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Youth Transitioning from Foster Care: Background and Federal Programs

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SUMMARY

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Adrienne L. Fernandes-Alcantara
Specialist in Social Policy

Youth Transitioning from Foster Care: Background and Federal Programs

While many young people have access to emotional and financial support systems throughout their early adult years, older youth in foster care and those who are emancipated from care often lack such security. This can be an obstacle for them in developing independent living skills and building supports that might ease their transition to adulthood. Older foster youth who return to their parents or guardians may continue to experience poor family dynamics or lack supports, and studies have shown that recently emancipated foster youth fare poorly relative to their counterparts in the general population on measures such as education and employment.

The federal government recognizes that older youth in foster care and those who have been emancipated, or aged out, are vulnerable to negative outcomes and may ultimately return to the care of the state as adults through the public welfare, criminal justice, or other systems. The U.S. Department of Health and Human Services (HHS) administers the primary federal programs that are targeted to these youth. These include the federal foster care program and the John H. Chafee Program for Successful Transition to Adulthood program ("Chafee program"), both of which are authorized under Title IV-E of the Social Security Act.

Foster care is a temporary living arrangement intended to ensure a child's safety and well-being until a permanent home can be re-established or newly established. Under the Title IV-E foster care program, a public child welfare agency must work to ensure that each child who enters foster care is safely returned to his/her parents, or, if this is determined not to be possible or appropriate (by a court), to find a new permanent home for the child. Jurisdictions (states, territories, and tribes) may seek reimbursement for youth to remain in care up to age 21. Approximately half of all states extend care to that age. In addition, the foster care program has certain protections for older youth. For example, jurisdictions must annually obtain the credit report of each youth in care who is age 14 and older. They must also assist youth with developing a transition plan that is in place 90 days before aging out. The law requires that a youth's caseworker—and as appropriate, other representative(s) of the youth—assist and support him/her in developing the plan. The law requires that the plan be guided by the youth, and should include specific options on housing, health insurance, education, local opportunities for mentors, and other supports.

The Chafee program provides supports and services to youth ages 14 to 21 who are or were in foster care (with some exceptions). Youth in states that extend foster care to age 21 can be served under the program until age 23. The program authorizes funds to be used for providing assistance in obtaining a high school diploma, career exploration, training in daily living skills, training in budgeting and financial management skills, and preventive health activities, among other purposes. States must meet certain requirements, including that not more than 30% of Chafee funds are used for room and board expenses. The Chafee Education and Training Voucher (ETV) provides funding for Chafee-eligible youth to attend institutions of higher education. Youth can receive up to $5,000 annually for up to five years (consecutive or nonconsecutive) until they reach age 26. The Chafee law directs HHS to collect outcome and other information for current and former foster youth, and HHS established the National Youth in Transition Database (NYTD) for this purpose.

Along with the foster care and Chafee programs, other federal programs are intended to help youth currently and formerly in foster care make the transition to adulthood. Federal law authorizes funding for states and local jurisdictions to provide workforce support and housing to older foster youth and youth emancipating from care. Further, beginning on January 1, 2014, eligible young people who were in foster care at age 18 are covered under a mandatory Medicaid pathway until age 26. Youth in foster care or recently emancipated youth are also specifically eligible for certain educational supports.

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Young people who have spent time in foster care as teenagers often face challenges during the transition to adulthood. Compared to their counterparts in the general population, these youth fare poorly in education, employment, and other outcomes. The federal government recognizes that foster youth may ultimately return to the care of the state as adults through the public welfare, criminal justice, or other systems. In response, federal policy has focused on supporting youth while they are in foster care and in early adulthood.

This report provides background to Congress on teens and young adults in and exiting from foster care, and the federal support available to them. It begins with a discussion of the characteristics of youth who have had contact with the child welfare system, including those who entered care and those who exited care via "emancipation." This process means that youth reached the state legal age of adulthood without being reunified with their families or placed in new permanent families. The report then discusses child welfare programs authorized under Title IV-E of the Social Security Act—specifically the Foster Care Maintenance Payments Program ("foster care program") and the John H. Chafee Program for Successful Transition to Adulthood ("Chafee program")—that are intended to help prepare youth for adulthood. The foster care program provides reimbursement to states for providing foster care, including, at state option, to youth between the ages of 18 and 21. It also includes certain requirements that are intended to support older youth in care. The Chafee program is the primary federal program that funds supportive services for teens and young adults during the transition from foster care.

The text box below summarizes recent developments in the Chafee program. **Appendix A** includes funding data for the Chafee program. **Appendix B** includes a summary of other federal programs, outside of child welfare law, that address older youth in foster care and those who have aged out.

Recent Developments in the Foster Care Program and Chafee Program

The Family First Prevention Services Act (FFPSA) was enacted as part of Division D of the Bipartisan Budget Act of 2018 (BBA of 2018, P.L. 115-123). FFPSA amended the federal foster care program, authorized under Title IV-E of the Social Security Act, to expand federal support for services to prevent the need for children to enter foster care, while adding new restrictions on federal room and board support for some foster children placed in group care settings. Further, the law requires states, territories, and tribes ("states") to provide any youth who is aging out of foster care (at age 18, or an older age up to 21 in states that extend foster care) with official documentation necessary to prove the child was in foster care.

FFPSA also amended the Title IV-E Chafee program, which includes the Chafee Education and Training Voucher (ETV) program. The law rewrote a number of purpose areas in the Chafee program to change program eligibility from children who "are likely to remain in foster care until their 18th birthday" (as determined by states) to those who "experience foster care at age 14 or older." In addition, the law now enables states that extend foster care to age 21 to serve youth in the Chafee program up to age 23 (as opposed to age 21 for states that do not extend care). FFPSA increased the age of eligibility for education and training vouchers to age 26. Youth in the program can now use ETV funds to attend an institution of higher education for up to five years. Prior law allowed youth to use the ETV funds until age 21, or age 23 if they had received the funds by age 21.

FFPSA also permits the U.S. Department of Health and Human Services (HHS) to redistribute any Chafee or ETV funds that were awarded to a state but not expended within the two-year time frame in which funds must be spent. This is in contrast to prior law, which required unused funds to be returned to the Treasury. The amount each state is eligible to receive is based on the share of children in foster care among the states that successfully apply for the unused funds. FFPSA directs HHS to submit a report to Congress by October 1, 2019, that includes information on the experiences and outcomes of current and former foster youth. This information is to be drawn from data reported by states to the National Youth in Transition Database (NYTD) or any other databases in which states report relevant child welfare outcome measures to HHS.

The law also makes changes to other parts of Title IV-E. For further information about FFPSA, see CRS Insight IN10858, *Family First Prevention Services Act (FFPSA)*.

Who Are Older Youth in Foster Care and Youth Aging Out of Care?

Children and adolescents can come to the attention of state child welfare systems due to abuse, neglect, or other reasons such as the death of a parent or child behavioral problems. Some children remain in their own homes and receive family support services, while others are placed in out-of-home settings. Such settings usually include a foster home, the home of a relative, or group care (i.e., non-family settings ranging from those that provide specialized treatment or other services to more general care settings or shelters). A significant number of youth spend at least some time in foster care during their teenage years. They may stay in care beyond age 18, typically up to age 21, if they are in a state that extends foster care.

Older Youth in Foster Care

The U.S. Department of Health and Human Services (HHS), which administers child welfare funding, collects data from states on the number and characteristics of children in foster care. On the last day of FY2017, approximately 122,000 youth ages 13 through 20 comprised 27% of the national foster care caseload.[1] Youth ages 13 through 20 made up 28% of the exits from foster care in FY2017. Most of these youth were reunified with their parents or primary caretakers, adopted, or placed with relatives. However, 19,945 youth aged out that year, or were "emancipated" because they reached the legal age of adulthood in their states, usually at age 18.[2]

Former Foster Youth

Youth who spend their teenage years in foster care and those who age out of care face challenges as they move to early adulthood. While in care, they may miss opportunities to develop strong support networks and independent living skills that their counterparts in the general population might more naturally acquire. Even older foster youth who return to their parents or guardians can still face obstacles, such as poor family dynamics or a lack of emotional and financial support, that hinder their ability to achieve their goals as young adults. These difficulties are evidenced by the fact that youth who have spent at least some years in care during adolescence exhibit relatively poor outcomes across a number of domains. Two studies—the Northwest Foster Care

[1] U.S. Department of Health and Human Services (HHS), Administration on Children, Youth and Families (ACYF), Administration for Children and Families (ACF), Children's Bureau (CB), *The AFCARS Report, #25*. This age range is used because it includes both teenagers in care as well as young adults who stay in foster care until the oldest age (20) at which the federal government will provide financial support for remaining in care. The number of youth ages 18 to 21 is likely underreported because some states may only report those receiving federal Title IV-E foster care maintenance payments (and not those receiving state-funded foster care).

[2] The share of foster care youth emancipating, based on the total number of exits for all children in foster care, was 8% in FY2017 and between 9% and 11% in prior years. HHS, ACYF, ACF, *The AFCARS Report #14, #15, #16, #17, #18, #19, #21,#22, #23, #24*, and *#25*. From FY2006 through FY2017, the number and share of emancipating youth were as follows: FY2006—26,517 (9%); FY2007—29,730 (10%); FY2008—29,516 (10%); FY2009—29,471 (11%); FY2010—27,854 (11%); FY2011—26,286 (11%); FY2012—23,396 (10%); FY2013—23,090 (10%); FY2014—22,392 (9%), FY2015—20,789 (9%), FY2016—20,532 (8%), and FY2017—19,945 (8%). For analysis of AFCARS data on teens in, and emancipating from, foster care, see The Annie E. Casey Foundation, *Fostering Youth Transitions: Using Data to Drive Policy and Practice Decisions*, November 2018. (Hereinafter, The Annie E. Casey Foundation, *Fostering Youth Transitions: Using Data to Drive Policy and Practice Decisions*.)

Alumni Study[3] and the Midwest Evaluation of the Adult Functioning of Former Foster Youth—have tracked these outcomes.

Northwest and Midwest Studies

The Northwest Foster Care Alumni Study[4] and the Midwest Evaluation of the Adult Functioning of Former Foster Youth[5] have tracked outcomes for a sample of foster youth across several areas and compared them to those of youth in the general population. The studies indicate that youth who spent time in foster care during their teenage years tended to have difficulty as they entered adulthood and beyond.[6] The Northwest Study was retrospective; it looked at the outcomes of young adults who had been in foster care and found that they were generally more likely to have mental health and financial challenges than their peers. They were just as likely to obtain a high school diploma but were much less likely to obtain a bachelor's degree. The Midwest Evaluation followed youth over time to examine the extent to which outcomes in early adulthood are influenced by the individual characteristics of youth or their out-of-home care histories. The study examined the outcomes of youth who were in foster care at age 17, and tracked them through age 26. Compared to their counterparts in the general population, youth in the Midwest study fared poorly in education, employment, and other outcomes.

Despite these findings, many former foster youth have overcome obstacles, such as limited family support and financial resources, and have met their goals. For example, youth in the Northwest study obtained a high school diploma or passed the general education development (GED) test at close to the same rates as 25 to 34 year olds generally (84.5% versus 87.3%). Further, youth in the Midwest Evaluation were just as likely as youth in the general population at age 23 or 24 to report being hopeful about their future.[7]

National Youth in Transition Database (NYTD)

States have reported to HHS since FY2010 on the characteristics and experiences of certain current and former foster youth through the National Youth in Transition Database (NYTD). Among other data, states must report on a cohort of foster youth beginning when they are age 17, and then later at ages 19 and 21. Information is collected on a new group of foster youth at age 17 every three years. While the first cohort of NYTD respondents had some positive outcomes by age 21, about 43% reported experiencing homelessness by that age and over one-quarter had been referred for substance abuse assessments or counseling at some point during their lifetimes.[8] States must also report on the supports that eligible current and former foster youth—generally

[3] Peter J. Pecora et al., *Improving Foster Family Care: Findings from the Northwest Foster Care Alumni Study*, Casey Family Programs, 2005.

