



Twelve Years of Leaving Foster Children Behind:

The Long Decline in Federal Support for Abused and Neglected Children

*This report was written by John Sciamanna, Co-Director of Government Affairs at the Child Welfare League of America, with editorial assistance from Linda Spears, Vice President of Communications at the Child Welfare League of America.

Further assistance was provided by additional CWLA staff, including:

Steve Boehm
Tim Briceland-Betts
Abigail Darwin
Cristina Fahrenthold
David Laird

Rachel Lundeen
Branden McLeod
Jennifer Michael
Kimberly Ngiangia
Laura Schiebelhut

July 2008

The Need for Reform 12 Years Later

Introduction

A Call to Action

Many Americans, whether they are policymakers, opinion makers or part of the general public, would be surprised to know that less than half the children who are in foster care are eligible for federal foster care support. However in 2008 this is exactly the case. In fact fewer children in care today are covered by federal support than were covered in 1996. Perhaps more significantly this transfer away from the federal government to state and local programs puts a strain on the entire joint federal-state funding structure of child welfare.

It impacts other child welfare services such as prevention and intervention services. Two years ago, the Child Welfare League of America (CWLA) released a report, “Ten Years of Leaving Foster Children Behind”.

<http://www.cwla.org/advocacy/childreninfostercare.htm>

We pointed out that July 16, 2006 marked the 10-year (now 12 year) anniversary of the eligibility requirement for both Title IV-E federal foster care assistance and adoption assistance. For a child to be eligible for federal help that boy or girl must have been removed from a family that would have been eligible for the now non-existent Aid to Families with Dependent Children (AFDC), program as it existed on July 16, 1996. In that year AFDC was being replaced by the Temporary Assistance for Needy Families (TANF) block grant and a new eligibility standard had to be created for Title IV-E foster care and special needs adoption assistance. So eligibility for federal support of a child placed in foster care or help for a family with a special needs adoption was linked to the eligibility requirements and standards for the AFDC program.

While many saw it as a temporary fix, it is now 12 years later and the federal commitment to the more than 506, 000 children who are in foster care is slipping and placing a strain on the system.

Over the twelve years, the number of children eligible for federal foster care continues to decrease and the solution becomes more expensive to fix each year. These are children who have experienced abuse and neglect but do not qualify for federal assistance based

on the outdated eligibility requirement. In 1998, well over half of the children entering foster care—55% by our analysis—qualified for federal assistance. In 2006, slightly more than 42% qualified—an 23% decline.¹ The impact of this lack of support is felt by tens of thousands of children who have experienced abuse and neglect but do not qualify for federal assistance based of this outdated eligibility requirement—an estimated figure of nearly 50,000 if you apply the 23% reduction in foster care coverage. We developed these statistics by examining the number of children in care at the end of the federal fiscal year on a state by state basis. We then compared that number to a state’s average monthly claims. This measure allows us to use a data source that could be applied to all fifty states and the District of Columbia going as far back as 1998 through the 2006.

In the past two years this information has been verified through a new report funded by the PEW Charitable Trust through the Kids Are Waiting Campaign. That report reviewed the data in a different way but came up with a calculation that was virtually the same: 53% of children in care were covered in 1998 decreasing to 47% in 2004. This CWLA updated report shows little change from last year with approximately 42% of children in foster care eligible for federal funding in 2006.²

This year Congress has been seriously debating two important pieces of legislation, Fostering Connections to Success Act H.R. 6307 and the substitute to the Improved Adoption Incentives and Relative Guardianship Support Act of 2008 S. 3038, both would making changes to eligibility requirements with one of the bills (S 3038)de-linking adoption assistance payments for special needs children from the income requirements of AFDC. Pending the results of final congressional action in 2008, the enactment of these changes included in both bills is a step in the right direction; however, more work will be required to fully address the current erosion of federal funding.

CWLA repeats our call on Congress and the Administration to reverse the trend that has resulted in an erosion of federal support to address child abuse and neglect and to fix the eligibility requirements by enacting comprehensive financing reform. It’s time to end twelve years of leaving children in the child welfare system behind!

The History of Eroding Support for Kids in Care

How Eligibility Is Determined

Title IV-E of the Social Security Act provides federal assistance to children placed in foster care. The federal government will help cover the cost of such items as food, shelter, clothing, and other basic needs of a child placed in a foster family, group home, or residential facility. States receive a match based on a formula tied to the state's economic needs. The federal government provides at least half the cost of care for eligible children. In addition, the federal government covers half the cost for "administrative" expenses. These expenses actually cover important supports such as caseworker time spent in court, efforts to connect the child with needed services, placing the child in a safe and nurturing environment, recruiting new foster parents, licensing and training of the families, and other vital child welfare services.

If a child is eligible, the federal government provides a matching amount of funds to the state child welfare system. A state can fail to qualify for a match if they fail to meet certain protections and safety requirements for the child. These requirements are designed to protect children from being unnecessarily placed in foster care.

One provision, however, is not tied to the child's best interest; it is instead tied to income. When the Aid to Families with Dependent Children (AFDC) program existed, it represented an automatic eligibility threshold for a number of federal programs. If a child lived in a family that was AFDC eligible, for example, that child was also eligible for food stamps and other services. Similarly, if a child were removed from a family that was AFDC eligible, that child would qualify for Title IV-E foster care and adoption assistance.

The preservation of Title IV-E foster care and adoption assistance had been discussed during the debate over welfare reform from the fall of 1995 until its passage in the

summer of 1996. When the Senate in the fall of 1995 rejected a House of Representative approach that involved converting Title IV-E funding into a block grant Senator John D Rockefeller commented,

“I also want to note why it is so essential to maintain the Senate approach on child welfare, foster care and adoption assistance. In the Finance Committee, we specifically stated our intention to retain current law so that the Nation's basic commitment to abused and neglected child would continue. Child welfare is very different than general cash assistance for poor children. Child welfare serves children at risk of abuse and neglect in their own homes. We should not reduce or cap Federal aid to such vulnerable children. That means we must maintain the entitlement nature of foster care and adoption assistance. There is support from both sides of the aisle for this in the Senate, and I specifically want to commend Senator Chafee for his leadership on the important issue. The Senate approach on child welfare and foster care system must be preserved in the conference, and I am personally determined that we not retreat from the country's important guidelines and reliable support that abused and neglected children rely on.”⁴

While the congress did vote to end the entitlement to AFDC months later in 1996 and replace it with the TANF block grant, they did continue foster care and adoption assistance as an entitlement. Due to the fact that eligibility for foster care and adoption assistance was based on the AFDC program, Congress debated what to do about Title IV-E eligibility. Some policymakers feared states would reduce access to the new cash assistance program and the number of families eligible would be restricted. Likewise, if foster care and adoption assistance were tied to the new TANF block grant, it was felt that fewer and fewer kids would be eligible for foster care protection. At least in the interim, it was agreed that foster care and adoption assistance would remain tied to whatever the states had established as their AFDC eligibility on July 16, 1996, a date close to when the TANF legislation was being debated and finalized. This link to the 1996 date is sometimes referred to as the “look-back” provision.

AFDC eligibility was based on a complex formula in which a family had to pass two income tests—one based on countable net income, and the other on gross income, which was tied to a state’s need standard. According to a 2005 Congressional Research Report:

“ when the look back was established, the median state need standard under AFDC (for a family of three) equaled 60% of the federal poverty

level; by 2005 that median was 48%. This means that in as many as 25 states, eligibility for the Title IV-E foster care program may only be established for children removed from families with incomes less than half the federal poverty level (roughly \$8,000/year for a family of three).⁵

The AFDC program was based on a complex system of eligibility requirements. Congress has never revisited the issue of foster care and adoption assistance eligibility, so AFDC's complex rules remain in place today. In some instances, states had not revised or updated their AFDC income tests when the eligibility was frozen in time and, therefore, the July 16, 1996 eligibility may actually be *more* than 10 years old for children in those states.

