



A N O R G A N I Z A T I O N D E D I C A T E D T O H E L P I N G C H I L D R E N

2005 Legislative Recap

CHILDREN IN POVERTY AND FAMILY ECONOMIC SECURITY

Almost 1 in every 4 Texas children lives in poverty. For these children, poverty doesn't just mean going without the latest sneakers or a trip to the movies. Poverty means going without things that many of us take for granted for our kids, such as food, a stable place to call home, or medicine when they're sick. As a result, these children are more likely to suffer from poor health, be diagnosed with learning disabilities, experience abuse and neglect, and encounter violent crime than children who aren't poor.

Texas needs to support families in order to give our state's children the best possible chance to succeed. The Temporary Assistance to Needy Families (TANF) grant program provides monthly cash assistance to extremely poor families with children. The average TANF recipient is a single mother of two children, with at least one child being under the age of six.

MEETING BASIC NEEDS

In 2003, lawmakers enacted full family sanction policies which resulted in more than 14,000 children losing their TANF benefits each month. If a mother's work schedule prevents her from keeping her child's well check doctor's appointment, her entire family is liable to lose their TANF cash assistance. The Texas Legislature assumes that even more families will lose their TANF benefits under these policies and has funded the program with \$20 million less than it did for 2004 and 2005. The drop in caseloads does not mean that these children no longer need this modest assistance (averaging just \$123 a month). It means that we have made it more difficult for them to receive it.

Last session the Legislature cut in half the annual "back to school" supplemental payment it provided to children on TANF. Legislators chose to keep this payment at \$30 rather than to restore it to its original \$60.

CHILD CARE ASSISTANCE

Many low-income parents depend upon government subsidized child care so they can work, but thousands more are waiting to receive help as they try to manage the high costs of child care. About 27,000 children each month are expected to be on a subsidized child care waiting list over the next two years. Despite this obvious need, lawmakers have chosen to decrease funding for child care assistance by \$31 million. This means that parents will continue to struggle at keeping their jobs without having safe, reliable and affordable care for their children.

CHILD AND MATERNAL HEALTH

When children are sick, they can't learn, play or grow the way they should. To give our children the best chance for success, we need to make sure they receive proper medical care, beginning with prenatal services and continuing through their teenage years. However, Texas leads the nation in the percentage of its children who are uninsured and ranks 45th among the states in vaccinating its 2 year olds. Many low-income families depend upon Medicaid and the Children's Health Insurance Program (CHIP) for their children's routine and acute medical care, and drastic budget cuts made during 2003 left many children without health insurance. Those that kept their coverage found services limited.

CHILDREN'S MEDICAID AND CHIP

This session, the Legislature increased funding to Children's Medicaid by \$550 million, and it gave CHIP \$539 million more than it did in 2004-05. Lawmakers also provides for caseload growth in both programs and requires the Health and Human Services Commission (HHSC) to request additional funding authority before they can put children on a waiting list for CHIP.

The spending increases will also fund full restoration of dental, vision and mental health benefits to the CHIP program – critical services children need to grow and develop properly. Families will also find it easier to keep their children enrolled in CHIP. They will now have to pay an annual enrollment fee and no longer send in premiums each month.

Despite these gains in insuring Texas children, the Legislature failed to change other policies that serve as roadblocks for CHIP enrollment, such as the 90 day waiting period before a child's coverage begins, not allowing income offsets for work related expenses or child care when determining eligibility, and an asset test. Lawmakers also failed to extend children's continuous eligibility coverage to 12 months for both CHIP and Medicaid, meaning parents will need to keep reapplying for their children's health coverage every six months. Doctors, who received a 5% cut in reimbursement rates in 2003, did not have their rates restored across the board, but HHSC has been directed to create a reimbursement plan which will reward doctors who treat many Medicaid patients and doctors who practice along the border and in inner-city areas which are medically underserved. These measures are much needed as providers continue to leave the Medicaid program because of the low reimbursement rates, leaving Medicaid patients with insurance coverage but a shortage of providers willing to provide care for them.

With **SB 69** by **Shapleigh**, the Legislature had the opportunity to restore CHIP benefits and eligibility requirements to their 1998 levels and restore certain Medicaid programs and services to their 2003 levels, including services for pregnant women. This bill was not called up in committee for a hearing.

