 (88R). Direct DFPS to have a more efficient and appropriate investigations process in regulated settings, and make any necessary clarifications to reduce invalid dispositions, particularly for negligent supervision. Direct DFPS to publicly report on investigations outcomes, including the number of findings that proceed to arif, SOAH, and the outcomes of those appeals.”



Improve Mental Health Supports for Children and Families

Community organizations continue to struggle to access high-quality mental and behavioral health services and professionals to help meet the needs of families and children, both in and out of foster care. Children and families need access to additional mental health professionals that can bill Medicaid for their services.

Allow licensed marriage and family therapist associates, licensed master social workers, and licensed professional counselor associates to bill for Medicaid at no additional cost to the state while completing their required supervision hours. These individuals have completed all of their training and are currently serving kids and families but are unable to bill Medicaid.

Allow a Group Credentialing approach, where individual provider qualifications and training can be verified through audit rather than the current arduous individual credentialing process. This would significantly decrease the time required to allow mental/behavioral health service providers to begin serving children and families through Medicaid.



Strengthen the Statewide Rollout of CBC and T3C, Allowing for Greater Flexibility and Creativity to Serve High Acuity Kids

Texas is on track to implement CBC statewide in the next few years. The evolution of the child welfare system through CBC and Texas Child-Centered Care (T3C) will help community providers deliver high-quality services for kids and families.

Ensure CBC success by continuing the transfer of system functions and related funding to the Single Source Continuum Contractors (SSCCs) that are not currently being considered in the resource transfer such as shared positions, cost of insurance and liability coverage, and staff turnover.

Provide funds outside of the blended rate for SSCCs to use to meet the specific needs of high-acuity kids. This funding would allow an SSCC to pilot creative programming to better treat kids with high needs and help them achieve permanency.

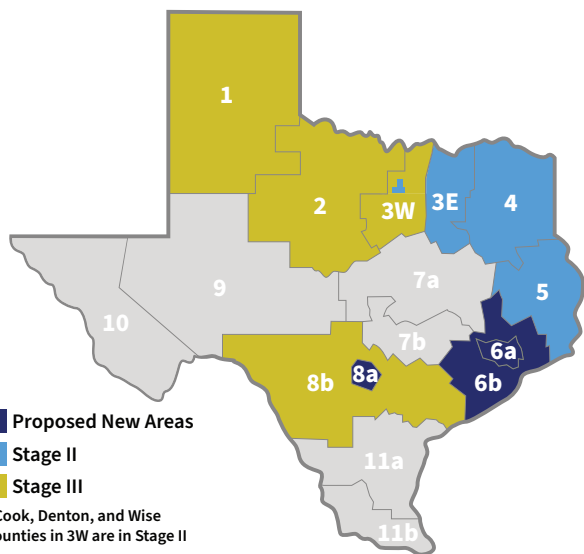
Direct DFPS to update performance measures based on CBC implementation and regulatory environment. Remove requirement for SSCCs to be regulated as a child-placing agency. This licensure is not applicable to the functions of an SSCC and requires additional work and resources for both the state and the lead agency that could be better allocated elsewhere. Implement the Data Exchange Platform to allow for improved interoperability between DFPS and the SSCCs.

Continue strong initial transition to T3C for foster care providers and lead CBC agencies, including support for transition needs and ongoing training. Consider flexibility in budget rider to target community and statewide needs for successful transition.

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THE CURRENT STATE OF COMMUNITY-BASED CARE IN TEXAS' FOSTER CARE SYSTEM



Community-Based Care (CBC) is the model adopted by Texas to transform the state's foster care system. Under CBC, responsibilities for child welfare services are shifted from the state to Single Source Continuum Contractors (SSCCs), which are regional organizations tasked with delivering a full spectrum of services, including foster care placements, family reunification services, case management, adoption, and more. The model aims to improve outcomes by allowing for a unique, community approach to services and providing more tailored care to children and families.

