

The End of Infant Homes in the Czech Republic?

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ABSTRACT— *Representatives of international organizations defending the rights of children often criticize the Czech Republic for the high number of minors placed into institutional care (i.e. infant homes and children’s homes). The trend throughout Europe in recent years is actually the placement of children in substitute family care. This trend could lead to the vacancy and subsequent dissolution of institutional care facilities.*

This paper compares the economic positions of two care models, i.e. the costs of institutional care and foster care (professional families). According to various experts in the field of child psychology and psychiatry, substitute family care is more beneficial to children than institutional care; for this reason, the demand for phasing out activities of infant and children’s homes has been expressed clearly.

The paper contributes to the economic perspective of this discussion. One argument has been whether the dissolution of infant and children’s homes may also lead to decreases in government spending.

Keywords— *Substitute family care, professional foster parent, family assistant, social expenditures*

1. INTRODUCTION

The Czech system of care for children is somewhat fragmented. The situation seems to be even more complicated due to the fact that, by signing the United Nations Convention of the Rights of the Child, the Czech Republic agreed to use substitute family care more efficiently and to decrease the number of children placed in institutional care.

In order to achieve the desired result, the Government’s strategy had to be developed aiming above all “to create such a system which ensures that all the rights of each child are consistently protected and children’s needs are met, with the system supporting the improvement of the quality of life of children and families, eliminating discrimination and unequal approaches towards children, and promoting all-round development of children in their natural family environment, or in a substitute family environment, all these with the participation of the child in any decision-making processes that directly affect them” (The Ministry Of Labour, 2011). The aim of this strategy is to support families, because the family is regarded as the basic unit of society, from which all members can develop and benefit, especially children.

The Czech Republic is a country where, due to the historical context, children who are outside of the care of their biological family are placed in an institutional facility such as an infant or children’s home. Although nearly half of the children who are placed in institutions within the first three years of their age return to their biological families, it is known that the child should have been placed in a “professional family” rather than an institution. Beginning in 2014, such families will be sought with the aim of placing children under the age of three in temporary foster care rather than institutional facilities. The Act on the Social and Legal Protection of Children was amended in 2013 to increase the allowances for substitute families, specifically for temporary foster parents.

This article assesses the costs of the current constitutional system of care for children in infant homes in comparison with the expenditure system of foster care benefits. Based on this comparison, we answer the following questions:

- Are the costs of institutional care higher than the costs of foster care benefits?
- Is the ongoing dissolution of infant homes an efficient economic and social solution?
- Is the professionalisation of foster care an efficient step in child care reform?

The results of our research contribute to the discussion, support material, and possible arguments used in addressing this issue.

2. MATERIAL AND METHODS

The compared data were drawn from the following two data sources:

1. The cost per child per month in an institutional facility. These costs include any operational costs, including wages and depreciations.
2. Social security benefits provided by the government, specifically benefits intended for foster parents

2.1 Institutional Facility Costs

We based our quantification of the costs of institutional care on the data of the Czech Ministry of Labour and Social Affairs, the Ministry of Health, and the Ministry of Education, Youth and Sports, as the funding of infant and children's homes is under their jurisdiction.

In addition, we managed to establish contacts with two children's homes. A number of children's homes refused to cooperate, citing the protection of the privacy of children as the reason. The Infant and Children's Home in Svitavy was willing to provide specific information. The Children's Home in Litoměřice referred us to their annual report containing the requested data. The data from the LORETA Children's Home in Fulnek were obtained from their annual report, published on their website.

2.2 Foster Care Benefits

The system of government social security benefits, specifically the benefits paid out to foster parents, was used for the analysis of the expense-to-revenue ratio for child care in professional foster families. Some of the benefits are specified, such as that the person entitled to the benefit is either a child or a foster parent, or that benefits can be paid out either as a lump sum or in regular intervals.

The foster care benefits are: an allowance to cover the needs of the child, foster parent reimbursement, allowance upon taking a child in for care, a contribution towards the purchase of a personal motor vehicle, and an allowance upon termination of foster care (a new benefit as of 1 January 2013).

a) The allowance to cover needs of the child (regular benefit)

As of 1 January 2013, the amount of the allowance to cover the needs of the child ranges from CZK 4,500 to CZK 6,600 per month depending on the child's age. If a child is dependent on physical care provided by another natural person pursuant to the Social Services Act, the allowance to cover the needs of the child ranges from CZK 4,650 to CZK 9,000 per month depending on the child's age and the degree of dependency.

b) Foster parent reimbursement (regular benefit)

The persons entitled to the reimbursement are care providers and registered persons. Care providers and registered persons are also entitled to the foster parent reimbursement when a dependent child that has been entrusted to their care does not qualify for the allowance to cover the needs of the child after having attained their majority because they receive a pension under the pension scheme, the amount of which is the same or higher than the allowance.

