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Report to Congressional Requesters

November 2004

FOSTER YOUTH

HHS Actions Could Improve Coordination of Services and Monitoring of States' Independent Living Programs

GAO-05-25

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Highlights

Highlights of GAO-05-25, a report to congressional requesters

Why GAO Did This Study

To improve outcomes for youth leaving foster care, Congress passed the Foster Care Independence Act of 1999 (FCIA), which increased the allocation of federal funds for independent living programs from $70 million to $140 million. This report reviews (1) how states' funding allocations changed to serve youth after FCIA, (2) the extent to which states have expanded services and age groups of foster youth served since the passage of FCIA and what challenges remain, (3) the extent to which states have used other federal and state programs to coordinate the delivery of services to foster youth, and (4) how the states and the Department of Health and Human Services (HHS) have fulfilled the program accountability provisions of the law and assessed the effectiveness of independent living services.

What GAO Recommends

We are making recommendations to the Secretary of HHS to improve the availability of information on the array of federal programs that could be used to assist youth transitioning out of foster care at the state and local levels and to improve existing processes for monitoring states' progress in meeting the needs of current and former foster care youth. HHS disagreed with our latter recommendation, which included standardizing the reporting format for plans and reports, stating that it would impose an unnecessary burden on states.

www.gao.gov/cgi-bin/getrpt?GAO-05-25.

To view the full product, including the scope and methodology, click on the link above. For more information, contact David D. Bellis, (415) 904-2272, BellisD@gao.gov.

What GAO Found

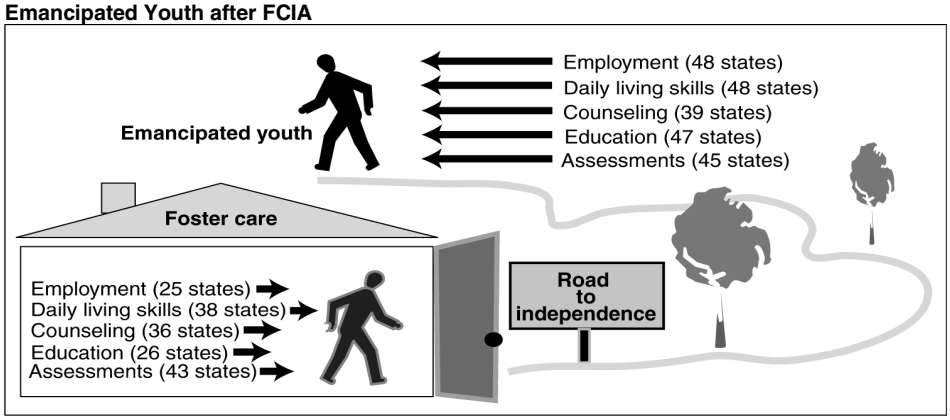
The doubling of federal funding for independent living programs has resulted in most states receiving an increase in funds. Although some states had difficulty expanding their program infrastructure in the first 2 years of increased funding, the amount of funds states returned to HHS declined the second year. Differences in funding also appeared in the amounts available per eligible foster care youth.

Following the passage of FCIA, 40 states reported in our survey expanding independent living services to younger youth, and 36 states expanded services to older youth, but gaps remain in providing some key services to youth. State differences in serving youth may have been caused by gaps in the availability of critical services, such as mental health services, mentoring, and housing, as well as challenges engaging youth and foster parents to participate in the program.

Almost all states that we surveyed reported increased levels of coordination under FCIA, but linkages with other federal and state youth-serving programs were not always in place to increase services available across local areas. Despite some coordination efforts, states may not make full use of available resources. One of the barriers in linking program services reported by the 4 states we visited included the inconsistent availability of information on the array of programs that were operating in each state and local area.

States and HHS have taken action to fulfill the accountability provisions of FCIA, but little information is available to assess the effectiveness of independent living services. All states submitted required plans and reports, but the absence of a uniform reporting format and lack of standard monitoring practices among HHS regional offices hindered assessments of state performance. HHS is developing an information system that may improve program accountability and reported that it expects to issue a proposed regulation in 2005.

Number of States Providing Key Independent Living Services to Youth Younger than 16 and Emancipated Youth after FCIA



Source: GAO analysis.

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Abbreviations

ACF	Administration for Children and Families
AFCARS	Adoption and Foster Care Analysis and Reporting System
CFSP	Child and Family Services Plan
CFSR	Child and Family Services Review
DCI	data collection instrument
ETV	Education and Training Voucher
FCIA	Foster Care Independence Act of 1999
GED	general equivalency diploma
HHS	Department of Health and Human Services
HUD	Department of Housing and Urban Development
ILP	Independent Living Program
NYTD	National Youth in Transition Database
NRCYD	National Resource Center for Youth Development
PIP	program improvement plan

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Accountability * Integrity * Reliability

United States Government Accountability Office
Washington, DC 20548

November 18, 2004

The Honorable Tom DeLay
Majority Leader
House of Representatives

The Honorable Charles E. Grassley
Chairman
Committee on Finance
United States Senate

The Honorable Wally Herger
Chairman
The Honorable Benjamin L. Cardin
Ranking Minority Member
Subcommittee on Human Resources
Committee on Ways and Means
House of Representatives

Almost 40 percent of the more than 530,000 youth in foster care are adolescents age 13 or older, and approximately 19,000 youth leave the foster care system each year without being adopted or having a permanent living arrangement. Research studies have shown that many of these young people face serious problems once on their own, including homelessness, a lack of education and stable employment, and difficulties obtaining medical and mental health services. In response to concerns that youth leave foster care poorly prepared to live self-sufficiently, in 1986 Congress created the Independent Living Program, which provided states with funding to prepare foster care adolescents for adulthood. To strengthen this program, Congress later passed the Foster Care Independence Act of 1999 (FCIA) and created the John H. Chafee Foster Care Independence Program (Chafee Program), which doubled overall federal funding for independent living programs from $70 million to $140 million. The Administration for Children and Families (ACF) within the Department of Health and Human Services (HHS) has responsibility for overseeing and evaluating the Chafee Program, which comprises about

2 percent of the approximately $6 billion obligated to foster care and adoption programs under Title IV-E of the Social Security Act.[1]

In addition to providing increased funding, FCIA resulted in other significant changes for the independent living program. The law expanded state flexibility to offer independent living services to youth younger than 16 and to assist youth 18 to 21 years old who are no longer in the foster care system with room and board, Medicaid health insurance, and other support services. Further, FCIA called for states to make every effort to coordinate their independent living programs with other federal and state programs that provide services to youth, such as housing and school-to-work programs. All states were required to submit a multiyear plan describing how they planned to use the Chafee Program funds, and HHS required states to submit annual reports on the progress made to implement their programs. In addition, states were required to submit certifications that they would comply with various aspects of the law. Finally, FCIA directed HHS to develop outcome measures to be used to assess state performance in operating independent living programs and to conduct evaluations of state programs deemed to be innovative or of potential national significance.

We previously reported on HHS's and states' efforts to implement independent living programs prior to changes under FCIA.[2] Because of your interest in how HHS and states have implemented FCIA and progress made to assist foster youth achieve self-sufficiency, you asked us to determine (1) how states' funding allocation changed to serve youth after FCIA, (2) the extent to which states have expanded independent living services and age groups of foster youth served since the passage of FCIA and what challenges remain, (3) the extent to which states have used other federal and state programs to coordinate the delivery of independent living services to foster youth, and (4) how the states and HHS have fulfilled the program accountability provisions of the law and assessed the effectiveness of independent living services.

[1]The Chafee Program receives funding under Title IV-E of the Social Security Act. Title IV-E authorizes the appropriation of federal funds to states for the purpose of developing and operating foster care and transitional independent living programs and providing payments to adoptive parents of eligible foster children with special needs. In 2003, adoption programs received approximately $1.6 billion, and foster care programs received approximately $4.9 billion.

[2]See GAO, *Foster Care: Effectiveness of Independent Living Services Unknown*, HEHS-00-13 (Washington, D.C.: Nov. 5, 1999).

To conduct our work, we surveyed the independent living coordinators in all 50 states, the District of Columbia, and Puerto Rico regarding their experiences in developing and implementing their Chafee Programs in federal fiscal year 2003. We received responses from 50 states and the District of Columbia.[3] We compared results with those of a similar survey we administered to state independent living coordinators that gathered information on state independent living programs operating in federal fiscal year 1998. We checked for obvious errors and conducted some follow-up with states, but we did not independently verify states' responses. We analyzed federal funding amounts to the 50 states, the District of Columbia, and Puerto Rico for independent living programs before and after the passage of FCIA, using federal financial and foster care population data, as well as data reported by states in our 2004 survey. We analyzed Chafee Program plans from 49 states, the District of Columbia, and Puerto Rico for federal fiscal years 2001-2004 to determine states' program strategies for meeting the goals of FCIA. We also analyzed a total of 90 annual progress and services reports (annual reports) that states submitted regarding the progress made in implementing their Chafee Program plans for federal fiscal years 2001 and 2002.[4] In addition, we visited 4 states—Connecticut, Florida, Texas, and Washington—and 2 local areas within each state to obtain information on their experiences developing and implementing their independent living programs. We spoke with state and local officials, caseworkers, several groups of youth, foster parents, and contract provider staff. We selected states that represented a variety of approaches to implementing independent living services and geographic diversity. Finally, we interviewed HHS officials, federal contractors, and child welfare experts, and reviewed relevant documents and literature. We conducted our work between August 2003 and August 2004 in accordance with generally accepted government auditing standards. A more detailed discussion of our scope and methodology appears in appendix I.

[3]Throughout this report, references to state survey responses include the District of Columbia.

[4]We obtained the plans and annual reports from the ACF regional offices after consulting with ACF's central office and the National Resource Center for Youth Development—a technical assistance center under contract with ACF. One regional office could not provide us with the state plan for Wyoming and the annual reports for Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming in the time requested. Therefore, these states are not included in our analysis. In addition, we received only one report for Tennessee (federal fiscal year 2001) and Puerto Rico (federal fiscal year 2002). Throughout this report, references to states plans and annual reports include the District of Columbia and Puerto Rico, where appropriate.

Results in Brief

The doubling of the federal funding for independent living programs with the passage of FCIA resulted in most states receiving an increase in funds, including 31 states receiving more than double the amount of funds in 2001—the first year of full funding. Some states had difficulty spending all of their federal allocations in the first year, but the amount of funds returned declined the second year. In 2001, 20 states returned nearly $10 million in federal funding to HHS, and in 2002, 13 states returned more than $4 million. The differences in funding among states appeared not only in overall amounts allocated to states, but also in the amounts available per eligible foster care youth. Because of differences in states' eligibility requirements and the funding formula used to allocate funds, available data indicate that states received from approximately $500 to $2,300 for each youth in foster care that is eligible for independent living services.

Following the passage of FCIA, 40 states reported in our survey expanding existing services to younger youth, and 36 states reported serving youth older than they had previously served, but gaps remain in providing some key services. Many states also began to offer the new services under FCIA that would allow them to meet the unique needs of youth that have been emancipated from foster care. For example, 31 states now provide Medicaid health insurance coverage to at least some former foster care youth. However, states varied in the percentage of eligible youth served. For example, 40 states providing these data in our survey reported serving between 10 and 100 percent of foster care youth eligible for independent living services in 2003, and officials in the states we visited reported that most services continued to be directed at youth age 16 and older. States we visited reported difficulties serving youth, such as gaps in the availability of critical services and challenges engaging youth and foster parents to participate in the program, which may have contributed to the difference among states in the proportion of youth served.