Throughout the early 2000s, Texas faced increasing challenges in its child welfare system, including high caseloads, low caseworker retention, and poor outcomes for children in foster care. These issues prompted calls for reform and a move towards a more community-focused approach that could better serve the diverse

needs of families across the state. In 2004, the Texas Legislature authorized the creation of Community-Based Care pilot programs in selected areas of the state. The goal was to provide more individualized, community-specific solutions, increase accountability, and improve outcomes for children and families. Starting in 2015, the Texas legislature passed significant reforms aimed at expanding CBC statewide and the state has expanded CBC efforts, with gradual implementation across various regions.

Current State

Implementation Progress

- CBC has been implemented in seven regions, covering nearly half of Texas children in foster care. Expansion to additional regions is ongoing, with plans to scale statewide. Three additional regions are in active procurement negotiations.
- SSCCs have shown early success in improving placement stability and reducing the use of congregate care. However, progress varies significantly by region due to disparities in resources and service infrastructure.

Challenges

- Capacity Issues: Many SSCCs report difficulties in recruiting and retaining foster families, especially for children with high needs.
- Funding Constraints: The methodology to fund the implementation of CBC is fundamentally flawed and is being redesigned over the next several years, but this creates funding gaps that hinder service delivery.

Positive Outcomes

- Some regions have seen measurable improvements in family reunifications and timely permanency outcomes.
- Localized service delivery allows for innovative approaches tailored to community needs, though this is largely dependent on available resources.
- Increased collaboration among community organizations has strengthened support networks for children and families.



Key Concern Sustainability

Funding uncertainties and escalating costs threaten the long-term viability of the CBC model.

Condensed Policy Directives for Community-Based Care Model Sustainability

- Ensure better stability in the CBC funding model to support ongoing financial sustainability, allowing providers to deliver high-quality services while benefiting from more predictable resources, clear expectations on fixed costs, and a long-term framework for financial health.
- Allow CBC to truly be implemented as designed by the Legislature to pilot and deploy unique and innovative programs, specific to the needs of the youth in each area of the state, particularly youth with high-acuity needs and older youth.
- Remove the unnecessary administrative burden of child-placing agency licensure requirements for SSCCs and continue to use performance-based measures to ensure accountability.
- Ensure efficient and appropriate data exchange and system interoperability to improve communication between the department and SSCCs and decrease duplication.
- Create an official DFPS and SSCC Workgroup to resolve implementation issues, such as joint funding requests, resource transfers, system functions and resources, and more. Further, this group should jointly work to evaluate and report on unaddressed system functions and resources, including shared roles, insurance and turnover costs, and more.



Community-Based Care represents a significant shift in Texas' foster care system, with promising early results in improving outcomes for children and families. However, the sustainability of the model must be ensured for Texas to achieve the outcomes it needs for children and families. With strategic investments and a focus on stability and transformation, CBC has the potential to fully implement a more effective and responsive child welfare system in Texas.

Learn more at tacfs.org/89th.
Contact us at policy@tacfs.org for more information.



Issue Brief

TEXAS ALLIANCE OF CHILD AND FAMILY SERVICES



Future of Family Preservation and Post-Permanency Services in Texas

Family preservation services aim to support families at risk of entering the child welfare system, keeping children safe at home and addressing underlying challenges such as substance abuse, domestic violence, and mental health issues. Post-adoption and post-permanency services extend this support, ensuring stability for families after reunification, adoption, or guardianship. Since the passage of the Family First Prevention Services Act (FFPSA) in 2018, Texas has made strides toward implementing evidence-based prevention services but remains one of only three states without an updated Title IV-E Prevention Program Five-Year Plan. The Texas Family First (TFF) pilot programs launched in 2022 provide valuable insights into improving family preservation and post-permanency efforts across the state.

Current Landscape

Texas Family First Pilots:

- Implemented by four Single Source Continuum Contractors (SSCCs), TFF pilots serve families in 95 counties using nine evidence-based interventions.
- Eligibility is limited to families with child protective involvement and court-ordered services to address risks of removal.
- Families participating in services often experience transformative outcomes, including improved safety and stability.

Post-Adoption and Post-Permanency Services:

- Families that have finalized adoptions or established guardianships face unique challenges, including trauma, attachment issues, and behavioral health concerns.
- Current services and funding are limited and vary widely across the state, leaving many families without adequate support to prevent re-entry into the child welfare system.
- Programs such as counseling, respite care, and peer support are critical to maintaining family stability and ensuring successful long-term outcomes.

