

# Child Welfare Agency Spending in Michigan in SFY 2024



Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of, or have been victims of, maltreatment. State and local child welfare agencies rely on multiple funding streams to administer programs and services. While many funding sources are available to child welfare agencies, each source has its unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition impacts the services available to children and families and the way in which child welfare agencies operate.

This document presents information on child welfare agency expenditures in Michigan for SFY 2024<sup>1</sup> collected through Child Trends' national survey of child welfare agency expenditures. All dollar amounts have been inflated to 2024 levels.

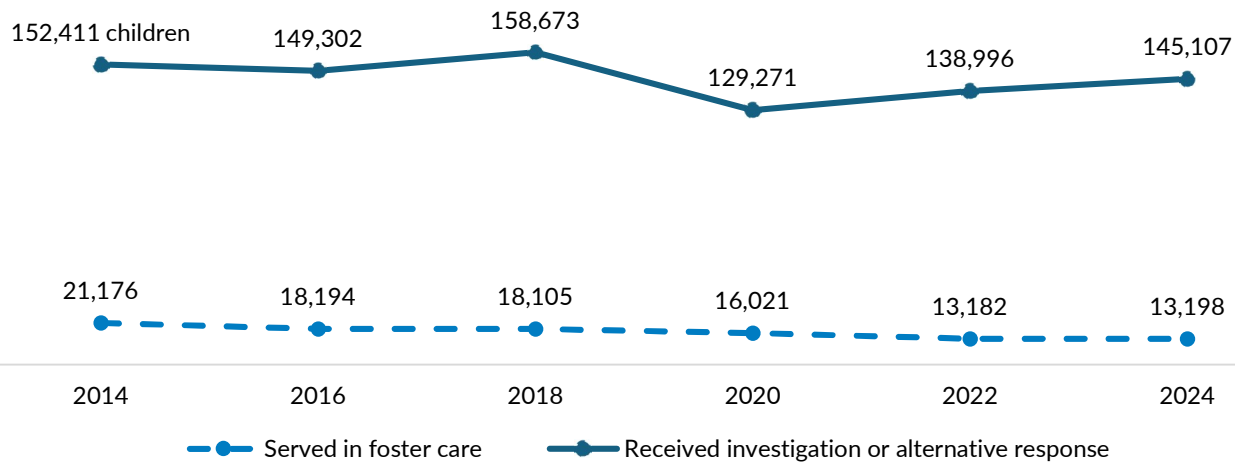
## Other available resources

This document is one of many child welfare financing resources available on the Child Trends website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds

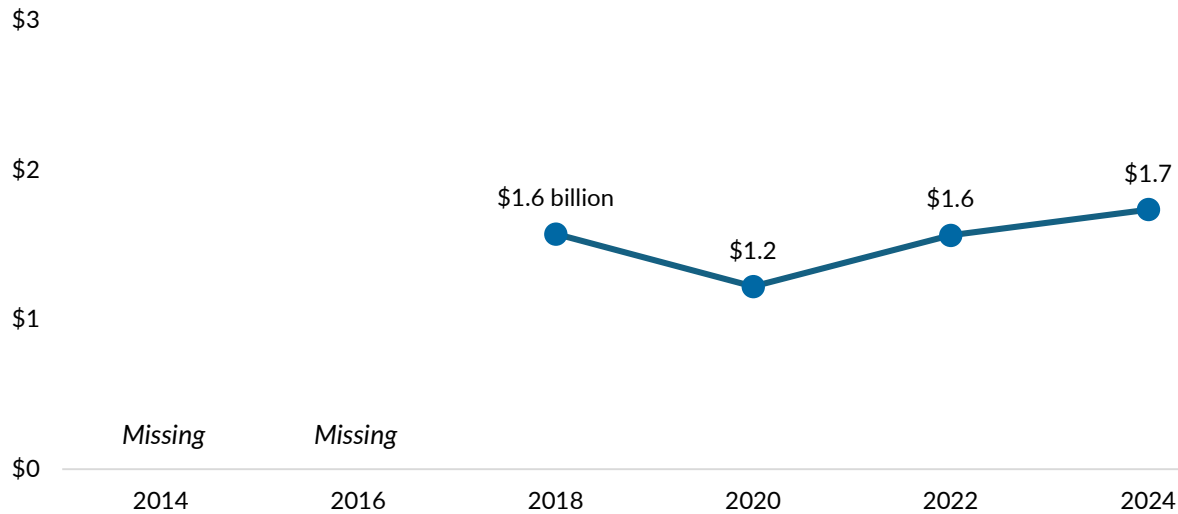
## Children With Child Welfare Agency Contact

Since SFY 2022, the number of children in Michigan who received an investigation or alternative response,<sup>2</sup> or were served in foster care,<sup>3</sup> has increased.



# Total Expenditures

Michigan's total child welfare agency spending<sup>4</sup> has increased since SFY 2022.



