



STRATEGY BRIEF

# TRANSFORMING CHILD WELFARE SYSTEMS

## How are child welfare systems using flexible funds to **support families and prevent the need for foster care?**

Child protection agencies increasingly are using [economic and concrete support strategies](#) to address families' basic needs and keep children safe with their families. A growing body of research shows that economic and concrete supports can prevent family separation, decrease time to permanency for children who have been removed from their parents, decrease the risk of subsequent abuse or neglect, and enhance child and family well-being.<sup>1,2</sup>

Lack of access to adequate food, housing, and other basic needs is a consequence of structural factors such as intergenerational poverty, racism, economic mobility, and proximity to affordable housing, transportation, and quality jobs.<sup>3</sup> These structural factors that impact community conditions, as well as policies that have systematically disadvantaged families of color, have contributed to significant [racial wealth gaps](#). Poverty does not equal child neglect and therefore is not a rationale for child welfare involvement. Yet the [majority of child removals \(63%\) are associated with neglect](#). As a result, the [conflation of poverty with neglect](#) has an impact on the oversurveillance and unwarranted intrusion into the lives of families of color.

Responsibility for poverty reduction must be shared across all public systems, including child welfare, human services, housing, economic development, as



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well as other sectors such as government, business, nonprofit and faith-based entities, philanthropy, and community members.<sup>4</sup> That said, evidence suggests child protection agencies can engage effectively in several financial support strategies to benefit the children, families, and communities they serve.

Economic and concrete supports can address a range of basic needs. They can be delivered using different mechanisms and be deployed outside of the child welfare system as well as at different stages of system involvement. This brief focuses on three child welfare jurisdictions — Indiana, Kentucky, and Wisconsin — and how they have used **flexible funds to support families and prevent family separation**.<sup>5</sup>

## Flexible funding

Flexible funding is often a component of family preservation programs, which are designed to keep children safely at home with their families. In such programs, caseworkers may have access to discretionary resources that they can allocate to help address a family's concrete needs, such as rental assistance, emergency housing, household items, transportation, and childcare. Securing those resources is important, but agencies also must remove barriers to access those supports and deliver them respectfully in ways that are responsive to individual family needs. Indiana, Kentucky, and Wisconsin have been implementing, adjusting, and learning from flexible funding approaches over the past several years.<sup>6</sup>

### Indiana

Indiana Family Preservation Services (Indiana FPS) helps support families with a substantiated case of

abuse or neglect after the Indiana Department of Child Services (DCS) determines they can safely care for their children at home with individualized support. Though Indiana FPS participation is limited to families with an open case, DCS also has a longstanding upstream prevention effort called [Community Partners for Child Safety](#), which offers flexible funds for concrete supports. DCS hopes to integrate this prevention program into its [community pathways approach](#), funded through federal Title IV-E dollars under the [Family First Prevention Services Act](#).

Indiana FPS launched in 2020 and is implemented through a network of 95 providers across the state. Once a family is referred, a caseworker, therapist, or other trained professional from the designated provider agency follows up and serves as the primary point of contact, working directly with the family to develop and monitor a comprehensive plan of tailored support, focused on enhancing [protective factors](#) that are known to strengthen families and keep children safe.

Indiana FPS services are required to include [concrete assistance that address basic needs](#) (rent, food, utilities, childcare or transportation) that if unaddressed, could result in child removal and the trauma of family separation. Services also must include at least one evidence-based practice ranked “promising” or higher by the [California Evidence-Based Clearinghouse for Child Welfare](#). These services include a range of therapeutic approaches, substance use disorder treatment, home visiting, parenting training, and mentoring programs. Participation and support are not time-limited, and support ends only if a case is successfully closed with no child removal, or if a child is formally placed in foster care.

Why remove the children if what is needed is sufficient housing? Why do we make things so hard for families?