The amount of the foster parent reimbursement is CZK 8,000 per month if one child is cared for (just for comparison, the benefit was CZK 3,400 before 2013), CZK 12,000 if two children are cared for, CZK 20,000 if at least three children are cared for (before 2013, a special reimbursement of CZK 17,200 was paid out to such foster parents), or up to CZK 24,000 when a foster parent takes care of at least one child entrusted to their care for a temporary period and the child is a handicapped person dependent on another person's assistance (Dependence Degree II, III, or IV).

We only focused on the two regular monthly benefits. We did not figure in other benefits which may be paid out to foster parents caring for children under three years of age, such as maternity or parental benefits. We did include the **CZK 4,000 monthly benefit towards the performance of foster care**, which a foster parent does not receive directly, but that serves to cover services arising in relation to the performance of foster care. We also left out of consideration any costs incurred by foster parents in relation to child care, such as any other household operation expenses which are not reported and reimbursed.

We used specific data published on the website of the Czech Ministry of Labour and Social Affairs to calculate the cost of professional foster care. As of 1 January 2013, foster care benefits ceased to be state social security benefits. The legal provisions regulating foster care benefits are set forth in Act No. 359/1999 Coll., on the social and legal protection of children, as amended.

In our research, we compared the financial demands of institutional care with professional foster care benefits. There is limited information on the foster care efficiency and expense-to-revenue ratio in professional literature. Nevertheless, several studies have been conducted, mainly abroad, arriving at the following outcomes:

- “The therapeutic, corrective, and rehabilitative effect of professional therapeutic care was proved,
- where cost-related issues were studied, it was proved that total costs per child were significantly lower than in the case of institutional care.” (Bubleová, 2002).

3. RESULTS AND DISCUSSION

Although the term “temporary foster care” existed before the end of 2012, the financial reimbursement for temporary foster care was identical to the reimbursement for “standard” foster care, i.e. benefits were provided only at the time when a foster parent cared for a child. Distinctions were made only in terms of the child’s health restrictions and the number of children.

Table 1: Comparison of monthly costs before the end of 2012

Comparison of the cost of care for one child in a breakdown by institutions and state authorities		
	healthy child (CZK/month)	disabled child (CZK/month)
Foster care (benefits paid)	7,500	19,200
Litoměřice Children’s Home	30,556	30,556
LORETA Children’s Home in Fulnek	40,259	40,259
The national standard set by the Ministry of Education of the Czech Republic	25,263 ¹ / 30,145 ²	25,263/30,145

Source: authors

The reimbursement of temporary foster parents was introduced in 2013, and the main difference is that now a foster parent is entitled to a CZK 20,000 monthly reimbursement, including during the time when they do not care for a child.

Table 2: Comparison of monthly costs after 2013

Comparison of the cost of care for one child in a breakdown by institutions and state authorities		
	healthy child (CZK/month)	disabled child (CZK/month)
Temporary foster care (benefits paid)	28,000	34,400
Litoměřice Children’s Home	30,556	30,556
Svitavy Infant and Children’s Home	31,149	31,149
LORETA Children’s Home in Fulnek	40,259	40,259
The national standard set by the Ministry of Education of the Czech Republic	25,263 ³ / 30,145 ⁴	25,263/30,145

Source: authors

In “standard” foster care, the costs are approximately CZK 12,500 per month.

1 Data for children’s homes
2 Data for children’s homes with a school
3 Data for children’s homes
4 Data for children’s homes with a school

Evaluation of the financial demands of both versions of substitute family care

In our analysis, we only focused on the economic outcomes, separate from the social and psychological aspects, that are inherently linked to these issues. The economic analysis is one of many criteria involved in the discussion. To simplify the analysis and compare the expense-to-revenue ratios, we considered only the highest possible payments (for healthy and disabled children) for professional foster care that the state would expend on child care.

It is clear that before 2013, the foster care system saved considerable financial resources in comparison to institutional care. For the period after 2013, the measures taken in financial support for temporary foster care actually resulted in equalizing foster care and institutional care, which was in fact the original intention of the lawmakers.

