

GAO

Testimony

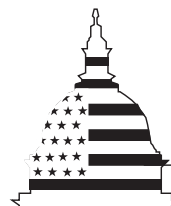
Before the Subcommittee on Human Resources,
Committee on Ways and Means, House of Representatives

For Release on Delivery
Expected at 10:00 a.m.
Thursday, May 13, 1999

FOSTER CARE

Challenges in Helping
Youths Live Independently

Statement of Cynthia M. Fagnoni, Director
Education, Workforce, and Income Security Issues
Health, Education, and Human Services Division



G A O

Accountability * Integrity * Reliability

Foster Care: Challenges in Helping Youths Live Independently

Madam Chair and Members of the Subcommittee:

I am pleased to be here today to discuss the Department of Health and Human Services' (HHS) Independent Living Program (ILP) and the needs of youths leaving the foster care system. While some foster care youths may be adopted or reunited with their families, each year approximately 20,000 exit the foster care system with the expectation that they will be self-sufficient. Yet many of these youths face serious problems, including homelessness, lack of employment stability, incarceration, and pregnancy at an early age. Recently, the Congress has raised concerns that ILP, designed to help foster care youths transition to living independently, does not provide the necessary life skills to complete basic education, find and maintain employment, or to otherwise live self-sufficiently after leaving care.

Today, I would like to focus my remarks on (1) the problems faced by foster care youths once they leave care, (2) what is currently known about the extent of services provided by ILP, and (3) what is known about the effectiveness of ILP. My testimony is based on our ongoing work for this subcommittee, including our visits to locations in California, Maryland, New York, and Texas and a preliminary review of about one-third of the 1998 annual ILP reports submitted by states to HHS.

In summary, the few available studies that track youths who have exited foster care reveal that many have a difficult time making the transition to living on their own. The studies found that a substantial portion of these youths have not attained basic education goals, such as completing high school, and are dependent on public assistance. In addition, many experience periods of homelessness after leaving care and have other difficulties that impede their progress toward self-sufficiency, such as being unemployed. In an effort to help foster care youths become self-sufficient, state ILPs offer a wide array of independent living services, including education and employment assistance; training in daily living skills, such as managing money, housekeeping, and personal hygiene; and additional transitional services, such as supervised practice living. However, program administrators acknowledge that independent living services fall short in key areas. These administrators report that developing appropriate employment opportunities for foster care youths, providing supervised transitional housing arrangements, and developing program activities that provide opportunities to practice the skills learned or enhance youths' self-esteem has been difficult. Moreover, there are few evaluations that link program objectives to outcomes, leaving questions

concerning the effectiveness of the current array of independent living services.

Background

ILP was initially authorized by P.L. 99-272 and reauthorized indefinitely as part of the Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66). The act authorized federal funding of \$70 million per year for states to establish and implement services to assist youths aged 16 and over make the transition to independent living from foster care. Services are provided for a short period of time, and states have the flexibility to design services to meet a wide range of individual needs. A portion of the federal funds—\$45 million—are distributed to states as an entitlement based on each state's proportion of all youths receiving federal foster care payments in federal fiscal year 1984 across the United States.¹ States are eligible to receive an additional share of the remaining \$25 million in federal funds if they provide funds to match the federal dollars received. Recently, the Congress and the Administration proposed new initiatives designed to further help adolescents move from foster care to adulthood, including increased program funding, medical care coverage, and housing supports.

HHS issued instructions to states in December 1993 outlining allowable ILP services. These services include education and employment assistance; instruction in daily living skills; and transitional support services, such as supervised practice living. In addition, states must provide youths written transitional independent living plans based on an assessment of their needs and may establish outreach programs to attract individuals eligible to participate to the program. Further, ILPs may include counseling and other similar assistance related to education and vocational training, preparing for a general equivalency diploma (GED) or higher education, and counseling and training to enhance basic living skills and interpersonal and social skills. Eligible participants for independent living services include all youths aged 16 and over for whom federal foster care payments are being made.² At their option, states may also serve foster care youths not receiving federal assistance and former foster care youths who were in foster care after the age of 16. Likewise, states may provide

¹Under title IV-E of the Social Security Act, federal matching funds based on the state's Medicaid matching rate are provided to states for foster care maintenance costs to cover a portion of the food, housing, and incidental expenses for foster care children from families eligible for benefits under the former Aid to Families With Dependent Children program using 1995 eligibility criteria. States incur all foster care costs for children not eligible for federal support.