The Penetration Rate: What Caseload Data tell us about the Impact of the "Look-back"

The penetration rate refers to the number of children in foster care who are eligible for or covered by federal funding through Title IV-E foster care and adoption assistance. In 2006, 501,785 children were in foster care and approximately 211,483 were estimated to be eligible.⁶

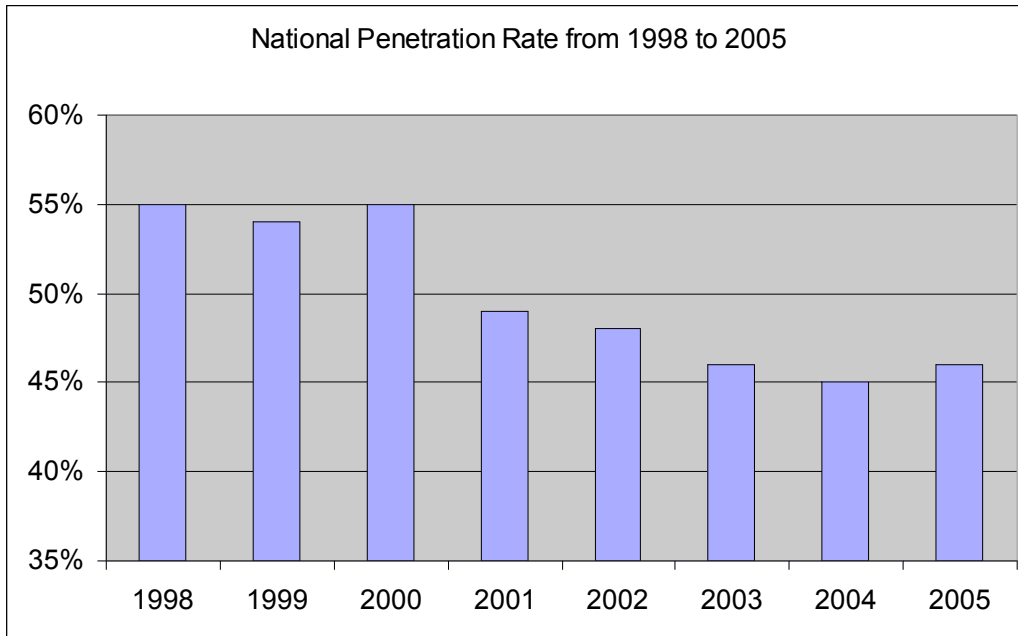
There are a number of factors that can determine whether or not a child in care qualifies for federal support. For foster children and children adopted by families that are considered special needs adoptions in addition to the financial and eligibility considerations tied to AFDC, a court must have made a determination that reasonable efforts were made to prevent the removal of a child from his or her home, and that the best interests of the child are being served. The proper documentation is also an important factor in the state receiving a federal match for these children in care. Due to these additional requirements, the number of children in foster care who are covered by Title IV-E foster care can fluctuate from year to year. In fact, some states may see their number of eligible children rise, even as AFDC eligibility reduces the overall number of children who could be eligible.

These factors make it more challenging to simply look across caseload information from the past 12 years and delineate trends relative to the AFDC look back requirements. It is also more challenging to lay out clear data, such as the number of children in foster care, due to caseload numbers being based on point in time figures—for example, the 513,000

children in care in 2005 is actually the number of children who were in care on September 30, 2005, the last day of that federal fiscal year. In recent years, the average total number of children in foster care annually is in fact about 800,000, with some children spending weeks or months in care, and others living in care an entire year.⁷ This all lends a different perspective on foster care numbers, depending on which time frame and data are used.

With these challenges in mind, CWLA looked at a number of different sources to provide evidence that the number of children supported by Title IV-E foster care is shrinking. We studied the annual number of children in foster care and compared that to the average monthly claims a state files in a fiscal year. This gives us an average number of children covered by Title IV-E foster care. We applied the same test for several different years and on a state-by-state basis. Overall, we found that of the 501,785 children in foster care in 2006, the average monthly number of children in foster care and claimed by the state to be eligible for IV-E funding was 211,483 or slightly more than 42% of the total children in care. By contrast, 1998 data indicates 305,000 claims were made out of a total foster care caseload of 559,000, or 55%.⁸

Adoption Assistance is also linked to the AFDC program. Limited information on adoption caseloads is available, although we do know more and more families are receiving adoption assistance due to the increased numbers of adoptions over the last six or seven years. We also know that as coverage of IV-E foster care goes down, so will adoption assistance provided through Title IV-E. For the purposes of this report, we focus on foster care penetration rates because the data on overall caseloads and monthly claims is more detailed than data collected in regard to special needs adoptions.



To better understand penetration rates, CWLA also looked at caseload data for each state, from 1998 to 2006, and the average monthly number of claims filed for those years. These were claims made by the state indicating that they felt that a child in care met all the eligibility requirements under Title IV-E foster care. In 26 of the 50 states and the District of Columbia, the percentage of children eligible for foster care was lower in 2006 than it was in 1998 (or 1999 where 1998 data was incomplete). This was true of states that experienced a decrease in the number of children in foster care, as well as states that experienced an increase in their foster care caseload.

The sources of the state-by-state caseload data analysis are from the U.S. Department of Health and Human Services (HHS), Administration of Children and Families (ACF), the Children's Bureau of ACF, and the CWLA National Data Analysis System (NDAS). From these sources, caseload data for the entire United States was split into three categories or columns: (1) total caseload, (2) Title IV-E caseload, and (3) non-Title IV-E caseload. This was done in order to identify what percentage of the total U.S. caseload received Title IV-E eligibility. The data was then extrapolated on a state-by-state basis, identifying the same three categories of data (see Appendix B caseload data page for detailed information).

Urban Institute Survey Data

In addition to conducting a survey of members, CWLA also analyzed outside research to provide a more complete picture of the impact the current funding formula has had on children in foster care. Perhaps the most significant research results came from the last three financial reports by the Urban Institute on state financing of child welfare services. The Urban Institute questioned state administrators about their state's penetration rate and, according to the most recent findings, of the 36 states that provided information for fiscal years 2000, 2002, and 2004, the penetration rate declined from 58% in 2000, to 54% in 2004.⁹

Nationally, this constitutes a continued decline in the penetration rate for IV-E funding eligibility. Table 2 in Appendix B provides data from the 43 states that were able to provide a point estimate or range for their penetration rate in both state fiscal year (SFY) 2002 and SFY 2004. Twenty-eight of 43 states—approximately 65% of states—showed a decrease in their rates.

Interviews with child welfare administrators as part of the Urban Institute's study indicated the primary reason why more children are not eligible for Title IV-E is the link to outdated AFDC income standards.

Block Grant Not an Option

Clearly, a foster care and adoption assistance program that links eligibility to a static formula related to a federal program that no longer exists is bad policy. If left in place, it will eliminate the guaranteed level of support over time. Inflation will erode financial supports to children in the child welfare system, and make a mockery of a federal commitment to protect children. This entitlement—reflecting the fact that our children are entitled to safety, permanence, and well-being in their lives—will evaporate before our eyes.

