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Baucus Hearing Statement of Senator Max Baucus (D-Mont.)
Regarding Innovations in Child Welfare
As prepared for delivery

In its 1981 report to Congress, the Select Panel for the Promotion of Child Health said:

“Children are one third of our population, and all of our future.”

Today, we will discuss the future as represented by the more than 423,000 children in the child welfare system. We will consider an expansion of waivers which allow states to create alternatives to traditional child welfare programs. These alternatives can improve outcomes for youth in foster care or at risk of entering foster care.

Today, we have two main goals. The first is to examine how waivers have influenced child welfare practice. The second is to learn whether a re-established waiver authority can be improved. Can these waivers be targeted to identify and refine best practices? Can they work better to increase safety, quality, and permanency outcomes for children and youth?

In 1994, Congress gave the Department of Health and Human Services the authority to approve state demonstration projects. The demonstration projects gave states flexibility in the use of certain foster care funds, which are generally used only for traditional child welfare programs.

The demonstration projects allowed states to develop alternatives to enhance care for children in the system. They provide early intervention and crisis intervention services. They reduce out-of-home placements and improve outcomes for the children in the system.

The number of children in the foster care system has declined by more than 80,000 over the last ten years and by nearly 40,000 over the last two years alone. Many child welfare experts believe this success was achieved, in part, because of states’ use of demonstration waivers.

Waivers give significant financial and administrative authority to states. They give states the flexibility they need to develop, implement and conduct rigorous evaluation of alternative child welfare practices.

We must have a real understanding of the opportunities and challenges that come with child welfare waivers.

There are currently waivers in seven states that remain active under short-term extensions, but Federal legislative authority to approve new child welfare waivers expired on March 31, 2006. Congressional action is necessary to give HHS the authority to approve new waivers.

This Committee has long benefited from the presence of several child welfare champions. We are ready to engage on the question of renewing this waiver authority.

We have learned a great deal from the child welfare waivers of the past. We learned that funding preventive services, like substance abuse treatment, helps keep families together.

We learned placing kids with relatives in kinship care and guardianship makes a difference in finding permanent homes for kids.

We learned that post-adoption services help adoptive families form successful, lifelong bonds.

We learned that when foster care is the only option, state child welfare offices can partner with other state agencies. This partnership can provide additional services for kids that help them feel included and part of the community.

These realizations lead to the “Fostering Connections and Increasing Adoptions Act of 2008.” This bipartisan law made improvements to programs for children in need to reflect what we had learned.

That law has been quite successful, but there is more work to be done.

As stakeholders, we have come to value prevention, safety, permanence and quality in child welfare programs. Unfortunately, our child welfare system still has inconsistencies. It does not incentivize the behaviors we value most.

We value keeping families together whenever safely possible. We value permanency through adoption and kinship care over aging out of the system. So why, for example, do we use federal child welfare dollars only to pay for foster care placements?

We have to ask ourselves these tough questions. It’s time to look at other ways to structure our system.

So let us explore whether or not a new wave of child welfare waivers can help us find solutions, and let us work to answer some of the tough questions that remain as we look to reform our child welfare system.

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