²States can receive federal foster care maintenance payments for eligible children while in foster care family homes, private for profit or nonprofit child care facilities, or public child care institutions. Youths become ineligible for federal foster care maintenance payments at age 18.

services to any of these youths until the age of 21. Youth participation in ILP services is voluntary.

Research Suggests That Foster Care Youths Struggle to Reach Self-Sufficiency

Many foster youths have a difficult time making the transition from the foster care system to self-sufficiency. While there are few available studies tracking youths who have exited foster care, our review of these studies reveals some consistent findings. Research has shown that many former foster care youths have serious education deficiencies and rely on public assistance. For example, a 1991 Westat study of foster care youths interviewed 2.5 to 4 years after they left care found that 46 percent of these youths had not finished high school.³ Additionally, almost 40 percent were determined to be a cost to the community, such as being dependent on some form of public assistance or Medicaid. Other research shows similar results. A 1990 study of former foster care youths in the San Francisco Bay Area who had been out of care at least 1 year but no more than 10, showed that 55 percent left foster care without graduating from high school and that 38 percent still had not graduated at the time of the study.⁴ Similarly, the University of Wisconsin recently studied youths who had been out of care between 12 and 18 months and found that 37 percent had not finished high school and 32 percent were receiving public assistance.⁵

In addition, former foster care youths often find themselves lacking adequate housing. The Westat study reported that 25 percent of the youths were homeless at least 1 night. Likewise, the University of Wisconsin study found that, since leaving care, 14 percent of the males and 10 percent of the females had been homeless at least once and 22 percent had lived in four or more places in the previous 12 to 18 months. The connection between homelessness and prior episodes of foster care can also be seen in a 1997 study of 400 homeless individuals.⁶ This study found that 20 percent had lived in foster care as children and 20 percent had one or more children currently in foster care.

³Westat, Inc., *A National Evaluation of Title IV-E Foster Care Independent Living Programs for Youth* (Washington, D.C.: HHS, 1991).

⁴Richard P. Barth, "On Their Own: The Experiences of Youth After Foster Care," *Child and Adolescent Social Work*, Vol. 7, No. 5 (Oct. 1990).

⁵Mark E. Courtney and Irving Piliavin, *Foster Youth Transitions to Adulthood: Outcomes 12 to 18 Months After Leaving Out-of-Home Care* (Madison, Wisc.: University of Wisconsin, 1998).

⁶Homes for the Homeless, *Homelessness: The Foster Care Connection* (updated Apr. 1997), <http://www.opendoor.com/hfh/fostercare.html> (cited Dec. 9, 1998).

Additional difficulties may further impede former foster care youths' ability to become self-sufficient. For example, the Westat study found that 51 percent of the youths were unemployed and 42 percent had given birth or fathered a child. Similarly, the University of Wisconsin found that 39 percent of the youths were unemployed and that 27 percent of the males and 10 percent of the females were incarcerated at least once.

At the same time, research has shown that addressing these deficiencies can have a positive effect on former foster care youths. The Westat study found a connection between certain variables and the youths' ability to live independently. For example, the study showed that completing high school prior to leaving foster care was related to stable employment, not being a cost to the community, and overall self-sufficiency. Further, youths who held at least one job during their stay in foster care were more likely to maintain a job after care.

Findings from the three studies we reviewed are summarized in table 1.

Foster Care: Challenges in Helping Youths Live Independently

Table 1: Outcome Information on Former Foster Care Youths Reported in Three Recent Studies

