



# Testimony

## Article II – Health and Human Services

### *Testimony Submitted to the Texas House Appropriations Committee Subcommittee on Article II*

by Andrew C. Brown, JD

Chair Capriglione and Members of the Subcommittee:

My name is Andrew Brown, and I have the privilege of serving as a senior fellow of child and family policy for the Texas Public Policy Foundation. Thank you for the opportunity to testify on our state's ongoing efforts to improve its child welfare system.

Over the last several years, a considerable amount of work has gone into addressing systemic deficiencies that have long plagued the Texas foster care system. This work is bearing fruit, and the 87th Legislature has a unique opportunity to build on the successes already achieved by reform efforts. Seizing this opportunity will require the Legislature to carefully coordinate the continued expansion and improvement of the community-based care system created by the 85th Legislature with implementation of key reforms made by the federal Family First Prevention Services Act. If done well, Texas can create a more compassionate, responsive child welfare system and become a national model for successful child welfare reform.

In 2017, the Legislature responded to ongoing problems within our state's centrally managed foster care system by enacting reforms that move the state to a community-based model that gives local private and nonprofit charities primary responsibility for caring for children in foster care in their communities. Data from the four regions of the state currently operating under community-based care show that the model is doing exactly what it was intended to do. Local providers are producing positive gains in key performance indicators such as child safety, placement stability, and placement in the least restrictive setting. Community-based care is working, and Texans are taking notice.

In a recent poll commissioned by the Texas Public Policy Foundation and conducted by WPA Intelligence, we found that [76% of registered Texas voters support the community-based model](#) for foster care. This is up from 62% who expressed support for the model in March of last year. As we analyzed the poll results, we found that the largest increases in support between March 2020 and February 2021 came from regions of the state where community-based care is operating. This suggests that Texans not only support the model on its own merits, but that their support increases when they see it in action in their own communities.

Community-based care is the future of foster care in Texas, and the Texas Public Policy Foundation fully supports its expansion statewide.

Just one year after the 85th Legislature created community-based care, the federal [Family First Prevention Services Act](#) was signed into law. This landmark piece of legislation is widely considered one of the most dramatic overhauls in more than 30 years of how the federal government funds child welfare services. Its goals of preventing children from entering foster care by strengthening families and reducing reliance on institutional placements for children are important steps toward creating a more compassionate and effective child welfare system. We believe that these are important goals and support the act's underlying principle of family preservation. However, we also caution that there are numerous challenges associated with the implementation of Family First and recommend that Texas take a more limited, fiscally responsible approach.

Given the constraints on time, I will briefly address two primary challenges. I have submitted a [research paper](#) that includes a more detailed analysis of Family First and recommendations for implementation in concert with the expansion of community-based care.

One major issue that Texas faces in implementing Family First is a lack of service capacity in the areas of prevention and qualified congregate care facilities. With respect to prevention, the [implementation plan](#) submitted by the department in September of last year shows that only 13 evidence-based prevention services models utilized by the department are currently approved for reimbursement through Family First. The actual number, however, is much smaller as the department's plan shows that only 7 of the 13 programs currently have a provider operating the program. It is imperative that Texas increase its capacity of qualifying prevention programs before moving forward with implementing this optional portion of Family First.

To aid in this effort, the federal government provided states with a one-time grant to support activities directly associated with implementation of Family First. Texas was awarded approximately \$50.3 million for this purpose, of which the department has already spent \$16.4 million on information technology upgrades, leaving [\\$33.9 million remaining](#). We recommend that a portion of these funds be utilized for building prevention capacity by identifying and scaling community-driven programs that are achieving measurable success at preventing children from entering foster care.

Another capacity problem standing in the way of successful implementation of Family First relates to the placement of children in institutional settings. To reduce the number of children in these types of placements, Family First limited the amount of time federal funds may be used to care for a child in an institutional setting to a maximum of 2 weeks. This limitation does not apply to certain facilities that are accredited as qualified residential treatment programs. Unfortunately, Texas currently does not have a single qualified residential treatment program, and bringing current facilities up to the standards set by Family First will prove to be a costly endeavor.