[4] Ibid.

[5] Mark E. Courtney et al., *Midwest Evaluation of the Adult Functioning of Former Foster Youth: Outcomes at Age 26*, University of Chicago, Chapin Hall Center for Children, 2011.

[6] The studies do not posit that foster care, per se, is associated with the challenges former foster youth face in adulthood, as children tend to have a range of challenges upon entering care. For further information, see Fred Wulczyn et al. *Beyond Common Sense: Child Welfare, Child Well-Being, and the Evidence for Policy Reform* (New Brunswick: Aldine Transaction, 2005), p. 116.

[7] The survey of youth at age 26 also asked about future expectations; however, it did not compare the outcomes of these youth to the general population. Mark E. Courtney et al., *Midwest Evaluation of the Adult Functioning of Former Foster Youth: Outcomes at Age 23 or 24*, University of Chicago, Chapin Hall Center for Children.

[8] HHS, ACYF, ACF, CB, *Highlights from the NYTD Survey: Outcomes Reported by Young People at Ages 17, 19, and 21 (Cohort 1)*, Data Brief #5, November 2016.

those ages 14 to 21, and sometimes older—receive to support their transition to adulthood. An analysis of NYTD data for FY2015 found that less than a quarter of youth who received a transition service received services for employment, education, or housing.[9]

Overview of Federal Support for Foster Youth

The Children's Bureau at HHS' Administration for Children and Families (ACF) administers programs that are targeted to foster youth and authorized under Title IV-E of the Social Security Act, including the federal foster care program and the Chafee program (which includes the Education and Training Voucher (ETV) program).

Under the federal foster care program, states may seek reimbursement for youth to remain in care up to age 18, or up to age 21 at state option. In addition, the program has protections in place to help meet the needs of older youth. Title IV-E entitlement (or mandatory) funding for foster care is authorized on a permanent basis (no year limit) and is provided in annual appropriations acts. Congress typically provides the amount of Title IV-E foster care funding (or "budget authority") that the Administration estimates will be necessary for it to provide state or other Title IV-E agencies with the promised level of federal reimbursement for all of their eligible Title IV-E foster care costs under current law.

Separately, the Chafee program provides funding to states for services and supports to help youth who are or were in foster care make the transition to adulthood. It is available up to age 21 (or age 23 under certain circumstances). The ETV component includes a separate authorization for discretionary funding to support Chafee-eligible youth in attending an institution of higher education for up to five years (consecutive or nonconsecutive) until they reach age 26. Chafee program funding is mandatory and has no year limit. The ETV program is funded through discretionary appropriations, also with no year limit.

Figure 1 summarizes the programs and the Title IV-E requirements on older youth in foster care and those leaving foster care. Any state, territory, or tribe seeking federal funding under Title IV-E must have a federally approved Title IV-E plan that meets all the requirements of the law.

As discussed in **Appendix B**, other federal programs are intended to help current and former youth in foster care make the transition to adulthood. Federal law authorizes funding for states and local jurisdictions to provide workforce support and housing to this population. States must also provide Medicaid coverage to youth who age out of foster care until they reach age 26. Federal support is available to assist youth in pursuing higher education.

[9] The Annie E. Casey Foundation, *Fostering Youth Transitions: Using Data to Drive Policy and Practice Decisions*.

Figure 1. Federal Child Welfare Programs and Requirements for Older Youth in Foster Care and Leaving Foster Care

FEDERAL REQUIREMENTS

Case Plan and Permanency Plan

The state's **written case plan** for children age 14 and older must include a description of the **programs and services** that will help them **prepare for the transition to a successful adulthood** and a document **listing certain rights** with respect to (1) education, health, visitation, and court participation; (2) provision of certain identification documents and information, if leaving foster care at age 18 or older (see below); and (3) the right to be safe and avoid exploitation. These **children must be consulted about** the development of, and any revisions to, the case plan (as well as their **permanency plan**, which establishes their permanency goal of returning home or other specified outcomes). Further, these children are allowed to **choose up to two members of the case and permanency planning teams** subject to state disapproval of any individual that it has good cause to believe would not act in their best interest (Section 475(1), Section 475(5)(C), and Section 475A(b)).

APPLA

No child under the age of 16 may have a permanency plan of another planned permanent living arrangement (APPLA). If a child is assigned a permanency plan of APPLA, the state must meet **additional requirements** for the child as part of the child's annual **permanency hearing** and, separately, as part of the **periodic review** (every six months) of a child's status in foster care. These requirements are designed to ensure that the state child **welfare agency continues to look for a permanent family for children with an APPLA designation**, that the court continues to revisit whether APPLA is an appropriate permanency plan for the child, and that the child is consulted about his/her desired permanency outcome and ability to participate in age or developmentally appropriate activities (Section 475(5)(C) and Section 475A(a)).

Essential Documents

The state must provide a child age 14 or older with his/her **credit report on an annual basis** and free of charge, and assist him/her with interpreting and resolving any inaccuracies in the report (Section 475(5)(1)).The state must review and update the **education and health care records** for each child in care (per Section 475(1)(C)) and **supply these records to the child** at no cost when the child leaves foster care if he/she ages out (Section 475(5)(D)). The state must also provide youth aging out with documents for which they are eligible, including a U.S. birth certificate, social security card, driver's license or state-issued identification card; health insurance information; and a copy of their medical records.

Transition Plan

For children who are within 90 days of aging out of care, the state must develop a **transition plan** that is **directed by the youth and includes specific options** on housing, health insurance, education, local opportunities for mentors, workforce supports, and employment services. It must also address the importance of designating another individual to make health care treatment decisions on behalf of the youth as needed (Section 475(5)(H)).

FEDERAL PROGRAMS

Extended Foster Care

States and tribes may elect to receive partial federal reimbursement for the cost of **extending foster care for a youth up to age 19, 20, or 21** who are Title IV-E eligible and (1) completing high school or a program leading to an equivalent credential; (2) enrolled in an institution that provides post-secondary or vocational education; (3) participating in a program or activity designed to promote, or remove barriers to, employment; or (4) employed at least 80 hours per month. States and tribes may also seek reimbursement for an older youth's foster care if the youth has a documented medical condition that makes him/her incapable of participating in these activities. States may seek reimbursement for these youth to live in "supervised setting[s] in which the individual is living independently." (Section 472 and Section 475(8)).

Chafee Foster Care Program for Successful Transition to Adulthood

States and tribes receive formula grants to states (based on relative share of foster care population) for **services to assist youth in making a successful transition from foster care to adulthood**. The program is available to youth ages 14-21 in foster care; youth ages 18-21 who aged out of foster care (or up to age 23 in states that extend foster care to age 21); and youth up to age 21 (or up to age 23 in states that extend foster care to age 21) who left care at age 16 or older for kinship guardianship or adoption. States must provide no less than 20% of the total program funding (Section 477).

Chafee Education and Training Vouchers Program

States and tribes receive formula grant funding (based on relative share of the foster care population) of post-secondary **education and training vouchers** to cover the cost of full-time or part-time **attendance at an institution of higher education**. The vouchers are available to eligible students; eligibility criteria are the same as for the general Chafee program. Students can receive up to $5,000 annually until age 26 (for up to five years, consecutive or not). States must provide no less than 20% of the total program funding (Section 477(i)).

Source: Congressional Research Service (CRS), based on analysis of Title IV-E of the Social Security Act. All statutory references are to that act.

Extended Foster Care Program

Historically, states have been primarily responsible for providing child welfare services to families and children. When a child is in out-of-home foster care, the state child welfare agency, under the supervision of the court (and in consultation with the parents or primary caretakers in some cases), serves as the parent and makes decisions on the child's behalf to promote his/her safety, permanence, and well-being. In most cases, the state relies on public and private entities to provide these services. The federal government plays a role in shaping state child welfare systems by providing funds, which are linked to certain requirements under Title IV-E of the Social Security Act.[10] Title IV-E requires states to follow certain case planning and management practices for all children in care (**Figure 1** shows these requirements related to youth in foster care). Though not discussed in this report, Title IV-B of the Social Security Act, which authorizes funding for child welfare services, includes provisions on the oversight of children in foster care and support for families more broadly.

The federal foster care program reimburses states and some territories and tribes (hereinafter, "states") for a part of the cost of providing foster care to eligible children and youth who have been removed by the state child welfare agency due to abuse or neglect. The courts have given care and placement responsibility to the state. Under the program, a state may seek partial federal reimbursement to "cover the cost of (and the cost of providing) food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable travel to the child's home for visitation and reasonable travel for the child to remain in the school in which the child is enrolled at the time of placement."[11]

Federal reimbursement to states under Title IV-E may be made only on behalf of a child who meets multiple federal eligibility criteria,[12] including those related to the child's removal and the income and assets of the child's family. For the purposes of this report, the most significant eligibility criteria for the federal foster care program are the child's age and placement setting. States may also seek reimbursement on behalf of Title IV-E eligible children for costs related to administration, case planning, training, and data collection.

Beginning with FY2020, states can seek federal support for up to 12 months of (1) in-home parent skills-based programs and (2) substance abuse and mental health treatment services for any child a state determines is at "imminent risk" of entering foster care, any pregnant or parenting youth in foster care, and the parents or kin caregivers of these children. Also as of FY2020, any state electing to provide these prevention services and programs under its Title IV-E program will be entitled to receive federal funding equal to at least 50% of its cost, as long as the services and programs meet certain evidence-based standards, and the spending is above the state's maintenance of effort (MOE) level.[13]

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[10] For further information, see CRS Report R42794, *Child Welfare: State Plan Requirements under the Title IV-E Foster Care, Adoption Assistance, and Kinship Guardianship Assistance Program*; and CRS Report R42792, *Child Welfare: A Detailed Overview of Program Eligibility and Funding for Foster Care, Adoption Assistance and Kinship Guardianship Assistance under Title IV-E of the Social Security Act*.

[11] Section 475(4) of the Social Security Act.

[12] Section 477 of the Social Security Act.

[13] The Family First Prevention Services Act (FFPSA, P.L. 115-123) enacted these changes.

Eligibility

Since FY2011, states have had the option to seek reimbursement for the cost of providing foster care to eligible youth until age 19, 20, or 21.[14] These youth must be

- completing high school or a program leading to an equivalent credential,
- enrolled in an institution that provides post-secondary or vocational education,
- participating in a program or activity designed to promote or remove barriers to employment,
- employed at least 80 hours per month, or
- exempted by their state from these requirements due to a medical condition as documented and updated in their case plan.[15]

In program guidance, HHS advised that states can make remaining in care conditional upon whether youth are eligible under only specified eligibility criteria.[16] For example, states could extend care only to those youth enrolled in post-secondary education. Still, the guidance advises that states should "consider how [they] can provide extended assistance to youth age 18 and older to the broadest population possible consistent with the law to ensure that there are ample supports for older youth." In other guidance, HHS has advised that youth can remain in foster care at this older age even if they are married or enlist in the military.[17]

As of May 2019, HHS had approved Title IV-E state plans for 28 states, the District of Columbia, and nine tribal nations to extend the maximum age of federally funded foster care (see **Figure 2**).[18] In general, the jurisdictions make foster care available to youth until they reach age 21 (except for Indiana, which extends foster care until age 20) and allow them to remain in care under any of the eligibility conditions specified in law (except for Tennessee, West Virginia, Wisconsin, the Eastern Band of Cherokee, and the Penobscot Indian Nation).[19] A recent survey conducted by Child Trends, a nonprofit research organization, found that youth who are eligible

[14] The Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351) made this change by inserting a definition of "child" as it pertains to older youth in care at Section 475(8) of the Social Security Act. Prior law provided this support until age 21, based on the Title IV-E program's eligibility link to the now-defunct Aid to Families with Dependent Children (AFDC) program. Children qualified as dependents under the AFDC program until age 18. As was the case with AFDC, federal law permitted states to make continued claims for otherwise eligible foster youth until their 19th birthday provided that they were full-time students and expected to complete high school or an equivalent training program by age 19. States must have elected this option in their definitions of "child" for purposes of the states' AFDC programs. For additional information, see HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 8.3A, Question 2.

