

Memorandum

To: Members of the Committee on Families, Children, and Seniors
From: Office of State Rep. Frank Liberati
Date: February 19, 2020
Re: Kinship Caregiver Legislation – House Bills 5443 and 5444

Issue:

As a result of the opioid crisis, thousands of relative caregivers have shouldered the responsibility of caring for children whose parents are unable to care for them. However, even though Michigan has made it a priority to place children in out-of-home care with relatives, our child welfare system was never designed to support informal kinship families and remains ill-equipped to help them meet the needs of the children in their care.

Whether they took in children through informal arrangements or through the formal state foster care system, all kinship caregivers struggle with emotional, physical, and financial strain of raising children in their care. Additionally, children in out-of-home, kinship care as a result of substance abuse face a range of unique social, physical and mental health challenges, especially as it relates to overcoming their Adverse Childhood Experiences (ACEs).

Legislation:

Our goal is to frame child welfare policy in a way that better supports children and caregivers in kinship families, inside or outside the formal foster care system, while offering services to birth parents in order to keep children safely with their parents whenever possible.

House Bill 5443 would create the Kinship Caregiver Advisory Council within the Department of Health and Human Services to bridge the gap in service delivery between the Children’s Services Agency and the Adult and Aging Services Agency by bringing together caregivers, providers, and state bureaucracy to devise and advocate for systemic change to create a better coordinated, family-centered child welfare system that is responsive to the needs of kinship families.

The Council’s first objective is to identify the prevalence and needs of kinship caregivers and the children they care for because we currently have a limited understanding of the geographic dispersion, status and characteristics of Michigan’s kinship families. Then, in conjunction with presenting its findings to the Legislature, the Council will also provide policy recommendations and advocate for improvements to services, systems, and programs so they are responsive to kinship families.

House Bill 5444 would require the Department of Health and Human Services to establish a Kinship Navigator Program. When kinship caregivers take on this responsibility, they often

receive little to no financial support or advice regarding how to navigate the many systems that they might need to access to help them meet the needs of the children in their care. Navigators fill the gap by assisting kinship caregivers in learning about, finding, and using programs and services that meet the needs of the children they are raising and their own needs, while also promoting effective partnerships among public and private agencies to ensure kinship families are served.

Kinship navigators help ameliorate the needs of the kinship families and maximize the caregivers' ability to build a safe and caring environment by identifying safety goals and introducing trauma-informed practices as well as guide caregivers through permanency plans that are in the best interest of the child.

What is Kinship Caregiving?

Kinship caregiving is when extended relatives, like grandparents or aunts and uncles, or close family friends step-up to become the primary caregiver for a child when their own parents are unable or unwilling to raise them. This can occur through the formal child welfare system when a child is placed with a licensed relative foster care parent by a child placing agency; or informally when family members make voluntary arrangements to care for a child without the involvement of a social services agency.

A 2017 study of two national surveys conducted by the National Center for Health Statistics, revealed that 49% of children in non-parental care were in private/informal kinship, occurring outside of the context of formal foster care. On the other hand, 19% were in private/informal kinship care with some involvement with Child Protective Services (CPS), while 21.1% were in private/informal kinship care with an active CPS case and 11.1% were in formally placed by the child welfare system.¹

There is limited understanding of the characteristics of children raised in informal kinship situations, however, Generations United estimates that across the country there are 2.6 million children are raised by a relative, with 139,000 children raised in the formal foster care system.² In Michigan, the **Annie E. Casey Foundation estimates that there were 61,000 children in informal kinship care, while at the same time there were just over 4,000 children being cared for by relatives in the foster care system.**³

While many children in out-of-home care establish legal permanency with their kinship caregiver, kinship caregiving as a whole should not be viewed as an end-point for a child. Kinship caregiving should be viewed as an opportunity for a family to remove a child from a traumatic living situation while keeping them out of a potentially traumatizing foster care system and allowing the family to figure out what is best for the children and how to help their parents.

¹ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5798622/pdf/nihms921155.pdf> pg 5

² <https://www.gu.org/app/uploads/2018/09/Grandfamilies-Report-SOGF-Updated.pdf>

³ <https://datacenter.kidscount.org/data/tables/10455-children-in-kinship-care?loc=24&loct=2#detailed/2/24/false/1757/any/20160,20161>

Kinship Caregiving, the Opioid Crisis and ACEs

The role of kinship caregiving has been growing over the last decade as it has become widely regarded as the best form of out-of-home, non-parental care because it uses a child's existing connections with family for placement instead of strangers they might have trouble integrating with.