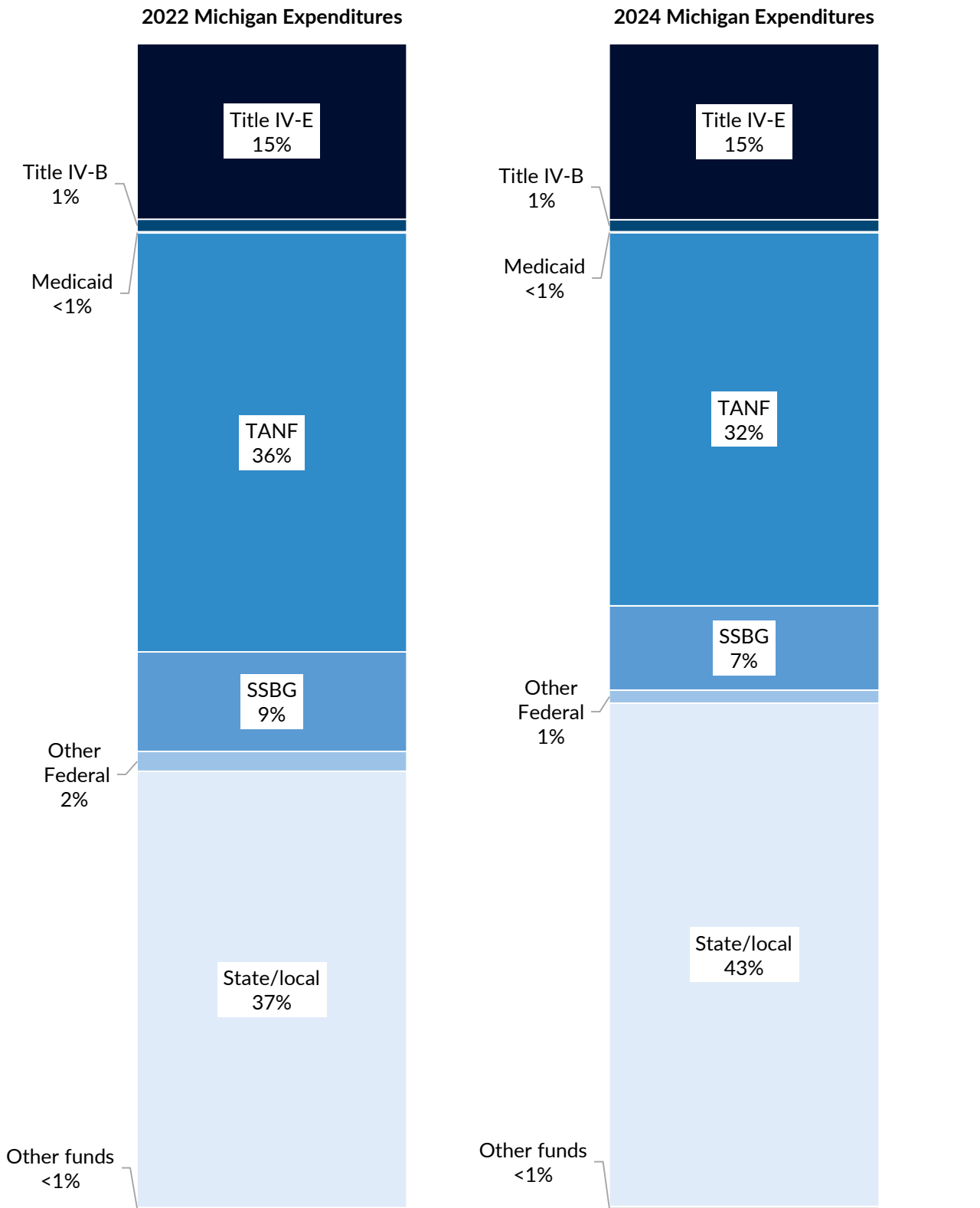
	Amount in SFY 2024	% change since...	
		Last survey (SFY 2022)	10 years ago (SFY 2014)
<b>Overall</b>	<b>\$1,734,665,223</b>	<b>11%</b>	<b>N/A</b>
<b>Federal</b>	<b>\$980,331,856</b>	<b>1%</b>	<b>N/A</b>
<b>State</b>	<b>\$707,449,294</b>	<b>28%</b>	<b>47%</b>
<b>Local</b>	<b>\$40,042,830</b>	<b>28%</b>	<b>74%</b>
<b>Other<sup>5</sup></b>	<b>\$6,841,243</b>	<b>56%</b>	<b>N/A</b>

**Note:** N/A indicates a comparison could not be made because comparable data are not available.

### Michigan Insights

The recent increase in spending of "other" funds is due to the state receiving Social Security benefits for more children since SFY 2022 and due to the receipt of additional private funding for the Wendy's Wonderful Kids adoption recruitment program and a kinship care pilot program.

The state's proportion of spending from federal, state, and local sources has changed since SFY 2022. In SFY 2024, a smaller proportion of total expenditures was financed by federal sources.