[15] States may also provide Title IV-E subsidies on behalf of youth 18 or older (until age 19, 20, or 21, at the jurisdiction's option) who left foster care after age 16 for adoption or kinship guardianship and meet the four eligibility conditions.

[16] HHS, ACYF, ACF, CB, *Program Instruction: Guidance on Fostering Connections to Success and Increasing Adoptions Act of 2008*, ACYF-CB-PI-10-11, July 9, 2010. (Hereinafter, HHS, ACYF, ACF, CB, *Program Instruction: Guidance on Fostering Connections to Success and Increasing Adoptions Act of 2008*.)

[17] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 8.3A, Question 4.

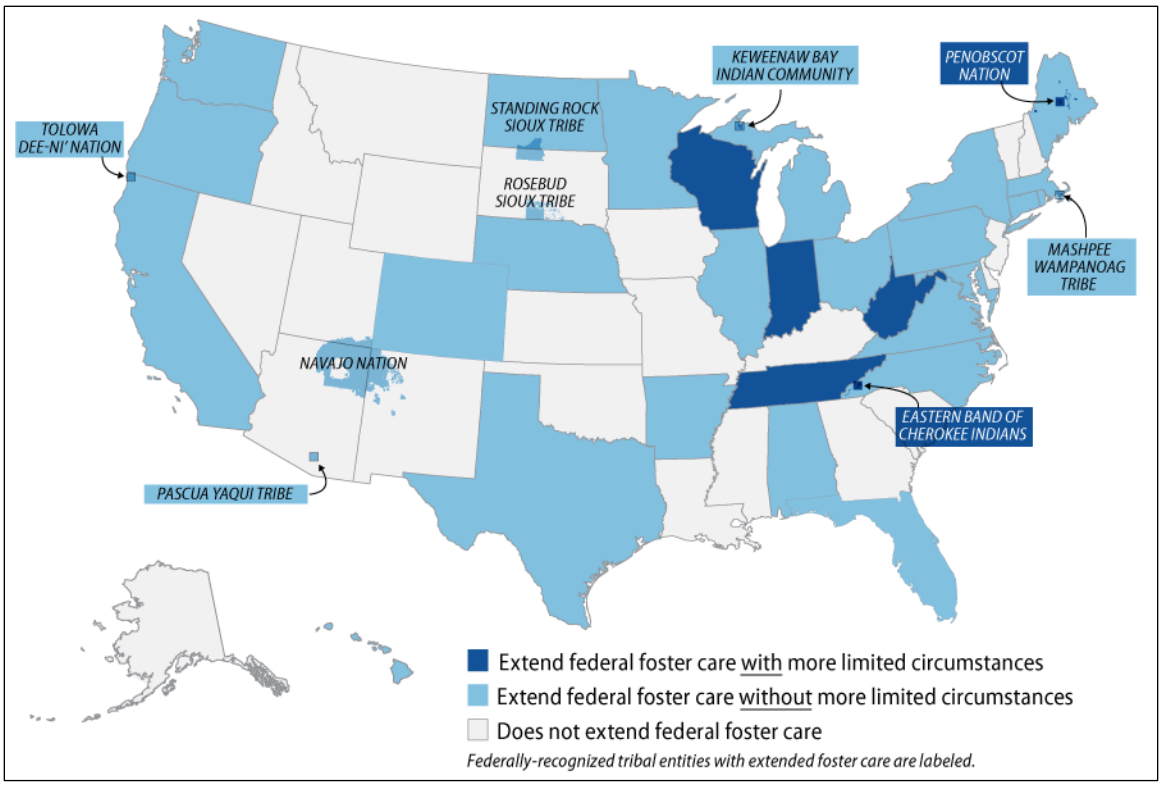
[18] CRS correspondence with HHS, ACYF, ACF, CB, May 2019.

[19] Other states extend foster care under certain circumstances; however, HHS has not approved amendments to their Title IV-E plans to allow these states to seek federal reimbursement for extended care. HHS, ACYF, ACF, CB, Child Welfare Information Gateway, *Extension of Foster Care Beyond Age 18*, February 2017, p. 2. (Hereinafter, HHS, ACYF, ACF, CB, Child Welfare Information Gateway, *Extension of Foster Care Beyond Age 18.*)

to remain in care typically decide to leave earlier than the maximum age for foster care in their state by one to three years.[20]

HHS has advised that young people can leave care and later return before they reach the maximum age of eligibility in the state (with certain requirements pertaining to how long youth can leave for and remain eligible for foster care maintenance payments). In addition, state and tribal child welfare agencies can choose to close the original child abuse and neglect case and reopen the case as a "voluntary placement agreement" when the young person turns 18 or if they re-enter foster care between the ages of 18 and 21.[21] In these cases, the income eligibility for Title IV-E would be based on the young adult's income only. HHS has further advised that states can extend care to youth ages 18 to 21 even if they were not in foster care prior to 18, but are not required to do so.[22]

Figure 2. States and Tribes that Extend Federal Foster Care Beyond Age 18



Source: Congressional Research Service (CRS), based on correspondence with HHS, Children's Bureau, May 2019.

[20] Garet Fryar, Elizabeth Jordan, and Kerry DeVooght, *Supporting Young People Transitioning From Foster Care: Findings from a National Survey*, Child Trends, November 2017, p. 8. (Hereinafter, Garet Fryar, Elizabeth Jordan, and Kerry DeVooght, *Supporting Young People Transitioning From Foster Care: Findings from a National Survey*.)

[21] HHS, ACYF, ACF, CB, *Program Instruction: Guidance on Fostering Connections to Success and Increasing Adoptions Act of 2008*. More than half of all states, including those that have not received federal approval to extend foster care with Title IV-E funds, permit youth to return to foster care and require a youth who chooses to remain in foster care to enter into a voluntary placement agreement. Some states permit a return to care up to selected ages and under selected circumstances (e.g., Iowa allows youth to return to care until age 20 to complete high school or an equivalent program). See HHS, ACYF, ACF, CB, Child Welfare Information Gateway, *Extension of Foster Care Beyond Age 18*, p. 3.

[22] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 8.3A, Question 5.

Note: Indiana extends foster care to age 20, and the other states extend care to age 21. Except for three states and two tribal nations, jurisdictions with approved plan amendments allow youth to remain in care under the eligibility conditions and exempt youth from these conditions if a youth is incapable of meeting them for medical reasons. Tennessee allows youth to remain in care so long as youth are in school or are incapable of performing these activities for medical reasons. West Virginia enables youth to remain in care if they are completing high school or completing a program leading to an equivalent credential. Wisconsin provides extended care to youth in postsecondary education who have a documented disability. The Eastern Band of Cherokee allows youth to remain in care under all of the conditions except the one related to medical reasons, and the Penobscot Indian Nation allows youth to remain in care except under the condition related to working part-time.

Eligible Placement Setting

Federal reimbursement of part of the costs of maintaining children in foster care may be sought only for children placed in foster family homes or child care institutions.[23] Title IV-E does not currently include a definition of "foster family"; however, as of FY2020 the following definition of "foster family home" will go into effect: the home of an individual who is licensed as a foster parent, and who is residing with and providing 24-hour substitute care for not more than six children (with some exceptions) placed in foster care in the individual's licensed home.[24] A "child care institution" is defined in law as a private institution, or a public institution that accommodates no more than 25 children, that is approved or licensed by the state. However, if a child in foster care is at least 18 years old, he/she may be placed in a "setting in which the individual is living independently" that meets standards established by the HHS Secretary (it does not have to meet state licensing rules). A child care institution may never include "detention facilities, forestry camps, training schools, or any other facility operated primarily for the detention of children who are determined to be delinquent."[25]

In program instructions issued by HHS, the department stated that it did not have plans to issue regulations that describe the kinds of living arrangements considered to be independent living settings, how these settings should be supervised, or any other conditions for a young person to live independently. The instructions advised that states have the discretion to develop a range of supervised independent living settings that "can be reasonably interpreted as consistent with the law, including whether or not such settings need to be licensed and any safety protocols that may be needed."[26] States appear to allow youth ages 18 and older to live in a variety of settings. For example, Florida defines an independent living setting as a licensed foster home, licensed group home, college dormitory, shared housing, apartment, or other housing arrangement if the arrangement is approved and is acceptable to the youth, with the first choice being a licensed foster home.[27]

Case Planning and Review

Federal child welfare provisions under Title IV-B and Title IV-E of the Social Security Act require state child welfare agencies, as a condition of receiving funding under these titles, to provide certain case management services to all children in foster care. These include

[23] Section 472(c) of the Social Security Act.

[24] This definition was added by the Family First Prevention Services Act, enacted as part of Division E of the Bipartisan Budget Act of 2018 (P.L. 115-123).

[25] Section 472(c) of the Social Security Act.

[26] HHS, ACYF, ACF, CB, *Program Instruction: Guidance on Fostering Connections to Success and Increasing Adoptions Act of 2008*.

[27] HHS, ACYF, ACF, CB, Child Welfare Information Gateway, *Extension of Foster Care Beyond Age 18*, pp. 22-23.

- monthly case worker visits to each child in care;[28]
- a written case plan for each child in care that documents the child's placement and steps taken to ensure his/her safety and well-being, including by addressing their health and educational needs;[29] and
- procedures ensuring a case review is conducted at least once every six months by a judge or an administrative review panel, and at least once every 12 months by a judge or administrative body who must consider the child's permanency plan.

As part of the annual hearing, the court or administrative body must ensure that the permanency plan addresses whether—and, as applicable, when—the child will be returned to his/her parents, placed for adoption (with a petition for termination of parental rights filed by the Title IV-E agency), referred for legal guardianship, or placed in another planned permanent living arrangement. A court or administrative body may determine that a child's permanency plan is "another planned permanent living arrangement" only if the Title IV-E agency documents for the court a compelling reason why every other permanency goal is not in the child's best interest.[30] Further, the court or administrative body conducting the hearings is to consult, in an age-appropriate manner, with the child regarding the proposed permanency plan or transition plan.[31]

As shown in **Figure 1**, certain other provisions in Title IV-E apply to youth ages 14 and older. For example, the written case plan must include a description of the programs and services that will help the child prepare for a successful transition to adulthood.

John H. Chafee Foster Care Program for Successful Transition to Adulthood (Chafee Program)

The John H. Chafee Foster Care Program for Successful Transition to Adulthood, authorized under Section 477 of Title IV-E of the Social Security Act, provides services to older youth in foster care and youth transitioning out of care.[32] This section provides an overview of the program, as well as information about program eligibility, youth participation, program administration, funding, data collection, and training and technical assistance.

Legislative History

The Foster Care Independence Act of 1999 (P.L. 106-169) replaced the prior-law Independent Living Program that was established in 1986 (P.L. 99-272). The 1999 law created the John H. Chafee Foster Care Independence program and doubled the annual mandatory funds available to states for independent living services from $70 million to $140 million.[33] It also established new purpose areas, activities to be funded, and related requirements. The program has been amended five times, to (1) add the Education and Training Voucher (ETV) program for funding higher education opportunities (P.L. 107-133), (2) expand eligibility for the Chafee and ETV programs to youth who exit foster care at age 16 or older for adoption or kinship guardianship (P.L. 110-

[28] Section 422(b)(17) of the Social Security Act.

[29] Section 475(1) of the Social Security Act.

[30] Section 475(5) of the Social Security Act.

[31] Ibid.

[32] Section 477 of the Social Security Act.

[33] P.L. 113-183 provided for an increase of annual mandatory funding authorization to $143 million beginning with FY2020.

