FEDERAL, STATE, AND LOCAL SPENDING TO ADDRESS CHILD ABUSE AND NEGLECT IN SFY 2012

Child Trends

casey family programs

THE ANNIE E. CASEY FOUNDATION

by Kerry DeVooght, Megan Fletcher, and Hope Cooper | September 2014

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Representatives from Massachusetts, Minnesota, and Utah also pilot-tested the survey instrument for us, and we are thankful for their efforts. The feedback from the pilot-testers was essential in helping us create a data collection tool that would minimize burden on state respondents while maximizing the likelihood of obtaining accurate and meaningful data.

Finally, we thank the Urban Institute for the contributions of their prior child welfare financing surveys, published through the *Assessing New Federalism Project*, upon which the current research was built. The Urban Institute's data collection instruments were used as models for the current effort. This report references data previously collected and published by the Urban Institute, and we are grateful for the ability to provide a historical perspective on child welfare financing by using their data in this manner.

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EXECUTIVE SUMMARY

For nearly 20 years, researchers have been conducting a biennial survey of state child welfare agencies to track and monitor child welfare financing in the United States. For the past several years, the survey, which collects state-by-state child welfare financing data not otherwise available, has been made possible by generous contributions from the Annie E. Casey Foundation and Casey Family Programs. This report, prepared by Child Trends, presents findings from the most recent iteration of the survey (the 8th), which examined federal, state, and local child welfare expenditures in state fiscal year (SFY) 2012. [i] The findings are also available online at www.childwelfarepolicy.org, where stakeholders can access tables or view the survey's national and state-level results in multiple displays.

As this report shows, state child welfare agencies rely on multiple funding sources to finance the broad scope of child welfare services and activities they conduct on behalf of vulnerable children and families. Due to a variety of considerations—ranging from program rules to emerging best practices to local need—each state takes a unique approach to financing its child welfare system. Patterns of state child welfare financing can, and often do, change from year to year. In fact, data show that some states experience significant volatility from one year to the next. In presenting the findings, we provide as much explanation and supporting information as possible based on information received from states as well our knowledge of the data, policies, and practices. However, it is not always possible to provide insights or reasons for spending shifts and patterns, since the survey did not collect detailed data on all uses of child welfare expenditures.

Key findings show some continued trends, but also reveal new and interesting spending patterns. Most notably, the data show an overall decline in expenditures by child welfare agencies in the U.S.—the first decline since the survey began in SFY 1996. Also of particular note is the measurable decrease in federal funds over the two year period the survey examined (SFYs 2010-2012), and the finding that federal expenditures on child welfare activities are at their lowest level since the SFY 1998 survey.

Other findings indicate that trends identified by previous surveys are continuing, including that the Title IV-E program again represents the largest federal funding source nationally. The survey also documents a continued decrease in the percentage of children eligible for federal Title IV-E foster care reimbursement, due in large part to the income eligibility test. As has been the case with previous surveys, there are considerable differences in states' use of federal, state, and local funds. Many figures are included to display these differences across states and over time. In addition to the findings and analyses provided in the body of the report, readers may be interested in the detailed data contained in the Appendices.

Key Findings:

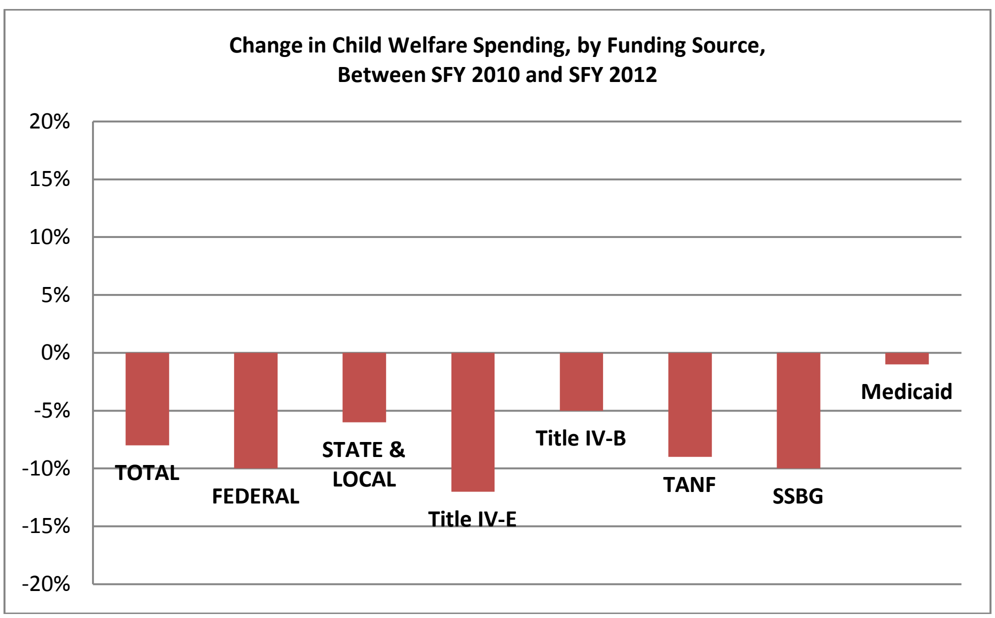
Overall Child Welfare Spending:

- **Total U.S. child welfare spending decreased for the first time since the survey began (SFY 1996).** States spent over $28 billion from federal, state, and local sources on child welfare activities in SFY 2012. Between SFYs 2010 and 2012, total child welfare spending decreased by 8 percent ($2.3 billion). This represents the first instance of a decrease in spending across a two-year period since the survey began in SFY 1996. It also represents a change in the trendline from prior years, which showed steady, gradual increases in total expenditures over time.

- **All federal funding sources declined since SFY 2010, and total federal spending was at its lowest level since SFY 1998.** The $12.7 billion in federal dollars that states spent on child welfare in SFY 2012 represents the lowest total federal amount since SFY 1998. Each major federal funding source examined—Title IV-E, Title IV-B, Temporary Assistance for Needy Families (TANF), the Social Services Block Grant (SSBG), Medicaid, and "other"—saw decreases in expenditures compared to SFY 2010.

- **The federal share of total child welfare expenditures decreased since SFY 2010, while the combined state/local share increased.** In SFY 2012, federal funds accounted for 45 percent of all spending (down from 46 percent in SFY 2010), while state dollars accounted for 39 percent, and local dollars 16 percent. Combined, state and local funds comprised more than half of all expenditures (approximately 55 percent) on child welfare in SFY 2012, up from 54 percent in SFY 2010.

- **Total federal expenditures and combined state and local expenditures decreased since SFY 2010.** In SFY 2012, states spent $12.7 billion in federal funds, $10.9 billion in state funds, and $4.6 billion in local funds on child welfare. Between SFYs 2010 and 2012, federal spending declined by 10 percent, and combined state and local spending declined by 6 percent. Expenditures from the SFY 2010 survey included temporary enhanced federal reimbursements that states received as a result of the American Reinvestment and Recovery Act (ARRA), and thus a decrease in federal dollars since that time is not surprising. However, the magnitude of the decrease exceeds the contributions of ARRA, suggesting additional factors are at play. Within the state/local category, state dollars decreased by 16 percent, while local dollars increased by 33 percent; however, the notable increase in local spending seems primarily driven by two large states: California, which had a shift in the structure of its child welfare financing system in 2011, and Ohio, which reported accounting system changes. Detailed information about the changes in each major category of spending (federal, state, and local) is contained in the report.



- **States showed tremendous variation in reliance on particular funding streams.** Some states relied heavily on federal dollars to finance their child welfare activities (with federal funds accounting for 61 percent or more of all dollars spent on child welfare in six states), while others primarily used state or local funds. Ten states reported that the major federal sources of "non-dedicated" funds (those not exclusively dedicated to child welfare: TANF, SSBG, and Medicaid) accounted for 20 percent or less of all federal funds spent on child welfare, while in 12 states these sources accounted for more than half of all federal funds spent.

Spending of "Dedicated" Federal Child Welfare Funds:

- **Expenditures from the Title IV-E program comprised more than half of all federal dollars spent on child welfare.** In SFY 2012, Title IV-E accounted for approximately 51 percent of all federal funds and represented the largest category of federal expenditures—consistent with previous years' findings. The second largest federal funding stream for SFY 2012 was TANF (22 percent of all federal dollars spent on child welfare), followed by SSBG (12 percent), Medicaid (8 percent), Title IV-B (5 percent), and "other" (3 percent). This national breakdown of federal sources is similar to the SFY 2010 finding, with slight changes (of 1 percent in either direction) in certain categories. There are significant state variations in reliance on various federal funding streams, however, which are discussed in this report.

- **Federal expenditures from the Title IV-E Foster Care Program continue to decrease.** In SFY 2012, states spent over $3.3 billion in federal Title IV-E Foster Care funds *(excluding* expenditures under a Title IV-E waiver demonstration project), which represents an 11 percent decrease from the amount spent on the Title IV-E Foster Care Program in SFY 2010. The decline in Title IV-E Foster Care is likely related to the elimination of the enhanced reimbursements states received due to ARRA, and the reduced numbers of children in foster care since 2010, as well as decreasing numbers of children eligible for Title IV-E maintenance payments due to the policy that links eligibility to the defunct Aid for Families with Dependent Children program. Analysis of this and other components of Title IV-E Foster Care are presented in the report.

- **Federal expenditures from the Title IV-E Adoption Assistance Program decreased for the first time since the survey began (SFY 1996).** Federal Title IV-E Adoption Assistance Program expenditures were over $2.2 billion in SFY 2012—representing a decrease of 11 percent from SFY 2010 amounts. After continual increases since the SFY 1996 survey, federal Title IV-E Adoption Assistance spending showed its first decline in SFY 2012. This finding was unexpected, as it was anticipated that Adoption Assistance dollars would continue to increase (or remain level), particularly due a federal policy change through the Fostering Connections to Success and Increasing Adoptions Act of 2008 (P.L. 110-351; also referred to as "the Fostering Connections Act"), which resulted in a phased-in removal of the income-eligibility requirement for Title IV-E Adoption Assistance. Contributing factors for the decline likely include the cessation of the enhanced reimbursement rates due to ARRA, as well as a decrease in the number of children eligible for Title IV-E adoption assistance payments.

- **Most Title IV-E foster care administration and placement dollars fund case planning and pre-placement services.** Nationally, case planning and pre-placement services accounted for approximately 72 percent of the total Title IV-E foster care administration and placement dollars spent in SFY 2012. "Administration and overhead" expenses accounted for around 28 percent of dollars spent in this category. This was similar in prior years, when dollars expended on case planning and pre-placement activities far exceeded those in the "administration and overhead" category.

- **National Title IV-E foster care and adoption penetration rates continue to decrease.** Nationally, the percent of children in out-of-home placements for whom states receive federal reimbursement for Title IV-E foster care maintenance payments (i.e., the "foster care penetration rate") was approximately 52 percent in SFY 2012. This is down from around 55 percent in SFY 2010, and represents a drop of nearly nine percentage points from SFY 2002 (when it was around 60 percent). For children adopted from foster care receiving an adoption subsidy, approximately 78 percent were supported by a Title IV-E adoption assistance payment in SFY 2012 (i.e., the "adoption penetration rate"). The rate was slightly higher in SFY 2010, at around 79 percent. The national adoption penetration rate has declined steadily over the past decade, but more gradually than the foster care rate, down from approximately 81 percent in SFY 2002.

- **More than half of children ineligible for Title IV-E Foster Care are determined ineligible due to parent income.** The survey investigated the reasons associated with children being determined ineligible for Title IV-E foster care reimbursement**.** In the 33 states providing information about the proportion of children who were Title IV-E ineligible due to the income of their parents (as at least one of the reasons the child was found ineligible), approximately 52 percent of children were ineligible for this reason.

- **Most states are unable to report savings from revised eligibility criteria for Title IV-E Adoption Assistance.** The survey included a new question to gather information about the savings states accumulated in SFY 2012 due to the revised eligibility criteria for Title IV-E Adoption Assistance as a result of the Fostering Connections Act. States were asked to report the amount of savings the state computed for SFY 2012. Of the 50 states that answered this question, the majority (33) responded that they were "unable to provide" the savings. Of the 17 states that provided an amount, five of these states reported $0 in savings. When asked to describe their methodology (regardless of whether they were able to report savings), fewer than half of states provided a description. As federal guidance requires states to certify in their state Title IV-E state plan that this requirement is being met, and to devise a methodology for calculating such savings, these findings are notable.

Spending of "Non-Dedicated" Federal Child Welfare Funds:

- **Child welfare activities most commonly supported by TANF and SSBG dollars are: (1) foster care services, (2) protective services, and (3) administrative costs.** A new question on the SFY 2012 survey sought information about how states are using TANF and SSBG dollars with respect to child welfare. States reporting that they spent these dollars on child welfare services in SFY 2012 were asked a follow-up question about how the dollars were spent. Specifically, they ranked the top three services or activities (from a provided list) that the TANF or SSBG dollars were used to support. Both the TANF and SSBG questions produced the same overall findings, with the categories of foster care services, protective services, and administrative costs receiving the greatest total numbers of first, second, or third rankings by states.

- **Medicaid expenditures on child welfare services show a more modest decline than in previous years.** Child welfare agencies spent approximately $1 billion in Medicaid dollars in SFY 2012 for child-welfare-related services, such as rehabilitative services, targeted case management, and medically-necessary services for children in treatment foster homes. This represents a minor decrease of 1 percent in Medicaid expenditures on child welfare since SFY 2010. This finding contrasts with the prior report, which found steep decline in Medicaid expenditures between SFYs 2006 and 2010. We include a discussion of important considerations in interpreting these findings later in the report.

LIST OF FIGURES & TABLES

I. INTRODUCTION

Child welfare agencies in the United States are charged with ensuring the safety, permanency, and well-being of children who have been abused or neglected, and those deemed at risk of abuse or neglect. Agencies in each state provide and fund a range of services to children, families, and communities, designed to protect and promote the welfare of victimized and at-risk children and youth.

In federal fiscal year (FFY) 2012 (October 1, 2011 – September 30, 2012), child welfare agencies received an estimated 3.4 million referrals of alleged child abuse or neglect, which involved around 6.3 million children (U.S. DHHS, 2013a). Nearly 3.2 million children were the subject of an investigation or assessment, with approximately 21 percent of those children (678,810) determined to be victims of abuse or neglect (U.S. DHHS, 2013a). Some children who have experienced maltreatment, or are determined to be at risk of maltreatment, may be able to receive appropriate protections in their own homes, while others need to be removed and placed in the public child welfare agency's custody and care. On September 30, 2012, approximately 397,000 children were in foster care in the United States (U.S. DHHS, 2013b). An estimated 638,000 children were served by the foster care system in FFY 2012, a figure that accounts for all children in foster care on the first day of the fiscal year and the children who entered care during the year (U.S. DHHS, 2013b).

To fulfill their mandate, child welfare agencies provide a broad array of services to children and families. For the purposes of this report, we define "child welfare" to comprise the following services and activities administered by the child welfare agency:

- services for children and families to prevent abuse and neglect;
- family preservation services;
- child protective services (intake, family assessment, investigation, and case management);
- in-home services;
- out-of-home placements; and
- adoption and guardianship services and supports.

In carrying out their responsibilities, most child welfare agencies use a combination of federal, state, and local funding sources. Within these sources are multiple funding streams, each accompanied by its own program requirements, service definitions, and eligibility rules. The multiple avenues and mechanisms for financing child welfare activities result in a multi-layered financing system that may change significantly from year to year, and can be susceptible to shifting priorities or major events at any level.

An accounting of child welfare expenditures in the U.S. continues to be critical for policymakers, agency administrators, advocacy groups, and practitioners to understand the challenges and opportunities through which states address the needs of their most vulnerable children and youth. This report represents the eighth time that state-level child welfare financing data have been collected through a national survey.[ii]

With support from the Annie E. Casey Foundation and Casey Family Programs, Child Trends requested and received financial data from 49 states, the District of Columbia, and Puerto Rico, for a total of 51 participating "states." (For the purposes of the survey, D.C. and Puerto Rico are considered to be "states" and referred to as such throughout this report.) Hawaii did not submit a survey for SFY 2012; however, where possible, we have incorporated fiscal information for the state based on data from the U.S. Department of Health and Human Services, as well as corresponding required state matching funds. Appendix J contains a detailed description of the study's methodology.

This report summarizes key findings from states' reports of expenditures from federal, state, and local funding sources for SFY 2012, and highlights changes from previous years. We focus primarily on the changes in child welfare expenditures between SFYs 2010 and 2012,[iii] but also offer comparisons to SFY 2002 to illustrate changes over the past decade. Additionally, whenever possible, we provide detail regarding state variation.

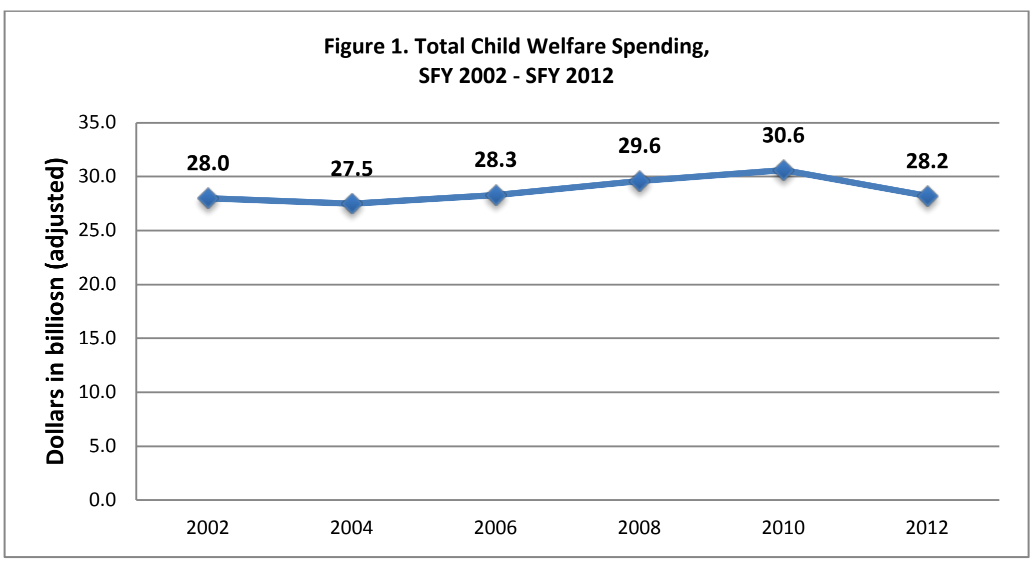
To enable accurate comparisons, all dollar amounts from previous years have been inflated to 2012 levels, using the gross domestic product deflator. States also had the opportunity, via the SFY 2012 survey, to provide corrections to data that had been previously submitted, and several states provided revisions to one or more funding categories to data published in prior years. These changes to states' historical data have been incorporated for the current report's comparisons with earlier years. We have also provided revised data for SFY 2010 in Appendix D.[iv]

Although we received data from 51 states for SFY 2012, some states did not provide all requested information. As a result, the financial information reported here is likely an underestimate of actual amounts. Additionally, because the survey instrument itself has been revised over the eight rounds, some data are not directly comparable to other years. Throughout the report, we note instances in which states were unable to provide complete information about a particular category, or when a comparison between years is not possible. We include an extensive notes section at the end of this report (Appendix K), which details the data challenges and limitations in detail.

II. TOTAL CHILD WELFARE SPENDING

KEY FINDING: *Total child welfare expenditures decrease notably since SFY 2010*

States spent over $28.2 billion from federal, state, and local sources on child welfare activities in SFY 2012. Between SFYs 2010 and 2012, total child welfare spending decreased by 8 percent ($2.3 billion), based on analysis of 51 states.[v] This finding is noteworthy, as it represents the first decrease in spending across a two-year period since the survey began in SFY 1996. It also represents a change in the trendline from prior years, which showed steady, gradual increases in total expenditures. Figure 1 illustrates total spending on child welfare services every two years since SFY 2002.



Sources: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys

Note: Amounts have been adjusted for inflation and represent 2012 dollars. Includes data from all 52 states and represents total expenditures for each year. However, the number of states providing complete data for each round of the survey varies. Therefore, the amounts depicted in the graph may not be directly comparable and are likely an underestimate of true total spending. Of particular note here is that NY and WI—which use a notable amount of local funds on child welfare—did not report local expenditures on the SFY 2004 survey; thus, the SFY 2004 total presumed to be an underreporting of true national spending. Thus, despite the appearance of a decline between SFYs 2002 and 2004, according to the graph, when particular states are excluded from the comparisons based on completeness of data, an *increase* is actually seen between the two years.

STATE VARIATION: *Most states experience decreases, but wide variation in expenditure changes exists between SFY 2010 and SFY 2012*

Despite a decrease in overall child welfare expenditures between SFYs 2010 and 2012, the direction and magnitude of change varied considerably among states, with 36 states reporting a decrease in total spending, and 14 states reporting an increase between the two years (with one state showing no measurable change).[vi] Among the 51 states that provided sufficient data for both rounds of the survey, the median change between SFYs 2010 and 2012 was a 5 percent decrease.[vii]

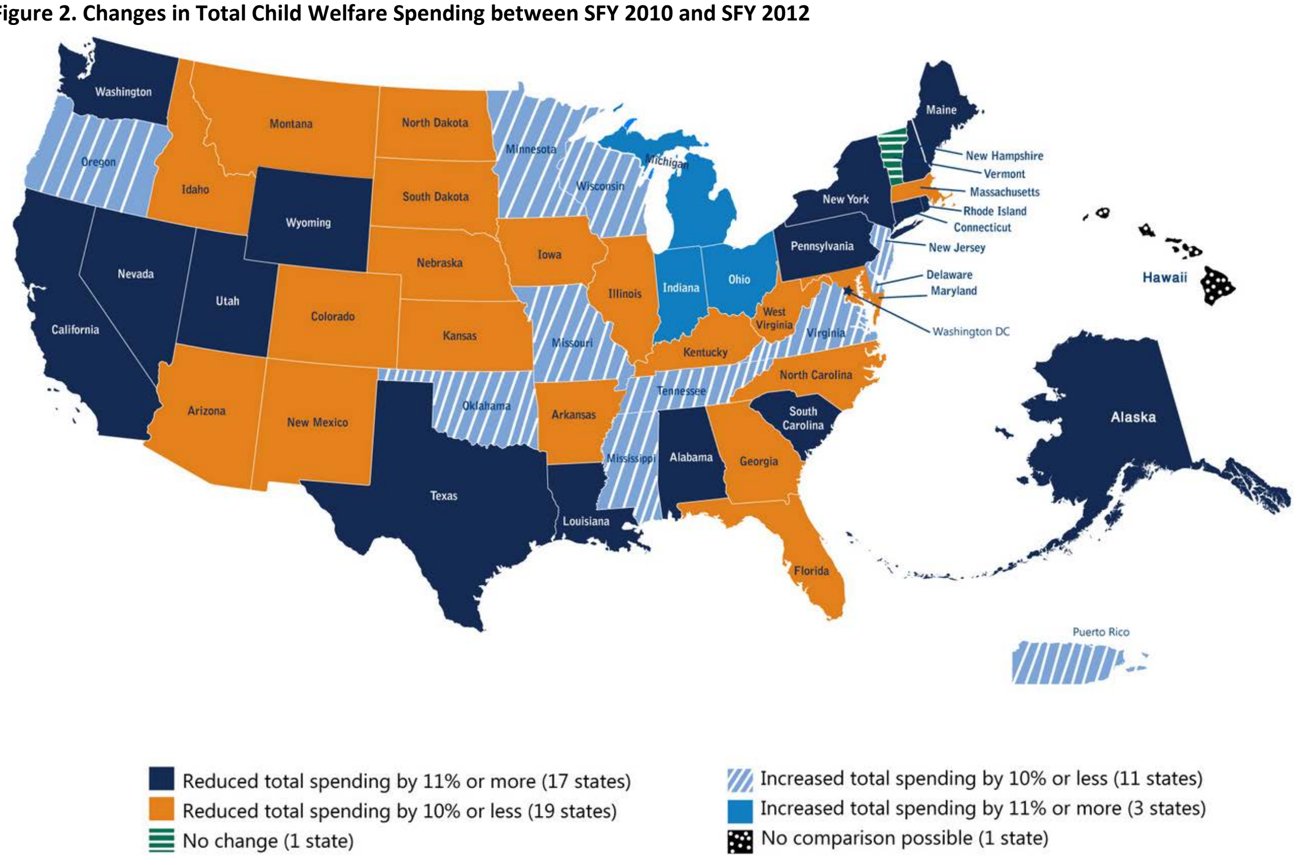
Of the 36 states with decreases in total child welfare spending between SFYs 2010 and 2012, the percent change ranged from 1 percent to 39 percent, with a median decrease of 9 percent. Nineteen states reported relatively small reductions of 10 percent or less, while three states reported large decreases of more than 30 percent in that time period.

Of the 14 states reporting increases in total spending, the percent change ranged from 1 percent to 65 percent, with a median increase of 6 percent. Eleven states reported increases of 10 percent or less, while three states had increases of 11 percent or more.

These data underscore the volatility in state spending on child welfare from year to year, and the wide variation in expenditure changes across states—a consistent finding from this survey over time. Figure 2 illustrates the state-by-state changes in total child welfare spending between SFYs 2010 and 2012.

States with largest % increase in total spending between SFYs 2010 & 2012	
Ohio	+65%
Michigan	+35%
Indiana	+15%
Puerto Rico	+10%
Delaware	+9%
States with largest % decrease in total spending between SFYs 2010 & 2012	
Louisiana	-39%
Nevada	-36%
New Hampshire	-35%
Wyoming	-27%
Connecticut	-25%

Figure 2. Changes in Total Child Welfare Spending between SFY 2010 and SFY 2012

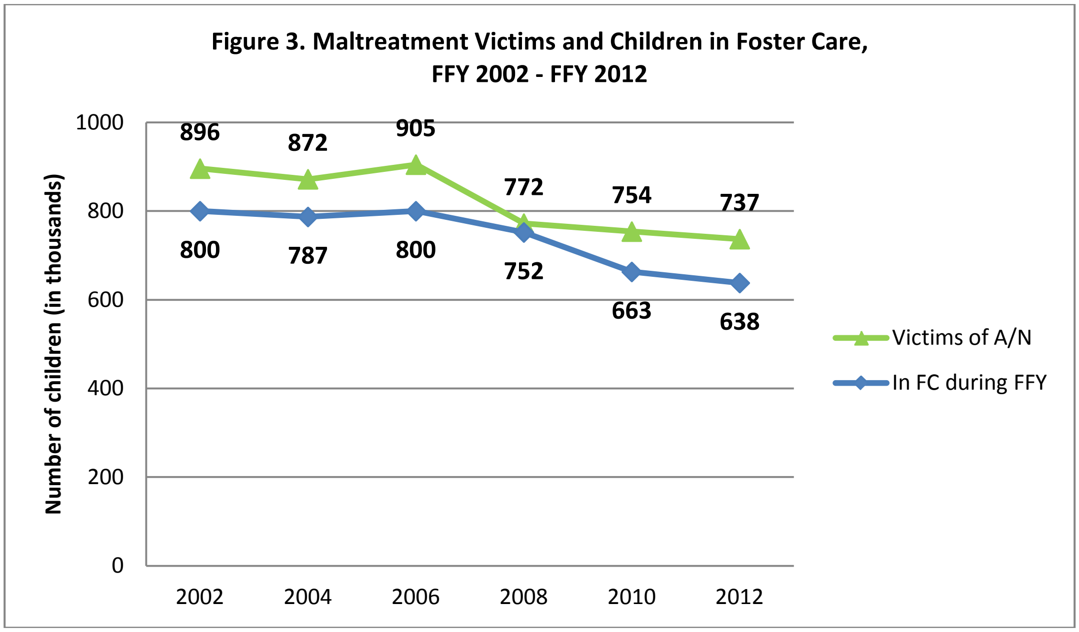


Sources: 2008/2010 Casey Child Welfare Financing Survey and 2012 Casey Child Welfare Financing Survey
Note: SFY 2010 amounts have been adjusted for inflation to 2012 levels.

ACROSS THE DECADE: *Total expenditures increase since SFY 2002, while foster care and maltreatment caseloads decrease*

When compared to SFY 2002, total child welfare expenditures in SFY 2012 represent a modest increase of 1 percent, based on an analysis of 47 states.[viii] Over the decade, viewing the changes in expenditures alongside changes in the foster care and maltreatment caseloads raises interesting questions about the potential relationship between these two factors.

Figure 3 depicts child welfare caseloads in the U.S. since SFY 2002, including the total number of children in foster care during the FFY and the number of children determined to be victims of maltreatment that year.



Sources: Data from the U.S. Department of Health and Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau (US. DHHS, 2013a, 2013b, 2011, 2010, 2008, 2006, & 2004)
Notes: "Victims of abuse and neglect" reflects national estimates based on duplicate counts (i.e., a child was counted each time s/he was determined to be a victim of maltreatment); 2012 estimate computed by author based on available data in U.S. DHHS 2013a.

As the graph shows, a continual (and occasionally steep) decline in both indicators has occurred since 2006. Further, both categories show a decline between the 2002 and 2012 totals. Between those two years, the maltreatment numbers declined by 18 percent and the foster care caseload declined by 20 percent. Although some states have seen increases in their caseloads over time, the national picture shows a clear and consistent trend downward in these child welfare populations in recent years.

If child welfare expenditures simply followed changes in maltreatment or foster care caseloads, we might anticipate that declines in spending would have occurred across each biennium since 2006 as well. However, data from our previous surveys show that this is not in fact the case. Small *increases* in child welfare spending occurred between SFYs 2006 and 2008, and again between SFYs 2008 and 2010, as well as an increase in overall expenditures across the decade between SFYs 2002 and 2012.

Additionally, although the current survey found the first decrease in total expenditures across a two-year period since the survey began—declining by 8 percent between SFYs 2010 and 2012—the changes in caseloads between those two years are actually quite modest, when compared to changes between other biennia. That is, between 2010 and 2012, total maltreatment numbers declined by 2 percent and the national foster care caseload by 4 percent. We can compare this statistic to the changes between 2006 and 2008, for example, when maltreatment numbers declined by 15 percent and foster care rolls by 6 percent; yet total expenditures showed a slight increase between those two years.

Thus, it is evident that changes in maltreatment and foster care caseloads cannot alone explain expenditure changes—and in fact, historical data show that expenditures have sometimes *increased* during times of declines in these populations. Various factors might account for what at first glance may seem counterintuitive (increased spending over the decade in times of marked caseload declines)—such as the fact that child welfare agencies serve a greater number of children and families than those represented by maltreatment and foster care caseload data. For instance, children and families receiving prevention, family support, or post-adoption services might not be captured in these annual counts. Further, with many states using differential response systems to respond to certain low-risk referrals, or expanding the practice of having children live with relatives rather than coming into the agency's custody, it seems clear that some portion of a child welfare agency's efforts may fall outside of the federally-counted populations shown above.

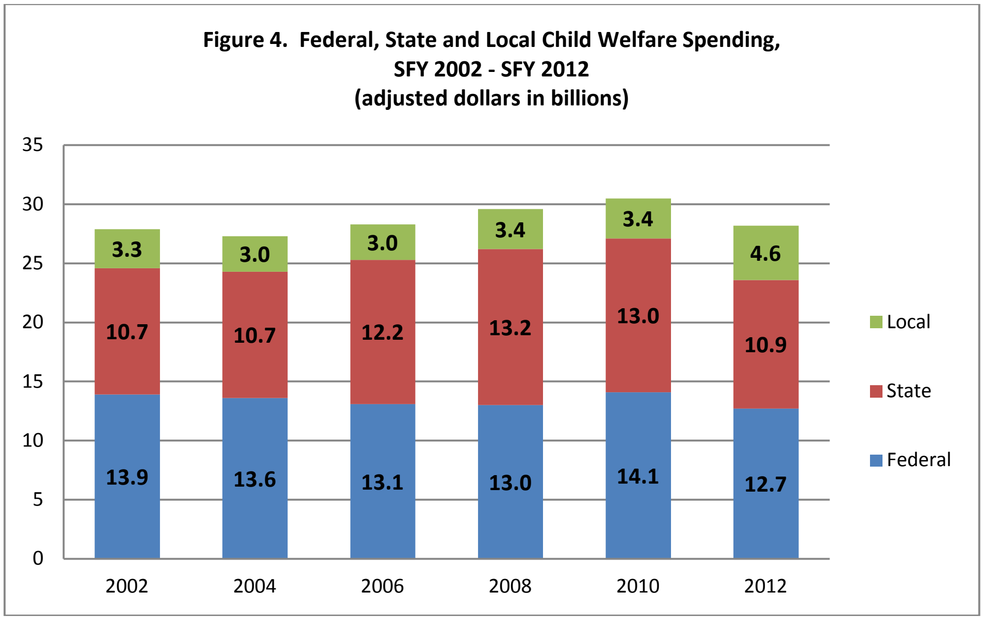
A child welfare agency's true "caseload," therefore—if the definition is expanded to include these additional children and families being served in some capacity through the agency—likely represents a larger number than just the children with substantiated maltreatment cases, or who were or are currently in foster care. However, data on these broader serviced populations are scarce, making it challenging to understand true changes over time in the numbers of children and families served by child welfare agencies.

KEY FINDING: *Federal expenditures and combined state and local expenditures decrease since SFY 2010*

In SFY 2012, states spent approximately $12.7 billion in federal funds, $10.9 billion in state funds, and $4.6 billion in local funds on child welfare activities. Between SFYs 2010 and 2012, a comparison of 51 states (excluding Hawaii) shows that total federal dollars spent on child welfare decreased, as did combined state and local dollars.

Expenditures from the SFY 2010 survey included temporary enhanced federal reimbursements that states received as a result of the American Reinvestment and Recovery Act (ARRA), so a decrease in federal dollars between SFY 2010 and SFY 2012 years is not unexpected; however, the magnitude of decrease between the two years—a decline of 10 percent ($1.4 billion) based on the 51 states compared—exceeds the contributions of ARRA. Thus, although it is evident that the ARRA-related enhanced federal dollars received by states in SFY 2010 played a role in this decrease, ARRA dollars do not account for the entire decline.

Notably, total federal dollars in SFY 2012 were at their lowest level since the SFY 1998 survey. Between SFYs 2010 and 2012, state dollars spent on child welfare decreased by 16 percent ($2.1 billion), and local dollars increased by 33 percent ($1.1 billion), based on a comparison of 51 and 47 states, respectively.[ix] Figure 4 depicts child welfare spending from federal, state, and local sources every two years since SFY 2002.

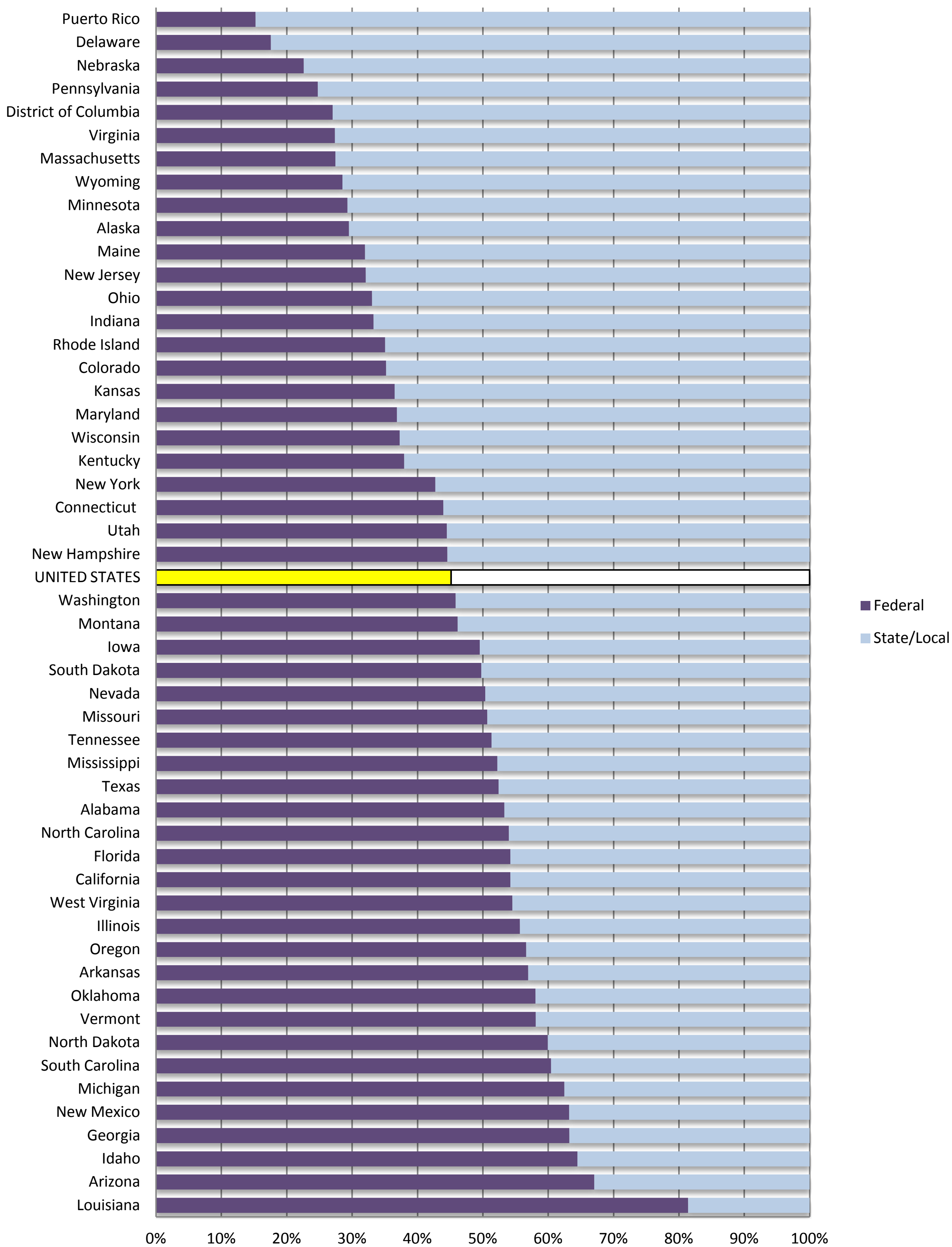


Sources: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys
Note: Amounts have been adjusted for inflation and represent 2012 dollars. Includes data from all 52 states and represents total expenditures for each year. However, the number of states providing complete data for each round of the survey varies. Therefore, the amounts depicted in the graph may not be directly comparable and are likely an underestimate of true total spending.

KEY FINDING: ***Proportion of total child welfare expenditures from state dollars and federal dollars decrease, while share from local dollars increases***
In SFY 2012, federal funds accounted for 45 percent of total child welfare spending, state funds for 39 percent, and local funds for 16 percent, based on data from 51 states.[x] In comparison, the proportions for SFY 2010 were 46 percent from federal dollars, 43 percent from state dollars, and 11 percent from local dollars—thus, both the federal and state proportions of overall expenditures each decreased, while the local share increased.