Other bills were filed this past regular session that would have made more children eligible for public health programs and increased parents' awareness about these programs. **SB 59** by **Averitt** would have allowed offsets for expenses such as child care or work-related expenses when determining a family's income when applying for children's Medicaid and called on HHSC to conduct a community outreach and education program to promote enrollment in state run children's health programs. **HB 556** by **Naishtat** would have required similar efforts on part of HHSC. Neither bills were called up in committee for a hearing.

IMMUNIZATION

The Vaccines for Children (VFC) program provides vaccines for children who are uninsured, underinsured, or who are enrolled in Medicaid or CHIP. The Legislature funded all nine vaccines that are currently administered to children in the VFC program. It also provided additional funding to expand access to the hepatitis A vaccine, so now all children will receive this vaccination and not just children who are considered at high risk for exposure. The PCV-7 vaccine, which prevents a bacterial form of pneumonia and meningitis, is another new vaccine that has received funding for all children enrolled in the VFC program. Lawmakers also directed the State Health Service Department to report each year on plans to increase immunizations in Texas, focusing on the immunizations of preschool aged children.

MATERNAL HEALTH

Low income mothers suffering from postpartum depression may receive additional supports in the future with the passing of **SB 826** by **Van de Putte**. This bill requires a study examining the feasibility and effects of providing 12 months of health services under the Medicaid program to women who are diagnosed with postpartum depression and are eligible for medical assistance. Without treatment, these mothers are at greater risk for further depression, substance abuse, job loss, child abuse, and even suicide.

CHILDREN'S MENTAL HEALTH

Children can develop mental health problems due to biological factors or trauma in their lives. When children have problems, even middle-class families are often unable to afford mental health treatment, because it often isn't included in private health insurance policies – and the Texas public mental health system only served about 26% of potentially eligible children in 2002.

Lawmakers increased funding for mental health community services for children and adolescents, but the increase appears to pay for higher service costs since the number of children receiving services remains nearly level.

A major success of the 79th Legislative Session was the restoration of mental health benefits for children enrolled in CHIP. Another notable accomplishment is the provisions in **HB 1575** by **Dutton** that link youth on probation or deferred prosecution supervision who have been diagnosed with mental disorders or mental retardation to local mental health authorities.

MENTAL HEALTH PARITY

The mental health parity bills **SB 215** by **Van de Putte**, **HB 368** by **Farabee**, and **HB 1941** by **Nixon** all would have ensured that children covered under private health plans were covered for treatment of mental disorders. Not one of these bills made it to the floor for a vote.

EARLY CARE AND EDUCATION

In Texas, factors such as low minimum requirements for child care, low pay for child care workers, and the high cost of even basic child care combine to threaten children's development. Most parents have to work. They may have no choice but to leave their children in low-quality child care and convince themselves it is good enough.

QUALITY OF CARE AND EDUCATION

Even though Texas has some of the lowest standards in the nation for child care, we continue to spend the majority of our federal child care quality dollars on licensing and regulation functions and not on activities that improve child care programs and services. Monitoring child care centers is critical to the safety of our children, but this responsibility should be paid by the state. Federal quality dollars need to be directed to activities that improve the knowledge and skills of our child care workers, reward them for their efforts, and provide for low child-to-teacher ratios.

A promising development is the pending study looking at the financing of early care and education programs. Originally filed as **HB 2327** by **Villarreal** but passed as an amendment to **Morrison's HB 2808**, this finance study includes planning for expanding prekindergarten classes to a full-day and making more children eligible for these public programs.

Another provision promoting quality early education is the setting aside of funds for child care providers who are working with the State Center for Early Childhood Development to improve school readiness in 4 year olds. This is a good investment since research shows that children attending high quality prekindergarten programs are more successful during their later school years and adult life. However, various bills that would have increased access to public prekindergarten programs, such as making them available to more children or having them operate on a full day basis, never made it out of committee. Other bills that would have placed limits on the size of prekindergarten classes (**SB 606** by **Seliger** and **Van de Putte**, **HB 1277** by **Casteel**, **HB 1876** by **Farrar**, and **HB 2770** by **Farabee**) failed to garner enough support. This means there currently remains no size limit for public prekindergarten classes as there are in other public school classrooms.

But learning doesn't start at age 4. It is unfortunate that great legislation which would have included Texas' youngest learners, children aged 0 to 3, did not survive the session. **HB 2324** by **Villarreal** would have established a grant program to help child care providers improve the quality of subsidized care, including the use of infant-toddler specialists to help both providers and parents promote the learning and development of our youngest children.

