Improve the lives of children and reduce costs. That’s what expanding both prevention and treatment services in the child welfare system could do for a cohort of children from birth to age 18. Together, these policies reduce the number of children who are maltreated, keeping them out of the system, and improve the experience for children who do enter it. Pursued jointly, these approaches make it less likely that children will experience poor outcomes as young adults, including substance abuse, homelessness, criminal conviction, and underemployment. They also reduce lifetime prevention and child welfare system expenditures for the cohort of children affected.
The research team identified a set of policies aimed at increasing both the number and the effectiveness of preventive and kinship care treatment services. Together, the policies

- reduce the number of children entering the system
- improve a child’s experience moving through the system
- reduce negative outcomes, such as homelessness and substance abuse in young adulthood
- reduce total child welfare system costs over the lifetime of the cohort by as much as 3 to 7 percent, for a savings of approximately $5.2 billion to $10.5 billion.

From a public health perspective, these findings are very good news. The model results suggest that increasing prevention while also increasing treatment improves system experience and long-term outcomes while paying for itself by reducing lifetime child welfare system costs.

In isolation, neither of these policies achieves all the objectives of the child welfare system. Increasing prevention leads to decreases in maltreatment and improvements in young adult outcomes but does not affect the experiences of children who enter the system. Increasing treatment leads to improvements in system experience and outcomes, but it does not reduce maltreatment. Only when implemented together do these policies meet the system’s goals.

It is not necessarily unexpected that increasing both prevention and treatment could reduce maltreatment, improve system experience, and improve outcomes. What the RAND analysis revealed is that these improvements can be achieved with lower lifetime costs for the cohort.

**Modeling the Child Welfare System**

A child’s experience with the system can be viewed as a multistage progression (Figure 1). RAND researchers developed a model to explore potential policy effects at every stage. The RAND model projects maltreatment and/or involvement with the child welfare system from birth to age 18 for a cohort of children born between
What Is the Child Welfare System?

The child welfare system is a complex network of organizations at the federal, state, and community levels that share a few basic functions:

- They provide preventive services to at-risk families.
- They receive and investigate reports of child maltreatment.
- They provide services to families to help them care for and protect their children.
- They arrange for temporary out-of-home care if the child is not safe at home.
- They pursue “permanency” goals that may include reuniting a child with parents, guardianship, adoption, and/or independent living.

The system spends about $29 billion annually on child maltreatment preventive services and child welfare treatment services nationwide. About half of the funding for these efforts comes from the federal government; the balance comes from state and local sources.

Under current policy, the majority of federal funds are targeted specifically at treatment services, such as foster care and adoption assistance; these are offered only after a reported instance of maltreatment has been confirmed. State officials and child welfare advocates argue that this policy favors treatment over prevention. The challenge for public health decisionmakers is determining whether to increase prevention, treatment, or both to achieve the policy objectives.
Where Should Improvement Efforts Focus?

The RAND research team simulated the effects of increasing the quantity and quality of three policies: targeted preventive services, treatment in the form of enhanced family preservation services, and kinship care as treatment for children in need of an out-of-home placement. Each policy focuses on a different decision point in the system (Figure 1).

The quantity of services can be increased in a straightforward manner by increasing funding. Increasing quality, however, may be more difficult, and quality improvement efforts may vary across jurisdictions. In this sense, the quality improvements included in this analysis may be viewed as aspirational, providing an example of what is possible if best practices were implemented across all jurisdictions. To reflect this uncertainty, this brief presents a range of outcomes for each policy option. The lower end of the range is the estimate of the effect of increasing the quantity of services alone; the upper end of the range is the estimate of the effect if both quantity and quality are increased.

Prevention

Targeted prevention efforts focus on families that have risk factors associated with child maltreatment. These efforts are intended to reduce maltreatment and keep children out of the child welfare system. Examples include home visiting programs, respite and crisis care, and family resource centers.

Prevention has the broadest systemwide impact because it reduces the number of children who are maltreated and, thus, the number of referrals to the child welfare system. With fewer overall referrals, fewer children enter the system, and there are fewer investigations, confirmed cases, and out-of-home placements. Negative outcomes in young adulthood would be reduced by 1 to 4 percent.

Increasing preventive services requires new expenditures to provide services to more children and families over the lifetime of the cohort. The associated reduction in the number of children entering the system lowers lifetime system expenditures. But, on balance, the authors estimate that the improved preventive services generate a net cost increase of about 1 to 3 percent of total spending over the lifetime of the cohort.
Treatment: Family Preservation

Family preservation efforts provided as treatment within the child welfare system address problems in the family so that more children can stay safely in their homes and out-of-home placements can be reduced. Examples of family preservation treatment efforts include substance abuse treatment for parents, family counseling, court advocacy, and instrumental support (e.g., food, transportation).

