

SUBJECT: Revising child protective services

COMMITTEE: Human Services — committee substitute recommended

VOTE: 7 ayes — Rose, S. King, J. Davis, Eissler, Herrero, Naishtat, Pierson

0 nays

2 absent — Hughes, Parker

SENATE VOTE: On final passage, April 23 — 29-2 (Eltife, Ogden)

WITNESSES: (*On House companion bill, HB 2140:*)

(*On original version:*)

For — Carol Miller, The National Association of Social Workers, Texas Chapter; Johana Scot, Parent Guidance Center; Karen Cox; (*Registered, but did not testify:* Greg Herzog, Texas Medical Association; Carrie Kroll, Texas Pediatric Society; Denise Rose, Texas Children's Hospital; Catherine Wilkes, CHRISTUS Health)

Against — Carol Clark

On — John Breedup, Texans For Safe Education; Rosanna Garry, Austin Children's Shelter; Yusef Bells; Anthony Keller; Taylor Summers; Jennifer Talley; (*Registered, but did not testify:* Caroline O'Connor, Texas State Employees Union)

(*On committee substitute:*)

For — Conni Barker, DePelchin Children's Center; Irene Clements, Lutheran Social Services of the South, Inc.; William Cox, Lighthouse Family Network; Susan Craven, Texans Care For Children; Scott McCown, Center for Public Policy Priorities

Against — (*Registered, but did not testify:* Jack Downey, The Children's Shelter)

On — Tim Brown, Methodist Children's Home; Nancy Holman, Texas Alliance of Child and Family Services; Madeline McClure, TexProtects

BACKGROUND: The Child Protective Services (CPS) system is the state's child welfare program administered by the Department of Family and Protective Services (DFPS). CPS is responsible for investigating allegations of child abuse and neglect and determining if any state intervention is necessary to ensure the health and safety of a child. CPS may offer services to stop or prevent abuse or neglect while the child stays in the home, or may remove the child for placement in foster care. CPS also is involved in placing children in foster care into adoptive families and in assisting children in the transition from foster care into adulthood and emancipation. DFPS regulates all child-care facilities and child-placing agencies.

In 2005, the Legislature enacted SB 6 by Nelson, which revised the CPS system in Texas. SB 6 focused on increasing the investigative capacity of CPS and decreasing investigative caseloads. The bill also focused on facilitating relative or other designated caregiver placements. One of the major changes in SB 6 was the provision of timelines for outsourcing several aspects of the system of care for children in the conservatorship of the state. DFPS was to develop performance-based contracting practices to maintain oversight of the newly privatized system and hold service providers accountable for outcomes.

Outsourcing of substitute care and case management services was to occur on a region-by-region basis with the first region outsourced by December 31, 2007, and all regions outsourced by September 1, 2011. Case management, as defined by SB 6, includes a variety of services provided to children for whom the department has been appointed temporary or permanent managing conservator. Those services include caseworker-child visits, family visits, convening family group conferences, development and revision of case plans, coordination and monitoring of services needed by children and families, and court-related duties such as preparing court reports and attending judicial hearings. Substitute care services include services provided to children in care outside their home and to the families of such children. These services include recruitment, training, and management of foster parents, the recruitment of adoptive families, and the facilitation of the adoption process. Also, family reunification, independent living, emergency shelter care, residential group care, foster care, therapeutic foster care, and post-placement supervision are included.

DFPS was to contract with an independent administrator who would subcontract for substitute care and case management service providers in a privatized region. By September 30, 2006, DFPS was to award a contract for an independent administrator or directly contract to outsource case management and substitute care services in Region 8, which includes San Antonio and 28 surrounding counties. On October 6, 2006, DFPS indefinitely delayed issuing a tentative award for independent administrator services for Region 8 pending further direction from the Legislature.

DIGEST:

CSSB 758 would revise the implementation of outsourcing for substitute care and case management services. The bill would make changes to regulation of child-care facilities and the movement of foster care homes among child-placing agencies. The bill would make other miscellaneous changes to the CPS system.

