



## Foster Care Reform in Virginia: *A Place to Call Home*

All children deserve to live in families that provide them with love, nurturance, and protection. However, on any given day over 8,000 children in Virginia are not able to live with family and instead receive care through the foster care system.

Foster care is designed to provide *temporary* care for children who cannot live with their parents or other relatives. Through this system, the local department of social services takes legal custody of a child when that child's parent or parents are unable to care for him or her. Placement of a child in foster care should be temporary, lasting only until a more permanent solution is found.

Unfortunately for too many children in Virginia's foster care system, the months turn into years while the child bounces between foster families and residential facilities before finally "aging out" of the system. The following brief will highlight the opportunity for reform in Virginia, provide a snapshot of children in foster care, summarize recent findings regarding permanency for youth in care in Virginia, and finally present recommendations for reform.

### **The Opportunity for Reform**

Virginia is uniquely positioned to achieve systemic reforms in the foster care system. The opportunity for change was prompted by First Lady Anne Holton and her For Keeps initiative, which launched in January 2007. For Keeps is an initiative to:

- Strengthen the voices of youth in foster care and foster parents.
- Find permanent families and permanent family connections for older children in foster care or at risk of coming into care.
- Champion efforts to improve family and community supports for all children.<sup>1</sup>

Through the First Lady's leadership, the initiative has generated key partnerships with local, state, and national organizations and foundations that in turn are providing technical assistance and funding to promote foster care reforms in Virginia.

With a grant from the Freddie Mac Foundation, the For Keeps Initiative engaged Child Trends, a national, non-profit research center focused on improving outcomes for children.

During the summer and fall of 2007, Child Trends worked with Virginia stakeholders and For Keeps to conduct intensive analyses of data from the Virginia Department of Social Services and the Office of Comprehensive Services. These enlightening data (summarized below) provided a description of the characteristics, experiences and permanency outcomes of older youth in foster care and is the foundation for further analyses and recommendations for reform.

Because of the opportunities created by the First Lady's leadership, Casey Strategic Consulting Group (CSCG), a branch of the Annie E. Casey Foundation, has granted Virginia multi-year technical consulting support. CSCG has several staff working on-site in Virginia collaborating with the Office of the Secretary of Health and Human Services to provide intensive strategic consulting to facilitate measurable and enduring reforms in Virginia's child welfare system.

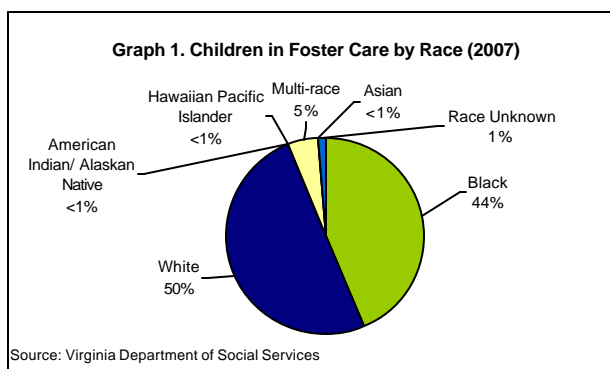
In addition to these national partners, the key state and local partners include: Voices for Virginia's Children, the Virginia Poverty Law Center, FACES for Virginia Families (the foster, adoptive, and kinship parent association), the League of Social Services Executives, relevant state and local agencies, the Office of the Executive Secretary of the Supreme Court of Virginia, and private providers.

## Who are the Children in Foster Care in Virginia?

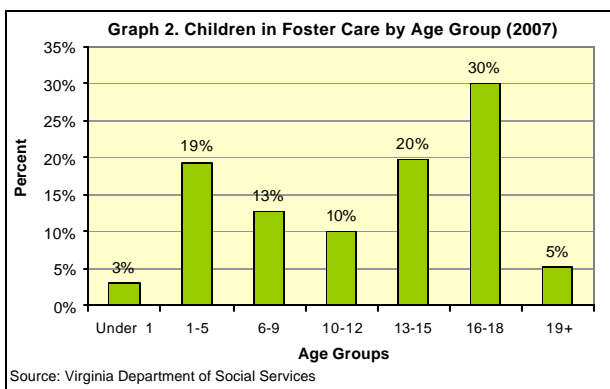
(Data as of October 1, 2007)

8,085 children are in foster care in Virginia. About 48% (3,875) are female and 52% (4,209) are male.