Almost all states that we surveyed reported increased levels of coordination with other federal, state, and local programs under FCIA, but linkages with other federal and state youth-serving programs were not always in place to increase services available across local areas. Many programs exist at the federal, state, or local level that can be used to provide or supplement independent living services, and each state reported in our survey using some of these programs to provide services such as education, employment, health, and housing. In Connecticut, for example, the child welfare agency collaborated with business entrepreneurs, other state agencies, and nonprofit organizations to provide youth with opportunities to develop employment skills and apply independent living skills training through participation in community-

based youth employment projects. Despite these coordination efforts, some states may not make full use of the available resources. Officials from less than half of states responding to our survey, for example, reported using housing services provided by the U.S. Department of Housing and Urban Development (HUD) and state housing authorities. One of the barriers in linking program services included the inconsistent availability of information on the array of programs that were operating in each state and local area, according to state and local officials from the 4 states we visited

States and HHS have taken action to fulfill the accountability provisions of FCIA, but little information is available to assess the effectiveness of independent living services. All states have developed multiyear plans for their programs in compliance with FCIA and submitted annual reports to ACF, but using these plans and the reports to assess state performance is hindered by inconsistencies between the plans and reports, an absence of goals and baseline information to use in measuring progress, and incomplete information on outcomes for all youth who received services. Hawaii's plan, for example, lists employment services the state planned to provide youth. However, the subsequent annual reports do not mention offering or providing employment-related services, making it unclear whether the differences were due to service changes for youth or missing information. ACF officials recognize the limitations of states' plans and reports as federal monitoring tools but stated that they rely on states to self-certify program compliance. ACF is developing an information system that will allow it to capture data on the characteristics, services, and outcomes of youth in independent living programs, which may allow it to more effectively monitor and measure states' program performance. ACF reported that it expects to issue guidance about this system in the form of a proposed regulation in 2005. ACF also has begun to evaluate selected independent living programs, and officials reported that the results of this evaluation should be available in 2007.

We are making recommendations to the Secretary of HHS to improve the availability of information on the array of federal programs that could be used to assist youth transitioning out of foster care at the state and local levels and to improve existing processes for monitoring states' progress in meeting the needs of current and former foster care youth. HHS disagreed with our latter recommendation that included standardizing the reporting format for state plans and annual reports, stating that taking such action would be overly prescriptive and impose an unnecessary burden on states.

Background

In 1986, Congress amended Title IV-E of the Social Security Act to authorize federal funds targeted to assist youth aged 16 and over in making the transition from foster care to living independent of the child welfare system and created the Independent Living Program (ILP).[5] This program was designed to prepare adolescents in foster care to live self-sufficiently once they exited the child welfare system. As with many adolescents, foster care youth face a time of uncertainty and change as they approach age 18. However, research suggests that they may be at greater risk of experiencing negative consequences in adulthood, such as unemployment, incarceration, or poor health outcomes. For example, research indicates that 30 to 40 percent of youth in foster care are affected by chronic medical problems, but barriers exist to meeting those needs, such as prolonged delays in getting referrals to specialists. In addition, research shows that children and youth in foster care have poorer academic experiences than do their peers not in care. For example, twice as many youth in foster care than those not in foster care had repeated a grade, changed schools during the year, or enrolled in a special education program.

Foster Care Independence Act and the Chafee Program

Several amendments were made to the Independent Living Program over the years, but the passage of FCIA and the creation of the Chafee Program represented the most significant changes in the federal independent living program since its creation. FCIA doubled the federal funds available for independent living programs to $140 million each year.[6] These funds are

[5]In 1999, we issued a report that reviewed the Title IV-E Independent Living Program before FCIA amended the program. In that report, we found that states were using federal, state, local, and private dollars to assist youth in attaining their educational goals, finding and maintaining employment, developing daily living skills, and transitioning to independence with supervised living arrangements and after-care services. However, the state and local administrators struggled with providing youth with all the assistance needed to learn to live on their own. In addition, we found that while HHS was tasked with overseeing the implementation of ILP, it had done little to determine program effectiveness and had not established a method to review the states' progress in helping youth in the transition from foster care. See GAO-HEHS-00-13.

[6]The actual amount divided among the states, the District of Columbia, and Puerto Rico totaled $137.9 million. Under the law, 1.5 percent of the $140 million is reserved for evaluation, technical assistance, performance measurement, and data collection activities conducted by HHS. States must provide matching contributions of 20 percent to receive Chafee Program funds. The matching contribution may be in cash or in-kind contributions of services, equipment, or property.

allocated to states based on their share of the nation's foster care population.[7]

In addition to providing increased funding, FCIA eliminated the minimum age limit of 16 years and provided states with the flexibility to define the age at which children in foster care are eligible for services to help them prepare for independent living, as long as services are provided to youth who are likely to remain in foster care until 18 years of age. The law provided states the flexibility to develop programs that met the needs of the adolescents in their care, as long as states designed and conducted their programs based on the five key purposes outlined in the law (see table 1).

[7]A hold-harmless clause in FCIA ensures that states with smaller populations received either $500,000 or the amount of independent living funds they received in federal fiscal year 1998, whichever amount is greater.

Table 1: Key Purposes of the John H. Chafee Foster Care Independence Program by Target Populations

Support for youth likely to remain in foster care until age 18
Identify children who are likely to remain in foster care until 18 years of age and help these children make the transition to self-sufficiency by providing services such as assistance in obtaining a high school diploma, career exploration, vocational training, job placement and retention, training in daily living skills, training in budgeting and financial management skills, substance abuse prevention, and preventive health activities.
Help children who are likely to remain in foster care until 18 years of age receive the education, training, and services necessary to obtain employment.
Help children who are likely to remain in foster care until 18 years of age prepare for and enter postsecondary training and education institutions.
Support for youth transitioning out of foster care
Provide personal and emotional support to children aging out of foster care, through mentors and the promotion of interactions with dedicated adults.
Support for youth formerly in foster care
Provide financial, housing, counseling, employment, education, and other appropriate support and services to former foster care recipients between 18 and 21 years of age 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.

Source: Foster Care Independence Act of 1999 (Public Law 106-169).

The law also provided several new services to help youth make the transition to adulthood. First, it allowed states to use up to 30 percent of their state allotment for room and board for former foster care youth up to age 21. Second, it allowed states the option to expand Medicaid coverage to former foster care adolescents between 18 and 21. Title IV-E was amended again in 2002 to provide foster youth vouchers for postsecondary education and training under the Education and Training Vouchers (ETV) program and authorized an additional $60 million for states to provide postsecondary education and training vouchers up to $5,000 per year per youth. Eligible participants include youth otherwise eligible for services under the states' Chafee Programs, youth adopted from foster care after attaining the age of 16, and youth participating in the voucher program on their 21st birthday (until they turn 23 years old) as long as they are enrolled in a postsecondary education or training program and are making satisfactory progress toward completion of that program. In federal fiscal year 2003, approximately $41 million in federal funds was available for

states' ETV programs.[8] The amount increased slightly in federal fiscal year 2004 to approximately $44 million.[9]

In addition, the law required that states make every effort to coordinate their Chafee Programs with other federal and state programs for youth, such as the Runaway and Homeless Youth Program, abstinence education programs, local housing programs, programs for disabled youth, and school-to-work programs offered by high schools or local workforce agencies. Further, states were required to coordinate their programs with each Indian tribe in the state and offer the state's independent living services to Indian children.

State Responsibilities under FCIA

To receive funds under the Chafee Program, states were required to develop multiyear plans describing how they would design and deliver programs in accordance with FCIA and to submit program certifications. The multiyear Chafee plans must include a description of the state's program design, including its goals, strategies, and its implementation plan for achieving the five key purposes detailed in the law.[10] States were also required to certify that they would operate a statewide independent living program that complied with the specific aspects of the law, such as providing training to help foster parents, adoptive parents, workers in group homes, and case managers understand and address the issues confronting adolescents preparing for independent living. Further, to receive annual funds, ACF required states to submit annual reports that described the services provided and activities conducted under their Chafee Programs, including information on any program modifications

[8]The actual appropriation for the ETV program was $42 million. However, available funds in federal fiscal year 2003 totaled $41,101,095, which accounts for a 0.65 percent funding rescission and a 1.5 percent set-aside for federal evaluation, technical assistance, performance measurement, and data collection. States must provide matching contributions of 20 percent to receive ETV funds. The matching contribution may be in cash or in-kind contributions of services, equipment, or property.

[9]The actual appropriation for the ETV program was $45 million. However, available funds in federal fiscal year 2004 totaled $44,062,503, which accounts for a 0.59 percent funding rescission and a 1.5 percent set-aside for federal evaluation, technical assistance, performance measurement, and data collection.

[10]Following passage of the act, ACF decided to integrate independent living services into the Child and Family Services Plan (CFSP)—a 5-year plan states are required to submit that addresses how states will develop and implement services for multiple child welfare programs and requires states to submit annual progress and services reports to report updates and changes in goals and services under the plan.

and their current status of implementation; provide a record of how funds were expended; and include a description of the extent to which the funds assisted youth age 18 to 21 in making the transition to self-sufficiency.

Federal Oversight

FCIA required that HHS develop and implement a plan to collect information needed to effectively monitor and measure a state's performance, including the characteristics of youth served by independent living programs, the services delivered, and the outcomes achieved. Further, FCIA required HHS to conduct evaluations of independent living programs deemed to be innovative or of potential national significance using rigorous scientific standards to the maximum extent practicable, such as random assignment to treatment and control groups.

Currently, ACF's 10 regional offices conduct much of the federal oversight for the Chafee Program. They hold the responsibility for reviewing and approving the state plans, certifications, and annual reports. In addition, the regional offices provide assistance and guidance to the states on implementing and operating their programs. Technical assistance is also available to states from 10 national resource centers. In particular, the National Resource Center for Youth Development (NRCYD) provides states and tribes assistance with helping youth in care establish permanent connections and achieve successful transitions to adulthood. Upon request from the states and approval from the regional offices, the NRCYD has facilitated stakeholder meetings to bring together officials from various state and federal programs within a state to facilitate communication, awareness, and information sharing, and provide strategies to promote long-term collaborative efforts around independent living.[11]

In 2001, ACF implemented an outcome-oriented process, known as the Child and Family Services Review (CFSR), in part, to determine states' substantial conformity with Title IV-E provisions and hold states accountable for improving child welfare outcomes.[12] The CFSR measures state performance on 45 performance items, which correspond to

[11]Resource centers may provide unlimited assistance to states by phone or e-mail, but on-site training and technical assistance are restricted to 10 days each year. States must first obtain regional office approval before on-site training and technical assistance can occur.

[12]The CFSR also reviews states' conformity with Title IV-B of the Social Security Act. Under IV-B, states receive federal funds for services to help families address problems that lead to child abuse and neglect and to prevent the unnecessary separation of children from their families.

7 outcomes and 7 systemic factors.[13] States that were reviewed during the first year of the CFSR were rated on the provision of independent living services to youth in their care 16 years or older. This item was removed from the CFSR in subsequent reviews when ACF redesigned the review instrument to focus more on setting and achieving appropriate permanency goals for children and less on service delivery. With the redesigned instrument, reviewers were instructed to consider the provision of independent living services in other measures, such as when determining if the youths' needs were assessed and if appropriate services were provided.