As a solution to the outdated eligibility standards, some have suggested offering states the ability to eliminate the AFDC link by taking a fixed block grant. However, the glaring failure of a block grant is that it locks in the past 12 years of reduced support. In addition,

it offers little hope for an increased partnership between federal, state, and local governments and the communities most directly affected, as well as the children in those communities needing protection and support.

Under the state block grant option, some states may feel the pressure to accept the arrangement for fear that the ongoing link to AFDC will continue to eat away at what limited federal support they currently receive and it is more advantageous to lock in current funding rather than accept continued erosion. This is actually an argument in support of a block grant by those who have proposed an optional block grant.

Unfortunately, such an arrangement cannot guarantee the commitment of future policymakers. In fact, the history of one prominent block grant, the Social Services Block Grant (SSBG), shows that within a decade and a half of that federal funding being converted from an entitlement to a flexible block grant, it was being subjected to severe reductions, starting with a cut of more than 17% and followed by additional cuts totaling more than \$1.1 billion, or nearly 40%, between 1996 and 1998. Ironically, SSBG has served as a key resource to child welfare, but it has also faced ongoing threats of budget cuts.

Whatever solution policymakers choose, it must recognize that the only way for this country to protect abused and neglected children is through a shared partnership among federal, state, and local governments, as well as communities.

There are no quick fixes for helping these children. Only longer-term commitments will ensure every child has a chance for a safe and permanent family and a future in this country.

Partnership to Protect Children and Strengthen Families

Eight organizations representing a cross section of groups from diverse fields including public human services directors, public child welfare directors, private child and family service agencies, unions representing child welfare workers, and advocates for children, joined together in May to release a set of recommendations that would create a

restructuring of the way this country finances and addresses its child welfare system. The proposal was crafted with the understanding that true reform requires investment in all segments of the child welfare system and that that investment be shared by federal, state and local governments and programs. As stated in the document this Partnership proposal is crafted around:

- Supporting the full range of services necessary to prevent child abuse and neglect;
- Ensuring that all children who have been abused and neglected, including those in foster care, have the services and supports they need to heal; and
- Guaranteeing the more than half a million children in foster care the help they need not just to survive, but to thrive and return to their families, or to live permanently with adoptive families or legal guardians (often grandparents or other relatives).

Sources

1. Child Welfare League of America. (2006). Appendix B, *Caseload data: Total United States caseload 1998-2005*. Washington, DC: Author.
2. Kids are Waiting: Fix Foster Care Now (2007) *Time For Reform, Fix Foster Care Now (Appendix A)*. Available online at: <http://kidsarewaiting.org/reports/files/lookback.pdf> Washington, DC.
- 3 Partnership To Protect Children and Strengthen Families (2007) Available online: <http://www.cwla.org/advocacy/nurturingfamilies.pdf>
4. Congressional Record (1995) Senate, September 19, 1995. Government Printing Office
- 5 Congressional Research Service. (2005). *Child welfare financing: An issue overview, Congressional Research Service report for Congress*. Washington, DC: Stoltzfus, Emilie.
6. Child Welfare League of America. (2008). Appendix B, *Caseload data: Total United States Caseload, 1998 – 2005*. Washington, DC: Author. Final numbers may be adjusted upward or downward when additional data is submitted to the Administration for Children and Families (ACF).
7. Administration for Children and Families, Children's Bureau. (2005). *Trends in foster care and adoption: FY 2002-FY 2004*. Available online at http://www.acf.dhhs.gov/programs/cb/stats_research/afcars/trends.htm. Washington, DC: Author.
8. Child Welfare League of America. (2008). Appendix B, *Caseload data: Total United States Caseload, 1998 – 2005*. Washington, DC: Author. Final numbers may be adjusted upward or downward when additional data is submitted to the Administration for Children and Families (ACF). The 1998 data was incomplete for 11 states, while all states but one had complete data for 1999.
9. Scarcella, C. A., Bess, R., Zielewski, E. M., & Geen, R. (2006). *The Cost of Protecting Vulnerable Children V*. Washington, DC: The Urban Institute.

APPENDIX A

Caseload Data

Sources of the state-by-state caseload data analysis were derived from the U.S. Department of Health and Human Services (HHS), Administration of Children and Families (ACF), the Children's Bureau of ACF, <http://www.acf.dhhs.gov/programs/cb/>. The Committee on Ways and Means, U.S. House of Representatives, 2004 *Green Book*, available at: <http://waysandmeans.house.gov/Documents.asp?section=813>, as well as the CWLA National Data Analysis System (NDAS) <http://ndas.cwla.org/>.

From the identified sources, caseload data for the entire United States was split into three categories or columns: (1) Total caseload, (2) Title IV-E caseload based on the average monthly claims a state filed with HHS, and (3) Non-Title IV-E caseload determined by subtracting average monthly claims from the total caseload of the states. This was conducted in order to identify what percentage of the total U.S. caseload received Title IV-E eligibility. The data was then extrapolated on a state-by-state basis, identifying the same three categories of data. Thirty-four states have experienced a decline in penetration rates between 1998 (or 1999 if 1998 data is incomplete) and 2004.

Listed below is a table on U.S. caseloads from 1998 to 2006, followed by state-by-state information. Data for 1997 was incomplete and so it was not included on a national or state basis. Regarding 1998, 11 states were missing at least some data, and they are still included since we have national numbers. States listed in bold have shown a decrease in penetration rate based on this review of caseload information. In a few instances, such as 2002 in Arkansas and 2004 in Illinois, the states reported a negative number of children in a category. That is due to the fact that claims made from previous fiscal years can sometimes be adjusted upward or downward. The information for Ohio will be collected through the state of Ohio and made available upon receipt.

Total United States Caseload

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	559,000	305,194 (55%)	192,251
1999	562,712	302,499 (54%)	260,213
2000	547,415	287,847 (55%)	260,168
2001	540,305	264,676 (49%)	275,629
2002	514,400	256,566 (50%)	257,834
2003	503,006	243,391 (48%)	259,615
2004	499,790	238,359 (48%)	261,431
2005	504,109	236,597 (47%)	267,512
2006	501,785	211,483 (42%)	273,671

Based on the information above, in the following years caseload data was not available from the following states: 1998: Alaska, Iowa, Kentucky, Massachusetts, Michigan, Nebraska, Nevada, New Hampshire, Ohio, South Dakota, and Tennessee; 1999: Nevada. Title IV-E Caseload for 2006 was not available for Ohio.