— MARQUETTA KING,  
RESOURCE PARENT

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Indiana FPS providers are paid through a [per diem structure](#) that, combined with regular data tracking and sharing, encourages providers to stick with families, work flexibly, focus on root causes of child welfare involvement, and prevent future reengagement with the system. The program has served 12,000 families and 24,000 children since its 2020 launch, and during that time the number of children in foster care in Indiana has declined steadily.<sup>7</sup> A preliminary evaluation of Indiana FPS found that Black families that participated in the programs had more positive outcomes when compared to white families, with fewer child removals and repeat maltreatment incidents.<sup>8</sup>

## Kentucky

Similar to Indiana, Kentucky has a Family Preservation Program (FPP) to support families with children at risk of removal into foster care and to support reunification. For more than 25 years, [Kentucky's approach](#) has included flexible funding to address concrete needs such as transportation, utility bills, and rent. In addition to flexible funds, Kentucky's FPP offers home visiting services and a range of other evidence-based programs. The state is [leveraging Family First](#) to expand the capacity and reach of its FPP, which is funded through a combination of state general funds, Temporary Aid for Needy Families (TANF), Title IV-B, and now Title IV-E dollars.

Kentucky's FPP has a successful track record of reducing entries into foster care, including results from a 2008 evaluation<sup>9</sup> as well as recent state data that show a 96% success rate at keeping children safely at home.<sup>10</sup> These promising results, along with community voice and advocacy efforts that include people with lived experience in the child welfare system, have led to increased state investments in recent years — for

example, the program's funding limit recently doubled to up to \$1,000 per family. Outside of FPP, Kentucky recently set aside \$1 million in general fund dollars to provide [concrete supports](#) (up to \$4,000 per family) to any biological, kin, or adoptive family that have active cases with the child protection agency.

The expanded focus on flexible funds in Kentucky is occurring alongside a broader prevention shift that is reflected in the state's Family First plan and the 2022 launch of a new Division of Prevention and Community Well-Being within the state's Department for Community Based Services. Other efforts that include access to flexible funds for concrete supports include a new community response pilot that connects families with resources outside of the child protection agency, as well as [Kentucky Strengthening Ties & Empowering Parents](#) and [Sobriety Treatment and Recovery Teams](#) (START).

## Wisconsin

[Targeted Safety Support Funding](#) (TSSF) is a funding stream available to all county and tribal child protection agencies in Wisconsin, designed to provide flexible support to address safety concerns, keep families together following an investigation, and support family reunification. Families can access a range of services through TSSF, including financial support to address emergency housing, transportation, and childcare.

Launched in 2020, TSSF replaced an in-home safety services program in which funds for family support were available, but tied to a set of requirements. When agencies struggled with implementation, and families and staff cited flexible funding as the key

We shouldn't remove a child from their family for something we can write a check for.

— DAVID REED,

DEPUTY DIRECTOR OF CHILD WELFARE SERVICES, INDIANA DEPARTMENT OF CHILD SERVICES

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component, the approach was simplified. While not required, families receiving financial support through TSSF also may receive in-home crisis services, parenting support, mental health services, support for recreational activities, and respite services.

Funded primarily through Temporary Assistance for Needy Families (TANF), TSSF [is allocated annually](#) from the Wisconsin Department of Children and Families (DCF) to counties and tribes that then determine how to best distribute the funds to support children and families in their communities. There is no maximum dollar amount per family. Though some categories of support, such as housing, are limited to six months due to TANF restrictions, families can continue receiving funds as long they need them.

Nearly 4,000 families received support through TSSF between 2020 and 2022, and the total funding amount has increased markedly, with a \$2 million allocation in 2020 to a 2024 budget of \$11.2 million. DCF hopes to expand the eligibility to kin placements, especially in emergency situations.

Since TSSF launched, Wisconsin has seen a decline in the number of children in foster care, with an average of 4.5 fewer children being removed per day across the state.<sup>11</sup> In addition to TSSF, Wisconsin launched its [Family Keys](#) pilot in 2022, which provides flexible funds to families where inadequate housing may lead to risk of child removal or prevent family reunification. Outcome data are expected to be available in 2024, but preliminary results suggest caseworkers are finding alternatives to removal and reunifying families more quickly by addressing housing barriers.

## Key considerations

As leaders in Indiana, Kentucky, and Wisconsin reflected on their efforts to use flexible funds to keep families safely together, several lessons and considerations emerged that have implications for the design and implementation of similar efforts in other jurisdictions.

