



Special Committee on Foster Care Adequacy

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Foster Care Privatization

Presented by:

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Testimony of:

David Kurt, Deputy Secretary of Family Services
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Testimony on:

Privatization

Chairman Knox, Vice Chair O'Brien, and Members of the Committee:

Thank you for the opportunity to provide information regarding the privatization of foster care services in Kansas.

Kansas Child Welfare System Background

Child welfare is an ever-present need and an ever-changing system. It is the safety net system for vulnerable children and their families. The child welfare system is complex, and no system, whether privatized or not, ever functions perfectly all of the time. To that point, there are always issues and systemic changes that can be addressed and implemented for needed improvement. The environment of child welfare in Kansas in the 1990s was no different. As a result of a class action lawsuit filed in the 1990s and the resulting settlement agreement, Kansas was faced with a growing number of questions and concerns about its child welfare system at that time.

The desire to address concerns and bring about positive change in child welfare practice may have been a contributing factor in the decision to privatize family preservation, foster care and adoption services. The decision was announced in early 1995. In July 1996, family preservation was the first service to transition to private providers. Adoption services followed in October that same year. And foster care services transitioned in February 1997.

Over the past 20 years, there have been several configurations of the contracts in order to act on lessons learned and adjust our response to the needs of children and families and the community services and resources available to them. In addition, the past 20 years have seen an increase in federal child welfare legislation and oversight of public child welfare services. There have been three federal Child and Family Services Reviews (CFSR) during this time, with the first occurring in 2001. Kansas has successfully completed two Program Improvement Plans (PIP), and we are in the process of developing our third PIP. It is important to note that the CFSR is a review, and that every state in all three rounds has had a PIP.

State of Foster Care Privatization

A key question may be, "does privatization of child welfare services work?" There have been many positives that have come about as a result of privatization, including the following:

- Family Preservation. Prior to privatization, this valuable service that works to keep vulnerable children in their homes if safety is not an issue, was only available in various parts of the state. It was not a statewide service. As a result of privatization, family preservation became available in all 105 counties.
- Adoption from Foster Care. This is a specialized services and requires practice expertise and time to do the work without competing demands. Prior to privatization, however, only a few then-SRS offices had a designated staff who could focus on providing permanency for children who were not able to be reunited with their parents. As a result of privatization, the ability to address the permanency needs of children in a timely manner was enhanced. Practice expertise became available across the state on a more consistent basis. A network of adoption specialists was established, and we continue to strengthen . And we continue to build this service.
- Foster Care Outreach. Privatization has allowed for greater community engagement and ownership of specialized and needed services. It has brought the plight of vulnerable children and families to a broader audience, and increased awareness.
- Service Delivery Improvements. Privatization has aided in bringing greater consistency, accountability and streamlining of services across the system.
- Kansas Completes Agreement. In 2002, Kansas successfully exited the settlement agreement in connection with the lawsuit filed in the 1990s.

As with any substantial system changes, the privatization of foster presents unique challenges. Some of those identified include:

- Contract design
- Lack of clearly-defined roles of the State and contractor staff, by courts and other organizations/entities.
- Despite every effort to provide a smooth transition between contracts and providers, there is always a period of adjustment for all involved.
- If a contractor performs in a less-than-satisfactory manner, it is difficult to change course midstream by terminating the contract and seeking another provider.
- Due to several entities working on behalf of children and families, there is overlap and duplicity of services. This also impacts cost.

Looking Forward

Over the years, there have been many lessons learned. We have endeavored to incorporate those lessons, engage stakeholders for their perspectives and be ever responsive to the changing needs of children and families of Kansas. It is our opinion that privatization has improved child welfare services and benefitted Kansas children.

Whether privatization is currently more effective and efficient than a hypothetical non-privatized system is a much more difficult question to answer. However, as you are

already aware, the Legislative Post Audit is in process of researching Part 3 of the ongoing foster care audit, which poses the following question: “Has the privatization of foster care and adoption significantly affected outcomes for children and families?”

While this is a seemingly simple question, in reality it is not. Kansas child welfare is a many-layered system that is as broad in scope as it is deep in complexity. Foster care and adoption services are only part of the continuum of a child welfare system that begins with the first call to the Kansas Protection Report Center, or law enforcement involvement, and then goes on to involve district courts. The provision of services to children and families involved with foster care and adoption are intertwined with other State agencies, private agencies and local community services, in addition to the contractors. Although this level of integration prohibits easy answers to questions of effectiveness and efficiency, we are eager to review the conclusions that LPA produces. We look forward to the findings and results of the LPA audit.

Thank you for the opportunity to testify today. I am happy to take your questions.