CPS improvement plan. DFPS would develop a CPS improvement plan designed to build upon CPS reforms enacted in 2005. DFPS would seek to expand on or modify initiatives that had resulted in demonstrable improvements and that served the primary goals of:

- keeping families together while ensuring child safety in the home;
- reducing the length of time children remain in state care; and
- improving the quality and accountability of foster care.

DFPS would implement the improvement plan to the extent funds were available. The improvement plan would include:

- expanding the use of family group decision-making;
- reducing caseloads for caseworkers providing family-based safety services and ongoing substitute care services;
- implementing an enhanced in-home support program;
- providing additional purchased client services designed to keep families together and to reunite families more;
- enhancing support of kinship placements by hiring or contracting to provide additional kinship workers and purchasing additional support services for relative placements;
- enhancing services needed to support court services and preparation of records for adoptive placement;

- improving the quality and accountability of child-care licensing monitoring and investigations by assigning those functions to separate staff, providing specialized training to staff who performed each function, performing additional investigations of certain reports involving young children, and providing additional support and oversight to both functions;
- expanding substitute and adoptive placement quality and capacity in local communities through the procurement of a statewide needs assessment and through implementation of recommendations for expanding and improving provider capabilities;
- streamlining criminal history background checks to increase the efficiency and effectiveness of those checks;
- improving the quality of services delivered by the DFPS through expanded use of mobile technology and database systems;
- expanding implementation of the remediation plan enacted in 2005 to address racial or ethnic disparities in foster care; and
- implementing a statewide pilot program for a time-limited, post-hospitalization “step-down” rate to support the successful transition of children who had experienced or were likely to experience multiple inpatient admissions in a psychiatric hospital to an appropriate level of care.

By December 31, 2007, DFPS would submit a plan for implementation of the CPS improvement plan and continued implementation of CPS reforms enacted in 2005. At the end of each fiscal year beginning on August 31, 2008, DFPS would submit a progress report regarding the implementation of the CPS improvement plan and any cost savings that could be attributed to the plan.

The department would contract with one or more substitute care providers to provide case management services under the pilot program. A contract for privatized substitute care or case management services would require that the attorney ad litem and guardian ad litem be granted access to the agency’s information and records relating to the child.

General privatization changes. DFPS would no longer complete statewide privatization of the provision of substitute care and case management services by 2011. The bill would make conforming changes throughout the Family Code to reflect that the state would no longer contract with an independent administrator to subcontract for substitute care and case management services. The department’s goals in contracting

for substitute care and case management services would be to improve protective services, achieve timely permanency for children, and improve the overall well-being of children in substitute care.

Case management outsourcing pilot. Not later than September 1, 2008, DFPS would contract with one or more providers of case management services in one or more geographic areas with a goal of contracting for case management services in at least 10 percent of the cases in this state. Case management would involve services to both the child and the child's family, including:

- developing and revising the child and family case plan, including the use of family group decision-making as appropriate; and
- coordinating and monitoring permanency services needed by the child and family to ensure that the child was progressing toward permanency within state and federal mandates.

In addition to existing services, permanency services would include:

- substitute care services;
- medical, dental, mental health, and educational services;
- family reunification services;
- adoption and post-adoption services and preparation for adult living services;
- convening family group conferences;
- child and family visits;
- relative placement services; and
- post-placement supervision services.

The definition of case management services would no longer include court-related duties and conservatorship services. Conservatorship services would include services provided directly by DFPS that DFPS considered necessary to ensure federal financial participation and compliance with state law requirements, including:

- initial placement of a child and approval of all subsequent placements of a child;
- approval of the child and family case plan; and
- any other action DFPS considered necessary to ensure the safety and well-being of a child.

DFPS would enter into a contract for an independent investigation to be completed regarding the pilot program by the second anniversary of the contract date for the pilot. The assessment would review outcomes based on compliance with child outcome measures and achievement of performance measures. The assessor would compare the performance of the contracted case management services to those delivered by the state. The report on the evaluation would be provided to appropriate state legislative committees by September 1, 2010.