Individual State Data

ALABAMA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	5,198	1,230 (24%)	3,968
1999	5,511	1,305 (24%)	4,206
2000	5,621	1,441 (26%)	4,180
2001	5,859	1,647 (29%)	4,212
2002	5,883	1,777 (31%)	4,106
2003	6,079	1,932 (32%)	4,147
2004	5,934	1,574 (27%)	4,360
2005	6,913	1,726 (25%)	5,187
2006	7,157	1,891 (26%)	5,266

ALASKA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	N/A	405	N/A
1999	2,248	487 (22%)	1,761
2000	2,193	409 (19%)	1,784
2001	1,993	392 (20%)	1,601
2002	2,072	288 (14%)	1,784
2003	2,040	190 (10%)	1,850
2004	1,825	364 (20%)	1,461
2005	1,789	644 (36%)	1,145
2006	1,993	759 (38%)	1,234

ARIZONA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	5,608	3,078 (54%)	2,530
1999	7,034	3,634 (51%)	3,400
2000	6,475	3,098 (47%)	2,477
2001	6,050	3,090 (51%)	2,960
2002	6,173	3,133 (51%)	3,040
2003	7,469	3,069 (41%)	4,400
2004	9,194	4,554 (50%)	4,629
2005	9,685	3,736 (39%)	5,949
2006	9,731	3,851 (40%)	5,880

ARKANSAS

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	3,138	1,600 (51%)	1,538
1999	2,919	1,624 (56%)	1,295
2000	3,045	2,705 (89%)	340
2001	2,959	2,739 (93%)	220
2002	2,971	3,021 (101.6%)	-50
2003	3,014	1,882 (62%)	1,132
2004	3,124	1,873 (60%)	1,251
2005	3,238	2,309 (71%)	921
2006	3,434	2,311 (67%)	1,123

CALIFORNIA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	112,767	79,982 (71%)	32,785
1999	117,937	78,222 (66%)	39,715
2000	112,807	74,469 (66%)	38,338
2001	107,168	65,960 (62%)	41,208
2002	90,692	58,747 (65%)	31,945
2003	87,278	56,266 (65%)	31,012
2004	82,641	52,738 (64%)	29,903
2005	80,247	49,803 (62%)	30,444
2006	78,373	47,486 (61%)	30,887

COLORADO

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	7,951	3,004 (38%)	4,947
1999	7,639	2,653 (35%)	4,986
2000	7,533	2,552 (34%)	4,981
2001	7,138	2,673 (37%)	4,465
2002	9,209	2,345 (25%)	6,864
2003	8,754	2,645 (30%)	6,109
2004	8,196	2,538 (31%)	5,658
2005	8,213	2,624 (32%)	5,589
2006	8,139	2,554 (31%)	5,585

CONNECTICUT

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	6,683	4,315 (65%)	2,368
1999	7,487	4,528 (60%)	2,959
2000	6,996	3,292 (47%)	3,704

2001	7,440	2,788 (37%)	4,652
2002	6,007	1,996 (33%)	4,011
2003	6,742	1,777 (26%)	4,956
2004	6,803	2,714 (40%)	4,089
2005	6,249	2,530 (40%)	3,719
2006	6,365	2,358 (37%)	4,007

DELAWARE

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	1,480	386 (26%)	1,094
1999	1,193	378 (32%)	815
2000	1,098	410 (37%)	688
2001	1,023	405 (40%)	618
2002	886	403 (45%)	485
2003	814	290 (36%)	524
2004	849	279 (33%)	570
2005	962	225 (23%)	737
2006	1,074	195 (18%)	879

DISTRICT OF COLUMBIA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	3,188	1,241 (40%)	1,897
1999	3,466	1,297 (37%)	2,169
2000	3,054	1,960 (64%)	1,094
2001	3,339	1,619 (48%)	1,720
2002	3,321	1,435 (43%)	1,886
2003	3,092	1,500 (49%)	1,592
2004	2,641	1,263 (48%)	1,378
2005	2,519	1,218 (48%)	1,301
2006	2,378	961 (40%)	1,417

FLORIDA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	26,320	8,374 (32%)	17,946
1999	34,292	8,842 (26%)	25,450
2000	36,608	9,395 (26%)	27,213
2001	32,477	6,852 (21%)	25,625
2002	31,963	8,345 (26%)	23,618
2003	30,677	7,863 (26%)	22,814
2004	28,864	9,069 (31%)	19,795
2005	29,312	7,903 (27%)	21,409
2006	29,229	7,540 (26%)	21,689

GEORGIA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	9,937	4,291 (43%)	5,646
1999	11,991	4,209 (35%)	7,782
2000	11,204	4,191 (37%)	7,013
2001	13,175	4,658 (35%)	8,517
2002	13,149	5,268 (40%)	7,881
2003	13,578	3,367 (25%)	10,211
2004	14,216	4,321 (30%)	9,895
2005	13,965	5,135 (37%)	8,830
2006	13,175	4,670 (35%)	8,505

HAWAII

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	2,441	1,186 (49%)	1,255
1999	2,205	1,101 (50%)	1,104
2000	2,401	1,126 (47%)	1,275
2001	2,854	1,195 (42%)	1,659
2002	2,655	1,182 (44%)	1,473
2003	2,919	996 (34%)	1,923
2004	2,942	1,103 (37%)	1,839
2005	2,745	1,271 (46%)	1,474
2006	2,355	1,271 (54%)	1,084

IDAHO

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	963	441 (46%)	522
1999	959	510 (53%)	449
2000	1,015	568 (56%)	447
2001	1,114	491 (44%)	623
2002	1,246	542 (43%)	704
2003	1,401	692 (49%)	709
2004	1,565	819 (52%)	746
2005	1,818	896 (49%)	922
2006	1,850	1,001 (54%)	849

ILLINOIS

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	48,737	32,646 (67%)	16,091
1999	34,327	28,592 (83%)	5,735
2000	29,565	23,289 (79%)	6,276
2001	28,202	20,210 (72%)	7,992
2002	24,344	19,628 (81%)	4,716
2003	21,608	20,486 (95%)	1,122
2004	19,931	20,080 (100.7)	-149
2005	19,431	18,070 (93%)	1,361
2006	18,367	16,944 (92%)	1,423

INDIANA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	5,070	3,741 (74%)	1,329
1999	8,933	3,963 (44%)	4,970
2000	7,482	3,293 (44%)	4,189
2001	8,383	2,589 (31%)	5,794
2002	8,478	2,601 (31%)	5,877
2003	8,815	2,366 (27%)	6,449
2004	9,778	1,680 (17%)	8,098
2005	11,243	1,898 (17%)	9,345
2006	11,401	2,109 (18%)	9,292

IOWA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	N/A	2,107	N/A
1999	4,854	2,810 (58%)	2,044
2000	5,068	2,796 (55%)	2,272
2001	5,202	2,281 (44%)	2,921
2002	5,238	1,560 (30%)	3,678
2003	5,011	1,502 (30%)	3,509
2004	5,384	1,972 (37%)	3,412
2005	6,794	2,060 (30%)	4,734
2006	9,040	2,188 (24%)	6,852

KANSAS

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	8,488	775 (9%)	7,713
1999	6,774	2,356 (35%)	4,418
2000	6,569	2,252 (34%)	4,317
2001	6,409	2,270 (35%)	4,139
2002	6,190	1,777 (29%)	4,413
2003	5,781	1,535 (27%)	4,246
2004	6,060	2,282 (38%)	3,778
2005	5,833	2,327 (40%)	3,506
2006	6,237	2,578 (41%)	3,659

KENTUCKY

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	N/A	2,936	N/A
1999	5,942	3,019 (51%)	2,923
2000	6,017	3,161 (53%)	2,856
2001	6,165	3,248 (10%)	2,917

2002	6,814	3,227 (47%)	3,587
2003	6,888	3,432 (50%)	3,456
2004	6,998	3,417 (49%)	3,581
2005	7,220	3,462 (48%)	3,758
2006	7,606	3,589 (47%)	4,017

LOUISIANA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	6,301	3,138 (50%)	3,163
1999	5,581	2,908 (52%)	2,673
2000	5,406	2,555 (47%)	2,851
2001	5,024	2,547 (51%)	2,477
2002	4,829	3,060 (42%)	1,769
2003	4,541	3,043 (67%)	1,498
2004	4,397	2,995 (68%)	1,402
2005	4,833	3,024 (63%)	1,809
2006	5,213	3,074 (59%)	2,139

