

## **Report on Federal Funds Maximization**

Semi-Annual Update

### As Required by House Bill 1, 88th Legislative Session, 2023 (Article II, DFPS, Rider 36)

March 1, 2025

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## Introduction

Rider 36 of House Bill 1, 88<sup>th</sup> Legislative Session, requires the Department of Family and Protective Services (DFPS) to submit progress reports related to the agency's efforts to maximize federal funds, including identifying the strategies DFPS has implemented and any successes and challenges in maximizing funding, as well as how the agency can maximize federal funds by program and funding source. Progress reports are required to be submitted by September 1 and March 1 of each year to the Legislative Budget Board and the Governor.

Relevant federal funding updates since the <u>September 2021 report</u> are included in this progress report to serve as a companion to the September report.

# Section I: Update to Federal Funding to Address COVID-19

DFPS was awarded nine different federal grants related to the COVID response under these federal acts:

- Coronavirus Aid, Relief, and Economic Security Act (CARES), P.L. 116-136;
- Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), P.L. 116-260; and
- American Rescue Plan Act (ARPA), P.L. 117-2.

Six of the nine awards are closed, the remaining awards detailed in this report are under ARPA authority. Three of the ARPA awards are active until September 30, 2025. Table 1 shows the specific awards and award periods.

Federal COVID Related Funds				
Federal Fund	Award Amount	# months	End Date	
Coronavirus Relief Fund	\$ 612,220,119	22	12/31/21	
Promoting Safe Stable Families	\$ 8,319,214	24	09/30/22	
TANF Pandemic Emergency Assistance	\$ 10,804,880	18	09/30/22	
IVE Education & Training Voucher	\$ 2,907,720	24	09/30/22	
Title IVE Independent Living	\$ 20,429,868	24	09/30/22	
Elder Abuse	\$ 22,913,786	38	09/30/25	
Maternal Infant/Early Child Home Visit	\$ 7,891,427	34	09/30/24	
CBCAP	\$ 24,681,320	60	09/30/25	
САРТА	\$ 10,036,113	60	09/30/25	

Table 1

### Elder Justice Act (EJAP) - Adult Protective Services

DFPS expended most of these grants during the initial project periods between August 2021 and September 2024. In July 2024, DFPS received approval for a 12-month no cost extension to complete outstanding activities. The activities in the federal spend plan include the following:

- Creation of specialized units focused on financial exploitation;
- Increase in APS focused community engagement through "<u>Partnering to Protect</u>" initiative and increased funding for annual Texas APS conference;
- Redesign of APS training model including Training While Working (TWW);
- Continued staff retention and recruitment including paid intern and work study programs; and
- Increase in APS State Office infrastructure and information technologies software and hardware.

#### Maternal, Infant, and Early Childhood Home Visiting (MIECHV)

Senate Bill 24 of the 88<sup>th</sup> Legislature transferred the division implementing services to support MIECHV services to HHSC on September 1, 2024. HHSC and DFPS worked collaboratively to ensure federal funding was not interrupted during the transition.

Round two of MIECHV ARPA funding (\$5.2 million) concluded September 30, 2024. Activities funded through rounds one and two of MIECHV ARPA included:

- Evidence-based training program for prevention of postpartum depression for MIECHV providers;
- IT enhancements to improve online options for completing enrollments, assessments, and surveys virtually;
- Technology and connectivity (for home visitors and families) to support remote home visits;
- Retention/incentive pay for front-line direct service workforce to retain home visitors and other direct service staff;
- Training to support staff in providing remote home visits; and
- Funding to community grantees to provide emergency supplies for families, including diapers, wipes, infant formula, cleaning supplies, non-perishable food, and gift cards for perishable food items.

### *Child Abuse Prevention and Treatment Act (CAPTA) Supplemental Funds*

CAPTA is a \$10 million 60-month grant that concludes September 1, 2025. Implementation is ongoing to support the completed spending plan. The spending plan includes the following:

- Services to support community-based child abuse and neglect prevention;
- Services for youth and young adults with lived foster care experience;
- Advancement of work to assess and address disproportionality;
- System improvements to support matching of children and youth to prospective adoptive families; and
- Implementation of a more efficient background check process.