### Think creatively about where funding comes from and how it flows

There is no single approach to funding economic supports. The strategies described in this brief are supported by different funding sources, and each effort involves multiple funding streams. The most common sources are state general fund dollars and TANF, and all three states are in different stages of leveraging Title IV-E funding through Family First. In Wisconsin, working with budget and finance experts in the state to understand what was allowable under state and federal law took time but was critical to success because the child protection agency learned it could use funds more flexibly than in the past. In Kentucky, a crisis hardship assistance fund deployed during the COVID-19 pandemic, focused on adults, evolved to include families involved with the child protection agency. Once resources are identified, it is critical to think through how funds will actually flow — from the state to counties and tribes, from public agencies to providers, and from providers to families — and remove as many barriers as possible to accessing those funds. In Indiana, shifting the contracting approach with providers from fee-for-service to a per-diem model helps streamline services and incentivize a holistic strategy focused on root causes.

Partnering with those with lived experience to advocate for this is the right thing to do.

— LESA DENNIS,  
COMMISSIONER, KENTUCKY DEPARTMENT FOR COMMUNITY BASED SERVICES

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## Listen to families with lived experience

While lived experts can be powerful advocates for effective approaches, for example helping to educate legislators and other key stakeholders in Kentucky, their perspectives are also key to effective program design. Economic support strategies that reflect the feedback and wisdom of people with lived experience are more likely to reach and meet the real needs of families. In Wisconsin, feedback on the in-home services approach that preceded TSSF illustrated to DCF that the support that caseworkers and families found most beneficial was flexible funding to address concrete needs. As a result, TSSF shifted away from linking financial support to multiple programmatic requirements, and the rollout of the improved approach has been relatively swift and smooth. “We didn’t overbuild the funding stream with requirements,” said Angi Krueger, policy initiative advisor for the agency’s Division of Safety and Permanence. “It’s easier to give an allocation for a population than to roll out an evidence-based practice statewide.” The lived experience strategic advisor at Wisconsin DCF is available to consult with TSSF staff, and joins calls to share knowledge on topics like how to elevate parents and their experiences in the context of safety planning.

## Actively engage, connect, and support those implementing

All state leaders emphasized the importance of bringing staff and partners along in developing new strategies and ensuring that those implementing new efforts are sharing and learning from each other. “Talk to everybody, more than once,” advised David Reed, deputy director of child welfare services at Indiana DCS. “We talked with providers, judges, and prosecutors, but not enough with frontline staff for whom this was also

a big shift in day-to-day work. Now we connect every month and I wish I had done that from the beginning.” In Wisconsin, ongoing technical assistance and learning opportunities for counties and tribes implementing TSSF have created a feedback loop and allow for regular sharing of ideas across agencies. Every other month, the statewide technical assistance call is dedicated to agencies sharing updates and getting specific questions answered, and on opposite months, the focus is on sharing successes and barriers. Krueger noted that the state receives powerful feedback on TSSF through these monthly calls. “One of the themes we’ve heard from our workforce is that TSSF allows them to do true social work with families, and it helps families to see CPS as a support.”

## Collect data and stories

Regularly collecting stories and data about economic support strategies, including outcomes related to child safety, is important to understand impact, inform improvement, educate stakeholders, and build evidence. In Kentucky, painting a clear and broad picture of community and family needs for the Legislature and elevating the voices of people with lived experience in the process, has led to significantly increased investments in economic supports in recent years. Data that reveal the locations of flexible fund requests within the state and the use of those funds are informing upstream efforts to connect families to resources earlier in Kentucky. In Indiana, a comprehensive data tracking system is helping DCS understand which providers experience success, with which populations, and using which approaches. The data tracking system also allows users to disaggregate data, which has revealed that Indiana FPS is having a particularly positive impact on Black families.

Philosophically, our state had a commitment to serving children in their homes, but stakeholders pushed us to put our money where our mouth is.