FCIA Increased Independent Living Allocations for Most States, but Some States Had Difficulty Absorbing Large Increases in Funds

While overall federal funding for state independent living programs doubled with the passage of FCIA, there were significant variations in the changes to state allocations, and some states had difficulty expanding their programs quickly enough to spend all of the new funds. Prior to the passage of FCIA, states were awarded independent living funds based on the number of children receiving federal foster care payments in 1984.[14] The new law updated the formula, which generally allocates funds to each state based on the state's proportion of the nation's population of children in foster care—regardless if the child is receiving federal or state funded foster care payments.[15] In addition, the new formula includes a hold-harmless provision to ensure that each state will receive at least the

[13]The outcomes relate to children's safety, permanency, and well-being, and the systemic factors address state agency management and responsiveness to the community. In addition, states must meet 6 national standards, as reported in the Adoption and Foster Care Analysis and Reporting System and the National Child Abuse and Neglect Data System. The CFSR process combines statewide assessments, which the states complete using a profile of their recent child welfare data; on-site reviews of child welfare case files; and interviews with stakeholders. Further, states are required to develop and implement program improvement plans (PIP) to improve their child welfare practice and capacity when they are found to be deficient. We recently issued a report on the CFSR process. See GAO, *Child and Family Services Reviews: Better Use of Data and Improved Guidance Could Enhance HHS's Oversight of State Performance.* GAO-04-333 (Washington, D.C.: April 20, 2004).

[14]Under the Independent Living Program, a portion of the federal funds available at that time—$45 million—was distributed to states as an entitlement based on each state's proportion of all children receiving foster care maintenance payments in federal fiscal year 1984. States were also eligible to receive a proportional share of the remaining $25 million in federal funds to match the funds they provided.

[15]Under the new formula, the count of children in foster care is recalculated each year based on the most recently available data, which HHS established as 2 years prior to the funding year.

amount it received in federal fiscal year 1998 or $500,000, whichever is greater. Once the states subject to the hold-harmless provision are funded, the remaining funds within the cap of $140 million are allotted to the other states. Under the previous independent living program, states received funds ranging from $13,000 in Alaska to more than $12 million in California. In the first year of funding under FCIA, Alaska and eight other states received the minimum of $500,000, while California received more than $27 million (see table 2). In most cases, states received an increase of funds. However, the District of Columbia, Louisiana, and New Jersey received no additional funds the first year because their allocations under the new formula were initially lower than the amounts they received in 1998. Therefore, because of the hold-harmless clause, they received the same amount awarded in 1998.

Table 2: Changes in Funding Allocations across States since the Passage of FCIA

State	1998 allocation	2001 allocation	Percentage change over 1998 allocation
District of Columbia	1,091,992	1,091,992	0
Louisiana	1,358,131	1,358,131	0
New Jersey	2,297,848	2,297,848	0
New York	11,585,958	12,313,109	6
Pennsylvania	4,638,225	5,304,231	14
Alabama	1,038,490	1,288,304	24
Virginia	1,361,561	1,698,102	25
Maine	565,888	737,309	30
West Virginia	521,302	740,816	42
Mississippi	514,444	747,127	45
Wisconsin	1,554,305	2,252,837	45
Michigan	4,171,796	6,109,567	46
New Hampshire	320,326	500,000	56
Ohio	2,860,992	4,693,625	64
Kentucky	791,557	1,332,019	68
Vermont	295,633	500,000	69
Minnesota	1,142,066	2,102,991	84
Oregon	930,799	1,723,115	85
South Carolina	579,606	1,085,860	87
Rhode Island	314,840	612,710	95
Indiana	1,019,970	2,088,263	105
Montana	244,190	504,007	106

State	1998 allocation	2001 allocation	Percentage change over 1998 allocation
Connecticut	754,518	1,567,892	108
Colorado	825,854	1,785,766	116
California	12,481,777	27,570,079	121
Kansas	717,477	1,583,555	121
Missouri	1,295,026	2,940,120	127
New Mexico	207,149	500,000	141
Delaware	203,034	500,000	146
Washington	825,168	2,030,990	146
Texas	1,841,708	4,600,585	150
Arkansas	270,940	682,373	152
Iowa	449,966	1,134,717	152
Maryland	1,238,095	3,143,032	154
North Carolina	1,045,349	2,650,713	154
Georgia	1,098,852	2,803,131	155
South Dakota	193,430	500,000	158
North Dakota	192,058	500,000	160
Utah	202,348	531,358	163
Nebraska	435,562	1,293,213	197
Oklahoma	620,076	1,910,598	208
Tennessee	777,838	2,523,776	224
Illinois	2,817,094	9,413,899	234
Nevada	153,647	517,800	237
Massachusetts	635,852	2,610,972	311
Idaho	107,004	500,000	367
Arizona	347,763	1,677,998	383
Florida	987,045	8,016,425	712
Wyoming	44,585	500,000	1,021
Hawaii	17,834	514,994	2,788
Alaska	13,032	500,000	3,737

Source: GAO analysis of HHS data.

Notes: As required by FCIA, no state received less than its federal fiscal year 1998 allotment under the Title IV-E Independent Living Program. Federal fiscal year 2001 was the first year states received full funding under FCIA.

Allocations do not account for unobligated or unliquidated funds.

Puerto Rico is not included in this analysis because the territory did not receive independent living funds in 1998. The 2001 allocation to Puerto Rico totaled $1,814,052.

Some states were unable to spend all of their federal allocations in the first 2 years of increased funding under the program. In 2001, 20 states returned nearly $10 million in federal funding to HHS, and in 2002, 13 states returned more than $4 million.[16] ACF regional officials reported that one reason for these unspent funds was that some states did not initially have the infrastructure in place to quickly absorb the influx of funds. Texas, for example, planned to use some of its $2.75 million in additional funds to develop services for youth in rural areas, but state officials said that the process of identifying and issuing contracts to service providers was lengthy and initially hampered by the need to identify service providers who were able to provide matching contributions required to receive federal funds under FCIA. As a result, over $500,000 of the state's total $4.6 million allocation went unspent in federal fiscal year 2001.

We could not determine the amount of FCIA funding states had available to spend on each youth eligible for independent living services because of the lack of data on eligible youth emancipated from foster care. However, available data on youth in foster care suggest that states may have different amounts of funds available for services to youth in foster care. We compared each state's 2004 FCIA allocation with its 2002 population of eligible youth in foster care.[17] This comparison showed that funding for independent living services ranged from $476 per foster youth in West Virginia to almost $2,300 per youth in Montana, as shown in figure 1.[18] These differences were due in part to the new provision in FCIA that allowed states to define the age ranges within which youth were eligible for independent living services. For example, 4 states reported in our

[16]Financial information for federal fiscal year 2003 will not be available until July 2005.

[17]We calculated this figure using financial data from HHS on the FCIA funding allocations in federal fiscal year 2004 and Adoption and Foster Care Analysis and Reporting System (AFCARS) data from federal fiscal year 2002 because funding allocations are calculated using foster care population data from AFCARS 2 years prior to the funding year. These calculations also included states' 20 percent match requirement. However, states may use other funds to pay for services and these calculations do not reflect any additional funding. To determine the eligible population for each state, we used the age ranges that states reported in our 2004 survey and AFCARS data on the numbers of youth in each age group. For example, Alabama reported in our survey serving youth between 14 and 21 with independent living services. According to data the state reported to AFCARS, 2,081 youth in this age range were in care in Alabama in federal fiscal year 2002. However, this calculation excludes youth emancipated from foster care since AFCARS does not capture this information.

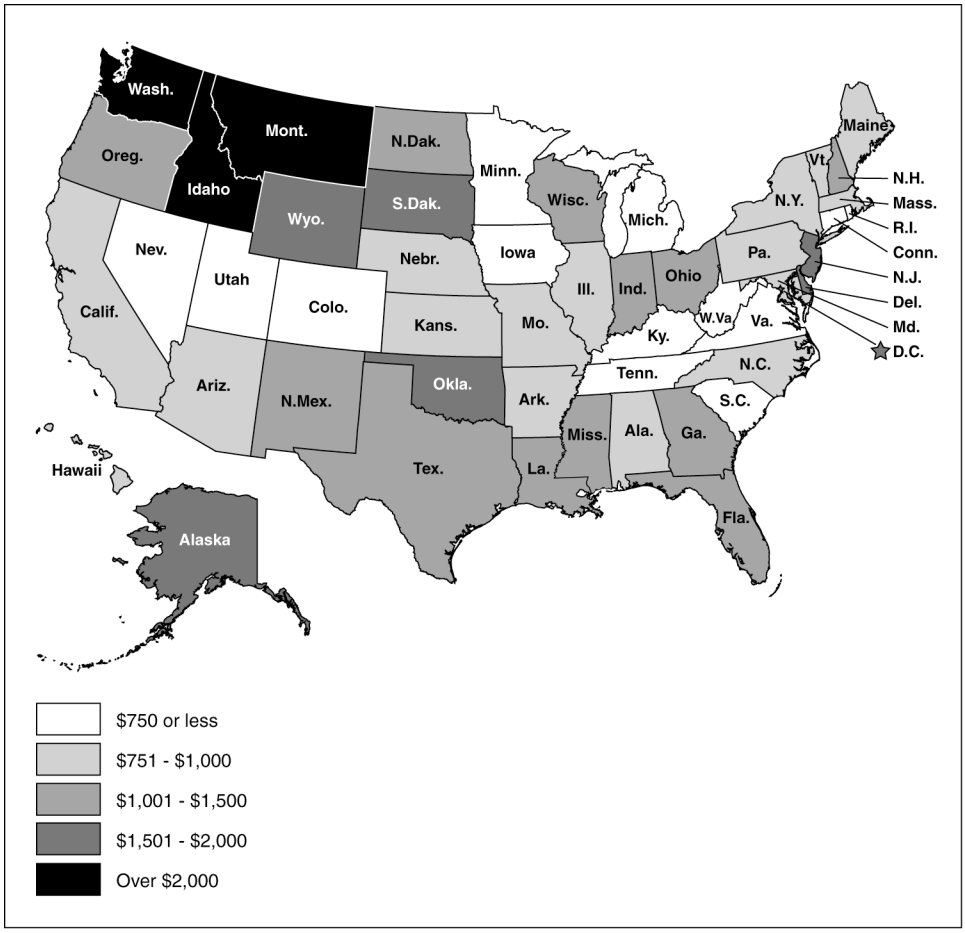
[18]Nationwide, the average funding for independent living services available per eligible youth in foster care was about $1,090 in federal fiscal year 2004.

survey offering independent living services to youth at age 12, while 27 states reported offering services at age 14.[19] In addition, the funding formula is based on the total number of all children in foster care. However, some states have a larger share of youth eligible for independent living services than other states. For example, of the 15 states reporting in our survey that youth are eligible for services between the ages of 14 and 21, 3 states had 25 percent or less of their foster care population within this age range, while in 3 other states, this age range accounted for over 40 percent of the total foster care population.[20]

[19]According to results from our 2004 survey, 4 states began services at age 12, 7 states began services at age 13, 27 states began services at age 14, 9 states began services at age 15, and 4 states began services at age 16.