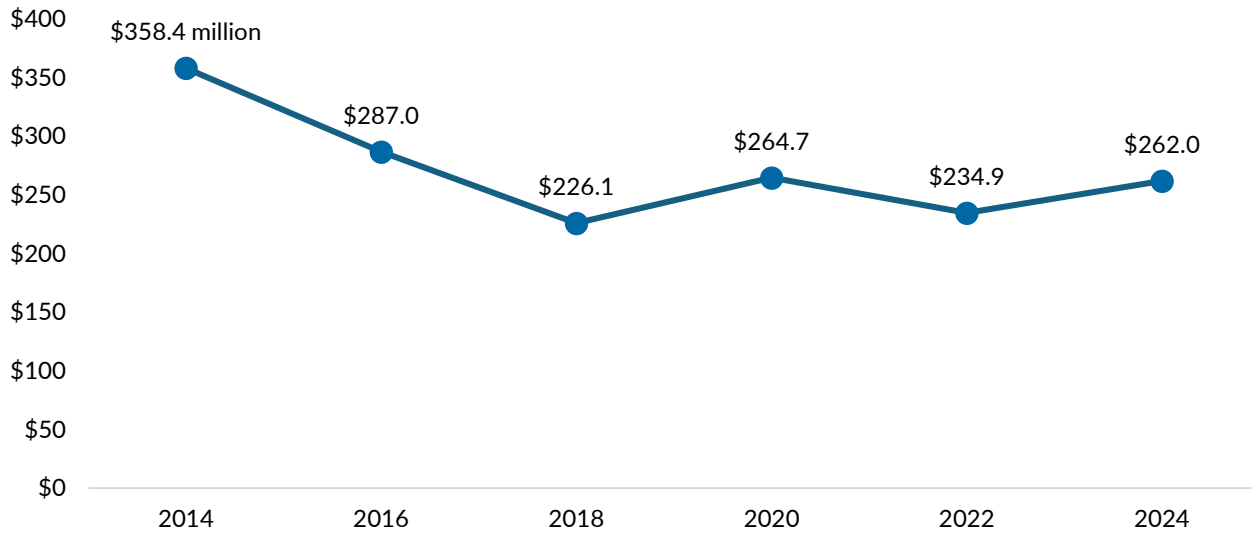
# Federal Expenditures

## Title IV-E

Total in SFY 2024: \$262,028,831

Change from SFY 2022: 12%

Title IV-E of the Social Security Act<sup>6</sup> can be used for foster care, adoption, guardianship, prevention, kinship navigation, and supports for transition-age youth (Chafee and Education and Training Vouchers). Michigan’s Title IV-E Prevention Plan was effective beginning October 1, 2021.<sup>7</sup>



### Michigan Insights

Chafee and ETV expenditures decreased in the state in SFY 2024 because the enhanced pandemic relief funding for these programs ended.

Among these services and activities, in SFY 2024, adoption, guardianship, and prevention expenditures increased compared to SFY 2022.

Title IV-E	2020	2022	2024
Foster Care Program	\$123,898,022	\$102,417,281	\$102,306,065
Adoption Assistance Program	\$127,690,244	\$117,485,475	\$135,570,753
Guardianship Assistance Program	\$3,877,576	\$3,420,816	\$3,818,008
Chafee Program and ETVs	\$9,239,747	\$11,237,360	\$5,099,380
Waiver	\$0	N/A	N/A

Title IV-E	2020	2022	2024
Prevention Program	\$0	\$333,700	\$15,234,625
Kinship Navigator Program	\$0	\$0	\$0
Funding Certainty Grants	\$0	\$0	\$0

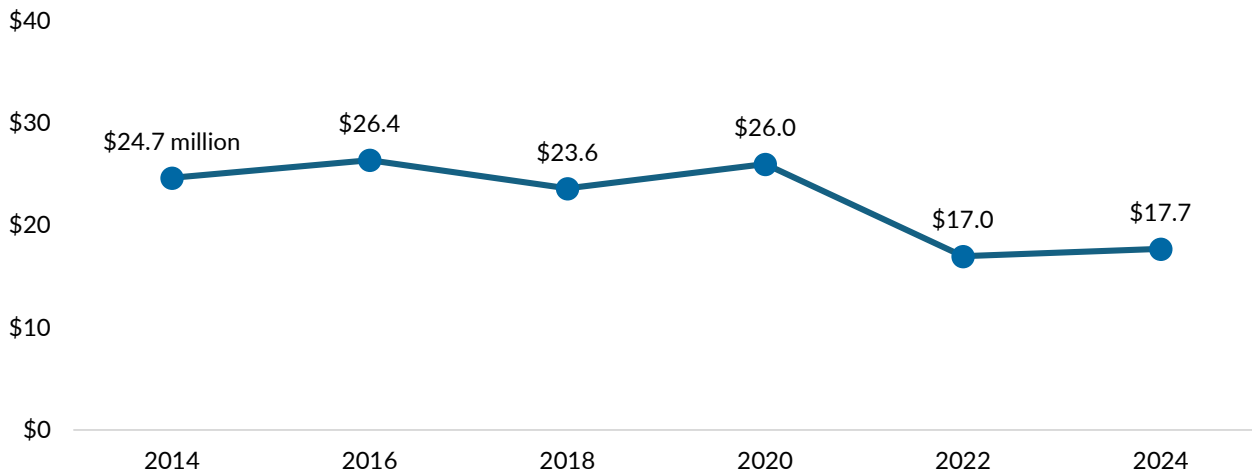
Note: N/A means the program did not exist in that year.