351), (3) ensure that foster youth are informed about designating others to make health care treatment decisions on their behalf (P.L. 111-148), (4) increase funding for the Chafee program and add a purpose area about supporting activities that are developmentally appropriate (P.L. 113-183), and (5) change data collection requirements and multiple purpose areas that address program eligibility (P.L. 115-123).

Purpose Areas

The purposes of the Chafee program are to

- support all youth who have experienced foster care at age 14 or older in their transition to adulthood through transitional services such as assistance in obtaining a high school diploma and post-secondary education, career exploration, vocational training, job placement and retention, training and opportunities to practice daily living skills (such as financial literacy training and driving instruction), substance abuse prevention, and preventive health activities (including smoking avoidance, nutrition education, and pregnancy prevention);
- help youth who have experienced foster care at age 14 or older achieve meaningful, permanent connections with a caring adult;
- help youth who have experienced foster care at age 14 or older engage in age- or developmentally appropriate activities, positive youth development, and experiential learning that reflects what their peers in intact families experience;
- provide financial, housing, counseling, employment, education, and other appropriate support and services to former foster care youth between the ages of 18 and 21 (or up to age 23 in states that have extended foster care to age 21 using federal, state, or other funds, as determined by the HHS Secretary) to complement their own efforts to achieve self-sufficiency and to ensure that program participants recognize and accept their personal responsibility for preparing for and then making the transition from adolescence to adulthood;
- make education and training vouchers, including postsecondary training and education, available to youth who have aged out of foster care;
- provide Chafee-funded services to youth who have left foster care for kinship guardianship or adoption after turning 16; and
- ensure that youth who are likely to remain in foster care until age 18 have regular, ongoing opportunities to engage in age- or developmentally appropriate activities.

Supports

States may use Chafee funding to provide supports that are described in the purpose areas and other parts of the law. They may dedicate as much as 30% of their program funding toward room and board for youth ages 18 to 21 (or up to age 23 in states that have extended foster care to age 21 using federal, state, or other funds, as determined by the HHS Secretary).[34] Room and board

[34] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 3.1G, Questions 1 and 4. In a study of how 30 states use Chafee room and board funds, states reported that they generally use the funds to provide rental startup costs, ongoing support, and emergency assistance. For further information, see Michael R. Pergamit, Marla McDaniel, and Amelia Hawkins, *Housing Assistance for Youth Who Have Aged Out of Foster Care: The Role of the Chafee Foster Care Independence Program*, Urban Institute, for HHS, ACYF, ACF, Office of Planning, Research, and Evaluation

are not defined in statute, but they typically include food and shelter, and may include rental deposits, rent payments, utilities, and the cost of household startup purchases. Chafee funds may not be used to acquire property to provide housing to current or former foster youth.[35] As described in HHS guidance, states may use Chafee funding to establish trust funds for youth eligible under the program.[36]

Chafee Education and Training Vouchers

The Chafee program authorizes discretionary funding for the ETV program at $60 million annually, with no end year specified. The program is intended to provide financial support for the cost of attendance to Chafee-eligible youth enrolled at an institution of higher education, as defined by the Higher Education Act of 1965 (HEA), either on a full-time or part-time basis.[37] The law refers to this support as a "voucher," which must not exceed the lesser of $5,000 or the cost of attendance. Youth are eligible to receive ETVs for five years until age 26, regardless of whether they attend in consecutive years or not and are making satisfactory progress toward completion of their program.[38]

Funding received through the ETV program does not count toward the student's expected family contribution, which is used by the federal government to determine a student's need for federal financial aid. However, the total amount of education assistance provided under the ETV program and other federal programs may not exceed the total cost of attendance, and students cannot claim the same education expenses under multiple federal programs.[39] The state child welfare agency is to take appropriate steps to prevent duplication of benefits under the Chafee ETV program and other federal programs, and to coordinate the program with other appropriate education and training programs. A current fiscal year's ETV funds may not be used to finance a youth's educational or vocational loans incurred prior to that year.[40]

State Plan

To be eligible for Chafee and ETV funds, a state must submit a five-year plan (as part of what is known as the Child and Family Service Plan, or CFSP, and annual updates to that plan via the Annual Progress and Service Report, or APSR) to HHS that describes how it intends to carry out

(OPRE), May 2012.

[35] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 3.1G, Questions 1 and 3.

[36] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 3.3E, Question 1.

[37] Section 472 of HEA defines "cost of attendance" as tuition, fees, and other equipment or materials required of all students in the same course of study; books, supplies, and allowance for transportation and miscellaneous personal expenses, including computers; room and board; child care expenses for a student who is a parent; accommodations related to a student's disability that are not paid for by another source; expenses related to a youth's work experience in a cooperative education program (alternating periods of academic study and employment to give students work experience); and student loan fees or insurance premiums on the loans. Section 102 of HEA defines "institutions of higher education" as traditional higher education institutions (e.g., public or private, nonprofit two- and four-year colleges and universities) and other postsecondary institutions (e.g., proprietary or for-profit schools offering technical training programs, and postsecondary vocational schools).

[38] This change was enacted by the Family First Prevention and Service Act (P.L. 115-123). Prior law limited the voucher to youth up to the age of 21, though youth could continue receiving the voucher until age 23 if they received the funds as of age 21 and were making satisfactory progress toward completion of their program.

[39] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 3.5B, Question 1.

[40] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 3.5C, Question 5.

its Chafee-funded program.[41] The plan must be submitted on or before June 30 of the calendar year in which it is to begin. States may make amendments to the plan and notify HHS within 30 days of modifying it. HHS is to make the plans available to the public.

Eligibility

The Chafee program addresses eligibility under the purpose areas and in provisions on the ETV program.[42] The program, including the ETV program, is available to youth

- in foster care between the ages of 14 and 21;
- who aged out of foster care and are between the ages of 18 and 21 (or up to age 23 in states that extend foster care to age 21);
- who left foster care at age 16 or older for kinship guardianship or adoption until they reach age 21 (or up to age 23 in states that extend care to age 21);
- who had been in foster care between the ages of 14 and 21 and left foster care for some other reason besides aging out of foster care, kinship guardianship, or adoption; and
- who are likely to remain in foster care until age 18 years (see the purpose area about "regular, ongoing opportunities to engage in age- or developmentally appropriate activities").[43]

The Chafee program requires states to ensure that Chafee-funded services serve children of "various ages" and in "various stages of achieving independence" and use objective criteria for determining eligibility for benefits and services under the program.[44] Former foster youth continue to remain eligible until age 21 (or age 23, if applicable) for services if they move to another state. The state in which the former foster youth resides—whether or not the youth was in foster care in that state—is responsible for providing independent living services to him/her.[45]

The number of youth who receive independent living program assistance from Chafee funds and other sources (state, local, and private) is collected by HHS via states through the National Youth in Transition Database (NYTD, discussed further in "Data Collection"). In FY2017, approximately 111,700 youth received an independent living service.[46] Separately, states reported

[41] Section 477(b)(3) of the Social Security Act.

[42] Section 477(a) and Section 477(i) of the Social Security Act. HHS has provided guidance to states that outlines eligibility for the Chafee program and Chafee ETV program. See HHS, ACYF, ACF, CB, *Additional Information and Instructions for the Annual Progress and Services Report, as a Result of Passage of* P.L. 115-123*, the Family First Prevention Services Act and* P.L. 115-141*, the Consolidated Appropriations Act of 2018*, May 31, 2018 (hereinafter, HHS, ACYF, ACF, CB, *Additional Information and Instructions for the Annual Progress and Services Report, as a Result of Passage of* P.L. 115-123*, the Family First Prevention Services Act and* P.L. 115-141*, the Consolidated Appropriations Act of 2018*.)

[43] The 1999 law (P.L. 106-169) that established the Chafee program generally required states to provide supports to children "likely to remain in foster care" until age 18. The 2018 law (P.L. 115-123) that amended the program struck that term in all purpose areas except the one that addresses age- and developmentally appropriate activities. The current and former versions of the law do not define "likely to remain in foster care" until age 18. HHS has advised that "if a state determines that a youth younger than 14 is likely to remain in foster care until age 18, the state may use Chafee funds to provide that youth opportunities to engage in age or developmentally appropriate activities." See HHS, ACYF, ACF, CB, ACYF-CB-PI-19-02, February 26, 2019, p. 40. (Hereinafter, HHS, ACYF, ACF, CB, ACYF-CB-PI-19-02.)

[44] Section 477(b)(2)(C) and Section 477(b)(2)(E) of the Social Security Act.

[45] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 3.1F, Question 3.

[46] This is based on correspondence with HHS, ACYF, ACF, CB, October 2018. See also, HHS, ACYF, ACF, CB, Data

to HHS that they provided ETV vouchers to 16,400 youth in FY2008; 16,650 youth in FY2009; 17,400 youth in program year (PY) 2010; 17,100 youth in PY2011; 16,554 youth in PY2012; 16,548 youth in PY2013; 15,514 youth in PY2014, and 14,619 youth in PY2015.[47]

American Indian Youth

The Chafee program requires a state to certify that each federally recognized Indian tribe in it has been consulted about the state's Chafee-funded programs and that there have been efforts to coordinate the programs with these tribal entities. In addition, the Chafee program specifies that the "benefits and services under the programs are to be made available to Indian children in the state on the same basis as to other children in the state."[48] "On the same basis" has been interpreted by HHS to mean that the state will provide program services equitably to children in both state custody and tribal custody.[49]

The Role of Youth Participants

The Chafee program requires states to ensure that youth in Chafee-funded programs participate directly in "designing their own program activities that prepare them for independent living" and that they "accept personal responsibility for living up to their part of the program."[50] This language builds on the positive youth development approach to serving young people.[51] Youth advocates that support this approach view youth as assets and promote the idea that they should be engaged in decisions about their lives and communities.

States have taken various approaches to involving young people in decisions about the services they receive. Most states have also established formal youth advisory boards to provide a forum for youth to become involved in issues facing those in care and aging out of care.[52] Youth-serving organizations for current and former foster youth, such as Foster Club, provide an outlet for young people to become involved in the larger foster care community and advocate for other children in care.[53] States are not required to utilize life skills assessments or personal responsibility contracts with youth to comply with the youth participation requirement, although some states use these tools to assist youth in making the transition to adulthood.[54]

Brief #3, "Highlights From the National Youth in Transition Database (NYTD), Federal Fiscal Year 2013," July 2014.

[47] This is based on correspondence with HHS, ACYF, ACF, CB, June 2016; HHS, ACYF, *Administration for Children and Families FY 2019 Justification of Estimates for Appropriations Committees*, p. 206; and HHS, ACYF, *Administration for Children and Families FY 2020 Justification of Estimates for Appropriations Committees*, p. 203. Program year is July 1 through June 30 of the following year. In more-recent years, HHS has reported the data based on the program year rather than the fiscal year to better align with the school year. PY2015 data are the most recent available.

[48] Section 477(b)(3)(G) of the Social Security Act.

[49] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 3.1I, Question 5.

[50] Section 477(b)(3)(H) of the Social Security Act.

[51] For additional information about positive youth development, see CRS Report RL33975, *Vulnerable Youth: Background and Policies*.

[52] Judy Havlicek, Ching-Hsuan Lin, and Fabiola Villalpando, "Web Survey of Foster Youth Advisory Boards in the United States," *Children and Youth Services Review*, vol. 60 (January 2016).

[53] Foster Club, "Young Leaders," https://www.fosterclub.com/what-we-do/young-leaders.

[54] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 3.1A, Question 1.