Better family preservation treatment services substantially increased the percentage of children who remain with their families or are reunited with them. Family preservation programs also affected the longer-term outcomes. Effects ranged from 0.4 to –9.8 percent for substance abuse, –3.6 to –11.2 percent for criminal conviction, –2.0 to –8.6 percent for homelessness, and 0.2 to –3.9 percent for underemployment.

The RAND model suggests that fewer out-of-home placements and more reunifications associated with increased family preservation services would generate net system savings of approximately 9 to 13 percent over the lifetime of the cohort.

Treatment: Kinship Care

Promoting kinship care as a form of treatment within the child welfare system helps children who need out-of-home placement get placed with relatives, reducing the disruption in a child’s life. Support programs include financial assistance, mentoring, counseling, respite care, and legal services.

The kinship care treatment option increased the percentage of children with kinship care as the permanent outcome and modestly reduced the four long-term outcomes examined (homelessness, underemployment, criminal conviction, and substance abuse). Because kinship care is less costly than other placement options, such as institutional or foster care, the costs of increased support for kin caregivers are balanced by lower system costs, for net system savings over the life of the cohort in the range of 6 to 7 percent.
Why Combine Options?

Improving the child welfare system has multiple objectives, including reducing the number of children who are maltreated, identifying and protecting the children who have been maltreated, and mitigating the effects of maltreatment on their well-being in both the short and long terms—all while maintaining or reducing overall costs.

Because none of the individual options achieved all of these policy objectives, the research team estimated the effect of a set of policies in which the quantity and effectiveness of both prevention and treatment in the form of support for kinship care were improved (Table 1). When the package is implemented, the RAND team estimates that the number of maltreatment episodes per child decreases by about 2 to 4 percent. As a result, referrals to the child welfare system decrease. There are commensurately fewer investigations, confirmed cases, and out-of-home placements.

The experience of children who do enter the system is improved through increased temporary and permanent placements with kin. The likelihood of negative long-term outcomes—homelessness, underemployment, criminal conviction, and substance abuse—decreases by about 2 to 6 percent.

This policy package results in a net cost reduction of about 3 to 7 percent of total spending over the lifetime of the cohort, for a savings of approximately $5.2 billion to $10.5 billion. In effect, increased prevention and increased kinship care work together to achieve all of the policy objectives, including reducing system costs.

| TABLE 1 |
| --- | --- | --- |
| **Only by combining prevention and kinship care are all four policy objectives achieved.** |

<table>
<thead>
<tr>
<th></th>
<th>Prevention</th>
<th>Kinship Care</th>
<th>Prevention and Kinship Care</th>
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<tbody>
<tr>
<td>Reduce child maltreatment</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Improve system experience</td>
<td></td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Improve long-term outcomes</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Reduce direct system costs</td>
<td></td>
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This estimate of cost savings is conservative. It captures only the direct costs to the government of the child welfare system. It does not reflect government cost savings in related areas, such as the criminal justice system, physical and mental health care, social services, and education.

**Looking Forward**

The goal of the child welfare system, in all of its state-specific configurations, is to prevent children from being maltreated and to help those who have been maltreated find a safe, stable, and permanent environment in which to grow. Millions of children benefit from these efforts every year. But more could be done.

RAND researchers identified a set of policies that could have substantial positive effects. From a public health perspective, the good news is that increasing both prevention and treatment in the form of supporting kinship care can achieve the desired policy objectives. By combining policy options that intervene at different points in the child welfare system, the number of children who are maltreated can be reduced, preventing many of them from having to enter the system. For those who do enter the system, the combined policy efforts improve the child’s experience, positively affecting outcomes in young adulthood and reducing system costs.

This study had a national focus and examined a small set of policy options. But the simulation model could be used to assess other policy options individually or in combination to inform decisions at national, state, and local levels. Because of the number of assumptions and the sometimes-limited evidence base from which to work, the authors conducted numerous tests to better understand how sensitive the results were to the assumptions that were made. While these results showed that estimates of how policy options affect different elements of the pathway can vary, sometimes considerably, the overarching pattern of results and the basic story they tell are robust—a combination of increased prevention and treatment is needed to reduce maltreatment, improve children’s experiences in the child welfare system, improve outcomes, and reduce lifetime expenditures.

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