## Title IV-B

Total in SFY 2024: \$17,712,599

Change from SFY 2022: 4%

Title IV-B<sup>8</sup> of the Social Security Act can be used for child welfare services, such as preventing maltreatment, family preservation, family reunification, services for foster and adopted children, and training for child welfare professionals. The funds reported on the survey are only those spent by child welfare agencies.



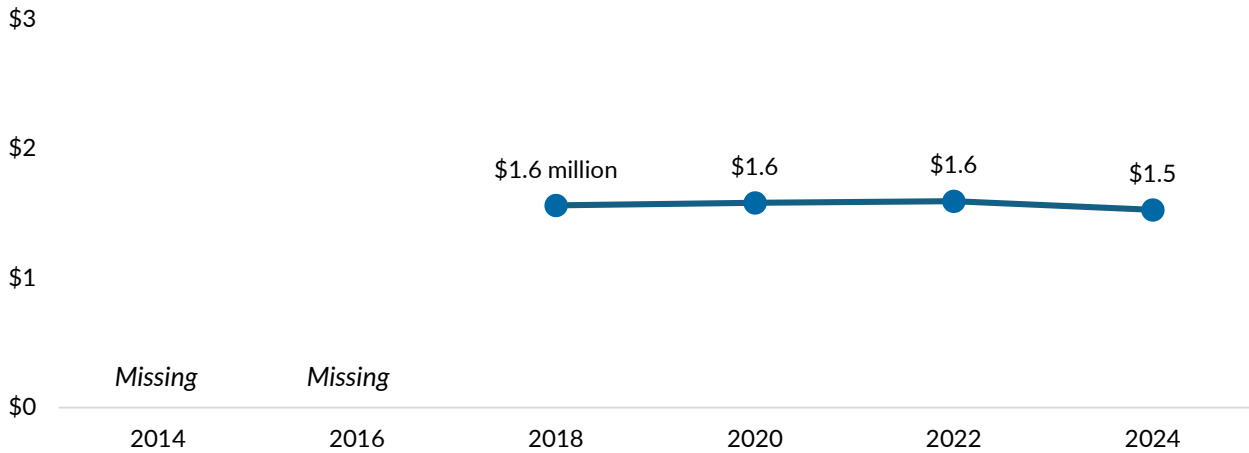
## Medicaid

Total in SFY 2024: \$1,526,229

Change from SFY 2022: -4%

Medicaid<sup>9</sup> covers health-related services for millions of low-income individuals. Children eligible for Title IV-E foster care, adoption, or guardianship programs are automatically eligible for Medicaid. Child welfare agencies use Medicaid for treatment portions of child welfare programs, targeted case management, and services for children in treatment or therapeutic foster homes. Note: The amount reported here captures only Medicaid expenditures by child welfare agencies; it does not reflect the state's total Medicaid spending. This means that the Medicaid expenditures reported on this survey do not reflect the total amount of Medicaid funding used to support children involved with the child welfare system. Instead, the expenditures reported on this survey are only those Medicaid dollars that child welfare agencies use directly.

## Medicaid (cont.)

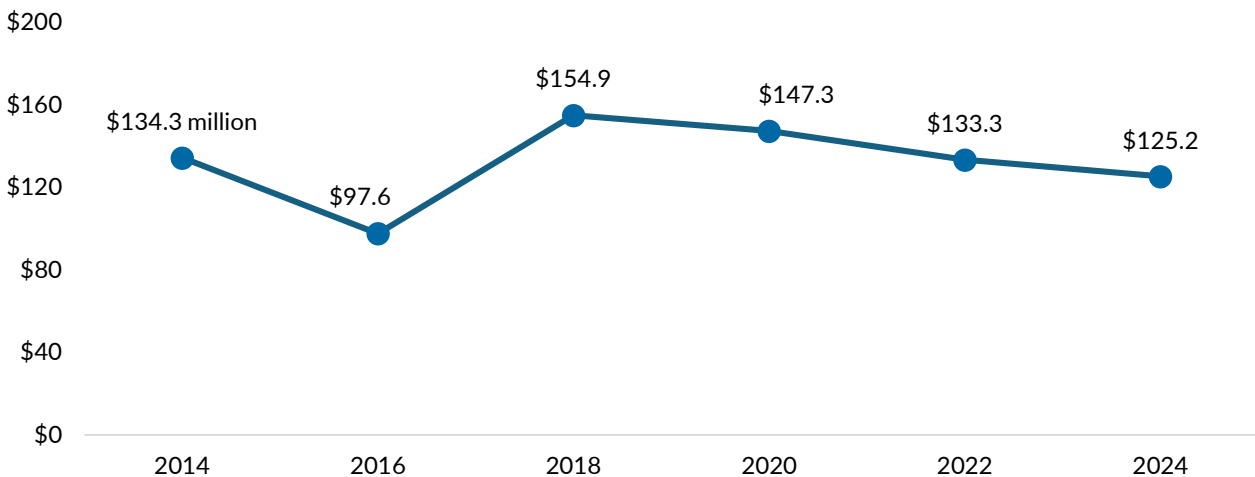


## Social Services Block Grant

Total in SFY 2024: \$125,239,709

Change from SFY 2022: -6%

The Social Services Block Grant (SSBG) is a flexible source of federal funds that child welfare agencies can use to promote self-sufficiency, prevent or remedy child maltreatment, reduce inappropriate use of institutional care, and more.<sup>10</sup>