Program Administration

States administer their Chafee-funded programs in multiple ways. Some programs are overseen by the state program that addresses older and former foster youth, with an independent living coordinator and other program staff. For example, in Maine the state's independent living coordinator oversees specialized life skills education coordinators assigned to cover all of the state's Department of Health and Human Services district offices. In some states, like California, each county administers its own program with some oversight and support from a statewide program. Other states, including Florida, use contracted service providers to administer their programs. Many jurisdictions have partnered with private organizations to help fund and sometimes administer some aspect of their independent living programs. For example, the Jim Casey Youth Opportunities Initiative has provided funding and technical assistance to multiple cities to provide financial support and training to youth exiting care.[55]

ETV Program Administration

The state with the placement and responsibility for a youth in foster care is to provide the voucher to that youth. The state must also continue to provide a voucher to any youth who is currently receiving one and moves to another state for the *sole* purpose of attending an institution of higher education. If a youth moves permanently to another state after leaving care and subsequently enrolls in a qualified institution of higher education, the state where he or she resides would provide the voucher.[56]

Generally, states administer their ETV program through their program that addresses older and former foster youth. However, some states administer the ETV program through their financial aid office (e.g., California Student Aid Commission) or at the local level (e.g., Florida, where all child welfare programs are administered through community-based agencies). Some states contract with a nonprofit service provider, such as Foster Care to Success.

States and counties may use ETV dollars to fund the vouchers and the costs associated with program administration, including for salaries, expenses, and training of staff. States are not permitted to use Title IV-E foster care or adoption assistance program funds for administering the ETV program.[57] However, they may spend additional funds from state sources or other sources to supplement the ETV program or use ETV funds to expand existing postsecondary funding programs.[58] Several states have scholarship programs, tuition waivers, and grants for current and former foster youth that are funded through other sources.[59]

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[55] The Annie E. Casey Foundation, Jim Casey Youth Opportunities Initiative, http://www.aecf.org/work/child-welfare/jim-casey-youth-opportunities-initiative/.

[56] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 3.5, Question 1.

[57] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 3.5C, Question 5.

[58] HHS, ACYF, ACF, CB, *Child Welfare Policy Manual*, Section 3.5C, Question 6.

[59] See CRS In Focus IF10450, *Foster Youth: State Support for Higher Education*; Garet Fryar, Elizabeth Jordan, and Kerry DeVooght, *Supporting Young People Transitioning From Foster Care: Findings from a National Survey*; Amy Dworsky and Alfred Perez, *Helping Former Foster Youth Graduate From College: Campus Support Programs in California and Washington State*, Chapin Hall Center for Children, University of Chicago, 2009; Liliana Hernandez and Toni Naccarato, "Scholarships and Supports Available to Foster Care Alumni: A Study of 12 Programs Across the U.S.," Children and Youth Services Review, vol. 32, no. 5 (May 2010), pp. 758-766; and Casey Family Programs, *Supporting Success: Improving Higher Education Outcomes for Youth in Foster Care: A Framework for Program Enhancement*, 2010.

Funding

Chafee and ETV funds are distributed to each state based on its proportion of the nation's children in foster care. States must provide a 20% match (in-kind or cash) to receive their full federal Chafee and ETV allotment.[60] The Chafee program includes a "hold harmless" clause that precludes any state from receiving less than the amount of general independent living funds it received under the former independent living program in FY1998 or $500,000, whichever is greater. There is no hold harmless provision for ETV funds. States may use Chafee and ETV funds to supplement, and not supplant, any other funds that are available for the types of activities authorized under the Chafee program. Territories with an approved Title IV-E plan may also apply for Chafee funding. Currently, Puerto Rico and the U.S. Virgin Islands have approved plans.

An Indian tribe, tribal organization, or tribal consortium may apply to HHS and receive a direct federal allotment of Chafee and/or ETV funds.[61] To be eligible, a tribal entity must be receiving Title IV-E funds to operate a foster care program under a Title IV-E plan approved by HHS or via a cooperative agreement or contract with the state. Successful tribal applicants receive an allotment amount(s) out of the state's allotment for the program(s) based on the share of all children in foster care in the state under tribal custody. Tribal entities must satisfy the Chafee program requirements established for states, as HHS determines appropriate.

Four tribes—the Prairie Band of Potawatomi (Kansas), Santee Sioux Nation (Nebraska), Confederated Tribe of Warm Springs (Oregon), and Port Gamble S'Klallam Tribe (Washington)—receive Chafee and ETV funds. A state must certify that it will negotiate in good faith with any tribal entity that does not receive a direct federal allotment of child welfare funds but would like to enter into an agreement or contract with the state to receive funds for administering, supervising, or overseeing Chafee and ETV programs for eligible Indian children under the tribal entity's authority.

Appendix B provides the Chafee and ETV allotments for each state, four tribes, Puerto Rico, and the U.S. Virgin Islands in FY2018 and FY2019. Though not shown in the table, Chafee funds are often combined with state, local, and other funding sources.[62]

Unused Funds

States and tribes have two fiscal years to spend their Chafee and ETV funds. If a jurisdiction does not apply for all of its allotment, the remaining funds may be redistributed among states that need these funds as determined by HHS. **Table A-2** shows the percentage and share of funds returned for both programs from FY2005 through FY2014, as well as a list of jurisdictions that have returned these funds. FY2014 is the most recent year available.[63]

HHS was recently given authority to reallocate funds that are not spent within the two-year period to states and tribes that apply for the funding.[64] If funds are reallocated, the statute specifies that the funds should be redistributed among the states and tribes that apply for any unused funds,

[60] Section 477(c) of the Social Security Act.

[61] Section 477(j) of the Social Security Act.

[62] Amy Dworsky and Judy Havlicek, *Review of State Policies and Programs to Support Young People Transitioning Out of Foster Care*, University of Chicago, Chapin Hall Center for Children, 2009, pp. 15-16.

[63] CRS correspondence with HHS, ACYF, ACF, CB, May 2019.

[64] Section 477(d)(5) of the Social Security Act. This provision was enacted by P.L. 115-123. HHS has provided instructions to states about the process for releasing funds and requesting additional funds that become available for allotment. See HHS, ACYF, ACF, CB, ACYF-CB-PI-19-02, pp. 53-54.

provided HHS determines the state or tribe would use the funds according to the program purposes. Further, HHS is directed to allocate the funds based on the share of children in foster care among the states and tribes that successfully apply for the unused funds. Any unspent funds can be made available to the applying states or tribes in the second fiscal year following the two-year period in which funds were originally awarded. Any redistributed funds are considered part of the state's or tribe's allotment for the fiscal year in which the redistribution is made.

Training and Technical Assistance

Training and technical assistance grants for the Chafee and ETV programs had been awarded competitively every five years, most recently for FY2010 through FY2014. The National Child Welfare Resource Center for Youth Development (NCWRCYD), housed at the University of Oklahoma, provided assistance under the grant. Beginning with FY2015, HHS has operated the Child Welfare Capacity Building Collaborative via a contract with ICF International, a policy management organization, to provide training and technical assistance on a number of child welfare issues, including youth development.[65]

Data Collection

The Chafee program required that HHS consult with state and local public officials responsible for administering independent living and other child welfare programs, child welfare advocates, Members of Congress, youth service providers, and researchers to

- "develop outcome measures (including measures of educational attainment, high school diploma, avoidance of dependency, homelessness, non-marital childbirth, incarceration, and high-risk behaviors) that can be used to assess the performance of states in operating independent living programs";
- identify the data needed to track the number and characteristics of children receiving services, the type and quantity of services provided, and state performance on the measures; and
- develop and implement a plan to collect this information beginning with the second fiscal year after the Chafee law was enacted in 1999.

In response to these requirements, HHS created the National Youth in Transition Database (NYTD). The final rule establishing NYTD became effective April 28, 2008, and it required states to report data on youth beginning in FY2011.[66] HHS uses NYTD to engage in two data collection and reporting activities.[67] First, states collect demographic data and information about receipt of services on eligible youth who currently receive independent living services. This includes youth regardless of whether they continue to remain in foster care, were in foster care in another state, or received child welfare services through an Indian tribe or privately operated

[65] HHS, ACYF, ACF, CB, "Child Welfare Capacity Building Collaborative," https://capacity.childwelfare.gov/states/.

[66] HHS, ACYF, ACF, CB, "Chafee National Youth in Transition Database," 73 *Federal Register* 10338, February 26, 2008.

[67] For additional information, see HHS, ACFY, ACF, CB, *Highlights from the NYTD Survey: Outcomes Reported by Young People at Ages 17, 19, and 21 (Cohort 1)*, November 2016. For analysis of NYTD selected data in FY2011-FY2013, see CRS Report R43752, *Child Welfare: Profiles of Current and Former Older Foster Youth Based on the National Youth in Transition Database (NYTD)*.

foster care program. Second, states track information on outcomes of foster youth on or about their 17th birthday, around their 19th birthday, and around their 21st birthday.

Consistent with the authorizing statute for the Chafee program, HHS is to penalize any state not meeting the data collection procedures for the NYTD from 1% to 5% of its annual Chafee fund allotment, which includes any allotted or re-allotted funds for the general Chafee program only. The penalty amount is to be withheld from the current fiscal year award of the funds. HHS is to evaluate a state's data file against data compliance standards, provided by statute. However, states have the opportunity to submit corrected data.[68] The text box indicates new information that HHS must report to Congress.

HHS Report Due to Congress by October 1, 2019

As amended in 2018 (P.L. 115-123), the Chafee law requires that the HHS Secretary submit a report to the House Ways and Means Committee and Senate Finance Committee that includes information on the experiences and outcomes of current and former foster youth, drawn from NYTD and any other data or databases in which states report relevant outcome measures. The report must (1) compare factors related to entry into foster care and experiences (e.g., length of stay, number of placement settings, case goal, and discharge reason) in care of 17-year olds who are surveyed by NYTD and those for children who left care before age 17; (2) describe the characteristics of individuals who report poor outcomes at ages 19 and 21 to NYTD; (3) offer benchmarks for determining what constitutes poor outcomes for youth who remain in or have exited care, along with the plans of the executive branch to use those benchmarks in evaluating child welfare agency services to youth transitioning from foster care; (4) analyze the association between selected factors (type of placement, number of overall placements, and other factors) and outcomes at ages 19 and 21; and (5) analyze the differences among states in outcomes for children in and formerly in foster care at age 19 and 21.

Source: Section 477(f)(2) of the Social Security Act.

Evaluation of Chafee-Funded Services

The authorizing statute for the Chafee program requires HHS to conduct evaluations of state (or tribal) programs funded by the Chafee program deemed to be "innovative or of national significance."[69] The law reserves 1.5% of total Chafee funding annually for these evaluations, as well as related technical assistance, performance measurement, and data collection. HHS conducted an evaluation of promising independent living programs from approximately 2007 to 2012, and is in the process of identifying new ways of conducting research in this area.

Multi-Site Evaluation of Foster Youth Programs

For the initial evaluation, HHS contracted with the Urban Institute and its partners to conduct what is known as the Multi-Site Evaluation of Foster Youth Programs.[70] The goal of the evaluation was to determine the effects of programs funded by the Chafee authorizing law in achieving key outcomes related to the transition to adulthood. HHS and the evaluation team initially conducted an assessment to identify state and local programs that could be evaluated

[68] The data files are maintained at the National Data Archive on Child Abuse and Neglect (NDACAN) at Cornell University. As HHS has explained, NYTD data files are reported semiannually, and because states have a window of time to collect baseline outcomes data from youth, surveying a cohort of 17 year olds in care (the *baseline youth*) takes 18 months.

[69] Section 477(g) of the Social Security Act.

[70] HHS, ACYF, ACF, OPRE, "Multi-Site Evaluation of Foster Youth Programs (Chafee Independent Living Evaluation Project), 2001-2010."

rigorously, through random assignment to treatment and control groups, as required under the law. Their work is the first to involve random assignment of programs for this population.