MAINE

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	3,595	1,659 (46%)	1,936
1999	3,154	2,013 (64%)	1,141
2000	3,191	2,453 (77%)	738
2001	3,226	2,484 (77%)	742
2002	3,084	2,028 (66%)	1,056
2003	2,760	1,380 (50%)	1,380
2004	2,584	1,319 (51%)	1,265
2005	2,309	1,472 (64%)	837
2006	2,076	1,405 (68%)	671

MARYLAND

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	12,890	4,785 (37%)	8,105
1999	13,455	5,091 (38%)	8,364
2000	13,113	5,764 (44%)	7,349
2001	12,564	5,612 (45%)	6,952
2002	12,026	5,055 (42%)	6,971
2003	11,521	4,547 (40%)	6,974
2004	11,111	4,051 (36%)	7,060
2005	10,867	3,613 (33%)	7,254
2006	10,681	3,391 (32%)	7,290

MASSACHUSETTS

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	N/A	7,464	N/A
1999	11,169	7,340 (66%)	3,829
2000	11,619	3,935 (34%)	7,684
2001	11,568	4,399 (38%)	7,169
2002	12,510	4,212 (34%)	8,298
2003	12,608	4,349 (34%)	8,259
2004	12,562	4,974 (40%)	7,588
2005	12,197	4,678 (38%)	7,519
2006	11,499	3,619 (31%)	7,880

MICHIGAN

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	N/A	8,826	N/A
1999	20,300	9,338 (46%)	10,962
2000	20,034	9,923 (50%)	10,111
2001	20,896	9,313 (45%)	11,583
2002	21,251	8,258 (39%)	12,993
2003	21,376	7,458 (35%)	13,918
2004	21,173	6,742 (32%)	14,431
2005	20,498	6,044 (29%)	14,454
2006	20,142	4,841 (24%)	15,301

MINNESOTA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	8,618	3,805 (44%)	4,813
1999	8,996	4,115 (46%)	4,881
2000	8,530	4,069 (48%)	4,461
2001	8,167	3,873 (47%)	4,294
2002	8,052	3,566 (44%)	4,486
2003	6,770	3,205 (47%)	3,565
2004	6,540	2,809 (43%)	3,731
2005	6,978	2,969 (43%)	4,009
2006	7,156	2,733 (38%)	4,423

MISSISSIPPI

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	3,359	1,016 (30%)	2,343
1999	3,196	1,000 (31%)	2,196
2000	3,292	1,034 (31%)	2,258
2001	3,443	839 (34%)	2,604
2002	2,686	500 (19%)	2,186
2003	2,712	652 (23%)	2,060
2004	2,989	640 (21%)	2,349
2005	3,269	688 (21%)	2,581
2006	3,126	882 (28%)	2,244

MISSOURI

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	12,495	5,748 (46%)	6,747
1999	12,577	5,621 (45%)	6,956
2000	13,181	5,695 (43%)	7,486
2001	13,349	5,770 (43%)	7,579
2002	13,029	5,766 (44%)	7,263
2003	11,900	5,806 (49%)	6,094
2004	11,778	5,401 (46%)	6,377
2005	11,433	4,978 (44%)	6,455
2006	10,181	4,999 (49%)	5,182

MONTANA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	1,991	857 (43%)	1,134
1999	2,156	950 (44%)	1,206
2000	2,180	940 (43%)	1,240
2001	2,008	737 (37%)	1,271
2002	1,912	767 (40%)	1,145
2003	1,866	1,734 (93%)	132
2004	2,030	932 (46%)	1,098
2005	2,222	967 (44%)	1,255
2006	1,909	1,110 (58%)	799

NEBRASKA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	N/A	1,569	N/A
1999	5,146	1,477 (29%)	3,669
2000	5,674	1,643 (29%)	4,034
2001	6,254	1,211 (20%)	5,043
2002	5,724	1,047 (18%)	4,677
2003	5,148	1,043 (20%)	4,105
2004	6,292	1,493 (24%)	4,799
2005	6,231	2,032 (33%)	4,199
2006	6,187	1,244 (20%)	4,943

NEVADA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	N/A	1,119	N/A
1999	N/A	1,345	N/A
2000	1,615	1,335 (83%)	280
2001	2,959	983 (33%)	1,976

2002	3,027	769 (25%)	2,258
2003	3,605	1,442 (40%)	2,163
2004	4,037	1,275 (32%)	2,762
2005	4,654	1,348 (29%)	3,306
2006	5,069	1,451 (29%)	3,618

NEW HAMPSHIRE

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	N/A	714	N/A
1999	1,385	625 (45%)	760
2000	1,311	791 (60%)	520
2001	1,288	563 (44%)	725
2002	1,291	560 (43%)	731
2003	1,217	664 (55%)	553
2004	1,236	648 (52%)	588
2005	1,178	695 (59%)	483
2006	1,146	612 (53%)	534

NEW JERSEY

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	9,191	5,593 (61%)	3,598
1999	9,494	6,124 (64%)	3,371
2000	9,794	6,238 (64%)	3,556
2001	10,666	6,366 (60%)	4,300
2002	11,442	6,388 (56%)	5,054
2003	12,816	5,800 (45%)	7,016
2004	12,289	4,971 (40%)	7,318
2005	11,211	3,456 (31%)	7,755
2006	10,623	2,865 (27%)	7,758

NEW MEXICO

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	821	782 (95%)	39
1999	1,941	1,183 (61%)	758
2000	1,912	1,505 (79%)	407
2001	1,757	1,289 (73%)	468
2002	1,885	1,340 (71%)	545
2003	2,122	1,399 (66%)	723
2004	2,157	1,649 (76%)	508
2005	2,316	1,696 (73%)	620
2006	2,357	1,692 (72%)	665

NEW YORK

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	53,555	40,762 (76%)	12,793
1999	51,159	38,049 (74%)	13,110
2000	47,118	33,529 (71%)	13,589
2001	43,365	28,916 (67%)	14,449
2002	40,753	25,173 (62%)	15,580
2003	37,067	21,735 (59%)	15,332
2004	33,445	18,923 (57%)	14,522
2005	30,458	16,426 (54%)	14,032
2006	29,973	12,313 (41%)	17,660

NORTH CAROLINA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	11,314	4,662 (41%)	6,652
1999	11,339	4,854 (43%)	6,485
2000	10,847	4,118 (38%)	6,729
2001	10,130	3,864 (38%)	6,266
2002	9,527	2,438 (26%)	7,089
2003	9,534	3,024 (32%)	6,510
2004	10,077	4,021 (40%)	6,056
2005	10,698	4,189 (39%)	6,509
2006	11,115	4,434 (40%)	6,681

NORTH DAKOTA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	1,125	493 (44%)	632
1999	1,131	486 (43%)	645
2000	1,129	492 (44%)	637
2001	1,167	454 (38%)	713
2002	1,197	512 (43%)	685
2003	1,238	526 (42%)	712
2004	1,314	495 (38%)	819
2005	1,370	483 (35%)	887
2006	1,331	449 (34%)	882

OHIO

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	19,007	15,289 (80%)	3,718
1999	19,249	15,183 (78%)	4,066
2000	19,364	15,472 (78%)	3,892
2001	20,696	16,448 (79%)	4,248
2002	21,038	14,783 (70%)	6,255
2003	19,323	13,888 (72%)	5,435
2004	18,004	12,821 (71%)	5,183
2005	17,446	12,100 (69%)	5,346
2006	16,631	**	**

