

CHILDREN AND FAMILY AIDS ALLOCATION INCREASE

The Department of Children and Families (DCF) distributes Children and Family Aids (CFA) to counties for services related to child abuse and neglect and to unborn child abuse, including prevention, investigation, and treatment. Funding may also be used for community-based juvenile justice services. Following a \$5 million increase in 2018, funding for the Children and Family Aids allocation is \$74,324,000.

Counties are extremely grateful for the increase in CY18; however, the child welfare system is still in crisis. The use of opioids and methamphetamines is contributing to a significant increase in child welfare referrals, out-of-home placement costs, and unacceptable caseloads for social workers, as well as the inability of counties to perform child welfare functions that adhere to best practice models.

In order for counties to effectively deal with this child welfare crisis and avoid costly errors, three things need to happen: worker to caseload ratios need to align with best practice, out-of-home care costs need to stabilize, and the state needs to increase its investment in the child welfare system for balance-of-state counties.

Out of Home Care Costs

The current rate of increase in out-of-home care costs at the county level is unsustainable. From 2012 through Quarter 1 of 2018, the number of children in out-of-home care has increased by 39%, or 1,539 children. Thirty counties saw an increase in the number of children in out-of-home care of 40% or more; 20 counties experienced an increase of 80% or more, and 14 counties saw their out-of-home care numbers increase 100% or more. The median length of time children were in out-of-home care increased by a whopping 127% from 2011 – 2016 (from 157 days to 356 days). The largest driver of this out-of-home care growth is Wisconsin's opioid and meth epidemic.

From 2013 to 2017, out-of-home care costs have increased by 18%, from \$81.4 million to \$95.7 million. Thirty-four counties saw increases of 30% or more; 23 counties have increases of 50% or more; and 11 counties experienced out-of-home care cost increases of 100% or more. The \$14 million increase was all funded through the property tax levy.

Caseload Standards

Current child protective services (CPS) workloads are unacceptable. Based on research commissioned by DCF, caseload standards such as those published by the Child Welfare League of America (CWLA) can be used in an evaluative sense to gauge the extent a child welfare system is meeting its obligations. The following chart compares balance-of-state counties caseload ratios to recognized standards.

	CWLA	Division of Milwaukee Child Protective Services (court settlement)	Balance of State Counties
Cases Per Worker	Varies by worker type	11 (8 intensive in-home)	15
Children Per Worker	12-15	15	30
CPS Workers Per Supervisor	5	6	42 counties at 7 or more

The CPS system experiences negative outcomes for children and families when caseloads are too high:

- Increased worker turnover, which leads to longer periods in out-of-home placement.
- Counties are unable to meet standards set forth in the child welfare practice manual.

Based off of the above standards, as well as data from other county-administered states, the Wisconsin County Human Service Association (WCHSA) has developed caseload standards to determine how short-staffed Wisconsin's county child welfare agencies are (see attached). Based on those standards, counties are short 327 child welfare workers (1:10) and 145 supervisors (1:5). State funding needed to bring counties in line with caseload standards is over \$36.8 million.

Cost Sharing

State aid increases in the children and family aids allocation pale in comparison to the increased levy put into child welfare services by counties. From 2009 to 2017, the CFA appropriation was essentially flat. Small increases in the appropriation were essentially pass-throughs for increases in foster care rates. A \$5 million increase was provided to counties in 2018. By comparison, from 2011 to 2016, counties have increased their levies

for core child welfare functions from \$87.5 million to \$117.9 million, a 35% increase (\$30.4 million).

CURRENT STATUS: Wisconsin's child welfare system is in crisis. Counties are unable to meet their obligations which puts the state and counties at significant risk. With levy limits in place, counties are unable to continue to make significant investments in the system. The state, as a partner with counties in the operation of the child welfare system, needs to increase its support to ensure children and families are appropriately served in the CPS system. The Department of Children and Families recommended a \$5 million increase in the Children and Family Aids allocation in its budget submission. While counties appreciate the recommended increase, a significant infusion of funding is needed to address the crisis the child welfare system is currently facing.

REQUESTED ACTION:

- Provide a \$30 million annual increase in the Children and Family Aids Allocation.
- Create a legislative oversight mechanism to regularly review CPS resource needs as part of the biennial budget process.

TALKING POINTS:

- The Wisconsin Department of Children and Families (DCF) estimates more than 80% of open child welfare cases are either driven by or complicated by drug and alcohol abuse.
- The number of Wisconsin children removed from their home because of caretaker drug abuse rose 119% from 2011 – 2016 (from 577 to 1,261).
- A 2018 analysis by the Wisconsin Institute for Law & Liberty found a strong relationship between the number of opioid hospitalizations and the number of kids entering out-of-home care.
- County tax levy currently represents 63% of funding for child welfare services; counties are required to match the CFA allocation at 9.89%. The county overmatch rate is currently over 1600%.
- County staffing patterns are far short of meeting caseload standards recommended by the Child Welfare League of America, as well as the standards in place for the Division of Milwaukee Child Protective Services.
- The Annie E. Casey Foundation's *10 Practices: A Child Welfare Leader's Desk Guide to Building a High-Performing Agency* recommends ensuring "that public and private caseworkers with in-home and out-of-home cases have reasonable caseloads, visit frequently, have adequate resources for families and follow the agency's practice model." Unfortunately, caseworkers in Wisconsin have

- unreasonable caseloads and are unable to follow Wisconsin's child welfare practice model.
- Of the 32 states which were the subject of class action lawsuits between 1995 and 2005, 64% were required to address issues concerning caseworkers, such as adequate staffing, maximum caseloads, and enhanced training and supervision.
 - An Illinois study found that investments in staff (lowering caseloads) was offset by reduced child removal, reductions in residential placements, and shorter lengths of stay in foster care.
 - The state's Opioid Task Force recommended an increase in the Children and Family Aids allocation to allow counties to hire additional staff.
 - The number of mandates placed on child welfare workers has increased in recent years.
 - Counties are having difficulty meeting the needs of children and families due to inadequate staffing, lack of funding, and lack of placement options for children.
 - The liability exposure in Wisconsin's child welfare system is unacceptable. In discussing the pressures on the current system it is no longer "if" something bad happens, it is "when" something bad happens.
 - A review of system resources on a biennial basis will ensure the system has sufficient resources to properly serve children and families and avert the need for a significant increase in funding in a single biennium.

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