Study and samples on which percentages are based	Outcome information on former foster care youths
Westat (1991) study of 810 former foster care youths in eight states at 2.5 to 4 years after leaving care	Education: — 46 percent had not completed high school. Employment: — 51 percent were unemployed. — 62 percent had not maintained a job for at least 1 year. Other: — 40 percent were a cost to the community. — 25 percent were homeless at least 1 night. — 42 percent had birthed or fathered a child.
Courtney and Piliavin (1998) study of 113 former foster care youths in Wisconsin at 12 to 18 months after leaving care	Education: — 37 percent had not completed high school. Employment: — 39 percent were unemployed. — 19 percent had not held a job since leaving care. Other: — 32 percent received some kind of public assistance. — 12 percent were homeless at least once (14 percent males and 10 percent females). — 22 percent had lived in four or more places. — 44 percent reported problems with acquiring needed medical care. — 27 percent of males and 10 percent of females were incarcerated at least once.
Barth (1990) study of 55 former foster care youths in the San Francisco Bay Area at least 1 year and no more than 10 years after leaving care	Education: — 38 percent had not completed high school. Employment: — 25 percent were unemployed. Other: — 53 percent reported serious financial hardships. — 47 percent received some form of public assistance or had problems paying for food or housing. — 35 percent were homeless or moved frequently. — 38 percent did not have health or medical coverage. — 13 percent reported hospitalization for an emotional problem. — 40 percent of females reported a pregnancy. — 35 percent had been arrested or spent time in jail or prison.

Multiple Services Assist Youths in Achieving Independence but Fall Short in Key Areas

To better ensure foster care youths are prepared to live as self-sufficient adults, state ILPS provide an array of services, including assistance with completing education and finding employment; developing the basic skills needed to live independently, such as money management, hygiene, housekeeping, and nutrition; and transitional services, such as supervised practice living arrangements. However, state and local administrators acknowledge that their current ILPS fall short in key areas. For example, some programs do not sufficiently seek out employment opportunities in the community and offer few opportunities for youths to participate in real-life practice opportunities or esteem-building experiences. Moreover,

some programs could not provide adequate housing or other transitional assistance for youths still in care and those who have left care.

Education and Employment Assistance

Our review of annual state reports and our visits to four locations show that states provide services to help youths (1) complete high school or a GED, (2) prepare for post-secondary or vocational education, and (3) prepare for employment. For example, in Contra Costa County, California, an education specialist meets with youths to discuss education goals, review grades, and assess education needs. If a youth is behind academically, tutoring services are provided. The specialist also sets up tours at local colleges and vocational programs and assists youths in completing financial aid applications. A job development specialist assists difficult to employ youths find self-supporting employment through such means as coaching, counseling, and on-site job development training. The specialist also coordinates career fairs. Youths in Baltimore receive employment-related training that covers topics such as writing resumes, preparing for interviews, conflict resolution, and job retention.

However, in the locations we visited, we found that the ILPs could not fully provide services that matched the employment potential of foster care youths to appropriate employment pathways. For example, officials in three of the locations we visited cited a lack of vocational opportunities appropriate for youths. State and local coordinators in Texas indicated that few apprenticeship positions are available, while officials in Baltimore and New York City reported a lack of affordable vocational programs or funds to pay for such programs. Baltimore officials also reported that culinary arts and technology-related programs—two programs popular with foster youths—are very expensive. Of the four locations we visited, only Texas offers statewide tuition waivers for all state-supported vocational, technical, and post-secondary schools.

We also found that connections between ILP and potential employers are not thoroughly developed. For example, ILP coordinators in one location said they did not have time to establish relationships with many employers and that employment development efforts in their locations were informal. State officials in California and Maryland indicated that they recognize more public-private partnerships to provide youths with employment opportunities are needed. In addition, New York City officials reported that they are just beginning to devise ways to link with employers to enhance youth job prospects, such as developing internship opportunities.

Several officials also pointed out that more staff need to be assigned to accomplishing this task.

Assistance in Learning Daily Living Skills

Our review of annual state reports shows that many states help youths develop daily living skills. Each location we visited conducts independent-living skills classes to teach youths tasks that are necessary to live self-sufficiently. For example, youths in Contra Costa County, California, attend a series of workshops that cover life skills such as money management, health and hygiene, parenting and sexual responsibility, and effective communication. Money management covers topics such as how to prepare a budget and how to open and use a checking account. In the San Antonio, Texas, area, life-skills classes meet for 8 weeks and cover core areas, including personal and interpersonal skills, health and safety, money management, and planning for the future. In New York City, life-skills classes provide similar instruction as well as instruction on housekeeping, health care, interpersonal skills, food management, transportation, and family planning.