OKLAHOMA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	7,233	3,413 (47%)	3,820
1999	8,173	4,039 (49%)	4,134
2000	8,406	5,111 (61%)	3,295
2001	8,674	5,201 (60%)	3,473
2002	8,812	4,402 (50%)	4,410
2003	9,252	4,025 (43%)	5,227
2004	11,325	3,808 (34%)	7,517
2005	11,393	4,563 (40%)	6,830
2006	11,816	5,186 (44%)	6,630

OREGON

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	7,266	3,325 (46%)	3,941
1999	9,278	3,193 (34%)	6,085
2000	9,193	3,715 (40%)	5,478
2001	8,966	3,490 (39%)	5,476
2002	9,101	3,520 (39%)	5,581
2003	9,117	3,787 (41%)	5,330
2004	10,048	4,241 (42%)	5,807
2005	11,020	4,554 (41%)	6,466
2006	10,661	4,848 (45%)	5,813

PENNSYLVANIA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	23,070	18,586 (81%)	4,484
1999	22,690	15,054 (66%)	7,636
2000	21,631	12,548 (58%)	9,083
2001	21,237	11,334 (53%)	9,903
2002	21,410	13,485 (63%)	7,925
2003	21,845	10,952 (50%)	10,893
2004	21,944	10,076 (46%)	11,868
2005	21,691	14,381 (66%)	7,310
2006	21,135	13,410 (63%)	7,725

RHODE ISLAND

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	2,844	755 (27%)	2,089
1999	2,621	629 (24%)	1,992
2000	2,302	743 (32%)	1,559

2001	2,414	751 (31%)	1,663
2002	2,383	702 (30%)	1,681
2003	2,357	669 (28%)	1,688
2004	2,414	601 (25%)	1,813
2005	2,509	692 (28%)	1,817
2006	2,842	804 (28%)	2,038

SOUTH CAROLINA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	4,644	1,350 (29%)	3,294
1999	4,545	1,146 (26%)	3,349
2000	4,525	1,339 (30%)	3,186
2001	4,774	1,587 (33%)	3,187
2002	4,818	1,914 (40%)	2,904
2003	4,801	1,594 (33%)	3,207
2004	4,635	1,169 (25%)	3,466
2005	4,757	1,039 (22%)	3,718
2006	4,920	676 (14%)	4,244

SOUTH DAKOTA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	N/A	253	N/A
1999	1,101	340 (31%)	761
2000	1,215	413 (34%)	802
2001	1,367	463 (34%)	904
2002	1,396	500 (36%)	896
2003	1,537	470 (31%)	1,067
2004	1,582	446 (28%)	1,136
2005	1,704	378 (22%)	1,326
2006	1,648	428 (26%)	1,220

TENNESSEE

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	N/A	6,405	N/A
1999	10,796	6,327 (59%)	4,469
2000	10,144	6,290 (62%)	3,854
2001	9,679	6,078 (63%)	3,601
2002	9,359	5,647 (60%)	3,712
2003	9,487	5,479 (58%)	4,008
2004	9,590	5,375 (56%)	4,215
2005	9,017	5,980 (66%)	3,037
2006	8,618	3,264 (38%)	5,354

TEXAS

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	17,103	6,405 (37%)	10,698
1999	16,326	6,757 (41%)	9,569
2000	18,190	7,123 (39%)	11,067
2001	19,739	7,609 (39%)	12,130
2002	21,353	8,431 (39%)	12,922
2003	21,880	9,429 (43%)	12,451
2004	24,529	10,951 (45%)	13,578
2005	28,883	13,239 (46%)	15,644
2006	30,848	14,266 (46%)	16,582

UTAH

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	2,468	1,122 (45%)	1,346
1999	2,273	730 (38%)	1,543
2000	1,805	763 (42%)	1,042
2001	1,957	797 (41%)	1,160
2002	2,025	707 (35%)	1,318
2003	2,033	710 (35%)	1,323
2004	2,108	836 (40%)	1,272
2005	2,285	820 (36%)	1,465
2006	2,427	872 (36%)	1,555

VERMONT

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	1,316	1,091 (83%)	225
1999	1,445	1,151 (80%)	294
2000	1,389	1,159 (83%)	230
2001	1,382	997 (72%)	385
2002	1,526	986 (65%)	540
2003	1,409	931 (66%)	478
2004	1,432	816 (57%)	616
2005	1,436	816 (57%)	620
2006	1,379	785 (57%)	594

VIRGINIA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	6,838	3,297 (55%)	3,086
1999	6,778	3,260 (48%)	3,518
2000	6,789	3,327 (49%)	3,462
2001	6,866	3,251 (47%)	3,615
2002	7,109	4,137 (58%)	2,972
2003	7,046	4,200 (60%)	2,846
2004	6,869	4,232 (62%)	2,637
2005	7,022	4,115 (59%)	2,907
2006	7,843	3,680 (47%)	4,163

WASHINGTON

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	8,980	2,259 (25%)	6,721
1999	8,688	2,603 (30%)	6,085
2000	8,945	2,694 (30%)	6,251
2001	9,101	3,127 (34%)	5,974
2002	9,669	3,576 (37%)	6,093
2003	9,213	3,473 (38%)	5,740
2004	9,368	3,592 (38%)	5,776
2005	10,068	3,728 (37%)	6,340
2006	10,457	4,019 (38%)	6,438

WEST VIRGINIA

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	3,082	792 (26%)	2,290
1999	3,169	823 (26%)	2,346
2000	3,388	855 (25%)	2,533
2001	3,298	881 (27%)	2,417
2002	3,220	956 (30%)	2,264
2003	4,069	864 (21%)	3,205
2004	3,990	813 (20%)	3,177
2005	4,627	524 (11%)	4,103
2006	4,012	892 (22%)	3,120

WISCONSIN

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	10,076	5,365 (12%)	4,711
1999	10,868	4,037 (37%)	6,831
2000	10,504	4,329 (41%)	6,175
2001	9,497	4,311 (45%)	5,186
2002	8,744	3,796 (43%)	4,948
2003	7,824	3,025 (39%)	4,799
2004	7,812	2,390 (31%)	5,422
2005	8,109	2,920 (36%)	5,189
2006	7,556	2,822 (37%)	4,734

WYOMING

	Total Caseload	IV-E Caseload	Non-IV-E Caseload
1998	883	324 (37%)	559
1999	774	242 (31%)	532
2000	815	311 (38%)	504

2001	965	309 (32%)	656
2002	921	312 (34%)	609
2003	1,052	289 (27%)	763
2004	1,184	203 (17%)	981
2005	1,244	145 (12%)	1,099
2006	1,304	161 (12%)	1,143

**Title IV-E data for 2006 was not available for the state of Ohio at the time of report. Report will be updated when their data is received. Refer to Appendix C for further information.

APPENDIX B

Urban Institute Surveys

According to the Urban Institute's *The Cost of Protecting Vulnerable Children V*, roughly 52% of children in out-of-home placements were receiving Title IV-E reimbursed maintenance payments, based on the 46 states that were able to provide penetration rate data for state fiscal year (SFY) 2004. This constitutes a continued decline in the penetration rate for IV-E funding eligibility, although the numbers are somewhat different from raw caseload data. Table 1 shows that of the 43 states that were able to provide an estimate or a range for their penetration rate in both SFY 2002 and SFY 2004, 28 out of 43 states—approximately 65%—showed a decrease in their rates. In addition, the Urban Institute has further analyzed the 36 states that provided complete information on their penetration rates in SFY 2000, 2002, and 2004, finding that the penetration rate declined from 58% in SFY 2000, to 55% in SFY 2002, to 54% in SFY 2004.