Substitute care services. DFPS would assess the need for substitute care services throughout the state and contract with substitute care providers for the provision of all necessary substitute care services when DFPS determined that entering into a contract would improve services to children and families. A child-care institution, child-placing agency, general residential child-care operation or a provider of residential child care licensed in another state would be considered a substitute care provider. Substitute care services would include services involving the care and placement of a child including the recruitment, training, and management of foster and adoptive homes by a child-placing agency.

DFPS would institute the use of real-time data in the department's placement system used to match children with qualified providers. In making placement determinations, DFPS would consult with the child's caseworker, attorney ad litem, guardian ad litem, or court-appointed volunteer advocate when possible.

If DFPS were unable to find an appropriate placement for a child, an employee of the department could provide temporary emergency care for the child in a place other than the employee's residence. DFPS would provide notice to the court of such a placement no later than the next business day after the date the child was placed in temporary care. A residential child-care facility could temporarily exceed its capacity for not more than 48 hours to provide temporary care for a child in an emergency. The facility would notify DFPS within 24 hours that it had exceeded its capacity.

DFPS would ensure that substitute care and case management service providers, to the extent possible, honored the cultural and religious affiliation of a child placed in the service provider's care.

Child-care facility regulation. DFPS would ensure that the division regulating child-care service providers was independent from CPS. The commissioner of DFPS could not terminate the director of the division without the approval of the executive commissioner of HHSC.

The division would employ at least one investigation safety specialist who reviewed intake reports with allegations of a high risk of harm to a child and who provided guidance and resources to the assigned investigator. The division would employ at least one risk analyst who identified and reviewed the monitoring and inspection reports of facilities that had a higher risk of harm to children in the facility. The risk analyst would recommend any additional monitoring or enforcement action that could be appropriate to ensure child safety. The division would include a performance management unit that conducted quality assurance reviews of randomly selected monitoring and investigative reports and recommended improvements to monitoring and investigations. DFPS would no longer be required to make efforts to use real-time data for quality assurance programs.

To the extent funding was available, at least one among the required unannounced, annual inspections of a residential child-care facility would be conducted by a team of at least two residential child-care monitoring staff, and, if feasible, the members of the inspection team would be from different monitoring units. In addition to the department's responsibility to investigate an agency foster home or agency foster group home when a complaint was received, DFPS would:

- periodically conduct random assessments of a sample of the homes;
- investigate any report of a serious incident or an alleged violation of minimum standards that pertained to a child under the age of six; and
- conduct at least one annual enforcement team conference for each child-placing agency to thoroughly review the investigations or inspections of the CPA and all of its agency homes.

The governor would appoint a committee on licensing standards to review and analyze the information provided by DFPS and committee members and make recommendations for policy and statutory changes relating to licensing standards and facility inspections. The analysis would include study of:

- child deaths while in substitute care;
- types of licensing violations for each risk and region;
- the details of administrative reviews and appeals; and
- the type and quality of technical assistance provided.

Transfer of agency foster homes among CPAs. An agency foster home that was verified by a CPA could be transferred to another CPA only if, before the date of the transfer, the agency foster home notified the CPA to which it was transferring of any licensing violations for which the home had been cited within the preceding three years. The CPA to which the home was transferring would provide a written request to the verifying CPA to transfer the foster home. The verifying CPA would provide the CPA submitting the request with information regarding the agency foster home, including corrective action plans, annual development plans, or a description of any potential service limitation. Based on the request of certain parties, the DFPS caseworker could conduct a review of whether the transfer of the foster home was in the best interest of the children in the home. The caseworker would determine if the child should stay in the foster home after the transfer or be removed.

DFPS would develop a reporting system for CPAs to report on any closed foster home. The name and contact information for a person who could be contacted by another CPA to obtain records relating to a closed home would be made available to CPAs through a searchable database.

