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## Early Learning & Children's Services Committee

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### HB 2106

**Brief Description:** Improving child welfare outcomes through the phased implementation of strategic and proven reforms.

**Sponsors:** Representatives Kagi, Roberts, Kenney and Morrell.

#### Brief Summary of Bill

- Requires the Department of Social and Health Services (DSHS) to implement in one demonstration region a core set of performance-based contracts for evidence-based interventions for families at risk of having children enter the foster care system.
- Requires the DSHS to report to the Legislature and the Governor by November 2009 with a plan to begin implementation of the contracts in January 2010.
- Directs the Caseload Forecast Council, the Office of Financial Management, and the DSHS to report back to Legislature and the Governor by November 2009 with procedures necessary for reinvesting savings from reduced foster care caseloads into evidence-based early intervention services to families to prevent children from entering the foster care system.

**Hearing Date:** 2/17/09

**Staff:** Sydney Forrester (786-7120)

#### **Background:**

##### Report from the Washington State Institute for Public Policy.

The 2007 Washington State Legislature directed the Washington State Institute for Public Policy (Institute) to study evidence-based, cost-effective programs and policies to reduce the likelihood of children entering and remaining in the child welfare system, including prevention and intervention programs. In its analysis, the Institute focused on three key questions:

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1. Is there credible evidence that specific programs “work” to improve these outcomes?
2. If so, do benefits outweigh program costs?
3. What would be the total net gain to Washington if these evidence-based programs were implemented more widely across the state?

The Institute conducted a systematic review of 74 rigorous comparison group evaluations of programs and policies to identify what works to improve child welfare outcomes. The Institute then estimated the monetary value of the benefits to Washington if these programs were implemented in the state. In estimating monetary value the Institute examined factors such as reduced child welfare system expenditures, reduced costs to the victims of child maltreatment, and other long term outcomes to participants and taxpayers, such as improved educational and labor market performance, and lower criminal activity.

The Institute estimated the statewide benefits of implementing an expanded portfolio of evidence-based programs and found that after five years of implementing such a strategy, Washington would receive long-term net benefits between \$317 and \$493 million (of which \$6 million to \$62 million would be net taxpayer benefits). Several of the cost-effective evidence-based programs listed in the expanded portfolio are offered and available to a limited degree in the state, including:

- Homebuilders program for intensive family preservation;
- Parent-Child Interaction Therapy;
- Nurse Family Partnership home visitation program; and
- Parents as Teachers.

#### Foster Care Budgeting.

Budgeting for the state's share of foster care costs includes use of information developed by the Caseload Forecast Council. State appropriations for foster care are increased or reduced depending on the forecasted caseload. When the Department of Social and Health Services (DSHS) is successful in reducing foster care caseloads through implementation of prevention and intervention programs and policies, the savings from reduced caseloads are not available to be used for reinvestment into sustaining or expanding these programs to achieve long-term statewide reforms.

Experts in foster care reform frequently emphasize the importance of implementing a reinvestment strategy as the means to sustain and expand prevention and early intervention programs designed to strengthen permanent families and thereby reduce foster care caseloads and improve long-term child welfare outcomes.

#### **Summary of Bill:**

The DSHS is directed to collaborate with community partners and stakeholders in one demonstration region to develop a plan for implementing a core set of performance-based contracts to deliver evidence-based and promising practices to families at-risk of a child entering the foster care system. The implementation plan must describe:

1. the array of services to be delivered under the contracts in order to allow providers flexibility to offer relevant and appropriate services depending on the family's needs;
2. the outcome measures to be used in evaluating performance under the contracts;

3. how families will be referred, and a process for continued communication between the provider and the DSHS to assure child safety and promote family engagement; and
4. the optimum balance of shared responsibility between the state and community-based providers for child protection and child welfare.

The Children's Administration (CA) of the DSHS shall, when selecting a demonstration region, consider the capacity to deliver evidence-based prevention and early intervention programs, including those programs identified in the Institute's July 2008 report; the willingness and ability of the community and stakeholders to collaborate in developing the plan by the reporting date; and the existence of any multidisciplinary or multisystem work groups in the region already engaged in performance improvement or reform efforts.

By November 30, 2009, the CA must report to the Governor and the Legislature with a plan to begin implementation by January 1, 2010. By December 1, 2010, the CA must provide a status update and recommendations for continue progress.

One or more knowledgeable representatives from the Caseload Forecast Council, the Office of Financial Management, and the DSHS jointly must develop procedures to allow for the savings in the demonstration region resulting from reduced foster care caseloads to be reinvested in the demonstration region to support evidence-based and promising practices to prevent the need for or reduce the duration of foster care placements. The agencies shall brief the Governor and the Legislature by November 30, 2009, regarding the accounting, budgeting, and allocation or other procedures developed to begin implementing the reinvestment strategy beginning January 1, 2010.

**Appropriation:** None.

**Fiscal Note:** Requested on February 10, 2009.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.