



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #432

### **Family Foundations -- Home Visiting Program (DHFS -- Children and Families)**

#### *Bill Section*

[LFB 2007-09 Budget Summary: Page 319, #7]

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#### **CURRENT LAW**

The Department of Health and Family Services (DHFS) is budgeted \$995,700 GPR in 2006-07 to distribute as grants for the prevention of child abuse and neglect. This program is commonly referred to as "Family Foundations." DHFS is required by statute to distribute this funding to six rural counties, three urban counties, and two tribes for specified child abuse and neglect prevention activities. DHFS awarded the initial grants on a competitive basis.

There are currently six rural counties, three urban counties, and one tribe participating in the program. Table 1 lists current grant recipients and the grant amounts they are budgeted to receive in 2006-07. Eight of the 10 grant recipients have integrated the grant funding into programs the grant recipients were already operating. The other grant recipients created new programs with the grant funding. A number of programs have used the state grant funding to secure additional local and private funding to expand the level of service they provide and the number of families they serve.

The amount of funding that each county (other than Milwaukee County) or tribe receives from DHFS is based on the number of births funded by medical assistance (MA) in that county or tribe in proportion to the number of MA-funded births in all of the counties and tribal lands for tribes selected to participate in the program. If Milwaukee County were selected to participate, its grant award would be based on 60% of the MA-funded births in that county in proportion to the number of MA-funded births in the other counties and tribes selected to participate.

The following table shows the Family Foundations grant recipients and their grant funding in 2006-07.

**Family Foundations Grant Recipients  
2006-07 Allocations**

<u>Recipient</u>	<u>Funding Amount</u>
Brown County Human Services Department	\$265,100
Marathon County Health Department	157,900
Waukesha County Department of Health and Human Services	140,000
Door County Department of Social Services	35,700
Fond du Lac County Department of Social Services	112,000
Manitowoc County Health Department	81,400
Portage County Department of Health and Human Services	78,200
Vernon County Health Department	37,200
Waupaca County Department of Health and Human Services	62,600
Lac Courte Oreilles Tribal Government	<u>25,600</u>
 Total	 \$995,700

**Program Components.** There are two distinct components to the program: (a) home visitation; and (b) intervention for families determined to be at risk of child abuse and neglect. These components are designed to serve potentially different populations, as indicated below.

*Home Visitation.* This component is a primary intervention, home visitation program for first-time parents who are eligible for MA. A family may receive services under the program until a child is three years of age. If risk factors for abuse or neglect continue to be present when the child reaches three years of age, the family may continue to receive services until the child reaches five years of age. Participation in the program is voluntary.

Grant funding can be used to support the cost of case management services and flexible funds provided to participating families. Flexible funds are payments totaling no more than \$1,000 per family per year for appropriate expenses for participating families. Of the amount paid on behalf of a family, 50% may be paid from the state grant; the grant recipients must pay the remaining 50%. Because state law does not define the allowable uses of these flexible funds, the granting agency determines the appropriate uses of these funds. For example, grantees have used these funds to purchase equipment and supplies for infants, such as cribs, car seats, and diapers. Additionally, in the first year, grantees may use these funds to support start-up costs, capacity-building activities, and up to \$1,500 to fund training activities.

*Intervention.* This program component serves families with children who are at risk of abuse or neglect, based on a variety of criteria, including a filed child abuse or neglect report, indications of substantial risk of future abuse or neglect of a child in the family if assistance is not provided, and a petition alleging that the child is in need of protection or services. This component is a secondary intervention program and participation is voluntary and is not restricted to MA-eligible families. Under the program, grant recipients may use the grant funding as flexible funds, which are intended to be used to pay appropriate expenses, as determined by the agency, for the families in the program to reduce the risk of child abuse or neglect. However, the total payment to a family may not exceed \$500 per year and the program must encourage the participant to contribute towards the cost of the service funded. Examples of flexible fund expenditures for this program include car repairs, security deposits, and one-month rental payments. Additionally, the grant recipient must indicate that it is willing to fund case management services to MA-eligible families participating in the intervention program. The county may use a portion of its Title IV-E incentive funds that it receives from the state to support the case management costs for the participants in the intervention service component of the program.