[20]These calculations are based on AFCARS data, which does not include emancipated youth.

Figure 1: Funding per Eligible Youth in Foster Care for Independent Living Services across States in 2004



Source: Analysis of eligibility data from AFCARS and financial allocations across states.

Note: The number of eligible youth were determined by using state-reported data on the ages of youth served and data from HHS's AFCARS on the number of youth within the specified age ranges in foster care in each state. The funding calculations also include state 20 percent match requirements.

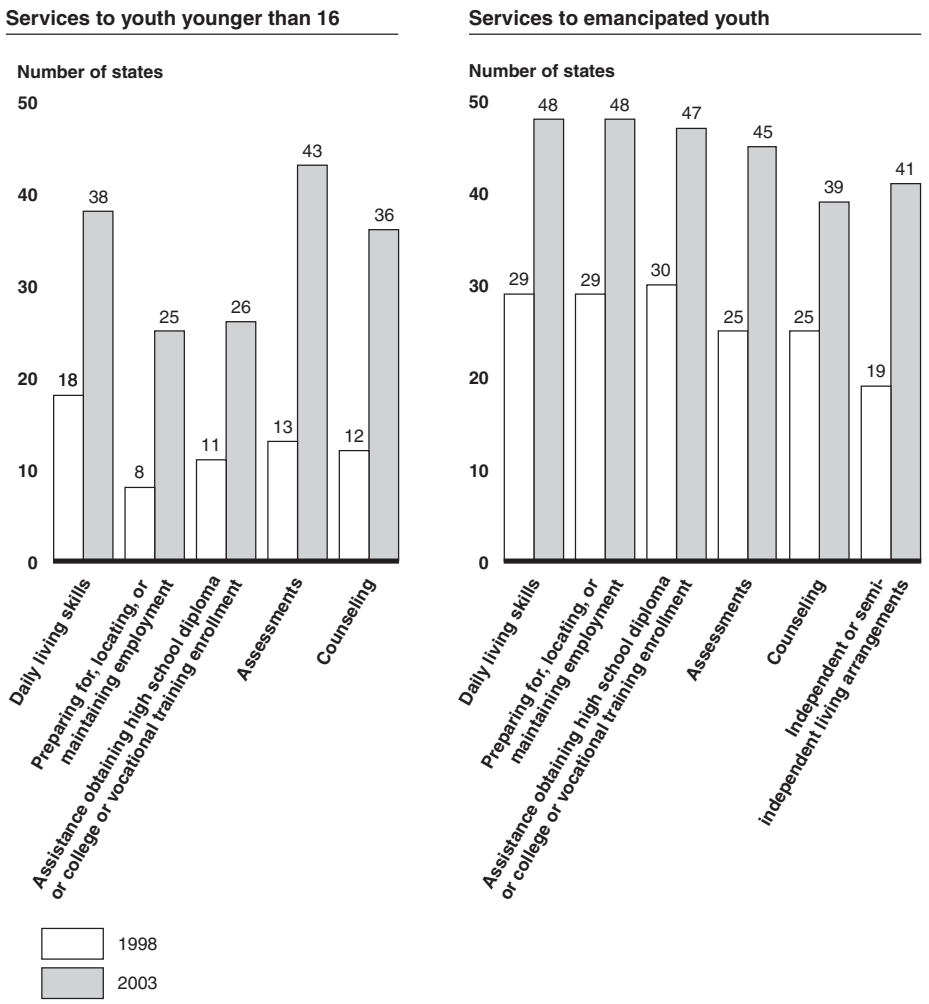
States Expanded and Improved Services for Youth after FCIA, but Gaps in Critical Services Remain

Following the passage of FCIA, many states reported expanding eligibility for independent living services to younger and older youth and to provide new services, such as Medicaid health insurance, to youth who had already left the foster care system. Further, the states we visited reported using the new funds to improve the quality of existing independent living services, refocus the attention of their programs, or develop new services to assist youth of all ages in independent living programs. However, states varied in the proportion of eligible youth served. For example, 40 states providing these data in our survey reported serving between 10 and 100 percent of foster care youth eligible for independent living services in 2003. A number of factors may have contributed to these differences, including gaps in the availability of critical services, such as mental health services, mentoring, and housing, as well as challenges in engaging youth and foster parents to participate in the program.

FCIA Allowed States to Serve Younger and Emancipated Youth and to Improve Services for All Youth in Independent Living Programs

After the passage of FCIA, 40 states reported in our survey expanding services to youth younger than they had previously served, and 36 states reported serving older youth, and the states we visited reported improving service quality. While some states had been using nonfederal funds to provide services to youth in these broader age groups, the number of states that reported providing core independent living services, such as independent living skills assessments, daily living skills training, and counseling, to youth younger than 16 more than doubled after FCIA. Similarly, more states reported offering these supports and services to youth who were emancipated from foster care after the passage of FCIA (see fig. 2).

Figure 2: Increase in the Number of States Offering Selected Independent Living Services to Youth Younger than 16 and Emancipated Youth



Source: 1999 and 2004 GAO surveys to state independent living coordinators.

Many states also began to offer the new services under FCIA that would allow them to meet the unique needs of youth that emancipated from foster care. These services include the Education and Training Vouchers, Medicaid health insurance, and assistance with room and board.

Education and Training Vouchers

All states, the District of Columbia, and Puerto Rico were allocated funds under the ETV program to assist youth seeking postsecondary education. The 4 states we visited had started to implement their ETV programs at the time of our site visits and had plans to use the funds in different ways.

- Texas officials said that youth would be able to use ETV funds for educational expenses, housing, food, clothing, or day care, so that the funds would provide relief for youth who want to continue their education but are concerned about paying bills while attending postsecondary school full-time.

- Connecticut officials said they would use ETV funds to provide computers to youth in postsecondary education and training programs and to establish an additional liaison between the independent living program and the Job Corps program.[21]

- Florida officials said they would use ETV funds for educational expenses for youth receiving the state's independent living scholarship.

- Washington plans to use ETV funds to expand and enhance service delivery for education and training, and service providers will be evaluated on their success in helping youth reach desired educational outcomes.

Medicaid Health Insurance

Of the 50 states responding to our 2004 survey, 31 reported offering Medicaid benefits to at least some emancipated youth to help them maintain access to health care benefits while they transitioned to independence (see fig. 3). Some states may limit coverage to specific subpopulations of emancipated youth. For example, according to officials in Florida, the state limits Medicaid access to emancipated youth who meet minimum academic requirements to qualify for the state's independent living scholarship program.

[21]Job Corps is an education and vocational training program administered by the U.S. Department of Labor serving youth ages 16 through 24 years.

Figure 3: States Offering Medicaid to Emancipated Foster Care Youth as of May 2004

Source: 2004 GAO survey to state independent living coordinators.

Room and Board Services

In our 2004 survey, 46 states reported that they offered assistance with room and board to youth that had been emancipated from foster care, and the states we visited reported offering a range of housing supports to assist youth. Connecticut provided several housing options to meet the needs of youth at varying levels of independence, including group homes, supervised apartment sites, and unsupervised apartment sites with periodic visits from case managers. While other states we visited offered a more limited supply of housing options, all provided some type of housing subsidy or placement. For example, Texas and Washington provided youth with a monthly stipend for rent as well as a onetime stipend for household supplies.

Improving Existing Services

Chafee Program funds were also used to improve the quality of existing independent living services, refocus the attention of their programs, or develop new services to assist youth of all ages in independent living programs, according to state officials we visited.

- Local officials in Florida said that prior to FCIA, training in daily living skills was provided haphazardly, and in many cases unqualified staff taught classes even though such training was considered a core component of their independent living program. After FCIA, Florida officials said that the state redesigned staff training, improved instructor quality, and was better prepared to provide youth with the skills necessary to live independently outside of the foster care system.

- In Texas, a service provider reported that FCIA encouraged the state to incorporate more experiential learning opportunities in the daily living skills curriculum. For example, the curriculum in one locality included taking the youth on a shopping trip to the grocery store while working within a set budget. Similarly, in one local area in Florida, youth in the independent living program described a scavenger hunt in which they were required to take public transportation around the city and conduct certain activities that emphasized their daily living skills training, such as going to the bank and opening a checking account.

- Washington officials reported that FCIA was instrumental in shifting the emphasis of the state's independent living program to focus on educational achievement, and some regions in the state developed summer enrichment programs to provide youth with year-round opportunities to keep up with their peers academically or to further their educational development.

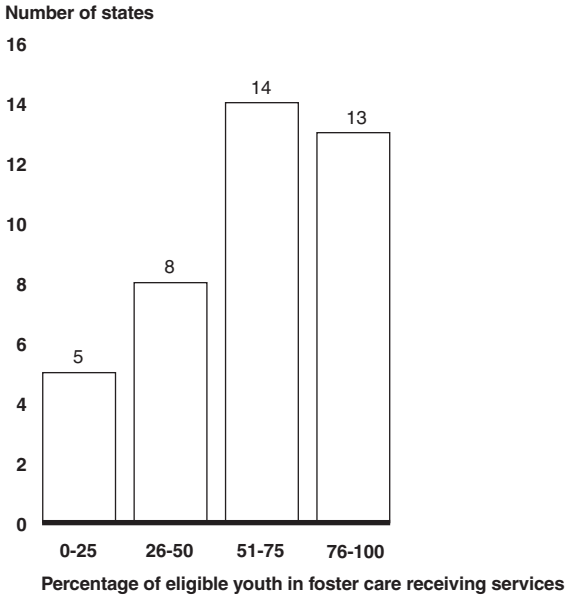
- Officials in Connecticut reported using additional funds to develop mentoring programs and to establish adolescent specialist positions in each local child welfare office.

Serving Youth Remains Challenging because of Gaps in Services and Difficulties Engaging Youth and Foster Parents

States differed in the proportion of eligible youth served under their respective independent living programs, and officials in the 4 states we visited reported gaps in providing critical services, as well as challenges in engaging youth and parents in the services offered. Complete data that show how many youth states are serving through the independent living programs are not available, and while these programs serve both youth in foster care and emancipated youth, data we were able to collect from some states were limited to youth in care. Data from our 2004 state survey showed that 40 states responding to our survey reported serving about 56,000 youth—or approximately 44 percent of youth in foster care who

were eligible for independent living services in these states.[22] However, there were substantial differences among states in the proportion of youth served, ranging from a low of 10 percent up to 100 percent of the state's eligible foster care population. As shown in figure 4, about one-third of reporting states were serving less than half of their eligible foster care youth population, while an equal percentage of states were serving three-fourths or more. The extent to which these differences were related to whether the states served higher or lower numbers of youth who emancipated from foster care is unknown.

Figure 4: Proportion of Youth in Foster Care Receiving Independent Living Services from States in 2003



Source: 2004 GAO survey to state independent living coordinators.

Note: Data are based on responses from 40 states and exclude services provided to emancipated youth.

While states expanded eligibility to younger youth, most services continued to be directed at youth age 16 and older in most of the states we visited. For example, Texas officials told us that although the state lowered the age that youth are eligible for independent living services to 14 years, serving youth age 16 years and older is the highest priority, and

[22]We were unable to identify comparable data on the proportion of eligible youth in foster care that received independent living services prior to the passage of FCIA.

serving younger youth within the various regions is dependent on available funding. In addition, while Washington expanded eligibility to serve youth as young as 13 years, state officials reported that the state has yet to develop a contract for providers to offer services to youth 13 to 15 years old and few regions have developed services for youth in this age range.