Enhanced in-home support program. To the extent funding was available, DFPS would develop a program to strengthen low-income families through in-home support. A family that met eligibility criteria could receive funding from a flexible fund account to cover nonrecurring expenses that could help the family accomplish the objectives included in the family service plan. The program would target families in which poverty could be a significant cause of child neglect and in-home support could prevent removal or reunify a family. DFPS would evaluate the program to determine if it was successful enough in meeting its objectives to be continued.

Pediatric centers of excellence. The executive commissioner of HHSC would appoint nine members to the committee on pediatric centers of excellence relating to child abuse and neglect, including representatives of certain state agencies, three pediatricians, and a representative of an advocacy center and children's hospital. The committee would develop

guidelines for designating regional pediatric centers of excellence that would provide medical expertise and assist DFPS in evaluating medical findings for children who were suspected victims of abuse and neglect. The committee also would develop procedures for health care providers to evaluate children and recommend methods to finance the centers for excellence.

Care of children under the age of two. With input from professionals, DFPS would incorporate into the service plan the skills and abilities that the parents of a child under two should learn or acquire to provide a safe placement for the child. If funding was available, the service plan could require visits between the child and the child's parents supervised by a professional to promote family reunification.

DFPS would ensure that a child under the age of two was placed with someone who could provide a safe and emotionally stable environment. The department would give priority to a person who was able to provide care of the child without disruption until the child was returned permanently to the parents or was placed in other permanent care.

Release of information. Within 30 days of discharge from foster care, DFPS would provide non-minor children or children of at least 18 years of age with their birth certificate, immunization records, and information from their health passport. The Department of State Health Services (DSHS) would enter into a memorandum of understanding with DFPS that DFPS would compensate DSHS to verify birth information or provide certified birth certificates for minors served by DFPS.

A medical facility to which an abused or neglected child was transferred would release records on the injury or condition of the child without requiring parental consent or a court order.

A person, including a utility company, that had confidential locating or identifying information about a family that was the subject of a CPS investigation would release that information to DFPS on request. The person would not be held liable for releasing the information.

Adoption assistance agreements. The executive commissioner of HHSC would adopt rules so that the amount that could be paid to an adoptive parent under an adoption assistance agreement would be equal to the amount that would have been paid to the foster parent of the child based

on the level of care that the child needed. DFPS would pursue a waiver to use any available federal funds to provide monthly monetary assistance under a caregiver assistance agreement.

Miscellaneous provisions. The court could order a child's caregiver to participate in services designed to reduce the likelihood that a child would be abused or neglected in the immediate or foreseeable future.

A blood relative within the third degree of relation to a child could file suit requesting managing conservatorship of that child.

A person's failure to report to an agency authorized to investigate abuse or neglect of a child within a reasonable time after receiving proper notice would constitute a refusal by the person to cooperate with the department's investigation. A summons could be issued to locate the person.

DFPS would work with the OneStar Foundation to expand recruitment of foster parents from faith-based organizations. DFPS would work with the Department of Assistive and Rehabilitative Services (DARS) to recruit foster and adoptive parents for children with hearing impairments.

When a child entered the Preparation for Adult Living (PAL) program DFPS would provide an information book to the child and foster parent describing the PAL program benefits available to the child.

By December 1, 2008, DFPS would report study findings on the effect of providing reimbursements for education expenses on the ability to recruit and retain qualified CPS caseworkers.

The bill would add heroin and cocaine to the drug-endangered child initiative aimed at protecting children who were exposed to drugs.

DFPS could pay reasonable burial expense for a child that died under foster care.

General provisions. The bill would repeal sections of the Family Code and Human Resources Code that were enacted in 2005 pertaining to independent administrators and transition of the privatization of case management and substitute care services that were not in line with the way SB 758 would implement privatization of case management and substitute care services.

SB 758 would take effect September 1, 2007.