**Technical Assistance.** DHFS budgets \$160,000 FED (Title IV-B, Part II) in 2006-07 to fund technical assistance and training to counties and tribes that are selected to participate in the Family Foundations program. DHFS has contracted with the University of Wisconsin-Extension to provide these services.

## GOVERNOR

Provide \$642,400 (\$531,100 GPR and \$111,300 FED) in 2008-09 to: (a) support a new universal home visiting program for first-time parents; and (b) increase funding for a current program (Family Foundations) that provides targeted home visiting services for first-time, MA-eligible parents, with identified risk factors for child abuse and neglect.

**Universal Home Visiting.** Provide \$122,400 GPR in 2008-09 for a universal home-visiting program. Direct DHFS to award grants for universal home visiting services to applying organizations, which may include a county department of human or social services, local health department, Indian tribe, private nonprofit agency, or local partnership, under a competitive application process which ranks applicants based on the quality of their applications. Require DHFS to determine the amount of an organization's grant award based on the number of first-time births in the community served by the organization.

Modify the current appropriation that supports child abuse and neglect prevention grants to also include universal home visitation grants.

*Allowable Uses of Grant Funding.* Require grant recipients to provide matching funds or in-kind contributions, in amounts determined by DHFS, and prohibit a grant recipient from

using any of the grant funds to supplant any other funds used by the grant recipient at the time of the grant award to provide home visitation services.

Require grant recipients to use the grant award to provide a one-time visit to all first-time parents in the community served by the organization for the purposes of: (a) providing parents with basic information regarding infant health and nutrition, the care, safety, and development of infants, and emergency services for infants and with information prepared by the Child Abuse and Neglect Prevention Board relating to shaken baby syndrome and impacted babies; (b) identifying parents' needs; and (c) providing parents with referrals to programs, services, and other resources that may meet those needs. Require that any informational materials distributed about the home visitation services state the sources of funding for the services.

Specify that an organization may visit a first-time parent only if the parent (or, if the parent is a child, his or her parent, guardian, or legal custodian) consents to the visit.

In the first year in which a grant is awarded to an organization, permit the organization to use a portion of the grant to support start-up costs and capacity building related to the provision of home visitation services and require DHFS to determine the maximum amount of the grant that could be used for these costs.

*Child Abuse or Neglect Reports.* Prohibit persons who are mandated to report suspected or threatened child abuse or neglect from making or threatening to make a report of child abuse or neglect based on a person's refusal to receive a home visit under this program.

Specify that, if a person providing home visitation services under this program determines that he or she is required or permitted to make a report of suspected or threatened abuse or neglect of a child in the family receiving services, require the person, before making the report, to make a reasonable effort to notify the child's parent that an abuse or neglect report will be made and to encourage the parent to contact the county child welfare department or DHFS to request assistance. Specify that this notification requirement does not affect the individual's mandated reporting requirements for child abuse and neglect.

*Confidentiality Requirements.* Prohibit individuals from using or disclosing any information concerning an individual offered home visitation services under this program, including an individual who declines to receive those services, or concerning an individual who is provided with a referral to other programs, services, or other resources, unless: (a) as a mandated reporter of suspected or threatened child abuse or neglect, disclosure of the information is required; (b) the use or disclosure of the information is connected to the administration of the universal home visiting program; or (c) the individual has given his or her written informed consent to the use or disclosure of the information.

Require an organization that receives a grant for a universal home visiting program to provide or designate an individual or entity to provide an explanation of these confidentiality

requirements to each individual offered home visitation services under this program by the organization.

**Family Foundations.** Provide \$520,000 (\$408,700 GPR and \$111,300 FED) in 2008-09 to increase funding for DHFS' current program, Family Foundations. The administration estimates that this amount would be sufficient to serve approximately 25% of first-time parents eligible for MA in 2008-09.