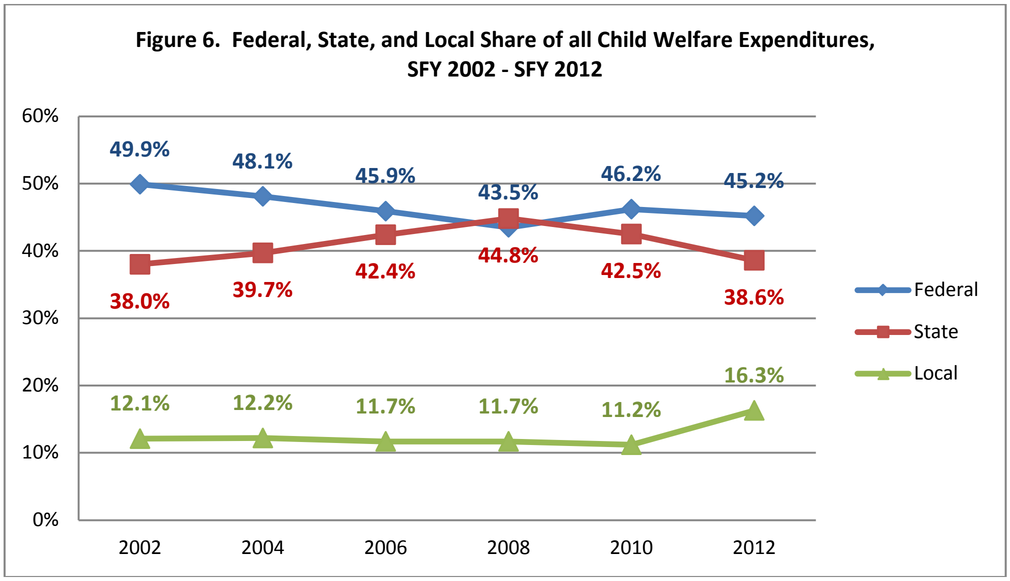
STATE VARIATION: The data above represent the distribution of funds nationally, but states varied considerably in SFY 2012 in their reliance on the three funding streams (federal, state, and local). In most states (29), combined federal funds accounted for 50 percent or less of all child welfare expenditures. However, federal funds accounted for 61 percent or more of all child welfare spending in six states. Figure 5 below illustrates the tremendous variation in states' use of federal dollars for child welfare in SFY 2012.

Figure 5. Proportion of States' Total Child Welfare Expenditures from Federal and State/Local Sources in SFY 2012



Note: Excludes Hawaii (no survey for SFY 2012).

ACROSS THE DECADE: Figure 6 illustrates the trend of federal, state, and local contributions to child welfare financing since SFY 2002. As this graph shows, the share of federal funds as a percentage of all child welfare expenditures decreased each biennium between SFYs 2002 and 2008, while the share from state funds increased over that time period. Local dollars remained relatively steady in those years, hovering around 12 percent of the total each year. In SFY 2008, for the first time since SFY 1996, the share of all child welfare expenditures from state dollars exceeded that of federal dollars. However, SFY 2010 data showed a return to the federal share outweighing the state share—which continued to be the case for SFY 2012.



Source: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys
Note: Number of states providing data varies by year, and the states included or excluded in a given year may impact the analyses. Amounts may not total 100 percent due to rounding.

Perhaps the most noticeable shift with the SFY 2012 data is the marked increase in the proportion of all spending from local dollars. After hovering around 11 percent or 12 percent each year since the survey's initiation in SFY 1996, in SFY 2012 we see an uptick in the local share of total child welfare dollars—representing more than 16 percent of all expenditures that year. One important factor is that California reported a change in its financing structure occurring in 2011, which shifted responsibility for child welfare funding to localities, in lieu of state dollars. As a result, the state dollars California reported decreased from over $1.5 billion in SFY 2010 to $0 in SFY 2012. Simultaneously, the local dollars it reported more than doubled in that time period (approximately $877 million in SFY 2010 compared to nearly $1.8 billion in SFY 2012).Thus, the overall change seen in both the amount and proportion of local dollars spent between SFYs 2010 and 2012 seems to be significantly influenced by this one state. Later in the report, we include a more detailed discussion of potential contributing factors behind the increase in local funds (both in absolute dollars and as a proportion of all expenditures).

Another approach to interpreting these data—in an effort to account for the impact of one state's changes on the national findings—is to examine the federal share versus the combined state and local share in each year. When this method is used, the changes are more subtle—in SFY 2010 the federal share was 46 percent versus 45 percent in SFY 2012 (about 1 percentage point lower in SFY 2012). In SFY 2010 the combined state/local share was 54 percent versus 55 percent in SFY 2012 (about 1 percentage point higher in SFY 2012). Thus, while the upswing in the total local share is noteworthy, the overall picture of the comparison between federal dollars and state/local dollars is less dramatic when state and local funds are combined.

III. FEDERAL CHILD WELFARE FUNDS

States can receive federal dollars for child welfare from a variety of sources, some dedicated specifically to child welfare activities (e.g., Titles IV-B and IV-E of the Social Security Act), while others allow for spending on child welfare but are designed for broader purposes (e.g., Medicaid, the Social Services Block Grant (SSBG), Temporary Assistance for Needy Families (TANF), and a host of other federal grants and awards). Appendix I contains a detailed outline of the major sources of federal funding used by states for child welfare purposes in SFY 2012, including eligible populations, eligible costs and services, and the types of funding mechanisms.

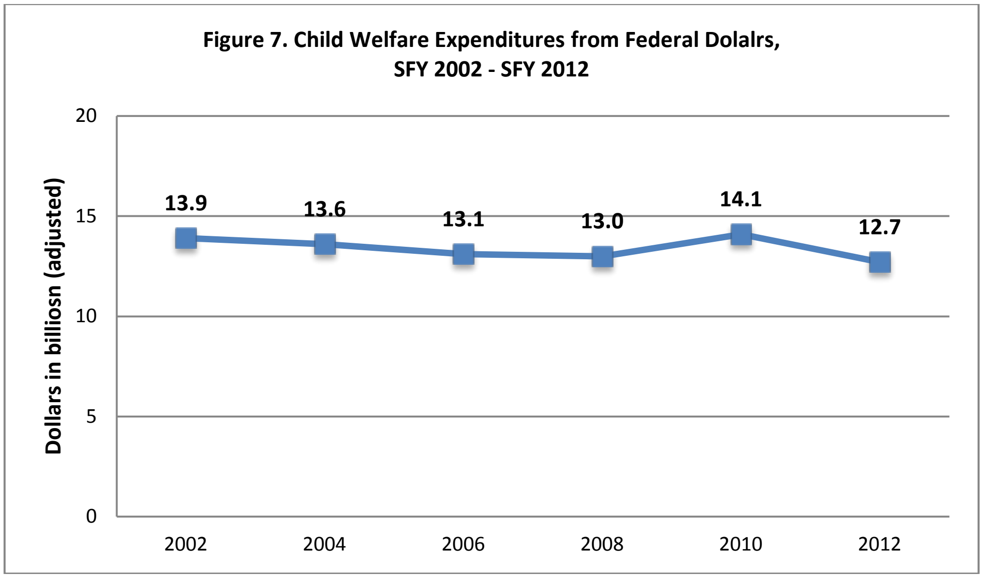
KEY FINDING: *Total federal expenditures decrease overall and in most states since SFY 2010*
States spent around $12.7 billion in federal funds on child welfare in SFY 2012, representing a 10 percent decrease over SFY 2010 ($1.4 billion), based on a comparison of 51 states.[xi] The median change in federal spending between SFYs 2010 and 2012 was a 7 percent decrease, with most states decreasing their federal expenditures in that time period.

STATE VARIATION: Thirty-nine states reported a decrease in federal dollars spent on child welfare between SFYs 2010 and 2012, while 12 states reported an increase. Of the states that saw a decline, the percent change ranged from 1 percent to 44 percent, with a median decrease of 13 percent. Seventeen states reported a decrease of 10 percent or less, while seven states saw a decrease of 21 percent or more.

For the states with an increase in federal funds spent on child welfare between SFYs 2010 and 2012, the percent change ranged from 1 percent to 18 percent, with a median increase of 6 percent. Ten states reported an increase of 10 percent or less, and two states saw an increase of 11 percent or more in that time period.

States with largest % increase in federal expenditures between SFYs 2010 & 2012	
Arizona	+18%
Tennessee	+14%
Arkansas	+9%
Missouri	+9%
Indiana	+7%
States with largest % decrease in federal expenditures between SFYs 2010 & 2012	
Louisiana	-44%
New Hampshire	-35%
Puerto Rico	-30%
Rhode Island	-28%
New York	-23%

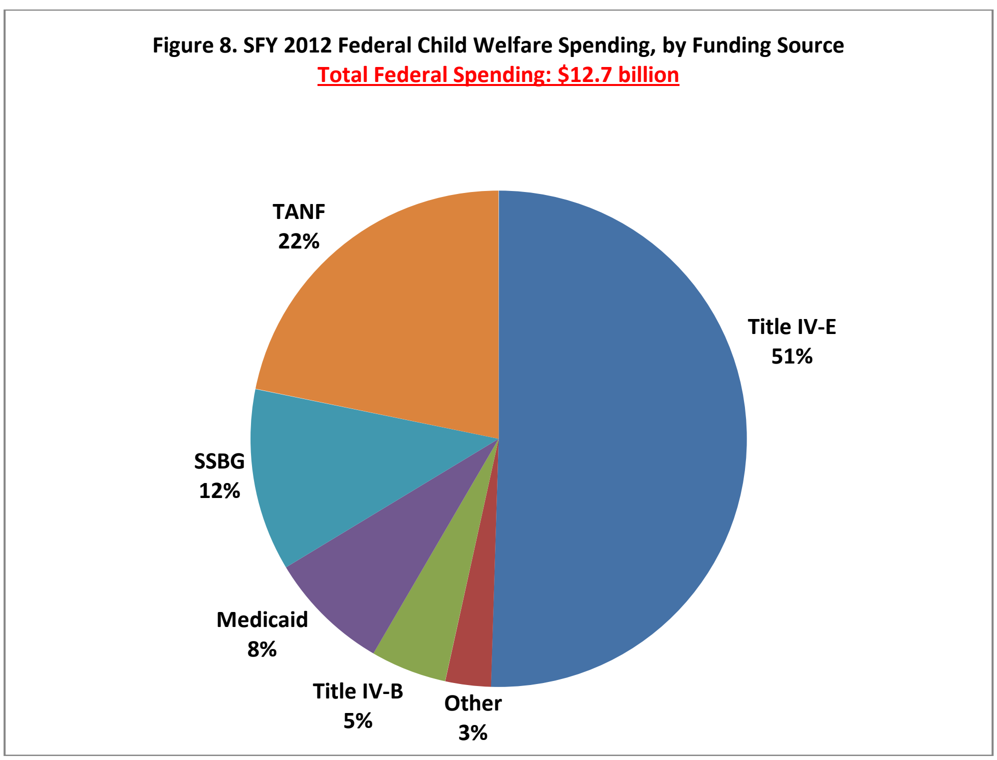
ACROSS THE DECADE: Federal dollars spent on child welfare in SFY 2012 represent a 10 percent decrease from expenditures in SFY 2002, based on a comparison 49 states.[xii] Figure 7 illustrates total federal dollars reported by states on each survey since SFY 2002. As the graph depicts, after decreasing for several years, federal dollars rose to more than $14 billion in SFY 2010 (which can be partially but not exclusively attributed to the increased federal reimbursements provided to states due to ARRA). However, a marked drop occurred between SFYs 2010 and 2012, with SFY 2012 expenditures at their lowest level of the decade.



Sources: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys
Note: Amounts have been adjusted for inflation and represent 2012 dollars. Includes data from all 52 states and represents total expenditures for each year. However, the number of states providing complete data for each round of the survey varies. Therefore, the amounts depicted in the graph may not be directly comparable and are likely an underestimate of true total spending.

KEY FINDING: ***Proportion of federal funds from Title IV-B, TANF, and Medicaid increase slightly from SFY 2010, while shares from Title IV-E and SSBG decrease***

Fifty states provided sufficient information about their sources of federal funds for SFY 2012 to be included in a national estimate of the proportion of all federal expenditures from the various federal sources.[xiii] Figure 8 illustrates the breakdown of federal expenditures by funding source for SFY 2012.



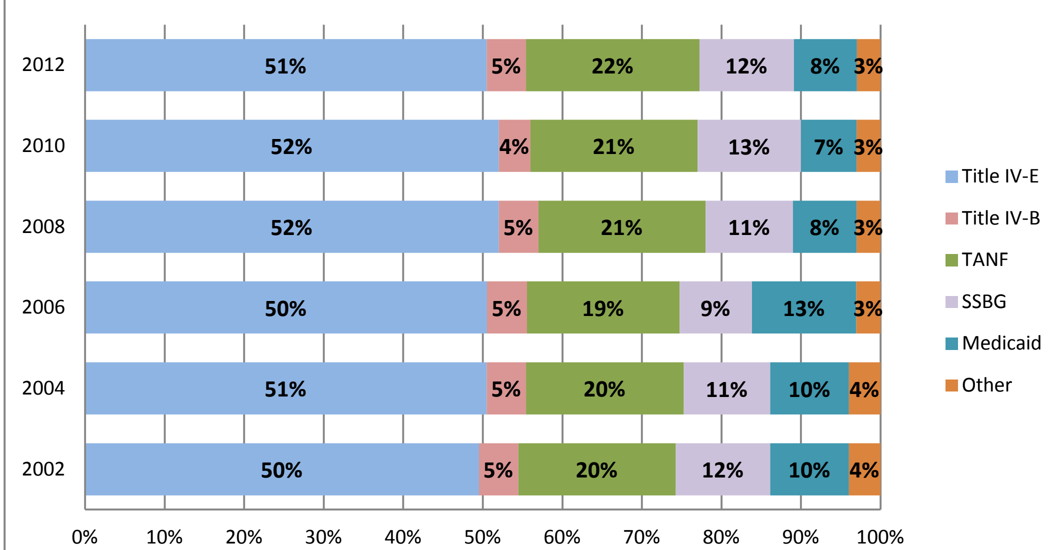
Note: Based on data from 50 states. Excludes Alaska and Hawaii due to missing data. Percentages total more than 100 percent due to rounding. SSBG includes TANF funds transferred to SSBG. Title IV-B includes subparts 1 and 2. "Other" includes any other federal dollars not included in the other major categories (e.g., CAPTA, Children's Justice Act, Adoption Opportunities) and third-party funds received on behalf of children in foster care (e.g., SSI, SSDI, child support payments).

As depicted in Figure 8, Title IV-E expenditures accounted for just over half (51 percent) of all federal funds spent in SFY 2012, and represent the largest category of federal expenditures—consistent with prior rounds of the survey. The second largest federal funding stream for SFY 2012 was Temporary Assistance for Needy Families (TANF) (22 percent of all federal dollars spent on child welfare), followed by the Social Services Block Grant (SSBG) (12 percent), Medicaid (8 percent), Title IV-B (5 percent), and “other” (3 percent).

The breakdown of funds for SFY 2012 looks similar to the SFY 2010 picture, though there are modest changes in several categories. For SFY 2010, the national distribution of federal funds indicated that 52 percent came from Title IV-E, 21 percent from TANF, 13 percent from SSBG, 7 percent from Medicaid, 4 percent from Title IV-B, and 3 percent from “other.” Thus, the proportion of all federal dollars that came from Title IV-B, TANF, and Medicaid increased (by one percentage point each) since SFY 2010, the proportion from Title IV-E and SSBG decreased (by one percentage point each), and no change occurred for the proportion from “other” federal funds.

ACROSS THE DECADE: The share of the various federal funding sources spent on child welfare, as a proportion of overall federal spending, has shown minor fluctuations across categories in the past decade. As illustrated in Figure 9, which provides some historical context for the national breakdown of federal sources since SFY 2002, Titles IV-E, IV-B, and “other” tend to stay within 1 or 2 percentage points of their shares over time, while more notable shifts are seen with TANF, SSBG, and Medicaid.

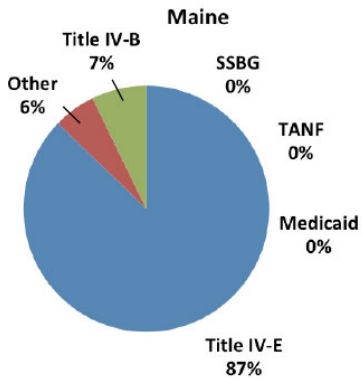
Figure 9. Proportion of Total Federal Funds from each Major Source, SFY 2002 - SFY 2012

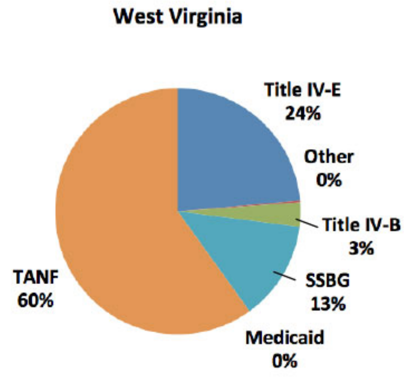


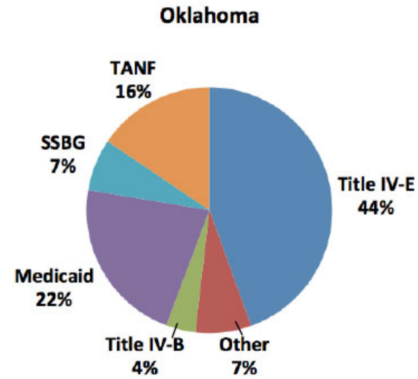
Sources: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys
Note: Number of states providing data varies by year, and the states included or excluded in a given year may impact the analyses. Amounts may not total 100 percent due to rounding.

Despite some slight shifts in individual federal categories across years (most notably within the sources considered “non-dedicated” to child welfare activities: TANF, SSBG, and Medicaid), the national picture actually appears fairly consistent over the decade.

STATE VARIATION: It is important to recognize that tremendous state variations exist with regard to the use of these federal sources to support child welfare activities. Some states show not only marked diversion from the SFY 2012 national picture in terms of the breakdown of federal sources, but also volatility from year to year in their reliance on particular federal funding streams. As an example, below we show the pie charts of federal sources spent on child welfare for three states in SFY 2012: Maine, West Virginia, and Oklahoma. As these charts make clear, each of these states is unique, and in the case of Maine and West Virginia in particular, each diverges from the national picture shown in Figure 8.





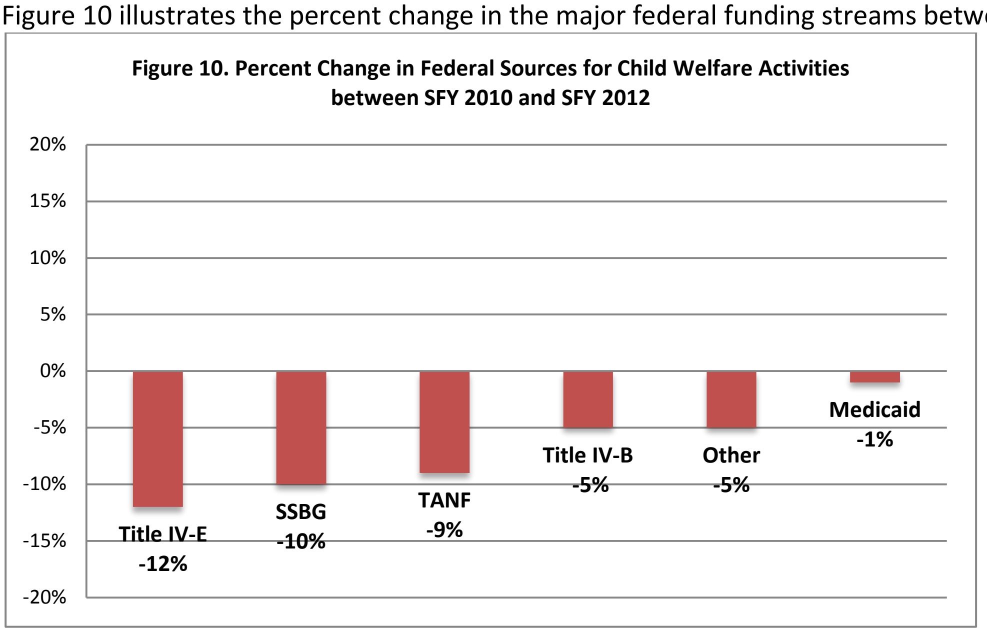


We have also included a state-by-state illustration of federal expenditures, by source, for SFYs 2002, 2008, and 2012 in Appendix E, to highlight these variations across states and across years.

KEY FINDING: *Expenditures from each federal source—Title IV-E, Title IV-B, TANF, SSBG, Medicaid, and "Other"—decrease since SFY 2010*

A comparison of SFY 2010 and SFY 2012 data on spending from the major federal funding sources indicates that, nationally, each of the sources show a decrease in this time period. Title IV-E experienced the largest decrease (with expenditures declining 12 percent), followed by SSBG and TANF (10 percent, and 9 percent reductions, respectively), while "other" federal funds and Title IV-B expenditures both decreased 5 percent. Medicaid dollars showed the smallest decrease of just 1 percent.

Figure 10 illustrates the percent change in the major federal funding streams between SFYs 2010 and 2012.



Sources: 2008/2010 Casey Child Welfare Financing Survey and 2012 Casey Child Welfare Financing Survey

Note: SFY 2010 and SFY 2012 comparisons of federal funding categories include the following numbers of states: 51 (Title IV-B, TANF, "Other"), 50 (Title IV-E, SSBG), and 49 (Medicaid).

In the following sections, we explore each of the primary federal sources in more detail.

Federal Funds Dedicated to Child Welfare

The principal sources of federal funds dedicated for child welfare activities derive from Titles IV-B and IV-E of the Social Security Act. As noted above, the largest federal funding stream is Title IV-E, comprising the Foster Care, Adoption Assistance, and Guardianship Assistance programs, and the Chafee Foster Care Independence Program (which includes Education and Training Vouchers). There are two major programs under Title IV-B: Subpart 1 (primarily funding Stephanie Tubbs Jones Child Welfare Services) and Subpart 2 (Promoting Safe and Stable Families).

In addition to Titles IV-B and IV-E, a variety of other federal grant programs and awards are provided to states specifically for child welfare purposes. States' use of the Titles IV-B and IV-E funding sources for child welfare in SFY 2012 is discussed below.

TITLE IV-E

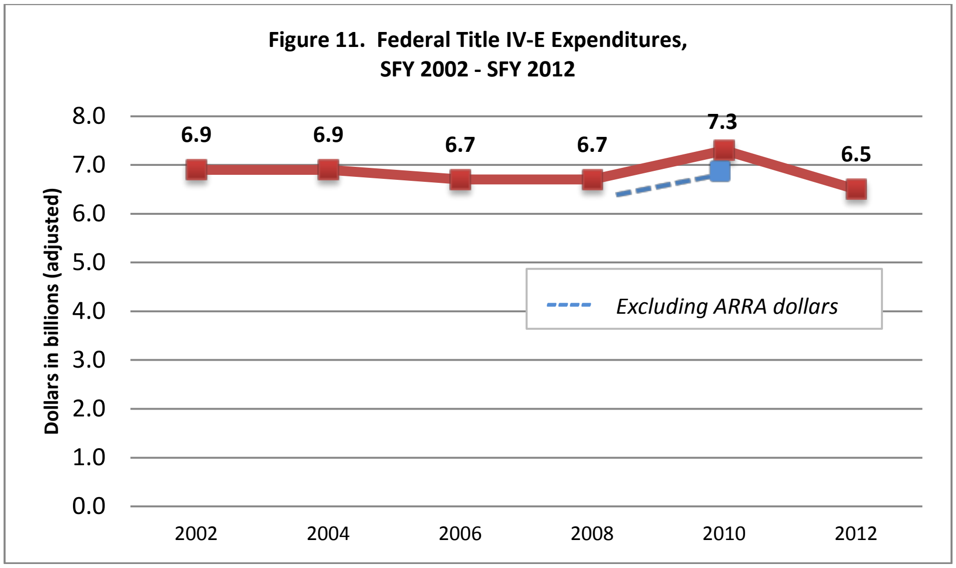
BACKGROUND: Title IV-E of the Social Security Act comprises the Foster Care, Adoption Assistance, and Guardianship Assistance programs, and the Chafee Foster Care Independence Program. (A brief synopsis of each program is provided later in this section.) For the SFY 2012 survey, states were asked to report the amount of federal Title IV-E funds that they claimed in SFY 2012 for child welfare services, but to exclude from their responses any Title IV-E funds drawn down by other agencies, such as juvenile justice.

KEY FINDING: ***Total IV-E expenditures decrease nationally and in most states since SFY 2010—beyond ARRA-related reductions***

Nearly $6.5 billion in federal Title IV-E funds were spent by states in SFY 2012. [xiv] Federal Title IV-E spending includes any dollars states received through the Foster Care, Adoption Assistance, and Guardianship Assistance programs, or any associated demonstration waivers, as well as through the Chafee Foster Care Independence Program. SFY 2012 Title IV-E spending represents a decrease of 12 percent ($837 million) over SFY 2010, based on a comparison of 50 states.[xv] Between SFYs 2010 and 2012, the vast majority of states (44) decreased their total Title IV-E expenditures.

As noted earlier, it is important to acknowledge that states received additional federal reimbursements for certain Title IV-E claims due to the enhanced FMAP rate states experienced for FY 2010—which were not in effect for FY 2012—to which a portion of the decline between SFY 2010 and SFY 2012 can be attributed. On the 2010 survey, states estimated receiving close to $400 million dollars (inflated to 2012 values) through Title IV-E due to ARRA. However, when this amount is excluded from the SFY 2010 Title IV-E amount, a notable decrease still exists. Thus, it is evident that ARRA-related reimbursements are only responsible for a portion of the overall decrease in the Title IV-E program.

ACROSS THE DECADE: Total expenditures from the Title IV-E program have decreased 7 percent since SFY 2002, based on data from 49 states.[xvi] Figure 11 illustrates total Title IV-E expenditures every two years between SFYs 2002 and SFY 2012. As the graph shows, prior to the uptick in Title IV-E dollars seen in SFY 2010 (of which a portion can be attributed to ARRA-related enhanced reimbursements to states), Title IV-E expenditures were showing a slight decline. Title IV-E expenditures are now at their lowest level in the past decade.



Source: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys
Note: Amounts have been adjusted for inflation and represent 2012 dollars. Includes data from all 52 states. However, the number of states providing data for each round of the survey varies, and includes some HHS claims data in place of missing information from states. Therefore, the amounts depicted in the graph may not be directly comparable.

STATE VARIATION: Between SFYs 2010 and 2012, of the 50 states that could be compared, 44 decreased their federal Title IV-E spending, while only six states increased Title IV-E dollars in that timeframe. The median change in Title IV-E spending was a 10 percent decrease.

States with largest % increase in Title IV-E expenditures between SFYs 2010 & 2012	
Mississippi	+51%
Alaska	+26
New Mexico	+6%
Wyoming	+4%
Arizona	+2%
States with largest % decrease in Title IV-E expenditures between SFYs 2010 & 2012	
New Hampshire	-42%
West Virginia	-35%
Vermont	-27%
South Carolina	-26%
Louisiana	-24%

Of the states with decreases in Title IV-E spending between SFYs 2010 and 2012, the percent change ranged from 1 percent to 42 percent, with a median decrease of 12 percent. Nineteen states reported decreases of 10 percent or less, and seven states reported decreases of 21 percent or more in that time period.

Of the states with increases, the percent change ranged from 1 percent to 51 percent, with a median increase of 5 percent. Four states reported an increase of 10 percent or less, while two states reported increasing their Title IV-E spending by 11 percent or more between those years.

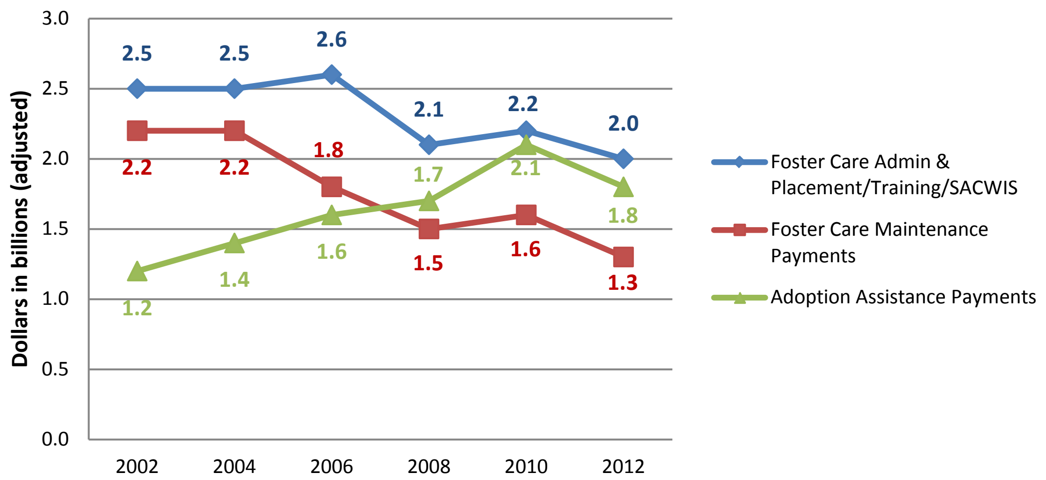
KEY FINDING: ***Title IV-E Foster Care Program expenditures continue to decline; Title IV-E Adoption Assistance Program shows a decline for the first time since SFY 1996***

In SFY 2012, within the Title IV-E Foster Care Program, states spent nearly $1.3 billion in federal dollars on foster care maintenance payments, and over $2 billion on administration and placement services, training, and Statewide Automated Child Welfare Information Systems (SACWIS) combined. Within the Adoption Assistance Program, states spent over $1.8 billion in federal dollars on payments to adoptive families, and $407 million on adoption administration and placement and training combined.

The decrease in total Title IV-E spending since SFY 2010 resulted principally from the notable decrease in the Foster Care Program (a 15 percent reduction in foster care maintenance payments since SFY 2010, and a 7 percent reduction in the other Foster Care Program expenditures). However, a finding of note from this year's survey is that federal expenditures on the Adoption Assistance Program also declined—by 11 percent from SFY 2010—representing the first instance of a decrease in this category since the survey began in SFY 1996. In subsequent sections, we provide detail on specific changes in both the Title IV-E Foster Care and Adoption

Assistance programs. Figure 12 depicts the changes in key Title IV-E subcategories every two years between SFYs 2002 and 2012, and shows the declines in each of the categories since SFY 2010.

Figure 12. Trends in Title IV-E Spending by Key Subcategories: SFY 2002 - SFY 2012



Source: 2003 and 2005 Urban Institute Child Welfare Surveys, 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys.
Note: Amounts have been adjusted for inflation and represent 2012 dollars. Includes data from all 52 states. Includes some HHS claims data in place of missing information from states. However, the number of states providing data for each round of the survey varies. Therefore, the amounts depicted in the graph may not be directly comparable and are likely an underestimate of true spending.

KEY FINDING: *Adoption assistance payments continue to exceed foster care maintenance payments*
As highlighted in Figure 12, in SFY 2012, total federal dollars spent on adoption assistance payments exceeded expenditures on foster care maintenance payments. This was also the case in SFYs 2008 and 2010, indicating a continued trend. Total adoption assistance payments in SFY 2012 exceeded foster care maintenance payments by over $500 million overall—similar to the amount by which they exceeded maintenance payments in SFY 2010. Thus, although both categories showed a decrease in absolute dollars between SFYs 2010 and 2012, the magnitude of difference between the two categories remained relatively consistent. Additionally, in most states (39), adoption assistance payments exceeded foster care maintenance payments. The number of states where total expenditures on Title IV-E adoption assistance payments exceed those for foster care maintenance payments has increased continuously since the SFY 2002 survey.

TITLE IV-E FOSTER CARE PROGRAM

BACKGROUND: The Title IV-E Foster Care Program reimburses states for expenditures in three categories: (1) maintenance payments that cover the costs of shelter, food, and clothing for eligible children; (2) placement services and administrative costs related to foster care (which may include activities such as case planning and pre-placement services, Statewide Automated Child Welfare Information System (SACWIS) costs, caseworker and supervisor salaries, eligibility determination, and other general overhead and administrative costs incurred); and (3) expenses related to training of staff and foster parents.

Children eligible for the Title IV-E Foster Care Program include those in out-of-home placements who would have been considered "needy" in the homes from which they were removed (based on measures in place in 1996 under the Aid to Families with Dependent Children (AFDC) program) and who entered care through a judicial determination or voluntary placement, and who are in licensed or approved foster care placements. With the passage of the Fostering Connections to Success and Increasing Adoptions Act of 2008 (hereafter referred to as the "Fostering Connections Act"), states have the option of extending Title IV-E foster care eligibility to youth up to age 21.

KEY FINDING: *Title IV-E Foster Care Program expenditures decrease 11 percent since SFY 2010*

In SFY 2012, states spent approximately $3.3 billion in federal Title IV-E foster care funds (comprising maintenance payments, administration and placement activities (including SACWIS), and training).[xvii] This represents a decrease of 11 percent ($416 million) from the amount spent on the foster care program in SFY 2010, based on data from 47 states.[xviii] Most states reported a decline in their foster care program expenditures in that time period.

The decline observed in federal Title IV-E foster care expenditures since SFY 2010 is not unexpected, given that the foster care population in the U.S. decreased in this time period. Additionally, as previously noted, in SFY 2010, states received enhanced reimbursements for foster care maintenance payments due to ARRA that were no longer in effect for SFY 2012. Further, with a declining proportion of children across the country who are eligible for Title IV-E foster care reimbursement (discussed below), it is not surprising that, on the whole, states are receiving fewer dollars from the federal government as reimbursements through the Title IV-E foster care program.

STATE VARIATION: Between SFYs 2010 and 2012, 38 states decreased expenditures from the Title IV-E Foster Care Program, with only eight states showing an increase. Puerto Rico reported no Title IV-E foster care claims in either year.

Of the decreasing states, the percent change between SFYs 2010 and 2012 ranged from 1 percent to 79 percent, with a median decrease of 15 percent. Of the increasing states, the percent change ranged from 3 percent to 58 percent, with a median increase of 11 percent.

Below, the changes within the specific Foster Care Program categories are discussed in more detail.

States with largest % increase in Title IV-E Foster Care expenditures between SFYs 2010 & 2012	
Alaska	+58%
Michigan	+20%
New Mexico	+16%
Delaware	+13%
Arizona	+8%
Illinois*	+8%

States with largest % decrease in Title IV-E Foster Care expenditures between SFYs 2010 & 2012	
Florida *	-79%
West Virginia	-54%
New Hampshire	-47%
Louisiana	-29%
South Carolina	-28%

**State had Title IV-E waiver in SFYs 2010 and 2012*

TITLE IV-E FOSTER CARE MAINTENANCE PAYMENTS:

KEY FINDING: *Title IV-E Foster Care maintenance payments decrease 15 percent since SFY 2010*

Based on the 46 states that provided sufficient data for both years, federal Title IV-E Foster Care maintenance payments declined by 15 percent ($207 million) between SFYs 2010 and 2012.[xix] Per the discussion above regarding declines in the foster care populations of most states, the removal of ARRA-related funds, and declining federal eligibility rates, this finding is not surprising.

STATE VARIATION: Between SFYs 2010 and 2012, 34 states decreased Title IV-E Foster Care maintenance payments, with only eight states showing an increase, and two states having no measurable change. Florida (which had a Title IV-E demonstration waiver in SFY 2012 [discussed later in this report]) and Puerto Rico reported no Title IV-E Foster Care maintenance claims in either year.

Of the decreasing states, the percent change between SFY 2010 and SFY 2012 ranged from 1 percent to 59 percent, with a median decrease of 20 percent. Of the increasing states, the percent change ranged from 3 percent to 21 percent, with a median increase of 15 percent.

States with largest % increase in Title IV-E Foster Care Maintenance Payments between SFYs 2010 & 2012	
Nebraska	+21%
New Mexico	+17%
Utah	+16%
Missouri	+15%
Ohio*	+15%

States with largest % decrease in Title IV-E Foster Care Maintenance Payments between SFYs 2010 & 2012	
West Virginia	-59%
Colorado	-37%
North Dakota	-37%
South Dakota	-35%
Massachusetts	-33%
Rhode Island	-33%

**State had Title IV-E waiver in SFYs 2010 and 2012*

KEY FINDING: *Percentage of foster children in U.S. eligible for Title IV-E maintenance payments declines since SFY 2010*

As in previous surveys, states were asked to report the percentage of children in out-of-home placements in SFY 2012 for which the state received Title IV-E reimbursement for foster care maintenance payments (also known as the state's "foster care penetration rate"). Based on reports from 50 states, the national foster care penetration rate averaged to approximately 52 percent for SFY 2012—down from around 55 percent in SFY 2010.[xx, xxi]

STATE VARIATION: State penetration rates varied considerably in SFY 2012, with three states reporting that they received Title IV-E reimbursement for 20 percent or fewer of the children in foster care that year and two states reporting a rate of more than 70 percent. (See Appendix C for state-by-state data on Title IV-E Foster Care penetration rates.)

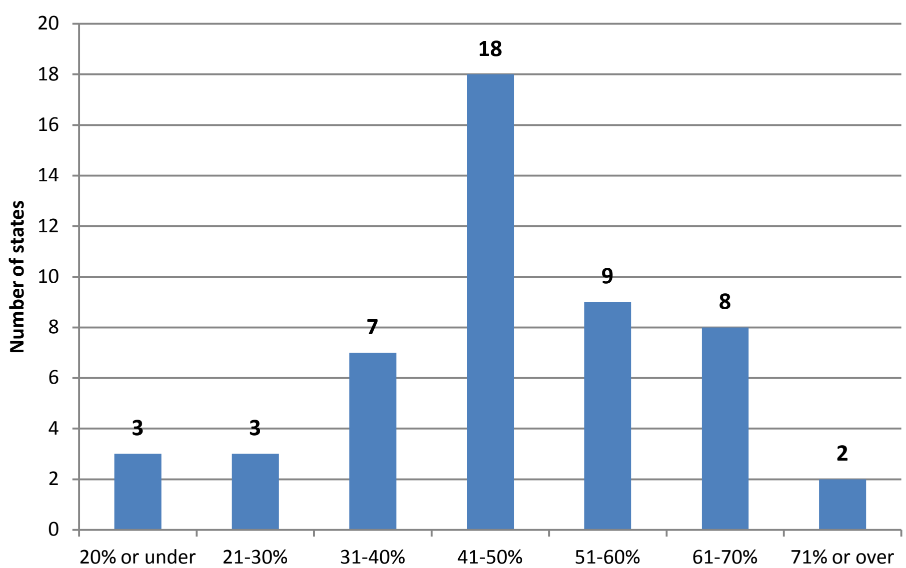
This variation in foster care penetration rates as reported by states for SFY 2012 is illustrated below in Figure 13. As the figure shows, in the majority of states (31), 50 percent or fewer of the children in foster care in SFY 2012 were eligible for federal reimbursement through the Title IV-E program. The most common category is 41 to 50 percent, with more than one-third of the states falling into this range.