Fifty percent of children in foster care are white, 44% are African American, and 5% are multi-race, as shown in Graph 1. Consistent with national trends, African American children, who constitute only 24% of the child population in Virginia, are overrepresented in Virginia's foster care system.<sup>2</sup>

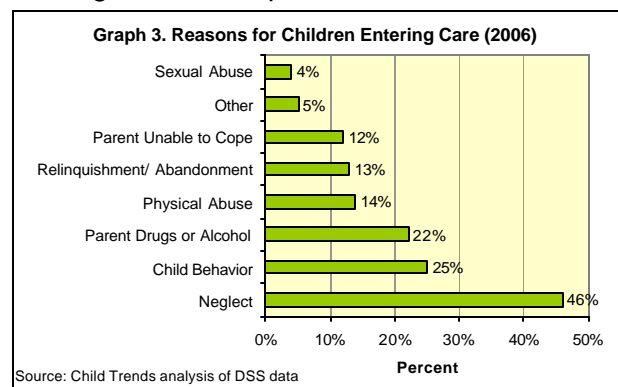


Teenagers comprise over half of the foster care population (Graph 2). Roughly, 9% of the foster care population are youth age 18 or older who choose to continue to receive foster care services and who live in localities that allow young adults to continue to receive "independent living" services and supports until their 21<sup>st</sup> birthday.



## Why are Children Entering Virginia's Foster Care System?

Children enter Virginia's foster care system for varied and complex reasons (Graph 3). The categories are not mutually exclusive; a child may enter for multiple reasons. Child neglect is the leading reason children enter Virginia's foster care system affecting 46% of children entering they system. After neglect, the second most cited reason for entry is "child behavior" followed by parental substance abuse. "Child behavior" is a broad category that includes children who may or may not be involved with the court system and whose behavior adversely affects their socialization, learning, and development.<sup>3</sup>



## What is "Permanency"?

In child welfare, permanence refers to long-term, meaningful connections between a child and a caring adult. A foster child has achieved permanence when he or she has been reunified, adopted, or has a legal guardian. Permanence is a key principle underpinning child welfare laws and policies beginning with the Adoption and Safe Families Act (ASFA), the federal law guiding child welfare practice.<sup>4</sup>

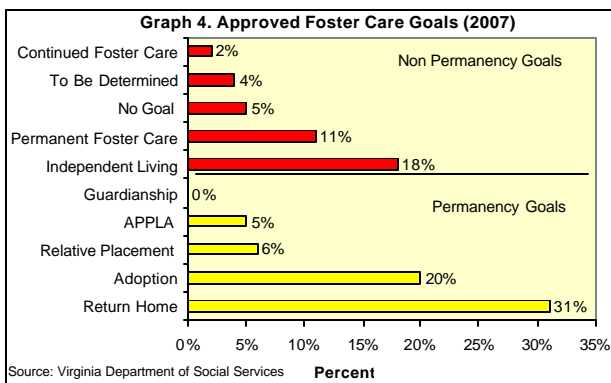
Under ASFA, states are evaluated and held accountable for ensuring that children in foster care achieve permanence. The specific permanence outcomes outlined in federal policy are that (1) children have permanence and stability in their living situation and (2) continuity of family relationships are preserved.

Utilizing Child Trends and Casey Strategic Consulting findings, the following graphs present data on the achievement of permanence for children in Virginia's foster care system.

## Too Many Children in Virginia's Foster Care System Not Achieving Permanency

The goal in the service plans for 40% of children in foster care are not preferred permanency goals.