The funding in this item includes: (a) \$360,100 GPR to support grants to counties; (b) \$48,600 GPR to support technical assistance training for grant recipients; and (c) \$111,300 FED in federal MA matching funds, to reflect funds that counties could claim for MA-eligible services under this program. In addition, the Governor's recommendation assumes \$69,100 in local or county matching funds in 2008-09.

*Changes to Current Program.* Eliminate the current requirements that no more than six rural counties, three urban counties, and two tribes may receive funding under the program. Delete the requirement in current law that DHFS allocate available funding based on the comparative number of MA-eligible births parents in each county or tribe, and in Milwaukee County, 60% of the number of MA-eligible births. These changes would take effect January 1, 2009.

Under the bill, the current program and the new program would be transferred to the Department of Children and Families.

## **DISCUSSION POINTS**

1. Research suggests that some home visiting programs that combine home visitation services for the families most at risk of child maltreatment with less intensive services and referrals to other programs for all families of infants and young children have been successful in reducing the incidence of child abuse and neglect among families that received these services. These programs have the following characteristics: (a) are universal and serve all families, regardless of level of need, close to the birth of a child; (b) connect all families to community resources that match their particular needs; and (c) provide intensive support to those families most in need.

2. In September, 2003, DHFS released its evaluation of the child abuse and neglect program that was the precursor to the targeted component of Family Foundations. Overall, the evaluation found statistically significant improvements in family functioning and positive parenting practices among families in the program.

DHFS works with each program to set target goals according to seven objectives. Annually, the programs are required to submit their progress in achieving these goals. Some of the goals include: (a) parents using preventive health services according to national standards; (c) eliminating documented home safety hazards; (c) parents accessing formal and informal supports; and (d) children achieving optimal developmental milestones. Most programs have achieved their

targets in these areas.

3. A universal home visiting program may reduce stigma associated with receiving home visits because it suggests that all families can benefit from such services, rather than only families that are deemed “at risk.” Additionally, such a program can serve as an initial assessment to identify families that require additional services. On the other hand, targeted programs provide services to only those families with the most challenges. Some argue that universal programs pay for services that may not be needed by most families, and that funding for these services should be targeted to families that are most in need.

4. The Governor's initiative has three goals: (a) to assist local communities to establish a continuum of services that supports new parents; (b) to use home visiting as a key strategy for connecting first-time families to these services; and (c) for the most challenged families, to offer a targeted home visiting program that will enhance family strengths and promote child development and well-being. The program utilizes two components to meet these goals: (a) universal home visiting for all first-time parents; and (b) targeted home visiting for first-time MA-eligible parents, with identified risk factors for child abuse and neglect.

### **Universal Home Visiting**

5. The bill would provide \$122,400 GPR in 2008-09 for a universal home visiting program. Under the bill, grants for the universal home visiting program would first be awarded in 2009. Consequently, the bill provides funding for six months of services (January, 2008 through June, 2009).

In 2009, the administration estimates that approximately 4,300 first-time parents would participate in the one-time universal component of the home visiting program. Of these 4,300 cases, approximately 1,500 would receive an at-home visit while 2,800 would receive a phone call. The administration plans to request funding in subsequent budgets to continue to expand this program to additional regions of the state so that each year 4,300 additional cases would receive a one-time home visit until all first-time parents statewide receive the service.,

The administration's estimate assumes that 20% of these parents would receive home visits from current programs and would therefore not be an additional cost to the state. Currently, 41 counties offer some form of home visiting for families with newborns, 32 of which provide a visit that serves as a basic maternal and child health assessment.

6. Under the program, DHFS would allocate grants to counties to provide a one-time visit to all first-time parents in the community served by the organization for the purposes of: (a) providing parents with basic information regarding infant health and nutrition, the care, safety, and development of infants, and emergency services for infants; (b) providing parents with referrals to programs, services, and other resources that may meet those needs; and (c) conducting a risk assessment to serve as a gateway to additional services for identified families. The bill would prohibit counties from using the state grant funding to supplant funds the county may currently be

using to provide these services, recognizing that some counties already administer home visiting programs.

