CHILD WELFARE REIMBURSEMENT METHODOLOGY
Stabilize the Child Welfare System & Improve Family Outcomes

Program Background & Facts

Over the last two years, the Illinois General Assembly provided emergency funding to community-based child welfare providers, which administer care and services for more than 80% of the 23,200 children in the child welfare system. This was the first meaningful investment in community-based services to children in DCFS in nearly 20 years. While this investment helped, monumental problems created from decades of disinvestment—most notably a workforce crisis tied to low, stagnant wages and increasing caseloads—are continuing to strain a system that disproportionately serves Black children and families. Children and youth in care, and especially Black children, are paying the price of an underfunded system.

⇒ **STAFF TURNOVER:** Community-based providers have a 42%-50% annual staff turnover rate for caseworkers, supervisors, therapists, & residential care staff.

⇒ **INABILITY TO COMPETE:** Providers report being unable to offer staff better wages than fast food, grocery stores, Amazon warehouses, & other retail businesses.

⇒ **RISING COSTS:** Costs have risen in all areas of service provision, including healthcare, liability insurance, utilities, transportation, food, & facilities. Expected minimum wage increases will exacerbate these pressures.

⇒ **POOR OUTCOMES:** High rates of staff turnover are directly linked to poor outcomes for children & youth in care, including increased lengths of stay which especially hurts Black children. Black children are three times more likely to languish in care.

Problem & Solution

The General Assembly should **establish a standardized, annual reimbursement methodology** to adequately fund and sustain the best possible outcomes for children and youth in Illinois’ child welfare system year after year.

CALL TO ACTION

Support **HB3288/SB2313** (subject to appropriations), which would:

- Give community-based providers annual cost-of-living adjustments based on the consumer price index used by DCFS.
- Establish a funding formula to adequately fund and sustain the community-based providers of child welfare services.

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