As we found in 1999, state and local officials in the states we visited reported gaps in the availability of critical services, which may have contributed to the challenge of serving higher numbers of eligible youth.[23] States also reported that these challenges were more prominent in rural areas. Service gaps included the following:

Mental Health Services

Youth in foster care often require mental health services continuing beyond emancipation, but 3 states we visited cited challenges in providing youth with a smooth transition between the youth and adult mental health systems. Officials in Connecticut reported that it is critical for youth to receive mental health services because mental well-being affects every aspect of the youths' lives, including learning life skills, locating and maintaining employment, succeeding in school, and the ability to transition to a more independent setting. However, state officials reported that youth who did not qualify for the adult mental health system were left without critical services. In Florida, many individuals who had been served by the youth mental health system did not qualify for adult services because of more stringent eligibility requirements, possibly losing access to important treatments and therapies. In Washington, caseworkers reported that the adult mental health system did not provide the same level of services as the youth system, and long waiting lists sometimes prevented youth from accessing critical services.

Mentoring Services

Research studies indicate that the presence of positive adult role models is critical for youth in foster care because family separations and placement disruptions have been found to hinder the development of enduring bonds, but officials in the states we visited cited challenges in providing all youth with access to mentoring programs to establish and maintain such relationships. Although the majority of states reported in our 2004 survey that they offered mentoring programs to youth, officials in Texas and Florida reported that formal mentoring programs were not available

[23]In our 1999 report, state and local administrators reported that their independent living programs fell short in key areas, including gaps in employment, daily living skills, and housing services (see GAO/HEHS-00-13).

throughout the state.[24] Connecticut officials said they used FCIA funding to develop a statewide mentoring program, but the state is still working to expand program availability to youth in all regions. In addition, one program director reported challenges recruiting adults to serve as mentors, especially men willing to make a 1-year commitment to an adolescent boy. Some state and local officials and service providers seemed unclear on what should be included in a quality mentoring program and how to identify qualified service providers. For example, a nonprofit service provider delivering independent living services in an urban county in Washington reported being unfamiliar with how a mentoring program should be run and said that guidance on how to identify and train mentors would be helpful.

Securing Safe and Suitable Housing

Youth we spoke with across the 4 states we visited said that locating safe and stable housing after leaving foster care was one of their primary concerns in their transition to independence, but state officials reported challenges meeting youths' housing needs. Youth reported difficulties renting housing because of a lack of an employment history, a credit history, or a co-signer. State and local officials in the states we visited said the availability of housing resources for foster youth during their initial transition from foster care depended on where they lived, and in some cases the benefits provided did not completely meet the needs of youth, or were available only to certain youth. For example, in Washington, local officials reported that housing subsidies may not completely offset expenses for youth in expensive urban areas like Seattle and that rental housing in some rural areas is scarce. In Florida, youth must be full-time students to receive full housing benefits.[25]

In addition to reporting these service gaps, youth said during our site visits that living in rural areas made it difficult to access independent living services, and state and local officials concurred that services for youth in rural areas were sometimes limited. Difficulties are often related to a lack of transportation or providers willing to provide services in remote areas. In large states such as Texas and Florida, the long distances separating some youth from available service providers made it difficult for youth to

[24]Forty-five states reported having mentoring services for youth in foster care, and 39 states reported having mentoring services for emancipated youth.

[25]Florida officials report that some housing funds are available to youth not receiving the scholarship but that these funds are limited and insufficient to meet the demand for housing services.

access services on a regular basis. Additional challenges include the lack of employment opportunities and transitional housing for youth living in some regions.

Finally, state and local officials, as well as service providers in the 4 states we visited said that it was difficult to get some youth to participate in the independent living programs and that foster parents were sometimes reluctant partners. While youth were generally offered incentives, such as cash stipends, to participate in daily living skills training or other activities, officials emphasized that participation is voluntary and it is critical for foster parents to support and encourage youth participation in the program. Florida and Washington officials said that some foster parents were reluctant to transport youth to classes or meetings because of scheduling conflicts or long distances from training locations and did not always reinforce classroom training in daily living skills by allowing youth to practice skills such as cooking or financial management. FCIA emphasized the need to provide training to help foster parents understand and address the issues confronting adolescents preparing for independence, and nearly all states reported in our 2004 survey that they provided some training to foster parents in this regard. However, the number of parents trained differed across 34 states reporting data—while some states reported training 1,100 or more, others reported training as few as 24.

States Reported Increased Coordination with Federal and State Programs to Provide Independent Living Services to Youth, but Barriers Hinder Linkages across Programs

After FCIA, 49 states reported increased coordination with a number of federal, state, and local programs that can provide or supplement independent living services, but officials from the 4 states we visited reported several barriers in developing the linkages necessary to access services under these programs across local areas. These barriers include a lack of information on the array of programs available in each state and in local areas, as well as differences in performance measures between programs. Many child welfare caseworkers, foster parents, and youth we spoke with during our site visits were unaware of the full array of youth and adult support services available to youth while in foster care and after emancipation.

States Reported Accessing Federal and State Programs More after FCIA to Provide Independent Living Services

Federal, state, and local agencies oversee a wide range of programs providing services that may assist youth in their transition to adult life and that include current and former foster youth among their target populations.[26] In our 2004 survey, 49 states reported increased coordination with federal, state, and local agencies and private organizations that provide services to youth since the passage of FCIA to provide a wide variety of services. Table 3 displays selected key independent living services and the most prevalent service providers.

[26]Appendix II summarizes selected federal agencies and their programs that include current and former foster youth as a target population, and displays the types of services offered by those programs that may assist youth in their transition from foster care to adult life.

Table 3: Key Independent Living Services and the Most Prevalent Service Providers

Services and most prevalent providers	Number of states in which entities provide services to youth in care or emancipated youth
Education services	
High school completion assistance	51
Job Corps	43
Local education agencies or schools	38
State Department of Education	30
College or vocational training enrollment	49
Colleges or universities	41
Technical or vocational schools	39
Local education agencies or schools	31
Employment services	
Assistance to prepare for, locate, or maintain employment	50
Workforce board	32
State Department of Labor	25
Foundations	16
Housing services	
Services related to locating and establishing a household	49
Local housing agencies	31
U.S. Department of Housing and Urban Development	20
State Department of Housing	19
Daily living skills	
Daily living skills such as first aid, health and nutrition, and money management	48
State Department of Social/Human Services	28
Local education agencies	25
Tribes	18
Workforce board	18

Source: GAO 2004 survey of state independent living coordinators.

Note: The list of most prevalent providers does not include providers that contract with the child welfare agency.

States we visited used different strategies to develop linkages among state youth programs. Three of the states we visited reported establishing state-level work groups that included representatives from the independent living program and other state agencies to bring agency officials together to discuss the needs of youth in foster care and possible strategies for improving service delivery. For example, Florida's legislature mandated a state-level work group to facilitate information sharing at the state level

among various agencies, such as the State Departments of Children and Families and Education, the Agency for Workforce Innovation, and the Agency for Health Care Administration. Texas was developing a strategy to redesign the provision of social services in the state, including services to youth in the independent living program. The goals of this effort included establishing a local, cross-system network composed of youth in foster care, emancipated youth, caregivers, and professionals to facilitate linkages between stakeholders and improve the delivery of services to youth transitioning out of foster care.

Additional strategies states developed to establish linkages with other federal, state, or local programs included establishing liaisons between agencies or programs or through less formal collaborative arrangements.

- In Connecticut, the child welfare agency established a liaison position with the Job Corps program to meet with foster care youth to determine whether they were appropriate candidates for the program, and to monitor their progress, address any obstacles or concerns, and help youth plan for the future. In addition, a liaison between the independent living program and Connecticut's mental health agency assists youth in their transition to the adult mental health system to ensure that youth who need the continued support maintain access to medication and services after youth leave the foster care system.

- In local areas in Texas and Florida, child welfare officials worked with local housing authorities to assist youth in accessing federal housing vouchers provided by HUD. For example, in Tallahassee, Florida, the local housing authority secured 30 of 100 available housing vouchers for youth emancipating from foster care and established a case manager position especially for the youth in the program.

- In Florida, the independent living program officials worked with the state's youth mental health department to access the Assertive Community Treatment for Teens Program. The program consisted of community-based teams—nurses, job developers, housing and education officials, and other relevant stakeholders—who worked together to develop integrated service plans for youth with serious and persistent mental illness.

  In addition, officials reported developing linkages with other private resources in their communities, such as business owners, to provide services to youth in the independent living program.

- Connecticut independent living officials collaborated with business owners, nonprofit organizations, and other state agencies to develop an

experiential employment training program that gave youth 16 and older the opportunity to learn skills through participation in workshops covering all aspects of a local business. For example, some youth worked in a boat-building business and learned skills ranging from carpentry and construction to sales and financial management.

- In one Florida county, independent living staff utilized a community resource know as the speakers' bureau—a service that links members of the community with youth to talk about a wide range of professions and activities. Caseworkers said as youth moved through their daily living skills curriculum they were asked to decide whom they wanted as guest speakers.

- In Texas, the child welfare agency worked with the Orphan Foundation of America—a nonprofit organization—so youth could access a Web-based mentoring program. Youth participating in the program were matched with online mentors based on mutual interests, and they communicated regularly via e-mail or by phone.

States Reported Barriers to Establishing Linkages between the Independent Living Programs and Other Youth-Serving Programs

While table 3 shows that states are using a wide variety of programs to provide independent living services, officials in the 4 states we visited reported several barriers that hinder their ability to establish linkages with other agencies and programs, including the lack of information on the array of programs available in each state or local area and differences in program priorities. Officials from 3 states we visited said that they relied on local officials to identify potential partners and initiate and maintain coordination efforts; and while individuals in some local areas may have developed successful collaborations with service providers in their area, these relationships have not always been expanded statewide. To some extent, this has been due to the fact that state and local child welfare officials differ in their awareness of resources available from various federal and state agencies.

- Local officials in one area of Florida were working with a U.S. Department of Labor workforce program, while officials in another local area of the state were not familiar with this program to train and find employment for youth.

- In one local area in Washington, independent living coordinators and caseworkers expressed concern about access to affordable health care for youth emancipating from foster care and were not aware of a federal health center located nearby that was required to provide medical and mental health services on a sliding fee scale.

These gaps in awareness may be partly due to turnover rates for caseworkers reported by the states we visited.[27] Caseworkers' lack of knowledge about available programs may have contributed to foster parents and youth reporting that they were unaware of the array of services available from other federal, state, or local programs.

Officials in the independent living programs in the states we visited also cited barriers to establishing linkages with other federal and state programs because of different program priorities.

- Difference in performance goals among programs can affect the ability of independent living staff to obtain services for foster youth from other agencies. For example, child welfare and workforce officials in Florida reported that performance goals for workforce programs may act as barriers to serving youth in the child welfare system who may be more difficult to place in employment and might not maintain the jobs once placed, potentially bringing down workforce program performance measures.[28] As a result, the officials reported that local workforce programs may target those individuals with whom they can most easily achieve successful outcomes and foster youth may be unable to access services they need to achieve positive employment outcomes.