Key Considerations for Improvement

Expand Target Populations:

- Include families with finalized adoptions or guardianships at risk of disruption as a priority for services.
- Extend eligibility to families with high-risk factors, such as substance exposure at birth, severe mental health concerns, and domestic violence.

Leverage Administrative Structures:

- Utilize the established SSCC framework under community-based care to efficiently manage and expand both family preservation and post-permanency services.
- Maintain and expand performance-based contracts to monitor outcomes and ensure accountability independent of court oversight.

Enhance Post-Adoption and Post-Permanency Support:

- Develop specialized programs to address attachment and trauma-related challenges for adoptive and guardianship families.
- Increase access to respite care, support groups, and trauma-informed counseling.
- Provide concrete supports to address immediate needs that may prevent long-term disruptions.

Recommendations



Expand and Sustain Funding:

- Allocate \$15 million in General Revenue to sustain existing TFF pilot programs.

- Increase funding to build service capacity, prioritize FFPSA-eligible interventions, and expand geographic reach.
- Include dedicated funding for post-adoption and post-permanency services to address gaps in the continuum of care.



Submit a Prevention Services Plan:

- Expedite the submission of Texas' Title IV-E Prevention Plan to seek federal funding and reimbursement for state-funded services.

- Include a robust strategy for eligibility determination, capacity building, and data-driven monitoring of outcomes.



Strengthen Post-Permanency Services:

- Develop a comprehensive post-adoption support network, including access to specialized therapy and peer mentoring.
- Prioritize interventions that address trauma and behavioral challenges unique to post-permanency families.



Family preservation and post-permanency services are critical components of Texas' child welfare strategy. The TFF pilots provide a strong foundation for expanding evidence-based, community-driven interventions, while post-adoption support ensures families remain stable after permanency. By addressing barriers, enhancing engagement, and securing sustainable funding, Texas can build a robust continuum of care that keeps families together and reduces reliance on foster care. Strategic action now will ensure that children and families have the resources they need to thrive.

Learn more at tacfs.org/89th.
Contact us at policy@tacfs.org for more information.



Issue Brief

TEXAS ALLIANCE OF CHILD
AND FAMILY SERVICES



Liability Insurance Crisis Among Texas Foster Care Providers

Liability insurance is a critical yet increasingly inaccessible requirement for foster care providers in Texas. Rising premiums, limited carrier availability, and burdensome policy changes, combined with costly lawsuits and settlements, threaten the viability of these essential services, potentially leaving thousands of children without placement and destabilizing the child welfare system. Foster care providers are required by contract to maintain liability insurance, but the availability of coverage, skyrocketing premiums, and insufficient coverage threaten the ability of providers to continue their critical work.



Key Findings of TACFS Member Survey

Insurance Costs and Availability:

Over the past decade,

72% of foster care providers

in Texas have had to change their insurance coverage due to market constraints.

In the last five years alone,

53% of providers

reported premium increases exceeding 50%, with some experiencing hikes over 100%.

Many insurers decline to underwrite foster care-specific policies, combining them instead with broader categories like daycare or other child-serving organizations.

Impact on Providers and Services:

- Providers are unable to expand services or take on higher-needs children due to prohibitive insurance costs and outright refusal of carriers to provide coverage.
- If current trends persist, thousands of children could lose placement because their providers cannot maintain required coverage.

Systemic Risks to Community-Based Care (CBC):

Single Source Continuum Contractors (SSCCs), who assume state responsibilities for nearly half of the children in Texas foster care, face amplified risks. Loss of liability coverage could force SSCCs to terminate contracts, disrupting community-based care and related services like residential care, family preservation, and prevention programs.

Unexplained Premium Increases:

Providers report no correlation between premium hikes and the scope of their services, nor any significant claims activity, though lawsuits remain a constant threat.