The evaluation team examined four programs in California and Massachusetts—an employment services program in Kern County, CA; a one-on-one intensive, individualized life skills program in Massachusetts; and a classroom-based life skills training program and a tutoring/mentoring program, both in Los Angeles County, CA. The evaluation of the Los Angeles and Kern County programs found no statistically significant impacts as a result of the interventions; however, the life skills program in Massachusetts, known as Outreach, showed impacts for some of the education outcomes that were measured.[71] The Outreach program assists youth who enroll voluntarily in preparing to live independently and in having permanent connections to caring adults upon exiting care.

Outreach youth were more likely than their counterparts in the control group to report having ever enrolled in college and staying enrolled. Outreach youth were also more likely to experience outcomes that were not a focus of the evaluation: these youth were more likely to remain in foster care and to report receiving more help in some areas of educational assistance, employment assistance, money management, and financial assistance for housing. In short, the Outreach youth may have been less successful on the educational front if they had not stayed in care. Youth in the program reported similar outcomes as the control group for multiple other measures, including in employment, economic well-being, housing, delinquency, and pregnancy.

Emerging Research

HHS has contracted with the Urban Institute and Chapin Hall for additional research on the Chafee program. Citing the lack of experimental research in child welfare, the research team is examining various models in other policy areas that could be used to better understand promising approaches of working with older youth in care and those transitioning from care. Researchers have identified a conceptual framework that takes into account the many individual characteristics and experiences that influence a youth's ability to transition successfully into adulthood. The research team has also classified the various types of programs that foster youth could access to help in the transition, and the extent to which they are ready to be evaluated.[72] In addition, researchers have published a series of briefs that discuss outcomes and programs for youth in foster care in the areas of education, employment, and financial literacy. The briefs discuss that few programs have impacts for foster youth in these areas. The briefs also address issues to consider when designing and evaluating programs for youth in care.[73]

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[71] Mark E. Courtney et al., *Evaluation of the Massachusetts Adolescent Outreach Program for Youths in Intensive Foster Care: Final Report*, Urban Institute for HHS, ACYF, ACF, OPRE, OPRE Report #2011-14, July 2011.

[72] Mark Courtney et al., *Planning a Next-Generation Evaluation Agenda for the John H. Chafee Foster Care Independence Program*, Urban Institute for HHS, ACYF, ACF, OPRE, OPRE Report #2017-96, December 2017. This report provides a framework that researchers can apply to understand the transition to adulthood for foster youth and classifies independent living programs into 10 services categories.

[73] HHS, ACYF, ACF, OPRE, "Planning a Next Generation Evaluation Agenda for the John H. Chafee Foster Care Independence Program, 2011-2019." Related research has shown positive outcomes for a social services program, YVLifeSet at Youth Villages, to foster and juvenile-justice involved youth in the transition to adulthood. The program provides intensive, individualized case management provided by a case manager. After one year, youth who had been randomly assigned to the program had greater earnings, increased housing stability and economic well-being, and some improved outcomes related to health and safety. These youth did not have improved outcomes in the areas of education, social support, or criminal involvement. The follow-up study found that the program did not increase average earnings for youth, but led to modest increases and earnings over a two-year period. The program did not have impacts in education and criminal involvement. Erin Jacobs Valentine, Melanie Skemer, and Mark E. Courtney, *Making Their Way: Summary Report on the Youth Villages Transitional Living Evaluation*, MDRC, December 2018.

Appendix A. Funding for the John H. Chafee Foster Care (Chafee) Program for Successful Transition to Adulthood and Education and Training Voucher (ETV) Program

Table A-1. Chafee General and ETV Program Allotments by State, Territory, and Tribe, FY2018 and FY2019

(Funding in nominal dollars; excludes funding for Chafee technical assistance and ETV set-asides)

	FY2018 Chafee	FY2018 ETV	FY2018 Total	FY2019 Chafee	FY2019 ETV	FY2019 Total
States and Territories						
Alabama	$1,483,155	$491,924	$1,975,079	$1,627,874	$539,508	$2,167,382
Alaska	827,725	274,535	1,102,260	799,627	265,012	1,064,639
Arizona	5,024,470	1,666,487	6,690,957	4,250,169	1,432,926	5,683,095
Arkansas	1,432,376	475,082	1,907,458	1,380,700	457,591	1,838,291
California	16,051,126	5,323,742	21,374,868	14,984,388	4,966,114	19,950,502
Colorado	1,682,748	558,124	2,240,872	1,648,977	546,503	2,195,480
Connecticut	1,209,007	400,997	1,610,004	1,195,393	396,176	1,591,569
Delaware	500,000	75,935	575,935	500,000	75,403	575,403
District of Columbia	1,091,992	80,413	1,172,405	1,091,992	71,954	1,163,946
Florida	6,988,703	2,317,972	9,306,675	7,123,500	2,360,866	9,484,366
Georgia	3,634,067	1,205,326	4,839,393	3,800,395	1,259,524	5,059,919
Hawaii	500,000	156,251	656,251	500,000	153,967	653,967
Idaho	500,000	147,782	647,782	500,000	152,626	652,626
Illinois	4,729,483	1,568,647	6,298,130	4,605,225	1,526,261	6,131,486
Indiana	5,822,550	1,961,998	7,784,548	6,043,166	2,002,822	8,045,988

	FY2018 Chafee	FY2018 ETV	FY2018 Total	FY2019 Chafee	FY2019 ETV	FY2019 Total
Iowa	1,762,293	584,507	2,346,800	1,720,672	570,264	2,290,936
Kansas	2,132,779	707,388	2,840,167	2,228,998	738,733	2,967,731
Kentucky	2,292,976	760,521	3,053,497	2,338,459	775,011	3,113,470
Louisiana	1,358,131	454,830	1,812,961	1,358,131	427,315	1,785,446
Maine	565,888	178,837	744,725	565,888	151,764	717,652
Maryland	1,238,095	373,932	1,612,027	1,238,095	375,864	1,613,959
Massachusetts	3,202,593	1,062,217	4,264,810	3,156,589	1,046,155	4,202,744
Michigan	4,171,796	1,208,785	5,380,581	4,171,796	1,141,869	5,313,665
Minnesota	2,580,919	856,024	3,436,943	2,790,020	924,667	3,714,687
Mississippi	1,610,248	534,078	2,144,326	1,572,657	521,209	2,093,866
Missouri	3,641,992	1,207,955	4,849,947	3,581,841	1,187,092	4,768,933
Montana	987,986	327,690	1,315,676	1,113,868	369,158	1,483,026
Nebraska	1,165,707	497,033	1,662,740	1,200,974	398,026	1,599,000
Nevada	1,247,752	413,847	1,661,599	1,274,314	422,333	1,696,647
New Hampshire	500,000	118,771	618,771	500,000	142,374	642,374
New Jersey	2,297,848	635,033	2,932,881	2,297,848	569,689	2,867,537
New Mexico	766,086	254,091	1,020,177	768,116	254,568	1,022,684
New York	11,585,958	1,918,144	13,504,102	11,585,958	1,840,807	13,426,765
North Carolina	3,059,943	1,014,904	4,074,847	3,095,012	1,025,747	4,120,759
North Dakota	500,000	136,976	636,976	500,000	143,237	643,237
Ohio	4,028,558	1,336,168	5,364,726	4,325,096	1,433,421	5,758,517
Oklahoma	2,954,863	980,051	3,934,914	2,692,019	892,187	3,584,206
Oregon	2,191,535	726,876	2,918,411	2,258,775	748,601	3,007,376
Pennsylvania	4,721,558	1,566,018	6,287,576	4,883,041	1,618,335	6,501,376

	FY2018 Chafee	FY2018 ETV	FY2018 Total	FY2019 Chafee	FY2019 ETV	FY2019 Total
Puerto Rico	1,251,568	415,113	1,666,681	1,312,186	434,884	1,747,070
Rhode Island	500,000	176,426	676,426	533,663	176,866	710,529
South Carolina	1,164,685	386,296	1,550,981	1,168,218	387,170	1,555,388
South Dakota	500,000	137,852	637,852	500,000	153,584	653,584
Tennessee	2,445,899	811,242	3,257,141	2,474,043	819,946	3,293,989
Texas	9,022,209	2,992,433	12,014,642	9,294,287	3,080,307	12,374,594
Utah	831,835	275,898	1,107,733	853,975	283,024	1,136,999
Vermont	500,000	128,798	628,798	500,000	121,679	621,679
Virgin Islands	500,000	18,302	518,302	500,000	18,012	518,012
Virginia	1,435,312	476,056	1,911,368	1,386,193	459,411	1,845,604
Washington	3,200,278	804,710	4,004,988	3,267,532	1,082,924	4,350,456
West Virginia	1,753,192	581,489	2,334,681	1,917,543	635,511	2,553,054
Wisconsin	2,166,763	718,659	2,885,422	2,232,075	739,753	2,971,828
Wyoming	500,000	96,671	596,671	500,000	103,954	603,954
Total for States and Territories	137,814,647	42,579,836	180,394,483	137,709,288	42,422,704	180,131,992
Tribal Entities						
AZ Pascua Yaqui Tribe	0	0	0	21,727	7,201	28,928
AZ Salt River	0	0	0	73,436	0	73,436
CA Tolowa Dee-ni Nation	0	0	0	10,496	3,479	13,975
KS Prairie Band of Potawatomi	10,502	3,483	13,985	12,327	4,086	16,413
NE Santee Sioux Nation	11,894	3,945	15,839	11,764	3,899	15,663
OR Confederated Tribe of Warm Springs	46,552	15,440	61,992	45,862	15,200	61,062
WA Port Gamble S'Klallam Tribe	16,405	5,441	21,846	15,100	5,004	20,104

	FY2018 Chafee	FY2018 ETV	FY2018 Total	FY2019 Chafee	FY2019 ETV	FY2019 Total
Total for Tribes	85353	28,309	113,662	190,712	38,869	229,581
Total for States, Territories, and Tribes	**$137,900,000**	**$42,608,145**	**$180,508,145**	**$137,900,000**	**$42,461,573**	**$180,361,573**

Source: Congressional Research Service (CRS), based on correspondence with the U.S. Department of Health and Human Services (HHS), Administration on Children, Youth, and Families (ACYF), Administration for Children and Families (ACF), Children's Bureau (CB), May 2019.

Notes: The Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351) permits, as of FY2010, an Indian tribe, tribal organization, or tribal consortium that receives direct funding from HHS to provide child welfare services or enters into a cooperative agreement or contract with the state to provide foster care to apply for and receive an allotment of Chafee and ETV funds directly from HHS. To be eligible, a tribal entity must be receiving Title IV-E funds to operate a foster care program (under a Title IV-E plan approved by HHS or via a cooperative agreement or contract with the state).

In FY2018, the Chafee program mandatory funding of $140,000,000 was subject to sequestration ($105,527), resulting in funding of $139,900,811. Of this amount, $137,900,000 was awarded for grants to the jurisdictions in this table. The remaining $1,994,473 was used for training, technical assistance, and program support. Also in FY2018, the ETV program appropriation was $43,257,000, of which $42,608,145 was used for grant awards to jurisdictions in this table and $648,855 was used for training, technical assistance, and program support.

In FY2019, the Chafee mandatory funding of $140,000,000 was subject to sequestration ($99,189), resulting in funding of $139,873,178. Of this amount, $137,900,000 was awarded for grants to the jurisdictions in this table. The remaining $2,000,811 was used for training, technical assistance, and program support. Also in FY2019, the ETV discretionary appropriation of $43,257,000 was subject to sequestration ($148,804), resulting in funding of $43,108,196. Of this amount, $42,461,573 was awarded for grants to the jurisdictions in this table. The remaining $646,623 was used for training, technical assistance, and program support.