States with highest Title IV-E Foster Care penetration rates, SFY 2012	
Florida*	75%
Washington	72%
Idaho	69%
Arkansas	68%
California*	67%

States with lowest Title IV-E Foster Care penetration rates, SFY 2012	
Wyoming	12%
West Virginia	16%
Nebraska	20%
Kansas	24%
Massachusetts	26%

**State had Title IV-E waiver in SFYs 2010 and 2012*

Figure 13. SFY 2012 State Title IV-E Foster Care Penetration Rates, by range



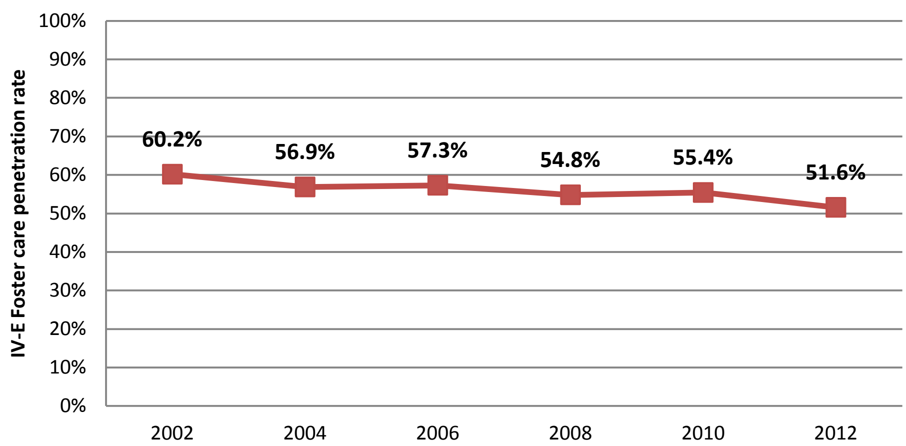
Note: Represents 50 states. Excludes Puerto Rico and Hawaii.

There are interesting state differences to note with regards to changes in foster care penetration rates over time. For instance, although 24 states had a decrease in their penetration rates between SFYs 2010 and 2012, a slight majority—26 states—either *increased* their rate (22) or showed no measurable change in that time period (4 states). Therefore, although the weighted national average rate declined, many states are saw stable or even increasing rates.

ACROSS THE DECADE: Nationally, the percent of children in out-of-home care eligible for Title IV-E reimbursement has trended downward since SFY 2002. That year, the national rate was around 60 percent—

and nearly nine percentage points higher than the rate a decade later (approximately 52 percent in SFY 2012). Figure 14 below shows the national average foster care maintenance penetration rates for every two years from SFYs 2002 to 2012.

Figure 14. National Title IV-E Foster Care Penetration Rates, SFY 2002 - SFY 2012



Note: Contains data from 51 states. However, number of states providing rates for each year varies.

KEY FINDING: *Over half of Title IV-E ineligible cases are attributed to parents' income*

States were asked to provide additional information regarding the reasons that children in out-of-home care were ineligible for Title IV-E reimbursement in SFY 2012. As noted earlier, Federal Title IV-E reimbursement for children in foster care is predicated on a host of conditions. These include:

- the child's family (from which s/he was removed) must be eligible for federal assistance through the requirements established for the Aid to Families with Dependent Children (AFDC) program in 1996;
- the child must be placed in a fully licensed foster home or facility that is a "child care institution";
- the necessary judicial determinations for the child's removal and placement must be made (including findings that a child's continued residence in the home from which the child was removed is contrary to his/her welfare, that reasonable efforts have been made to preserve the family and maintain the child in the home, or a determination that a voluntary placement agreement between the state and the child's parent or guardian continues to be in the child's best interest);
- required criminal background checks and safety checks for prospective caregivers must be conducted and documented; and
- the state child welfare agency must have responsibility for the care and placement of the child.

To better understand the Title IV-E requirements that most commonly lead to a determination of ineligibility for children in foster care, states were asked to provide data on their ineligibility reasons for SFY 2012. States were provided with four specific categories: (1) income of parents; (2) lack of necessary judicial determinations; (3) foster care home/facility not fully licensed; and (4) ineligible placement types, as well as a category labeled "other." For each option, states were asked to report either an estimated percentage or percent range of children who were Title IV-E ineligible for that reason in SFY 2012.

For SFY 2012, 33 states reported a percentage for at least one of the categories. The ineligibility reason with the highest average response was income of parents. Weighting the data provided by states based on the number of children ineligible for IV-E foster care maintenance in those states found that 52 percent of children determined ineligible in those states were ineligible due to parent income. The second-highest reason, though far behind income eligibility, involved placements not being licensed (national average of 17 percent of ineligible children), followed by a lack of necessary judicial determinations (14 percent). Table 1 highlights responses from the states providing percentage data for ineligibility reasons. [xxii]

Table 1. SFY 2012 Title IV-E Ineligibility Reasons

IV-E Ineligibility Reason	Range of Percentages Provided by States*	# of States Providing Percentage or Range	National Average (weighted)[xxiii]
Income of parents	Min: 0-10% Max: 81-90%	33	52%
Foster care home/facility not licensed	Min: 0% Max: 91-100%	29	17%
Lack of necessary judicial determinations	Min: 0% Max: 56%	33	14%
Ineligible placement types	Min: 0% Max: 81-90%	29	7%
Other	Min: 0-10% Max: 69%	26	--

* States could provide either a percentage or a percent range when responding to these questions; thus, sometimes the min or max responses appear as an exact amount (e.g., 56 percent) and sometimes as a range (e.g., 91-100 percent).

TITLE IV-E FOSTER CARE ADMINISTRATION AND PLACEMENT, TRAINING, AND SACWIS

KEY FINDING: *Title IV-E foster care administration and placement, training, and SACWIS dollars (combined) decrease since SFY 2010*

Based on the 46 states that provided sufficient data for both years, Title IV-E foster care administration and placement activities, training, and SACWIS dollars declined by 7 percent ($148 million) between SFYs 2010 and 2012.[xxiv]

STATE VARIATION: Between SFYs 2010 and 2012, 33 states decreased their expenditures on these activities, with 12 states reporting an increase. Puerto Rico reported no Title IV-E foster care claims in either year. Of the decreasing states, the percent change between SFYs 2010 and 2012 ranged from 2 percent to 79 percent, with a median decrease of 14 percent. Of the increasing states, the percent change ranged from 1 percent to 75 percent, with a median increase of 15 percent.

KEY FINDING: *Most Title IV-E foster care administration and placement dollars are used for case planning and pre-placement activities*

A question on the survey requested additional information from states about spending within the Title IV-E Foster Care administration and placement funding stream. The types of expenditures that states may claim through the Title IV-E Foster Care administration and placement category comprise a vast array of activities, including costs related to case planning and other pre-placement services, licensing, staff development and training, eligibility determination, caseworker salaries, and foster care and adoption recruitment. Given the wide range of activities for which states may seek Title IV-E reimbursement in this category, it has traditionally been challenging to understand the sources of these claims. The questions included on the survey sought to illuminate states' use of Title IV-E administration and placement dollars.

For SFY 2012, states were asked to separate their Title IV-E foster care administration and placement activities dollars into two subcategories: (1) case planning and pre-placement services, and (2) administration and overhead. Of the nearly $1.7 billion of Title IV-E foster care administration and placement funding that 49 states could categorize into those two subcategories, case planning and pre-placement services accounted for approximately 72 percent of these dollars ($1.2 billion) in SFY 2012.[xxv] The remaining 28 percent ($477 million) funded other administrative and overhead costs.

OTHER TITLE IV-E FOSTER CARE PROGRAM FINDINGS:

KEY FINDING: *Most states make Title IV-E claims for the cost of school transportation for maintaining school stability*

The Fostering Connections Act added state case plan requirements for ensuring the educational stability of each child in foster care, including assurances that the state agency *"has coordinated with appropriate local educational agencies...to ensure that the child remains in the school in which the child is enrolled at the time of placement."* In 2010, Congress clarified that the law's requirement regarding the child remaining in his/her school of origin applies not only to the time of initial placement upon removal from home, but also to a subsequent placement in a new foster home. If remaining in the child's school of origin is not in his or her best interest, the state must ensure that the local educational agency provides immediate enrollment in a new school, with all of the child's educational records provided to the new school.

States were asked on the SFY 2012 survey to report whether the child welfare agencies in the states *typically* pay for the cost of transportation to maintain a Title IV-E eligible child in the school the child was enrolled at the time of placement, and if so, whether a Title IV-E claim is made for these costs. Of the 50 states that answered this question, 40 reported that the child welfare agency does typically pay this cost.[xxvi] Of these states, the vast majority (37 states) reported that the agency makes a Title IV-E claim for these transportation costs, with only three states reporting that the agency does not. Most of the states that make Title IV-E claims make a maintenance claim for the cost of school transportation related to maintaining school stability (23 states), while seven states report making an administrative claim, and seven other states report making both administrative and maintenance claims for these expenses. In comparison to the 2008/2010 survey—when this question was first asked—more states reported in the current survey both that the child welfare agency typically pays for the transportation, and the agency makes a Title IV-E claim for these costs.

TITLE IV-E ADOPTION ASSISTANCE PROGRAM

BACKGROUND: The Title IV-E Adoption Assistance Program reimburses states for expenditures in three categories: (1) adoption assistance payments on behalf of eligible children; (2) placement services and administrative costs related to adoptions from foster care; and (3) expenses related to training for staff and adoptive parents.

Children eligible for the Title IV-E Adoption Assistance Program are those adopted from foster care who have "special needs" (as determined by the state) and (1) would have been considered needy in the homes from which they were removed (based on measures in place in 1996 under the AFDC program); or (2) are eligible for Supplemental Security Income (SSI); or (3) are children whose costs in a foster care setting are included in the IV-E foster care maintenance payment being made on behalf of their minor parents; or (4) were eligible for IV-E adoption assistance in a previous adoption but whose adoptive parents died or their parental rights to the children were dissolved.

The Fostering Connections Act provides that as of FY 2018, any child determined by a state to have special needs will be eligible for recurring IV-E adoption assistance payments. The law phases in this expanded eligibility criteria beginning with FFY 2010. For children adopted during FFY 2012, the expanded eligibility applied to children with special needs who (1) were age 12 or older when adopted; or (2) had been in care for 60 continuous months; or (3) were a sibling of a child who met the age or length-of-stay requirement and were being placed in the same adoptive family as that sibling.

KEY FINDING: *Title IV-E Adoption Assistance Program expenditures decrease 11 percent since SFY 2010*

In SFY 2012, states spent over $2.2 billion in federal dollars on the Title IV-E Adoption Assistance Program.[xxvii] This represents a decrease of 11 percent ($248 million) since SFY 2010, based on an analysis of 46 states.[xxviii] Most states decreased their Title IV-E Adoption Assistance Program expenditures in that time period. The decline is somewhat surprising. In our 2008/2010 report, we found a notable uptick in the Adoption Assistance

Program over previous years, and suggested that this pattern might continue in subsequent years—primarily due to the Fostering Connections Act expanding eligibility for the program, as described above. Thus, we anticipated more children would be eligible for the IV-E Adoption Assistance Program than in the past. Additionally, although the numbers of children adopted from foster care annually have declined slightly in recent years, the FFY 2012 adoption number is similar to other years in the decade, when annual adoptions hovered in the low 50,000s. Thus, it could be surmised that the adoption assistance "rolls" would continue to grow over time as more children are added to this population. However, our predictions did not play out, which suggests that there are other variables at work (see Discussion section).

States with largest % increase in Title IV-E Adoption Assistance expenditures between SFYs 2010 & 2012	
Virginia	+23%
Nevada	+21%
Maryland	+11%
Alabama	+9%
Florida*	+6%
West Virginia	+6%

States with largest % decrease in Title IV-E Adoption Assistance expenditures between SFYs 2010 & 2012	
Delaware	-39%
Oregon*	-37%
District of Columbia	-34%
New York	-32%
New Hampshire	-28%

**State had Title IV-E waiver in SFYs 2010 and 2012*

STATE VARIATION: Of the 46 states compared, 35 states decreased Title IV-E adoption expenditures between SFYs 2010 and 2012, and only eight states increased in that time. Two states had no measurable change, and Puerto Rico reported no Title IV-E adoption claims in either year.

Of the decreasing states, the percent change between SFYs 2010 and 2012 ranged from 1 percent to 39 percent, with a median decrease of 11 percent. Of the increasing states, the percent change ranged from 1 percent to 23 percent, with a median increase of 8 percent.

Below, changes within the specific Adoption Assistance Program categories are discussed.

TITLE IV-E ADOPTION ASSISTANCE PAYMENTS

KEY FINDING: ***Title IV-E adoption assistance payments decrease 12 percent since SFY 2010***

In SFY 2012, states spent more than $1.8 billion in federal dollars on payments to adoptive families. Based on the 46 states that provided sufficient data for comparison, this represents a 12 percent decrease ($244 million) from SFY 2010.[xxix] After showing a dramatic increase between SFYs 2002 and 2010—with expenditures in this category more than doubling (see Figure 12), we are now seeing a reduction in this category for the first time since the survey has been conducted.

States with largest % increase in Title IV-E Adoption Assistance Payments between SFYs 2010 & 2012	
Virginia	+29%
Nevada	+18%
Alabama	+14%
Maryland	+14%
Florida*	+7%

States with largest % decrease in Title IV-E Adoption Assistance Payments between SFYs 2010 & 2012	
Delaware	-40%
Oregon*	-39%
Massachusetts	-33%
New York	-32%
District of Columbia	-29%
Rhode Island	-29%

**State had Title IV-E waiver in SFYs 2010 and 2012*

As discussed, some of the decline is expected due to the enhanced federal reimbursements states received in SFY 2010 for the IV-E Adoption Assistance payment claims that were no longer applicable in SFY 2012. However, the decline is greater than the contribution of the ARRA-related dollars (which were close to $200 million for the Title IV-E Adoption Assistance Program, adjusted to 2012 values). Therefore, there are evidently more factors contributing to the decline than simply the removal of the ARRA-related reimbursements.

STATE VARIATION: Between SFYs 2010 and 2012, 33 states decreased Title IV-E adoption assistance payment expenditures, with only nine states showing an increase. Puerto Rico reported no Title IV-E adoption assistance claims in either year, and three states had no measurable change.

Of the decreasing states, the percent change between SFYs 2010 and 2012 ranged from 3 percent to 40 percent, with a median decrease of 14 percent. Of the increasing states, the percent change ranged from 2 percent to 29 percent, with a median increase of 7 percent.

KEY FINDING: *Percent of adopted children in U.S. eligible for Title IV-E Adoption Assistance payments continues decline, but at a modest rate*

States were asked to report the percent of adopted children receiving subsidy payments for which the state received Title IV-E reimbursement for payments made on the child's behalf (also known as the state's "adoption assistance penetration rate"). Of the 50 states that reported their adoption assistance penetration rates in SFY 2012 on the survey, the national average rate was approximately 78 percent (down slightly from around 79 percent in SFY 2010).[xxx]

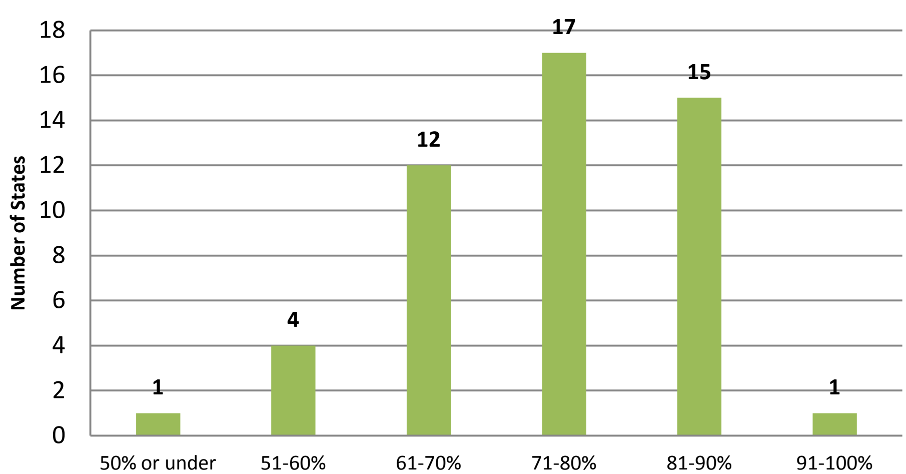
STATE VARIATION: State adoption penetration rates do not vary as widely as the Title IV-E foster care penetration rates, although one state reported receiving Title IV-E reimbursement for fewer than half of the children receiving adoption subsidies, while sixteen states reported Title IV-E reimbursements for 81 percent or more of these children. (See Appendix C for state-by-state data on Title IV-E adoption assistance penetration rates.)

Figure 15 illustrates the dispersion of states' adoption penetration rates for SFY 2012. As shown in the figure, in the majority of states (33), 71 percent or more of the adoption children receiving subsidy payments in SFY 2012 were eligible for federal reimbursement through the Title IV-E program. The single category with the largest number of states is 71 to 80 percent, with nearly one-third of the states falling into this range.

States with highest Title IV-E Adoption Assistance penetration rates, SFY 2012	
Ohio*	92%
Illinois*	89%
Vermont	88%
New Mexico	87%
Washington	87%
States with lowest Title IV-E Adoption Assistance penetration rates, SFY 2012	
Delaware	38%
Wyoming	52%
New Jersey	58%
Alabama	59%
Mississippi	60%

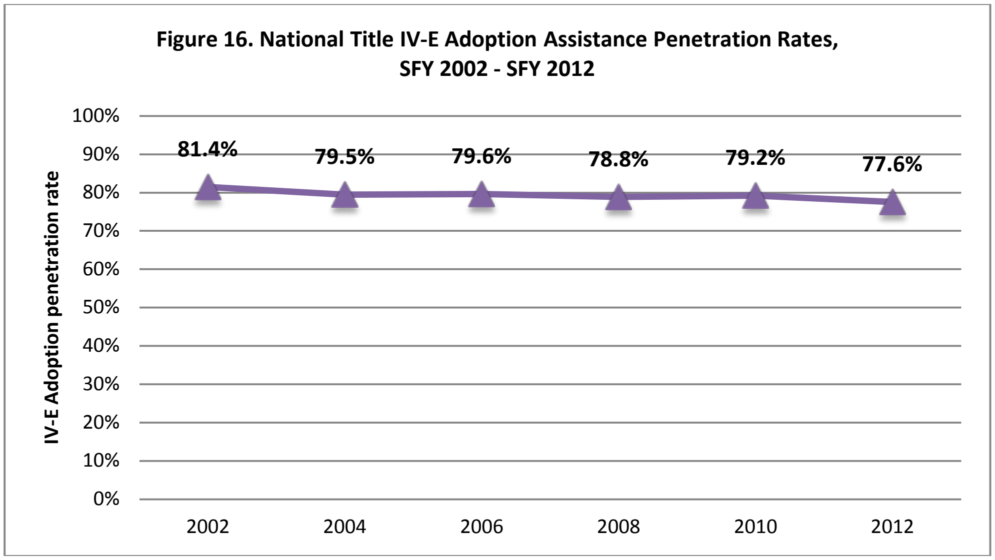
**State had Title IV-E waiver in SFYs 2010 and 2012*

Figure 15. SFY 2012 State Title IV-E Adoption Penetration Rates, by range



Note: Represents 50 states. Excludes Puerto Rico and Hawaii.

ACROSS THE DECADE: As is the case with the Title IV-E foster care penetration rate, nationally, the percent of children adopted from foster care eligible for Title IV-E reimbursement has trended downward. However, the decline has been more gradual than that of the foster care penetration rate, with the difference between the national average rate for SFY 2002 and the national average rate for SFY 2012 being only around four percentage points (in contrast to a decline of nearly nine percentage points for the foster care rate). Figure 16 below shows the national average adoption assistance penetration rates for every two years, from SFYs 2002 to 2012.



Note: Contains data from 51 states. However, number of states providing rates for each year varies.

TITLE IV-E ADOPTION ASSISTANCE ADMINISTRATION AND PLACEMENT AND TRAINING

KEY FINDING: *Slight decrease in adoption assistance administration and placement and training expenditures since SFY 2010*

In SFY 2012, states spent more than $407 million in federal dollars on adoption administration and placement and training through the Title IV-E Adoption Assistance Program. This represents a decrease of 1 percent from SFY 2010, based on a comparison of 47 states.[xxxi]

STATE VARIATION: Between SFYs 2010 and 2012, 27 states decreased their expenditures in this category, with 18 states reporting an increase, and one state showing no measurable change. Puerto Rico reported no Title IV-E adoption claims in either year. Of the decreasing states, the percent change between SFYs 2010 and 2012 ranged from 2 percent to 57 percent, with a median decrease of 17 percent. Of the increasing states, the percent change ranged from 3 percent to 118 percent, with a median increase of 16 percent.

OTHER TITLE IV-E ADOPTION ASSISTANCE PROGRAM FINDINGS:

KEY FINDING: *Most states were unable to report savings due to revised adoption assistance eligibility criteria, or a methodology for calculating these savings*

A new question was included in the survey to gather information about the savings states accumulated in SFY 2012 due to revised eligibility criteria as a result of the Fostering Connections Act. As mentioned earlier, the Act removed the eligibility requirement for Title IV-E Adoption Assistance involving AFDC eligibility of the child's parents (from which s/he was removed). This "de-link" from AFDC eligibility is occurring as a phased-in process by the child's age and length of time in foster care. In SFY 2012, youth with special needs who were 12 and older at the time of the adoption and children who were in foster care for more than five years (as well as siblings to these children) no longer had to meet the AFDC-eligibility requirement for the state to receive reimbursement through Title IV-E for payments made on their behalf. The Fostering Connections Act requires states to spend any savings related to the Act's revised adoption assistance eligibility criteria on child welfare services under Titles IV-B and IV-E. Federal guidance requires states to certify, in their Title IV-E state plan, that this requirement is being met, and to devise a methodology for calculating such savings.

States were asked, on the survey, to report the amount of savings for SFY 2012 that they computed per the methodology in place at that time. Of the 50 states that answered this question, most states (33) responded with “unable to provide” rather than reporting an amount of savings. Of the 17 states that were able to provide an amount, five of these reported $0 in savings in SFY 2012 as a result of the revised eligibility criteria. In responses from the 12 states that did report a savings for SFY 2012, amounts ranged from a low of around $6,000 in one state, to a high of nearly $2 million in another state.

The survey also asked states to describe their methodology for calculating these savings. Fewer than half of the states provided a description of their methodology. Some states noted that the methodology was in process or yet to be approved, and others indicated that they did not have a methodology to compute the savings. The findings from the survey are consistent with the recent GAO report on the implementation of the Fostering Connections Act (U.S. GAO, 2014) which concluded that states have challenges with this particular provision and could benefit from additional guidance from HHS. Our survey findings, in which the majority of states did not provide either the amount of savings or a methodology, support this conclusion.

TITLE IV-E GUARDIANSHIP ASSISTANCE PROGRAM

BACKGROUND: The Fostering Connections Act gave states the option to operate a Title IV-E Guardianship Assistance Program (also referred to as “GAP” or “KinGAP”), which provides federal reimbursements to states for: (1) kinship guardianship assistance payments to relatives who become the legal guardians of children for whom the relatives previously served as foster parents, and, similar to the foster care and adoption programs, for (2) placement services and administrative costs related to guardianships from foster care, and (3) expenses related to training for staff and guardians.

Children who are eligible for KinGAP are those exiting foster care to legal guardianship with relatives and for whom the following conditions are met: (1) the child has been eligible for Title IV-E foster care maintenance payments while residing for at least six consecutive months in the home of a prospective relative guardian; (2) the State or Tribe has determined that the permanency options of being returned home or adoption are not appropriate for the child; (3) the child demonstrates a strong attachment to the prospective relative guardian and the prospective guardian is committed to caring permanently for the child; and (4) for children age 14 and older, the child has been consulted regarding the kinship guardianship arrangement. Beneficiaries may also be siblings of eligible children placed in the same kinship guardianship arrangement. Additionally, the Fostering Connections Act stated that children who, as of September 30, 2008, were receiving guardianship payments or services under a Title IV-E demonstration waiver remain eligible for Title IV-E assistance or services under the same terms or conditions established previously in any terminated Title IV-E guardianship waiver.

KEY FINDING: ***Twenty-four states claim nearly $63 million through the Title IV-E Guardianship Assistance Program (GAP)***

On the SFY 2012 survey, 24 states reported receiving reimbursement from the federal government through the Title IV-E Guardianship Assistance Program.[xxxii] This was a marked increase from the SFY 2010 survey, when only three states reported Title IV-E GAP reimbursements. (See Appendix B for detailed information on states’ GAP claims as reported on the survey.) For SFY 2012, dollars through GAP totaled almost $63 million, with nearly $57 million supporting guardianship assistance payments, and the balance (over $6 million) funding administrative and placement costs, and guardianship-related training expenses. As of July 2013, 31 states (including DC) and two tribes had approved Title IV-E GAP plans. Thus, expenditures for the Title IV-E GAP are expected to increase for subsequent years as additional states take up this option.

TITLE IV-E WAIVER DEMONSTRATION PROJECTS

BACKGROUND: The Child and Family Services Improvement and Innovation Act of 2011 (P.L. 112-34) renewed Title IV-E waiver authority that had expired in 2006, authorizing HHS to approve up to 30 new demonstration projects through FY 2014, aimed at accomplishing goals associated with increased permanency, improved outcomes, and prevention of maltreatment. These "demonstration projects" are designed to promote innovation in the design and delivery of services for states to support the safety, permanency, and well-being of children. The projects are required to be cost neutral, in that the state does not receive more federal reimbursement than it would have in the absence of the waiver.

KEY FINDING: ***States spend nearly $686 million on Title IV-E Waiver Demonstration Projects in SFY 2012***
Seven states reported Title IV-E waiver dollars for SFY 2012 through the survey.[xxxiii] The Title IV-E funds through a waiver can support a variety of services and activities, both those that are already allowed under the Title IV-E programs and certain activities not otherwise supported by Title IV-E—including such activities as managed care payment systems and flexible funding/capped Title IV-E allocations. States claimed almost $686 million through Title IV-E waiver authorities in SFY 2012. As many additional states have received approval to operate Title IV-E waivers since the SFY 2012 survey, waiver expenditures are expected to increase in subsequent years. (A detailed overview of the Title IV-E waiver demonstration projects can be found at: http://www.acf.hhs.gov/programs/cb/programs/child-welfare-waivers.)

As an important methodological note, dollars claimed through the Title IV-E waiver program are included in the overall Title IV-E expenditure data presented here, but are *excluded* from the analyses of national expenditures through the main individual Title IV-E programs: Foster Care, Adoption Assistance, and Guardianship Assistance. This methodology is consistent with previous iterations of the survey, and allows for a more accurate comparison in the individual Title IV-E program expenditures over time. However, it is important to note that a few states, particularly California and Florida, had sizeable Title IV-E waiver expenditures in SFY 2012 that comprised a significant proportion of their overall Title IV-E spending. These waiver dollars may have a marked impact on state-specific changes in Title IV-E spending, as well as national trends seen within the individual Title IV-E programs.

As the waiver dollars were not included in the individual Title IV-E categories, such as foster care maintenance or administration and placement activities, the dollars reported by these states for these individual categories likely represent an underestimate of total spending on those services and activities. Thus, changes measured over time within the specific Title IV-E programs should be interpreted cautiously for these waiver states, and the potential impact of the waiver expenditures on national findings within the Title IV-E programs should be recognized. Detailed information regarding Title IV-E demonstration waiver expenditures for each state can be found in Appendix B.

CHAFEE FOSTER CARE INDEPENDENCE PROGRAM

BACKGROUND: The Chafee Foster Care Independence Program allocates funding to states under Title IV-E for expenses related to activities that prepare youth transitioning out of the foster care system (or those who have already transitioned) for self-sufficiency after leaving the agency's care. Unlike the other Title IV-E programs, the Chafee program operates as a capped entitlement, with the Education and Training Voucher component receiving discretionary funding. States receive Chafee dollars allocated at an amount proportional to their share of the U.S. foster care population.

KEY FINDING: *Expenditures from Chafee Foster Care Independence Program decrease since SFY 2010*

In SFY 2012, states spent nearly $177 million on the Chafee Foster Care Independence Program (including Education and Training Vouchers), representing a decrease of 5 percent ($9.3 million) from SFY 2010, based on a comparison of 46 states.[xxxiv]

Other Title IV-E Findings

Juvenile justice draws down nearly $209 million in Title IV-E dollars in SFY 2012

The population of children and youth served by the juvenile justice system and the child welfare system in a state may overlap, and it is not unusual for children and youth to cross over between the two systems. Juvenile justice agencies are permitted to draw down Title IV-E funds for certain costs associated with the care of eligible children in their systems. States were asked, in the survey, to report whether the juvenile justice agency in the state drew down Title IV-E funds in SFY 2012.

Of the 50 states that answered this question (excludes Hawaii and Puerto Rico), 17 reported that the juvenile justice agency did draw down Title IV-E funds—fewer than the number of states responding this way on the previous survey. The total amount reported by these states (16 of whom could report an amount) as having been claimed by juvenile justice agencies totaled nearly $209 million in SFY 2012—lower than the amount reported on the previous survey. Amounts reported by states ranged from a low of nearly $537,000 in Maryland to a high of almost $165 million in California. It should be noted, however, that these amounts reflect federal Title IV-E dollars accessed by juvenile justice agencies in the states, as opposed to dollars drawn down by the child welfare agencies and spent on children involved with juvenile justice. Therefore, they do not reflect the universe of Title IV-E dollars spent by states on any juvenile-justice-related services.

States provide over $11 million in Title IV-E dollars to American Indian tribes in SFY 2012

A new question was added to the SFY 2012 survey to learn more about states' agreements with American Indian tribes with respect to Title IV-E funding. Traditionally, American Indian tribes have accessed Title IV-E dollars for children they serve via a cooperative agreement with the state Title IV-E agency. Per the Fostering Connections Act, however, tribes now have the option of operating their own Title IV-E programs, and thus accessing reimbursements for eligible claims directly from the federal government. As of FY 2012, one tribe (Port Gamble S'Klallam Tribe) had approval to do so, and made claims directly to HHS for reimbursement through Title IV-E. Because the child welfare financing survey has historically only been conducted with states (including DC and Puerto Rico), we included a question in the SFY 2012 survey designed to gather more information about the number of states in which tribes are currently accessing Title IV-E dollars via cooperative agreements, and to learn more about the magnitude of Title IV-E dollars that are currently supporting tribes' child welfare activities. States responding to the survey were asked if they had an executed agreement with an American Indian tribe at any time during SFY 2012, and, if so, what amount of Title IV-E funds were used as reimbursements or passed through to the tribes during that year.

Of the 50 states that answered this question (excludes Hawaii and Puerto Rico), 14 reported that they had an executed cooperative agreement with an American Indian tribe during SFY 2012. Of these states, 11 reported reimbursing or passing through Title IV-E dollars to one or more tribes that year, totaling more than $11.2 million—three states reported $0 for SFY 2012 despite having an executed cooperative agreement. (For more information on tribal-state Title IV-E agreements, including descriptions of circumstances that may have contributed to the absence of funds being passed through or reimbursed to the tribe(s) in particular states, readers can access a recent report by Trope and O'Loughlin (2014) [see References]). Table 2 below shows these states and the Title IV-E dollars that were reimbursed or passed through to tribes in SFY 2012.

Table 2. Title IV-E Dollars Passed Through or Reimbursed to American Indian Tribes in States with Executed Cooperative Agreements in SFY 2012

State	Title IV-E Funds to Tribes in SFY 2012
Alaska	$1,133,413
Arizona	$0
California	$0
Michigan	$550,237
Minnesota	$3,973,778
Montana	$3,085,016
New Mexico	$248,775
New York	$4,538
North Dakota	$4,757
Oklahoma	$397,697
Oregon	$892,533
South Dakota	$571,136
Texas	$0
Washington	$400,896
Total	***$11,262,775***

TITLE IV-B

BACKGROUND: Title IV-B of the Social Security Act comprises two components: (1) Subpart 1, a discretionary grant program that funds a range of child welfare services (comprising primarily the Stephanie Tubbs Jones Child Welfare Services program, though additional funds were included in SFY 2012 for Child Welfare Training, Research, and Demonstration as well as Family Connections Grants), and (2) Subpart 2 (Promoting Safe and Stable Families), which has both capped entitlement and discretionary components to primarily fund family support, family preservation, time limited reunification, and adoption promotion activities.

KEY FINDING: ***Title IV-B expenditures decrease 5 percent since SFY 2010***

States spent approximately $595 million in Title IV-B dollars on child welfare in SFY 2012.[xxxv] This represents a 5 percent decrease ($28 million) from Title IV-B expenditures in SFY 2010, based on a comparison of 51 states (excludes Hawaii). The total Title IV-B expenditures included at least $262 million from Subpart 1 and $322 million from Subpart 2.[xxxvi] Between SFYs 2010 and 2012, the majority of states (33) decreased their Title IV-B expenditures. The amount of Title IV-B funding appropriated to states declined between 2010 and 2012, so the drop in Title IV-B expenditures observed since that time is not unexpected. Additionally, Congress has designated certain aspects of the program as carve-outs for specific purposes that are related to child welfare, but whose dollars may not be used by child welfare agencies themselves, and therefore these dollars might not have been reported on the survey.

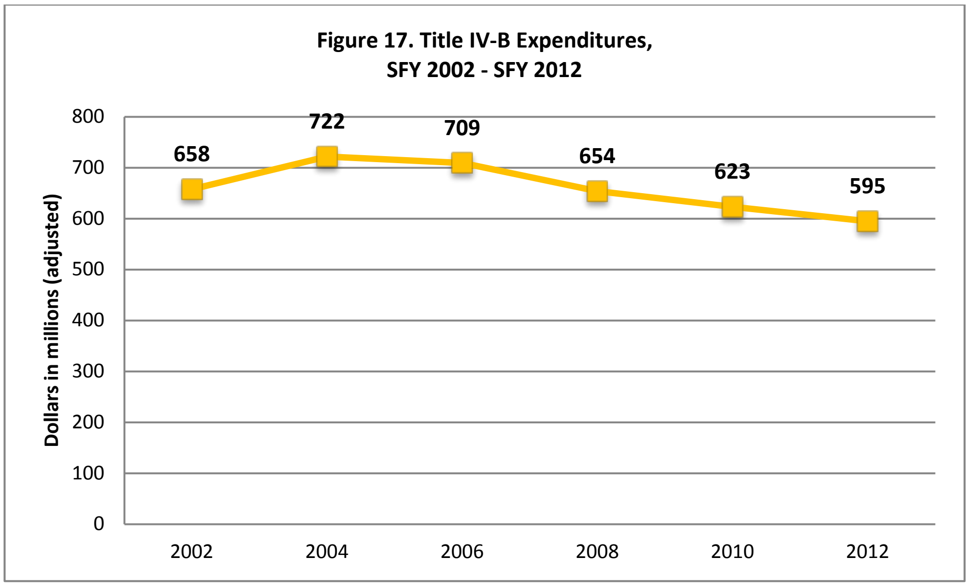
STATE VARIATION: Between SFYs 2010 and 2012, 33 states decreased their Title IV-B expenditures, while 15 states increased expenditures in that time, and three states saw no measurable change. The median change amongst the 51 states for which a comparison was possible was a decrease of 5 percent.

States with largest % increase in Title IV-B expenditures b/t SFYs 2010 & 2012	
Tennessee	+191%
Vermont	+58%
Massachusetts	+23%
Arkansas	+15%
West Virginia	+13%
States with largest % decrease in Title IV-B expenditures b/t SFYs 2010 & 2012	
Nebraska	-49%
North Dakota	-36%
New Hampshire	-34%
Rhode Island	-34%
Wyoming	-30%

Of the states reporting a decrease, the percent change ranged from 1 percent to 49 percent, with a median decrease of 8 percent. Twenty-one states reported a decrease of 10 percent or less, while seven states decreased Title IV-B expenditures by 21 percent or more.

Of the states reporting an increase, the percent change ranged from 1 percent to 191 percent, with a median increase of 7 percent increase. Ten states reported an increase of 10 percent or less, while three states increased Title IV-B expenditures by 21 percent or more.

ACROSS THE DECADE: Between SFYs 2002 and 2012, Title IV-B expenditures by child welfare agencies decreased by 11 percent, based on a comparison of 50 states.[xxxvii] Although the proportion of all federal child welfare spending represented by Title IV-B dollars has been around 5 percent for the past several survey iterations, total dollars spent by states from this funding stream have decreased steadily since SFY 2004.[xxxviii] As noted earlier, federal dollars appropriated to Title IV-B have also declined over the past decade, which is likely contributing to the decreasing use of funds by child welfare agencies. Figure 17 depicts the change in Title IV-B spending over the past decade.



Source: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys
Note: Amounts have been adjusted for inflation and represent 2010 dollars. Represents total amounts reported by states for each year, and may include HHS data in place of missing survey reports for some years. Includes data from all 52 states. However, the number of states providing data for each round of the survey varies. Therefore, the amounts depicted in the graph may not be directly comparable and are likely an underestimate of true spending.

Federal Funds Not Dedicated to Child Welfare

This section describes survey data on state expenditures from "non-dedicated" federal sources, including the Temporary Assistance to Needy Families (TANF) program, the Social Services Block Grant (SSBG), and certain child welfare services allowable under Medicaid. Each of these three federal programs allows for spending on child welfare services while also supporting other primary purposes, as described in the sections below. As the data show, reliance on these programs for funding child welfare activities varies greatly from state to state.