- According to independent living service providers in one local area in Washington, privacy concerns were a barrier to developing linkages with education programs. For example, schools in one area we visited would not allow anyone besides biological parents—including caseworkers and foster parents—access to youths' individualized education programs.[29] Yet according to caseworkers, foster parents, and service providers, lack of

[27]In a recent report, we reviewed how caseworker turnover and staffing shortages remain challenges for child welfare agencies. See GAO, *Child Welfare: HHS Could Play a Greater Role in Helping Child Welfare Agencies Recruit and Retain Staff*, GAO-03-357 (Washington, D.C.: Mar. 31, 2003).

[28]See GAO, *Workforce Investment Act: Improvements Needed in Performance Measures to Provide a More Accurate Picture of WIA's Effectiveness*, GAO-02-275 (Washington, D.C.: Feb. 1, 2002), for a review of the Workforce Investment Act's performance measures and GAO's recommendation to the Department of Labor to more clearly define its policies and measures.

[29]An individualized education program is a written statement that is developed for each student with a disability that specifies, among other components, the goals and objectives for the student, describes the services that a student will receive, and specifies the extent to which the student will participate in the regular education setting with nondisabled peers and or in the general curriculum adopted for all students.

access to these plans made it difficult to align the individualized education programs with the youths' independent living plans.

States' and HHS's Actions in Response to FCIA Requirements Have Not Yet Established Accountability for Independent Living Programs

All states developed multiyear plans as required under FCIA and submitted annual progress reports to ACF for their independent living programs, but the absence of standard comprehensive information within and across state plans and reports precludes using them at the state and federal level to monitor how well the programs are working to serve foster youth. HHS has not yet implemented its plan to collect information to measure states' program performance, and while some states reported collecting some data, states have experienced difficulties in contacting youth to determine their outcomes. HHS has begun to evaluate selected independent living programs, and officials reported that the results of this evaluation should be available in 2007.

States Submitted Plans and Annual Reports to Comply with Federal Requirements, but the Documents Do Not Provide Information Necessary to Assess Progress

All states developed state plans as required by FCIA that described independent living services they planned to provide to foster youth and submitted annual reports to ACF, but for several reasons, these plans and reports cannot be used to assess states' independent living programs. To assist states in preparing these documents, ACF developed guidance that set out broad expectations for the plans and reports that would meet the FCIA requirements. However, while ACF officials stated that the plans and annual reports served as the primary method the agency used to monitor states' use of the Chafee Program funds, ACF did not require states to use a uniform reporting format, set specific baselines for measuring progress, or report on youths' outcomes. As a result, each state developed plans and reports that varied in their scope and level of detail, making it difficult to determine whether states had made progress in preparing foster youth to live self-sufficiently.[30] Our review of plans from 51 states covering federal fiscal years 2001 through 2004, and annual reports for 45 states from federal fiscal years 2001 and 2002 showed that

- *Few states both organized the information in their plans to address the purposes of FCIA and presented specific strategies they would use to meet these purposes*. For example, Nebraska's plan was aligned according

[30]We previously reported similar problems using state reports for federal monitoring of independent living programs prior to FCIA and had recommended that HHS establish a uniform set of data elements and a standard reporting format for state reporting on independent living programs. See GAO-HEHS-00-13.

to the five purposes of FCIA, but when describing how the state would help youth receive the education, training, and services necessary to obtain employment, the plan provided only a broad statement about the collaborative efforts between state agencies without mention of specific strategies to deliver the services. In contrast, New Hampshire submitted a comprehensive state plan that described the state's holistic approach to providing services to youth transitioning out of care, such as specialized trainings for youth, foster parents, and independent living staff; programs offered through community resources; and resources available for youth with emotional and physical challenges, but these services were not attached to any one purpose of FCIA.

- *The plans vary in their usefulness in establishing outcomes the states intended to achieve for youth.* For example, the District of Columbia indicated that it will use Chafee Program funds to establish a computer lab where current and former foster care youth can search for jobs, but the plan does not establish any outcomes the District hoped to achieve with this service, such as the percentage of youth that find employment over a period of time. In contrast, the Nevada plan identified 2001 and 2002 as the baseline years for the number of foster youth who graduate or receive a general equivalency diploma (GED) and planned to increase by 3 percent each year the number of youth who receive a high school diploma or GED until the youth are within the overall state average.

- *Annual reports for all 45 states contained information that did not directly relate to information in their state plan making it unclear whether the differences were due to service changes or missing information.* For example, in Hawaii's plan, the state listed several services and supports provided to youth, including employment services, such as career exploration and job placement and retention. However, in each of the annual reports, the state does not mention offering or providing any employment-related services.

- *Of the 90 annual progress reports we reviewed, 52 reports did not include clear data that could be used to determine progress toward meeting the goals of the states' independent living program.* For example, Arkansas' report for federal fiscal year 2002 listed several workshops provided to youth, such as money management and college preparation, and a count of the number of youth who participated in the workshops. In contrast, Nevada consistently reported data on youths' participation in different independent living activities, including the changes between each year, progress towards meeting the goals established in their plan, and reasons for not yet meeting the goals.

ACF officials said that they recognize the limitations of these documents as tools to monitor states' use of independent living program funds, but explained that they rely on states' to self-certify that their independent living programs adhere to FCIA requirements. Staff in ACF's 10 regional offices conduct direct oversight of the program by reviewing the multiyear plans and annual reports, interpreting program guidance, and communicating with states when clarification about their plans or reports is needed. However, officials in three offices said that their review of the documents was cursory and that the plans and annual reports do not serve as effective monitoring tools. Only three regions reported that they conducted site visits to observe independent living programs in at least some states in their regions. The other regions reported that they do not have the funds to travel or when they do, the review is focused on other programs or planning efforts. One region commented that even if it had funds, ACF had not developed a standard mechanism for regional offices to use in monitoring states' use of FCIA funds.

Alternatively, ACF officials reported that the Child and Family Services Review used to evaluate the states' overall child welfare systems could serve as a tool to monitor independent living programs, but the CFSR is limited in the type and amount of data collected on youth receiving independent living services. While states evaluated under the first year of the CFSR were rated on the provision of independent living services to youth in care, this item was removed in subsequent reviews.[31] ACF redesigned its review instrument with the intent of focusing on setting and achieving appropriate permanency goals for children rather than evaluating specific services. Despite the fact that independent living services are no longer a specific focus of the CFSR, ACF officials believe that two broader measures used in the review will provide opportunities to evaluate states' performance in assisting youth: the measurement of the stability of foster care placements and the review of permanency goals of other planned permanent living arrangements, such as the goal of emancipation. However, some regional officials performing these reviews reported that the on-site portion of the CFSR is limited in scope and does not present an opportunity to determine if states are delivering independent living services to youth and if youth receiving such services are achieving better outcomes than their peers. Further, the CFSR

[31]Items reviewed included the services youth received to prepare for independent living and the extent to which service being provided matched the youth's needs.

includes a review of a small number of foster care case files and does not include a review of emancipated youth.[32]

HHS Has Not Yet Complied with Requirements to Collect Program Data to Assess States' Programs, and Some States Collecting Information on Youth Are Experiencing Difficulties

ACF has not completed efforts to develop a plan to collect data on youths' characteristics, services, and outcomes in response to the FCIA requirement, and some states that are attempting to collect information on youths' outcomes are experiencing difficulties. In 2000, ACF started to develop the National Youth in Transition Database (NYTD) to collect information needed to effectively monitor and measure states' performance in operating independent living programs. However, HHS officials stated that as of August 2004, implementation had not yet occurred. The agency has completed many of the steps laid out in its original plan dated September 2001, including consulting with child welfare and information technology professionals, developing a set of preliminary data elements and outcomes measures, and pilot testing the data collection instruments with 7 states.[33] However, HHS reported that it had not taken the next step of publishing the notice for proposed rule making because the agency decided to develop regulations for the data collection system in order to fulfill a statutory requirement to assess penalties on states for noncompliance. As a result, the proposal has been under internal review since the conclusion of the pilot test process in November 2001. HHS reported that it expects to issue guidance in the form of a proposed regulation in 2005.

Officials in all the states we visited supported the idea of having data on former foster youth, and 26 states reported in our 2004 survey that they have begun to plan for the impending data reporting requirements despite the federal delays. Many states reported in our 2004 survey that they already collect many of the data elements HHS had developed as part of the consultation and pilot testing process (see table 4).

[32]The total number of foster care cases reviewed across the 52 states (including the District of Columbia and Puerto Rico) was 1,462. Of that number, 23 percent of the youth in the sample were between 13 and 18 (13-15: 17 percent, 16-18: 6 percent). According to recent data from ACF, approximately 37 percent of the youth in foster care are between 13 and 18 years old (13-15: 19.5 percent, 16-18: 17.4 percent).

[33]Colorado, Indiana, New Hampshire, North Carolina, North Dakota, Oklahoma, and Texas participated in the pilot tests that were held in August 2001. The pilot test process concluded in November 2001 when the contractors that conducted the tests held a briefing with the pilot states and HHS officials.

Table 4: Proposed NYTD Data Elements as of April 2003 and the Number of States Currently Collecting These Data

Proposed NYTD data elements[a]	Number of states collecting data
Youth characteristics	
Tribal membership	22
Point of entry into foster care	37
Last grade completed	32
Special education status	34
Services	
Independent living needs assessment	35
Academic support	24
Postsecondary educational support	32
Career preparation	23
Employment programs or vocational training	32
Budget and financial management	26
Housing education and home management	26
Planned supervised independent living	23
Health education	24
Risk prevention	18
Mentoring	25
Room and board financial assistance	36
Financial assistance for education/educational support	34
Other financial assistance	21
Outcomes	
Current full-time employment	22
Current part-time employment	22
Employment experience	22
Social Security	21
Scholarship	22
Public assistance	21
Food stamps	19
Housing assistance	24
Medicaid	22
Other support	10
Homelessness	23
Highest educational certification received	31

Proposed NYTD data elements[a]	Number of states collecting data
Current enrollment and attendance	26
Connection to adult	18
Substance abuse referral	16
Incarceration	19
Number of children	31
Martial status	29
Health insurance	19
Reason for nonreporting	3

Source: HHS and 2004 GAO survey.

[a]This list does not include the data elements HHS will use that states report to the Adoption and Foster Care Analysis and Reporting System.

In addition, some states are attempting to collect outcome information on former foster care youth but have experienced difficulties. According to results from our survey, in federal fiscal year 2003, 30 states attempted to contact youth who had been emancipated from foster care for initial information to determine their status, including education and employment outcomes. Of those states, most reported that they were unsuccessful in contacting more than half of the youth. Further, 21 states reported attempting to follow up with emancipated youth after a longer period of time had elapsed but had trouble reaching all the youth.

Officials in the states we visited reported that collecting outcome data is especially challenging since there is little they can do to find youth unless the youth themselves initiate the contact. Further, some officials were concerned about the value of the outcome data since they believe that youth who are doing well are more likely to participate in the follow-up interviews, thus skewing the results. Similarly, an ACF regional official reported that the value of the NYTD would be determined by the resources available to states to support the follow-up component. Some state officials, caseworkers, and youth we interviewed suggested strategies states may need to develop to maintain contact with former foster care youth, including offering incentives to the youth to stay in touch; establishing a toll-free telephone line that will make the process of staying in touch as easy as possible; or using other resources that may help locate the youth or provide the necessary data, such as other service providers or other social services information systems.