**SUPPORTERS
SAY:**

CSSB 758 would improve the quality and accountability of child-care licensing, strengthen families, and enhance outcomes for children in substitute care. The bill also would rebalance the level of outsourcing implemented in SB 6 to ensure that outsourcing efforts were implemented in a measured way that enhanced the well-being of children in the CPS system.

Child-care facility regulation. The bill would include tools to enhance child-care provider regulation to better ensure the health and safety of children in substitute care. New investigation safety specialists and risk analysts would make recommendations to appropriate parties to ensure child safety in regulated facilities. The bill would require unannounced inspections that could uncover compliance concerns. A performance management unit would conduct quality assurance reviews of randomly selected investigative reports to ensure the adequacy and accuracy of regulatory monitoring. The committee on licensing standards could make recommendations for policy and statutory changes based on review of violations and occurrences of child deaths while in substitute care.

The bill would provide better tracking of foster homes as they moved from one CPA to another. The CPA to which a home was transferring could search for the foster home in a database to review whether the home had a history that would pose concerns about the quality of care it would provide to a child.

Enhancing child outcomes. In-home support services would strengthen family outcomes by providing low-income families with funding and resources that could prevent removals due to poverty. The bill would allow certain blood relatives to request managing conservatorship of a child so that a child could have the stability and security of residing with a known caregiver. The bill would allow judges to require caregivers to participate in programs to reduce the likelihood of abuse and neglect. Specific focus would be placed on enhancing a caregiver's understanding of the unique needs of children under the age of two.

CSSB 758 would enhance child health through expansion of efforts to protect children who were exposed to drugs by including heroin and cocaine in the drug-endangered child initiative. Pediatric centers of excellence would provide guidelines for health care providers to better

evaluate and treat victims of child abuse and neglect. The bill would further enhance the health of a child by providing easier access to health care history information when a child was discharged from foster care. Foster children also would receive materials regarding PAL program benefits that were provided to children discharged from the foster system, including Medicaid and tuition assistance.

Outsourcing. CSSB 758 would provide the best balance of state and private service provision. The bill appropriately would eliminate the use of an independent administrator because an independent administrator would have added an additional administrative layer with costs for oversight of cases and contract management. This unnecessary buffer between the state and care providers would have complicated state oversight of substitute care providers. Especially given the recent, tragic deaths of children in substitute care, it is important that the state have a direct role in selecting competent service providers.

CSSB 758 would recognize that there are circumstances under which the state is the best provider of substitute care. Often, private providers shy away from providing care to high-needs children. The bill would allow Texas to maintain its public substitute care provider infrastructure to ensure that the children most in need had adequate care. The bill would clarify that the division regulating child-care facilities would remain independent of CPS. DFPS' child-care regulation division sanctions substitute care facilities run by CPS for non-compliance as it would sanction a private substitute care provider.

Through the case management outsourcing pilot, CSSB 758 would enable providers across the state to work with the whole family to provide a greater array of services. Case management outsourcing has great potential to enhance child outcomes. Given that outsourcing would represent a major change to the traditional service delivery system and that any mistakes in implementation could hinder child welfare, CSSB 758 would implement a more judicious approach to outsourcing case management services. Independent review of outsourcing efforts would uncover future implementation considerations so best practices could be identified before outsourcing was expanded. The bill sponsor intends to accept an amendment that would initiate this independent review on or before the first anniversary of the contract date rather than the second anniversary to allow more timely independent review of the status of the pilot program.

The reason outsourced case management should be explored is that services are duplicated by CPS staff and case managers within child care facilities. The privatized system could have the potential to provide greater efficiency because those best equipped to determine each child's needs — the people who work with the child on a daily basis — would make case management decisions. The system would provide greater continuity and allow more frequent contact between case managers and children and families, facilitating greater input from parents.

The privatized system would provide safeguards because performance measures would be built into each contract, and providers not meeting certain standards could face contract termination or financial sanctions. Payment methodologies would be aimed at achieving desired outcomes and would prevent abuses by creating a disincentive to serve children in foster care longer than necessary. Through DFPS contract management, bad actors would be weeded out of the system and outcomes for children would improve. In addition, any nonprofit provider naturally would be accountable to multiple stakeholders, including donors, and many providers have longstanding reputations for quality service provision.