But hand in hand with this rather radical reform, opinions emerged that the dissolution of institutional care facilities would lead to mass employee redundancies in infant and childrens' homes. The negative reactions of the employees to the reform were refuted by statements made by supporters of the reform who pointed out that although these workers will no longer be employed by institutional facilities, they will find employment for example in field social work and will provide valuable guidance based on their qualifications to affected families and professional foster parents. In other European countries where similar reforms have been implemented (e.g., France and the UK), the number of unemployed people in social services did not increase sufficiently to enable the conclusion that the dissolution of institutional facilities caused this unemployment. However, such layoffs will affect not only skilled workers qualified in pedagogical sciences, but also less qualified workers, mostly employed as maintenance staff, cooks, and cleaners. We expect that these workers will not find employment in field social work and will have to look for jobs with other employers. However, "the needs of children should be given priority over the needs of adults; this means over the needs of staff at institutional facilities." (Ten Myths about the Dissolution of Infant Homes, 2012).

Another debated issue is the use of the premises vacated as a result of the infant homes or children's homes dissolution. These premises are mostly owned by regional authorities and considerable financial resources were invested in their construction or reconstruction. Hence, it will be necessary to look for solutions that would enable their efficient use and prevent them from falling into disrepair when they no longer suit their original purpose. The fact that people who spent their childhood in institutions often burden the system, in the form of either the cost of various social benefits (they have problems finding work) or the costs of serving a sentence (it has been proved that such people break the law more often than people who had a chance to live in a family environment, even a substitute family), should not be overlooked.

Evaluation of the proposed reform with respect to the protection of the child's interests

In its 2012 press release, the Amalthea non-profit organization presented the ten reasons most frequently cited by opponents of the proposed reform. These reasons include the fact that contemporary institutional facilities have excellent equipment and therefore they provide children with material conditions that children growing up with their biological parents do not necessarily have available. The children have a lot of toys and live in "apartment units" together only with the children who belong to their apartment group. It could be said that this coexistence simulates a family environment. Still, medical experts do not support this type of coexistence. Much child development research clearly shows that children develop emotional attachments to members of their family (especially to their mother) from early childhood. However, children in infant homes are deprived of establishing such relations.

The issues mentioned in relation to professional foster care sometimes include the fact that professional foster parents, are not actually professional in the true sense of the word and may not be able to take care of some children, especially children with various disabilities. It is not possible to fully identify with this opinion because there are a number of biological parents in the Czech Republic who care for their disabled children, and they are not expected to be experts. In addition, it is possible that the funds that would be saved by terminating the operation of institutional facilities could be invested into the support of professional foster parents taking care of disabled children.

The most compelling reason against the dissolution of infant homes is that foster parents may be unwilling to give up a child who has been awarded to their custody because they have accepted the child into their family and the child has become a member of the family. Experts recognize this fact and contend that professional foster care is not intended for everybody and that every applicant must be properly examined and must undergo psychological tests to demonstrate their suitability for inclusion in the register of professional foster parents. Arguments against this opinion claim that professional foster care is a highly effective and common contemporary practice in some European countries. Not all foster parents are willing to take care of a child of another race or a disabled child, and therefore it cannot be said with certainty that there will be enough foster parents. The Czech Ministry of Labour and Social Affairs, however, argues that the saved funds will enable assistance to be provided for field social work that can help families in trouble and, thanks to this assistance, the numbers of children who need substitute family care should decrease accordingly.

We can infer that placing children in foster family care is appropriate in terms of protecting the child's interests;

however, it is essential that any steps leading to this placement are carefully considered.

4. CONCLUSION

The comparison of government spending on foster care benefits with the expenditure on institutional care (infant homes, children's homes) clearly shows that professional foster care is more cost-efficient than institutional care. This is also supported by calculations of the Ministry of Labour and Social Affairs. Childcare allowances granted to foster parents cost much less than comparable institutional care; therefore, professional foster care should be preferred. In terms of protecting the child's interests, efficient care can be evaluated as the most suitable variant of care for abandoned children, unless they can be adopted.

Our research supports the outcomes of the analyses conducted by the Ministry of Labour and Social Affairs about the funds spent on both variants of care. Our results clearly confirm that the cost-efficiency speaks for professional foster care. Again, these issues have not only an economic dimension but certainly social, societal, and professional dimensions as well. We recommend that all steps be conducted prudently in concord with the entire professional community. These results can be inspiring for further professional research and discussions.

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