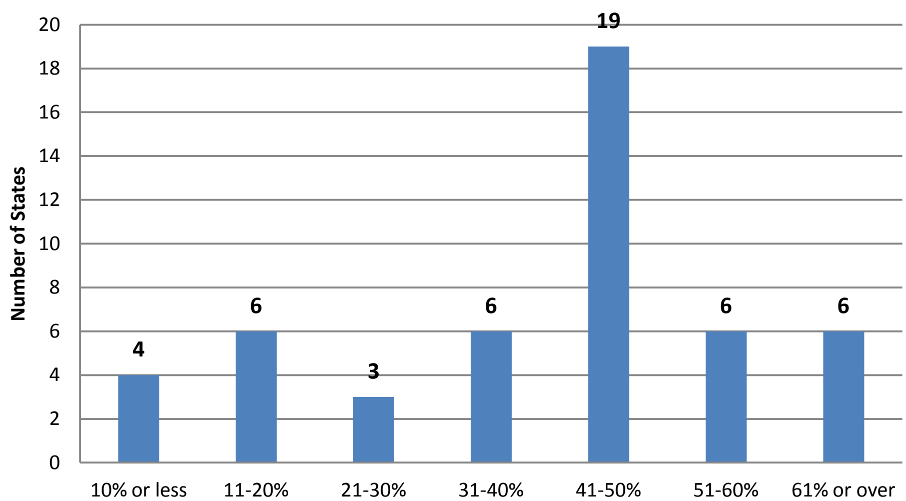
KEY FINDING: ***Child welfare spending from "non-dedicated" federal funds decreases 8 percent since SFY 2010***
In SFY 2012, states funded child welfare activities with over $5.3 billion from the Temporary Assistance for Needy Families (TANF), Social Services Block Grant (SSBG), and Medicaid programs combined. The combined expenditures from these three funding streams represent a decrease of 8 percent ($455 million) over SFY 2010, based on an analysis of the 48 states that provided sufficient data for both years.[xxxix] The overall decrease in expenditures from these three programs combined, as explained in the subsequent sections, seems to be driven largely by declines in the SSBG and TANF categories. The national average of states' use of these non-dedicated sources as a percentage of all federal funds spent on child welfare in SFY 2012 was 42 percent, based on 50 states that provided sufficient data for this analysis.[xl]

States with largest % of all federal expenditures from "non-dedicated" sources (TANF, SSBG, Medicaid combined), SFY 2012	
West Virginia	73%
Alabama	65%
Tennessee	65%
Connecticut	63%
Vermont	62%
States with smallest % of all federal expenditures from "non-dedicated" sources (TANF, SSBG, Medicaid combined), SFY 2012	
Maine	0%
Ohio	7%
Nevada	8%
District of Columbia	9%
New Mexico	15%

STATE VARIATION: States vary greatly in their use of these sources for child welfare activities. Four states reported that these three funding sources accounted for 10 percent or less of all federal funds spent on child welfare in SFY 2012 while six states reported that SSBG, Medicaid, and TANF, combined, accounted for 61 percent or more of all their federal funds.

Figure 18 illustrates the variation in states' reliance on these "non-dedicated" federal funding sources for child welfare.

Figure 18. States' Use of Federal Funds not Dedicated to Child Welfare (TANF, SSBG, Medicaid) as a Percentage of all Federal Funds, SFY 2012



Note: Represents 50 states. Excludes Alaska and Hawaii due to missing data.

Each of the three programs will be explored in more detail below.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TNAF)

BACKGROUND: Temporary Assistance for Needy Families (TANF) is a federal block grant to states that operates according to four overarching purposes, one of which is to provide assistance to needy families with children so they can live in their own homes or the homes of relatives. Although TANF is often thought of as primarily a "welfare" program for low-income or needy families, analysis by the Congressional Research Service (Falk, 2014) shows that less than 29 percent of TANF dollars expended in FY 2012 were used to provide basic (cash) assistance for families. The majority of TANF funds (over 70 percent) supported other activities, such as child care, work expenditures and other work supports, administration, and "other" (Falk, 2014). Because TANF funds can be spent on essentially any service aimed to achieve one of the program's four goals, it offers states very flexible funding for supporting child welfare cases. In addition, federal law allows states to use TANF funds to cover programs and activities a state had conducted under its pre-1996 (pre-TANF) Emergency Assistance (EA) program, which could fund foster care or adoption assistance for children ineligible for Title IV-E. However, there is little data available to discern the extent of TANF use on these grandfathered services.

TANF programs and child welfare programs are often administered by different state agencies, but can serve some of the same families. TANF funds are governed by various federal program rules and requirements, including financial maintenance of effort requirements for states. Funds are provided to states through several mechanisms, including but not limited to the basic block grant, supplemental grants, a contingency grant fund (for recession-related purposes), and an emergency contingency fund. Federal also law allows state to transfer up to 10 percent of TANF grant funds to SSBG.

KEY FINDINGS: *TANF spending on child welfare decreases 9 percent since SFY 2010*

In SFY 2012, states spent almost $2.8 billion in TANF funds on child welfare services (excluding TANF dollars transferred to SSBG, which are instead captured in the SSBG category). This represents a 9 percent decrease ($283 million) from SFY 2010 expenditures from this funding stream, based on a comparison of 51 states (excludes Hawaii). Between SFYs 2010 and 2012, most of these states (26) decreased TANF expenditures on child welfare, though 17 states reported an increase.

Nine states reported using no TANF dollars for child welfare activities in SFY 2012. Nationally, TANF accounted for 22 percent of all federal funds spent on child welfare. This represents a slight increase from SFY 2010, when TANF dollars comprised 21 percent of all federal funds.

Child welfare activities most commonly supported by TANF dollars are: (1) foster care services, (2) protective services, and (3) administrative costs

A new question was added to this round of the survey to learn more about how states are using TANF dollars with respect to child welfare. States that reported spending TANF dollars on child welfare services in SFY 2012 were asked a follow-up question about how the dollars were spent. Specifically, they were asked to rank, based on their best estimates, the top three child welfare services or activities from a provided list that the TANF dollars were used to support in SFY 2012. Table 3 below summarizes the findings. For each service or activity, the table displays the number of states assigning a rank of "1," "2," or "3" to that category—with "1" representing where the majority of TANF funds were used, "2" representing the second highest category, and so on.

As Table 3 illustrates, the service most commonly selected by the states (i.e., the option receiving the greatest number of 1, 2, or 3 rankings combined) was foster care services (which also received the largest number of "#1" rankings, at 12). This was followed by protective services, and then administrative costs. The least-commonly reported services were residential treatment services (3 states), independent/transitional living services (2 states), and other workforce expenses (i.e. training) (no states). Appendix F includes state-by-state data for this question.

Table 3. States' Use of TANF Dollars for Child Welfare in SFY 2012

Child Welfare Service/Activity	# of states ranking as #1, #2, or #3 (N = 42 states)
Foster care services (including case management for children in foster care)	27
Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	23
Administrative costs	16
Prevention services	13
In-home services to children not in foster care and/or their families (including case management services)	12
Adoption or guardianship assistance payments	8
Other	8
Residential treatment services	3
Independent/transitional living services	2
Other workforce expenses (i.e. training)	0

State TANF agencies provide "child-only" payments in most states, but many states are unable to report the proportion of their caseload receiving these payments

Another new question on the SFY 2012 survey asked states to report whether their state TANF agency provides "child-only" payments (meaning that the cash assistance payment was made on behalf of an eligible child) to children living with relatives who are under the responsibility of the child welfare agency (i.e., the child welfare agency is required to provide case planning and case review protections to these children). Of the 50 states that answered this question (excludes Hawaii and Puerto Rico), most states (30) responded that their state TANF agency *does* provide these payments to those children, with 20 states reporting that this does not occur. The 30 states responding affirmatively were then asked to report an estimate of the percentage of children receiving TANF child-only payments out of the total number of children in out-of-home care. Only ten of these states provided a percentage or a range, with 20 states reporting that they were "unable to provide" this information. Responses from the ten states ranged from a low of zero to 10 percent in several states, to a high of 31 to 40 percent in one state.

STATE VARIATION: Between SFYs 2010 and 2012, 26 states reported a decrease in use of TANF dollars on child welfare activities, while 17 states reported an increase. Seven states used no TANF dollars for child welfare services in either year, and one state had no measurable change in TANF expenditures in that time. The median change for states that used TANF dollars in both years was a 4 percent decrease.

Of the states reporting a decrease, the percent change ranged from 2 percent to 100 percent. The median decrease (of states that used TANF dollars in both years) was 20 percent. Seven states reported a decrease of 10 percent or less, while six states reported declines of 50 percent or more in that time period.

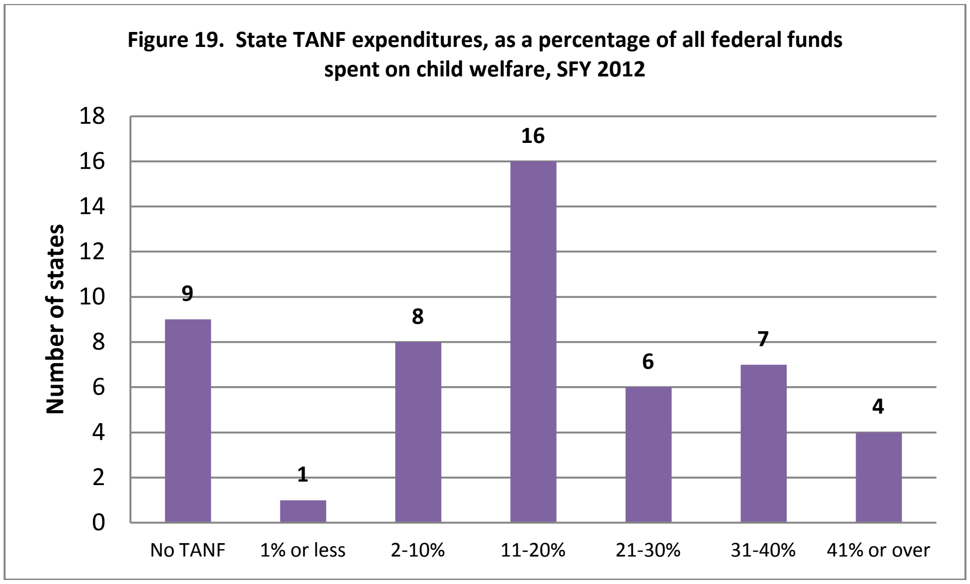
Of the states reporting an increase, the percent change ranged from 4 percent to 453 percent. The median increase (of states that used TANF dollars in both years) was 23 percent. Four states reported an increase of 10 percent or less, while five states increased TANF expenditures on child welfare by 50 percent or more.

States' use of TANF funds for child welfare purposes as a percentage of all federal dollars spent ranged from a low of 0 percent in the nine states that did not use the funding source in SFY 2012, to a high of 60 percent of all federal dollars spent in one state.

Figure 19 below illustrates the variation in states' reliance on TANF dollars for child welfare activities.

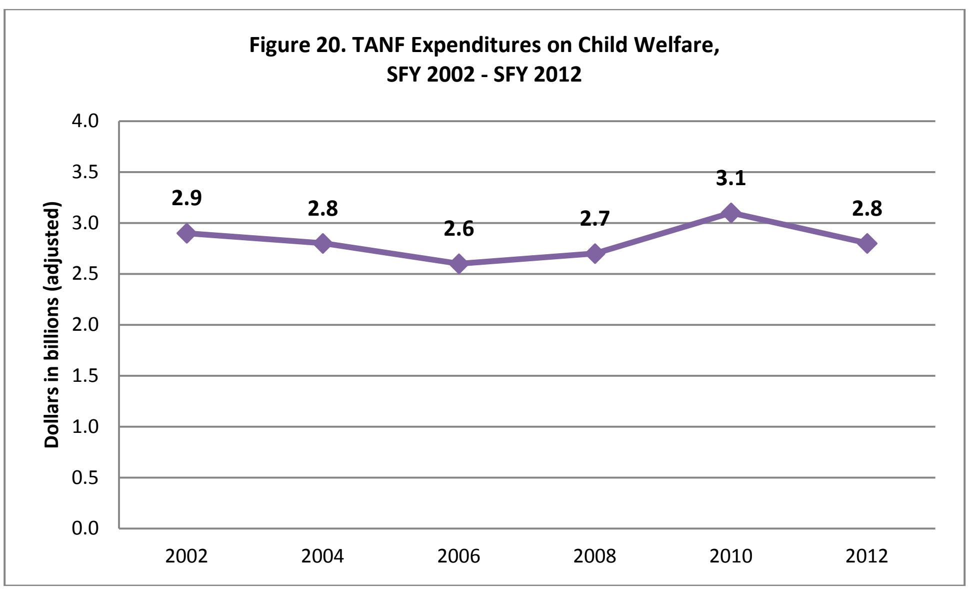
States with highest proportion of federal child welfare expenditures from TANF dollars, SFY 2012	
West Virginia	60%
Connecticut	56%
Georgia	55%
North Dakota	42%
Illinois	40%
Michigan	40%

States with lowest proportion of federal child welfare expenditures from TANF dollars, SFY 2012	
Alaska	New Mexico
Maine	Puerto Rico
Massachusetts	Tennessee
Minnesota	Utah
Nevada	



Note: Represents 51 states. Excludes Hawaii due to missing data. Alaska did not report Medicaid dollars for SFY 2012, so is typically excluded from calculations throughout this report that produce information on proportional expenditures from various federal sources, however they are included in this graph because they reported $0 for TANF for SFY 2012, and thus their lack of Medicaid data would not impact their categorization here. TANF amounts exclude TANF dollars transferred to SSBG.

ACROSS THE DECADE: Between SFYs 2002 and 2012, child welfare expenditures from TANF decreased 7 percent, based on a comparison of 49 states.[xli] Figure 20 depicts total TANF spending on child welfare every two years since SFY 2002. As the graph depicts, a gradual increase in TANF expenditures occurred between SFY 2006 and SFY 2010—peaking at $3.1 billion in SFY 2010. The graph now shows a downtick in expenditures for SFY 2012; it is unclear at this point whether this represents the start of a downward trend.



Source: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys
Note: Amounts have been adjusted for inflation and represent 2010 dollars. Represents total amounts reported by states for each year. Includes data from all 52 states. However, the number of states providing data for each round of the survey varies. Therefore, the amounts depicted in the graph may not be directly comparable and are likely an underestimate of true spending

In SFY 2010, the TANF program was funded above its annual allocation through federal appropriations connected with recession-related fiscal relief. The phase-out of the ARRA-related TANF Emergency Contingency Fund seems to have been a contributing factor to the decline in TANF expenditures experienced in some states seen with the SFY 2012 survey. Additionally, as a source of federal funds that is not dedicated to child welfare purposes, child welfare agencies are not guaranteed the use of TANF dollars in every state or in every year. Thus, child welfare agencies may not have access to TANF dollars in a particular year, or may receive restricted or reduced funds in some years. This may especially be the case during times of economic downturn, when there is likely increased pressure on the TANF block grant due to higher cash assistance caseloads.

SOCIAL SERVICES BLOCK GRANT (SSBG)

BACKGROUND: The Social Services Block Grant (SSBG) is a flexible source of federal funds provided to states in support of a diverse set of five overarching policy goals, including preventing or remedying child abuse. Federal regulations issued by the U.S. Department of Health and Human Services established uniform definitions for 28 SSBG service categories (Lynch, 2012). State spending of SSBG is not restricted to these categories, but rather, these categories serve as a guide for reporting purposes.

A number of these 28 categories are related to child welfare services, with foster care services being one of the largest areas of SSBG expenditures. Other examples of areas related to child welfare include adoptive services, case management, counseling services, home-based services, housing services, information and referral, prevention and intervention, protective services for children, special services for youth at risk, and substance abuse services. In addition to their annual SSBG allotments, states are permitted to transfer up to 10 percent of the TANF block grant to SSBG. Once funds are transferred, the funds become available for the new receiving program's allowable uses. Since FY 2002, annual funding for SSBG has been $1.7 billion per year, distributed to states through a formula-based appropriation.

KEY FINDINGS: ***SSBG spending on child welfare decreases 10 percent since SFY 2010***

In SFY 2012, states spent nearly $1.6 billion in SSBG funds for child welfare activities (including TANF funds transferred to SSBG). This represents a 10 percent ($181 million) decrease over SFY 2010 expenditures from this funding stream, based on data for 50 states.[xlii] Most states (30) decreased their use of SSBG dollars in that time period.

Three states reported using no SSBG for child welfare activities in SFY 2012. Nationally, SSBG accounted for 12 percent of all federal funds expended on child welfare activities in SFY 2012. This represents a modest decrease from SFY 2010, when SSBG dollars comprised 13 percent of all federal funds

Child welfare activities most commonly supported by SSBG dollars are: (1) foster care services, (2) protective services, and (3) administrative costs

Similar to the question asking states how TANF dollars were used, states reporting that their child welfare agencies spent SSBG dollars on child welfare services in SFY 2012 were asked a follow-up question about how the dollars were spent. They were asked to rank, based on their best estimates, the top three child welfare services or activities (from a provided list) that the SSBG dollars were used to support in SFY 2012. Table 4 below summarizes the findings. For each service or activity, the table displays the number of states assigning a rank of "1," "2," or "3" to that category in SFY 2012—with "1" representing the category for which the majority of SSBG funds were used, "2" representing the second-highest category, and so on.

As Table 4 illustrates, the service most commonly selected by the states (i.e., response receiving the greatest number of 1, 2, or 3 rankings combined) was foster care services (which also received the largest number of "#1" rankings, at 19). This was followed by protective services, and then by administrative costs. These findings closely mirror the findings from the TANF question, as described above. The least-commonly-reported services were residential treatment services (7 states), other workforce expenses (i.e., training) (2 states), and independent/transitional living services (no states). Appendix G includes state-by-state data for this question.

Table 4. States' Use of SSBG Dollars for Child Welfare in SFY 2012

Child Welfare Service/Activity	# of states ranking as #1, #2, or #3 (N = 47 states)
Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	30
Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	26
Administrative costs	17
Prevention services	14
Other	13
Adoption services	11
In-home services to children not in foster care and/or their families (including case management services)	8
Residential treatment services	7
Other workforce expenses (i.e. training)	2
Independent/transitional living services	0

STATE VARIATION: Between SFYs 2010 and 2012, 30 states reported a decrease in SSBG dollars used for child welfare services, while 19 states reported an increase. One state reported spending no SSBG dollars on child welfare in either year. The median change for states that used SSBG dollars in both years was a 4 percent decrease.

Of the decreasing states, the percent change ranged from 1 percent to 100 percent. The median decrease (of states that used SSBG dollars in both years) was 11 percent. Thirteen states reported a decrease of 10 percent or less, while four states reported declines of 50 percent or more in that time period.

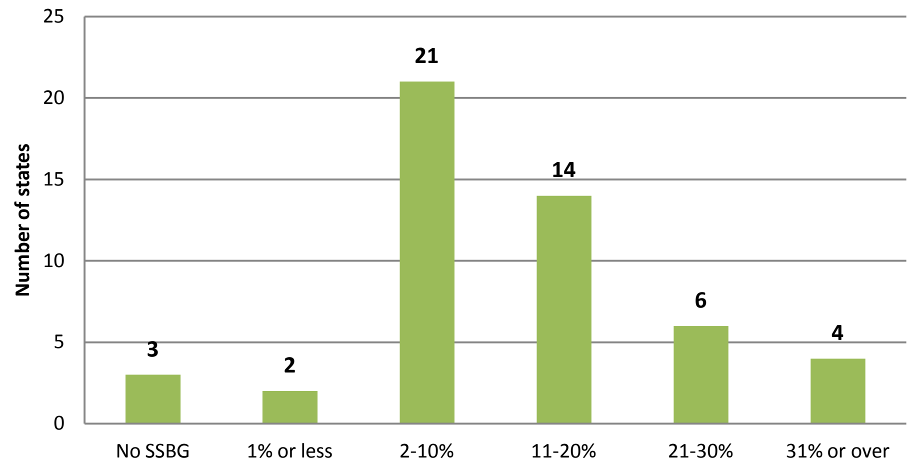
Of the increasing states, the percent change ranged from 3 percent to 182 percent. The median increase (of states that used SSBG dollars in both years) was 20 percent. Five states reported an increase of 10 percent or less, while eight states increased SSBG expenditures on child welfare by 21 percent or more.

States' use of SSBG dollars for child welfare purposes as a percentage of all federal dollars spent ranged from a low of 0 percent in the three states that did not use the funding source in SFY 2012 to a high of 40 percent of all federal dollars spent in two other states.

States with highest proportion of federal child welfare expenditures from SSBG dollars, SFY 2012	
Massachusetts	40%
Puerto Rico	40%
Wyoming	39%
Louisiana	36%
Idaho	26%
States with lowest proportion of federal child welfare expenditures from SSBG dollars: $0 in SFY 2012	
District of Columbia	
Maine	
North Dakota	

Figure 21 below illustrates the variation in states' reliance on SSBG dollars for child welfare activities.

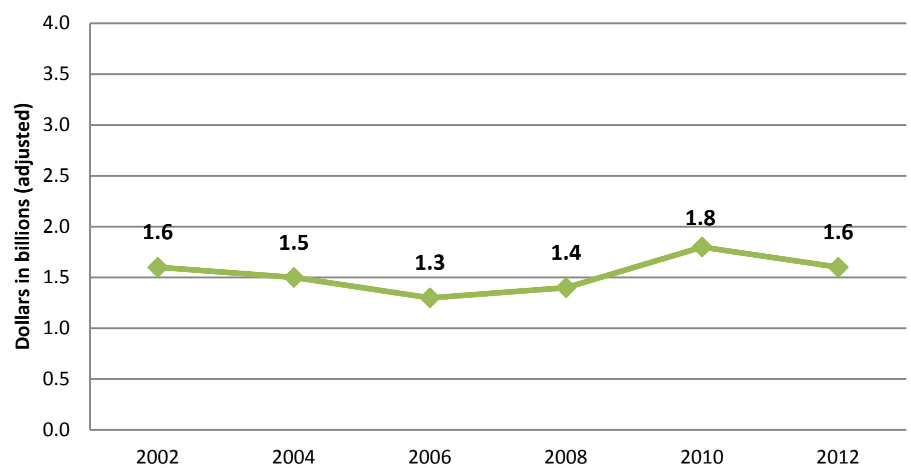
Figure 21. States' SSBG Expenditures, as a Percentage of all Federal Funds Spent on Child Welfare, SFY 2012



Note: Represents 50 states. Excludes Alaska and Hawaii due to missing data. SSBG amount includes TANF dollars transferred to SSBG.

ACROSS THE DECADE: Between SFYs 2002 and 2012, SSBG expenditures on child welfare decreased 4 percent, based on an analysis of 50 states.[xliii] Figure 22 depicts total SSBG spending on child welfare every two years since SFY 2002. As the graph shows, a gradual increase in SSBG expenditures occurred between SFY 2006 and SFY 2010—at which time it peaked at $1.8 billion. The graph now shows a downtick in expenditures for SFY 2012, similar to the findings with TANF described above. As with TANF expenditures, it is unclear at this time whether this represents the start of a downward trend in SSBG expenditures.

Figure 22. SSBG Expenditures on Child Welfare, SFY 2002 - SFY 2012



Source: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys
Note: Amounts have been adjusted for inflation and represent 2010 dollars. Includes TANF dollars transferred to SSBG. Represents total amounts reported by states for each year. Includes data from all 52 states. However, the number of states providing data for each round of the survey varies. Therefore, the amounts depicted in the graph may not be directly comparable and are likely an underestimate of true spending.

As described in the SFY 2008/2010 survey report, Congress made additional SSBG funding available to states in FY 2006 and FY 2009 through supplemental appropriations for "necessary expenses" resulting from natural disasters. Although not all states received these supplemental funds (and those that did receive the funds did not necessarily spend these dollars on child welfare activities), this could be contributing to the decline seen with the SFY 2012 findings.

MEDICAID

BACKGROUND: Medicaid is a federal-state health care financing program that provides health insurance to millions of low-income individuals. Children who are eligible for Title IV-E Foster Care, Adoption or Guardianship assistance are automatically eligible for Medicaid. States have the option to extend Medicaid coverage to non-Title-IV-E eligible children, and most states do. Research shows that children and youth in foster care are at high risk for an array of physical and mental health problems, and health care services offered by Medicaid can make a major difference in the health and well-being of these children. The Medicaid-related child welfare expenditures covered by this survey exclude basic health services, and include only certain services related to child welfare, including targeted case management, rehabilitative services, and medically necessary services for children in treatment foster homes.

For the survey, states were asked to report the Medicaid dollars claimed for child welfare services in SFY 2012 for which the child welfare agency paid the nonfederal match. As referenced above, the survey explicitly asked states to exclude Medicaid funds useqd to pay for direct health services (e.g., in-patient care, dental care) for Medicaid-eligible children who are involved with the child welfare system. (This definition mirrors that used in prior rounds of the survey.) Dollars reported here reflect the Medicaid dollars that are discretely appropriated and/or sourced from child welfare agency funds. Therefore, the Medicaid dollars described in this report are intended to reflect *only those where the child welfare agency bears the non-federal share requirement*. It should be acknowledged, therefore, that this understates by a significant, yet indeterminate, amount, the degree to which Medicaid supports child welfare clients and child welfare activities overall in the U.S.

KEY FINDINGS: ***Medicaid spending on child welfare decreases slightly since SFY 2010***

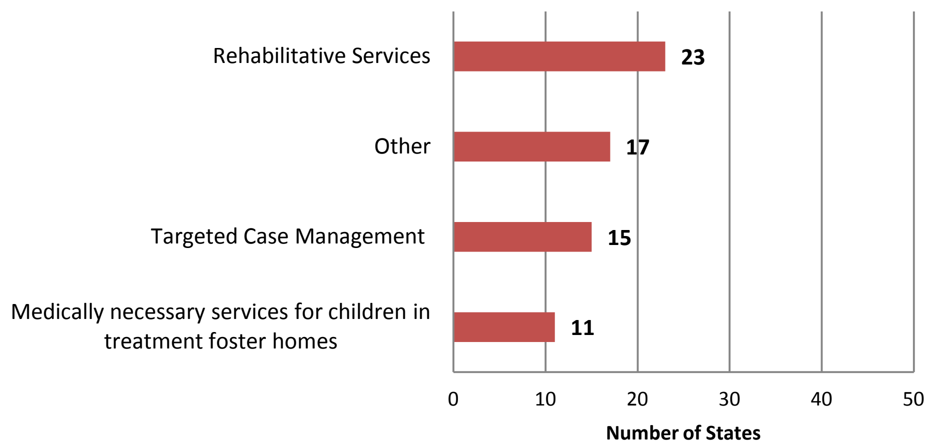
In SFY 2012, states spent nearly $956 million in Medicaid dollars for child welfare purposes. This represents a minor decrease of 1 percent ($12 million) since SFY 2010, based on an analysis of 49 states.[xliv] Eleven states reported using no Medicaid dollars on child welfare activities in SFY 2012—an increase from the number of states reporting this in previous rounds of the survey. Thus, there seems to be a gradual increase over time in the number of states whose child welfare agencies are not using Medicaid dollars for child welfare services.

It is unclear, however, whether this reflects administrative or structural changes taking place in some states, where responsibility for the federal share of Medicaid claims is shifting to another agency—e.g., rehabilitative services previously appropriated by the child welfare agency now being paid for by the behavioral health agency—or whether it represents a true reduction or elimination of certain Medicaid-funded activities in that state. Previous research conducted by Child Trends (and funded by the Annie E. Casey Foundation), in which phone interviews were conducted with a small group of states, suggests that some apparent reductions in Medicaid expenditures may reflect this change in the administrative structure of the program (i.e., cost responsibility shifting to another agency or department) rather than a true decline in Medicaid-funded services and activities for the child welfare population. However, in these interviews some states did indicate experiencing either reductions or eliminations in their use of certain Medicaid-funded activities, most notably with the Targeted Case Management program.

Rehabilitative services are the most common use of Medicaid dollars by child welfare agencies

The SFY 2012 survey asked states that reported using Medicaid dollars on child welfare activities to indicate the types of services for which the child welfare agency paid the non-federal Medicaid match. Of the 40 states providing information about how the Medicaid dollars were used, the majority (23 states) selected rehabilitative services (e.g., residential treatment, behavioral modification treatment). The second-most-commonly reported service was “other” (17 states), which includes a variety of activities such as transportation and administration, followed by targeted case management (15 states), and Medically-necessary services for children in treatment foster homes (11 states). Figure 23 depicts the number of states indicating that they used Medicaid dollars for these activities. Appendix H provides state-by-state responses to this question.

Figure 23. Child Welfare Activities Funded by Medicaid Dollars in SFY 2012 (N = 40 states)



STATE VARIATION: Between SFYs 2010 and 2012, about half of the states (25) reported a decrease in their Medicaid expenditures on child welfare, with 16 states reporting an increase in that time period. Eight states reported no Medicaid dollars in either year. The median change for states that used Medicaid dollars in both years was a decrease of 14 percent.

Of the decreasing states, the percent change ranged from 1 percent to 100 percent. The median decrease (of states that used Medicaid dollars in both years) was 34 percent. Four states reported a decrease of 10 percent or less, while seven states had decreases of 50 percent or more in that time period.

Of the increasing states, the percent change ranged from 1 percent to 3,031 percent. The median increase (of states that used Medicaid dollars in both years) was 36 percent. Five states reported an increase of 10 percent or less, while six states had increases of 50 percent or more in that time period.

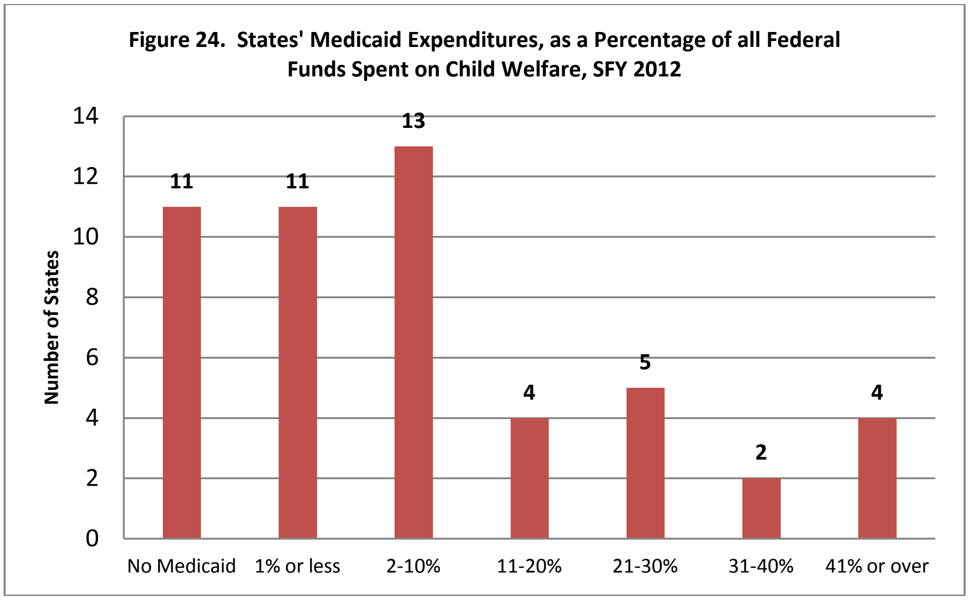
Nationally, Medicaid funds accounted for 8 percent of all federal funds used for child welfare purposes in SFY 2012.This represents a slight increase over SFY 2010, when Medicaid dollars comprised 7 percent of all federal funds spent on child welfare in the U.S.

States' use of Medicaid funds varies considerably, however, comprising 0 percent of the total federal expenditures for the eleven states that did not use any Medicaid dollars in SFY 2012, to a high of 57 percent of all federal dollars spent in one state.

Figure 24 below illustrates the variation in states' reliance on Medicaid dollars for child welfare activities.

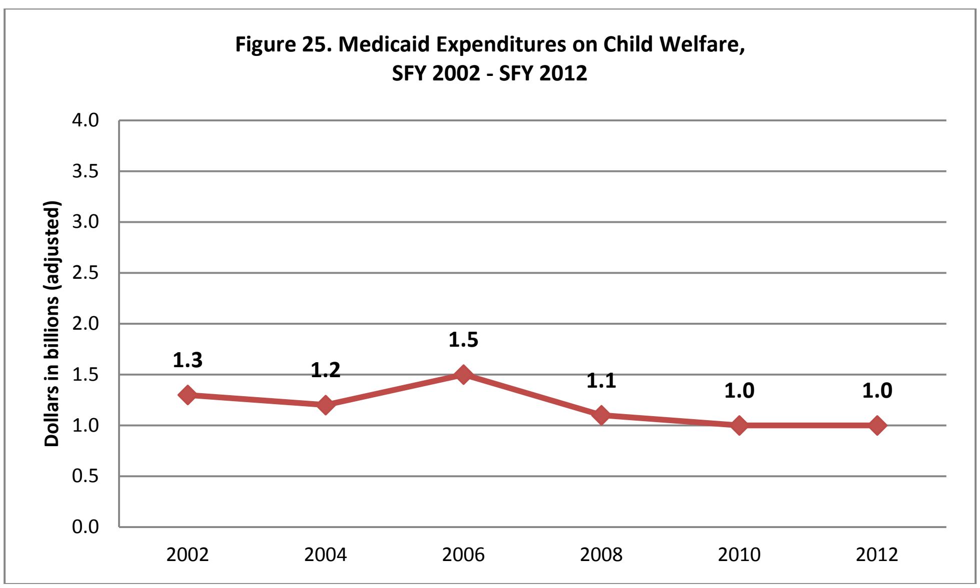
States with highest proportion of federal child welfare expenditures from Medicaid dollars, SFY 2012	
Tennessee	57%
Alabama	51%
Vermont	47%
Rhode Island	43%
New Jersey	33%

States with lowest proportion of federal child welfare expenditures from Medicaid dollars: $0 in SFY 2012	
Arizona	Mississippi
Delaware	Montana
Iowa	Puerto Rico
Kentucky	West Virginia
Maine	Wyoming
Michigan	



Note: Represents 50 states. Excludes Alaska and Hawaii due to missing data.

ACROSS THE DECADE: Between SFYs 2002 and 2012, Medicaid expenditures on child welfare decreased 30 percent, based on an analysis of 43 states.[xlv] Figure 25 illustrates Medicaid expenditures on child welfare services every two years since SFY 2002. As the graph depicts, after peaking at approximately $1.5 billion in SFY 2006, a sharp decline occurred between that year and SFY 2008, followed by more-modest subsequent biennial declines.



Source: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys
Note: Amounts have been adjusted for inflation and represent 2010 dollars. Represents total amounts reported by states for each year. Includes data from all 52 states. However, the number of states providing data for each round of the survey varies. Therefore, the amounts depicted in the graph may not be directly comparable and are likely an underestimate of true spending.

Other Federal Child Welfare Funds

In addition to the major federal sources outlined above, there are a wide variety of additional federal funding streams that states may use to fund their child welfare activities. These include funds dispersed through the

Child Abuse Prevention and Treatment Act (CAPTA), the Children's Justice Act (CJA), the Adoption Opportunities program, and a variety of other federal grants or awards. States were asked to report these dollars on the survey in a category for "other federal funds." Also included in this category were "child income"-related funding streams that states may use for child welfare purposes, including Supplemental Security Income (SSI), Social Security Survivors' Benefits, and Social Security Disability Benefits, as well as Veteran's Administration Funds and child support dollars.

KEY FINDING: ***Child welfare expenditures from other federal funds decline 5 percent since SFY 2010.***
In SFY 2012, states reported using nearly $341 million in "other" federal funds on child welfare activities, a decrease of 5 percent ($19 million) over SFY 2010, based on analysis of 51 states (excludes Hawaii). As some states were unable to provide data for each of the "other" categories listed on the survey, the total amount reported here is undoubtedly an underestimate of actual spending from these sources. Additionally, it should be considered that shifts in this category between survey rounds are not surprising or unexpected, given that this category can be highly prone to reporting errors (and relies on states' abilities to capture and report all of the "other" funds), and includes grants and awards that may be one-time provisions for states. Thus, this category seems particularly sensitive to states' abilities to report comprehensive data, as well as the unique characteristics of some of the funding sources in terms of periodicity and availability. Nationally, the "other federal funds" category comprised around 3 percent of all federal dollars spent on child welfare in SFY 2012—a finding similar to previous years.

IV. STATE AND LOCAL CHILD WELFARE FUNDS

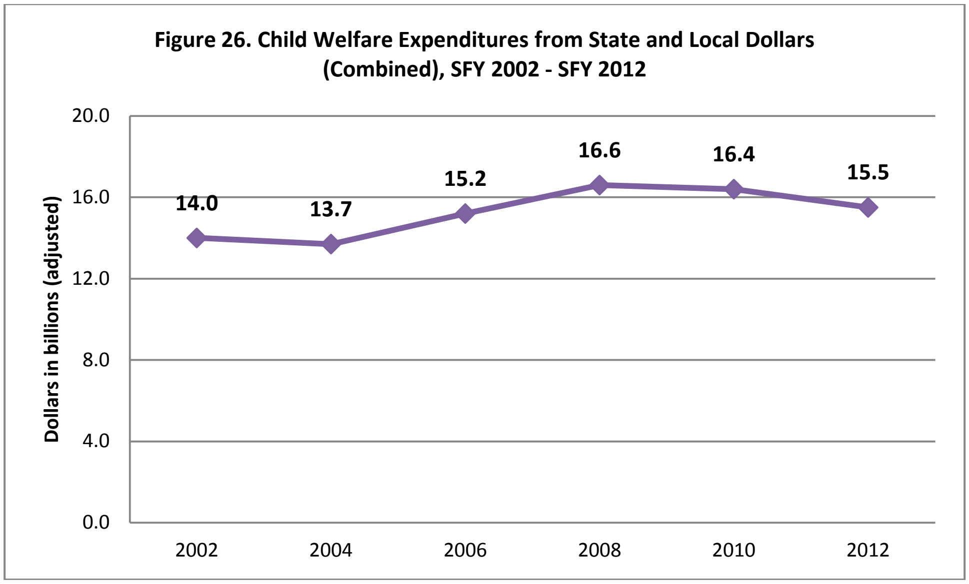
In addition to federal financing sources, states spend their own dollars on child welfare services and activities—both to match federal funds or to meet a required maintenance of effort for a federal program—and may also spend dollars over and above what is required to draw down the federal sources. These funds come primarily from state dollars and, in some cases, county or local sources. Some states require or allow jurisdictions to fund child welfare services with local dollars. The structure of a state's child welfare system (i.e., state-administered or county-administered) may contribute to the participation of localities in financing child welfare activities; however, some state-administered systems report local dollars expended on child welfare as well. On our survey, more than half of states (28) reported no local dollars were spent on child welfare services in SFY 2012.

In this section, we first discuss findings from the survey regarding state and local funds combined, and then briefly examine findings specific to each source separately (state dollars and local dollars).

KEY FINDING: ***Total state and local expenditures combined decrease 6 percent since SFY 2010***
In SFY 2012, states spent nearly $15.5 billion in state and local dollars on child welfare activities.[xlvi] This represents a decrease of 6 percent ($896 million) since SFY 2010, based on an analysis of 47 states.[xlvii]

STATE VARIATION: Twenty-five states decreased combined state and local expenditures on child welfare between SFYs 2010 and 2012, while 19 states increased these expenditures (and three states had no measurable change.) Of the decreasing states, the percent change ranged from 2 percent to 51 percent, with a median decrease of 13 percent. Of the increasing states, the percent change ranged from 1 percent to 166 percent, with a median increase of 14 percent.