By revising the definition of case management, the bill would allow the state to retain appropriate authority in court proceedings and would allow the state to approve case plans. This authority makes sense because the state retains ultimate liability for the child's well-being as the managing conservator. The case manager from the private provider would in no way be prevented from attending and participating in a court proceeding based on the definition change. The department would develop a process to quickly review case plans and placement recommendations as a check and balance. This approval would keep the state, as managing conservator, knowledgeable of case status and would allow proper oversight to ensure private contractors were not abusing the case management authority they had been given.

The timeline for implementing the pilot program would not be too aggressive because DFPS has been studying privatization of case management since SB 6 was proposed. By allowing the 10 percent of participating providers to be selected from across the state, the pilot would demonstrate how the privatized system would function in areas with diverse needs.

OPPONENTS
SAY:

This bill would be a major step back from the revisions made in SB 6 in 2005. The state did not give the CPS outsourcing model an opportunity to work, and the proposal in CSSB 758 would needlessly weaken and slow privatization efforts. Just because negative outcomes have arisen from other state efforts at privatizing certain health and human services functions does not mean that the model could not work for CPS. CPAs have been carrying out their business for decades and know it well. Substitute care case managers perform all the duties that state caseworkers do, yet are not provided the authority to make case decisions. Contracting with community-based organizations for both substitute care and case management services would allow CPS to focus on performing effective investigations, conducting oversight functions, and making determinations on child removals in each child's best interest.

Full outsourcing of substitute care services is critical, because DFPS is responsible for both the licensing and regulation of child-care facilities and CPS. This creates a conflict of interest because the same department should not run agency homes and regulate the homes. Given that private providers already provide about 80 percent of substitute care services, it would not be disruptive to outsource the remaining 20 percent of care provided through state facilities.

Lack of substitute care providers in serving certain child populations is due to inadequate reimbursement rates for children with higher service needs. Certain private providers already provide all the types of care the state provides, including basic care, emergency shelters, therapeutic foster care, group homes, and residential treatment centers. This array of services assures that the remaining children in public foster care could be absorbed into the private system if higher reimbursement rates were provided.

The bill could create inconsistency in the CPS system by targeting only a 10 percent level of outsourcing statewide and then allowing the outsourcing to occur in different regions. This would cause confusion in the courts and among CPS and providers because different regions could have both outsourced and traditional provider relationships.

By requiring that the state approve case plans developed by outsourced case managers, CSSB 758 would hold contracted service providers accountable for performance outcomes that the contractor would not have control over meeting. The private provider could be delayed in implementing the recommendations of the case plan while awaiting state

approval. Further, the state could deny recommendations in the case plan that the case manager, as the person most knowledgeable of the case, had determined were in the best interest of the child. This inconsistency both could penalize providers for circumstances beyond their control and harm children if the recommendations made in the best interest of the child were denied. If the state did not release full decision-making authority to private providers, then the impact of any privatization efforts could be crippled.

OTHER
OPPONENTS
SAY:

While CSSB 758 would take a positive step in slowing privatization efforts, the bill would better protect Texas children if it eliminated privatization efforts altogether. Texas should look to the outcomes of the privatization efforts of the integrated eligibility project as an indication of why the state should not privatize social programs. Problems with the privatized eligibility system have led to the denial of benefits to eligible Texans in need. Any privatization efforts should be limited to technology projects that would not have a direct impact on decision-making for people under the state's care.

Rather than spending more money to privatize case management, the state could spend additional funds on hiring more conservatorship caseworkers within CPS. If CPS had enough funds to adequately reduce caseloads, then CPS conservatorship caseworkers could spend more time interacting with children and families.