Despite these advances in the area of quality care and education, the Legislature failed to restore funding for the Texas Rising Star program, the Texas Association of Child Care Resource and Referral Agencies, and Employer Dependent-Care Collaborative Grants. Each of these programs, which promote quality child care services and assist parents in choosing programs that best meet their needs, lost all state funding during the last legislative session. A bill that would have required certification for people who train child care workers, **HB 1877** by **Farrar**, died in committee and leaves Texas with no standards as to who is training its child care workers.

ACCESS TO CARE

HB 2048 by **Uresti** will make it easier for parents seeking child care by providing a single point of access via the Texas Information and Referral Network website to information about early care and education services such as program eligibility and available care.

CHILD WELFARE

Several tragedies in the recent years have brought stark attention to the problems within our current child welfare system. Inadequate funding, high worker caseloads, frequent staff turnover and too little focus on prevention and early intervention all combine to strain the child protective services (CPS) system, leaving Texas children at a greater risk of being victims of abuse and neglect.

Recent cases of children being left in dangerous situations which have led to their severe harm or even death prompted the 79th State Legislature to both reform its protective services system and to increase funding for CPS services and prevention and early intervention programs by about \$450 million.

CHILD PROTECTIVE SERVICES REFORMS

SB 6 by **Nelson** makes dramatic, system-wide changes to child protective services in attempt to strengthen investigations, improve the effectiveness of its services, and increase local community involvement.

PRIVATIZATION

One of the most significant effects of SB 6 is the full privatization of foster care and case management services by year 2011. At that time, the state will only be responsible for the investigations of abuse and neglect and the monitoring of services provided to foster children by the private sector. This is a controversial move. Our lawmakers should be commended for their decision to roll-out this transition in stages, instead of adopting initial proposals which would have fast-tracked privatization state-wide. This gradual approach, along with an independent evaluation of each stage of the roll-out process, will allow Texas to make sure that it is doing what is best for its most vulnerable citizens – abused children – as it embarks on this significant change in service delivery.

INVESTIGATIONS AND CASEWORKERS

SB 6 makes many changes to CPS investigations and casework including:

- the creation of a separate division to oversee and direct the investigation functions of CPS
- the setting of new response times for investigations based on the severity and immediacy of harm to the child
- the reduction of worker caseloads, with investigative caseloads to be reduced to about 45 cases per month by 2007
- various measures to improve the performance of caseworkers such as new training requirements, the reworking of staffing and workload distribution, and providing caseworkers with adequate supervisory and support staff and technology
- salary increases to keep CPS workers within the department
- development of a plan to replace caseworkers in a prompt manner

FOSTER CARE

Under SB 6, children in foster care will now be required to have “passports” which will help to ensure that their medical and educational histories follow them as they move through the foster care system. Youth aging out of foster care will receive additional support with the expansion of Preparation for Adult Living (PAL) services, and increased efforts will be made to make sure all youth who have been in the foster care system are aware of the availability of college tuition and fee exemptions. **HB 614** by **Puente** ensures that children working toward their high school diploma who are about to age out of the foster care system can remain in foster care and continue receiving medical care as long as they are enrolled in a program leading to a diploma.

Foster children will have a greater voice in the system through participation in an annual survey that will ask them about their quality of care and offer an opportunity to make recommendations for how the foster care system can be improved. Other legislation, **HB 404** by **Villarreal**, also works to ensure that foster care children’s perspective is taken into consideration by requiring that one member of The Family and Protective Services Council, a body that assists in developing rules and policies for CPS, be a former foster child.

KINSHIP CARE

Through the Relative and Designated Caregiver Placement Program, SB 6 provides additional resources to grandparents and other relatives who are caring for children in their family that are involved with the CPS system. These family members may now receive financial assistance, case management services, family counseling, child care assistance, and help in adopting the child. Up until now, relatives caring for children under CPS conservatorship were only receiving TANF benefits for the child.

Prevention and Early Intervention Services and Community Involvement

SB 6 increases the use of community groups and non-profits in the prevention and treatment of child abuse and neglect. Community organizations will be eligible for pooled funding to provide evidence-based prevention and early intervention programs. Local community participation in the treatment of abuse and neglect is also encouraged through a grant program for community organizations to respond to less serious cases of abuse and neglect. Lawmakers have also called for the expansion of court appointed special advocate (CASA) volunteer programs into counties which do not currently have them, providing children who are victims of abuse and neglect with a trained and independent voice in court.