— ANGI KRUEGER,

POLICY INITIATIVE ADVISOR, DIVISION OF SAFETY AND PERMANENCE, WISCONSIN DEPARTMENT OF CHILDREN AND FAMILIES

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## Partner with other systems to invest upstream

Though flexible funds have been shown to help keep families safely together after a safety concern has been identified and child protection has become involved, families ultimately should be able to access the support they need in their communities **before safety issues emerge**. A [multitude of efforts](#) across the country are experimenting with strategies — such as [guaranteed income](#), tax credits, and [supportive housing](#) — that will yield valuable learning in the coming years. In many of these efforts, child welfare leaders are active partners

but do not lead the work. “We created a separate Division of Prevention and Community Well-Being in 2022 that works across all of the divisions within our department, including childcare, child and adult protection, and public assistance, and also with the Cabinet (for Health and Family Services) and the community,” said Lesa Dennis, commissioner of the Kentucky Department for Community Based Services. “It elevates this work and gives it a home base so we can intentionally build on the strategies and strengths of the different divisions, not just child welfare.”

To learn more, visit [Questions from the field](#) at [Casey.org](#).

- 1 Weiner, D., Anderson, C., & Thomas, K. (2021). System transformation to support child & family well-being: the central role of economic and concrete supports. *Chapin Hall Policy Brief*.
- 2 Anderson, C., Grewal-Kök, Y., Cusick, G., Weiner, D., & Thomas, K. (2023). [Child and Family Well-being System: Economic & Concrete Supports as a Core Component](#). [Power Point slides]. Chapin Hall at the University of Chicago.
- 3 Hahn, H., Simms, M. (February 2021). [Poverty Results from Structural Barriers, Not Personal Choices. Safety Net Programs Should Reflect That Fact](#). Urban Institute.
- 4 Heaton, L., Cepuran, C., Grewal-Kök, Y., Anderson, C., Gaul-Stout, J., Lyons, M., & Dygert, M. (2023). The role of economic and concrete supports in child maltreatment prevention: Findings from a national landscape survey of child welfare leaders. Chapin Hall at the University of Chicago.
- 5 Content of this brief was developed through ongoing consultation with Yasmin Grewal-Kök, policy fellow at Chapin Hall at the University of Chicago, and members of the Knowledge Management Lived Experience Advisory Board. This group includes youth, parents, kinship caregivers, and foster parents with lived experience in the child welfare system, and who serve as strategic partners with Family Voices United, a collaboration between FosterClub, Generations United, the Children's Trust Fund Alliance, and Casey Family Programs. Team members who contributed to this brief include Marquetta King, Robert Brown, Lisa Myles, Keith Lowhorne, and Matthew Darnell.
- 6 Content of this brief was informed by conversations with David Reed, Deputy Director of Child Welfare Services, Indiana Department of Child Services, on October 4, 2023; Angi Krueger, Policy Initiative Advisor, Wisconsin Department of Children and Families, on September 25, 2023; Amanda Body, Director, Division of Prevention and Community Well-being, Lesa Dennis, Commissioner, Melanie Taylor, Director, Division of Protection and Permanency, and Mary Carpenter, Executive Staff Advisor, Kentucky Department of Community Based Services, on October 2, 2023; and Karen Perik, Children and Family Services Supervisor, Adams County Health and Human Services, Phil Kruthoff, Child Welfare Resource Supervisor, Portage County Health and Human Services, Valerie Alvarez, CPS Ongoing Supervisor, Walworth County Health and Human Services, Kat Kosmaule, Program and Policy Analyst, Wisconsin Department of Children and Families, on October 23, 2023.
- 7 Adoption and Foster Care Analysis and Reporting System (AFCARS) data, made available by the National Data Archive on Child Abuse and Neglect Data (NDACAN) and analyzed by Casey Family Programs, October, 2023.
- 8 Goodwin, B., Kearney, A., Wilson, E.S., Sorrentino, C., Dir, Allyson L., Reed, D., Hollabaugh, A., Kestian, H.H., Hendley, H., Stigdon, T.J., and Wiehe, S.E. (2023). Proving promise and support: Preliminary evaluation of the Indiana Family Preservation Services. *Child Abuse & Neglect*, 140.
- 9 Huebner, R.A. (2008). [Kentucky's Family Preservation Program: Comprehensive program evaluation](#). Department for Community Based Services.
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