New Authority Allows DCFS to Strengthen and Preserve Families

Federal waiver grants DCFS flexibility to better care for foster youth

SPRINGFIELD, Ill. – The federal Administration for Children, Youth and Families has granted Illinois a waiver of restrictions on federal foster care funds to let the Illinois Department of Children and Family Services address family problems without having to remove children from their homes and put them in foster care.

“It’s a win-win,” said Illinois DCFS Director George Sheldon. “We sought this waiver because it helps us strengthen and preserve families instead of breaking them apart. We can avoid the much greater financial cost to taxpayers as well as the trauma to children that results from having a child in foster care. It’s a better deal for taxpayers and the right thing for the children.”

The waiver is known as an IV-E waiver, after the section of law that provides federal support for foster care. Because Illinois has longer average stays in foster care and because of the long-term costs for children in foster care, the flexibility is likely to produce long-term savings for the state.

“Children love their parents, even when their parents are less than perfect, and taking them from their homes should be a last resort, when we can’t ensure their safety any other way,” Sheldon said. “Congress allows for waivers like this because there is bipartisan agreement that strengthening and preserving families is the right policy for children.”

Illinois has had a waiver for specific programs in Cook County, but the new waiver extends the program statewide. The waiver expires in 2019. Under current federal law, it cannot be renewed. After that, federal funds would again be limited to supporting only children actually in foster care.

Illinois received $192 million in federal foster care funds in fiscal year 2016. The Administration on Children, Youth and Families is part of the U.S. Department of Health and Human Services. In December, the Administration for Children, Youth and Families also awarded DCFS federal planning dollars to begin the development of a new statewide child welfare technology system. The Request for Proposals to implement that project will go out later this month.

About the waiver: In 1994 Congress passed Public Law 103–432, which established Section 1130 of the Social Security Act (SSA) and gave the secretary of the Department of Health and Human Services (HHS) the authority to approve state demonstration projects involving the waiver of certain provisions of titles IV-E and IV-B of the SSA. These provisions govern federal programs relating to foster care and other child welfare services. Conceived as a strategy for generating new knowledge and innovation, these waivers grant states the flexibility in the use of federal funds for alternative services and supports that promote safety, permanency and well-being for children in the child protection and foster care systems.

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