7. The funding amounts in the bill reflect an assumption that grant recipients would contribute matching funds equal to 25% of total program costs. The administration's intent is to implement the program statewide over five years, with the program serving 20% of the state's first-time parents in calendar year 2009, and adding another 20% in every year thereafter until reaching 100% in the fifth year. The estimated total cost of the program, when fully implemented, would be \$1.6 million (all funds) annually, of which \$1.2 million would be supported by the state, and the remainder by grant recipients.

### **Targeted Home Visiting**

8. As with the universal component, the bill provides funding for six months of services and grants for the expanded targeted home visiting program would first be awarded in 2009. In 2008-09, the estimated cost of the expanded targeted home visiting program is \$823,100, which includes \$48,600 for technical assistance and training to counties and tribes in the program. A portion of these costs would be supported with base GPR funding and county matching funds. The remaining costs, \$471,400 GPR and \$111,300 FED, would be provided under the bill. The federal funds are MA funds for targeted case management services conducted by the counties as part of the home visiting component of the program. In 2009, approximately 727 first-time MA-eligible parents would receive ongoing home visiting services and an additional 477 would receive flexible funds.

9. The targeted home-visiting aspect of Family Foundations serves first-time, MA-eligible parents. Based on the current counties' experience, about 30% of these families enroll and approximately 92% of the families that enroll receive home-visiting services for one-year, 67% for two years, and 44% for three years. Counties can claim for federal reimbursement under the MA program for the case management services these families receive.

10. Of the 30% that enroll, approximately 60% receive flexible funds in the first year, 30% in the second year, and 10% in the third year. Counties may use the state grant to support 50% of the flexible fund costs and support the remaining 50% with county funds. The annual cost of this component of the program incorporates these assumptions with the estimated number of first-time, MA eligible parents served in each year.

11. The Governor's intent is to implement this program statewide over five years, with 25% of the first-time parents eligible for MA served in the first year, an additional 20% in the second year, an additional 25% in the third year, and an additional 15% in both the fourth and fifth years. When fully implemented, the estimated annual cost of the targeted home-visiting program, including training costs, is \$17.1 million (all funds), which includes federal and local funding and approximately \$13.6 million GPR.

12. If the Committee determines that the state should increase its support for home

visiting programs, it could approve the Governor's recommendation in its entirety, or fund either the new universal home visiting program, or the current Family Foundations program. Alternatively, since 41 counties already administer some types of home visiting program, the Committee may determine that increasing state funding for this purpose is not necessary at this time, given the state's fiscal constraints. Consequently, the Committee could delete the provision.

**ALTERNATIVES TO BILL**

1. Approve the Governor's recommendations.

<b>ALT 1</b>	<b>Change to Bill Funding</b>	<b>Change to Base Funding</b>
GPR	\$0	\$531,100
FED	<u>0</u>	<u>111,300</u>
Total	\$0	\$642,400

2. Approve the Governor's recommendation to expand the current targeted home visiting program, but delete the Governor's recommendation to create a universal home visiting program and all related provisions in the bill. Reduce funding in the bill by \$122,400 GPR in 2008-09.

<b>ALT 2</b>	<b>Change to Bill Funding</b>	<b>Change to Base Funding</b>
GPR	-\$122,400	\$408,700
FED	<u>0</u>	<u>111,300</u>
Total	-\$122,400	\$520,000

3. Approve the Governor's recommendation to support a universal home visiting program, but delete the Governor's recommendation to expand the current targeted home visiting program, including all related provisions in the bill. Reduce funding in the bill by \$520,000 (\$408,700 GPR and \$111,300 FED) in 2008-09.

<b>ALT 3</b>	<b>Change to Bill Funding</b>	<b>Change to Base Funding</b>
GPR	-\$408,700	\$122,400
FED	<u>- 111,300</u>	<u>0</u>
Total	-\$520,000	\$122,400

4. Delete provision.



<b>ALT 4</b>	<b>Change to Bill Funding</b>	<b>Change to Base Funding</b>
GPR	- \$531,100	\$0
FED	<u>- 111,300</u>	<u>0</u>
Total	- \$642,400	\$0

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