DFPS and HHSC established an interagency contract for pass-through of the remaining Community-Based Child Abuse Prevention supplemental ARPA funding from the Administration for Children and Families to HHSC as the performing agency through Family Support Services. Other CAPTA supported services remain with DFPS.

## **Section II: Update to Other Federal Grants**

#### **Kinship Navigator Grants**

Senate Bill 24 of the 88<sup>th</sup> Legislature transferred the division implementing services to support Kinship Navigation services to HHSC on September 1, 2024. DFPS and HHSC worked collaboratively to ensure federal funding and activities were not interrupted during the transition.

HHSC continues to use the federal grant funds to support the four Kinship Navigator Program approaches. Since the development of this program, ACF grant awards have averaged about \$1.3 million. However, the federal funding was significantly reduced to \$177,212 for Fiscal Year 2025, resulting in an adverse impact to program sustainability.

#### Elder Justice Act (EJAP) - Adult Protective Services Formula Grants

(EJAP) Adult Protective Services Formula Grants to States Award Authority: Title XX of the Social Security Act, with \$1,927,831 being formulaically allocated to DFPS in FY2023-FY2024. Awarded funds are utilized by the agency to further support efforts commenced under DFPS's utilization of EJAP ARPA funding (see Section I for activities).

## Section III: Update to FY 2024-2025 Active Projects

#### **Qualified Residential Treatment Programs (QRTP) Pilot**

In April 2022, DFPS released a procurement to solicit services under a QRTP Pilot model, and in June 2023, the first child was placed under the contract. Three QRTP contracts were executed as of August 2023. To date, 146 children have been placed into QRTP placements. Fifty-one remain in placement and more than 63 have discharged successfully.

The 88<sup>th</sup> Legislature appropriated \$5 million of Family First Transition Act (FFTA) federal funding (Rider 43 (b)) to continue the QRTPs to allow providers to meet QRTP standards under the FFTA.

To coincide with the implementation of Texas Child Center Care (T3C), there are ongoing efforts to merge many of the QRTP best practice applications into T3C service packages to support youth with the most complex needs. Since T3C went live on January 1, 2025, DFPS is working with the existing QRTP Pilot provider to transition to the T3C System. It is anticipated that this will occur by August 31, 2025.

#### Prevention Pilots- Texas Family First (House Bill 3041)

The 88th Legislature appropriated \$15 million of Family First Transition Act (FFTA) federal funding (Rider 43(a)) to continue pilot programs to serve children in the home pursuant to House Bill (HB) 3041, 87th Legislature, Regular Session. DFPS shall develop additional criteria to ensure children that could enter conservatorship, or children of families struggling with significant issues that impact family stability and child safety, can be referred to the pilot program.

DFPS released the grant funding opportunity for the HB 3041 pilot to all current SSCCs on March 18, 2022. The four SSCCs that were already in Stage II CBC model during the

release have an active contract to implement the Texas Family First (TFF) Pilot in their areas. In April 2023, a change in population criteria permitted Family Based Safety Services (FBSS) to refer qualified families into the TFF Pilot. In October 2024, Harris County became part of the TFF pilot sites and DFPS contracted with the county's Local Mental Health Authority (LMHA), The Harris Center. In addition, Bexar County was also added to the pilot sites. Bexar County is projected to commence the TFF Pilot by the end of February 2025. Their service provider will be the county's LMHA, The Center for Health Care Services.

As of January 2025, a total of 610 referrals to the TFF Pilot have been made. To date, 255 families have completed the TFF pilot, and 16 additional families are pending entry. Table 2 outlines the distribution of families served.