ACROSS THE DECADE: Combined state and local dollars spent on child welfare in SFY 2012 represent a 10 percent increase over expenditures in SFY 2002, based on 39 states compared.[xlviii] Figure 26 shows total state and local dollar reported by states for every two years between SFYs 2002 to 2012.



Source: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys
Note: Amounts have been adjusted for inflation and represent 2012 dollars. Includes data from all 52 states. However, the number of states providing data for each round of the survey varies. Includes data based on required state match from HHS claims/allocations data in place of missing information from states. Therefore, the amounts depicted in the graph may not be directly comparable, and are likely an underestimation of true spending.

State Dollars

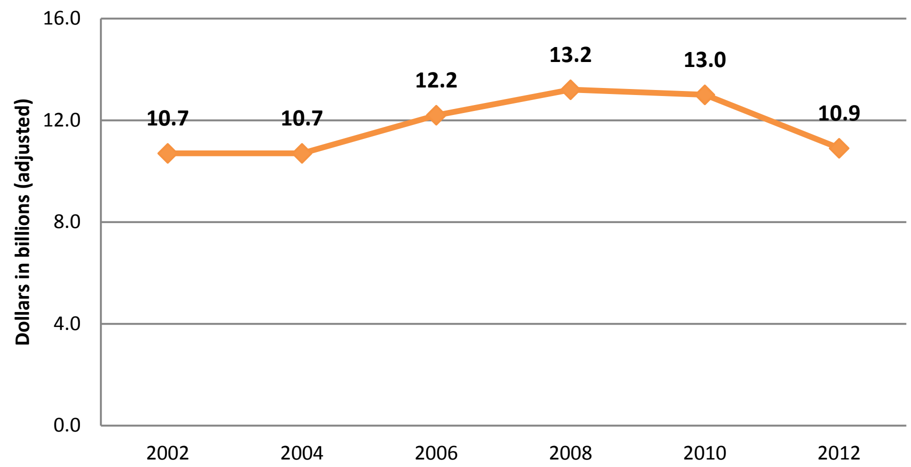
KEY FINDING: ***State dollars spent on child welfare decrease 16 percent since SFY 2010***
In SFY 2012, states spent nearly $10.9 billion in state funds on child welfare activities *(excludes any local dollars, which are described in the next section).* This represents a 16 percent decrease ($2.1 billion) from SFY 2010, based on an analysis of 51 states[xlix]. The median change for the 50 states reporting state expenditures for both years (excludes Hawaii and California) was a decrease of 4 percent.

STATE VARIATION: Thirty states reported a decrease in state expenditures between SFYs 2010 and 2012, while 20 states reported an increase (and one state had no measurable change.) Of the states that decreased their state funds spent on child welfare, the percent change ranged from 2 percent to 100 percent. (*Note:* California had a structural change in their child welfare financing system that shifted expenditures that previously came from state dollars to local dollars—and thus reported $0 in state funds on the SFY 2012 survey. More information about this change is provided below in the discussion of local dollars.) The median decrease (of states that used state dollars in both years) was 13 percent. Eleven states reported decreases of 10 percent or less, while seven states had decreases of 21 percent or more in that time period.

Of the states that increased their state dollars spent on child welfare, the percent change ranged from 1 percent to 492 percent, with a median increase of 14 percent. Nine states had increases of 10 percent or less, while six states had increases of 21 percent or more in that time period.

ACROSS THE DECADE: State dollars spent on child welfare in SFY 2012 represent a 1 percent increase over expenditures in SFY 2002, based on 50 states compared.[l] Figure 27 presents total state dollars reported by states for every two years between SFYs 2002 to 2012. As the figure illustrates, after increasing for several years and peaking at around $13.2 billion in SFY 2008, state dollars spent on child welfare have shown a downward trend.

Figure 27. Child Welfare Expenditures from State Dollars, SFY 2002 - SFY 2012



Source: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys.
Note: Amounts have been adjusted for inflation and represent 2012 dollars. Includes data from all 52 states. However, the number of states providing data for each round of the survey varies. Includes data based on required state match from HHS claims/allocations data in place of missing information from states. Therefore, the amounts depicted in the graph may not be directly comparable and are likely an underestimate of true spending.

Local Dollars

KEY FINDING: ***Total local expenditures on child welfare increase 33 percent since SFY 2010, but national finding seems driven by two large states***
In SFY 2012, states spent almost $4.6 billion in local funds on child welfare activities. This represents a 33 percent increase ($1.1 billion) from SFY 2010, based on an analysis of 47 states.[li] In interpreting this finding, two state changes should be considered. First, as mentioned earlier, California reported a notable shift in their child welfare financing structure, beginning in 2011, in which a Local Revenue Account was created to fund child welfare services, in lieu state funds. As a result, California more than doubled the local dollars it reported between SFY 2010 and SFY 2012, by a magnitude of over $900 million dollars. Thus, it is evident that California's structural change plays a significant role in the national finding of a steep increase in local dollars spent on child welfare activities, as well as the notable decrease in state dollars. When California is removed from this analysis, the change in local dollars between SFYs 2010 and 2012 becomes a more modest 9 percent increase.

Additionally, another large state, Ohio, more than tripled the amount of local dollars reported in SFY 2012, when compared to SFY 2010. The state described a change in accounting systems that led to more accurate capturing of local funds as a contributing factor for the change. Therefore, it can be presumed that the local dollars Ohio reported for SFY 2010 were in fact an underestimate of true local spending for that year.

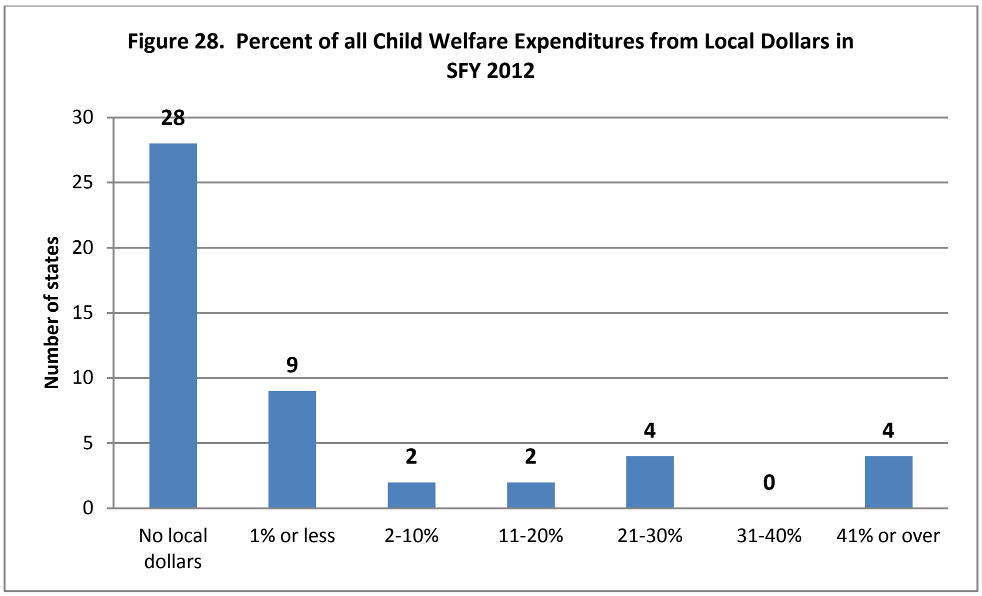
Removing both Ohio and California from the comparisons across SFY 2010 and SFY 2012 has a dramatic impact on the national finding for local expenditures, resulting in a 14 percent *decrease* in total local dollars across that time period, in contrast to the 33 percent increase when those two states are included. Thus, although the national finding indeed shows a marked decrease in local expenditures between the two years, this finding seems profoundly influenced by structural or accounting system changes in just two states.

STATE VARIATION: Of the 47 states that provided sufficient data for comparison between SFYs 2010 and 2012, 10 states reported an increase in that time period, and 11 reported a decrease. Twenty-six states saw no change in their local spending between SFYs 2010 and 2012, reporting that no local dollars were used for child welfare activities in either year. The median change among the states using local dollars both years rounds to 0 percent (i.e., no measurable change).

Nationally, local funds accounted for approximately 16 percent of all child welfare expenditures in SFY 2012. However, states' reliance on local funds as a percentage of all child welfare dollars spent varied significantly, as it has in previous rounds of the survey, with 28 states reporting no local funds on child welfare, nine states reporting that local funds accounted for a negligible portion of overall expenditures—1 percent or less—and one state reporting that local funds accounted for around 60 percent of all child welfare spending in SFY 2012.

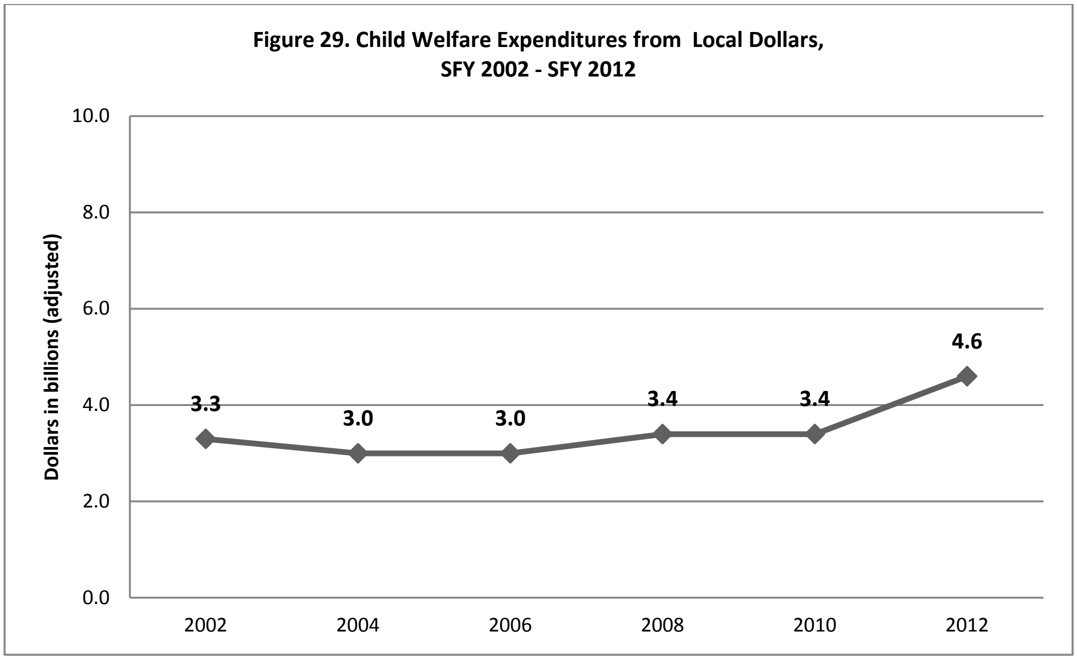
States with highest proportion of all child welfare expenditures from local dollars, SFY 2012	
Ohio	60%
Minnesota	47%
California	46%
Colorado	46%
North Carolina	30%

Figure 28 shows the distribution of states' reliance on local funds for child welfare activities in SFY 2010.



Note: Represents 49 states. Excludes Hawaii, Louisiana, and Wyoming due to missing data.

ACROSS THE DECADE: Local dollars spent on child welfare in SFY 2012 represent a 34 percent increase over expenditures in SFY 2002, based on 39 states with sufficient data in both years.[lii] Figure 29 presents total local dollars reported by states for every two years between SFYs 2002 and 2012. It should be noted that the graph reflects the totals available based on reports by states in each round of the survey, however, not all states that spend local dollars on child welfare were able to provide their local expenditures each year.



Source: 2003 and 2005 Urban Institute Child Welfare Surveys, and 2007, 2008/2010, and 2012 Casey Child Welfare Financing Surveys
Note: Amounts have been adjusted for inflation and represent 2012 dollars. Includes data from all 52 states. However, the number of states providing data for each round of the survey varies. Therefore, the amounts depicted in the graph may not be directly comparable, and are likely an underestimation of true spending.

VI. DISCUSSION

The 2012 Casey Child Welfare Financing Survey is a rich source of data that gives child welfare stakeholders the ability to monitor national and state-by-state spending patterns over time. Taken together, the survey's findings present a picture of a complex web of funding streams being used in a variety of ways by states and localities to provide an array of services. In this section, we highlight just a few notable findings. We refer readers to the body of the report and to the Appendices for more data and discussion of the individual findings.

One of the most noteworthy findings of the SFY 2012 survey is that federal spending on child welfare services is at its lowest level since SFY 1998. In addition, total spending on child welfare (federal, state, and local combined) declined over a two-year period (since SFY 2010), which represents the first time this has occurred since the survey began in SFY 1996. The recent decline reverses a multi-year trend of overall increases in spending on services to prevent and respond to child maltreatment.

The decline in overall child welfare spending is notable. While some might expect a decrease in spending given the reductions in the national foster care population and the number of children determined to be victims of abuse or neglect, in prior surveys, *increases* in spending were found in years when caseloads declined. We know reduced caseloads cannot be the only contributing factor given that several of the 36 states reporting lower overall expenditures in SFY 2012 also experienced an increase in foster care caseloads between 2010 and 2012. Furthermore, the percentage decline in overall spending (8 percent) is greater than the reduction in caseloads over the two-year period. This raises questions about what other factors may be contributing to the overall reduction in child welfare expenditures. For instance, were there shifts in the cost per child, such as in less-expensive placement settings (fewer congregate care placements, or relative versus non-relative settings)? Were there notable changes to/reductions in foster care provider rates or treatment provider rates?

Might changes in practice have implications for program spending? How much, if at all, did economic conditions contribute to reduced public expenditures?

One area of data that experts have been tracking through this survey over the years is the percentage of children in out-of-home placements who are eligible for Title IV-E – or the Title IV-E penetration rate. The survey finds the national penetration rate for Title IV-E foster care to be 52 percent in SFY 2012, down from 55 percent in SFY 2010. Further, the survey found that the majority of children in foster care in most states were not eligible for federal foster care reimbursement. State survey participants reported that, on average, the income test associated with Title IV-E eligibility is the primary reason for children's ineligibility for federal foster care reimbursement. The declining Title IV-E foster care penetration rate, as well as the wide variation in penetration rates across states (with some lower than 20 percent and others greater than 70 percent) has been an area of interest to policymakers for many years and continues to be a focus in current discussions about child welfare financing reform. Because Title IV-E has consistently been found to be the primary source of federal child welfare funds to states, there is particular importance to understanding the historical spending trends of Title IV-E, the factors that contribute to the ongoing availability (or not) of these funds, as well as what and how states would be affected by any policy changes to the Title IV-E program.

An unexpected finding of the SFY 2012 survey is a reduction in federal Title IV-E adoption assistance spending between SFYs 2010 and 2012. Based on results from prior iterations of this survey showing a trend of increasing adoption assistance expenditures, and taking into account recent federal policy changes making more children eligible for the benefit, we had projected an overall uptick and increase in adoption assistance expenditures in SFY 2012. The opposite finding emerged, with a first-ever decline in adoption assistance payments since the SFY 1996 survey. It is not possible to conclude, from the survey's findings, the reason(s) for the reported decline in adoption assistance between SFYs 2010 and 2012 (given that the vast majority of states did not provide additional contextual information about changes to this category), but adoption experts we consulted suggest at least two possible factors. One is that the number of youth aging out of the adoption assistance benefit—at age 18 or 21, depending on state policy—may outpace new adoption assistance recipients. Additionally, some of the decline may be attributed to lower adoption assistance subsidies. Experts posit that adoption assistance expenditures will rise again in the near future as increasing numbers of younger children become eligible for the benefit due to the phasing out of the income requirements for Title IV-E adoption assistance eligibility. In SFY 2012, 39 states reported greater spending on adoption assistance than on foster care, up from the number reporting this in 2010. It is expected that state spending on adoption assistance will continue to exceed spending on foster care.

The survey findings underscore the complexities of child welfare financing in the United States. As this survey has documented over the years, child welfare agencies rely on dozens of funding sources to pay for a wide range of services and supports for at-risk families and children who have experienced maltreatment. Each funding source is attached to a federal, state, or local agency with its own governance rules, funding levels, and program eligibility criteria.

Over the years, the financing survey has generated a wealth of data that helps analysts and policymakers better understand some of the intricacies of the financing system, but there are always new questions that emerge from studying the survey's results. Several of these questions were added to this year's survey. New questions on the survey asked states to report on their uses of two of the primary "non-dedicated" federal sources: the Social Services Block Grant (SSBG) and Temporary Assistance for Needy Families (TANF). These two flexible funding sources are significant to states; in fact, the SFY 2012 survey shows that, after Title IV-E, these two represent the second- and third-largest share of federal child welfare funds nationwide. Both SSBG and TANF are block grant programs, and by definition are designed to provide flexibility to states. As such, there has been a growing interest in learning more about how states use these funds.

Through the new survey questions, we learned that for both SSBG and TANF, states reported the same top three uses for child welfare: foster care services ranking the highest, followed by protective services, and then administrative costs. Because Title IV-E funds are specific to foster care, adoption, and guardianship services, it has been reasonably speculated that states were using these more flexible funds from SSBG and TANF primarily to support non-foster care services such as prevention/early intervention and post-permanency services. However, given the trend in declining Title IV-E penetration rates, it is understandable that states would draw on flexible funding sources to support traditional foster care services, particularly for children not eligible for Title IV-E reimbursement. While these new survey questions offer useful insight into the uses of SSBG and TANF for child welfare, there is much yet to understand about the role of these programs in financing child welfare services, including prevention-related services. For example, in four states, TANF funds comprise 41 percent or more of the federal share of child welfare funding. Understanding more about the children and families served with these funds and the financing incentives (or disincentives) that drive state decision in how these funds are used will help stakeholders involved in financing reform make informed policy decisions.

The survey's findings on Medicaid expenditures also merit discussion. For SFY 2012, the survey shows that states spent nearly $1 billion in Medicaid for child welfare purposes ($12 million less than was reported by states in SFY 2010). Readers may note that 11 states reported using no Medicaid dollars on child welfare services for 2012, but we know from further analysis that this finding does not necessarily reflect the actual degree to which Medicaid supports child-welfare-related services being provided in a state. Based on our analyses, we believe the survey's child-welfare Medicaid financing data is likely under-representative of these expenditures, due in part to the way the survey has posed the question over the years, as well as from changes in the ways that state child welfare agencies and Medicaid agencies are handling the administration and appropriation of these services for eligible children. The details of this data point are discussed in the body of the report, and this is likely to be an area of closer examination in the hopes of generating greater insight and information. We recognize the growing national interest among all stakeholders in understanding the coordination of child welfare and Medicaid services; the survey's existing data on child welfare-related Medicaid services offers only limited insight.

As indicated above, the release of the SFY 2012 Casey Child Welfare Financing Survey is timely to national discussions on child welfare financing reform. Congressional leaders and child welfare stakeholders are actively involved in examining federal child welfare policies, programs, and related funding. Discussions are driven by a shared interest in improving outcomes for children and families served by child welfare agencies, and these survey results can inform those deliberations. The results also provide new insights to state and local program administrators, and others who have an interest in national- and state-level patterns in child welfare spending.

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APPENDIX A: SFY 2012 STATE-BY-STATE DATA

	Total Spending	Change from SFY 2010	Federal Spending	Change from SFY 2010	Title IV-E	Change from SFY 2010	Title IV-B[a]	Change from SFY 2010	TANF[b]	Change from SFY 2010
Alabama	$298,638,882	**-14%**	$159,206,357	**-16%**	$43,595,695	**-2%**	$11,583,468	**0%**	$5,664,136	**-71%**
Alaska	$149,118,449	**-14%**	$44,015,064	**-1%**	$30,025,285	**+26%**	$762,288	**-23%**	$0	**0 both yrs**
Arizona	$533,341,049	**-2%**	$357,596,249	**+18%**	$176,173,813	**+2%**	$14,845,400	**+2%**	$122,955,700	**+56%**
Arkansas	$143,244,928	**-1%**	$81,584,065	**+9%**	$55,002,493	**-1%**	$7,457,441	**+15%**	$10,409,632	**+23%**
California	$3,926,431,373	**-18%**	$2,129,710,118	**-10%**	$1,436,200,688	**-14%**	$66,923,507	**-6%**	$219,830,317	**-3%**
Colorado	$419,715,208	**-5%**	$147,797,253	**-13%**	$78,227,786	**-12%**	$7,593,598	**-6%**	$23,500,000	**+81%**
Connecticut	$601,733,040	**-25%**	$264,717,517	**+5%**	$84,956,247	**-12%**	$3,831,527	**+5%**	$148,422,176	**+15%**
Delaware	$58,529,941	**+9%**	$10,296,341	**-6%**	$5,722,159	**-8%**	$1,740,262	**+1%**	$358,800	**+24%**
DC	$238,924,505	**-17%**	$64,600,403	**-14%**	$56,521,663	**-8%**	$1,288,657	**+5%**	$5,100,000	**-53%**
Florida	$1,107,773,735	**-9%**	$600,689,855	**-5%**	$253,876,020	**-4%**	$24,784,468	**-17%**	$155,520,950	**-2%**
Georgia	$550,747,881	**-3%**	$348,304,487	**-7%**	$111,588,682	**-2%**	$22,589,714	**-8%**	$193,192,701	**-6%**
Hawaii[c]	*$62,299,243*		*$32,715,825*		*$30,679,716*		*$2,036,109*			
Idaho	$51,187,879	**-5%**	$32,998,079	**+5%**	$15,816,960	**-7%**	$3,004,682	**-8%**	$5,015,974	**-30%**
Illinois	$1,181,335,596	**-8%**	$657,818,169	**+1%**	$302,121,799	**-6%**	$28,391,874	**0%**	$264,199,222	**+8%**
Indiana	$620,936,473	**+15%**	$206,658,806	**+7%**	$146,420,471	**-5%**	$13,801,731	**-6%**	$19,274,827	**+116%**
Iowa	$275,362,601	**-5%**	$136,381,795	**-4%**	$59,415,422	**-11%**	$5,816,969	**-1%**	$47,339,788	**0%**
Kansas	$238,231,498	**-8%**	$87,013,080	**-14%**	$38,355,293	**-15%**	$5,139,222	**-8%**	$20,678,366	**-21%**
Kentucky	$509,379,793	**-2%**	$193,555,677	**-6%**	$83,791,131	**-13%**	$11,311,082	**-1%**	$66,293,750	**+9%**
Louisiana	$203,811,944	**-39%**	$165,978,952	**-44%**	$63,240,400	**-24%**	$16,421,498	**+7%**	$18,182,501	**-27%**
Maine	$113,484,127	**-11%**	$36,303,077	**-20%**	$31,671,920	**-15%**	$2,625,994	**-8%**	$0	**0 both yrs**
Maryland	$545,582,756	**-6%**	$201,115,217	**-12%**	$92,161,853	**-15%**	$7,743,337	**-5%**	$42,867,676	**-11%**
Massachusetts	$730,997,988	**-7%**	$200,724,156	**-11%**	$90,532,265	**-18%**	$10,227,196	**+23%**	$0	**0 both yrs**
Michigan	$994,416,609	**+35%**	$621,172,988	**+4%**	$240,563,543	**+1%**	$21,918,000	**+5%**	$250,312,000	**+9%**
Minnesota	$529,778,891	**+3%**	$155,287,680	**-7%**	$66,491,155	**-14%**	$6,734,184	**-19%**	$0	**0 both yrs**
Mississippi	$111,666,884	**+6%**	$58,328,884	**+3%**	$23,479,427	**+51%**	$7,866,696	**+1%**	$9,181,940	**-37%**
Missouri	$492,086,422	**+2%**	$249,529,290	**+9%**	$99,540,569	**-2%**	$16,040,934	**-9%**	$31,390,720	**-15%**
Montana	$66,986,320	**-6%**	$30,927,205	**-10%**	$19,564,431	**-10%**	$1,784,081	**+10%**	$3,962,507	**-12%**
Nebraska	$217,927,440	**-1%**	$49,273,287	**-7%**	$29,952,711	**-12%**	$1,685,266	**-49%**	$2,982,427	**n/a**
Nevada	$122,837,546	**-36%**	$61,885,043	**-7%**	$51,491,712	**-1%**	$4,697,265	**+8%**	$0	**-100%**
New Hampshire	$64,589,806	**-35%**	$28,806,164	**-35%**	$14,730,090	**-42%**	$1,326,986	**-34%**	$3,526,020	**+369%**
New Jersey	$962,082,727	**+2%**	$308,897,721	**-4%**	$145,328,208	**-5%**	$10,718,969	**-9%**	$12,340,000	**-4%**
New Mexico	$98,553,891	**-5%**	$62,298,712	**+6%**	$46,614,929	**+6%**	$4,820,707	**-6%**	$0	**0 both yrs**
New York[d]	$3,025,777,378	**-21%**	$1,292,819,317	**-23%**	$548,755,730	**-19%**	$32,572,085	**-7%**	$367,904,816	**-36%**
North Carolina	$498,418,513	**-4%**	$269,088,376	**+4%**	$124,081,315	**-12%**	$15,865,530	**-1%**	$103,969,201	**+30%**
North Dakota	$62,917,595	**-4%**	$37,713,310	**-19%**	$16,128,125	**-17%**	$781,636	**-36%**	$15,950,735	**+4%**
Ohio	$1,340,213,436	**+65%**	$443,218,056	**-6%**	$386,564,150	**-6%**	$23,319,879	**-6%**	$1,869,595	**-52%**
Oklahoma	$258,260,486	**+8%**	$149,984,657	**-1%**	$66,722,203	**-8%**	$5,809,057	**0%**	$23,301,122	**+11%**
Oregon	$466,077,801	**+6%**	$264,049,447	**-3%**	$115,719,565	**-19%**	$7,673,661	**+6%**	$67,530,776	**+23%**
Pennsylvania	$1,702,034,451	**-14%**	$421,343,242	**-20%**	$301,478,412	**-21%**	$21,219,027	**-4%**	$58,462,035	**-17%**
Puerto Rico	$144,738,890	**+10%**	$22,069,890	**-30%**	$1,951,280		$10,364,891	**-6%**	$0	**-100%**
Rhode Island	$167,825,001	**-18%**	$58,819,510	**-28%**	$19,243,942	**-20%**	$1,854,797	**-34%**	$7,594,484	**-9%**
South Carolina	$226,109,373	**-13%**	$136,705,569	**-20%**	$42,218,419	**-26%**	$10,460,695	**-28%**	$35,124,460	**-33%**
South Dakota	$55,008,191	**-7%**	$27,384,036	**-19%**	$9,531,987	**-17%**	$1,257,314	**-14%**	$4,049,998	**-19%**
Tennessee	$520,367,200	**+1%**	$267,170,000	**+14%**	$75,227,400	**-21%**	$17,064,300	**+191%**	$0	**0 both yrs**
Texas	$1,285,263,740	**-11%**	$673,689,091	**-22%**	$325,026,080	**-10%**	$54,913,454	**-18%**	$238,863,819	**-37%**
Utah	$153,138,626	**-12%**	$68,185,454	**-21%**	$28,152,949	**-9%**	$5,099,029	**-3%**	$0	**0 both yrs**
Vermont	$87,811,555	**0%**	$51,035,921	**-8%**	$16,960,324	**-27%**	$942,050	**+58%**	$2,409,665	**+15%**
Virginia	$680,665,410	**+5%**	$186,256,192	**-3%**	$89,725,987	**-2%**	$11,163,186	**-4%**	$32,646,471	**+453%**
Washington	$509,888,833	**-16%**	$233,878,770	**-17%**	$130,013,050	**-18%**	$11,591,800	**-1%**	$26,020,593	**-10%**
West Virginia	$303,427,715	**-5%**	$165,461,405	**-13%**	$39,098,990	**-35%**	$5,218,133	**+13%**	$99,158,679	**-4%**
Wisconsin	$458,294,127	**+4%**	$170,895,066	**-15%**	$105,153,660	**-8%**	$9,158,078	**-12%**	$23,842,504	**-32%**
Wyoming	$37,357,181	**-27%**	$10,666,308	**-16%**	$3,682,988	**+4%**	$1,162,475	**-30%**	$1,390,373	**-56%**
US TOTAL	**$28,205,330,929**	**-8%**	**$12,736,621,134**	**-10%**	**$6,469,291,092**	**-12%**	**$595,004,190**	**-5%**	**$2,792,591,456**	**-9%**

Sources: 2008/2010 Casey Child Welfare Financing Survey and 2012 Casey Child Welfare Financing Survey; NOTES: $0 = state did not use funding stream; Blank cell = state did not report amount/information not available; "n/a" = percent change is not applicable due to 2010 amount being $0*;* Dollar amounts from SFY 2010 were adjusted for inflation for comparisons with SFY 2012. a. Title IV-B includes subparts 1 and 2; b. TANF spending excludes TANF funds transferred to SSBG; these dollars are included in SSBG amounts; c. HI did not complete a survey for SFY 2012. Therefore, amounts listed in this Appendix for HI reflect FFY 2012 HHS claims or allocation data, as well as the corresponding required state match for Titles IV-B and IV-E (computed from federal data). Federal, state, and total spending for HI are thus presumed to be underestimates. d. NY respondent suspected that some SFY 2010 amounts for the state were likely overstated due to suspected inclusion of non-child welfare spending in certain categories: SSBG, TANF, local dollars, federal dollars, and total dollars, all sources (federal, state, and local). However, respondent was unable to confirm this or provide revisions.

	SSBG[a]	Change from SFY 2010	Medicaid	Change from SFY 2010	Other Federal	Change from SFY 2010	State Spending	Change from SFY 2010	Local Spending	Change from SFY 2010
Alabama	$17,054,085	**-49%**	$80,424,757	**+19%**	$884,216	**-93%**	$139,084,485	**-11%**	$348,040	**+29%**
Alaska	$8,200,741	**-11%**			$5,026,750	**+28%**	$105,103,385	**-19%**	$0	**0 both yrs**
Arizona	$41,824,800	**+15%**	$0	**0 both yrs**	$1,796,536	**-7%**	$175,744,800	**-28%**	$0	**0 both yrs**
Arkansas	$1,973,831	**-4%**	$316,649	**-69%**	$6,424,018	**+632%**	$61,660,863	**-13%**	$0	**0 both yrs**
California	$288,245,660	**+3%**	$115,020,781	**-3%**	$3,489,165	**+7%**	$0	**-100%**	$1,796,721,255	**+105%**
Colorado	$23,590,313	**-41%**	$5,542,591	**-34%**	$9,342,965	**-7%**	$78,830,240	**-58%**	$193,087,715	**+128%**
Connecticut	$3,209,615	**-45%**	$14,598,600	**+63%**	$9,699,352	**+25%**	$337,015,523	**-39%**	$0	**0 both yrs**
Delaware	$1,350,656	**-18%**	$0	**0 both yrs**	$1,124,464	**+4%**	$48,233,600	**+14%**	$0	**0 both yrs**
DC	$0	**-100%**	$409,606	**+524%**	$1,280,477	**+21%**	$174,324,102	**-18%**	$0	**0 both yrs**
Florida	$144,088,700	**-6%**	$1,231,880	**-7%**	$21,187,837	**-17%**	$505,840,386	**-13%**	$1,243,494	**-23%**
Georgia	$10,405,284	**-50%**	$9,147,542	**+1%**	$1,380,564	**-23%**	$197,581,627	**+5%**	$4,861,767	**+23%**
Hawaii[b]							*$29,583,418*			
Idaho	$8,511,165	**+175%**	$334,589	**-39%**	$314,709	**+19%**	$18,189,800	**-20%**	$0	**0 both yrs**
Illinois	$24,647,059	**+11%**	$13,700,685	**-2%**	$24,757,530	**+12%**	$523,517,427	**-17%**	$0	**0 both yrs**
Indiana	$12,289,162	**+42%**	$9,157,662	**+3031%**	$5,714,953	**+7%**	$414,277,667	**+20%**	$0	**0 both yrs**
Iowa	$16,400,044	**-4%**	$0	**0 both yrs**	$7,409,572	**+28%**	$138,737,139	**-5%**	$243,667	**-4%**
Kansas	$21,659,132	**+20%**	$154,075	**-30%**	$1,026,992	**-83%**	$151,218,418	**-5%**	$0	**0 both yrs**
Kentucky	$18,238,297	**-19%**	$0	**0 both yrs**	$13,921,417	**-3%**	$315,824,116	**0%**	$0	**0 both yrs**
Louisiana	$59,145,836	**-64%**	$3,410,151	**n/a**	$5,578,566	**+5%**	$37,832,992	**-8%**		
Maine	$0	**-100%**	$0	**0 both yrs**	$2,005,163	**-29%**	$77,181,050	**-6%**	$0	**0 both yrs**
Maryland	$25,852,102	**-21%**	$31,250,319	**+6%**	$1,239,930	**-36%**	$337,672,555	**-3%**	$6,794,984	**+97%**
Massachusetts	$81,182,727	**-4%**	$10,350,809	**-23%**	$8,431,159	**-2%**	$530,273,832	**-6%**	$0	**0 both yrs**
Michigan	$106,172,000	**+8%**	$0	**-100%**	$2,207,445	**-34%**	$353,847,521	**+492%**	$19,396,100	**-76%**
Minnesota[c]	$21,653,503	**+34%**	$44,925,730	**-20%**	$15,483,108	**+70%**	$123,800,110	**+15%**	$250,691,101	**+4%**
Mississippi	$13,667,417	**-3%**	$0	**0 both yrs**	$4,133,404	**-6%**	$53,338,000	**+8%**	$0	**0 both yrs**
Missouri	$35,490,465	**+21%**	$52,720,247	**+70%**	$14,346,355	**+9%**	$242,557,132	**-4%**	$0	**0 both yrs**
Montana	$2,265,132	**+9%**	$0	**-100%**	$3,351,054	**-24%**	$36,059,115	**-2%**	$0	**0 both yrs**
Nebraska[d]	$6,671,319	**-4%**	$791,818	**-52%**	$7,189,746	**+2%**	$168,654,153	**+1%**	$0	**0 both yrs**
Nevada	$4,536,288	**-15%**	$435,561	**+18%**	$724,217	**-34%**	$60,952,503	**-21%**	$0	**-100%**
New Hampshire	$1,538,434	**-18%**	$5,918,690	**-50%**	$1,765,945	**-32%**	$34,892,794	**-36%**	$890,848	**-8%**
New Jersey	$30,348,932	**-5%**	$102,681,103	**-1%**	$7,480,509	**-5%**	$653,185,006	**+5%**	$0	**0 both yrs**
New Mexico	$8,708,233	**+9%**	$736,813	**-28%**	$1,418,030	**+76%**	$36,255,179	**-19%**	$0	**0 both yrs**
New York[e]	$291,088,117	**-15%**	$49,385,776	**+40%**	$3,112,793	**-32%**	$1,057,107,378	**-9%**	$675,850,683	**-32%**
North Carolina	$22,543,126	**+20%**	$14,588	**+55%**	$2,614,616	**-15%**	$81,652,868	**-16%**	$147,677,269	**-8%**
North Dakota	$0	**0 both yrs**	$1,890,507	**-55%**	$2,962,307	**-55%**	$15,328,817	**+27%**	$9,875,468	**+50%**
Ohio	$26,176,893	**+6%**	$2,250,258	**+55%**	$3,037,281	**-3%**	$86,867,877	**+15%**	$810,127,503	**+205%**
Oklahoma	$10,240,356	**-3%**	$32,878,970	**+3%**	$11,032,949	**+9%**	$108,275,829	**+24%**	$0	**0 both yrs**
Oregon	$22,403,949	**+101%**	$37,015,032	**-25%**	$13,706,464	**+141%**	$202,028,354	**+21%**	$0	**0 both yrs**
Pennsylvania	$12,021,002	**-4%**	$1,302,293	**-22%**	$26,860,473	**-34%**	$917,150,308	**-14%**	$363,540,901	**-5%**
Puerto Rico	$8,793,103	**-4%**	$0	**0 both yrs**	$960,616	**-76%**	$122,669,000	**+23%**	$0	**0 both yrs**
Rhode Island	$1,200,000		$25,559,333	**-35%**	$3,366,954	**-47%**	$109,005,491	**-11%**	$0	
South Carolina	$8,315,068	**-23%**	$36,420,818	**+8%**	$4,166,109	**+131%**	$83,647,730	**+1%**	$5,756,074	**-12%**
South Dakota	$2,534,931	**-5%**	$8,464,603	**-28%**	$1,545,203	**+14%**	$27,624,155	**+8%**	$0	**0 both yrs**
Tennessee	$20,061,500	**+12%**	$153,508,600	**+36%**	$1,308,200	**-44%**	$253,197,200	**-10%**	$0	**0 both yrs**
Texas	$3,110,946	**+182%**	$2,387,766	**-38%**	$49,387,026	**+9%**	$599,243,792	**+6%**	$12,330,857	**-18%**
Utah[f]	$16,563,000	**+12%**	$13,526,298	**-56%**	$4,844,178	**+9%**	$84,872,795	**-4%**	$80,377	
Vermont	$5,077,336	**-4%**	$24,189,026	**+8%**	$1,457,520	**-12%**	$36,775,634	**+15%**	$0	**0 both yrs**
Virginia	$14,829,454	**-45%**	$34,134,527	**-35%**	$3,756,566	**+24%**	$301,150,896	**+7%**	$193,258,322	**+11%**
Washington	$42,766,280	**-11%**	$12,663,505	**-45%**	$10,823,542	**-9%**	$275,451,365	**-15%**	$558,699	**-27%**
West Virginia	$21,620,804	**-1%**	$0		$364,799	**-6%**	$137,966,310	**+8%**	$0	**0 both yrs**
Wisconsin	$10,638,080	**+21%**	$17,078,701	**-37%**	$5,024,043	**+9%**	$196,158,321	**+28%**	$91,240,740	**+4%**
Wyoming	$4,150,879	**+33%**	$0	**0 both yrs**	$279,593	**-77%**	$26,690,873	**-30%**		
US TOTAL	**$1,583,055,756**	**-10%**	**$955,931,259**	**-1%**	**$340,747,381**	**-5%**	**$10,884,134,260**	**-16%**	**$4,584,575,864**	**+33%**

Sources: 2008/2010 Casey Child Welfare Financing Survey and 2012 Casey Child Welfare Financing Survey; NOTES: $0 = state did not use funding stream; Blank cell = state did not report amount/information not available; "n/a" = percent change is not applicable due to 2010 amount being $0 Dollar amounts from SFY 2010 were adjusted for inflation for comparisons with SFY 2012. a. SSBG amounts include TANF funds transferred to SSBG; b. HI did not complete a survey for SFY2012. Therefore, amounts listed in this Appendix for HI reflect FFY 2012 HHS claims or allocation data, as well as the corresponding required state match for Titles IV-B and IV-E (computed from federal data). Federal, state, and total spending for HI are thus presumed to be underestimates. c. MN's Medicaid dollars reflect TCM only (does not include what counties can claim for portion of per diem for children in Residential Treatment for rehab services). d. NE's "other federal funds" includes both federal and general funds for child support collections (i.e., total child support collections). e. NY respondent suspected that some SFY 2010 amounts for the state are likely overstated due to suspected inclusion of non-child welfare spending in certain categories: SSBG, TANF, local dollars, federal dollars, and total dollars, all sources (federal, state, and local). However, respondent was unable to confirm this or provide revisions. f. UT's Medicaid dollars represent dollars for which the child welfare agency paid the state match, but the states notes that these Medicaid dollars are not actually in the child welfare agency budget.

