

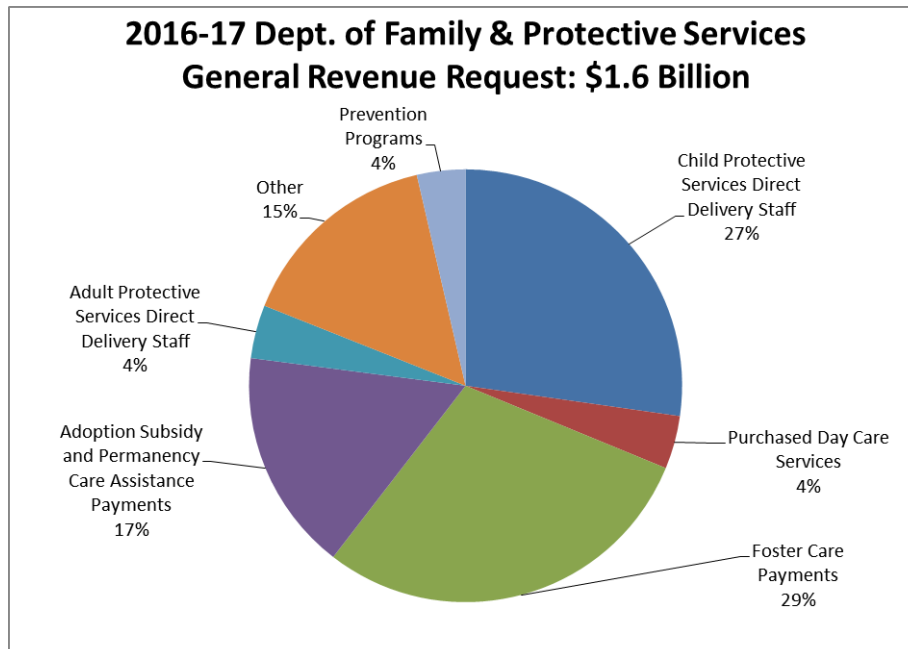
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Texas Health and Human Services in 2016-17: A Look at the Budget Request for the Department of Family and Protective Services

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In early August 2014, the Texas Department of Family and Protective Services (DFPS) submitted its Legislative Appropriations Request for 2016 and 2017 to the Governor’s Budget Office and the Legislative Budget Board. DFPS’s mission is to provide services and programs in Texas that protect children, the elderly and people with disabilities from abuse, neglect or exploitation. DFPS also licenses and regulates child care centers to ensure the quality and safety of the services they provide.

In response to state leaders’ budget instructions, DFPS is requesting \$1.6 billion in General Revenue (GR) baseline funding for 2016-17. This is a 7 percent increase from its 2014-15 budget and is due mostly to: more children expected to be in foster care; adoption subsidies and permanency care assistance; as well as a decrease in federal funds. Total state and federal baseline funding for DFPS would increase to \$3.2 billion, up from \$3.1 billion in 2014-15. The request for “Exceptional Items,” which are not allowed in the baseline, covers the maintenance of current services, including projected child protective services (CPS) caseload growth and enhanced services to improve efficiency. If approved by the 2015 Legislature, funding of all exceptional items would increase DFPS funding by 15 percent in GR, or 8 percent All Funds.



Payments for the care, maintenance, and treatment of children in foster care are the single largest part (or budget “strategy”) of the DFPS request for General Revenue, coming in at 29 percent of the total. Most of the GR for this strategy draws down federal matching dollars. In fiscal 2014, an average 30,712 children were in the Texas paid foster care system, a number projected to increase to 32,078 by 2017. To cover this increase and offset a \$43 million loss of federal funds, DFPS is requesting \$69 million more in General Revenue in its baseline. The agency also has an exceptional item of \$1.5 million to expand foster care redesign geographically, and a \$4.5 million exceptional item to improve the safety of children in foster care.