Federal and state laws require that a service plan be prepared for every child in foster care. The plan is a detailed document that guides services and planning for the child and includes a permanency goal.<sup>5</sup> Preferred permanency goals for children include: reunification, adoption, legal guardianship, placement with a relative, and another permanent planned living arrangement (APPLA).<sup>6</sup> As shown by the red bars in Graph 4, the goals for 40% of the children in foster care are not considered preferred permanency goals.

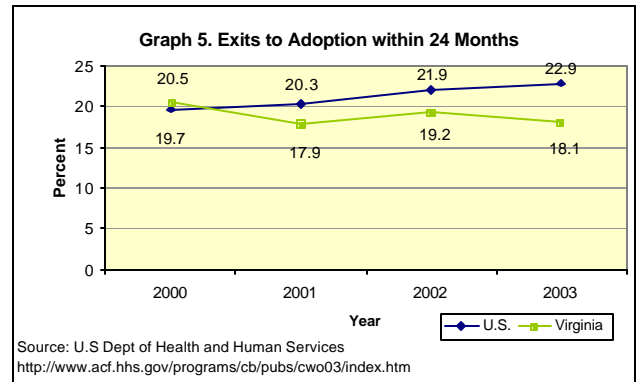


Compared to any other state, Virginia has the highest percentage of youth who “age out” of the foster care system without achieving permanence.

A child has achieved permanence when he or she has been reunified, adopted, or has a legal guardian. A recent Pew Charitable Trust Report noted that when compared to other states Virginia has the highest percentage of youth who “age out” of the foster care system without achieving permanence.<sup>7</sup>

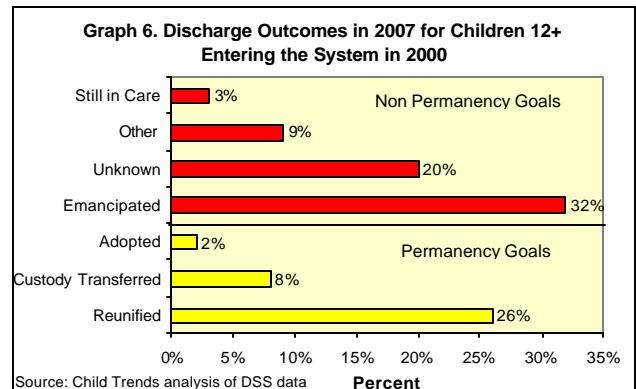
Virginia is below the national average in timely adoptions (Graph 5).

Under the federal Adoption and Safe Families Act, adoption is second to reunification as the preferred permanency option for children in foster care.<sup>8</sup>



Among those who entered foster care at age 12 or older, only a small percentage are ever adopted.

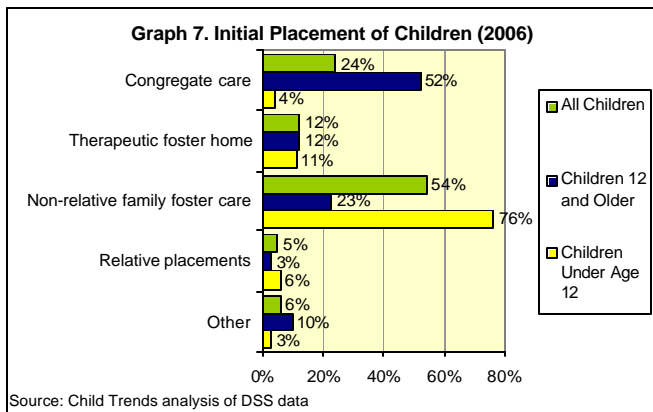
The permanency outcomes are particularly bleak for youth who enter care at age 12 or older. As of April 2007, only 2% of the children who entered care at ages 12 and older were ever adopted (Graph 6). The vast majority of foster children and especially those who enter care at age 12 or older are never adopted or reunified and therefore never establish permanent family ties.



Congregate care settings are over-utilized as an initial placement for children entering foster care.