HHS Has Begun Multiyear Evaluation of Four Approaches to Delivering Independent Living Services

By December 2007, ACF expects to complete the evaluations of four approaches to delivering independent living services. As required by FCIA, these evaluations will use rigorous scientific standards, such as an experimental research design that randomly assigns youth in independent living programs to different groups: one that is administered the experimental treatment and one that is not. HHS initiated this effort in 2001 with a nationwide review of potentially promising approaches to delivering independent living services. HHS contracted with a research institute to conduct a nationwide search to identify independent living programs that meet the criteria of the evaluation[34] and to conduct 5-year evaluations of the selected programs.[35] On the basis of the search and the established criteria, HHS selected four programs for the evaluation (see table 7).

[34]In the nationwide search, HHS contractors sought programs that met four criteria for a rigorous research study: Programs should be directed, at least in part, at youth leaving foster care or expected to remain in foster care until adulthood; be innovative, of national significance, and capable of expanding into new geographic areas; be willing and capable of participating in experiments involving random assignment of youth to treatment services or the alternative services; and have an adequate sample size and should have a need for the services greater than what is currently available so an experiment would not reduce the total number of youth serviced by the program. Many programs could not support a randomized study because their youth population was not large enough to ensure youth did not go without services.

[35]HHS contracted with the Urban Institute and its partners—the Chapin Hall Center for Children and the National Opinion Research Center.

Table 5: Programs Included in the Multisite Evaluation of Foster Youth Programs

Site	Program	Type of service	Age of focus	Number of youth (control and experimental)	Length of service provision	Key outcome of interest
Los Angeles County, California	Community College Life Skills (LST) Training	Classroom-based and experiential life skills training, teen support group, and exposure to community college opportunities	17	450	5 weeks (10 workshops)	Education, employment, housing stability, avoidance of risk behaviors
Los Angeles County, California	Early Start to Emancipation Preparation (ESTEP)	Structured tutoring and mentoring curriculum for youth 1-3 years behind grade level in reading and math skills	14-15	450	6 months of tutoring on average, mentoring continues less intensively after tutoring ends for 3 months on average	Education, employment, interpersonal and relationship skills
Kern County, California	Employment program	Employment skills training, job referral, and employment support provided through county Temporary Assistance to Needy Families agency	16	250	Ongoing through age 21	Employment and economic self-sufficiency
Massachusetts	Adolescent Outreach Program	Intensive, individualized life skills mentoring and casework	17	250	Mean of 1 year	Employment, housing stability, service linkages

Source: HHS.

The study is designed to answer the following questions: (1) How do the outcomes of youth randomly assigned to the identified interventions compare with those of youth who are assigned to "services as usual"? (2) For the identified programs, what are the features of these programs that are likely to influence their impact on youth clients? (3) How are these services implemented? (4) To what extent might these programs be adapted to other locales? (5) What are the barriers to implementation? Each program will be evaluated using similar techniques: in-person structured interviews to establish a baseline and to follow up with youth in the treatment and control groups; a Web-based survey of caseworkers; and program site visits including semistructured interviews with administrators, staff, and youth. All youth will be interviewed shortly

following referral and random assignment, and 1 year and 2 years later. As of August 2004, all evaluation studies were in the early stages. Baseline interviews with the youth had begun or were completed in three sites and the process was starting in the fourth site.

Conclusions

Many youth in the foster care system need additional services and support throughout and beyond their adolescence to make the transition to self-sufficiency. States have generally expanded their independent living programs to provide new and enhanced services to a wider age range of youth, but some states have been slower to implement the program, and foster youth across the nation may not have access to the full array of services they may need to lead independent and successful lives. While many other federal, state, and private resources exist to cover some shortfalls in service, the absence of information on resources available in local areas may continue to hinder efforts to establish needed linkages among programs. Similarly, while ACF provides some assistance to states, there is still a lack of awareness about available resources among caseworkers, foster parents, and youth that may further limit youths' ability to access needed services once emancipated from the foster care system.

While the Chafee Program funding is small compared with that of other child welfare programs, effective federal oversight requires reliable information on states' implementation efforts and results. At a minimum, information from state plans and annual reports could be useful in federal oversight and monitoring. However, the ability of ACF to monitor state performance continues to be hindered by an absence of standard, comprehensive information within and across state plans on each state's goals, services, and youth outcomes as measured against baselines of past achievement. Oversight is similarly hindered by a lack of standard monitoring practices across ACF regional offices. While ACF is developing an information system that may address some of these limitations, it may be unavailable for several years. In the meantime, additional actions to strengthen federal monitoring of state programs may serve to provide greater assurance of program accountability at the state and federal level.

Recommendations

To improve access to the array of services available to youth transitioning out of foster care and assist states in leveraging available resources, HHS should make information available to states and local areas about other federal programs that may assist youth in their transition to self-

sufficiency and provide guidance on how to access services under these programs.

To improve HHS's ability to monitor implementation of the Chafee Program, HHS should develop a standard reporting format for state plans and progress reports and implement a uniform process regional offices can use to assess states' progress in meeting the needs of youth in foster care and those recently emancipated from care.

Agency Comments

We provided a draft copy of this report to the following agencies for comment: the Departments of Health and Human Services, Education, Labor, Housing and Urban Development, and Justice, and the Social Security Administration. We obtained comments from the Department of Health and Human Services, which are reproduced in appendix III. HHS also provided technical comments, which we incorporated as appropriate. All other agencies did not have any comments on this report.

HHS did not comment on our recommendation to make information available to states and local areas about other federal programs that may assist youth in their transition to self-sufficiency and to provide guidance on how to access services under these programs. HHS listed several efforts that they had undertaken to collaborate with other related federal agencies, such as Labor, Justice, and Education, to expand services to youth. While these efforts will help strengthen the relationships among federal agencies and better inform the states, we believe that implementing our recommendation to develop ways to better disseminate such information to state and local child welfare agencies and to provide assistance on ways to leverage these resources can improve services to youth both in and recently emancipated from foster care.

HHS disagreed with our recommendation to develop a standard reporting format for state plans and progress reports but said it was taking action to implement a uniform process that its regional offices can use to assess states' progress in meeting the needs of youth in foster care and those recently emancipated from care. HHS stated that taking action to standardize the reporting format for state plans and annual reports would be overly prescriptive and impose an unnecessary burden on states. HHS added that a significant change under the law was to require states to self-certify their compliance with statutory requirements in their state plan, and that rather than report on performance outcomes, the plan was intended to be a narrative to ensure state adherence to plan requirements and assurances. In addition, HHS reported that when standard data are

available through the National Youth in Transition Database, the agency would be better positioned to determine how best to assess state performance. HHS further reported that ACF did provide regional office staff with a checklist to review and approve the first state plan and that in fiscal year 2005, ACF will develop and provide a review protocol to be used in regional office desk reviews of states' annual progress reports.

We continue to believe that strengthening the state reporting process is needed to provide assurance of program accountability at the state and federal level. HHS officials stated that they consider their review of the state plans and annual reports as the primary method the agency uses to monitor states' use of Chafee Program funds. However, comments by ACF regional officials conducting the oversight reviews—as well as our own review—have shown that the diverse format and content of these documents are insufficient for this purpose. Developing a standard reporting format that states can use for their plans and annual reports would help HHS improve the efficiency of the reporting process by clarifying the broad guidance ACF provides to the states, allowing ACF reviewers to quickly identify states' progress toward meeting program goals, and thereby reduce the burden of the reporting process currently in place. As we reported, some states have already taken action to establish baselines and goals as well as strategies for action in their state plan that can be linked with information in the annual progress reports to identify areas of strength and needed improvement. HHS should consider these efforts undertaken by states and take a cooperative approach in working with them and cognizant national organizations in developing a standard report format to garner support and reduce perceptions of burden. HHS could, for example, continue its partnership with the workgroup that contributed to the NYTD proposal or convene a session at the annual conference with state independent living coordinators. HHS action to implement our recommendation may also serve to strengthen the usefulness of uniform review protocols that ACF plans to develop for use by regional staff in evaluating state progress during their annual desk reviews of state performance.

As agreed with your offices, unless you publicly announce its contents or authorize its release earlier, we plan no further distribution of this report until 30 days after its issue date. At that time, we will send copies of this report to the Secretaries of Health and Human Services, Education, Housing and Urban Development, Labor, and Justice; relevant congressional committees; and other interested parties. Copies will be made available to others upon request. In addition, the report will be available at no charge on GAO's Web site at http://www.gao.gov. Please

contact me at (415) 904-2272 if you or your staff have any questions about this report. Other major contributors to this report are listed in appendix IV.

David D. Bellis
Director, Education, Workforce,
and Income Security Issues

Appendix I: Scope and Methodology

To determine how states' funding allocations changed to serve youth after the Foster Care Independence Act of 1999 (FCIA), we analyzed federal funding to the 50 states, the District of Columbia, and Puerto Rico for independent living programs before and after the passage of FCIA. We compared state allocations after the passage of FCIA with the numbers of eligible youth in foster care in each state to determine available funding per eligible youth across states. To perform this comparison, we used data reported by states to the Department of Health and Human Services (HHS) in the Adoption and Foster Care Analysis and Reporting System (AFCARS) on the numbers of eligible youth in foster care within each state in federal fiscal year 2002. Since states' funding allocation are based on AFCARS data, we determined that these data were the best available information for the purposes of this analysis. The procedures the agency uses to assess data quality, which includes identifying out-of-range or missing data, were sufficient for our purposes. To determine the age ranges of youth in foster care eligible for independent living services within each state, we used data reported by states in our 2004 survey of state independent living coordinators. In addition to reviewing these data, we interviewed HHS staff in headquarters and each of the 10 regional offices.

To determine the extent to which states expanded independent living services and age groups of foster youth served since the passage of FCIA, as well as what challenges remain, we surveyed all 50 states, the District of Columbia, and Puerto Rico through a Web-based questionnaire. We pretested the survey instrument with administrators of the independent living program in Texas, Florida, Washington, Maryland, and Connecticut. On the basis of the feedback from the pretests, we modified the questions as appropriate. Information about accessing the questionnaire was provided via e-mail. To ensure security and data integrity, we provided each official with a password that allowed him or her to access and complete the questionnaire for his or her state. We received responses from all 50 states and the District of Columbia for a response rate of about 98 percent. Our survey collected a variety of state data, including information on services provided to youth, numbers of youth eligible and served with independent living services, funding for independent living programs, and changes since the passage of FCIA. We designed the survey to parallel several questions from a 1999 GAO survey of states regarding their independent living programs prior to the passage of FCIA in fiscal year 1998. We compared responses between the surveys to identify changes with state independent living programs since the passage of FCIA.

The practical difficulties of conducting any survey may introduce errors, known as nonsampling errors. For example, differences in how a

particular question is interpreted, the sources of information available to respondents, or the types of people who do not respond can introduce unwanted variability into the survey results. We included steps in both the data collection and data analysis stages for the purpose of minimizing such nonsampling errors.

In addition to conducting the survey, we visited independent living programs in 4 states (Texas, Florida, Washington, and Connecticut) to obtain more detailed information regarding the provision of independent living services and changes to state independent living programs since the passage of FCIA in 1999. We selected these states to represent a range in size of foster care populations, approaches to the provision of independent living services, federal allocations of independent living funds, and geographic locations. During our state visits, we interviewed state and local child welfare officials, caseworkers, contracted service providers, foster parents, and youth. We also spoke with HHS staff in the central office and each of the 10 regional offices; National Resource Center for Youth Development officials; and child welfare experts from various organizations including the National Independent Living Association, the Chapin Hall Center for Children, and the Casey organizations.