Casey Family Programs has found that youth in out-of-home care who spend more than half of their time with family are three times more likely to find permanency, while youth who spend all of their time with family are 11 times more likely to find permanency when compared to youth with no contact with family.⁴ They also found that 87% of children in out-of-home care who spent all of their time with family developed a strong relationship with a caring adult, while the same is true for 57% of youth who did not spend any time with family. In addition, 83% children in out-of-home care who spent all of their time with family were able to find legal permanency compared to only 38% of children who had no contact with family.⁵

Kinship caregivers play a critical role in helping traumatized children heal by maintaining close ties to family, community and culture.⁶ While traditional foster care can introduce its own pain on children when they are removed from their home, which can re-traumatize children who are already dealing with ACEs.

Through providing a positive child-caregiver relationship, a stable living environment, and maintaining relationships with extended family, kinship caregivers can promote family-based resiliency factors among traumatized children.⁷ Abundant research has illustrated that a positive, supporting relationship with a loving adult can buffer the effects of a child's stress response and help them learn how to cope with stress brought out by their ACEs.⁸

This is especially critical for children in out-of-home care who are more likely to have ACEs. For example, Generations United found that **51% of children in foster care have experienced at least four ACEs and at least 38% of children in foster care have experienced four or more ACEs before their third birthday**, while only 13% of children in the general population have had at least four ACEs.⁹

Adverse Childhood Experiences describes all of the types of abuse, neglect, and other traumatic experiences that occur to individuals under the age of 18. The groundbreaking ACEs Study, conducted in 1997 by Kaiser Permanente and the CDC, analyzed the impact of ACEs on an individual's overall health and well-being in adulthood.

The study specifically examined the prevalence of 10 adverse experiences ranging from physical and sexual abuse; emotional and physical neglect, and family dysfunction which included

⁴ <https://caseyfamilypro-wpengine.netdna-ssl.com/media/1896-CS-From-Data-to-Practice-2018.pdf>

⁵ <https://caseyfamilypro-wpengine.netdna-ssl.com/media/1896-CS-From-Data-to-Practice-2018.pdf>

⁶ In Loving Arms: <https://www.gu.org/app/uploads/2018/05/Grandfamilies-Report-SOGF-2017.pdf>

⁷ In Loving Arms: <https://www.gu.org/app/uploads/2018/05/Grandfamilies-Report-SOGF-2017.pdf>

⁸ In Loving Arms: <https://www.gu.org/app/uploads/2018/05/Grandfamilies-Report-SOGF-2017.pdf>

⁹ In Loving Arms: <https://www.gu.org/app/uploads/2018/05/Grandfamilies-Report-SOGF-2017.pdf>

substance abuse, mental illness, domestic violence and parental incarceration. They found that 63% of adults in the US experienced at least one ACE and 12% had four or more ACEs. **In Michigan, it is estimated that roughly 22% of children or (479,000) have experienced at least two ACEs in 2017.**¹⁰ Kaiser Permanente concluded that childhood trauma has a tremendous impact on an individual's development and that individuals with higher ACE scores are more likely to have negative physical and mental health outcomes and engage in risky behaviors.

Further research by the American Academy of Pediatrics found that adolescents with ACEs are more likely to use tobacco, abuse drugs, and initiate drinking alcohol to cope with stress. In addition, they found that childhood adversity driven by toxic stress disrupts developing brain structures and adversely affects the development of other organ systems and regulatory functions.¹¹ **These physiologic disruptions result in higher levels of stress-related chronic diseases and can lead to permanent changes in behavior as well as linguistic, cognitive and social-emotional learning.**¹²

The Illinois ACEs Response Collaborative supported these findings and found that ACEs are the root cause of many health impairments. They found that 25% of the risk of being diagnosed with heart disease is attributable to ACEs, individuals with four or more ACEs are twice as likely to be diagnosed with cancer and over four times more likely to suffer from depression compared to those without any ACEs.¹³

The financial impact of ACEs are directly felt by the individuals impacted by their childhood trauma as well as society at large. The American Journal of Preventative Medicine found that out-of-pocket healthcare spending is \$184 more for individuals with one to two ACEs. While adults with three or more ACEs spend on average \$311 more per year in healthcare costs and are more likely to have medical expenses that exceed 10% of their household income.¹⁴ Single adults with three or more ACEs and without any children spend on average \$505 more out-of-pocket healthcare costs than those without any ACEs.