APPENDIX B: SFY 2012 STATE-BY-STATE TITLE IV-E SPENDING

	Total Title IV-E	Change from SFY 2010	Title IV-E Foster Care Program	Change from SFY 2010	Title IV-E Foster Care Maintenance Payments	Change from SFY 2010	Title IV-E Foster Care Admin/Placement/ Training/SACWIS	Change from SFY 2010
Alabama	$43,595,695	**-2%**	$30,606,153	**-8%**	$6,369,174	**0%**	$24,236,979	**-10%**
Alaska	$30,025,285	**+26%**	$18,901,384	**+58%**	$1,926,448	**-15%**	$16,974,936	**+75%**
Arizona	$176,173,813	**+2%**	$86,135,033	**+8%**	$42,136,623	**+3%**	$43,998,410	**+14%**
Arkansas	$55,002,493	**-1%**	$38,224,329	**-2%**	$10,036,872	**-30%**	$28,187,457	**+13%**
California	$1,436,200,688	**-14%**	$523,482,970	**-10%**	$171,978,568	**-13%**	$351,504,402	**-8%**
Colorado	$78,227,786	**-12%**	$54,409,121	**-15%**	$13,427,051	**-37%**	$40,982,070	**-4%**
Connecticut	$84,956,247	**-12%**	$46,358,080	**-19%**	$20,416,137	**-21%**	$25,941,943	**-17%**
Delaware	$5,722,159	**-8%**	$3,700,569	**+13%**	$1,132,090	**-6%**	$2,568,479	**+23%**
DC	$56,521,663	**-8%**	$37,778,986	**+4%**	$19,512,029	**0%**	$18,266,957	**+7%**
Florida	$253,876,020	**-4%**	$2,558,450	**-79%**	$0	**0 both yrs**	$2,558,450	**-79%**
Georgia	$111,588,682	**-2%**	$72,062,313	**+3%**	$31,429,914	**-15%**	$40,632,399	**+24%**
Hawaii[a]	*$30,679,716*		*$16,244,893*		*$2,435,454*		*$13,809,439*	
Idaho	$15,816,960	**-7%**	$9,254,503	**-10%**	$2,928,796	**-13%**	$6,325,707	**-8%**
Illinois	$302,121,799	**-6%**	$187,081,538	**+8%**	$69,745,086	**-1%**	$117,336,452	**+15%**
Indiana	$146,420,471	**-5%**	$65,591,731	**-22%**	$37,797,940	**-28%**	$27,793,791	**-14%**
Iowa	$59,415,422	**-11%**	$22,585,097	**-6%**	$11,186,632	**-5%**	$11,398,465	**-7%**
Kansas	$38,355,293	**-15%**	$21,541,347	**-15%**	$10,178,634	**-29%**	$11,362,713	**+3%**
Kentucky	$83,791,131	**-13%**	$38,050,692	**-22%**	$21,965,782	**-25%**	$16,084,910	**-16%**
Louisiana	$63,240,400	**-24%**	$43,267,273	**-29%**	$23,352,519	**-26%**	$19,914,754	**-33%**
Maine	$31,671,920	**-15%**	$16,481,558	**-13%**	$5,050,848	**-20%**	$11,430,710	**-10%**
Maryland	$92,161,853	**-15%**	$58,989,764	**-24%**	$37,787,640	**-16%**	$21,202,124	**-36%**
Massachusetts	$90,532,265	**-18%**	$53,828,924	**-18%**	$20,970,772	**-33%**	$32,858,152	**-5%**
Michigan	$240,563,543	**+1%**	$123,634,338	**+20%**	$37,727,788	**+10%**	$85,906,550	**+25%**
Minnesota	$66,491,155	**-14%**	$39,466,516	**-7%**	$14,186,485	**+9%**	$25,280,031	**-13%**
Mississippi	$23,479,427	**+51%**	$15,378,145		$8,133,871		$7,244,274	
Missouri	$99,540,569	**-2%**	$57,390,843	**-6%**	$19,459,625	**+15%**	$37,931,218	**-14%**
Montana	$19,564,431	**-10%**	$10,970,230		$4,310,094		$6,660,136	
Nebraska	$29,952,711	**-12%**	$17,036,643	**-16%**	$8,828,525	**+21%**	$8,208,118	**-37%**
Nevada	$51,491,712	**-1%**	$31,929,921	**-11%**	$10,843,030	**-15%**	$21,086,891	**-8%**
New Hampshire	$14,730,090	**-42%**	$10,148,552	**-47%**	$1,458,717	**-21%**	$8,689,835	**-49%**
New Jersey	$145,328,208	**-5%**	$84,540,618	**-8%**	$26,717,211	**-18%**	$57,823,407	**-2%**
New Mexico	$46,614,929	**+6%**	$28,669,411	**+16%**	$5,021,727	**+17%**	$23,647,684	**15%**
New York	$548,755,730	**-19%**	$367,229,745	**-12%**	$160,495,509	**-22%**	$206,734,236	**-4%**
North Carolina	$124,081,315	**-12%**	$73,476,183	**-10%**	$22,220,919	**-22%**	$51,255,264	**-3%**
North Dakota	$16,128,125	**-17%**	$10,607,377	**-22%**	$4,823,276	**-37%**	$5,784,101	**-4%**
Ohio	$386,564,150	**-6%**	$149,702,753	**-4%**	$64,135,088	**+15%**	$85,567,665	**-15%**
Oklahoma	$66,722,203	**-8%**	$33,241,496	**-10%**	$9,648,327	**-6%**	$23,593,169	**-6%**
Oregon	$115,719,565	**-19%**	$80,949,833	**-13%**	$20,715,966	**-13%**	$60,233,867	**-13%**
Pennsylvania	$301,478,412	**-21%**	$191,888,410	**-24%**	$70,395,229		$121,493,181	
Puerto Rico	$1,951,280		$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**
Rhode Island	$19,243,942	**-20%**	$12,308,104	**-15%**	$4,355,955	**-33%**	$7,952,149	**+1%**
South Carolina	$42,218,419	**-26%**	$26,285,496	**-28%**	$10,748,280	**-15%**	$15,537,216	**-35%**
South Dakota	$9,531,987	**-17%**	$5,177,646	**-25%**	$2,382,301	**-35%**	$2,795,345	**-15%**
Tennessee	$75,227,400	**-21%**	$36,964,100	**-25%**	$22,556,600	**-4%**	$14,407,500	**-43%**
Texas	$325,026,080	**-10%**	$217,101,954	**-15%**	$119,941,874	**-13%**	$97,160,080	**-17%**
Utah	$28,152,949	**-9%**	$19,675,402	**-10%**	$6,566,748	**+16%**	$13,108,654	**-19%**
Vermont	$16,960,324	**-27%**	$8,824,671		$5,048,343		$3,776,328	
Virginia	$89,725,987	**-2%**	$54,113,877	**-12%**	$24,809,575	**-20%**	$29,304,302	**-3%**
Washington	$130,013,050	**-18%**	$77,102,989	**-23%**	$17,829,502	**-23%**	$59,273,487	**-23%**
West Virginia	$39,098,990	**-35%**	$18,278,463	**-54%**	$13,543,156	**-59%**	$4,735,307	**-30%**
Wisconsin	$105,153,660	**-8%**	$52,445,186	**-1%**	$20,138,736	**-6%**	$32,306,450	**+2%**
Wyoming	$3,682,988	**+4%**	$2,192,731		$606,273		$1,586,458	
US TOTAL	**$6,469,291,092**	**-12%**	**$3,303,866,342**	**-11%**	**$1,299,413,740**	**-15%**	**$2,004,452,602**	**-7%**

Sources: 2008/2010 Casey Child Welfare Financing Survey and 2012 Casey Child Welfare Financing Survey; NOTES: $0 = state did not use funding stream; Blank cell = state did not report amount/information not available; "n/a" = percent change is not applicable due to 2010 amount being $0*;* Dollar amounts from SFY 2010 were adjusted for inflation for comparisons with SFY 2012. a. HI did not complete a survey for SFY 2012. Therefore, amounts listed in this Appendix for HI reflect FFY 2012 HHS claims or allocation data.

	Title IV-E Adoption Assistance Program	Change from SFY 2010	Title IV-E Adoption Assistance Payments	Change from SFY 2010	Title IV-E Adoption Assistance Admin/Placement/ Training	Change from SFY 2010
Alabama	$10,046,833	**+9%**	$8,341,465	**+14%**	$1,705,368	**-8%**
Alaska	$10,672,358	**-5%**	$8,341,499	**-10%**	$2,330,859	**+18%**
Arizona	$86,903,538	**-3%**	$77,517,351	**-3%**	$9,386,187	**-7%**
Arkansas	$15,304,062	**+1%**	$13,681,522	**+2%**	$1,622,540	**-9%**
California	$420,029,145	**-8%**	$350,174,397	**-8%**	$69,854,748	**-5%**
Colorado	$20,316,723	**-8%**	$15,675,011	**-13%**	$4,641,712	**+14%**
Connecticut	$36,139,290	**-5%**	$23,586,011	**-11%**	$12,553,279	**+8%**
Delaware	$1,435,957	**-39%**	$1,208,707	**-40%**	$227,250	**-28%**
DC	$15,821,452	**-34%**	$13,223,058	**-29%**	$2,598,394	**-50%**
Florida	$84,049,078	**+6%**	$55,860,551	**+7%**	$28,188,527	**+6%**
Georgia	$36,170,470	**-11%**	$30,587,931	**-20%**	$5,582,539	**+118%**
Hawaii[a]	*$13,137,091*		*$12,685,409*		*$451,682*	
Idaho	$6,186,679	**-1%**	$4,898,804	**+5%**	$1,287,875	**-17%**
Illinois	$83,466,873	**-18%**	$75,173,819	**-21%**	$8,293,054	**+19%**
Indiana	$59,654,790	**-2%**	$53,776,002	**0%**	$5,878,788	**-17%**
Iowa	$34,619,048	**-9%**	$31,108,124	**-15%**	$3,510,924	**+98%**
Kansas	$14,678,060	**-15%**	$14,028,556	**-14%**	$649,504	**-39%**
Kentucky	$43,017,818	**-5%**	$42,171,691	**-5%**	$846,127	**-19%**
Louisiana	$17,681,841	**-14%**	$14,121,250	**-20%**	$3,560,591	**+22%**
Maine	$14,301,193	**-19%**	$12,150,657	**-10%**	$2,150,536	**-48%**
Maryland	$27,939,196	**+11%**	$27,213,279	**+14%**	$725,917	**-47%**
Massachusetts	$30,760,474	**-25%**	$20,738,003	**-33%**	$10,022,471	**-2%**
Michigan	$108,907,653	**-15%**	$98,717,677	**-17%**	$10,189,976	**+13%**
Minnesota	$24,677,845	**-5%**	$16,715,490	**-11%**	$7,962,355	**+10%**
Mississippi	$7,054,822		$5,512,684		$1,542,138	
Missouri	$37,510,295	**+3%**	$33,008,988	**+4%**	$4,501,307	**-4%**
Montana	$7,145,012		$6,573,280		$571,732	
Nebraska	$10,702,505	**-15%**	$9,899,065	**-12%**	$803,440	**-35%**
Nevada	$17,374,507	**+21%**	$14,884,013	**+18%**	$2,490,494	**+46%**
New Hampshire	$4,046,799	**-28%**	$3,530,336	**-20%**	$516,463	**-57%**
New Jersey	$57,170,463	**0%**	$37,804,102	**0%**	$19,366,361	**0%**
New Mexico	$17,090,551	**-7%**	$15,466,450	**-7%**	$1,624,101	**-12%**
New York	$166,805,328	**-32%**	$162,940,176	**-32%**	$3,865,152	**-36%**
North Carolina	$47,655,126	**-14%**	$45,170,281	**-15%**	$2,484,845	**-7%**
North Dakota	$5,150,713	**-5%**	$4,115,792	**-11%**	$1,034,921	**+33%**
Ohio	$176,140,676	**-7%**	$75,982,397	**-18%**	$100,158,279	**+3%**
Oklahoma	$30,133,891	**-5%**	$24,170,661	**-7%**	$5,963,230	**+3%**
Oregon	$25,707,226	**-37%**	$20,921,862	**-39%**	$4,785,364	**-23%**
Pennsylvania	$92,114,524		$63,523,594		$28,590,930	**+4%**
Puerto Rico	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**
Rhode Island	$6,021,281	**-27%**	$4,857,056	**-29%**	$1,164,225	**-17%**
South Carolina	$14,099,107	**-24%**	$10,731,574	**-27%**	$3,367,533	**-11%**
South Dakota	$3,665,549	**-6%**	$3,404,535	**-6%**	$261,014	**-7%**
Tennessee	$34,648,900	**-17%**	$30,481,800	**-19%**	$4,167,100	**+8%**
Texas	$95,015,220	**0%**	$90,243,099	**0%**	$4,772,121	**+19%**
Utah	$7,316,055	**-10%**	$6,376,921	**-9%**	$939,134	**-14%**
Vermont	$7,984,605		$7,749,719		$234,886	
Virginia	$32,997,715	**+23%**	$28,005,462	**+29%**	$4,992,253	**-5%**
Washington	$49,563,469	**-6%**	$40,668,890	**-4%**	$8,894,579	**-17%**
West Virginia	$19,921,891	**+6%**	$17,789,631	**+3%**	$2,132,260	**+51%**
Wisconsin	$49,801,352	**-12%**	$45,859,570	**-12%**	$3,941,782	**-20%**
Wyoming	$815,178		$815,178		$0	
US TOTAL	**$2,239,570,227**	**-11%**	**$1,832,183,380**	**-12%**	**$407,386,847**	**-1%**

Sources: 2008/2010 Casey Child Welfare Financing Survey and 2012 Casey Child Welfare Financing Survey; NOTES: $0 = state did not use funding stream; Blank cell = state did not report amount/information not available; "n/a" = percent change is not applicable due to 2010 amount being $0*;* Dollar amounts from SFY 2010 were adjusted for inflation for comparisons with SFY 2012. a. HI did not complete a survey for SFY 2012. Therefore, amounts listed in this Appendix for HI reflect FFY 2012 HHS claims or allocation data.

	Title IV-E Guardianship Assistance Program	Change from SFY 2010	Title IV-E Guardianship Assistance Payments	Change from SFY 2010	Title IV-E Guardianship Admin/ Placement/ Training	Change from SFY 2010	Chafee Foster Care Independence Program (incl. ETVs)	Change from SFY 2010	Demonstration Waivers
Alabama	$61,429	**n/a**	$52,622	**n/a**	$8,807	**n/a**	$2,881,280	**+43%**	--
Alaska	$43,215	**n/a**	$38,148	**n/a**	$5,067	**n/a**	$408,328	**-25%**	--
Arizona	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$3,135,242	**-5%**	--
Arkansas	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$1,474,102	**+8%**	--
California	$27,385,373	**n/a**	$24,084,309	**n/a**	$3,301,064	**n/a**	$25,157,387	**-11%**	$440,145,813
Colorado	$142,084	**n/a**	$10,129	**n/a**	$131,955	**n/a**	$3,359,858	**+5%**	--
Connecticut	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$2,458,877	**+60%**	--
Delaware	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$585,633	**-5%**	--
DC	$1,897,626	**n/a**	$1,747,961	**n/a**	$149,665	**n/a**	$1,023,599	**-9%**	--
Florida	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$8,407,184	**-13%**	$158,861,308
Georgia	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$3,355,899	**-10%**	--
Hawaii[a]	*$665,282*		*$577,035*		*$88,247*		*$632,450*		--
Idaho	$2,975	**n/a**	$2,975	**n/a**	$0	**0 both yrs**	$372,803	**-34%**	--
Illinois	$9,505,225	**+5%**	$8,762,535	**+3%**	$742,690	**+41%**	$7,931,110	**+11%**	$14,137,053
Indiana	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$3,018,757	**-39%**	$18,155,193
Iowa[b]	*$20,360*	**n/a**	*$20,360*	**n/a**	$0	**0 both yrs**	$2,190,917	**+13%**	--
Kansas	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$2,135,886	**-1%**	--
Kentucky	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$2,722,621	**+5%**	--
Louisiana	$137,453	**n/a**	$137,453	**n/a**	$0	**0 both yrs**	$2,153,833	**+37%**	--
Maine	$410,414	**n/a**	$410,414	**n/a**	$0	**0 both yrs**	$478,755	**-37%**	--
Maryland	$217,007	**n/a**	$213,576	**n/a**	$3,431	**n/a**	$5,015,886	**+1%**	--
Massachusetts	$1,500,543	**n/a**	$668,140	**n/a**	$832,403	**n/a**	$4,442,324	**+11%**	--
Michigan	$1,097,782	**+645%**	$1,074,102	**+635%**	$23,680	**+1783%**	$6,923,770	**+2%**	--
Minnesota	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$2,346,794	**-7%**	--
Mississippi	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$1,046,460		--
Missouri	$1,294,782	**n/a**	$1,294,782	**n/a**	$0	**0 both yrs**	$3,344,649	**-30%**	--
Montana	$823,288	**n/a**	$508,992	**n/a**	$314,296	**n/a**	$625,901		--
Nebraska	$30,458	**n/a**	$1,051	**n/a**	$29,407	**n/a**	$2,183,105	**+67%**	--
Nevada	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$2,187,284	**+10%**	--
New Hampshire	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$534,739	**-12%**	--
New Jersey	$332,087	**n/a**	$332,087	**n/a**	$0	**0 both yrs**	$3,285,040	**-6%**	--
New Mexico	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$854,967	**9%**	--
New York	$173,738	**n/a**	$164,655	**n/a**	$9,083	**n/a**	$14,546,919	**-2%**	--
North Carolina	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$2,950,006	**-28%**	--
North Dakota	$295,939	**n/a**	$295,939	**n/a**	$0	**0 both yrs**	$74,096	**-72%**	--
Ohio	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$7,420,436	**+23%**	$53,300,285
Oklahoma							$3,346,816	**-13%**	--
Oregon	$4,157,408	**n/a**	$3,925,875	**n/a**	$231,533	**n/a**	$3,887,854	**-4%**	$1,017,244
Pennsylvania	$9,661,838		$9,476,649		$185,189		$7,813,640	**+1%**	--
Puerto Rico	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$1,951,280		--
Rhode Island	$138,848		$123,429		$15,419		$775,709	**-44%**	--
South Carolina	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$1,833,816	**-16%**	--
South Dakota	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$688,792	**-3%**	--
Tennessee	$1,756,900	**162%**	$1,698,600	**+171%**	$58,300	**+38%**	$1,857,500	**-53%**	--
Texas	$1,006,491	**n/a**	$976,267	**n/a**	$30,224	**n/a**	$11,902,415	**+15%**	--
Utah	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$1,161,492	**+14%**	--
Vermont	$7,044	**n/a**	$6,734	**n/a**	$310	**n/a**	$144,004		--
Virginia	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$2,614,395	**-30%**	--
Washington	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$3,346,591	**-31%**	--
West Virginia	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$898,636	**+2%**	--
Wisconsin	$205,146	**n/a**	$160,851	**n/a**	$44,295	**n/a**	$2,410,653	**-18%**	$291,323
Wyoming	$0	**0 both yrs**	$0	**0 both yrs**	$0	**0 both yrs**	$675,079		--
US TOTAL	**$62,970,735**	**+440%**	**$56,765,670[b]**	**+408%**	**$6,205,065**	**+954%**	**$176,975,569**	**-5%**	**$685,908,219**

Sources: 2008/2010 Casey Child Welfare Financing Survey and 2012 Casey Child Welfare Financing Survey; NOTES: $0 = state did not use funding stream; Blank cell = state did not report amount/information not available; "n/a" = percent change is not applicable due to 2010 amount being $0; "--" indicates that, to the authors' knowledge, state did not have Title IV-E demonstration waiver claims in SFY 2012. Dollar amounts from SFY 2010 were adjusted for inflation for comparisons with SFY 2012. a. HI did not complete a survey for SFY 2012. Therefore, amounts listed in this Appendix for HI reflect FFY 2012 HHS claims or allocation data. b. Iowa reported $20,360 for "post-guardianship expenses" related to a previous title IV-E waiver. Authors determined that these dollars were reflective of the "post-demonstration guardianship assistance" category under the Title IV-E Guardianship Assistance Program. As the survey did not explicitly reflect this category, for reporting purposes here we classified the dollars under the IV-E Guardianship Assistance Payments category; however, Iowa did not operate an official Title IV-E GAP program during SFY 2012.

APPENDIX C: SFY 2012 TITLE IV-E PENETRATION RATES

State	SFY 2012 IV-E Foster Care Penetration Rate	FOSTER CARE RATE: Change between SFYs 2010 and 2012	SFY 2012 IV-E Adoption Penetration Rate	ADOPTION RATE: Change between SFYs 2010 and 2012
Alabama	62.93%	**Increase**	58.98%	**Increase**
Alaska	38.46%	**Increase**	77.00%	**Decrease**
Arizona	55.30%	**Increase**	81.48%	**Decrease**
Arkansas	68.12%	**Increase**	86.34%	**Decrease**
California	66.60%	**Decrease**	83.65%	**Decrease**
Colorado	50.25%	**Decrease**	67.41%	**No change**
Connecticut	36.58%	**Decrease**	74.95%	**Decrease**
Delaware	29.35%	**Increase**	38.38%	**Decrease**
DC	59.46%	**Increase**	84.08%	**Decrease**
Florida	75.46%	**Decrease**	74.69%	**Decrease**
Georgia	46.74%	**Decrease**	64.28%	**Decrease**
Hawaii	*not available*	*not available*	*not available*	*not available*
Idaho	69.40%	**Decrease**	85.67%	**No change**
Illinois	47.89%	**Decrease**	89.38%	**Decrease**
Indiana	48.26%	**Increase**	84.72%	**Increase**
Iowa	43.33%	**Increase**	73.61%	**Decrease**
Kansas	23.97%	**Increase**	73.71%	**Increase**
Kentucky	41.05%	**Decrease**	82.24%	**Decrease**
Louisiana	46.13%	**No change**	77.03%	**Decrease**
Maine	40.79%	**Decrease**	65.12%	**Decrease**
Maryland	31.72%	**Decrease**	66.74%	**Increase**
Massachusetts	26.08%	**Decrease**	63.13%	**Decrease**
Michigan	57.15%	**No change**	73.93%	**Decrease**
Minnesota	40.00%	**Decrease**	72.18%	**No change**
Mississippi	39.79%	**Increase**	60.41%	**Decrease**
Missouri	65.37%	**Increase**	83.96%	**Increase**
Montana	43.75%	**Decrease**	69.67%	*not available*
Nebraska	20.44%	**No change**	70.52%	**Increase**
Nevada	58.20%	**Increase**	84.33%	**Decrease**
New Hampshire	59.29%	**Increase**	82.27%	**Increase**
New Jersey	45.89%	**Increase**	57.85%	**Increase**
New Mexico	62.23%	**Decrease**	86.69%	**Increase**
New York	60.13%	**Increase**	75.00%	**Decrease**
North Carolina	45.26%	**Decrease**	63.18%	**No change**
North Dakota	46.20%	**Decrease**	71.01%	**Increase**
Ohio	61.65%	**Decrease**	91.98%	**Decrease**
Oklahoma	55.09%	**Increase**	71.22%	**Decrease**
Oregon	63.49%	**No change**	76.66%	**No change**
Pennsylvania	53.63%	**Decrease**	79.61%	**Increase**
Puerto Rico	*not available*	*not available*	*not available*	*not available*
Rhode Island	36.80%	**Increase**	64.52%	**Increase**
South Carolina	52.33%	**Increase**	63.43%	**Decrease**
South Dakota	47.61%	**Decrease**	60.90%	**No change**
Tennessee	46.97%	**Increase**	72.11%	**No change**
Texas	43.94%	**Decrease**	80.40%	**Increase**
Utah	35.33%	**Decrease**	61.80%	**No change**
Vermont	43.62%	**Decrease**	88.34%	**Decrease**
Virginia	48.80%	**Increase**	77.21%	**Decrease**
Washington	71.71%	**Increase**	86.96%	**No change**
West Virginia	16.27%	**Decrease**	67.09%	**Decrease**
Wisconsin	47.95%	**Increase**	80.98%	**Decrease**
Wyoming	12.37%	**Decrease**	51.78%	**Decrease**
U.S. Average	**51.56%**	**Decrease**	**77.56%**	**Decrease**

Source: 2008/2010 Casey Child Welfare Financing Survey and 2012 Casey Child Welfare Financing Survey; NOTES: States with penetration rates that rounded to the same whole percentage number each year were considered to have "no change" in their rates. U.S. average rates were computed by weighting each state's penetration rates based on either the state's foster care population (for the foster care rate) or the population of adopted children or whom Title IV-E adoption reimbursement claims were submitted to HHS (for the adoption rate). See the Notes section in this report for more detail on the methodology used for computing these national averages.

APPENDIX D: SFY 2010 STATE-BY-STATE DATA: *REVISED*

	Total Spending	Federal Spending	Title IV-E	Title IV-B[a]	TANF[b]
Alabama	$332,684,924	$182,841,165	$42,673,404	$11,132,701	$18,995,000
Alaska	$167,001,884	$42,770,884	$22,895,884	$948,000	$0
Arizona	$525,194,723	$292,003,721	$165,783,696	$13,929,124	$75,584,783
Arkansas	$139,556,173	$71,766,436	$53,557,148	$6,218,876	$8,169,953
California	$4,617,335,000	$2,270,154,382	$1,597,436,989	$68,339,719	$218,331,294
Colorado	$424,287,080	$162,572,334	$85,879,917	$7,771,670	$12,500,000
Connecticut	$770,362,126	$241,698,552	$92,945,787	$3,497,024	$123,581,635
Delaware	$51,426,154	$10,567,749	$6,002,994	$1,660,104	$277,968
DC	$276,153,596	$72,431,013	$59,141,071	$1,182,566	$10,500,000
Florida	$1,170,104,821	$609,838,154	$255,152,768	$28,744,135	$153,234,072
Georgia	$546,398,590	$361,531,054	$109,996,653	$23,606,597	$197,626,129
Hawaii	$127,634,606	$60,119,941	$38,611,781	$1,693,124	$9,890,000
Idaho	$52,080,189	$30,161,668	$16,357,854	$3,128,331	$6,914,163
Illinois	$1,231,000,669	$625,749,677	$307,727,907	$27,356,670	$234,633,334
Indiana	$516,969,184	$185,279,102	$148,839,126	$14,156,140	$8,560,972
Iowa	$277,259,631	$136,880,056	$63,848,668	$5,646,277	$45,365,325
Kansas	$249,633,712	$97,221,336	$43,147,827	$5,388,343	$25,273,887
Kentucky	$500,349,497	$197,547,452	$92,899,871	$10,947,558	$58,264,592
Louisiana	$322,977,672	$283,344,926	$80,343,430	$14,822,005	$23,990,075
Maine	$122,635,500	$43,385,500	$36,023,000	$2,750,000	$0
Maryland	$556,598,045	$219,792,984	$104,060,023	$7,870,104	$46,284,978
Massachusetts	$757,874,988	$216,964,706	$106,472,936	$8,018,372	$0
Michigan	$708,329,588	$573,434,984	$229,178,914	$20,000,406	$220,320,628
Minnesota	$495,751,103	$160,800,437	$74,235,447	$8,038,824	$0
Mississippi	$101,752,599	$54,214,156	$14,943,456	$7,468,205	$14,050,377
Missouri	$464,147,933	$221,037,596	$98,061,873	$16,918,929	$35,382,599
Montana	$68,165,219	$32,945,663	$20,819,635	$1,566,607	$4,333,113
Nebraska	$212,193,635	$51,166,496	$32,911,554	$3,183,959	$0
Nevada	$183,959,974	$63,993,270	$50,103,307	$4,167,862	$3,205,790
New Hampshire	$95,781,304	$42,745,713	$24,334,394	$1,934,190	$723,359
New Jersey	$907,707,295	$308,362,634	$146,358,669	$11,307,769	$12,340,000
New Mexico	$99,807,619	$56,638,504	$42,272,460	$4,953,136	$0
New York	$3,678,962,596	$1,608,996,335	$653,804,263	$33,620,466	$554,257,295
North Carolina	$497,223,583	$249,037,676	$135,643,126	$15,350,233	$76,939,904
North Dakota	$62,769,524	$44,853,710	$18,587,021	$1,171,307	$14,731,605
Ohio	$778,806,890	$451,364,140	$395,518,081	$23,930,796	$3,757,217
Oklahoma	$230,585,262	$146,380,500	$69,896,214	$5,569,454	$20,254,850
Oregon	$422,389,952	$261,597,462	$138,116,106	$6,937,629	$52,870,303
Pennsylvania	$1,904,261,504	$509,538,596	$367,512,202	$21,219,023	$67,883,157
Puerto Rico	$126,524,250	$30,435,250		$10,610,326	$7,156,250
Rhode Island	$195,828,645	$78,061,441	$23,150,228	$2,706,732	$7,999,622
South Carolina	$250,363,911	$164,107,906	$55,176,762	$13,940,879	$50,559,442
South Dakota	$56,984,353	$32,466,318	$11,105,817	$1,409,433	$4,788,622
Tennessee	$496,942,100	$225,179,600	$91,609,900	$5,629,000	$0
Texas	$1,380,899,776	$825,405,006	$347,057,849	$64,309,157	$365,554,323
Utah	$167,674,426	$82,895,394	$29,768,519	$5,077,272	$0
Vermont	$84,096,689	$53,238,217	$22,380,041	$572,153	$2,017,337
Virginia	$622,525,179	$184,805,009	$88,284,694	$11,148,629	$5,680,742
Washington	$581,627,121	$270,534,056	$151,697,469	$11,233,878	$27,902,823
West Virginia	$305,609,337	$182,505,175	$57,473,373	$4,427,964	$99,158,679
Wisconsin	$424,422,601	$192,261,866	$109,332,939	$9,957,783	$33,860,900
Wyoming	$49,018,438	$12,269,443	$3,416,584	$1,588,425	$3,069,455
US TOTAL	$29,390,631,170	$13,585,895,345	$7,032,549,631	$598,757,866	$2,966,776,552

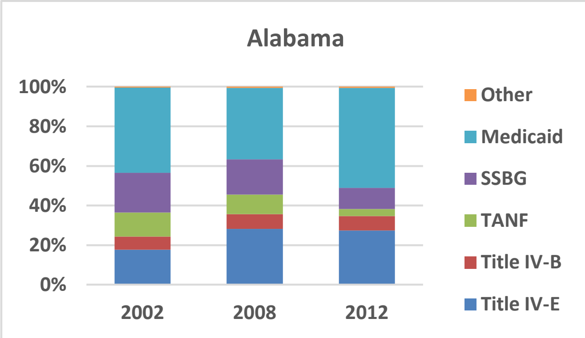
Source: 2008/2010 Casey Child Welfare Financing Survey and corrections to previous data resulting from the *2012 Casey Child Welfare Financing Survey; NOTES:* $0 = state did not use funding stream; Blank cell = state did not report amount/information not available. Reflects actual 2010 dollars (uninflated). Expenditures for SFY 2010 include ARRA funding as reported by states. a. Title IV-B includes subparts 1 and 2; b. TANF spending excludes TANF funds transferred to SSBG; these dollars are included in SSBG amounts

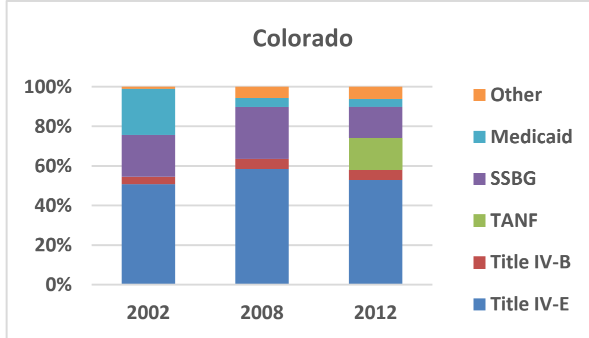
	SSBG[a]	Medicaid	Other Federal	State Spending	Local Spending
Alabama	$32,359,441	$64,737,083	$12,943,536	$149,583,671	$260,088
Alaska	$8,813,000	$6,337,000	$3,777,000	$124,231,000	$0
Arizona	$34,851,518	$0	$1,854,600	$233,191,002	$0
Arkansas	$1,986,770	$990,141	$843,548	$67,789,737	$0
California	$268,609,733	$114,314,745	$3,121,902	$1,504,127,722	$843,052,896
Colorado	$38,645,695	$8,123,527	$9,651,525	$180,289,372	$81,425,374
Connecticut	$5,616,826	$8,589,200	$7,468,080	$528,663,574	$0
Delaware	$1,586,869	$0	$1,039,814	$40,858,405	$0
DC	$525,365	$63,100	$1,018,911	$203,722,583	$0
Florida	$146,924,654	$1,270,073	$24,512,452	$558,706,052	$1,560,615
Georgia	$19,871,178	$8,699,685	$1,730,812	$181,072,501	$3,795,035
Hawaii	$8,227,570	$52,632	$1,644,834	$67,514,665	$0
Idaho	$2,976,343	$530,282	$254,695	$21,918,521	$0
Illinois	$21,295,432	$13,395,529	$21,340,805	$605,250,992	$0
Indiana	$8,318,422	$281,272	$5,123,170	$331,690,082	$0
Iowa	$16,445,747	$0	$5,574,039	$140,135,908	$243,667
Kansas	$17,337,522	$210,842	$5,862,915	$152,412,376	$0
Kentucky	$21,598,130	$0	$13,837,301	$302,802,045	$0
Louisiana	$159,057,120	$0	$5,132,296	$39,632,746	
Maine	$1,900,000	$0	$2,712,500	$79,250,000	$0
Maryland	$31,321,715	$28,405,287	$1,850,877	$333,482,668	$3,322,393
Massachusetts	$81,347,360	$12,862,512	$8,263,526	$540,910,282	$0
Michigan	$94,223,763	$6,500,000	$3,211,273	$57,490,772	$77,403,832
Minnesota	$15,535,168	$54,252,843	$8,738,155	$103,270,285	$231,680,381
Mississippi	$13,542,300	$0	$4,209,818	$47,538,443	$0
Missouri	$28,172,076	$29,847,103	$12,655,016	$243,110,337	$0
Montana	$1,998,226	$592	$4,227,490	$35,219,556	$0
Nebraska	$6,696,485	$1,600,000	$6,774,498	$161,027,139	$0
Nevada	$5,105,753	$356,031	$1,054,527	$74,445,006	$45,521,698
New Hampshire	$1,803,117	$11,458,468	$2,492,185	$52,101,580	$934,011
New Jersey	$30,810,132	$100,012,385	$7,533,679	$599,344,661	$0
New Mexico	$7,653,804	$984,882	$774,222	$43,169,115	$0
New York	$329,013,309	$33,904,415	$4,396,587	$1,111,488,222	$958,478,039
North Carolina	$18,137,897	$9,035	$2,957,481	$93,683,625	$154,502,282
North Dakota	$0	$4,016,361	$6,347,416	$11,569,506	$6,346,308
Ohio	$23,759,358	$1,398,688	$3,000,000	$72,352,725	$255,090,025
Oklahoma	$10,137,090	$30,820,637	$9,702,255	$84,204,762	$0
Oregon	$10,717,092	$47,494,802	$5,461,530	$160,792,490	$0
Pennsylvania	$12,021,000	$1,605,313	$39,297,901	$1,026,948,959	$367,773,949
Puerto Rico	$8,793,103	$0	$3,875,571	$96,089,000	$0
Rhode Island		$38,091,233	$6,113,626	$117,767,204	
South Carolina	$10,380,443	$32,319,683	$1,730,697	$79,976,354	$6,279,651
South Dakota	$2,554,756	$11,300,731	$1,306,959	$24,518,035	$0
Tennessee	$17,188,100	$108,493,400	$2,259,200	$271,762,500	$0
Texas	$1,059,909	$3,705,212	$43,718,556	$541,065,168	$14,429,602
Utah	$14,238,000	$29,554,757	$4,256,846	$84,779,032	
Vermont	$5,077,336	$21,602,922	$1,588,428	$30,858,472	$0
Virginia	$26,027,289	$50,761,244	$2,902,411	$270,463,023	$167,257,147
Washington	$46,298,262	$22,020,724	$11,380,900	$310,360,886	$732,179
West Virginia	$21,071,758		$373,401	$123,104,162	$0
Wisconsin	$8,468,600	$26,210,967	$4,430,677	$147,618,400	$84,542,335
Wyoming	$3,008,732	$0	$1,186,247	$36,748,995	$0
US TOTAL	$1,703,109,268	$937,185,338	$347,516,690	$12,500,104,318	$3,304,631,507

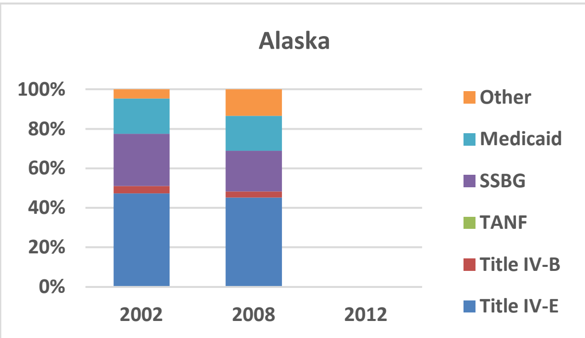
Source: 2008/2010 Casey Child Welfare Financing Survey and corrections to previous data resulting from the *2012 Casey Child Welfare Financing Survey; NOTES:* $0 = state did not use funding stream; Blank cell = state did not report amount/information not available. Reflects actual 2010 dollars (uninflated). Expenditures for SFY 2010 include ARRA funding as reported by states. a. SSBG amounts include TANF funds transferred to SSBG

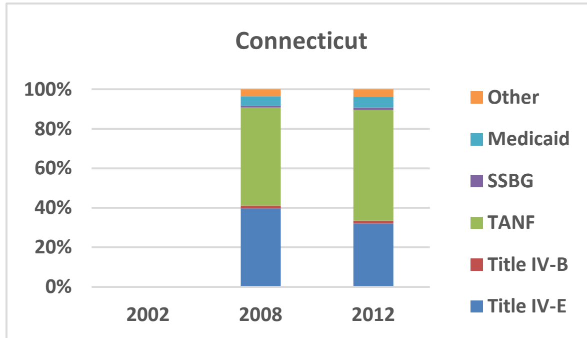
APPENDIX E: STATES' USE OF FEDERAL SOURCES FOR CHILD WELFARE

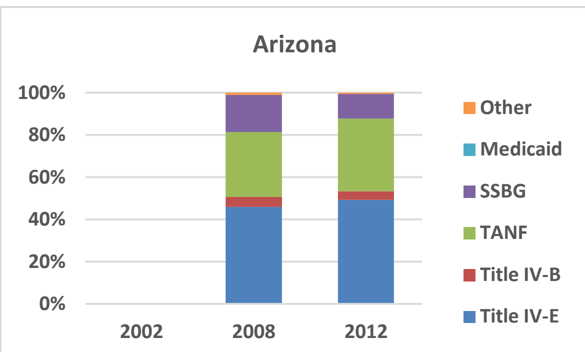
Blank years indicate that analysis was not possible due to missing data.