However, thanks to community-based care, Texas is finding success at reducing the number of children placed in institutional settings. Recent data show that approximately 3 out of 4 children served in community-based care regions are in the least restrictive setting. In [Region 3b](#), for example, shelter utilization decreased by 55% and placements of children in residential treatment facilities decreased by 17.5% between 2018 and 2019. Additionally, the [foster care rate methodology report](#) published earlier this month showed that the daily blended rate utilized to pay for foster care services in community-based care regions is effective at incentivizing the placement of children in less restrictive settings. While the report noted that the blended rate needs some adjustments to provide community-based providers with greater flexibility, this new way of paying for foster care services is helping achieve the goal of reducing reliance on institutional placements. Based on this evidence, we recommend that in addition to working toward increasing service capacity, the state should prioritize investing in the expansion of community-based care statewide to significantly reduce the need for heightened levels of care.

The [research paper](#) I submitted with my testimony provides a more in-depth analysis of the Family First Act and the options for implementation that the Legislature can pursue. Regardless of the option selected, our efforts must be linked with the continued expansion and improvement of community-based care.

Thank you for your time and your work on behalf of our state. I am happy to answer any questions.

## The Facts

- There are nearly 48,000 children in the care of the Department of Family and Protective Services.
- Regions operating under the [community-based care](#) model are achieving positive results, often out-performing the state-run legacy system, for children in their care.
- Community-based care is currently operating in four regions of the state— Region 1 (Lubbock/Amarillo), Region 2 (Abilene/Wichita Falls), Region 3b (Fort Worth), and Region 8a (Bexar County).
- 76% of registered Texas voters support giving local private and nonprofit charities more responsibility for caring for and managing the cases of children in foster care through community-based care.
- The deadline for Texas to implement the federal [Family First Prevention Services Act](#) is October 1, 2021.
- According to the DFPS implementation plan for Family First, only seven prevention programs approved by the federal government to receive funding under the act have a current provider operating them in Texas.
- Texas does not have a single qualified residential treatment program to serve the highest-needs children.
- Community-based care is already making progress at achieving goals set by the Family First Act. For example, innovations in Region 8b decreased shelter utilization by 55% and placements in residential treatment facilities by 17.5% between Q1 2018 and Q1 2019.
- The foster care rate methodology report found that the blended rate utilized in community-based care regions is effective at incentivizing the placement of children in less restrictive settings. This report recommended adjusting the rate to provide community-based providers with greater flexibility in serving children.

## Recommendations

- Expand community-based care to every region of the state by the end of FY 2025 by fully funding implementation.
- Provide local communities with greater autonomy in planning and implementing CBC in their region.
- Facilitate innovation in programs and services through community-based care by increasing flexibility in funding provided to lead agencies.
- Take a more limited, fiscally responsible approach to achieving compliance with the Family First Prevention Services Act in light of the tight budget cycle and challenges associated with full-scale implementation.
- Ensure that Family First Act compliance activities are done in concert with the continued expansion and improvement of community-based care.
- Ensure that federal dollars received through the Family First Transition Act are directed toward building service capacity needed for Family First Act compliance and not redirected to meet short-term needs or full budget gaps. ★

## ABOUT THE AUTHOR



**Andrew C. Brown, JD**, is the distinguished senior fellow of child and family policy at the Texas Public Policy Foundation.

Brown has dedicated his career to serving vulnerable children and strengthening families through community-focused, liberty-minded solutions. As an attorney, he has represented children in the child welfare system, advocated for the rights of parents, and helped build families through domestic and international adoption.

Andrew earned his BA magna cum laude in political science from Baylor University and his JD from Southern Methodist University Dedman School of Law. He is licensed to practice law in Texas and Virginia. His work on international adoption law and other child welfare issues has been published in leading legal journals and respected media outlets.

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