Best practice in child welfare recommends that no more than 10% of initial foster care placements should be in a congregate care (group) setting.<sup>9</sup> In 2006 the first placement for 24% of children entering foster care was a congregate (group) care setting, rather than a family environment. When considering those entering Virginia's foster care system as teens, over half (52%) were initially

placed in a congregate care setting (Graph 7). Congregate care settings include group homes, residential treatment facilities, emergency shelters, and psychiatric facilities.<sup>10</sup>



## Findings

Based on the extensive quantitative and qualitative data analyses conducted during 2007, Casey Strategic Consulting Group found that:

- **Current practice in many Virginia localities does not focus on permanence.**
- **Foster and adoptive family recruitment and support is limited.**
- **Foster care “maintenance payments” are inadequate to attract and retain foster parents, which results in an overuse of more restrictive placements.**
- **There is minimal use of relatives as a formal placement option.**
- **In recent years, the use of and expenditures for congregate care have grown significantly.**<sup>11</sup>

## What can Virginia do?

Governor Kaine’s 2008-2010 biennial budget proposal seeks to increase permanency for youth in foster care and serve more youth in community-based family-like settings rather than institutions.

The following initiatives were included in Governor Kaine’s budget package:

### **Reduce over-reliance on institutional care by providing localities incentives to**

### **create community-based services by increasing the state’s funding share for community-based care and reducing the state’s share for services provided in institutional settings**

**Cost:** this initiative will save \$12.5 million over two years

Providing services to youth in a congregate care setting is significantly more expensive than providing community-based services. Currently, localities pay the same share, on average 33%, of services regardless of if they are provided in institutional or community settings. To provide an incentive to serve more children in the community, the localities share of costs will decrease for community-based services to an average of 15% and for foster care family services to 25% over the biennium. The localities share of costs for congregate services will increase to an average of 41% for the first six months, to 46% on average the next 18 months, to 49% on average beginning July 1, 2010.

In addition to high cost, there is no substantial evidence to indicate that congregate care is more effective than community based foster care.<sup>12</sup> Richard P. Barth, a leading child welfare expert summarized child welfare research by saying, “[group care] is not more safe or better at promoting development, it is not more stable, it does not achieve better long-term outcomes, and it is not more efficient as the cost is far in excess of other forms of care.”<sup>13</sup> While congregate care is an important part of the spectrum of services and is an appropriate placement for some youth, it is clearly over-utilized in Virginia.

### **Increase financial support for foster and adoptive families**

**Cost:** \$22.6 million over two years to increase the rates by 15% in the first year and 10% in the second year

Increasing support for foster and adoptive families is an important component in moving youth out of group care and into foster families. One factor which adversely affects foster parent recruitment and retention is the very low payments (“maintenance payments”) provided to foster parents. A recent report compared the actual expenses of caring for a child in foster care to the foster care rates paid reported and then established a “minimum

adequate rate for children.” Specifically, Virginia rates would have to be increased by 39% to 64% (depending on the child’s age) in order to be considered minimally adequate.<sup>14</sup>

### **Enhance child welfare worker training to enable workers to serve children more effectively and improve permanency outcomes for children**

**Cost:** \$4.4 million over two years

Without well trained caseworkers, progress on reform is impossible. As a small group of Virginia stakeholders works with the Office of the Secretary of Health and Human Resources and Casey Strategic Consulting Group to develop and implement strategies to improve permanency outcomes for youth in foster care, training will be an important component in spreading best practices across the state.

### **Improve recruitment and retention of foster and adoptive parents by implementing best practice foster parent recruitment and training models**

**Cost:** \$7 million over two years

Inadequate resources for recruitment and retention is often cited as a leading reason for insufficient numbers of available foster parents. The Department of Social Services cites improving recruitment and retention as an “essential component in the department’s current effort to transform child welfare in Virginia toward a more child centered, family focused, community based approach.”<sup>15</sup> With this funding, the “Finding Families” and “Parent Resource Information Development Education” (PRIDE) best practice models will be implemented.