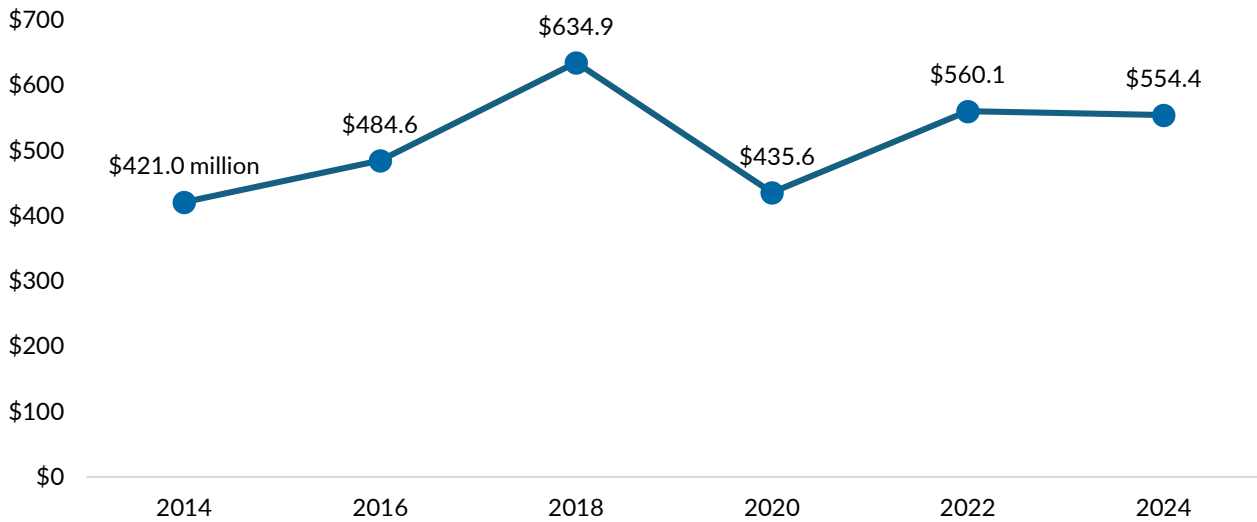
## Temporary Assistance for Needy Families

Total in SFY 2024: \$554,373,537

Change from SFY 2022: -1%

In addition to providing cash assistance to low-income families, Temporary Assistance for Needy Families (TANF) can also be used to support a variety of child welfare activities. TANF allows states to be flexible in using funding to support children involved in the child welfare system.

## Temporary Assistance for Needy Families (cont.)



## Other Federal Funds

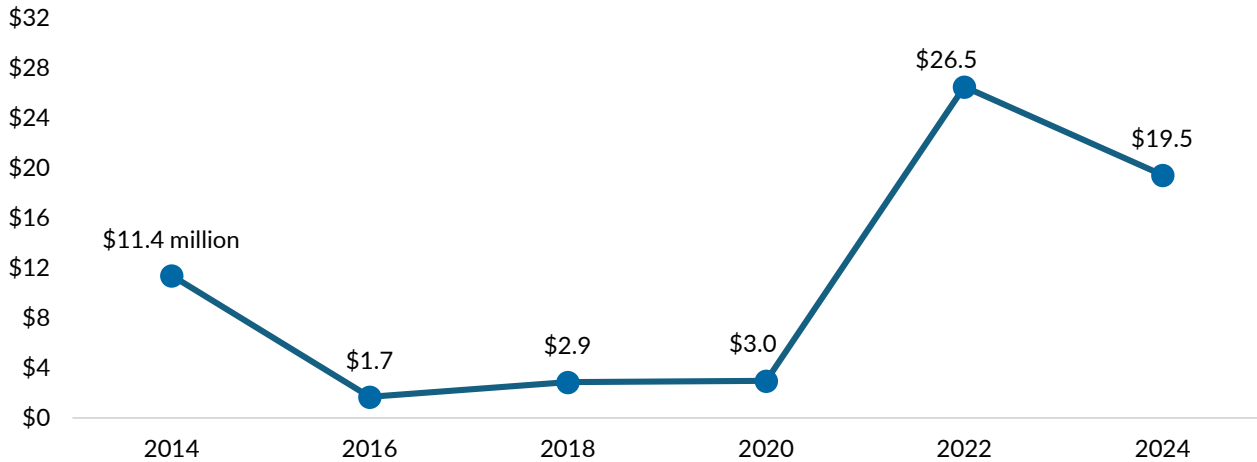
Total in SFY 2024: \$19,450,951

Change from SFY 2022: -27%

In addition to the major federal sources, child welfare agencies use other federal funding streams, including:

Other Federal Funds	SFY 2024 expenditures	Percent of total
Child Abuse Prevention and Treatment Act (CAPTA) <sup>11</sup>	\$2,497,188	13%
Community-Based Child Abuse Prevention (CBCAP) grants <sup>12</sup>	\$1,459,709	8%
Children's Justice Act <sup>13</sup>	\$544,102	3%
Adoption Opportunities <sup>14</sup>	\$0	0%
Adoption and Legal Guardianship Incentive Payments <sup>15</sup>	\$184,230	1%
Maternal, Infant, and Early Childhood Home Visiting <sup>16</sup>	\$9,036,439	46%
Family First Transition Act grants <sup>17</sup>	\$2,312,268	12%
Coronavirus State and Local Fiscal Recovery Funds (ARPA) <sup>18</sup>	\$3,417,015	18%
Other	\$0	0%

## Other Federal Funds (cont.)

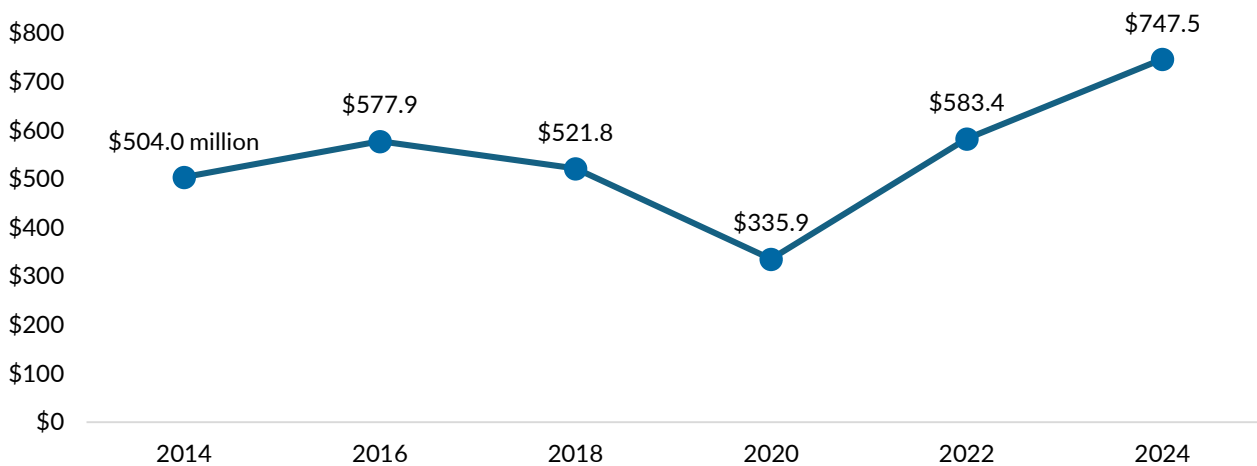


### Michigan Insights

Michigan experienced a decrease in the expenditure of other federal funds because of the expiration of several pandemic relief funding streams.

## State and Local Expenditures

State and local funds are used to meet non-federal cost-sharing requirements (“match”) for some federal sources, to meet a maintenance of effort requirement for a federal program, and to pay for costs that federal funds do not cover.

