

## Center for Public Policy Priorities

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## O P-E D

Privatizing Welfare Services Would Put Profit Above Children

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Earlier this week, Texas announced the termination of its contract with Accenture, the private company the state hired to enroll Texans in health care, food stamps, and TANF cash assistance. Although privatization was supposed to save the state money and improve services to families, thousands of the most vulnerable Texans were wrongly denied benefits and the state didn't save a dime.

Despite the failure of this privatization experiment, legislation is still in the works to privatize another essential state service -- Child Protective Services (CPS), the child welfare arm of the Texas Department of Family and Protective Services (DFPS). CPS investigates reports of child abuse and neglect and works to protect these children.

The first opportunity for the Legislature to discuss what to do about privatization will be this week when the Senate Health and Human Services Committee considers Senate Bill 758 by Chairman Nelson. Senate Bill 758 calls for less privatization, but still moves Texas toward a privatized CPS system.

Historically an underfunded agency, there is no question that CPS needs more funding for additional staff and better services for families. For ten years I represented CPS as a prosecutor and children in the foster care system as an attorney ad litem. I saw CPS' challenges first hand. But privatization won't solve the problem any more than it helped enroll Texans in public benefits.

A few weeks ago I went on a fact-finding mission to Florida, a state which has privatized its child welfare system over the last ten years.

I talked with many of the people who are directly involved in the system, including lawyers, judges, service providers, community-based care agencies, state agency staff, and the guardians ad litem appointed to represent the best interests of the children in foster care. It became clear that privatization is not the solution.

For one thing, privatization is costly. In Florida, child welfare costs have increased. And despite the fact that the private companies promised increased competition, better and more innovative services for children and families, more

community involvement, more accountability, and better outcomes for children, Florida has not seen substantial improvements.

In fact, the rate of re-abuse after children have been returned home has risen since private entities took over.

In addition, privatization has failed to prevent the same problems in Florida that plague Texas' current child welfare system – high caseworker turnover and caseloads and inadequate resources for services for families. Repeatedly, I

heard stories of inexperienced caseworkers who don't know what they are doing and who don't return phone calls. This was also a major problem in the failed contract with Accenture. Even some initial proponents of privatization admitted to me that Florida has made a huge mistake.

Privatization in Florida has also resulted in conflicts of interests. Back here in Texas, pressure to reform CPS by privatizing isn't coming from child advocacy groups or even CPS itself, but from those in the private sector who would make more money in a privatized system. Inevitably, the desire to make the most money will lead to financial decisions that could trump the best interests of children.

Most importantly, privatization is risky business. There are no guaranteed results – which is particularly dangerous in a child welfare system that makes life or death decisions regarding children. Decisions made by CPS – whether abuse has occurred, whether to take a child from a parent, whether to return a child to a parent, or whether to place the child with a relative or in foster care-- are decisions that should be made by public employees who don't have a conflict of interest.

Children in the child welfare system have already been the victims of bad choices by grown ups. Texas must make careful, well thought out choices in the best interest of the children in our care. Privatization isn't one of them.

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