However, important hands-on activities to practice daily life tasks and experiences to develop self-esteem were limited in some of the locations we visited. Some state and local program officials acknowledged the importance of allowing youths to attempt (and perhaps initially fail) daily tasks—including cooking, cleaning, doing laundry, and comparison shopping—until they become proficient at these tasks. Program officials in two locations and foster care youths in three locations reported that issues, such as safety regulations for group homes, inhibit or prevent certain activities, such as practicing cooking. In some group homes, laundry products and cooking utensils may be locked away from youths. In addition, esteem-building experiences are often limited to a small number of youths. For example, local officials in Texas reported that opportunities for foster care youths to participate in post-secondary school conferences or extended outdoor activities were limited. In addition, programs offering adult mentors—in an attempt to build positive and lasting relationships—serve a small number of youths. For example, a foster care service provider in Texas—contracted by the state specifically to develop mentor programs—reported difficulties finding mentors. However, officials in all locations saw some type of mentor program as one method to provide youths with a vocational role model and opportunities to practice other independent living skills they have learned.

Housing and Other Transitional Support Services

Based on our review of annual state reports and site visits, states offer a variety of additional services to further help youths transition to living on their own. These include supervised practice living arrangements—such as transitional housing programs—and aftercare services for youths who have left the foster care system. Transitional housing programs—while designed slightly differently in each location—provide an opportunity for youths to experience living independently while still receiving supervision and financial support. In Baltimore County, Maryland, for example, the Challengers Independent Living program seeks to provide youths who have previously lived a dependent lifestyle with different or improved means to cope with present and forthcoming independence once they leave foster care. Foster care youths can reside for 18 to 24 months in apartments furnished and supervised by the service provider and receive a weekly stipend to purchase clothing, food, and household supplies. They also are responsible for cleaning their apartments and doing their laundry. Each youth's foster care payment covers the cost of rent, utilities, and administration of the program. Program staff also offer educational, vocational, clinical, and home-life support, including additional independent-living skills training.

Officials in the four locations we visited reported that the number of supervised transitional housing sites is very limited and that they could not provide adequate housing assistance for both youths in care and those who have left the system. The programs we visited have a restricted number of spaces available—from 6 to 12 spaces. One transitional housing provider in Texas indicated that while the program has spaces for 6 youth, an additional 80 to 100 youths with no housing upon exiting foster care could benefit from this type of housing program. A transitional housing provider in a second location explained that program staff carefully screen youths for readiness and accept only the most promising teens into the program. Current foster care youths in Texas and former foster care youths in California also emphasized the need for additional transitional housing arrangements.

Youths who have exited foster care face a number of obstacles in finding housing, according to officials in the locations we visited. For example, many landlords are reluctant to rent apartments to a youth without work experience or credit history. In addition, foster care youths who live in urban areas often do not earn a sufficient income to pay the rents found in large cities and may find it difficult to save enough money to pay for a security deposit. Officials in Baltimore reported that the local social

services department often writes a letter to the landlord on behalf of youths to help them obtain housing.

Finally, officials at the locations agree that youths who have left the system often encounter hardships and need aftercare services from time to time. Although all of the locations we visited provide such services, some officials noted that their aftercare services are not extensive. For example, in Texas, aftercare services are only available for 6 months after the youth exits care. The services consist mainly of referrals to other service agencies, visits to colleges, and a small stipend for 4 months. Aftercare services in Baltimore County and New York City are limited to referring the youths to other agencies that can assist them. However, at both of these locations, youths have the opportunity to remain in foster care until age 21 under certain circumstances. Contra Costa County, California, previously offered aftercare to youths up to age 19 on a case-by-case basis; new state legislation mandates that ILP now serve youths to age 21.

Information on Program Effectiveness Is Limited

Given the significant challenges that foster care youths face in moving from foster care to adulthood, it is important to understand how effective ILPs are in better ensuring positive outcomes. However, few data are available to help in understanding what outcomes are achieved through these programs. States are required to report to HHS participant achievement 90 days after program completion, such as the number of youths who are employed, have completed high school or a GED, are attending college, and are living independent of public assistance. However, state and local officials reported much difficulty in finding youths to determine their living status once they leave care. These officials indicated they either do not follow up with youths after leaving foster care or have little success finding youths. For example, a Maryland official stated that response to follow-up contact in the past was very limited and that only 15 percent of youths returned follow-up letters. Local officials in Texas estimated that about 30 to 35 percent of youths disappear during the initial 90-day period and that some can only be located through word-of-mouth or sibling contacts. They noted that following up with youths who received a stipend as part of aftercare is less difficult.

