



**Texas Legislative Budget Board Hearing
Department of Family and Protective Services
September 9, 2010**

Texans Care for Children is a statewide nonpartisan, nonprofit advocacy organization dedicated exclusively to the children of Texas. We look to our broad base of community-based experts—our partners and 220 members throughout the state who together represent thousands of Texas children—to inform our work and help us in developing our legislative agenda. We also co-convene various stakeholder groups which bring together a wide range of organizations, families, and advocates around our areas of focus, which are: family economic security; infant, child and maternal health; children’s mental health; child welfare; and juvenile justice and at-risk youth.

As you examine the budget requests for the Department of Family and Protective Services (DFPS), Texans Care urges you to consider the long term costs associated with budget decisions made this session.

I. Maintain Prevention Services

Failure to invest in prevention, early intervention, and effective services for children who have experienced abuse or neglect will not only lead to poorer child outcomes, it will increase the long-term costs to the public. States cannot afford to let child abuse and neglect trends continue. There is mounting evidence that even seemingly costly prevention and early intervention programs create significant savings to taxpayers.ⁱ According to an analysis by Prevent Child Abuse America, child abuse and neglect cost Americans an estimated \$103.8 billion in 2007 alone.ⁱⁱ This figure accounts for the direct, immediate costs of child maltreatment through hospitalization, mental health care, the child welfare services system, and law enforcement, as well as the indirect, long-term costs of increased use of special education, juvenile delinquency, mental health, adult criminal justice systems, and lost productivity.ⁱⁱⁱ

When Alabama evaluated the cost of child abuse and neglect on its economy based on injuries from maltreatment, it estimated the total direct and indirect costs to the healthcare, mental health, child welfare, special education, law enforcement, and judicial systems to be \$440 million each year.^{iv} Similarly, Michigan’s analysis found the costs of child abuse were estimated at \$823 million annually, while prevention programming cost approximately \$43 million annually, yielding a 19 to 1 cost benefit.^v In Texas, the direct cost of child abuse and neglect to the child welfare, judicial, law enforcement, mental health, and hospital system was estimated at just over \$1 billion annually in 2007. The indirect cost due to heightened juvenile and adult criminal justice involvement, special education, mental and physical healthcare, substance abuse, and lost productivity to society was over \$5.2 billion.^{vi} Texas will continue to lose this money as long as its investment in child welfare prevention and early intervention remains insufficient to serve all the families at risk of child maltreatment. The Interagency Coordinating Council for Building Healthy Families estimated the cost of providing an average family with effective prevention services to be \$2,191.75; therefore, serving the approximately 55,455 Texas families at risk

of child maltreatment who cannot receive prevention services given current funding would require an additional \$121.5 million investment in prevention. Current prevention funding represents less than 1% of the combined direct and indirect cost of child abuse and neglect.^{vii}

Texans Care recognizes that DFPS is proposing a deep cut in prevention funding in response to legislative and gubernatorial direction. In the strongest terms possible, we urge the Legislature to recognize the long-term return on investment of prevention services and to, at a minimum, maintain current resources dedicated to prevention by funding Exceptional Item #14 (Increase Prevention and Early Intervention Services).

II. Reduce caseloads for Investigation, Family Based Safety Services (FBSS), and Conservatorship (CVS) caseworkers

The Department has clearly identified what its caseworkers need in order to serve children on their caseloads; the Legislature should fund this critical function appropriately. DFPS projects in its LAR that it will need additional direct delivery staff in order to simply maintain current caseloads. Fully funding the base budget and exceptional items #4 (Annualization of Phased-In Staff), #5 (Maintain Current Caseloads/Worker,) and #11 (Reduce Caseloads per Worker to FY09 Average) is necessary to maintain the lower conservatorship caseloads that CPS has achieved over the past 3 legislative cycles. Not only do lower caseloads allow caseworkers to do higher quality casework, which benefits children directly through increased safety and better outcomes, but the state has a fiscal incentive to do well in this area: the Department has failed to meet federal standards for caseworker visits and, without continued support, could be subject to financial penalties as it was in past federal reviews.