To determine to what extent states used other federal and state programs to coordinate the delivery of independent living services to foster youth, we surveyed states using the above-mentioned survey instrument. In addition, during our site visits we interviewed state and local child welfare officials; officials from other state agencies that provide services that may assist youth in their transition to self-sufficiency; as well as contracted service providers, caseworkers, foster parents, and youth. We also spoke with HHS officials in the central and regional offices and officials at a number of federal agencies that are responsible for programs that may benefit transitioning youth. These included the U.S. Departments of Education, Labor, Housing and Urban Development, and Justice; the Social Security Administration; and the Substance Abuse and Mental Health Services Administration.

To determine how states and HHS fulfilled the accountability provisions of FCIA, we analyzed Chafee Foster Care Independence Program state plans for 49 states, the District of Columbia, and Puerto Rico for fiscal years 2001-2004 to determine each state's program goals and strategies. We also analyzed 90 annual progress and services reports (annual reports) that states submitted regarding the progress made in implementing their Chafee plans for fiscal years 2001 and 2002. We obtained the plans and progress reports from the Administration of Children and Families (ACF)

regional offices after consulting with ACF's central office and the National Resource Center for Youth Development. One regional office could not provide us with the state plan for Wyoming and the annual reports for Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming in the time requested. Therefore, these states are not included in our analysis. In addition, we received only one report for Tennessee (federal fiscal year 2001) and Puerto Rico (federal fiscal year 2002). We developed a data collection instrument (DCI) based on the federal guidance provided that described how states were expected to develop their plans and reports. A DCI was completed for each state plan and annual report, and another staff person reviewed each record for clarity and accuracy. We supplemented this analysis with discussions with state officials and ACF central and regional office officials. In addition, we reviewed ACF's draft proposals for the National Youth in Transition Database (NYTD) and talked with the contractor staff responsible for development of this system and the multisite evaluation of promising independent living programs. We were not able to obtain the most current information on the NYTD proposals. Therefore, we only have information as recent as August 2003, and our description of NYTD may not accurately describe the final proposal when it becomes available.

Appendix II: Selected Federal Youth Programs and Services That Target Current and Former Foster Youth

	Types of services funded								
Agency and programs	**Academic services**	**Tutoring**	**Employment training**	**Self-sufficiency/ skills development**	**Mentoring**	**Counseling**	**Mental health**	**Pregnancy prevention**	**Substance abuse prevention/ treatment**
Department of Education									
21st Century Community Learning Centers	X	X			X	X			X
Migrant Education Even Start	X	X	X	X	X	X			
Parent Assistance and Local Family Information Centers	X	X	X	X	X	X	X		X
Elementary and Secondary School Counseling Program			X	X	X	X	X	X	
Safe Schools/Healthy Students	X	X	X	X	X	X	X	X	X
Department of Health and Human Services									
Social Economic Development Strategies (SEDS)		X	X	X	X	X			X
Community-Based Family Resource and Support Program				X		X	X		
Promoting Safe and Stable Families		X			X	X	X		X
Runaway and Homeless Youth—Transitional Living Program and Maternity Group Homes		X	X	X	X	X	X	X	X

	Types of services funded								
Agency and programs	**Academic services**	**Tutoring**	**Employment training**	**Self-sufficiency/ skills development**	**Mentoring**	**Counseling**	**Mental health**	**Pregnancy prevention**	**Substance abuse prevention/ treatment**
Temporary Assistance for Needy Families (TANF)	X	X	X	X	X	X		X	X
Healthy Schools Healthy Communities							X	X	X
Family and Community Violence Prevention Program	X	X	X		X				X
Department of Housing and Urban Development									
Community Development Block Grant	X	X	X	X	X	X	X	X	X
Indian Housing Block Grant			X	X		X			X
Department of Justice									
Gang Resistance Education and Training (G.R.E.A.T)		X		X	X	X			X
Big Brothers/Big Sisters of America					X				
Safe Kids/Safe Streets						X	X		X
State Challenge Activities Program	X						X		
Tribal Youth Program		X	X	X	X	X	X	X	X
Department of Labor									
Job Corps	X	X	X	X	X	X			X
Rewarding Youth Achievement Grants	X	X	X	X	X	X			

	Types of services funded								
Agency and programs	Academic services	Tutoring	Employment training	Self-sufficiency/ skills development	Mentoring	Counseling	Mental health	Pregnancy prevention	Substance abuse prevention/ treatment
Workforce Investment Act Formula Youth	X	X	X	X	X	X			X
Youth Offender Demonstration Initiative	X	X	X	X	X	X			

Source: White House Task Force For Disadvantaged Youth, October 2003.

Note: An “X” indicates that the service is funded by the agency or program.

Appendix III: Comments from the Department of Health and Human Services

DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Inspector General

Washington, D.C. 20201

OCT 22 2004

Mr. David D. Bellis
Director, Education, Workforce,
and Income Security Issues
United States Government Accountability Office
Washington, D.C. 20548

Dear Mr. Bellis:

Enclosed are the Department's comments on your draft report entitled, "Foster Youth—HHS Actions Could Improve Coordination of Services and Monitoring of States' Independent Living" (GAO-05-25). The comments represent the tentative position of the Department and are subject to reevaluation when the final version of this report is received.

The Department provided several technical comments directly to your staff.

The Department appreciates the opportunity to comment on this draft report before its publication.

Sincerely,

Daniel R. Levinson

Daniel R. Levinson
Acting Inspector General

Enclosure

The Office of Inspector General (OIG) is transmitting the Department's response to this draft report in our capacity as the Department's designated focal point and coordinator for Government Accountability Office reports. OIG has not conducted an independent assessment of these comments and therefore expresses no opinion on them.

COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) ON THE U.S. GOVERNMENT ACCOUNTABILITY OFFICE'S (GAO'S) DRAFT REPORT: "FOSTER YOUTH—HHS ACTIONS COULD IMPROVE COORDINATION OF SERVICES AND MONITORING OF STATES' INDEPENDENT LIVING PROGRAMS" (GAO-05-25)

The HHS appreciates the opportunity to comment on the GAO draft report.

GAO Recommendation 1:

To improve access to services available to youth transitioning out of foster care and assist states in leveraging available resources, HHS should make information available to States and local areas about other federal programs that may assist youth in their transition to self-sufficiency and provide guidance on how to access services under these programs.

HHS Comments

Since the enactment of the John H. Chafee Foster Care Independence Program (JHCFCIP), the HHS's Administration for Children and Families (ACF) has undertaken a variety of activities to fulfill the statutory requirement to collaborate with other related Federal programs in order to expand the services and resources available for the target population. These activities include:

- Developing and distributing information memoranda to State child welfare directors responsible for administering the JHCFCIP concerning public and private sector programs such as Department of Labor's (DOL's) Workforce Investment Act (WIA), Department of Housing and Urban Development's Family Unification Program (Section 8 Rental Vouchers), Orphan Foundation, and the Community College Foundation (post-secondary educational assistance and scholarships).

- Providing technical assistance and training to States and Tribes through our Bureau agent, National Resource Center for Youth Development (NRCYD). Since the expansion of the JHCFCIP, the NRCYD works with every State Independent Living Coordinator (ILC), answering their questions, sharing best practice information, providing sample policies and procedures, and ensuring that they have the most current information about the Federal laws and policies that impact their youth. The NRCYD meets with new ILCs to assist them in developing their program plans, completing reports, designing requests for proposals, and identifying possible collaborators at the State and local levels.

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Information is shared with all the ILCs on a regular basis both through the e-mailing list and the e-bulletin board. The NRCYD web site contains a comprehensive collection of electronic documents pertaining to the JHCFCP Independence and Education and Training Vouchers Programs (IETVP), as well as the implementation plans for each State, the District of Columbia, and Puerto Rico.

The technical assistance work with States and tribes very often leads to training for staff, primary caregivers, and youth. The NRCYD provides training in both organizational development and skill building.

- Serving as subject matter experts to National Governmental Organizations (NGOs) addressing the developmental and service needs of foster youth.

- Co-sponsoring, for more than 10 years with the Family and Youth Services Bureau (runway and homeless youth), a yearly national conference focusing on services to both system and non-system youth and young adults.

In addition, we have recently begun working with the DOL, and the Departments of Justice and Education on joint initiatives, including a set of national WIA service demonstrations, to improve and expand the employment, and training and educational opportunities available for foster youth in five of the ten cities with the largest foster care populations.

GAO Recommendation 2:

To improve HHS's ability to monitor implementation of the Chafee Program, HHS should develop a standard reporting format for State plans and progress reports and implement a uniform process regional offices can use to assess States' progress in meeting the needs of youth in foster care and those recently emancipated from care.

HHS Comments

The HHS disagrees with the GAO recommendation to develop a standard reporting format for State plans and progress reports. When Congress enacted the JHCFCIP in 1999, it made significant changes in the program. One change was to require that the States develop plans that contain assurances that their program is operating according to certain statutory requirements.

There are important differences between the purposes of the State plan and the purposes of data collection and performance measurement requirements. The GAO believes the agency is negligent in fulfilling its oversight requirements by not having a standard plan format or requiring outcomes in the State plan. This is intentional, as it is not the goal or purpose of the plan to address outcomes. The law does not require that the State plan include outcomes; that is the purpose of the data collection and performance

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measurement requirements in 477(f)(1) of the Social Security Act. The plan is intended to be a narrative used to ensure that the State is adhering to the plan requirements and assurances in 477(b)(2). A standard format would be overly prescriptive and would serve no purpose other than creating an unnecessary extra burden on States. When we have more standard data through the National Youth in Transition Database, rather than just narrative information available in the State plan documents, we will be better positioned to determine how best to establish outcomes and assess State performance.

Additionally, States have been required to provide specific information on progress and accomplishments in the JHCFCIP to ACF for monitoring purposes. The ACYF-CB-PI-03-05 includes instructions on the June 2003 submission of the Annual Progress and Services Report. Included in these instructions were specific JHCFCIP reporting requirements including a report on the specific accomplishments and progress made in the past fiscal year toward meeting each of the program purposes. Furthermore, in the development of the new five-year Child and Family Services Plan, States received guidance on the inclusion of the JHCFCIP and the ETVPs. In ACYF-CB-PI-04, States were provided guidance on discussing how they will design, conduct and/or strengthen their programs to achieve the purposes of section 477(b)(2)(A) and section 477(a)(1-6) of the Act.

It should be noted that in fiscal year (FY) 2001, the ACF developed a checklist that was used by the ACF Regional Office staff to review and approve the first multi-year JHCFCIP plan submitted by States. In FY 05, the ACF will develop and provide a review protocol to be used by regional staff in the desk review of the JHCFCIP portion of the States' Annual Progress and Services Report.

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Appendix IV: GAO Contacts and Acknowledgments

GAO Contacts

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Sara L. Schibanoff, (202) 512-4176

Staff Acknowledgments

In addition to those named above, Adam Roye, Catherine Roark, and R. Jerry Aiken made key contributions to this report. Diana Pietrowiak, Luann Moy, Catherine M. Hurley, and Amy Buck also provided key technical assistance.

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