Furthermore, although this has not been studied in Michigan, an analysis of the economic impact of ACEs on the state of Tennessee found that **ACEs contributed to \$5.2 billion in direct medical costs and lost employee productivity in 2017.**¹⁵ Specifically, they found that 49% of individuals suffering from depression were caused by ACEs, while 32% of smoking, 21% of

¹⁰ <https://datacenter.kidscount.org/data/tables/9709-children-who-have-experienced-two-or-more-adverse-experiences?loc=24&loct=2#detailed/2/24/false/1603/any/18961,18962>

¹¹ <https://pediatrics.aappublications.org/content/pediatrics/129/1/e232.full.pdf>

¹² <https://pediatrics.aappublications.org/content/pediatrics/129/1/e232.full.pdf>

¹³ <http://www.hmprg.org/wp-content/themes/HMPRG/backup/ACEs/Health%20Policy%20Brief.pdf>

¹⁴ [https://www.aipmonline.org/article/S0749-3797\(18\)32445-0/fulltext](https://www.aipmonline.org/article/S0749-3797(18)32445-0/fulltext)

¹⁵ <https://www.sycamoreinstitutetn.org/wp-content/uploads/2019/02/2019.02.01-FINAL-The-Economic-Cost-of-ACEs-in-Tennessee.pdf>

COPD patients and 13% of cardiovascular disease patients were attributable to ACEs in Tennessee.¹⁶

As a result, they estimated that smoking attributed to ACEs cost Tennessee \$2.1 billion, while depression, cardiovascular disease, obesity and diabetes costed the state \$923 million, \$730 million, \$532 million, and \$371 million, respectively.¹⁷

This research has also found a clear connection between ACEs and household substance abuse, which has only increased with the opioid crisis that has continued to ravage communities across the country. The Tennessee study found that **substance abuse by a household member during childhood was the third most common ACE**, with 47% of Tennessean adults, with at least one ACE, identifying it as a cause of their childhood trauma.¹⁸ The original ACE Study, conducted 20 years before the Tennessee study, found that 28% of Americans with at least one ACE reported experiencing substance abuse in their household as a child.¹⁹

In addition, relative caregivers have been on the front-line shouldering the responsibility of caring for the children that have been traumatized by the opioid epidemic. For example, **the percentage of children entering foster care because of substance abuse increased from 26% in 2006 to 35% in 2016.**²⁰ Generations United conducted a survey of kinship providers across the country and found that 70% of providers reported that opioids and heroin use was among the most common reasons children entered kinship care.²¹

Supporting Arguments:

To ensure that children are kept safely with their families and avoid the traumatic experience of entering foster care we must begin working toward reforming our entire child welfare system to be responsive and supportive of kinship caregivers. The Advisory Council is the first step in devising the most effective child welfare system by incorporating the lived experience of kinship caregivers as well as insight from child welfare services providers, mental health and legal experts into state policymaking.

Kinship caregiving is the most cost effective way to care for children who need to be removed from their homes. Evaluations of kinship navigator programs in Florida found that non-relative foster care was 6 times more expensive and group home care was 21 times more expensive than navigator supported kinship caregiving programs.²²

¹⁶ <https://www.sycamoreinstitutetn.org/wp-content/uploads/2019/02/2019.02.01-FINAL-The-Economic-Cost-of-ACEs-in-Tennessee.pdf>

¹⁷ <https://www.sycamoreinstitutetn.org/wp-content/uploads/2019/02/2019.02.01-FINAL-The-Economic-Cost-of-ACEs-in-Tennessee.pdf>

¹⁸ <https://www.sycamoreinstitutetn.org/wp-content/uploads/2019/02/2019.02.01-FINAL-The-Economic-Cost-of-ACEs-in-Tennessee.pdf>

¹⁹ https://www.michigan.gov/documents/mdhhs/Adverse_Childhood_Experiences_Infographic-CDC_508995_7.pdf

²⁰ <https://www.gu.org/app/uploads/2018/09/Grandfamilies-Report-SOGF-Updated.pdf>

²¹ <https://www.gu.org/app/uploads/2018/09/Grandfamilies-Report-SOGF-Updated.pdf>

²² https://casefamilypro-wpengine.netdna-ssl.com/media/SF_Kinship-navigator-programs.pdf

By supporting kinship caregivers we are empowering them to serve as the caring, consistent adult for a traumatized child, and allows them to establish a safe and stable environment, which is critical in building resiliency among children with ACEs. Early intervention with family-based protective factors is vital to stemming the long-term costs associated with childhood trauma, including poor physical and mental health, generational poverty, incarceration and drug dependency.

Our child welfare system is already overburdened and could not handle caring for the estimated 61,000 children currently being cared for in the informal kinship setting. In Michigan, kinship caregivers are saving the state over \$380 million per year in child maintenance payments by caring for the children outside of the foster care system. Navigator programs have proven effective at keep children out of or reentering the child welfare system.

With the passage of the Family's First Prevention Services Act of 2018, the federal government has committed to reimbursing states for 50% of the costs of implementing and maintaining evidenced based kinship navigator programs. By not creating a navigator program the state of Michigan is missing out on federal Title IV-E dollars.