Figure 1 similarly reflects this pattern of decline across states in the penetration rate for Title IV-E funding eligibility as time goes by, due in large part to the look-back date that still governs eligibility. Although the look-back date is officially July 16, 1996, states had not always updated income levels under the AFDC program. As a result, in some states, income standards for AFDC eligibility represent income levels from years before 1996. The number of children who are income-eligible for Title IV-E continues to decline, as needs standards have not been adjusted for inflation over the past decade.

Interviews conducted with child welfare administrators as part of the Urban Institute's study indicated that the primary reason why more children are not eligible for Title IV-E is the link to outdated AFDC income standards.

Title IV-E Penetration Rates (State Estimates)*

State	2002	2004	% Change**
Alabama	42.1%	33.4%	-8.7%
Alaska	60.5%	38.2%	-22.3%
Arizona	54.0%	51.0%	-3.0%
Arkansas	21.0-30.0%	41.0%	15.5
California	79.0%	75.0%	-4.0%
Colorado	60.0%	51.0%	-9.0%
District of Columbia	72.0%	50.0%	-22.0
Florida	42.0%	49.1%	7.1
Georgia	21.0%-31.0%	31.0%	5.0
Hawaii	66.0%	70.0%	4.0
Idaho	51.0-60.0%	51.0%	-4.5
Illinois	45.1%	50.5%	5.4
Indiana	31.0%	31.0%	0
Iowa	31.0-40.0%	31.0%	-4.5
Kansas	51.0-60.0%	51.0%	-4.5
Kentucky	61.2%	58.9%	-2.3
Louisiana	72.0%	70.6%	-1.4
Maryland	66.6%	51.0%	-15.6
Michigan	68.0%	61.0%	-7.0
Minnesota	63.0%	61.2%	-1.8
Mississippi	23.0%	21.0%	2.0
Missouri	51.0-60.0%	41.0%	-14.5
Montana	41.0-50.0%	41.0%	-4.5
Nebraska	21.0-30.0%	28.7%	3.2
New Hampshire	43.0%	56.0%	13.0
New Jersey	51.0-60.0%	51.0%	-4.5
New Mexico	73.0%	62.0%	11.0
New York	61.0-70.0%	51.0%	-14.5
North Carolina	61.0-70.0%	51.0%	-14.5
North Dakota	54.0%	51.0%	-3.0
Ohio	78.8%	73.0%	-5.8
Oklahoma	64.9%	51.0%	-13.9

Oregon	51.0-60.0%	78.0%	22.5
Pennsylvania	71.0-80.0%	46.0%	-29.5
Rhode Island	39.7%	39.0%	-0.7
South Dakota	53.0%	41.0%	-12.0
Tennessee	41.0-50.0%	51.0%	5.5
Texas	58.7%	66.6%	7.9
Utah	50.0%	49.0%	-1.0
Vermont	71.0-80.0%	51.0%	-24.5
Virginia	55.0%	58.5%	3.5
Washington	31.0-40.0%	41.0%	5.5
West Virginia	51.0-60.0%	41.0%	-14.5

*Includes only those states for which both 2002 and 2004 estimated penetration rates were available. Not all states could provide estimates.

**For the purposes of calculating the change in penetration rates between 2002 and 2004, in cases where states provided only a range of estimated penetration rates for 2002, the median value of that range was used to compare to the 2004 rate.

Sources

Bess, R., Scarcella-Andrews, C., Jantz, A., Zielewski, E., Warner, L., & Geen, R. (2004). *The cost of protecting vulnerable children IV: How child welfare funding fared during the recession* (Assessing the New Federalism Occasional Paper). Available online at: www.urban.org/url.cfm?ID=411115. Washington, DC: Urban Institute.

Scarcella-Andrews, C., Bess, R., Zielewski, E., & Geen, R. (2006). *The cost of protecting vulnerable children V* (Assessing the New Federalism Occasional Paper). Available online at: <http://www.urban.org/publications/311314.html>. Washington, DC: Urban Institute.

Appendix C

THE OHIO NUMBERS*

The numbers gathered and reported in this study do not reflect a decline in Ohio's penetration rate but in fact Ohio *has experienced a decline in the number of children in foster care eligible for federal support*. In fact the state of Ohio's provided us with the following caseload data to demonstrate how coverage has declined:

Year	Total Caseload	IV-E Eligible	Percentage Eligible
1998	19,007	15,289	80.44%
1999	19,249	15,183	78.88%
2000	19,364	15,472	78.9%
2001	20,696	16,448	79.47%
2002	19,990	14,783	73.95%
2003	18,465	13,888	75.21%
2004	17,387	12,821	73.74%
2005	16,526	12,100	73.22%

So which numbers are accurate?

Both.

When CWLA gathered information on caseload data we had to use data that was available for all 50 states and the District of Columbia and data that could be gathered as far back in time as possible. What we were able to obtain from the Department of Health and Human Services was the *annual* foster care caseload number which consists of the number of children in care on *September 30* (end of the federal fiscal year) and the *average monthly claims*. That is the claim a state filed on a child in foster care for maintenance payments and averaged over twelve months.

Neither of these statistics are perfect since the number of children in foster care represents children in care on a specific day (end of the fiscal year) and the claims data reflects only an average throughout the year and only the claim a state filed. In fact some children in foster care may be eligible for federal support but the state failed to make a claim. That is why if you look at the entire study some states experience an increase in coverage—those states improved their claiming process, procedure and eligibility and increased coverage while at the very same time the number of children in foster care in that state eligible for coverage was actually declining.

So why are Ohio's numbers different?

The information provided to us by the state of Ohio includes children whom where eligible for federal coverage. In many instances the state did claim reimbursement in regard to the *administrative cost of casework and placement services* but once that child was placed they may not have been eligible for a *maintenance* payment. That is likely because those children may have been in a placement not eligible such as a kinship family where the licensing standard was different (although not less secure) than the licensing standard required by the federal government for foster care placements.

Sound Confusing?

It should be. The data collected is not perfect—as we note in the introduction—because it uses point in time data and compares it to monthly averages. Also some states data collection is better than others are and all states have improved over time. But it should be remembered that as imperfect as the data is, it shows one unmistakable conclusion: There has been a long decline in federal support for children in the foster care and special needs adoption programs.

APPENDIX D

Kids Are Waiting: Time for Reform

Calculating Federal Foster Care (IV-E) Coverage Trends from 1998-2005

Analyses and Methodology by Elliott G. Smith, National Data Archive on Child Abuse and Neglect (NDACAN)

COMPUTING THE DROP IN COVERAGE FROM 1998 TO 2004 WITH THE 36 COMPLETE STATES

According to the Adoption and Foster Care Analysis and Reporting System (AFCARS) data for the 36 states with data for both 1998 and 2004, 244,700, or 53%, of the 462,200 children in foster care at the end of FY1998 were eligible to receive Title IV-E funds. In 2004, only 47% were eligible to receive federal support (193,700 out of 411,500). If the rate had not dropped and the rate were as high in 2004 as it had been in 1998, 218,000 children would have been eligible to receive federal support in 2004, rather than the 193,700 who actually did so. As a result, the drop in the rate led to 24,300 fewer children were eligible to receive federal support through Title IV-E in these 36 states.

Using the 36 States with Complete Data from 1998-2004

	1998	2004	2004 with the 1998 rate	Drop in Coverage
Number Eligible for IV-E	244,700	193,700	218,000	218,000-193,700 = 24,300
Number in Care	462,200	411,500	411,500	
Rate of Coverage	53%	47%	53%	53%-47% = 6%

COMPUTING THE DROP FOR ALL STATES FROM 1998 (OR CLOSEST AVAILABLE YEAR) TO 2004

The above analysis is based on the 36 states with valid data for both 1998 and 2004. These 36 states represent 81% of the foster care children in the United States who were in care at the end of FY 2004. These data are used to derive national estimates of the Rate of Coverage for 1998 and 2004, which are 53% and 47%, respectively.