Table A-2. Chafee and ETV Funds Returned by States (including the District of Columbia, Puerto Rico) and Tribes to the Treasury, FY2006-FY2014

(Beginning with FY2016, HHS has the discretion to redistribute funds that are unexpended to other states)

	Total Amount and Share of Chafee Funds Awarded to Jurisdictions that Were Returned	Jurisdictions Returning Chafee Funds	Total Amount and Share of ETV Funds Awarded to Jurisdictions that Were Returned	Jurisdictions Returning ETV funds
FY2007	$230,136 (0.2%)	5 jurisdictions: Kentucky, Massachusetts, Montana, North Carolina, Wyoming	$1,482,704 (3.4%)	17 jurisdictions: Alabama, California, Idaho, Kentucky, Louisiana, Michigan, Mississippi, New Mexico, North Carolina, North Dakota, Oklahoma, Pennsylvania, South Carolina, South Dakota, Texas, West Virginia, Wyoming
FY2008	$352,337 (0.3%)	4 jurisdictions: District of Columbia, Kentucky, Puerto Rico, Wyoming	$1,416,195 (3.2%)	12 jurisdictions: Alaska, Arkansas, Kentucky, Louisiana, Maine, Maryland, Michigan, North Carolina, Oklahoma, South Dakota, Texas, Wyoming
FY2009	$662,419 (0.5%)	7 jurisdictions: Alaska, Louisiana, Massachusetts, Montana, Puerto Rico, West Virginia, Wyoming	$1,747,853 (3.9%)	18 jurisdictions: Alaska, California, Colorado, Georgia, Hawaii, Kentucky, Maine, Michigan, Montana, Nebraska, New Mexico, New York, North Carolina, Oklahoma, Puerto Rico, South Carolina, Texas, Wyoming
FY2010	$1,635,560 (1.2%)	7 jurisdictions: Alaska, District of Columbia, Michigan, Nebraska, Confederated Tribe of Warm Springs (Oregon), West Virginia, Wyoming	$599,842 (1.3%)	14 jurisdictions: Alabama, Alaska, Georgia, Massachusetts, Michigan, Mississippi, New Mexico, North Dakota, Oklahoma, Confederated Tribe of Warm Springs (Oregon), Puerto Rico, South Carolina, West Virginia, Wyoming
FY2011	$1,561,295 (1.1%)	13 jurisdictions: Arizona, District of Columbia, Kentucky, Massachusetts, Michigan, Mississippi, Nebraska, New Mexico, New York, Confederated Tribe of Warm Springs (Oregon), Puerto Rico, West Virginia, Wyoming	$1,109.495 (2.5%)	21 jurisdictions: Alabama, District of Columbia, Georgia, Idaho, Indiana, Kentucky, Louisiana, Maine, Massachusetts, Michigan, New Hampshire, New Mexico, North Carolina, North Dakota, Confederated Tribe of Warm Springs (Oregon), Puerto Rico, South Carolina, South Dakota, Vermont, West Virginia, Wyoming

	Total Amount and Share of Chafee Funds Awarded to Jurisdictions that Were Returned	Jurisdictions Returning Chafee Funds	Total Amount and Share of ETV Funds Awarded to Jurisdictions that Were Returned	Jurisdictions Returning ETV funds
FY2012	$1,574,858 (1.1%)	11 jurisdictions: District of Columbia, Georgia, Kentucky, Michigan, Nebraska, Nevada, New Mexico, Confederated Tribe of Warm Springs (Oregon), Puerto Rico, Tennessee, Wyoming	$1,222,613 (2.7%)	18 jurisdictions: Alaska, Arizona, Idaho, Iowa, Kentucky, Louisiana, Maine, New Mexico, North Dakota, Oklahoma, Confederated Tribe of Warm Springs (Oregon), Puerto Rico, South Carolina, South Dakota, Port Gamble S'Klallam Tribe (Washington), West Virginia, Wyoming
FY2013	$2,989,810 (2.2%)	15 jurisdictions: Alaska, Georgia, Hawaii, Kentucky, Louisiana, Maine, Michigan, Mississippi, Nebraska, Santee Sioux Nation (Nebraska), Confederated Tribe of Warm Springs (Oregon), Puerto Rico, Washington, West Virginia, Wyoming	$1,561,711 (3.7%)	21 jurisdictions: California, Georgia, Prairie Band of Potawatomi (Kansas), Kentucky, Louisiana, Massachusetts, Minnesota, Mississippi, Nevada, New Mexico, North Dakota, Oklahoma, Confederated Tribe of Warm Springs (Oregon), Puerto Rico, South Carolina, South Dakota, Washington, Port Gamble S'Klallam Tribe (Washington), West Virginia, Wisconsin, Wyoming
FY2014	$3,185,046 (2.3%)	10 jurisdictions: Arkansas, Kentucky, Louisiana, Maine, Mississippi, Montana, Confederated Tribe of Warm Springs (Oregon), Puerto Rico, Vermont, Washington	$2,363,854 (5.6%)	20 jurisdictions: Arizona, Georgia, Hawaii, Kentucky, Louisiana, Maine, Massachusetts, Mississippi, New Mexico, North Dakota, Oklahoma, Oregon, Confederated Tribe of Warm Springs (Oregon), Puerto Rico, South Carolina, South Dakota, Tennessee, Virginia, Washington, Wisconsin

Source: Congressional Research Service (CRS), based on information provided by the U.S. Department of Health and Human Services (HHS), Administration on Children, Youth and Families (ACYF), Administration for Children and Families (ACF), Children's Bureau (CB), 2008-2017 and August 2018.

Note: FY2014 data are the most recent available.

Appendix B. Other Federal Support for Older Current and Former Foster Youth

In addition to the child welfare programs under Title IV-E of the Social Security Act, other federal programs provide assistance to older current and former foster youth. This appendix describes Medicaid pathways for foster youth who emancipated; educational, workforce, and housing supports; and a grant to fund training for child welfare practitioners working with older foster youth and youth emancipating from care.

Medicaid[74]

The Centers for Medicare and Medicaid Services (CMS) at HHS administers Medicaid, a federal-state health program jointly financed by HHS and the states. Medicaid law provides for mandatory and optional pathways for youth who have aged out of foster care.

Mandatory Pathway

As of January 1, 2014, certain former foster youth are eligible for Medicaid under a mandatory pathway created for this population in the Affordable Care Act (ACA, P.L. 111-148).[75] Former foster youth are eligible if they

- were "in foster care under the responsibility of the State" upon reaching age 18 (or up to age 21 if the state extends federal foster care to that age);
- were enrolled in Medicaid while in foster care; and
- are not eligible or enrolled in other mandatory Medicaid coverage groups.

The ACA specifies that income and assets are not considered when determining eligibility for this group. Nonetheless, foster youth with annual incomes above a certain level may be required to share in the costs of their health care.

In addition to the law, CMS has provided additional parameters on the new pathway via a final rule promulgated in November 2016 and policy guidance.[76] The final rule specifies that former foster youth are eligible regardless of whether Title IV-E foster care payments were made on their behalf. States may not provide Medicaid to individuals who left foster care before reaching age 18 via this pathway. Further, states may not provide Medicaid coverage to former foster youth who move from another state; however, states could apply to HHS under a waiver to provide such coverage via the research and demonstration waiver authority for the Medicaid program.

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[74] For further information, see CRS In Focus IF11010, *Medicaid Coverage for Former Foster Youth Up to Age 26*.

[75] Section 1902(a)(10)(A)(i)(X) of the Social Security Act.

[76] HHS, Centers for Medicare and Medicaid Services (CMS), "Medicaid and Children's Health Insurance Programs: Eligibility Notices, Fair Hearing and Appeal Processes for Medicaid and Other Provisions Related to Eligibility and Enrollment for Medicaid and CHIP, Final Rule," 81 *Federal Register* 86383, November 30, 2016. Other guidance has been provided via a July 2013 final rule on Medicaid benefits more generally; November 2016 guidance about former foster youth who move to a different state; and December 2013 guidance about the pathway. See HHS, CMS "Medicaid and Children's Health Insurance Programs: Essential Health Benefits in Alternative Benefit Plans, Eligibility Notices, Fair Hearing and Appeal Processes, and Premiums and Cost Sharing; Exchanges: Eligibility and Enrollment; Final Rule," 78 *Federal Register* 27498, July 15, 2013; HHS, CMS, "Section 1115 Medicaid Demonstration Opportunity to Allow Medicaid Coverage to Former Foster Youth Who Have Moved to a Different State," November 11, 2016; and HHS, CMS, "Medicaid and CHIP FAQs: Funding for the New Adult Group, Coverage of Former Foster Care Children and CHIP Financing," December 2013.

The Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (P.L. 115-271) amended the Medicaid statute on the former foster youth pathway. It will permit states, as of January 2023, to use state plan authority for providing coverage to former foster youth who move across state lines. The law directs HHS, within one year of the its enactment, to issue guidance to states on best practices for removing barriers and ensuring timely coverage under this pathway, and on conducting related outreach and raising awareness among eligible youth.

Consistent with existing regulations, the final rule affirms that states may not terminate Medicaid eligibility for foster youth who reach age 18 without first determining whether they are eligible for other mandatory Medicaid eligibility pathways available to adults (e.g., the coverage pathway for pregnant women).

Optional Pathway

The pathway for former foster youth appears largely to supersede an optional pathway also provided for this population. The 1999 law (P.L. 106-169) that established the Chafee program also created a new optional Medicaid eligibility pathway for "independent foster care adolescents"; this pathway is often called the "Chafee option."[77] The law further defined these adolescents as individuals under the age of 21 who were in foster care under the responsibility of the state on their 18th birthday. The law permits states to restrict eligibility based on the youth's income or resources, and whether or not the youth had received Title IV-E funding.

As of late 2012, more than half (30) of all states had extended the Chafee option to eligible youth. Of these states, five reported requiring youth to have income less than a certain level of poverty (180% to 400%). Four states permitted youth who were in foster care at age 18 in another state to be eligible under the pathway. States also reported whether the youth is involved in the process for enrolling under the Chafee option. In 15 states, youth are not directly involved in the enrollment process. For example, some states automatically enroll youth. In the other 15 states, youth are involved in enrollment with assistance from their caseworker or they enroll on their own. Most states that have implemented the Chafee option require an annual review to verify that youth continue to be eligible for Medicaid. States generally have a hierarchy to determine under which pathway youth qualify. For example, in most states, youth who qualify for the Chafee option and receive Supplemental Security Income (SSI) would be eligible for Medicaid under the SSI Medicaid pathway.[78]

Educational Support[79]

Federal funding and other supports for current and former foster youth are in place to help these youth aspire to, pay for, and graduate from college. The Higher Education Act (HEA) authorizes financial aid and support programs that target this and other vulnerable populations. [80]

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[77] Section 1902(a)(10)(A)(ii)(XVII) of the Social Security Act.

[78] Michael R. Pergmait et al., *Providing Medicaid to Youth Formerly in Foster Care Under the Chafee Option: Informing Implementation of the Affordable Care Act*, Urban Institute, for HHS, Office of the Assistant Secretary for Planning and Evaluation, November 2012.

[79] For further information, see CRS In Focus IF10449, *Foster Youth: Higher Education Outcomes and Federal Support*.

[80] Though not discussed here, a small part of the allocation formula population factor for the Title I-A program of Education for the Disadvantaged (authorized under the Elementary and Secondary Education Act, as amended) accounts for the number of children ages 5 to 17 who are in institutions for delinquent children or foster homes when

Federal Financial Aid

For purposes of applying for federal financial aid, a student's expected family contribution (EFC) is the amount that can be expected to be contributed by a student and the student's family toward his or her cost of education. Certain groups of students are considered "independent," meaning that only the income and assets of the student are counted.[81] Individuals under age 24 who are or were orphans, in foster care, or wards of the court at age 13 or older are eligible to apply for independent student status.[82] The law does not specify the length of time that the youth must have been in foster care or the reason for exiting as factors for independent student status eligibility. However, the federal financial aid form, known as the Free Application for Federal Student Aid (FAFSA), instructs current and former foster youth that the financial aid administrator at their school may require the student to provide proof that they were in foster care.