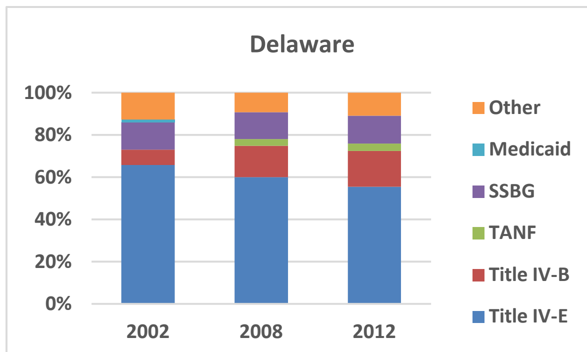


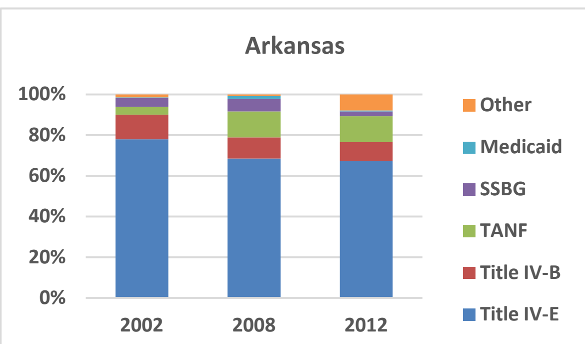


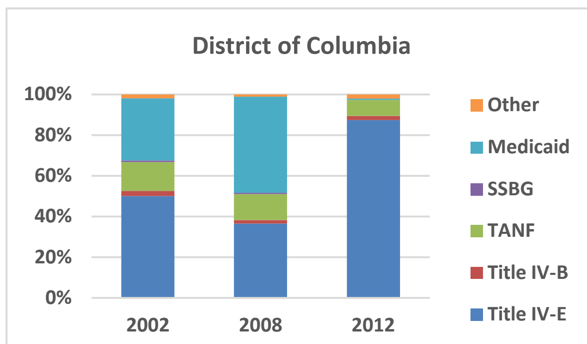


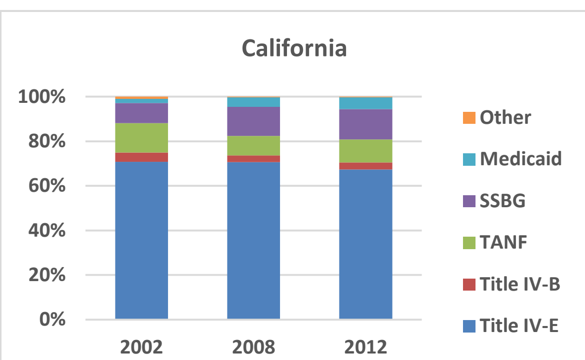


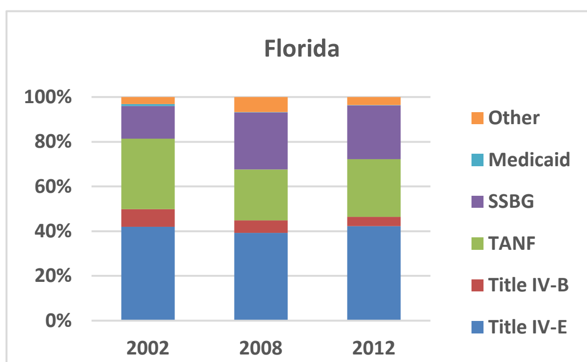


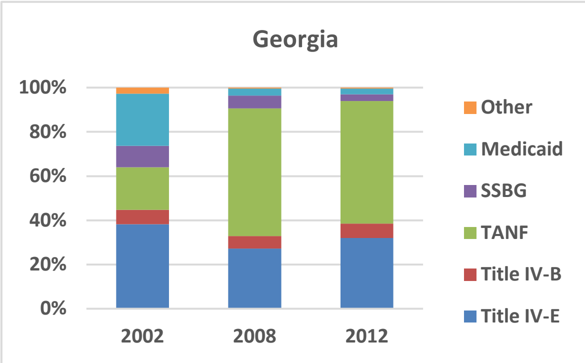








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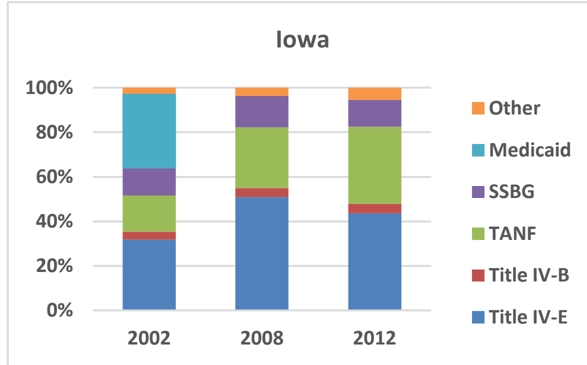
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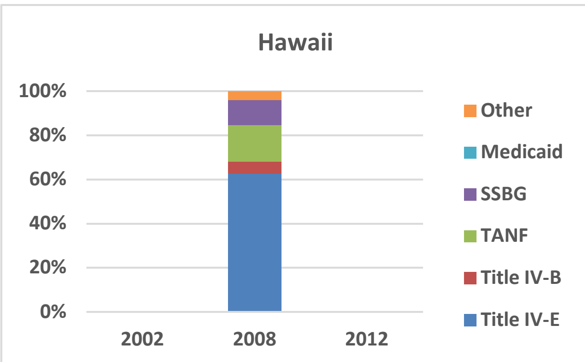
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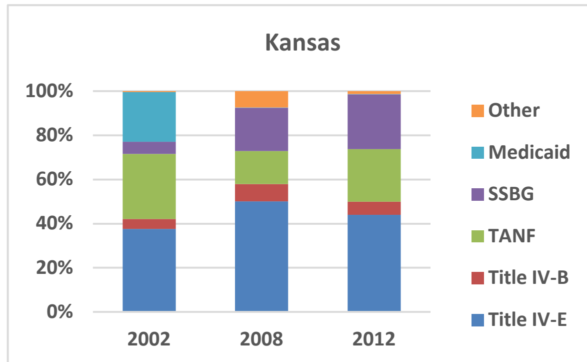
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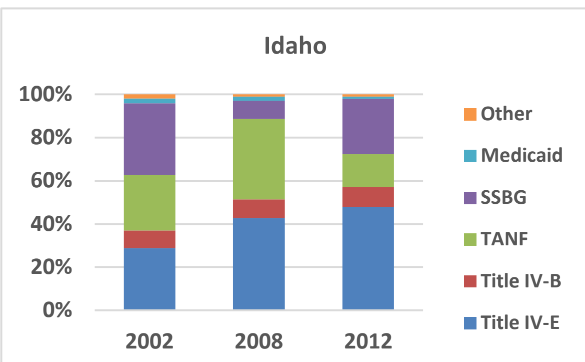
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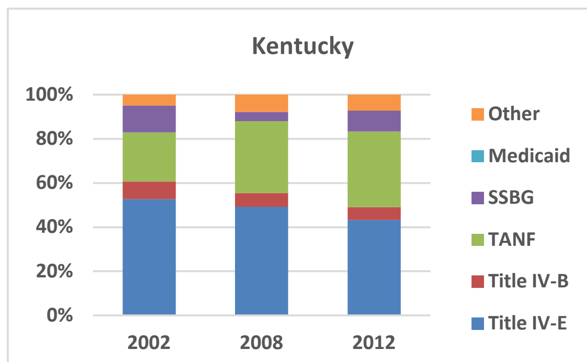
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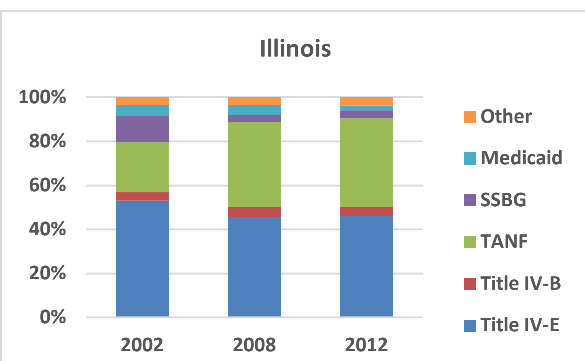
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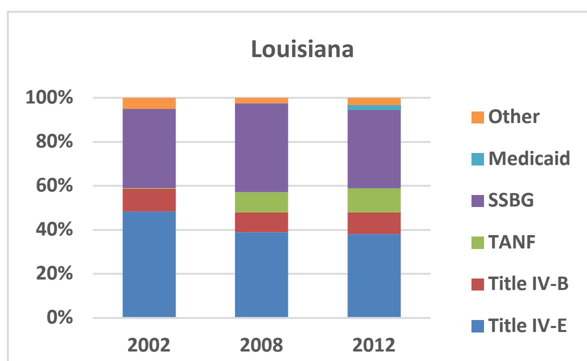
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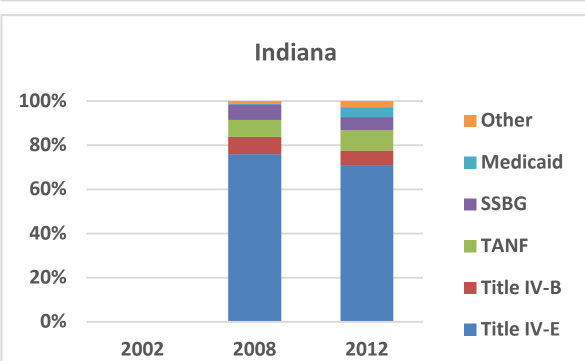
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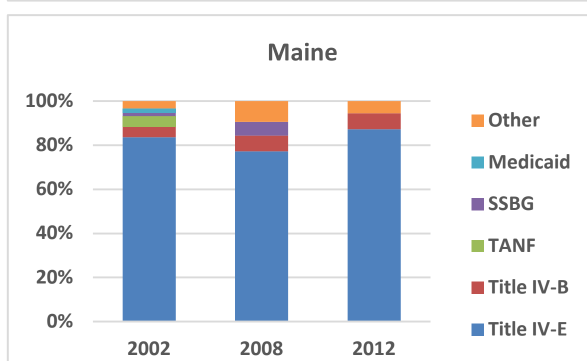
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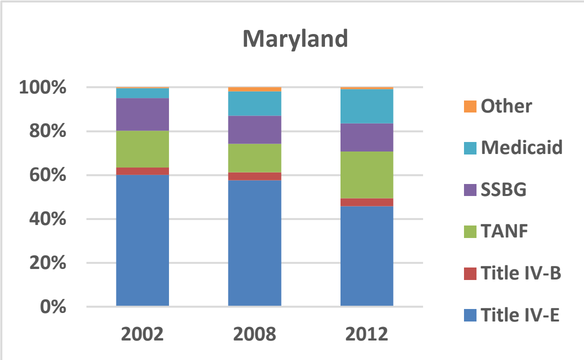
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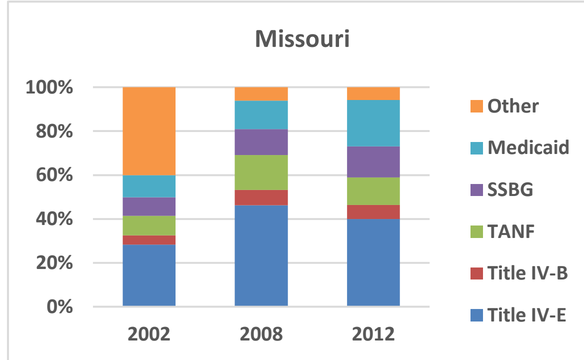
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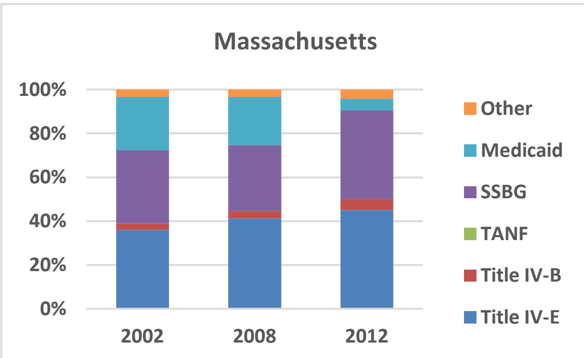
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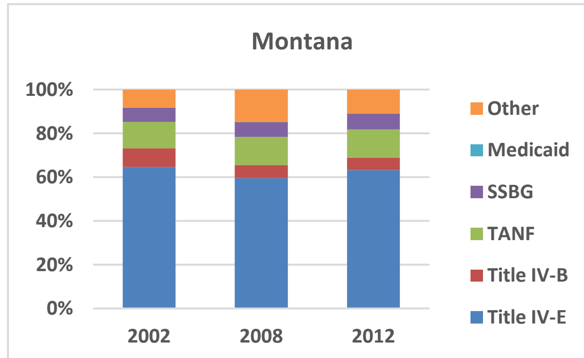
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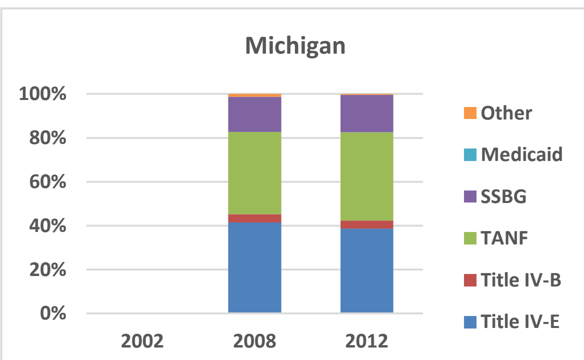
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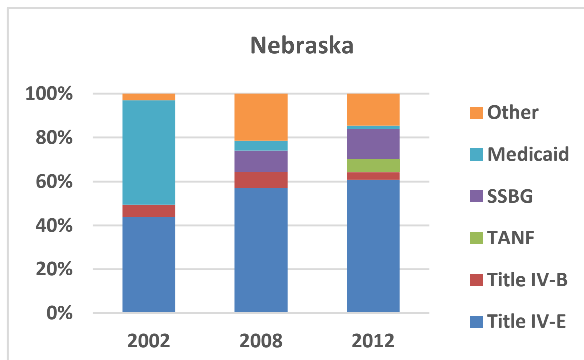
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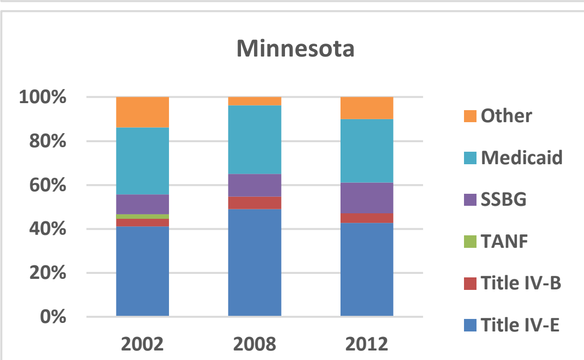
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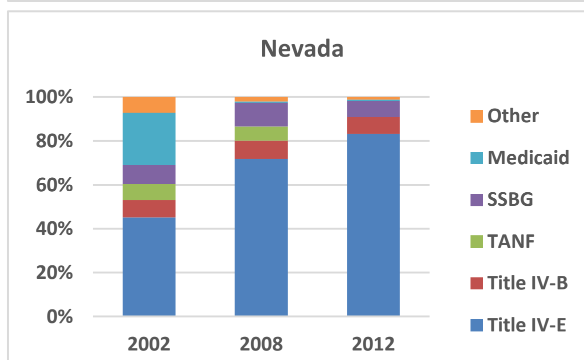
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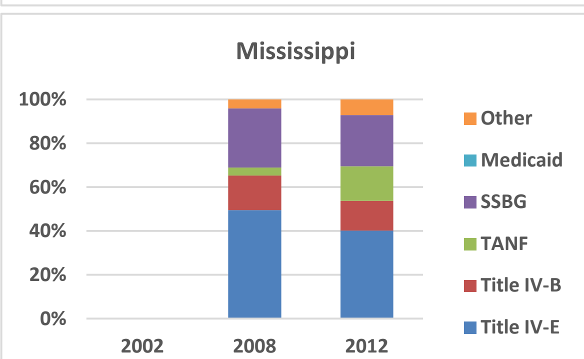
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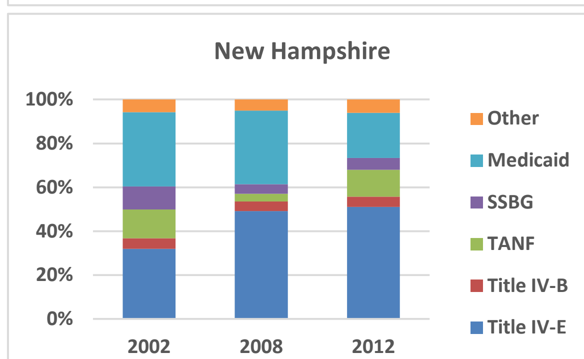
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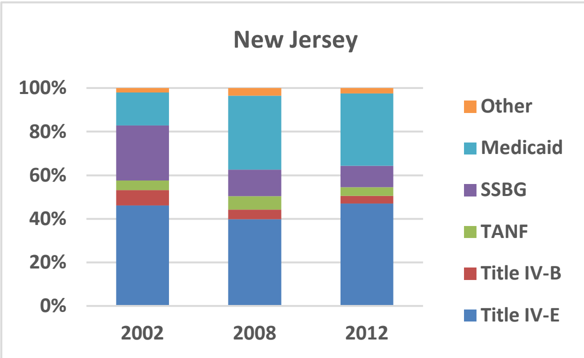
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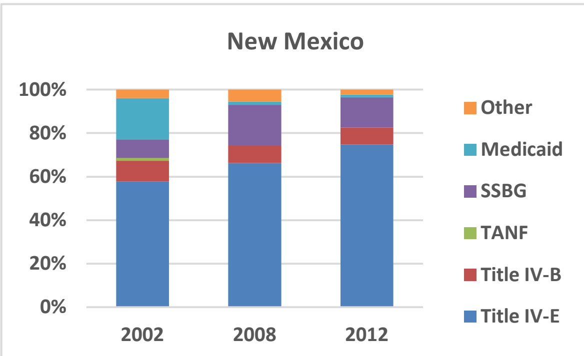
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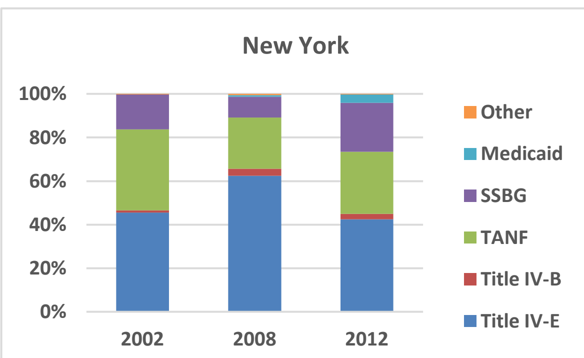
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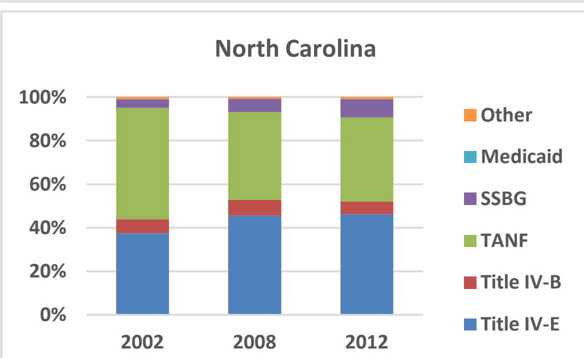
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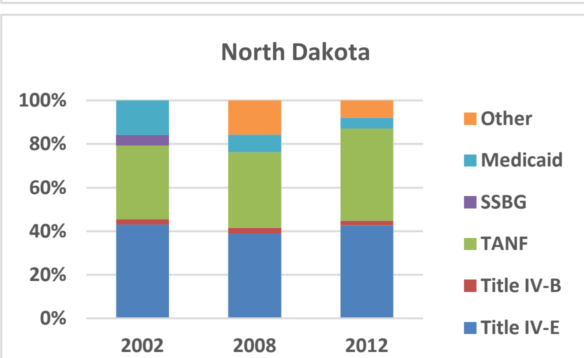
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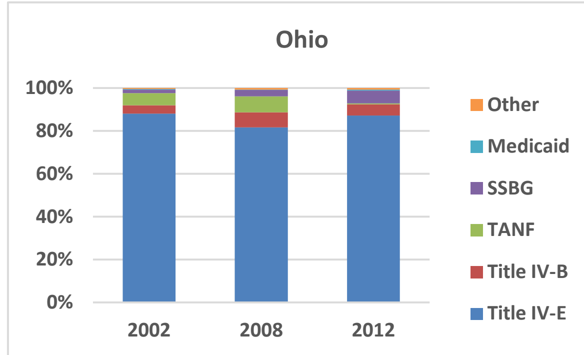
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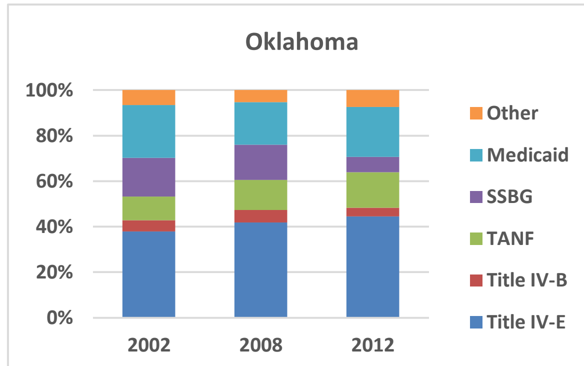
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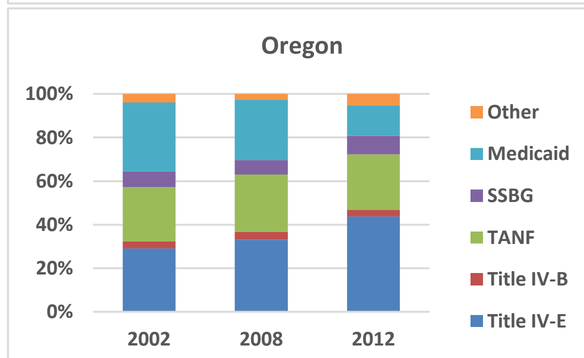
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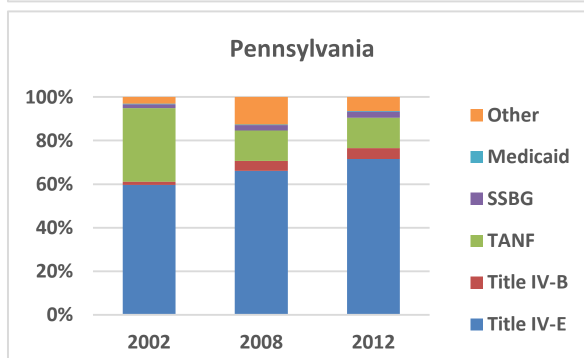
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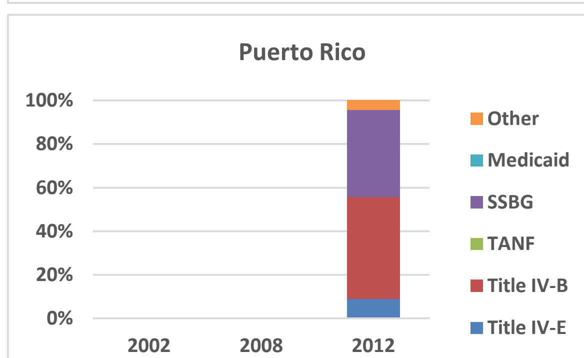
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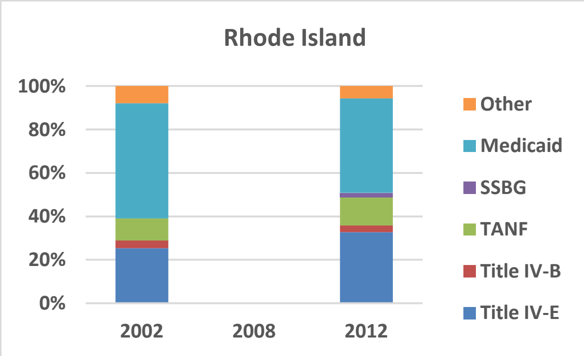
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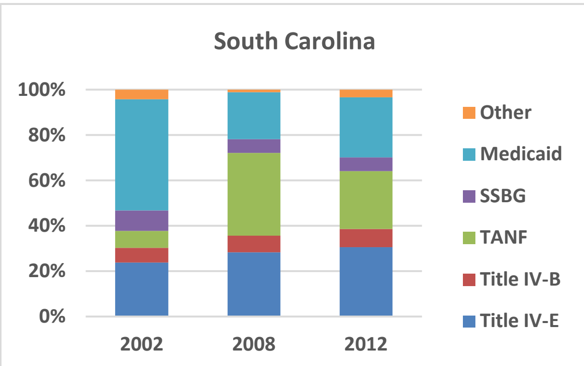
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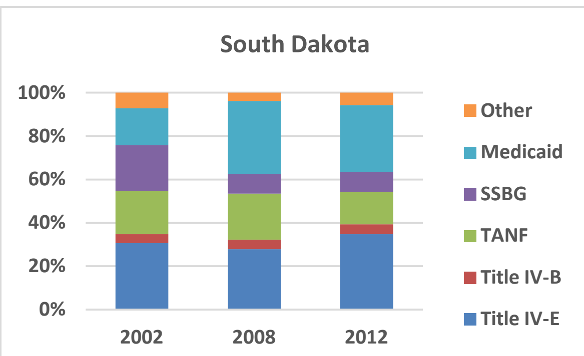
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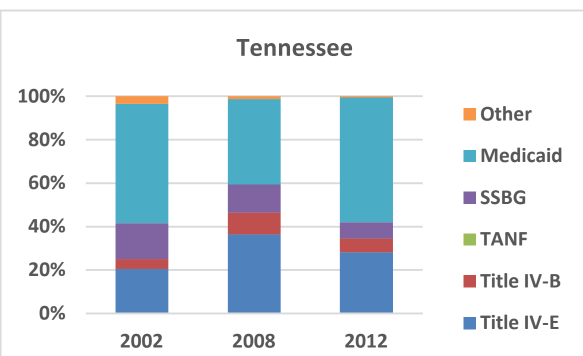
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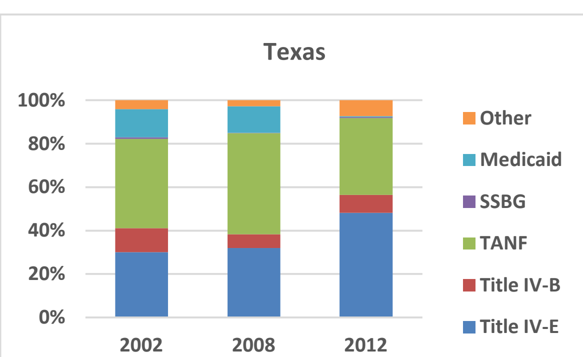
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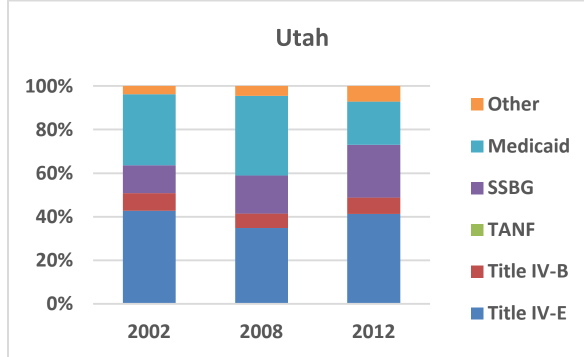
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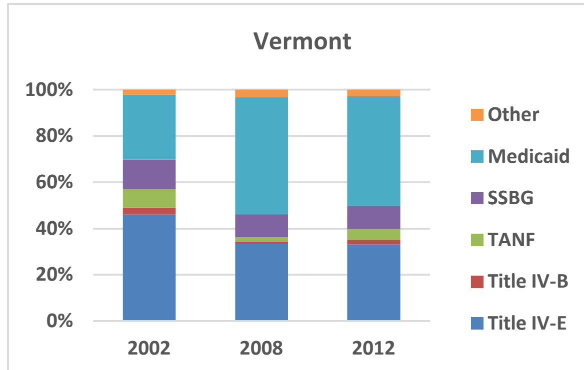
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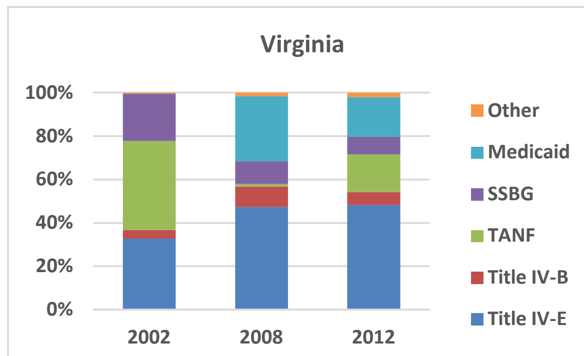
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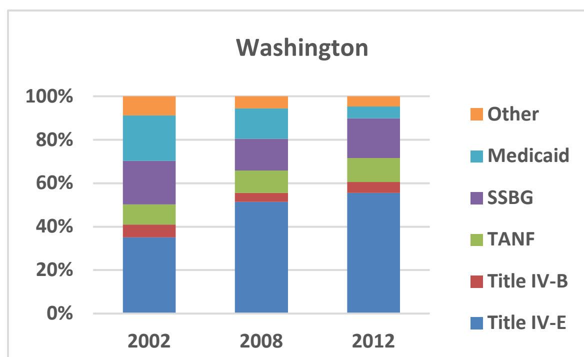
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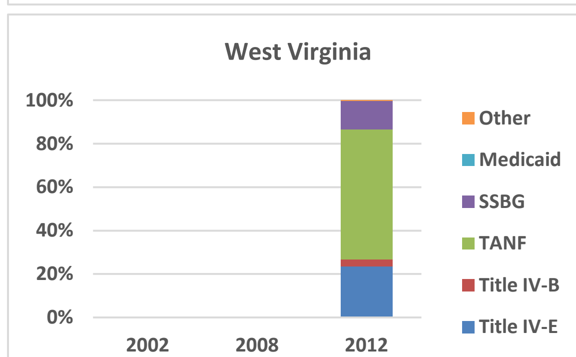
West Virginia
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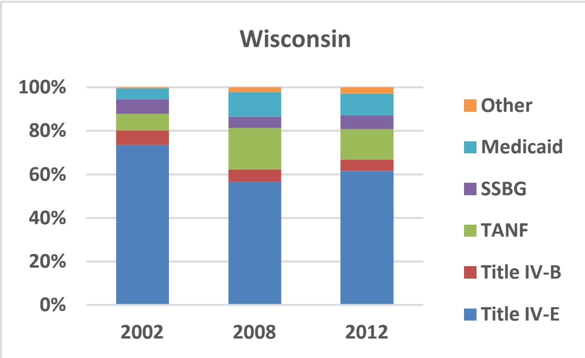
Wisconsin
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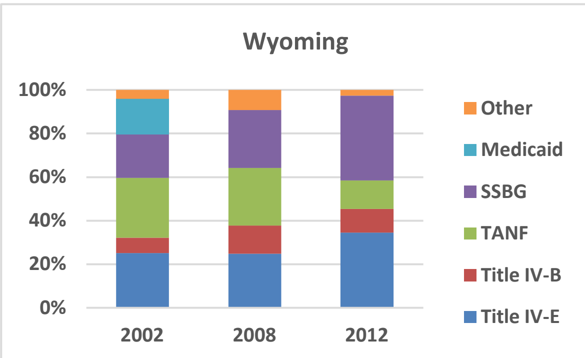
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APPENDIX F: STATES' USE OF TANF DOLLARS ON CHILD WELFARE, SFY 2012

State	Service/Activity Ranked #1	Service/Activity Ranked #2	Service/Activity Ranked #3
Alabama	Foster care services (including case management for children in foster care)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	In-home services to children not in foster care and/or their families (including case management services)
Alaska	*[Not applicable; No TANF dollars reported for SFY 2012]*		
Arizona	Adoption or guardianship assistance payments	Foster care services (including case management for children in foster care)	In-home services to children not in foster care and/or their families (including case management services)
Arkansas	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	In-home services to children not in foster care and/or their families (including case management services)	Administrative costs
California	Administrative costs	Adoption or guardianship assistance payments	Foster care services (including case management for children in foster care)
Colorado	Administrative costs	In-home services to children not in foster care and/or their families (including case management services)	--
Connecticut	Foster care services (including case management for children in foster care)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Prevention services
Delaware	*Other:* Office of Child Care Licensing	--	--
District of Columbia	In-home services to children not in foster care and/or their families (including case management services)	Prevention services	
Florida	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Foster care services (including case management for children in foster care)	Adoption or guardianship assistance payments
Georgia	*Other:* Out-of-home placements (Traditional foster care payments, relative foster care payments, and group home payments.)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Adoption or guardianship assistance payments
Hawaii	**(NO SURVEY FOR SFY 2012)**		
Idaho	Prevention services	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	*Other:* Emergency Assistance
Illinois	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Foster care services (including case management for children in foster care)	Administrative costs
Indiana	Prevention services	Foster care services (including case management for children in foster care)	Adoption or guardianship assistance payments
Iowa	In-home services to children not in foster care and/or their families (including case management services)	*Other:* Case management to DHS cases	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or
Kansas	Foster care services (including case management for children in foster care)	Prevention services	--
Kentucky	*Other:* Kinship care	Foster care services (including case management for children in foster care)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
Louisiana	Foster care services (including case management for children in foster care)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Prevention services
Maine	*[Not applicable; No TANF dollars reported for SFY 2012]*		
Maryland	In-home services to children not in foster care and/or their families (including case management services)	Prevention services	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
Massachusetts	*[Not applicable; No TANF dollars reported for SFY 2012]*		
Michigan	Foster care services (including case management for children in foster care)	In-home services to children not in foster care and/or their families (including case management services)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
Minnesota	*[Not applicable; No TANF dollars reported for SFY 2012]*		
Mississippi	Foster care services (including case management for children in foster care)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Prevention services
Missouri	Foster care services (including case management for children in foster care)	Adoption or guardianship assistance payments	Administrative costs

State	Service/Activity Ranked #1	Service/Activity Ranked #2	Service/Activity Ranked #3
Montana	Foster care services (including case management for children in foster care)	Administrative costs	--
Nebraska	In-home services to children not in foster care and/or their families (including case management services)	--	--
Nevada	*[Not applicable; No TANF dollars reported for SFY 2012]*		
New Hampshire	Residential treatment services	Foster care services (including case management for children in foster care)	Administrative costs
New Jersey	Independent/ transitional living services	Foster care services (including case management for children in foster care)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
New Mexico	*[Not applicable; No TANF dollars reported for SFY 2012]*		
New York	Foster care services (including case management for children in foster care)	Prevention services	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
North Carolina	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Foster care services (including case management for children in foster care)	Adoption or guardianship assistance payments
North Dakota	Foster care services (including case management for children in foster care)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	In-home services to children not in foster care and/or their families (including case management services)
Ohio	Independent/ transitional living services	Administrative costs	Prevention services
Oklahoma	*Other:* State shelters	*Other:* Foster care maintenance	Adoption or guardianship assistance payments
Oregon	Administrative costs	Foster care services (including case management for children in foster care)	Residential treatment services
Pennsylvania	In-home services to children not in foster care and/or their families (including case management services)	Prevention services	Foster care services (including case management for children in foster care)
Puerto Rico	*[Not applicable; No TANF dollars reported for SFY 2012]*		
Rhode Island	Administrative costs	--	--
South Carolina	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Foster care services (including case management for children in foster care)	Administrative costs
South Dakota	Administrative costs	Foster care services (including case management for children in foster care)	--
Tennessee	*[Not applicable; No TANF dollars reported for SFY 2012]*		
Texas	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Foster care services (including case management for children in foster care)	Administrative costs
Utah	*[Not applicable; No TANF dollars reported for SFY 2012]*		
Vermont	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Foster care services (including case management for children in foster care)	Administrative costs
Virginia	*Other:* Family Support/Preservation charged to TANF	--	--
Washington	Foster care services (including case management for children in foster care)	Administrative costs	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
West Virginia	Foster care services (including case management for children in foster care)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Administrative costs
Wisconsin	*Other:* Kinship care payments	In-home services to children not in foster care and/or their families (including case management services)	Prevention services
Wyoming	Residential treatment services	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Prevention services

APPENDIX G: STATES' USE OF SSBG DOLLARS ON CHILD WELFARE, SFY 2012

State	Service/Activity Ranked #1	Service/Activity Ranked #2	Service/Activity Ranked #3
Alabama	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	In-home services to children not in foster care and/or their families (including case management services)
Alaska	Adoption services	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	*Other:* Family preservation services
Arizona	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Administrative costs
Arkansas	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Prevention services	Adoption services
California	Administrative costs	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	--
Colorado	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Administrative costs
Connecticut	Residential treatment services	--	--
Delaware	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	*Other:* Shelter Care Services
District of Columbia	*[Not applicable; No SSBG dollars reported for SFY 2012]*		
Florida	*Other:* Youth at risk of involvement with criminal activity	*Other:* Foster Care Maintenance Payments	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
Georgia	*Other:* Cost Allocation	In-home services to children not in foster care and/or their families (including case management services)	--
Hawaii		**(NO SURVEY FOR SFY 2012)**	
Idaho	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Prevention services	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
Illinois	*Other:* Child Care	Adoption services	In-home services to children not in foster care and/or their families (including case management services)
Indiana	Prevention services	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	In-home services to children not in foster care and/or their families (including case management services)
Iowa	*Other:* case management to DHS cases	Administrative costs	Residential treatment services
Kansas	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	--
Kentucky	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	*Other:* Juvenile Services (Juvenile Services provides an array of preventative and treatment services for children adjudicated as status offenders.)	Other workforce expenses (i.e. training)
Louisiana	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Prevention services
Maine	*[Not applicable; No SSBG dollars reported for SFY 2012]*		
Maryland	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	In-home services to children not in foster care and/or their families (including case management services)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
Massachusetts	Residential treatment services	In-home services to children not in foster care and/or their families (including case management services)	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)
Michigan	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Adoption services
Minnesota	Administrative costs	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
Mississippi	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	*Other:* General intake	Prevention services
Missouri	Residential treatment services	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Administrative costs

State	Service/Activity Ranked #1	Service/Activity Ranked #2	Service/Activity Ranked #3
Montana	Administrative costs	--	--
Nebraska	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	*Other:* Resource Development/Soc Svc Casework
Nevada	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Adoption services	Other workforce expenses (i.e. training)
New Hampshire	Prevention services	*Other:* Training	Administrative costs
New Jersey	*Other:* Case Management	Administrative costs	--
New Mexico	Adoption services	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Administrative costs
New York	Prevention services	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Adoption services
North Carolina	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Adoption services	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
North Dakota	*[Not applicable; No SSBG dollars reported for SFY 2012]*		
Ohio	Administrative costs	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Residential treatment services
Oklahoma	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Prevention services
Oregon	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Prevention services	Administrative costs
Pennsylvania	Prevention services	In-home services to children not in foster care and/or their families (including case management services)	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)
Puerto Rico	*[Not available; question not answered]*		
Rhode Island	Residential treatment services	--	--
South Carolina	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Prevention services	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)
South Dakota	Administrative costs	*Other:* Foster Parent Training	--*(State noted using SSBG for more than just two child welfare services, but additional detail is not available)*
Tennessee	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Prevention services	Administrative costs
Texas	Prevention services	*Other:* 24 hr Care Licensing	*Other:* Preparation for Judicial Determination
Utah	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Prevention services
Vermont	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	In-home services to children not in foster care and/or their families (including case management services)	Administrative costs
Virginia	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Adoption services
Washington	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Administrative costs	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)
West Virginia	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Adoption services
Wisconsin	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Protective services (including intake, screening, and child protection investigations or assessments and in-home services provided during an investigation or assessment)	Administrative costs
Wyoming	Residential treatment services	Foster care services (including case management for children in foster care but excluding foster care maintenance payments)	Adoption services

APPENDIX H: STATES' USE OF MEDICAID DOLLARS FORC WELFARE, SFY 2012

State	Child Welfare Medicaid Expenditures, SFY 2012	Used for REHABILITATIVE SERVICES	Used for TARGETED CASE MANAGEMENT	Used for MEDICALLY NECESSARY SERVICES FOR CHILDREN IN TREATMENT FOSTER HOME	Used for OTHER	*Description of other*
Alabama	$80,424,757	X	X			
Alaska	*Amt not provided*	X		X		
Arizona	$0					
Arkansas	$316,649				X	DD Waiver (Developmentally Disabled Waiver)
California	$115,020,781				X	Medi-Cal Admin
Colorado	$5,542,591	X		X		
Connecticut	$14,598,600	X				
Delaware	$0					
District of Columbia	$409,606				X	Removal & Replacement Screenings
Florida	$1,231,880		X		X	assistance with transportation to health providers
Georgia	$9,147,542		X		X	Administrative
Hawaii	(not available)					
Idaho	$334,589				X	Administration and eligibility
Illinois	$13,700,685	X			X	Admin
Indiana	$9,157,662	X		X		
Iowa	$0					
Kansas	$154,075		X			
Kentucky	$0					
Louisiana	$3,410,151				X	Child welfare administration
Maine	$0					
Maryland[a]	$31,250,319	X			X	Health Related
Massachusetts	$10,350,809	X				
Michigan	$0					
Minnesota[b]	$44,925,730	X	X			
Mississippi	$0					
Missouri	$52,720,247	X				
Montana	$0					
Nebraska	$791,818	X				
Nevada	$435,561				X	Administrative
New Hampshire	$5,918,690	X		X		
New Jersey	$102,681,103	X				
New Mexico	$736,813				X	ADMIN
New York	$49,385,776				X	Bridges to Health Medical Waiver
North Carolina	$14,588				X	Administrative cost for state personnel
North Dakota	$1,890,507	X	X	X		
Ohio	$2,250,258		X			
Oklahoma	$32,878,970		X	X	X	Group homes
Oregon	$37,015,032	X	X	X		
Pennsylvania	$1,302,293	X		X		
Puerto Rico	$0					
Rhode Island	$25,559,333	X				
South Carolina	$36,420,818	X	X		X	transportation
South Dakota	$8,464,603	X				
Tennessee	$153,508,600		X	X		
Texas	$2,387,766				X	Facilitating XIX Eligibility & Outreach, G. Coordination and Monitoring of Medicaid Services
Utah[c]	$13,526,298	X				
Vermont	$24,189,026	X	X			
Virginia	$34,134,527	X	X	X		

Washington	$12,663,505	X	X	X		
West Virginia	$0					
Wisconsin	$17,078,701		X		X	Medicaid admin
Wyoming	$0					
TOTAL # of STATES		**23**	**15**	**11**	**17**	

NOTES: a. Additional description provided by Maryland: "Caseworker is providing a child and his/her family with information about needed medical and behavioral health services, or directing an individual to needed treatment, aid, or information. This includes entry of related information into MD CHESSIE (Maryland's SACWIS system).