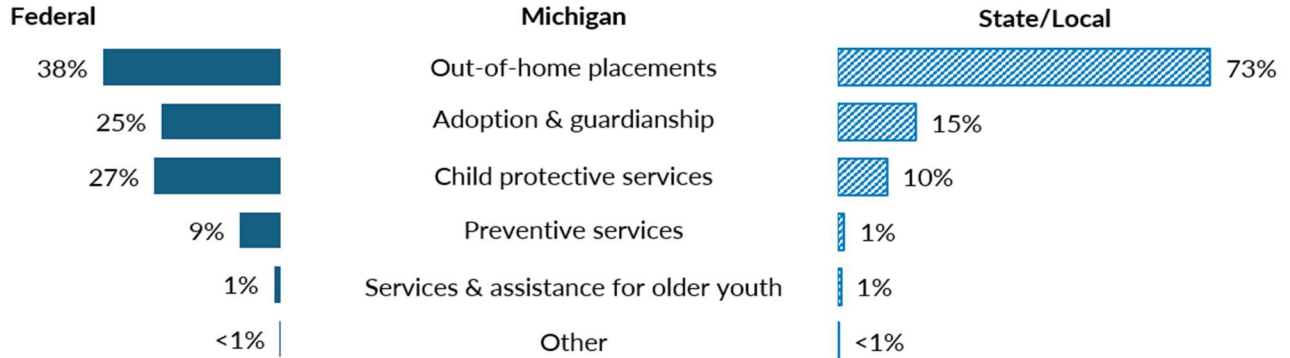


### Michigan Insights

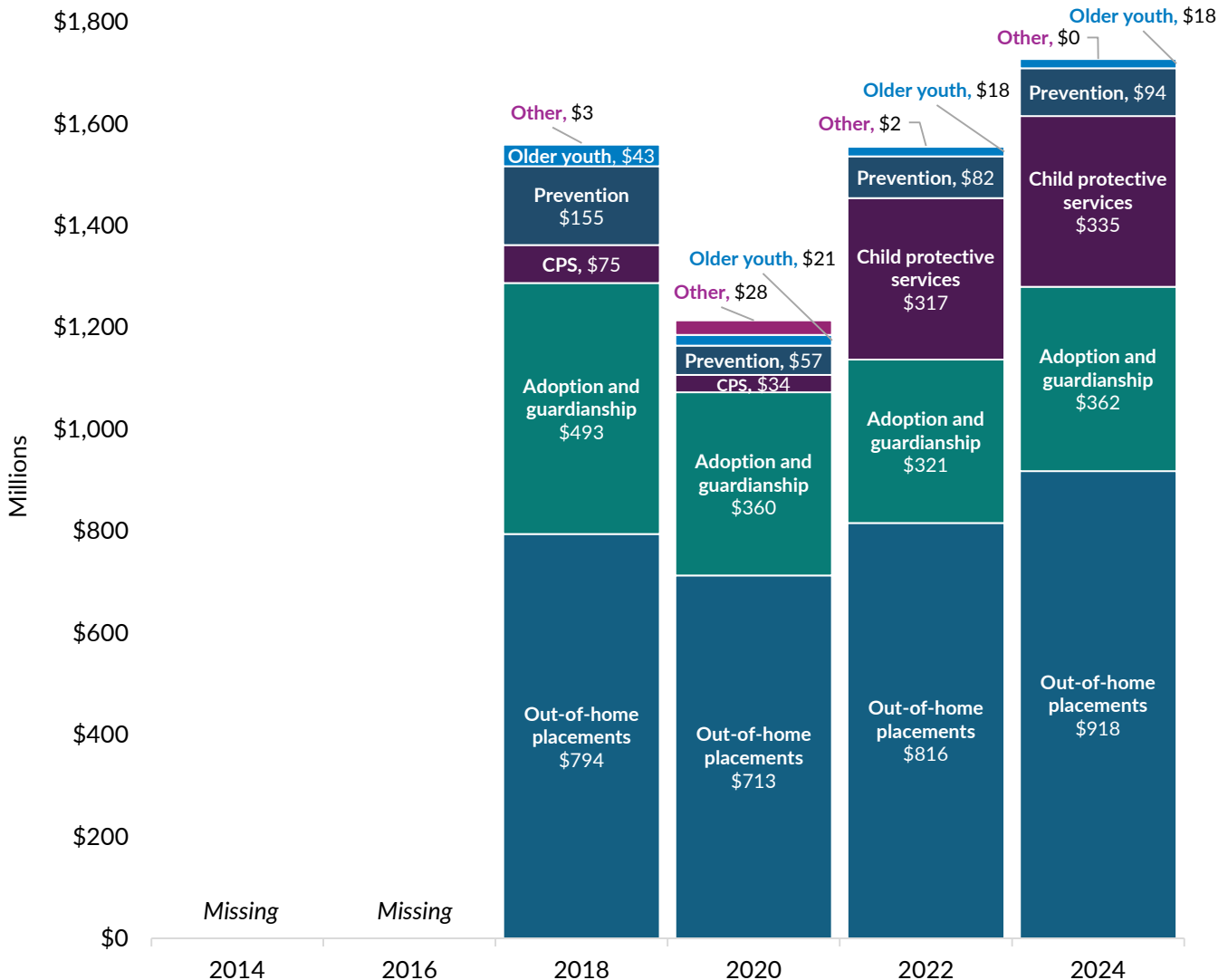
Michigan's increased expenditure of state funds was due to increased child welfare maintenance rates and rate increases for child caring institutions.

# Use of Funds

More than a third of Michigan's federal expenditures are used for out-of-home placements while nearly three quarters of the state's state/local expenditures are used for this purpose.<sup>19,20</sup>



Over the past decade, Michigan's estimated child welfare agency spending on out-of-home placements has increased while the state's estimated child welfare agency spending on preventive services decreased.<sup>21</sup>



**Acknowledgement:** We thank the Annie E. Casey Foundation and Casey Family Programs for their support and expert consultation throughout the project. We acknowledge that the findings and conclusions presented in this resource are those of the authors alone and do not necessarily reflect the opinions of these organizations.

**Main Report:** Rosinsky, K., Haas, M., & Ibarra, A. (2026). Child Welfare Financing SFY 2024: A survey of federal, state, and local expenditures. Child Trends. DOI: 10.56417/9614y2432r.

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## Endnotes

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<sup>1</sup> Each state reported data based on its SFY 2024, which for Michigan was October 1, 2023 to September 30, 2024.

<sup>2</sup> U.S. Department of Health & Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau. (2024). *Child Maltreatment 2024*. Available at: <https://acf.gov/cb/report/child-maltreatment-2024>

U.S. Department of Health & Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau. (2024). *Child Maltreatment 2022*. Available at: <https://www.acf.hhs.gov/cb/data-research/child-maltreatment>

U.S. Department of Health & Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau. (2022). *Child Maltreatment 2020*. Available at: <https://www.acf.hhs.gov/cb/data-research/child-maltreatment>

U.S. Department of Health & Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau. (2020). *Child Maltreatment 2018*. Available at: <https://www.acf.hhs.gov/cb/data-research/child-maltreatment>

<sup>3</sup> "Served in foster care" refers to the "estimated count of all children who were in the public foster care system during the Federal Fiscal Year (FFY). This number is the sum of two mutually exclusive groups of children: the children who are already in care on the first day of the fiscal year (as of October 1) and the children who enter foster care during the year. An individual child is counted only once for each year."