In addition, few formal studies have been conducted that measure ILP effectiveness. We found three studies—from Baltimore County, Harris County (Houston, Texas), and New York City—that linked participation in ILP with improved education, housing, and other outcomes. In the Baltimore County study, youths who received ILP services were more likely

to complete high school, have an employment history, and be employed when they left foster care.⁷ In the Harris County study, the authors found that graduates of the Texas ILP achieved full-time employment earlier and were more likely to complete high school or a GED at a younger age than youths who did not receive independent living services.⁸ The New York City study of independent living services provided by Green Chimneys Children's Services showed 75 percent of the youths had completed high school or a GED, 72 percent had full-time employment when they left care, and 65 percent had savings accounts.⁹ Another study linked certain foster care placements with greater attainment of practical living skills.¹⁰ This study found that foster care youths placed in apartment-type transitional housing scored higher on life-skills knowledge assessment. Finally, the Westat study found that youths who received training in money management, obtaining a credit card, and buying a car, as well as help in how to find a job and appropriate education opportunities were more likely to maintain a job for at least a year. However, in some instances, ILP did not have the desired effects. For example, in the Westat study, researchers found that receiving independent living services did not significantly reduce the probability of early parenthood. In addition, the Harris County study found that program participants younger than 21 were more likely to be dependent on different forms of public assistance—specifically subsidized housing and food stamps—than the group of nonprogram participants under age 21.

State and local officials indicate, however, that determining outcomes for former foster care youths is important, and two locations have begun to design strategies to capture this much needed information. Contra Costa County, California, for example, has funded a 2-year study geared toward measuring outcomes. The study will determine the status of youths at the time they enter ILP—such as foster care placement stability, academic performance, and living-skills assessment—and measure youth outcomes after ILP services are given. One goal is to use the information to develop better aftercare programs. Similarly, the Maryland Association of Resources for Families and Youth—an association of private service

⁷Maria Scannapieco and others, "Independent Living Programs: Do They Make A Difference?" *Child and Adolescent Social Work Journal*, Vol. 12, No. 5 (Oct. 1995).

⁸Jane T. Simmons, "PAL Evaluation Final Report," unpublished report submitted to Harris County (Texas) Children's Protective Services (Mar. 6, 1990).

⁹Gerald P. Mallon, "After Care, Then Where? Outcomes of an Independent Living Program," *Child Welfare*, Vol. 77 (Jan./Feb. 1998).

¹⁰Edmund V. Mech and others, "Life-Skills Knowledge: A Survey of Foster Adolescents in Three Placement Settings," *Children and Youth Services Review*, Vol. 16, Nos. 3/4 (1994), pp. 181-200.

providers—recently began a project to provide the answers to three questions: Whom do we serve? What services do we provide them? and What are the outcomes of those services? The project requires data collection while the youths are still in care; upon exit from care; and at 6-, 12-, and 18-month intervals after leaving care.

In our continuing analysis of ILPS, we plan to explore in greater detail many of these issues, including any innovative strategies being implemented in the states. We also plan to look at HHS' role in ensuring that performance measures are identified and implemented. This information will be presented in our final report to the Subcommittee.

Madam Chair, this concludes my prepared statement. At this time, I will be happy to answer any questions you or the other Members of the Subcommittee may have.

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are \$2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. VISA and MasterCard credit cards are accepted, also. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

**U.S. General Accounting Office
P.O. Box 37050
Washington, DC 20013**

or visit:

**Room 1100
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC**

**Orders may also be placed by calling (202) 512-6000
or by using fax number (202) 512-6061, or TDD (202) 512-2537.**

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (202) 512-6000 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

For information on how to access GAO reports on the INTERNET, send an e-mail message with "info" in the body to:

info@www.gao.gov

or visit GAO's World Wide Web Home Page at:

<http://www.gao.gov>

**United States
General Accounting Office
Washington, D.C. 20548-0001**

**Bulk Rate
Postage & Fees Paid
GAO
Permit No. G100**

**Official Business
Penalty for Private Use \$300**

Address Correction Requested