III. Increase FBSS Services, including substance abuse treatment and prevention, Family Day Care, and In-home services, and Child Safety Specialists to review FBSS cases prior to closure where children and families are at high risk of recidivism

Exceptional Item #9 (Additional Purchased Client Services for Caseload Growth) will provide resources for both protective day care and foster day care, which help prevent children from being removed from home and, once in substitute care, reinforce placement stability. Keeping children safely with their families and in stable placements are two critical functions of the child protection system, and we urge the Legislature to make this investment in our children. We also support Exceptional Item #10 (Client Safety Initiatives) to add Child Safety Specialists for children who are able to stay with their family. FBSS is an area of service that is the front door to the rest of the CPS system, and investment at this stage of service saves the state the human and financial costs of children coming into foster care.

IV. Before making any cuts to vital services, Texas needs a balanced approach to balancing the state budget

We urge the Legislative Budget Board to identify all reasonable options for bringing state revenue into alignment with Texans' current and future needs. Here are three ways to meet today's needs in Texas and prepare for a better future:

- A. **Use the Rainy Day Fund.** An estimated \$8 billion in savings will be available for the next budget from a fund whose constitutional mandate is shoring up state services during economic downturns.

- B. **Take advantage of available federal funding.** Texas taxpayers need our state leaders to prioritize bringing our share of federal dollars back to Texas.
- C. **Close wasteful tax loopholes, and develop new revenue sources.** The House Ways & Means Committee has been systematically reviewing tax exemptions this interim in order to help the Legislature identify those that are outdated and that can be eliminated without hurting the average taxpayer.

Thank you for your time and commitment. If you have any questions, please feel free to contact me or the staff of Texans Care for Children at 512.473.2274.

Respectfully,

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ⁱ Child Welfare Information Gateway, "Long-Term Consequences of Child Abuse and Neglect," Fact Sheet 2008, http://www.childwelfare.gov/pubs/factsheets/long_term_consequences.cfm.

ⁱⁱ Ching-Tung Wang and John Holton, Total Estimated Cost of Child Abuse and Neglect in the United States, (Chicago: Prevent Child Abuse America, 2007), http://www.preventchildabuse.org/about_us/media_releases/pcaa_pew_economic_impact_study_final.pdf.

ⁱⁱⁱ Ching-Tung Wang and John Holton, Total Estimated Cost of Child Abuse and Neglect in the United States, (Chicago: Prevent Child Abuse America, 2007), http://www.preventchildabuse.org/about_us/media_releases/pcaa_pew_economic_impact_study_final.pdf.

^{iv} Annette Jones Waters, et al., The Costs of Child Abuse vs. Child Abuse Prevention: Alabama's Experience, Center for Business and Economic Research, The University of Alabama, 2007, http://ctf.alabama.gov/Archived%20Info/pdfs/Costs_Child_Abuse_vs_Child_Abuse_Prev.pdf.

^v Robert A. Caldwell, "The Costs of Child Abuse vs. Child Abuse Prevention: Michigan's Experience," Michigan State University, 1992.

^{vi} *Findings From the 2008-2009 Evaluation of Child Abuse and Neglect Prevention Programs and Services*, (Austin: The Interagency Coordinating Council for Building Healthy Families, 2006), http://www.dfps.state.tx.us/documents/HealthyTxFamilies/2009-12-01_ICC_Report.pdf.

^{vii} *Findings From the 2008-2009 Evaluation of Child Abuse and Neglect Prevention Programs and Services*, (Austin: The Interagency Coordinating Council for Building Healthy Families, 2006), http://www.dfps.state.tx.us/documents/HealthyTxFamilies/2009-12-01_ICC_Report.pdf.