U.S. Department of Health and Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau. (2024). *Trends in Foster Care and Adoption: FY 2013 - 2022*. Available at: <https://acf.gov/cb/report/trends-foster-care-adoption>

U.S. Department of Health and Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau. (nd). *The AFCARS Dashboard*. Available at: [https://tableau-public.acf.gov/views/afcars\\_dashboard\\_main\\_page/mainpage?%3Aembed=y&%3AisGuestRedirectFromVizportal=y](https://tableau-public.acf.gov/views/afcars_dashboard_main_page/mainpage?%3Aembed=y&%3AisGuestRedirectFromVizportal=y)

<sup>4</sup> The survey instrument has been revised over time, so some data are not directly comparable.

To enable comparisons, all dollar amounts from previous years have been inflated to 2024 levels using the gross domestic product deflator (accessed at [www.measuringworth.com/uscompare/](http://www.measuringworth.com/uscompare/)).

When comparing two or more years, we conducted the analysis only if the state had comparable data in both years.

<sup>5</sup> "Other" includes child benefits and family income used as offsets, third-party in-kind contributions, and private dollars.

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<sup>6</sup> For SFY 2024, Michigan was unable to report third-party in-kind contributions, so its "other" and total expenditures may be understated. The total expenditure amounts for SFY 2014 and SFY 2016 are missing because the state was unable to report expenditures for at least one of the major funding streams those years.

<sup>7</sup> National Conference of State Legislatures. (2026). *Family First State Plans and Enacted Legislation*. Available at: <https://www.ncsl.org/human-services/family-first-state-plans-and-enacted-legislation>

U.S. Department of Health and Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau. (2024). *Title IV-E Programs Expenditure and Caseload Data 2023*. Available at: <https://acf.gov/cb/report/programs-expenditure-caseload-data-2023>

U.S. Department of Health and Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau. (2025). *Status of Submitted Title IV-E Prevention Program Five-Year Plans*. Available at: <https://acf.gov/cb/data/status-submitted-title-iv-e-prevention-program-five-year-plans>

<sup>8</sup> For this survey, states were asked to report their child welfare agency's(ies') total federal Title IV-B expenditures for child welfare services/activities. They were told to exclude any Title IV-B dollars expended by non-profits, courts, or other entities in the state unless the funds flowed through the state/local child welfare agency to the outside entity and were spent on child welfare services/activities. Thus, because some Title IV-B dollars may have gone directly to, and been spent by, these outside entities, the total reported here may not represent the state's total Title IV-B expenditures.

<sup>9</sup> For the survey, researchers asked states to report only Medicaid funds that covered costs borne by the child welfare agency and/or for which the child welfare agency paid the nonfederal match. It excludes Medicaid-funded costs for the child welfare population borne by any other agencies (e.g., the health department) unless the child welfare agency paid the nonfederal match and so excludes costs associated with healthcare coverage. It should be acknowledged, therefore, that this understates (by a significant, yet indeterminate, amount) the degree to which Medicaid supports children involved with the child welfare system and child welfare activities overall in the United States. Additional Medicaid funds may be used by the state health department to provide healthcare to children involved in child welfare, the majority of whom are eligible for Medicaid.

The state was unable to report Medicaid expenditures for SFYs 2014 and 2016.

<sup>10</sup> These amounts include funds transferred from TANF to SSBG.

<sup>11</sup> CAPTA provides formula grants to states to improve child protective services. It also provides funding aimed at child maltreatment prevention, assessment, and treatment.

<sup>12</sup> CBCAP, which is a part of CAPTA, provides formula grants to states for child abuse prevention work carried out by community-based organizations.

<sup>13</sup> The Children's Justice Act provides formula grants to eligible states from the national Crime Victims Fund to support improvements in investigating and prosecuting child maltreatment cases.

<sup>14</sup> The Adoption Opportunities program provides competitive grants to states and other entities to promote adoption, remove barriers to adoption, provide post-adoption support to families, and provide other related activities.

<sup>15</sup> Adoption and Legal Guardianship Incentive Payments provide incentive payments to states to encourage more adoptions and legal guardianships from foster care. Incentive payments are provided when a state improves its rate of adoptions and guardianships (in general and for older children).

<sup>16</sup> MIECHV provides formula funds and competitive grants to fund home visiting programs to help improve outcomes for at-risk children. Some home visiting models can help reduce child abuse and neglect and promote the healthy development of children.

<sup>17</sup> FFTA was signed in 2019 to help states during the early implementation of the Family First Act. The law provides \$500 million in one-time funding that could be spent by states (1) on any allowable Title IV-B activities, (2) to support implementation of the Family First Prevention Services Act, and (3) for former Title IV-E waiver states on activities formerly approved under their waiver.

<sup>18</sup> Coronavirus State and Local Fiscal Recovery Funds are funds available to state, local, territorial, and Tribal governments through the American Rescue Plan Act (ARPA) of 2021.

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<sup>19</sup> Most states, including Michigan, were able to provide only approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>20</sup> Most states, including Michigan, were able to provide only approximations for how their funds were spent. Totals may not equal 100% due to rounding.

<sup>21</sup> The amounts for SFYs 2014 and 2016 are missing because the state was unable to report expenditures for at least one of the major funding streams those years.