The second largest budget strategy is the Child Protective Services (CPS) Delivery Staff, which accounts for 27 percent of GR. DFPS staff investigate reports of child abuse or neglect. The staff then devise a plan for the child, keeping the child with their family or finding another place for the child to live. A portion of the first exceptional item, \$78 million All Funds, would maintain CPS direct delivery staff at the 2015 level. Specifically, CPS would retain 676 full-time equivalent (FTE) direct delivery staff in fiscal 2016, and 732 FTEs in fiscal 2017, mainly by using state funds to replace federal dollars that will no longer be available. Part of another exceptional item (4th on the priority list) proposes \$6.4 million in All Funds to hire 92.7 new FTEs by 2017. If approved, this would keep daily caseloads from rising for CPS direct delivery staff working on investigations, family-based safety services, kinship, and foster and adoption development.

The next largest strategy of the request is the Adoption Subsidy and Permanency Care Assistance (PCA) Payments, representing 17 percent of the total request. Adoption subsidies are monthly payments to families intended to reduce barriers to adopting children with disabilities, school-age children, children of color, and children in sibling groups. The average monthly payment would stay at about \$420 while the average number of children would increase 19 percent from 41,701 in fiscal 2014 to 49,679 in fiscal 2017. PCA payments help qualified relatives of eligible children with the adoption process, similar to the adoption subsidy. The average monthly payment would stay at \$400 while the average number of children would more than double, from 1,469 in fiscal 2014 to 3,100 in fiscal 2017.

Adult Protective Services (APS) Direct Delivery Staff represents 4 percent of the total request. APS staff investigate reports of abuse, neglect, and financial exploitation, and provide services that protect individuals at their home. The protection service only applies to adults aged 65 and older, adults with disabilities aged 18 through 64, and persons with disabilities under age 18 whom the state has declared legal adults. The number of Texans aged 65 or older is expected to increase by 24 percent between 2014 and 2019. To avoid a reduction in staff, DFPS is requesting \$6.2 million in exceptional item #1 that would continue 54 FTEs in fiscal 2016 and 2017. A portion of exceptional item #4 would provide \$1.5 million to hire 15.1 new FTEs and keep APS caseloads from worsening. Exceptional item #12, if

funded, would improve client safety by providing \$1 million and 8 FTEs by 2017 to the APS direct delivery staff strategy.

Purchased Day Care is another 4 percent of the total request. DFPS has a contract with the Texas Workforce Commission to cover the cost of day care for certain children in the care of foster parents or relatives who work full time, or who are in a family receiving services. Unlike foster care, though, purchased day care is not an entitlement, and caseload growth cannot be funded in the baseline. Part of DFPS exceptional item #2 would provide \$5.7 million in general revenue to serve 1,670 additional children by 2017 in foster, relative, and protective day care.

Prevention and early intervention programs are another 4 percent of the total request. The Services to At-Risk Youth Program (STAR) is the largest of the prevention programs. STAR provides services, such as counseling and temporary emergency shelters, to youth under the age of 18 at risk of delinquent or criminal behavior. Other prevention programs include Community Youth Development, Texas Families: Together and Safe, child abuse prevention grants to community-based organizations, and other prevention services such as Project HOPES and the statewide youth service network. Exceptional item #8 would provide \$35 million in additional funds to expand prevention services.

The remaining DFPS strategies total \$190.5 million of the total baseline request. These other services and programs include IT services, central administration, child care regulation, APS program support, and post-adoption services.

Finally, DFPS complied with state leaders' instructions to identify potential areas to cut if its General Revenue-related funding were reduced by 10 percent. The proposed reductions amount to \$85 million over the biennium and 455.6 fewer state employees. General revenue support for prevention services would be cut by 50 percent, resulting in over 2,000 at-risk children no longer being served. Most other strategies would be cut by 7 percent to 25 percent. Were these cuts to go into effect, DFPS would have an increasingly difficult time carrying out its mission, given that the baseline proposal already means cuts to current services for many DFPS programs.

For more information or to request an interview, please contact Oliver Bernstein at bernstein@cphp.org or 512.823.2875.

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