To derive a national estimate of the drop for all 50 states, the rates from the 36 state analysis were applied to the national count of foster children. For states with missing data, the count from the closest available year was used.

The table below shows how the numbers for Figure 1 were derived:

Percent Decrease Based	1998	1999	2000	2001	2002	2003	2004	2005
On linear trend	53%	52%	51%	50%	49%	48%	47%	46%
Number in Care At end of Year	550,600	557,200	541,200	532,800	521,400	509,800	507,100	503,000
Estimated Eligible for IV-E	291,800	289,700	276,000	266,400	255,500	244,700	238,300	231,400
Estimate Eligible at 1998 Rate	291,800	295,300	286,800	282,400	276,300	270,200	268,800	266,600
Drop in Coverage		(5,600)	(10,800)	(16,000)	(20,800)	(25,500)	(30,500)	(35,200)

Sources

Kids are Waiting: Fix Foster Care Now (2007) *Time For Reform, Fix Foster Care Now (Appendix A)*. Available online at: <http://kidsarewaiting.org/reports/files/lookback.pdf> Washington, DC.

APPENDIX F

Partnership to Protect Children and Strengthen Families

Organizations representing public human services directors, public child welfare directors, private child and family service agencies, unions representing child welfare workers, and advocates for children, have joined together in partnership to call on the 110th Congress to join them in a renewed commitment to protect the Nation's children. The partnership will work for a system that better protects all children by:

- Supporting the full range of services necessary to prevent child abuse and neglect;
- Ensuring that all children who have been abused and neglected, including those in foster care, have the services and supports they need to heal; and
- Guaranteeing the more than half a million children in foster care the help they need not just to survive, but to thrive and return to their families, or to live permanently with adoptive families or legal guardians (often grandparents or other relatives).

We cannot afford to waste the potential of another child! It is time for the Congress to update outmoded financing strategies so the federal government can better help states prevent child abuse and neglect, protect and care for many more abused and neglected children, support a high quality child welfare workforce, and do more to increase accountability for outcomes for our most vulnerable children and their families. This year marks a decade since Congress passed major bipartisan child welfare reforms. Though progress has been made in those 10 years, much more remains to be done. It is time to build on gains made and lessons learned and for Congress to act now.

Innovations are underway in selected states and communities, but the federal-state partnership to help children and families in need must be renewed and strengthened if we are going to ensure progress for all children. Despite the efforts of creative leaders and dedicated staff, too many children today still remain in harm's way. A child is abused and neglected in America every 36 seconds. The Department of Health and Human Services reports that only six of every ten abused and neglected children get services. Those children who enter foster care remain an average of nearly two and one-half years. An estimated 114,000 children wait in foster care for adoptive or other permanent families. Eroding federal supports reach fewer than half of the children in foster care. Federal dollars for services to keep children out of care and to get them out and keep them out once they are placed fall far short of the need. The average tenure of a child welfare agency worker, who is often called upon to make life and death decisions for children, is less than two years.

It will take all of us working with others across the country to keep children safe and in nurturing families. We will need to invest additional funds and to support a broad range of services and supports – including prevention, treatment and post-permanency services. On behalf of America’s children, we ask Congress to act now to do its part.

This partnership of diverse organizations recommends a comprehensive package of reforms that will:

Guarantee services, supports and safe homes for every child who is at-risk of being or has been abused or neglected by strengthening the federal-state child welfare partnership by amending the federal Title IV-E statute to do the following without converting any of the Title IV-E to a block grant:

- Promote investments in a broad continuum of services for children and families by allowing states that offer services and supports that safely reduce their foster care caseloads and expenditures to retain the Title IV-E federal funds they would have otherwise used for foster care and reinvest those funds in a range of services and supports that prevent child abuse and neglect, provided that the state dollars no longer needed for foster care are similarly invested.
- Ensure federal, as well as state, financial support for all children when they must be placed in foster care by eliminating the income eligibility criteria applicable to Title IV-E, provided that state funds currently used for foster care are reinvested in prevention and treatment services for children who are at-risk of being or have been abused or neglected.
- Guarantee children have access to critical post-permanency services by amending Title IV-E of the Social Security Act to allow funds to be used to provide such services and supports. These services will prevent the return to foster care of children who are reunited with their parents, placed permanently with relatives or adopted from care. They will also help older youth who “age out” of foster care successfully transition to adulthood.
- Guarantee children placed permanently with legal guardians (often grandparents or other relatives) receive federal, as well as state, financial support by amending Title IV-E to allow funds to be used for subsidized guardianships, when return home and adoption are not appropriate options.
- Ensure that children living with relatives while in foster care have access to Title IV-E federal, as well as state, financial support, so long as the relatives have met state licensing standards that contain safety protections and criminal background checks.
- Assure that Native American children have access to federal support by allowing Indian tribes to have direct access to Title IV-E funding.

Promote program effectiveness:

- Improve outcomes for children by enhancing and sustaining a by competent, skilled and professional child welfare workforce allowing Title IV-E training funds to be used for training on all topics relevant to ensuring safety, permanency and well-being for children and for training to all staff who work with children who come to the attention of the child welfare system, including staff with private agencies as well as public agencies, court personnel, and those with expertise in health, mental health, substance abuse, and domestic violence services.
- Ensure that all children involved with the child welfare system receive intensive, quality casework services by increasing the Title IV-E federal match for casework services from 50 percent to the Federal Medical Assistance Percentage (FMAP) and thus increasing the capacity of child welfare agencies to address the needs of children and families. Assessments of children and families' needs, development and refinement of permanency plans, recruitment, licensing and supervision of foster and pre-adoptive parents are at the heart of child welfare casework and these activities should be reimbursed as more than simple administrative expenditures. General overhead and purely administrative expenditures would continue to be reimbursed at a 50 percent match.
- Promote rigorous evaluation of programs and practices and prevent the loss of critical child welfare funding by allowing states to reinvest penalties and disallowances back into the child welfare system to conduct evaluations of promising approaches to achieving safety, permanence and well-being for children and to implement practices and approaches that have been demonstrated to improve these outcomes for children.

Enhance accountability:

- Enhance fiscal accountability by requiring states to report annually on the funds spent on particular services and categories of services; the number of children and families provided each service; the duration of those services; and the number of children and families referred for services who are unable to access such services.
- Evaluate the effectiveness of this package of reforms five years after enactment by directing the Government Accountability Office to conduct a study of: (1) enhancements of preventive, permanency and post-permanency services; (2) changes in foster care placements; (3) recruitment, retention, and workloads of child welfare workers; and (4) improved outcomes for children who are at-risk of entering or have entered the child welfare system.

- Increase the knowledge about outcomes for children by allowing states to submit additional state level data during the Child and Family Service Review process.

The Partnership To Protect Children and Strengthen Families Includes:

The American Federation of State, County and Municipal Employees (AFSCME)

The American Public Human Services Association (APHSA)

Catholic Charities USA

The Center for Law and Social Policy (CLASP)

The Child Welfare League of America (CWLA)

The Children's Defense Fund (CDF)

National Child Abuse Coalition

Voices for America's Children

For additional information go to: <http://www.cwla.org/advocacy/nurturingfamilies.pdf>