

Tighter federal funds may hinder improved foster care

Many foster care officials and activists say that more federal funding is needed

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Wednesday, March 17, 2004 - Three Bay Area counties helped to offer a glimpse Tuesday of the possible future of foster care in California at a hearing on the state's ongoing redesign of its child welfare system.

But that future, child welfare officials and advocates from Alameda, Contra Costa, San Mateo and three other counties said, could be stalled by tight restrictions on the way the system is funded, they said at a hearing before the Assembly Human Services Committee.

"County staff and our partners in community-based agencies struggle every day against long odds, including resource shortfalls and really counterproductive federal policies that put us in a straitjacket in regards to innovation," said Frank Mecca, executive director of the County Welfare Directors Association.

California is in the midst of revamping its child welfare system. Officials with the state social services department have put forth several proposals that are being evaluated by the new administration, social services spokesman Andrew Roth said.

Strict guidelines for the use of federal foster care dollars have hampered innovative programs that could keep children out of the system, a new report shows.

Wade Horn, the federal Health and Human Services' assistant secretary for children and families, said he agrees that the guidelines must be loosened. He said President Bush has proposed loosening restrictions for states that take their funding as a block grant at a set dollar amount, rather than as an uncapped entitlement, and that the president has asked for more money for child abuse prevention programs.

Federal dollars, which pay for much of the care children in the child welfare system receive, primarily cover the care children receive after they are taken away from their families. But family advocates increasingly believe that services that help families deal with the problems that lead to abuse -- including poverty and substance abuse -- could keep children out of foster care entirely, saving a lot of suffering and money in the process.

By the end of March, Congress must reauthorize federal health and welfare officials' right to grant waivers that allow states to spend federal foster care dollars on services, including early intervention and child abuse prevention. But that may not happen, Horn said.

"The difficulty is, they have a lot of things on their plate," he said. "They might not get to it." California's waiver -- which covers projects in seven counties -- is expiring, and state officials are applying for another. If California isn't one of the 10 states selected for a waiver, projects like Alameda County's Operation Destiny could be in jeopardy, said Ken Berrick of Seneca Center, one of three non-profit agencies that runs the program with county welfare officials.

"We should be able to help kids where and when they need help, and not be restricted," Berrick said. "Let us do the work the way we really think the work should be done."

Officials from Contra Costa and San Mateo counties said they have also seen positive results from their programs, but that their success was hard-won due to federal funding restrictions.

Contra Costa's program, Shared Family Care, takes only 10 families a year -- the county has 2,000 children in regular foster care -- due in part to funding restrictions, said John Cullen, director of Employment and Human Services. The program -- the only one of its kind in California -- trains people to take in entire families in an effort to teach them how to properly care for their families.

San Mateo's Family Resource Centers, which offer an array of services to about 2,700 families who typically don't get needed services in a traditional manner, had to cobble together funding and services from no fewer than seven sources including government, school districts, foundations and grants.

"The challenge ahead is sustainability," said Jennie Loft, legislative liaison for San Mateo County's Human Services Agency. "We have little start-up funding left, and with budget constraints, our ability to pay (for this) is shrinking."