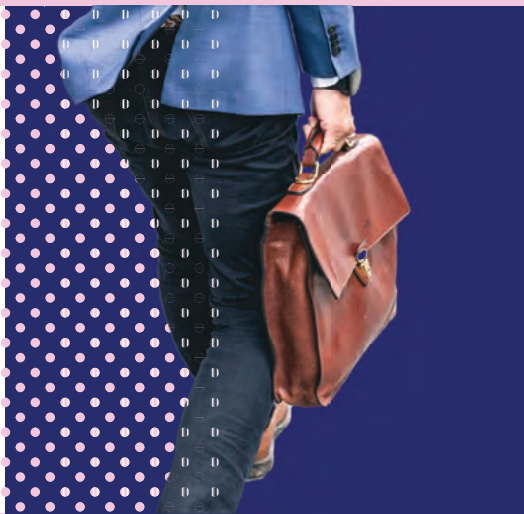
Real-Life Implications



Failure to address this crisis risks profound harm, including re-traumatization of vulnerable children and youth, job losses among care staff, and ripple effects on local communities. Providers unable to secure or afford liability insurance may exit the market, leaving gaps in the care infrastructure and reducing options for children in foster care.

Stakeholder Perspectives

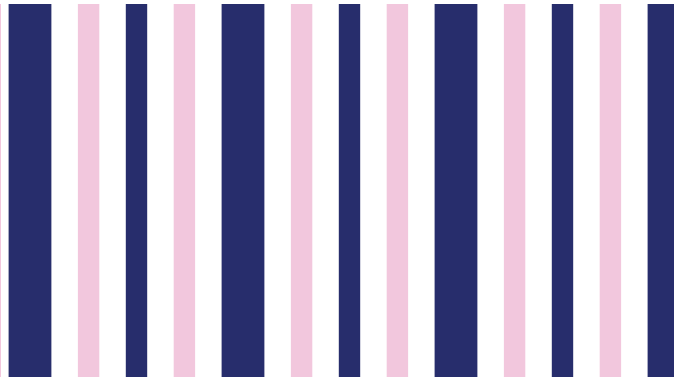
- Providers express frustration over the disconnect between rising costs and unchanged service profiles.
- Insurance companies' refusal to renew coverage without claims history is a recurring issue.
- Affected organizations highlight that every dollar diverted to excessive premiums diminishes resources available for child and family services.



Policy Recommendations

- Reinforce the protections of the Charitable Immunities and Liabilities Act and establish what employers must do to be considered in good standing.
- Encourage broader insurance market and lawsuit reforms.
- Ensure that rising insurance costs are adequately captured in provider cost reports and rates.
- Consider the requirements for liability insurance and determine if those levels are appropriate.

The growing liability insurance crisis poses an existential threat to the Texas foster care system. Comprehensive, affordable insurance is vital for providers to continue serving children and families effectively. A coordinated effort involving policymakers, insurers, and child welfare organizations is essential to safeguard this critical safety net.



Learn more at tacfs.org/89th.

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Issue Brief

TEXAS ALLIANCE OF CHILD AND FAMILY SERVICES



Strengthening Mental Health Services for Vulnerable Children and Families

Children and families in Texas’ child welfare system endure immense mental and behavioral health challenges, reflecting the profound impact of trauma and instability on their lives. Over 60% of children in the child welfare system nationwide grapple with mental health issues, a stark reminder of the system’s duty to offer care and healing. Systemic inefficiencies magnify these struggles leaving children and families without the critical support they need. These shortcomings increase placement disruptions and prolong the uncertainty of children’s lives, undermining their chances for stability and growth.

In Texas, mental health challenges for children are further underscored by alarming statistics:

SAMHSA estimates

500,000

of the 3.8 million Texas children between 9 and 17 have a serious emotional disturbance.

19% of Texas children

experience two or more adverse childhood experiences (ACEs) by age 18, a significant predictor of long-term behavioral health issues.

According to the 2021-2022 National Survey on Drug Use and Health,

up to 7.8% of Texas children

ages 12-17 had a substance use disorder in the past year.