### **Provide financial support (through the TANF program) to individuals who are caring for relative children removed from their parents’ custody due to abuse or neglect (*kinship care*)**

**Cost:** this initiative will save \$283,000 over two years

This legislation will provide support to caregivers willing to care for relative children thereby preventing the child from entering the foster care system. Numerous studies have supported the positive benefits of placing children with relative caregivers. Children in

kinship care experience greater stability with fewer placement changes, fewer changes in school, and a greater likelihood of living with siblings.<sup>16</sup>

## **Older Youth Left Out**

While these systemic reforms, if approved, will greatly improve outcomes for children entering care in the future, hundreds of older teens currently in care will age out of the system before these reforms are enacted.

### **Additional Reform Proposals for Older Youth Aging Out of Foster Care**

When youth turn 18 in foster care in Virginia, some youth lose access to important benefits such as health insurance and “independent living” services. National studies have demonstrated that youth who continue to receive services beyond age 18, when compared with youth who discontinue services at age 18, are more likely to be enrolled in college and are less likely to experience serious economic hardships.<sup>17</sup>

The following recommendations, proposed by Voices for Virginia’s Children and the Virginia Poverty Law Center (VPLC), will benefit older youth about to age out of Virginia’s foster care system:

### **Extend Medicaid health care benefits to 18, 19, and 20 year old youth receiving foster care services**

**Cost:** \$1.5 million for two years

Youth ages 18, 19, and 20 who remain involved in the foster care Independent Living program must navigate complicated criteria in order to qualify for Medicaid health coverage. Many are deemed ineligible due to modest wages or because they choose to leave the foster care system. Nineteen and 20 year old youth making as little as \$2,500 per year lose Medicaid coverage.

Foster children tend to have more health and mental health problems than the general population and are therefore especially in need of health care coverage. For example, while about 1 in 5 children are diagnosed with mental health disorders, studies show that as many as 4 out of 5 youth involved with child welfare agencies require mental health treatment for behavioral health disorders, developmental delays, or other issues.<sup>18</sup> When foster youth age

out of foster care, they are less than half as likely to utilize mental health care as when they were in care.<sup>19</sup> It is vital to their overall well-being that supports are in place to encourage continuation of treatment.

## **Allow former foster youth age 18 and older access to foster care services until their 21<sup>st</sup> birthday**

**Cost:** \$8 million for two years

While many localities allow youth to continue to receive independent living services until their 21<sup>st</sup> birthday, localities are not currently required to do so. There is also no uniform policy regarding whether youth who choose to leave the foster care system at age 18 can return to care before they turn 21.

Youth who continue to receive foster care services after they turn 18 have much better educational and economic outcomes than youth who leave care at 18. According to a recent study, youth who stayed in foster care past 18 were two to three times more likely to be enrolled in college as those who left the system at 18.<sup>20</sup> The study also found that youth who left care at age 18 were twice as likely as their peers who remained in the system to have their utilities cut off and more than six times as likely to be evicted from their homes.<sup>21</sup>

Non-foster youth often take advantage of the opportunity to return to their families long

after they turn 18. A recent study found that approximately half of this country's youth ages 18-24 live at home, and nearly two-thirds of young adults in their early 20s receive economic support from their parents.<sup>22</sup>

## **Conclusion**

Too many youth exit Virginia's foster care system without finding a place to call home. The data clearly show that maintenance payments and supports for foster parents are inadequate, congregate care is over-utilized, and children are aging out without finding a permanent home at a higher rate in Virginia than any other state.

The Governor's budget proposals combined with Voices and VPLC policy proposals supporting older youth currently in foster care are smart first steps in addressing the problems in Virginia's foster care system.