As required by the FY2014 appropriations law (2014, P.L. 113-76), the Department of Education (ED) modified the FAFSA form so that it includes a box for applicants to identify whether they are or were in foster care, and to require ED to provide these applicants with information about federal educational resources that may be available to them.[83]

Higher Education Support Programs

The Higher Education Act provides that youth in foster care, including youth who have left foster care after reaching age 16, and homeless children and youth are eligible for what are collectively called the federal TRIO programs. [84] The programs are known individually as Talent Search, Upward Bound, Student Support Services, Educational Opportunity Centers, and McNair Postbaccalaureate. The TRIO programs are designed to identify potential postsecondary students from disadvantaged backgrounds, prepare these students for higher education, provide certain support services to them while they are in college, and train individuals who provide these services. HEA directs the Department of Education (ED), which administers the programs, to (as appropriate) require applicants seeking TRIO funds to identify and make services available, including mentoring, tutoring, and other services, to these youth.[85] TRIO funds are awarded by ED on a competitive basis. In addition, HEA authorizes services for current and former foster youth (and homeless youth) through TRIO Student Support Services—a program intended to

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making grants to local education agencies (LEAs). For additional information, see CRS Report R44461, *Allocation of Funds Under Title I-A of the Elementary and Secondary Education Act*.

[81] 20 U.S.C. §1087vv (Section 480(d) of the Higher Education Act). Other groups of eligible students include those age 24 or older; students of any age in graduate or professional school; and students under age 24 who are married, have legal dependents other than a spouse (i.e., children), are in the armed services, or are veterans of the armed services. Students may also be considered independent by a financial aid administrator who "makes a documented determination of independence by reason of other unusual circumstance."

[82] This category was revised by the College Cost Reduction Act (P.L. 110-84), enacted in 2009. The previous definition included an individual who is an orphan or ward of the state (or was such until age 18).

[83] 20 U.S.C. §1090 note.

[84] In 2008, the Higher Education Opportunity Act (HEOA, P.L. 110-315) amended HEA to add foster youth as an eligible population for these services.

[85] General provisions: 20 U.S.C. §107a-11(Section 402A of the Higher Education Act, HEA); Talent Search: 20 U.S.C. §107a-12 (Section 402B of the HEA); Upward Bound: 20 U.S.C. §107a-13 (Section 402C of the HEA); and Student Support Services: 20 U.S.C. §107a-14 (Section 402D of the HEA). Notably, the section of HEA that authorizes the McNair Postbaccalaurete program does not specify that current and former foster youth are eligible for services under the program. Another section of the law (pertaining to documentation of status as a low-income individual) specifies that notwithstanding that section of the law, foster youth and certain former foster youth are eligible for all of the programs except the McNair Postbaccalaurete program.

improve the retention and graduation rates of disadvantaged college students—that include temporary housing during breaks in the academic year.[86] In FY2019, Congress appropriated $1.1 billion to TRIO programs.[87]

Separately, HEA allows additional uses of funds through the Fund for the Improvement of Postsecondary Education (FIPSE) to establish demonstration projects that provide comprehensive support services for students who were in foster care (or homeless) at age 13 or older.[88] FIPSE is a grant program that seeks to support the implementation of innovative educational reform ideas and evaluate how well they work. As specified in the law, the projects can provide housing to the youth when housing at an educational institution is closed or unavailable to other students. Congress appropriated $6 million in FY2018 and $5 million in FY2019 for FIPSE.[89]

Workforce Support

Workforce Innovation and Opportunity Act Programs

The Workforce Innovation and Opportunity Act (WIOA) authorizes job training programs to unemployed and underemployed individuals through the Department of Labor (DOL). Two of these programs—Youth Activities and Job Corps—provide job training and related services to targeted low-income vulnerable populations, including foster youth.[90] The Youth Activities program focuses on preventive strategies to help in-school youth stay in school and receive occupational skills, as well as on providing training and supportive services, such as assistance with child care, for out-of-school youth.[91] Job Corps is an educational and vocational training program that helps students learn a trade, complete their GED, and secure employment. To be eligible, foster youth must meet age and income criteria as defined under the act. Young people currently or formerly in foster care may participate in both programs if they are ages 14 to 24.[92] In FY2018, Congress appropriated $903 million to Youth Activities and $1.7 billion to Job Corps.[93]

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[86] These changes were made by the Higher Education Opportunity Act (P.L. 110-315) in 2008. The Department of Education issued regulations to provide further clarification about the changes. See, U.S. Department of Education, "High School Equivalency Program and College Assistance Migrant Program, The Federal TRIO Programs, and Gaining Early Awareness and Readiness for Undergraduate Program," 75 *Federal Register* 65712-65803, October 26, 2010.

[87] U.S. House of Representatives, *Department of Defense for the Fiscal Year Ending September 30, 2019, and for Other Purposes*, committee print, 115th Cong., 2nd sess., September 13, 2018, p. 607.

[88] 20 U.S.C. §1138 (Section 471 of the Higher Education Act).

[89] U.S. Department of Education, *Higher Education Fiscal Year 2020 Budget Request*, pp. R-22 and R-134.

[90] Youth Activities: 29 U.S.C. §3161 et seq. (Title I, Chapter 2 of WIOA); and Job Corps: 29 U.S.C. §3191 et seq. (Title I, Chapter 4, Subtitle C).

[91] In 2014, DOL issued guidance to encourage coordination between the Youth Activities program and Chafee program, and cited examples of communities where such collaboration is underway. U.S. Department of Labor, Employment and Training Administration, Training and Employment Notice No. 32-13, "Supporting Successful Transition to Adulthood for Current and Former Youth in Foster Care Through Coordination with the John H. Chafee Foster Care Independence Program," May 28, 2014.

[92] 29 U.S.C. §2801(13) and 29 U.S.C. §2884(1).

[93] U.S. House of Representatives, *Department of Defense for the Fiscal Year Ending September 30, 2019, and for Other Purposes*, H.Rept. 115-952, 115th Cong., 2nd sess., September 13, 2018, pp. 549, 551.

Housing Support

Family Unification Vouchers Program

Current and former foster youth may be eligible for housing subsidies provided through programs administered by the Department of Housing and Urban Development's (HUD's) Family Unification Vouchers program (FUP vouchers). The FUP vouchers were initially created in 1990 under P.L. 101-625 for families that qualify for Section 8 tenant-based assistance and for whom the lack of adequate housing is a primary factor in the separation, or threat of imminent separation, of children from their families or in preventing the reunification of the children with their families.[94] Amendments to the program in 2000 under P.L. 106-377 made youth ages 18 to 21 eligible for the vouchers for up to 18 months if they are homeless or are at risk of becoming homeless at age 16 or older.

The Housing Opportunity Through Modernization Act (P.L. 114-201), enacted in July 2016, extended the upper age of eligibility for FUP vouchers, from 21 to 24, for youth who emancipated from foster care. It also extended assistance under the program for these youth from 18 to 36 months and allows the voucher assistance to begin 90 days prior to a youth leaving care because they are aging out. It also requires HUD, after consulting with other appropriate federal agencies, to issue guidance to improve coordination between public housing agencies, which administer the vouchers, and child welfare agencies. The guidance must address certain topics, including identifying eligible recipients for FUP vouchers and identifying child welfare resources and supportive families for families and youth (including the Chafee program). As of the date of this report, HUD has not issued such guidance. In correspondence with CRS, HUD explained that it has requested funding for this work, and until those funds can be secured, HUD and HHS staff are studying how youth and families are served by FUP.[95]

FUP vouchers were initially awarded from 1992 to 2001. Over that period, approximately 39,000 vouchers were distributed.[96] Each award included five years of funding per voucher and the voucher's use was restricted to voucher-eligible families for those five years. At the end of those five years, public housing authorities (PHAs) were eligible to convert FUP vouchers to regular Section 8 housing vouchers for low-income families. While the five-year use restrictions have expired for all family unification vouchers, some PHAs may have continued to use their original family unification vouchers for FUP-eligible families and some may have chosen to use some regular-purpose vouchers for FUP families (but the extent to which this happened is unknown). Congress appropriated $20 million for new FUP vouchers in each of FY2008 and FY2009; $15 million in FY2010, $10 million in FY2017, and $20 million in FY2018 and FY2019.[97] Congress

[94] 42 U.S.C. §1437(f)(x).

[95] CRS correspondence with HHS, ACYF, ACF, CB, August 2018.

[96] Correspondence with the National Center for Housing and Child Welfare, a child welfare organization, in August 2008.

[97] U.S. Congress, House Committee on Appropriations, *Joint Explanatory Statement, Division K*, report to accompany FY2008 Consolidated Appropriations Amendment to H.R. 2764/P.L. 110-161, 110th Cong., 1st sess., p. 2396; U.S. Congress, House Committee on Appropriations, *Omnibus Appropriations Act, 2009, Division I, committee print of the House Committee on Appropriations on H.R. 1105/*P.L. 111-8, 111th Cong., 1st sess., p. 1987; U.S. Congress, House Committee on Appropriations, *Departments of Transportation and Housing and Development, and Related Agencies Appropriations Act, 2010*, report to accompany H.R. 3288/P.L. 111-117, 111th Cong., 1st sess., December 8, 2009, H.Rept. 111-366, p. 46; Consolidated Appropriations Act, 2017 (H.R. 244), Division K; Consolidated Appropriations Act, 2018 (H.R. 1625), Division L; and Consolidated Appropriations Act, 2019 (H.J.Res. 31).

has specified that amounts made available under Section 8 tenant-based rental assistance and used for the FUP vouchers are to remain available for the program.

A 2014 report on the FUP program examined the use of FUP vouchers for foster youth. The study was based on a survey of PHAs, a survey of child welfare agencies that partnered with PHAs that served youth, and site visits to four areas that use FUP to serve youth. The survey of PHAs showed that slightly less than half of PHAs operating FUP had awarded vouchers to former foster youth in the 18 months prior to the survey. PHAs reported that youth were able to obtain a lease within the allotted time, and many kept their leases for the full 18-month period they were eligible for the vouchers. In addition, 14% of total FUP program participants qualified because of their foster care status. According to the study, this relatively small share was due to the fact that less than half of PHAs were serving youth, and these PHAs tended to allocate less than one-third of their vouchers to youth, among other findings.[98]

Other Support

Older current and former foster youth may be eligible for housing services and related supports through the Runaway and Homeless Youth program, administered by HHS.[99] The program is comprised of three subprograms: the Basic Center program (BCP), which provides short-term housing and counseling to youth up to the age of 18; the Transitional Living program (TLP), which provides longer-term housing and counseling to youth ages 16 through 22; and the Street Outreach program (SOP), which provides outreach and referrals to youth who live on the streets. Youth transitioning out of foster care may also be eligible for select transitional living programs administered by HUD, though the programs do not specifically target these youth. The program was funded at $127 million in FY2019.[100]

The Foreclosure Prevention Act of 2008 (P.L. 110-289) was signed into law on July 30, 2008, and enables owners of properties financed in part with Low-Income Housing Tax Credits (LIHTCs) to claim as low-income units those occupied by low-income students who were in foster care. Owners of LIHTC properties are required to maintain a certain percentage of their units for occupancy by low-income households; students (with some exceptions) are not generally considered low-income households for this purpose. The law does not specify the length of time these students must have spent in foster care nor require that youth are eligible only if they emancipated.

Author Information

Adrienne L. Fernandes-Alcantara
Specialist in Social Policy

[98] M. Robin Dion et al., *The Family Unification Program: A Housing Resource for Youth Aging Out of Foster Care*, Mathematica Policy Research and Chapin Hall Center for Children, University of Chicago, for the U.S. Department of Housing and Urban Development, May 2014.

[99] For additional information, see CRS Report RL33785, *Runaway and Homeless Youth: Demographics and Programs*.

[100] U.S. House of Representatives, *Department of Defense for the Fiscal Year Ending September 30, 2019, and for Other Purposes*, committee print, 115th Cong., 2nd sess., September 13, 2018, p. 584.

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