- Arranging for health services;
- Acting as liaison with medical providers and local health departments;
- Assistance in utilizing Medicaid and Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services;
- Assistance in implementing health regimens;
- Development of the health component of the case plan;
- Activities related to Health passports;
- Arranging for transportation to medical and behavioral health appointments; or
- Entry of related information into MD CHESSIE."

b. MN's Medicaid dollars reflect TCM only (does not include what counties can claim for portion of per diem for children in Residential Treatment for rehab services).

c. UT's Medicaid dollars represent dollars for which the child welfare agency paid the state match, but the state notes that these Medicaid dollars are not actually in the child welfare agency budget.

APPENDIX I: KEY FEDERAL CHILD WELFARE FUNDING SOURCES, FY 2012

Adapted from Scarcella et al., 2006, with significant contributions from Emilie Stoltzfus (Congressional Research Service)

Funding Source	Eligible Population	Eligible Services or Costs	Type of Funding
Title IV-B of the Social Security Act			
Subpart 1			
Stephanie Tubbs Jones Child Welfare Services (CWS) Program	No specific eligibility criteria (states may determine)	Services and activities to prevent abuse and neglect; preserve and reunite families; promote safety, permanence, and well-being of children in foster or adoptive placements; and maintain a qualified workforce	Discretionary 75% federal share, 25% state share (up to total federal allotment)
Additional components of subpart 1 in SFY 2012 included funds for Child Welfare Training, Research, and Demonstration and Family Connections Grants. However, the majority of Subpart 1 spending resides with the CWS program.			
Subpart 2			
Promoting Safe and Stable Families	No specific eligibility criteria (states may determine)	Services for family preservation, family support, time-limited reunification, and adoption promotion and support Includes dollars set-aside for the following purposes: improving caseworker visits, improving outcomes of children affected by parental abuse of Methamphetamine or other substances, Court Improvement Programs, and Research, Evaluation, Training and Technical Assistance	Capped entitlement *and* a discretionary component 75% federal share, 25% state share (up to total federal allotment)
Title IV-E of the Social Security Act			
Foster Care Program			
Maintenance payments	Children in out-of-home placements who would have been considered needy in the homes from which they were removed (based on measures in place in 1996 under the Aid to Families with Dependent Children (AFDC) program) who entered care through a judicial determination or voluntary placement, and who are in licensed or approved placements.	Room and board payments to out-of-home care providers for eligible children	Open-ended entitlement Federal share is equal to each state's FMAP (Federal Medical Assistance Percentage) rate, ranging from 50% to 83%
Administration and placement	Children in foster care who are IV-E eligible; Children at imminent risk of entering foster care (limited time); Children in foster care who are IV-E eligible except for their placement in an unlicensed relative home (limited time); Children in foster care moving between IV-E ineligible and IV-E eligible placement settings (limited time); any child in foster care (for eligibility determination activities only).	Case planning, management and review (including caseworker salaries to carry out these activities), eligibility determinations, licensing, foster parent recruitment, and other overhead and administrative activities required under the IV-E program	Open-ended entitlement 50% federal share, 50% state share
Training	Public and private child welfare agency staff; prospective and current foster parents; court personnel.	Training for public and private child welfare agency staff; prospective and current foster parents; and court personnel; Generally limited to individuals working with IV-E eligible children	Open-ended entitlement 75% federal share, 25% state share (generally; however federal share was 70% in FFY 2012 for private agency staff and court personnel. P.L. 110-351 phased in full reimbursement for these new groups of trainees, and FY2013 will be the first year in which all IV-E training claims will again be reimbursed at 75%)
Adoption Assistance Programs			
Adoption payments	Children adopted from foster care who have "special needs" (as determined by the state) and who 1) would have been considered needy in the homes from which they were removed (based on measures in place in 1996 under the Aid to Families with Dependent Children (AFDC) program); or 2) are eligible for Supplemental Security Income (SSI); or 3) are children whose cost in a foster care setting are included in the IV-E foster care maintenance payment being made on behalf of their minor parents; or 4) were eligible for IV-E adoption assistance in a	Recurring payments to adoptive parents (not exceeding comparable foster care payment amounts)	Open-ended entitlement Federal share is equal to each state's FMAP rate, ranging from 50% to 83%

	previous adoption but whose adoptive parents died or their parental rights to the children were dissolved P.L. 110-351 provides that as of FY2018 any child determined by a state to have special needs will be eligible for recurring IV-E adoption assistance payments. The law phases in this expanded eligibility criteria beginning with FFY 2010. For children adopted during FFY 2012 the expanded eligibility applied to children with special needs who 1) were age 12 or older when adopted, or 2) had been in care for 60 continuous months, or 3) were a sibling of a child who met the age or length of stay requirement and were being placed in the same adoptive family as that sibling.		
Administration and placement	Children who are adopted (or about to be adopted) and who have been determined by the state to have special needs	Placement costs and other administrative activities related to adoption; recruitment of adoptive parents; non-recurring adoption expenses, including court costs, attorney feeds, and other related expenses (state may determine amount of reimbursement for non-recurring costs but total may not exceed $2,000)	Open-ended entitlement 50% federal share, 50% state share
Training	Public and private child welfare agency staff; prospective and current adoptive parents; court personnel	Training for public and private child welfare agency staff; prospective and current adoptive parents; and court personnel; Generally limited to individuals working with IV-E eligible children	Open-ended entitlement 75% federal share, 25% state share (generally; however federal share was 70% in FFY 2012 for private agency staff and court personnel. P.L. 110-351 phased in full reimbursement for these new groups of trainees, and FY2013 will be the first year in which all IV-E training claims will again be reimbursed at 75%)
Guardianship Assistance Program			
Guardianship payments	Children exiting foster care to legal guardianships with relatives and the following conditions are met: (1) the child has been eligible for Title IV-E foster care maintenance payments while residing for at least six consecutive months in the home of the prospective relative guardian; (2) the State or Tribe has determined that the permanency options of being returned home or adoption are not appropriate for the child; (3) the child demonstrates a strong attachment to the prospective relative guardian and the prospective guardian is committed to caring permanently for the child; (4) for children who have attained the age of 14, the child has been consulted regarding the kinship guardianship arrangement. Beneficiaries may also be siblings of eligible children placed in the same kinship guardianship arrangement. Additionally, P.L. 110-351 (the Fostering Connections to Success and Increasing Adoptions Act) stated that children who as of September 30, 2008 were receiving guardianship payments or services under a Title IV-E demonstration waiver remain eligible for Title IV-E assistance or services under the same terms or conditions established previously in any terminated Title IV-E guardianship waiver.	Payments to relative guardians; (not exceeding comparable foster care payment amounts) .	Open-ended entitlement Federal share is equal to each state's FMAP (Federal Medical Assistance Percentage) rate, ranging from 50% to 83%
Administration and placement	Children who are eligible for Title IV-E guardianship payments	Placement activities and other administrative activities related to guardianship; non-recurring guardianship expenses, including court costs, attorney fees, and other related expenses (state must pay full cost or at least $2,000 of cost, whichever is greater)	Open-ended entitlement 50% federal share, 50% state share
Training	Public and private child welfare agency staff; prospective and current guardians; court personnel	Training for public and private child welfare agency staff; prospective and current guardians; and court personnel. Generally limited to	Open-ended entitlement 75% federal share, 25% state share (generally; however

		individuals working with IV-E eligible children	federal share was 70% in FFY 2012 for private agency staff and court personnel. P.L. 110-351 phased in full reimbursement for these new groups of trainees, and FY2013 will be the first year in which all IV-E training claims will again be reimbursed at 75%)
Chafee Foster Care Independence Program/Education and Training Vouchers (ETV)			
	Chafee: Youth (no minimum age) who are likely to remain in foster care until age 18; youth age 18- 21 who have "aged out" of foster care; youth who left foster care for adoption or guardianship at age 16 or older ETV: Youth eligible for Chafee services; youth up to age 23 provided they are receiving an ETV at age 21 and are progressing toward completion of the postsecondary education or training program	Chafee: Life skills training programs; services to improve educational outcomes, job readiness and employment; personal and emotional supports (e.g., mentoring); substance abuse prevention; preventive health activities; and (for youth age 18-21 who are no longer in foster care) housing expenses (maximum of 30% of funds) and financial assistance ETV: Vouchers up to $5,000 per year for post-secondary education or vocational training	Chafee: Capped entitlement ETV: Discretionary 80% federal share, 20% state share
Statewide Automated Child Welfare Information System (SACWIS)			
	SACWIS is reimbursed at 50% without regard to the share of children who are IV-E eligible. However, states are not required to have a SACWIS system. States that choose not to run SACWIS programs can still claim development and operational costs at the Title IV-E administrative rate, where the percentage of eligible foster care and adoption assistance children are factored into the cost allocation methodology.	Design, development, installation (including cost of hardware), and ongoing operation at either the SACWIS or non-SACWIS rate	Open-ended entitlement 50% federal share, 50% state share
Temporary Assistance for Needy Families (TANF)			
	Families with children in need of assistance, as determined by the state	Supports and services, including those that are related to child welfare, that meet at least one of main purposes of the TANF program (including helping children to be cared for in their own homes or with relatives, reducing out-of-wedlock pregnancy, promoting job preparation, work, and marriage) or activities that were in the state's AFDC plan on September 30, 1995 or August 21, 1996	Capped entitlement No state share required, but states must meet a Maintenance of Effort requirement
Social Services Block Grant (SSBG)			
	State-specific	Broad range of services that will meet at least one of five purposes of the SSBG program, including prevention of abuse and neglect, child protection, and reunification	Capped entitlement 100% federally funded; no state share.
Medicaid			
	Children who are Title IV-E eligible (whether for foster care maintenance payments, adoption assistance, or kinship guardianship assistance) are categorically eligible for Medicaid. Additional low income and disabled children are eligible on state-specific basis but within federal mandates. States have the option to extend Medicaid to non-IV-E eligible adopted children or former foster youth age 18-21.	In addition to direct health care services, Medicaid can be used to fund services related to child welfare, including targeted case management, rehabilitative services, Medicaid-funded therapeutic foster care, and administrative costs associated with these options. Medicaid's eligible services also include medically necessary health and mental health care for children, but these services were not included in the data collected by the survey.	Open-ended entitlement Federal share is equal to each state's FMAP (Federal Medical Assistance Percentage) rate, ranging from 50% to 83%

APPENDIX J: METHODOLOGY

Survey Development. Child Trends developed a survey instrument for the SFY 2012 Casey Child Welfare Financing Survey based on the previous seven rounds of data collection. As with previous rounds of the survey, the instrument was refined based on current key topics of interest and relevance to the field, as well as feedback from the respondents themselves. Developed in consultation with staff from Casey Family Programs and the Annie E. Casey Foundation, the survey was vetted over a period of several months, and was pilot tested by key field staff prior to finalization. The final instrument was converted into a writeable PDF electronic document, and made available for download and completion on the State Child Welfare Policy Database, www.childwelfarepolicy.org (a website managed by Child Trends with support from Casey Family Programs).

Because the survey instrument has been revised over the course of the eight rounds of the survey, some data were not directly comparable to other years. To enhance our ability to accurately compare data across states and across years, respondents were asked to use the definitions below to provide the requested fiscal data.

Expenditures	**Include:** all state fiscal year (SFY) 2012 expenditures for the programs, case management, administration, and operation (including field and administrative staff expenses) of your state's child welfare services system, including all funds for services contracted out to another agency that meet the definition of child welfare below. Please use **SFY 2012** when answering the survey. For most states, this will be July 1, 2011-June 30, 2012. If you are unable to provide data based on this fiscal year, please indicate the time period for which you have provided data on page 4. If your child welfare agency is housed within a larger administrative agency, please be sure to only include Medicaid, TANF, and SSBG funds that were used for child welfare purposes. **Exclude:** capital costs, appropriated but unexpended funds, and recoupment of federal reimbursement from prior years.
Child welfare	**Include:** all of the following services that are administered by the child welfare agency: services for children and families to prevent abuse and neglect; family preservation services; child protective services (intake, family assessment, investigation, and case management); in-home services; out-of-home placements; adoption and guardianship services and supports. **Exclude:** domestic violence, juvenile justice, and all other services that the child welfare agency may provide that are not listed above.

Survey Distribution and Completion. In July 2013, we mailed a letter to each state's child welfare administrator, requesting participation in the SFY 2012 survey. The introductory letter, addressed from Patrick McCarthy, President and CEO of the Annie E. Casey Foundation and William C. Bell, President and CEO of Casey Family Programs, was accompanied by instructions to access, download, and complete the survey electronically. In addition to the letter and survey instructions, summaries of states' responses to the prior child welfare financing survey (for SFYs 2008 and 2010) were included in the mailed packages, to allow states to provide us with any changes to their previously submitted data.

After each survey package was mailed, we conducted extensive phone and email follow-up with the child welfare administrators' office in each state to confirm receipt of the materials, answer any questions about the procedures or timelines accompanying the survey, and identify the designated individual(s) to whom the survey was assigned. Once the respondents were identified, we followed up directly with the appropriate individuals to encourage each state's participation in the study and address any questions about the instrument itself. States were able to complete the survey in an electronic format and email their completed instruments directly to Child Trends. Although we requested that states assign the survey to appropriate staff for completion by the end of August 2013, data collection continued through June 2014 (which is similar to the duration of the data collection period in previous years).

One state (Puerto Rico) did not complete the full survey instrument, but was able to provide an abbreviated fiscal dataset with key categories to Child Trends. Another state—Hawaii—did not participate in this year's survey by completing either the full or abbreviated instrument. Therefore, whenever possible, we have included fiscal data for Hawaii from HHS claims or allocations data, as well as the accompanying state match (using HHS claims data for Title IV-E, and projections based on matching requirements for Title IV-B).

Data Quality Checks and Confirmation with States
Following receipt and review of the survey from each state, we conducted phone and email follow-ups with respondents to confirm their responses and clarify certain data. In addition to checking all reported figures and calculations for mathematical accuracy throughout the survey, we compared the states' SFY 2012 responses to the data they submitted in SFY 2010. Any categories that increased or decreased by more than 20% between that two–year interval were flagged as requiring additional follow up with the states to confirm that the numbers were correct. We also identified any questions that were left blank as issues to clarify with states. We conducted phone calls with some states, while with others we were successful in conducting follow-up communications over email. [Limited follow-up communication took place with Puerto Rico, which did not complete the detailed survey instrument, with assistance from Casey Family Programs staff.]

During the follow-up communications with states, we addressed calculation inconsistencies, discussed data that changed significantly (i.e., 20% or more) between years, requested missing data for responses that were unanswered, and clarified with states whether certain blank responses reflected $0, or were instead intended to reflect that data could not be reported.

Additionally, we asked for verification from states that their reported Medicaid and TANF amounts comprised only dollars for child welfare purposes, as defined in the survey. Thus, we confirmed that the Medicaid dollars reported were only funds that the state claimed for child welfare services (e.g., targeted case management, rehabilitative services) for which the child welfare agency paid the non-federal match, and not for direct health services (e.g., in-patient care, dental care) for Medicaid-eligible children who are involved with the child welfare system. Similarly, for TANF we confirmed that the dollars reported were only funds that the child welfare agency used for child welfare services in SFY 2012 and excluded TANF funds transferred to SSBG, and did not include other expenditures such as child-only payments provided by the social services agency (e.g., funds used for TANF child-only payments to caregivers of children who were in agency custody). In many instances, states provided us with revisions and corrections to their initial submission based on our follow-up communications. Some states requested additional time to seek input from other agency staff in confirming that the numbers were accurate, or decided to revise the instrument significantly. It is important to note that in some cases, states provided best estimates or approximations.

Following this extensive data-checking phase, we developed a summary of data for the main SFY 2012 financial categories from the survey for each state. This document presented key data that would be reported for each state, and allowed states to have a final opportunity to provide any revisions prior to analysis and publication. We emailed this document to the individuals who had worked on the survey or with us during the follow-up phase, as well as the state's child welfare administrator. In this communication, we requested that states review their reported data for us a final time prior to publication. During this final review period, some states provided us with further revisions and clarifications until their submission was complete.

Throughout the follow-up period, states were extremely generous with their time and expertise, and we acknowledge the immensity of work that went into this effort. The quality of the data and our ability to interpret the information were vastly improved by the states' additional investment in this confirmation process.

APPENDIX K: NOTES

[i] The state fiscal year (SFY) for most states was July 1, 2011 through June 30, 2012. However, several states indicated a different time period for their fiscal year.

[ii] The first five rounds of data collection were conducted by the Urban Institute, and reported data for state fiscal years 1996, 1998, 2000, 2002, and 2004 (Bess, Leos-Urbel, & Geen, 2001; Bess, Andrews, Jantz, Russell, & Geen, 2002; Geen, Boots, & Tumlin,1999; Scarcella, Bess, Zielewski, Warner, & Geen, 2004; Scarcella, Bess, Zielewski, & Geen, 2006). The subsequent efforts were conducted by Child Trends for SFYs 2006, 2008, and 2010, and funded by the Annie E. Casey Foundation and Casey Family Programs (DeVooght, Allen, & Geen, 2008; DeVooght, Fletcher, Vaughn, & Cooper, 2012).

[iii] Unless otherwise noted, SFY 2010 data include the additional federal reimbursements states received that year due to the temporary increase to the Federal Medical Assistance Percentage (FMAP) rate as a result of the American Recovery and Reinvestment Act (ARRA) of 2009.

[iv] Given that several states provided revisions to previously submitted data, some findings as reported in the previous report (*i.e., Federal, State, and Local Spending to Address Child Abuse and Neglect in SFYs 2008 and 2010)* have changed. Prior iterations of the survey also provided the opportunity for states to adjust previously submitted data, which in turn impacted previously released findings as well. Please contact the authors with any questions about updated figures for prior years as provided by states during this survey effort.

[v] Comparison of total expenditures between SFYs 2010 and 2012 excludes Hawaii due to missing data.

[vi] A state was considered to have no measurable change in expenditures if the percent change between years rounded to 0%.

[vii] Throughout the report, median changes were calculated using only states that used the particular funding source in both comparison years (e.g., expenditures from that source in both SFYs 2010 and 2012). This methodology was utilized to acknowledge that states increasing from $0 in one year to some value for the other year would not have a mathematically valid percent change (i.e., there is no percent change from zero). Further, states that decreased from some value in one year to $0 for the other year would have a -100% change, regardless of the magnitude of the decrease. Thus, to reflect a more meaningful central tendency (in this case, the median percent change), states experiencing either of the two scenarios described above were excluded from these calculations. Please note that this differs from the methodology utilized for the previous survey, and thus medians reported this year may not be directly comparable to those reported for the prior survey. Please contact the authors with questions about medians reported in the previous report.

[viii] Comparison of total expenditures between SFYs 2002 and 2012 excludes Hawaii, Iowa, Puerto Rico, South Carolina, and Wisconsin due to missing data.

[ix] Comparison of state funds between SFYs 2010 and 2012 excludes Hawaii due to missing data. Comparison of local funds between SFYs 2010 and 2012 excludes Hawaii, Louisiana, Rhode Island, Utah, and Wyoming due to missing data.

[x] The calculation of the national, federal, state, and local shares of total child welfare spending excludes Hawaii due to missing data. Local dollars were unavailable for Louisiana and Wyoming for SFY 2012, however given that these states both have state-administered child welfare programs, they were assumed to have minimal if any contribution of funds from local sources. Alaska did not report their Medicaid expenditures for SFY 2012, and did report Medicaid expenditures in previous years that were not insignificant. Therefore, the state cannot be presumed to have used no or few Medicaid dollars in SFY 2012 (and thus the total federal expenditures reported by Alaska on the survey are presumed to be an undercount). To measure the impact on the overall findings of including Alaska in the calculation of federal, state, and local shares, we conducted a sensitivity analysis by computing the data in two ways: first including the state in the calculation, and then excluding them. When Alaska was excluded from the computation in SFY 2012, the resulting federal, state, and local shares were each less then 0.2% off of the results when the state *was* included. Therefore, we have included this state in the federal, state, and local share statistic in SFY 2012 due to the minimal impact.

[xi] Comparison of federal funds between SFYs 2010 and 2012 excludes Hawaii due to missing data.

[xii] Comparison of federal funds between SFY 2002 and SFY 2012 excludes Connecticut, Hawaii, and Puerto Rico due to missing data.

[xiii] Hawaii did not complete a survey for SFY 2012 and Alaska did not provide Medicaid data for SFY 2012, so these two states were excluded from this analysis.

[xiv] Includes HHS claims data for Hawaii for FFY 2012, rather than survey data, since Hawaii did not complete a SFY 2012 survey.

[xv] Comparison of Title IV-E funds between SFYs 2010 and 2012 excludes Hawaii and Puerto Rico due to missing data.

[xvi] Comparison of Title IV-E funds between SFYs 2002 and 2012 excludes Connecticut, Hawaii, and Puerto Rico due to missing data.

[xvii] Includes HHS claims data for Hawaii for FFY 2012, rather than survey data, since Hawaii did not complete a SFY 2012 survey.

[xviii] Comparison of Title IV-E Foster Care Program expenditures between SFYs 2010 and 2012 excludes Hawaii, Mississippi, Montana, Vermont, and Wyoming due to missing data. Puerto Rico reported no Title IV-E foster care program claims for either year.

[xix] Comparison of expenditures on Title IV-E Foster Care Maintenance Payments between SFYs 2010 and 2012 excludes Hawaii, Mississippi, Montana, Pennsylvania, Vermont, and Wyoming due to missing data. Puerto Rico reported no Title IV-E foster care program claims for either year.

[xx] To calculate a national average based on the individual penetration rates reported by the 50 states (excludes Hawaii, which did not complete a survey for SFY 2012, and Puerto Rico, which did not claim any IV-E foster care program dollars for SFY 2012) penetration rates were weighted based on each state's foster care population, similar to methodology used for the SFY 2006 and SFYs 2008/2010 surveys. Using data from HHS' Children's Bureau (U.S. DHHS, 2013c), the number of children served in foster care in FFY 2012 was calculated for each state. To compute this figure, we summed the number of children in care on the last day of the fiscal year (September 30) with the number of children exiting care throughout the fiscal year. With the number of children served and the penetration rate for each of the 50 states, we then calculated the number of children in each state that were considered to be IV-E eligible. We summed this number for each of the 50 states to compute the total number of children receiving Title IV-E reimbursement during the year, and divided this by the total number of children served in foster care that year in the 50 states.

[xxi] The national Title IV-E foster care penetration rate reported here differs from the national figure from AFCARS that the Administration of Children and Families at the U.S. Department of Health and Human Services uses. While the exact cause of the differing figures is not known, it is likely that possible differences in methodology for computing the average national rate, as well as definitional issues regarding how AFCARS defines who is a child in foster care and those that individual states used to arrive at the numbers they report on this survey are contributing factors. On the survey, states were asked to report their foster care penetration rates to based on the question: *"Thinking about your child welfare population in out-of-home placements, for approximately what percentage did your state claim Title IV-E funds as reimbursement for spending on foster care maintenance payments in SFY 2012 (i.e., your state's foster care penetration rate)? In calculating this percentage, please exclude Title IV-E funds for non IV-E eligible children under a waiver."* This year, states were also asked to provide the numerator and denominator they used for the calculation, in addition to a description of the methodology they employed to calculate the rate.

Based on initial responses to this question, it became apparent that some states were reporting (and may have been reporting in previous years) a rate that included children with suspended eligibility in the numerator—rather than only including children for whom maintenance payments were reimbursable through Title IV-E. In other words, states may have been reporting the rate used in their cost allocation plan for determining eligible Title IV-E administrative expenses—which may include some children that aren't IV-E reimbursable. For example, one state reported a rate that included children who were eligible but not claimable in their numerator (due to provisional licensure or relatives being in the process of licensure within certain timeframes). Although these children are considered eligible but not reimbursable due to their setting, the state may be permitted to include the children in their "penetration rate" that is used to apply to the administrative costs. Whenever possible, if a state specifically noted including these additional children in the numerator (and not all states provided this level of specificity in their descriptions), we asked the state to remove those children if possible, so that the rate they reported represented solely the percentage of children for whom that state claimed reimbursement for spending on foster care maintenance payments. However, in one instance, a state did not remove these children, and therefore their rate may be somewhat inflated. It is unclear whether other states also reported the "eligible but not claimable" children in the rate they provided on the survey. Additionally, some states described a methodology that suggested they summed all applicable children across the year to determine the numerators and denominators, while others averaged the quarterly figures. Therefore, it seems likely that the variations in methodologies utilized by states may be a contributing factor to the foster care penetration rates consistently being higher on this national survey than when HHS data are used.

[xxii] A review of the previous survey's responses for this question (for SFYs 2008 and 2010) suggests that some states may have misinterpreted the question during that round of the survey, and thus reported percentages that understated the proportion of ineligible children determined to be ineligible for each of the various reasons. Specifically, in several states, the percentages across all the reasons combined summed to less than 100%—which suggests that the states either made an error in calculation, or may have interpreted the question differently then was intended (e.g., that it was asking for the percent of children ineligible for a particular reason out of the entire population children in foster care rather the percent of children ineligible for a particular reason out of the children ineligible for Title IV-E foster care.) If a state did in fact use a denominator of all children in care (rather than the IV-E-ineligible children), which may have been the case for a small number of states, the percent they would have reported for a particular reason

would have understated the true percentage according to the intention of the survey question. Therefore, the national average findings presented for SFYs 2008 and 2010 in the previous report may reflect an underestimate for those ineligibility reasons.

[xxiii] To calculate a national average for each ineligibility reason based on the individual percentages reported by the states, the percentages were weighted based on each state's population of children ineligible for Title IV-E reimbursement in each fiscal year. The number of children both eligible and ineligible for Title IV-E foster care reimbursement was calculated for each year using the state's reported penetration rate (from the survey response) and the total children served in foster care throughout the year (from HHS' Children's Bureau; U.S. DHHS, 2013c). The number of children who were ineligible for each particular reason (e.g., income of parents) was computed for each state that provided a percentage for that reason, by multiplying this percentage by the number of total ineligible children in that state. We summed this number for each state that provided data for the ineligibility reason, and divided this by the total number of children ineligible for Title IV-E across those states.

[xxiv] Comparison of Title IV-E Foster Care Administration & Placement, Training, and SACWIS expenditures between SFYs 2010 and 2012 excludes Hawaii, Mississippi, Montana, Pennsylvania, Vermont, and Wyoming due to missing data. Puerto Rico reported no Title IV-E foster care program claims for either year.

[xxv] Calculation of the percent of Title IV-E foster care administration and placement dollars from (1) case-planning and pre-placement services and (2) administration and overhead excludes Hawaii and Oklahoma due to missing data. Puerto Rico reported no Title IV-E foster care program claims for either year.

[xxvi] Puerto Rico did not answer the question regarding transportation costs for Title IV-E eligible children. Hawaii did not complete a survey for SFY 2012.

[xxvii] Includes HHS claims data for Hawaii for FFY 2012, rather than survey data, since Hawaii did not complete a SFY 2012 survey.

[xxviii] Comparison of expenditures on the Title IV-E Adoption Assistance Program between SFYs 2010 and 2012 excludes Hawaii, Mississippi, Montana, Pennsylvania, Vermont, and Wyoming due to missing data. Puerto Rico reported no Title IV-E adoption assistance program claims for either year.

[xxix] Comparison of expenditures on the Title IV-E Adoption Assistance Payments between SFYs 2010 and 2012 excludes Hawaii, Mississippi, Montana, Pennsylvania, Vermont, and Wyoming due to missing data. Puerto Rico reported no Title IV-E adoption assistance program claims for either year.

[xxx] To calculate a national average based on the individual adoption penetration rates reported by the 50 states (excludes Hawaii, which did not complete a survey for SFY 2012, and Puerto Rico, which did not claim any IV-E adoption assistance program dollars for SFY 2012), penetration rates were weighted based on each states' population of adopted children for whom Title IV-E adoption claims were submitted to HHS. Data from HHS' Children's Bureau provided the average monthly number of children for each state for whom claims were submitted in FFY 2012. With this number and the adoption penetration rate for each of the 50 states, we then calculated the number of children in each state for whom federal IV-E adoption subsidy reimbursements were received. We summed these figures for each state to compute the estimated monthly number of children receiving Title IV-E adoption assistance reimbursement for all 50 states combined, and divided this into the total average monthly number of children for whom claims were submitted for the 50 states.

[xxxi] Comparison of expenditures on Title IV-E Adoption Assistance Administration and Placement and Training between SFYs 2010 and 2012 excludes Hawaii, Mississippi, Montana, Vermont, and Wyoming due to missing data. Puerto Rico reported no Title IV-E adoption assistance claims for either year.

[xxxii] Iowa reported post-demonstration expenses for children that participated in their previous IV-E waiver program, but did not operate a Title IV-E Guardianship Assistance Program in SFY 2012. The dollars they reported were considered to be part of the Title IV-E Guardianship Assistance Program for the purposes of this survey, and, specifically, are included here in the Guardianship Assistance Payments category.

[xxxiii] Title IV-E demonstration waiver dollars were not listed as a separate Title IV-E category on the survey instrument that states completed. Thus, waiver dollars were asked about during the follow-up process with certain states. We identified a number of states as potentially having an active waiver in SFY 2012 based on information from HHS, and directed the waiver-specific questions towards these states.

[xxxiv] Total Chafee Foster Care Independence Program amounts for SFY 2012 includes HHS claims data for Hawaii or FFY 2012, rather than survey data, since Hawaii did not complete at SFY 2012 survey. Comparison of expenditures on the Chafee Foster Care Independence Program between SFYs 2010 and 2012 excludes Hawaii, Mississippi, Montana, Puerto Rico, Vermont, and Wyoming due to missing data.

[xxxv] Includes HHS allocation data for Hawaii for FFY 2012, rather than survey reports, since Hawaii did not complete a SFY 2012 survey.

[xxxvi] Puerto Rico did not provide a breakdown of Title IV-B expenditures into Subparts 1 and 2, and therefore is not included in these amounts. Includes HHS allocation data for Hawaii for FFY 2012, rather than survey reports.

[xxxvii] Comparison of Title IV-B expenditures between SFYs 2002 and 2012 excludes Hawaii and Puerto Rico due to missing data.

[xxxviii] It is suspected that some dollars reported by states in the “other federal” category (in this round or previous rounds of the survey) may be more accurately categorized as Title IV-B dollars for the purposes of the survey (e.g., Family Connections dollars). For the current survey, whenever it was apparent that a state had included Title IV-B dollars in the “other federal” category, these dollars were re-categorized. However, not all states were able to provide us with complete descriptions of all the expenditures in the “other” category, and therefore we may not have been able to identify and reclassify all of these instances. A review of previous years’ data suggest this may have been the case for some states as well, and thus, the Title IV-B dollars reported over the years on this survey may be understated to some degree (though it is not suspected that this is of a large magnitude).

[xxxix] Comparison of non-dedicated federal funds between SFYs 2010 and 2012 excludes Alaska, Hawaii, Rhode Island, and West Virginia due to missing data.

[xl] Alaska did not provide Medicaid data for SFY 2012 and Hawaii did not complete a survey for SFY 2012, so these two states were excluded from this analysis.

[xli] Comparison of TANF expenditures between SFYs 2002 and 2012 excludes Connecticut, Hawaii, and Puerto Rico due to missing data.

[xlii] Comparison of SSBG expenditures between SFYs 2010 and 2012 excludes Hawaii and Rhode Island due to missing data.

[xliii] Comparison of SSBG expenditures between SFYs 2002 and 2012 excludes Hawaii and Puerto Rico due to missing data.

[xliv] Comparison of Medicaid expenditures between SFYs 2010 and 2012 excludes Alaska, Hawaii, and West Virginia due to missing data.

[xlv] Comparison of Medicaid expenditures between SFYs 2002 and 2012 excludes Alaska, Arizona, Connecticut, Hawaii, Indiana, Michigan, Mississippi, Puerto Rico, and West Virginia due to missing data.

[xlvi] Includes state match dollars for Hawaii based on FFY 2012 Title IV-E and Title IV-B claims and allocation data from HHS, rather than survey reports, since Hawaii did not complete a SFY 2012 survey.

[xlvii]Comparison of state and local expenditures (combined) between SFYs 2010 and 2012 excludes Hawaii, Louisiana, Rhode Island, Utah, and Wyoming due to missing data.

[xlviii] Comparison of state and local expenditures (combined) between SFYs 2002 and 2012 excludes Arkansas, Delaware, Hawaii, Idaho, Iowa, Kansas, Louisiana, Montana, Nevada, Puerto Rico, South Carolina, Wisconsin, and Wyoming due to missing data.

[xlix] Comparison of state expenditures between SFYs 2010 and 2012 excludes Hawaii due to missing data.

[l] Comparison of state expenditures between SFYs 2002 and 2012 excludes Hawaii and Puerto Rico due to missing data.

[li] Comparison of local expenditures between SFYs 2010 and 2012 excludes Hawaii, Louisiana, Rhode Island, Utah, and Wyoming due to missing data.

[lii] Comparison of local expenditures for SFY 2002 and SFY 2012 excludes Arkansas, Delaware, Hawaii, Idaho, Iowa, Kansas, Louisiana, Montana, Nevada, Puerto Rico, South Carolina, Wisconsin, and Wyoming due to missing data.