HB 3041 Pilot				
Region/Provider	Completed	Current		
Region 1- St. Francis	45	27		
Region 2- 2Ingage	45	30		
Region 3W- OCOK	86	37		
Region 6- Harris LMHA	0	5		
Region 8A- Bexar LMHA	79	17		
Region 8B- Belong	N/A	N/A		
Total	255	116		

#### Update the Random Moment Time Study (RMTS)

DFPS plans to launch a new RMTS process for the Community-Based Care (CBC) areas. Originally planned to launch in Summer 2024, the process is now projected to launch in Spring 2025 due to delays in finalizing both technology implementation and determining cost allocation methods for the agency. Testing is ongoing with live participants and expected to officially launch in April 2025. DFPS selected Public Consulting Group (PCG) as the contractor to develop the new RMTS for the CBC areas. The new RMTS process will ensure DFPS receives necessary reimbursement of federal funds for the work conducted in the CBC areas.

Additionally, DFPS will continue to operate the legacy DFPS RMTS (which samples Adult Protective Services, Child Protective Investigations, Child Protective Services, and Statewide Intake Services). DFPS staff are currently recoding the current internal RMTS system as the current system is no longer supported by Oracle. The newly coded system and the CBC RMTS will ensure the agency can claim the maximum reimbursement possible.

# Section IV: Update to Foster Care Rate Methodology Examination and Modernization

Beginning in September 2021 – August 2023, DFPS published several reports that provided the basis for Foster Care Rate Modernization, now known as Texas Child-Centered Care (T3C):

- <u>Foster Care Rate Modernization Report: Preliminary Service Descriptions</u>, published in September 2021;
- <u>Foster Care Rate Modernization Report: Final Service Descriptions</u>, published in January 2022;
- <u>Opportunities to Increase Claiming IV-E Funds through Foster Care Rate</u> <u>Modernization</u>, published in February 2023;
- <u>Foster Care Rate Modernization: DFPS Companion to HHSC Pro Forma Modeled</u> <u>Rate and Fiscal Impact Report</u>, published in March 2023;
- <u>Foster Care Rate Modernization Semi Annual Progress Report</u>, published in August 2023.

The 88th Texas Legislature made a significant investment in improving the foster care system by increasing the biennial appropriation in SFY 2024-25 by an estimated \$159.5 million.

In July 2024, DFPS, in collaboration with HHSC and multiple stakeholders, developed 24 clearly defined service packages, three add-on services, and a new fully funded rate methodology that provides new opportunities for federal funds to be utilized to support foster care.

As of January 1, 2025, all necessary policies, procedures, IT infrastructure, universal assessment tool and placement processes, staff training, and residential provider credentialing processes have been established and are fully operational to support the T3C System. While fully operational, some minor edits to policies, procedures, and systems have been identified and will be amended soon. The T3C implementation team continues to work with stakeholders to refine residential provider credentialing processes and develop a new T3C contract monitoring process. Details on the ongoing development of these aspects of T3C were released in a T3C <u>blueprint document</u> to residential providers and the public in January 2025.

# Section V: Update to Title IV-E Funds for County Legal Services

As of January 2025, there are 22 counties participating in this opportunity. In addition, DFPS continues to work with the Texas Indigent Defense Commission (TIDC) and the Children's Commission on expanding awareness, access, and utilization of this funding stream. Pursuant to newly passed legislation, SB 2120 (88th Legislature), TIDC now has statutory responsibility to work to improve the court-appointed legal representation system for families involved in cases brought by the DFPS. The new legislation allows TIDC to distribute funds and monitor grant recipients to improve this legal representation. DFPS and TIDC entered a memorandum of understanding to streamline claiming, and to provide more awareness to the funding opportunity. TIDC and DFPS are beginning to work collaboratively on this agreement.

### Conclusion

DFPS is making all efforts to maximize the drawdown and use of federal funds. With significant systemic changes in the child welfare system including CBC, FFTA, and one-time COVID-19 funds for specific initiatives, federal funding remains critical to assisting DFPS with helping the agency implement its mission to promote safe and healthy families and protect children and vulnerable adults from abuse, neglect, and exploitation. DFPS will continue to focus on efficient and effective management of multiple federal funding streams.