INTERAGENCY COORDINATION

HB 1685 by **Dukes** establishes the Interagency Coordinating Council for Building Healthy Families. This body will allow for improved communication and collaboration between the various state agencies that are in a position to assist in preventing child abuse and

JUVENILE JUSTICE

Texas has a major problem with youth who are at-risk of not reaching their full potential. Many youth wind up in the juvenile justice system due to untreated mental illnesses and alcohol and drug abuse. Forty percent of youth in the Texas Youth Commission have a history of abuse or neglect. This is not just a problem for young people whose lives are stunted and diminished, but it is also a problem for all Texans.

JUVENILE PROBATION AND TEXAS YOUTH COMMISSION

Lawmakers provided level funding for the Juvenile Probation Special Needs Diversionary Program. This grant program was created to increase the availability of mental health services to youth on probation who are found to be most in need of treatment. However, lawmakers did not give the Juvenile Probation Commission with an additional \$6 million it requested to provide mental health services for youth who are in the state's basic probation program.

Youth on probation are screened for mental illnesses, but with the passage of **HB 1575** by **Dutton**, juvenile probation departments now must refer any youth with a mental illness to a local mental health authority at least three months before the child's probation term ends. HB 1575 also assures that youth on probation continue to receive meaningful supervision and services if they move to a different county.

The state's most serious and chronic juvenile offenders are sent to the Texas Youth Commission (TYC). Recent studies show that 45% of these youth had severe mental health problems and 49% had a high need for drug treatment. Both the number of youth with mental health problems and the severity of their problems have increased greatly in the past 10 years. Yet, TYC's specialized correctional treatment budget which covers treatment for drug abuse, emotional and mental problems was cut by 10%.

PREVENTION AND EARLY INTERVENTION PROGRAMS

Prevention and early intervention (PEI) programs are provided by community-based organizations to prevent delinquency, abuse and neglect of children. In 2003, Texas eliminated funding for half of the state's PEI programs while cutting funding for nearly all of the remaining prevention programs. These budget decisions left thousands of children without help such as skills training, mentoring, individual and family counseling, and other services that might otherwise have prevented them from becoming involved with the child welfare or juvenile justice systems.

Thankfully, lawmakers have chosen this session to restore cuts to Services to At-Risk Youth (STAR) and Community Youth Development, two programs which work with youth at risk of juvenile delinquency and truancy. Each of these two programs have been funded back to their 2003 levels. Communities In Schools, the one program that avoided major cuts in 2003, received an increase in funding as well. Other prevention and early intervention programs must compete for pooled PEI funding.

SUBSTANCE ABUSE

The state cut funding on its services to youth who show early warning signs of alcohol, tobacco and drug abuse by 6%, but it increased spending by 6% for the treatment of substance abuse. It costs about \$40 per youth for intervention services. The average cost per youth completing drug or alcohol abuse treatment programs is about \$4,000.

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THE EVOLUTION OF A BILL...THE STORY OF HB 2959

If its loss of funding for the second legislative session in a row wasn't enough, the Texas Rising Star (TRS) program faced complete elimination from the books during the 79th Legislative Session. As originally filed, **HB 2959** by **Paxton** would have repealed the graduated reimbursement quality initiative program from state statute, a move that would have taken Texas several steps backwards in its commitment to providing quality early care and education. The bill was amended on the House floor to allow for the continuation of TRS, but it would not have required local communities to participate in the program. In addition, Rep. Paxton allowed for two great quality amendments to be included on this bill: one would have established the quality grant initiative proposed by Rep. **Villarreal** in **HB 2324**, and the second would have dedicated any new federal early care quality dollars to activities that directly improve the quality of programs, as opposed to using this new money to pay for licensing and regulation activities.

So a bill that started out as a harsh blow to child care quality had, through the legislative process, turned into an admirable quality bill. The Senate tried to improve it even farther by amending the bill once more, keeping TRS in statute "as-is", with no watering down of the mandate. As a result, HB 2959 was a rock-solid quality bill as it passed the Senate. Regrettably, this amendment was not accepted in the House, and the session ended before any further compromise between the two chambers could be made. While it is fortunate that the TRS program remains in statute intact, it is regrettable that the great new quality initiatives that were added to the bill on the House floor did not find their own place in state law.



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