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<sup>1</sup> <http://www.forkeepsvirginia.org/about.php>

<sup>2</sup> Virginia Department of Health, 2006

<sup>3</sup> National Data Archive on Child Abuse and Neglect. Adoption and Foster Care Analysis and Reporting System (AFCARS), October, 2002. Retrieved January 7, 2008 from [http://www.ndacan.cornell.edu/NDACAN/Datasets/UserGuidePDFs/AFCARS\\_Guide\\_2000-Present.pdf](http://www.ndacan.cornell.edu/NDACAN/Datasets/UserGuidePDFs/AFCARS_Guide_2000-Present.pdf)

<sup>4</sup> Lutz, Lorrie L. Achieving Permanence For Children in the Child Welfare System: Pioneering Possibilities Amidst Daunting Challenges, The National Resource Center for Foster Care and Permanency Planning, November 2003. Retrieved January 3, 2008 from

<http://www.hunter.cuny.edu/socwork/nrcfcpp/downloads/achieving-permanence.pdf>

<sup>5</sup> Virginia Department of Social Services Foster Care Policy Guide. Retrieved January 7, 2008 from

[http://www.dss.virginia.gov/files/division/dfs/fc/laws\\_regulations\\_guidance/fc\\_manual/manual.pdf](http://www.dss.virginia.gov/files/division/dfs/fc/laws_regulations_guidance/fc_manual/manual.pdf)

<sup>6</sup> Elstein, S.G., Feldheim, R, et al. Achieving Permanency for Adolescents in Foster Care: A Guide for Legal Professionals, American Bar Association. 2006

<sup>7</sup> The Pew Charitable Trusts and Jim Casey Youth Opportunities Initiative. Time for Reform: Aging Out and On their Own. May 2008 Retrieved January 3, 2008 from [http://www.pewtrusts.org/uploadedFiles/www.pewtrusts.org/Reports/Foster\\_care\\_reform/Kids\\_are\\_Waiting\\_TimeforReform0307.pdf](http://www.pewtrusts.org/uploadedFiles/www.pewtrusts.org/Reports/Foster_care_reform/Kids_are_Waiting_TimeforReform0307.pdf)

<sup>8</sup> Elstein, S.G., Feldheim, R, et al. Achieving Permanency for Adolescents in Foster Care: A Guide for Legal Professionals, American Bar Association. 2006

<sup>9</sup> Casey Strategic Consulting Group's Presentation to the Joint Subcommittee on Comprehensive Services for At-Risk Youth and Families, December 5, 2007.

<sup>10</sup> Vandivere, Sharon and Geen, Rob. Data Analysis to Support the For Keeps Initiative presented September 26, 2007 to the For Keeps Initiative Steering Committee.

<sup>11</sup> Ibid.

<sup>12</sup> Barth, Richard P. Institutions vs. Foster Homes: The Empirical Base for a Century of Action. June 17, 2002.

<sup>13</sup> Ibid.

<sup>14</sup> Children's Rights, National Foster parent Association, University of Maryland School of Social Work. Hitting the M.A.R.C.: Establishing Foster Care Minimum Adequate Rates for Children. October 2007. Retrieved January 7, 2008 from <http://www.childrensrights.org/pdfs/MARC/MARCTechReport.pdf>

<sup>15</sup> For Keeps and Children's Services Reform Proposals, January 2008

<sup>16</sup> Conway, T, Hutson, R. *Is Kinship Care Good for Kids?*, March 2007, [www.clasp.org](http://www.clasp.org)

<sup>17</sup> Courtney, M.; Dworsky, A.; Ruth, G.; Keller, T.; Havlicek, J.; Bost, N., Midwest Evaluation of the Adult Functioning of Former Foster Youth: Outcomes at Age 19, May 2005

<sup>18</sup> Geen, R., Sommers, A., and Cohen, M. Medicaid Spending on Foster Children, August 2005

<sup>19</sup> Courtney, M. Youth Aging Out of Foster Care, April 2005, Retrieved January 7, 2008 from <http://www.transad.pop.upenn.edu/downloads/courtney--foster%20care.pdf>

<sup>20</sup> Courtney, M.; Dworsky, A.; Ruth, G.; Keller, T.; Havlicek, J.; Bost, N., Midwest Evaluation of the Adult Functioning of Former Foster Youth: Outcomes at Age 19, May 2005

<sup>21</sup> Ibid.

<sup>22</sup> Oldmixon, S., Issue Brief: State Policies to Help Youth Transition Out of Foster Care, NGA Center for Best Practices, January 2007