Nearly 40%

of children in Texas are covered by Medicaid, while

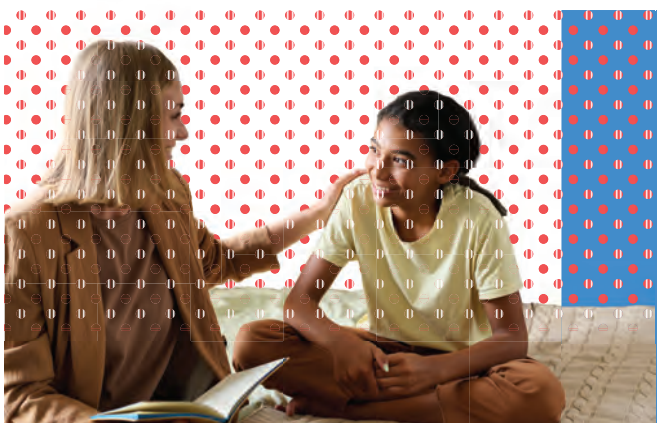
over 10%

lack any health insurance.



One in five high school students

in Texas has seriously considered suicide in the last year, highlighting the urgent need for mental health support.



Two critical policy changes — enabling licensed associates to bill Medicaid and implementing Group Credentialing - offer immediate, no-cost solutions to address workforce shortages and administrative delays that hinder access to care.

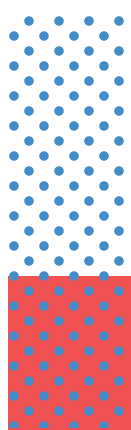
Policy Focus Areas

Allow Licensed Associates to Bill Medicaid

- **Context:** Licensed associates, including Licensed Marriage and Family Therapist Associates (LMFT-As), Licensed Professional Counselor Associates (LPC-As), and Licensed Master Social Workers (LMSWs), have completed rigorous training and are already serving children and families under supervision. However, they cannot bill Medicaid for their services during this required supervision period, creating a barrier to their full participation in the Medicaid network.
- **Benefits**
 - **Immediate Workforce Expansion:** Enabling these associates to bill Medicaid would effectively add thousands of qualified providers to the workforce without requiring additional training or certification.
 - **Cost Neutrality:** This policy requires no additional funding since supervision arrangements and reimbursement rates remain unchanged. Medicaid would simply reimburse services already being provided.
 - **Improved Access to Care:** By allowing these providers to bill Medicaid, Texas could reduce wait times for mental health services, particularly in underserved areas, and ensure children receive timely care.
- **Comparison with Other States:** States including Colorado and Oklahoma already allow associates to bill Medicaid during their supervision period, demonstrating the feasibility and benefits of this approach. Adopting similar policies would position Texas as a leader in leveraging its existing workforce to address mental health needs.

Implement Group Credentialing for Medicaid Providers

- **Context:** The current Medicaid credentialing process requires individual providers to submit extensive documentation for approval, often resulting in delays of six months to over a year. This bureaucratic hurdle prevents qualified providers from beginning work promptly and exacerbates workforce shortages.
- **Proposed Solution:** Shift to a Group Credentialing model, where provider qualifications and training are verified through audits of the group's National Provider Identifier (NPI) rather than requiring individual credentials for each provider.
- **Benefits:**
 - **Faster Enrollment:** Group Credentialing would significantly reduce the time required for providers to begin serving Medicaid clients, ensuring quicker access to care for children and families.
 - **Administrative Efficiency:** By streamlining the credentialing process, the state can reduce administrative burdens on providers and Medicaid managed care organizations (MCOs), freeing up resources for direct service delivery.
 - **Enhanced Provider Retention:** Simplifying credentialing can reduce frustration among providers and encourage more professionals to participate in the Medicaid network.
- **Evidence of Success:** Group Credentialing models are successfully employed in commercial insurance networks and certain state Medicaid programs. These systems have demonstrated improved efficiency without compromising oversight or quality standards.



Investing in Texas' mental health infrastructure for children is not just a moral imperative but a practical one. By addressing key systemic barriers such as inadequate reimbursement, workforce shortages, and service gaps, Texas can create a more sustainable and equitable framework for mental health care. These recommendations provide actionable pathways for improving outcomes, reducing costs associated with untreated mental health conditions, and fostering resilience among the state's most vulnerable populations. Policymakers can ensure that all Texas children receive the care they need to thrive.

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