



Maintain Current Funding for Foster Care Reimbursement Rates!

Foster Care Payments (DFPS, Strategy B.1.11.) is currently budgeted at \$704 million for FY2012/13, in both HB1 and SB1, a cut of 12% (after including caseload growth)

An effective substitute care system requires adequate funding

◆ **Reimbursement rates are well below actual costs:** Current rates paid to agencies that house and care for children in state conservatorship, are far below their actual costs. With the proposed cuts, the rates cover only 59% of actual cost of care for shelter services; 71% for residential treatment centers; and 81% for basic care services. In order to survive, these programs must raise the remainder from their communities. The economic crisis has resulted in reduced charitable giving, thus the private sector is currently even less able to pay the difference than before.

◆ **Full funding is vital to implementing foster care redesign:** Any reduction in funds would jeopardize implementation of the changes envisioned by the “Foster Care Redesign” initiative. This set of recommendations, developed collaboratively by key stakeholders and DFPS, would accomplish significant improvements to the foster care system; such as keeping children within their communities and with sibling groups, increasing the focus on maintaining family connections, and rewarding providers for successful work, rather than the built-in financial disincentives that currently exist.

◆ **Cuts would move system backwards and undermine important progress:** The proposed cuts would leave providers without sufficient resources to maintain requirements imposed by changes to Minimum Licensing Standards, implemented in 2007. Current rates were an important (if only partial) step toward funding a rate methodology, developed by HHSC, that represents costs spread across the current four-level system of care (collapsed from the previous six-level system).



Abused & neglected children deserve a quality experience in foster care

◆ **Funds Pay for Essential Services:** Children in foster care deserve no less than all our children! Reimbursement rates ensure that at least the minimal needs of children in foster care are met. They pay for food, shelter, clothing, case management, educational support, transportation to visit parents and siblings, assessment and development of service plans, access to physical, dental and behavioral health services, and coordination of community resources and supports. Quality service delivery helps children move more quickly through foster care, and find a permanent home through family reunification, adoption, or relative care.

◆ **Services are already in Jeopardy:** Too many residential and emergency shelter providers are in jeopardy of closing due to inadequate funding levels; several have closed already. In addition to more closures, cuts are likely to increase the number of children forced to sleep in state offices.

◆ **Link to Criminal Justice System:** 37% of Texas Youth Commission (TYC) offenders have a documented history of abuse or neglect. A quality foster care system is needed to most effectively help foster youth avoid criminal involvement.

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