S. 2777: The Family First Transition Act

The *Family First Transition Act* includes three provisions to help states, tribes, counties, and cities implement the *Family First Prevention Services Act* (FFPSA):

<u>Phase-In of 50 percent "Well Supported" Requirement for Prevention Services Reimbursement</u>

BACKGROUND:
FFPSA requires that at least 50 percent of state claims for the new foster care prevention funding be for "well supported" programs (the highest of three evidence categories—promising, supported, and well supported). Programs that meet each of the three evidence categories will be listed on a clearinghouse contracted through HHS, either as the result of a review initiated by HHS or after a state indicates a program should meet the clearinghouse requirements and HHS has approved it for transitional funding while it is being reviewed and rated.

PROVISION:
The bill delays this requirement for two years (through FY 2021), and then allow spending on both "supported" and "well supported" programs to count toward that 50 percent requirement in FYs 2022 and 2023. In FY 2024, the requirement that 50 percent of claims be for well supported programs resumes. This allows states to receive reimbursement for a wider range of evidence-based foster care prevention programs while HHS builds up the clearinghouse.

<u>Transition Funding to Help States Implement Family First</u>

BACKGROUND:
States report incurring a number of costs as they plan for and transition to a system that provides federal matching funds for the provision of prevention services to help children stay safely at home instead of entering foster care. States may also need to implement some changes to improve their use of appropriate congregate care.

PROVISION:
The bill provides states with a total of $500 million in one-time, flexible funding to support their implementation of FFPSA and reduce any adverse fiscal effects due to startup costs, waiver transition, and improving foster care safety and quality. After a 3 percent set-aside for tribes, the funding will be distributed, without a match or any other reservations, using the same formula as is used to distribute Stephanie Tubbs Jones Child Welfare Services funding (Section IV-B Part 1 of the Social Security Act).

<u>Short-Term Funding Certainty for States with Expiring Waivers</u>

BACKGROUND:
A total of 22 states, the District of Columbia, and one tribe have negotiated statewide or county-specific child welfare waivers that have allowed them to use funding on families or for services not authorized under the traditional foster care program. In 2011, Congress enacted a law requiring those waivers to sunset by the end of FY 2019.

PROVISION:
The bill provides temporary grants to states or jurisdictions with expiring waivers if they face a significant loss of funds as they transition away from child welfare waivers. The grants will be provided separately from IV-E reimbursement, to make up a portion of the difference between what the state received in IV-E reimbursement and the temporary guarantee level. Specifically, any state or jurisdiction with a waiver ending will be guaranteed to receive the following:

- In FY 2020, not less than 90 percent of the amount they negotiated to receive under their waiver for FY 2019; and
- In FY 2021, not less than 75 percent of the amount they negotiated to receive under their waiver for FY 2019

Temporary guarantee funding will be in addition to the transition funding provided to all states, and all-states transition funding would not be considered in calculating the guarantee.