Privatizing case management responsibilities held by CPS caseworkers would impose increased liability on the state. Although the bill would remove court-related duties from the definition of case management, private providers still would have too much say in developing a child's case plan. Questions still exist as to the exact role that the private case manager and conservatorship workers would have in working on privatized cases. If not carefully implemented, this new relationship could limit the ability of the state to have an adequate understanding of a case upon which to base approvals for case plans and placement recommendations.

The care of children should not be determined by entities other than the state. Conflicts of interest arise in privatized case management models, because the case managers would have an incentive to make decisions that could benefit their facilities by recommending a child remain in the facility's care or receive services from an affiliate organization. Advocates for privatization say that payment methodologies could be crafted to

prevent abuses by giving providers incentive to achieve permanency outcomes for children. However, such methodologies inadvertently could swing the pendulum of care in the opposite direction so that providers did not recommend that children and families receive a full array of necessary services. Only exclusive state control over case management decision-making can protect children from these conflicts of interest.

Even if privatization were an option that should be explored, the implementation date for the pilot would not allow for appropriate planning before immersing children in a privatized case management model. CSSB 758 would not require that DFPS enter into a contract for independent review of the pilot until the second anniversary of the contract date for the pilot program. This would mean that the state could fail to uncover evidence of certain issues with the outsourced system for two years. The aggressive timeline combined with the lack of ongoing, independent oversight of the pilot's implementation could be disastrous.

NOTES:

The bill's sponsor intends to accept two amendments. One would make a clarifying change to the provisions requiring DFPS reporting regarding the implementation of the CPS improvement plan. The second amendment would require that DFPS contract for a third party to evaluate the case management pilot program on or before the first anniversary of the contract date rather than the second anniversary.

The Legislative Budget Board estimates that CSSB 758 would have a negative impact of \$26.3 million on general revenue and \$7.9 million in federal funds through fiscal 2008-09. There would be a negative general revenue impact of \$97.7 million through 2012.

The largest cost in the bill would be the purchase of case management services at \$25.2 million beginning in 2009 and rising to \$32 million in 2012. There also would be a cost for new staff to handle court liaison services, contract management, and management reporting of \$200,000 in 2008, \$5.9 million in 2009, and rising to \$6.9 million in 2012. DFPS estimates phasing out of direct delivery associated with purchased case management would lead to a savings of \$18.3 million per year beginning in 2009.

Other costs would include:

- \$4.8 million per year for enhanced in-home support services;
- \$1.8 million per year for increased residential child-care licensing staff; and
- \$4.1 million per year to create functional nits for the residential child-care licensing program.

A savings of \$1.2 million per year would be associated with removing the independent administrator model.

HB 15 by Chisum, the supplemental appropriations bill that passed the House by 144-0 on March 30 and is pending in the Senate Finance Committee, would appropriate \$34.5 million in general revenue and \$65.4 million in federal TANF funds to continue the changes to Child Protective Services through the end of fiscal 2009.

The House committee substitute does not contain the following provisions in the Senate-passed version of SB 758:

- case management services to include assisting the court and acting as a resource in suits affecting the parent child relationship;
- certain education requirements for caseworkers; and
- privatization of all substitute care services except in cases of emergency by 2009.

The House committee substitute contains the following provisions that are not in the Senate-passed version:

- a court could issue a summons if a parent failed to cooperate with DFPS in an abuse and neglect investigation;
- a child's family could receive case management services;
- the permanency definition would include relative placement services and post-placement services;
- DFPS would contract for substitute care services when the department determined that entering into a contract would improve services to children and families;
- the implementation date for the pilot privatizing 10 percent of case management services would move from September 2009 to September 2008;
- creation of a memorandum of understanding between DSHS and DFPS to obtain birth certificates for foster children;

- independence of the child care licensing division from CPS;
- an additional person added to the licensing standards committee;
- requirements governing the transfer of a foster home from one child-placing agency to another;
- requirement that an independent third party evaluate the case management pilot program by 2010 rather than 2012; and
- start-up funding and progress reporting on building capacity for substitute and adoptive placement quality and capacity in local communities.