

# POLICY BRIEF

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## Addressing Foster Care and Mental Health

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On any given day, there are more than 542,000 children residing in foster care in the United States -- a number that has risen every year since the 1980s.



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On any given day, there are more than 542,000 children residing in foster care in the United States -- a number that has risen every year since the 1980s.<sup>1</sup> These children experience combinations of a number of risks to healthy development and adjustment, such as parental neglect, child abuse, sexual victimization, poverty, and homelessness. As a result, foster children are much more likely to develop health, educational, psychological, substance abuse, and criminal conduct problems.

Sadly, foster children currently fail to receive adequate mental health services. Consequentially, foster kids suffer from mental illnesses while in placements and continue to do so after leaving the system.

Despite the growing demand for quality services, legislation has been proposed to cap federal spending on foster care. Doing so would further limit resources to treat foster kids. Instead, foster care spending should be increased in order to fund better mental health assessment tools and treatment programs. In addition, states should be required to dedicate money to develop and evaluate interventions aimed

at treating foster children. The following policy brief explains the risks foster children face, mental health needs of foster youth, the lack of services for such youth, and recommendations to improve the system.

### Risk Factors for Foster Children

The foster care population has been described as the nation's most vulnerable children. This assertion is based on the fact that children in foster care are reported as facing greater exposure to a number of identified risk factors affecting development. It has been estimated that 60 percent of children enter foster care due to emotional neglect by parents, while 30 percent enter due to parental physical abuse. Also, foster children are more likely to have experienced sexual abuse, psychological maltreatment, parental substance abuse, in-utero exposure to alcohol and drugs, domestic violence, community violence, and parental loss. Foster kids often live below the federal poverty level and experience homelessness.<sup>2</sup> In addition, foster children endure a number of negative events while in foster care, such as frequent foster

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placement changes, maltreatment in foster care settings, and continued poverty.

These risk factors, individually and combined, put kids in jeopardy of a number of negative outcomes. Essentially, stressors overwhelm children's ability to cope and undermine the presence of positive resources, such as high self-esteem, intelligence, or relationships with supportive adults.

### **Mental Health of Foster Children**

Foster children exhibit an extremely high rate of mental health problems. Roughly 50 to 75 percent of children living in foster care report some type of psychiatric problems compared to the 10 to 20 percent of children in the general population.<sup>3</sup> These rates exceed those attributed to other at-risk populations of children. For example, less than 35 percent of children living below the federal poverty level experience some psychiatric problems. This supports the notion that foster children are extremely vulnerable.

The types of mental health problems foster children experience varies. Many foster kids report internalizing problems, which are difficulties in managing emotions. These include clinical diagnoses of depression, anxiety, and posttraumatic stress disorder (PTSD). In addition, foster children experience an abundance of externalizing problems. Externalizing problems refer to greater difficulty controlling behavior and following rules, such as oppositional defiant disorder (ODD), attention deficit hyperactivity disorder (ADHD), conduct disorder, alcohol and substance abuse, risky sexual behavior, and teen pregnancy, as compared to other children and adolescents. Many foster children's problems are severe enough to require inpatient and residential services.<sup>4</sup>

Children in foster care are also more likely than other children to have academic problems. Between 25 and 30 percent of foster children have learning disabilities, compared to 2 and 5 percent of children in the general population. Thirty to 40 percent of foster kids receive special education. In addition, foster children have been found to have higher rates of absenteeism, tardiness, and truancy, as well as higher dropout rates and lower high school graduation rates. These problems seem to be related to frequency of school changes that foster children experience. As much as 20 percent of foster children change schools three times or more per year. Consistency of curriculum is difficult in such transient circumstances.

Follow-up studies of young adults who have left foster care suggest that these emotional, behavioral, and academic problems continue to affect youth after leaving the system. Former foster youth report higher rates of mental illness, including PTSD, as well as substance abuse problems. In addition, former foster youth have more difficulty transitioning into adulthood and achieving self-sufficiency. For example, they have lower high school graduation rates, and earn wages below the federal poverty line. In addition, 22 to 44 percent of youth experience homelessness in young adulthood.<sup>5</sup>

### **Mental Health Services for Foster Children**

Given the high rates of mental health problems, there exists a great demand for mental health services among foster children. In fact, approximately 25 to 50 percent of children in foster care receive some mental health services.<sup>6</sup> Furthermore, studies have found that foster children are twenty times more likely to use outpatient mental health services and nine times more likely to receive inpatient care for mental health

problems than other children receiving Medicaid services.<sup>7</sup> In addition, 13.5 percent of foster youth receive psychotherapeutic medication.<sup>8</sup>

Despite these statistics, mental health services still desperately fail to meet the needs of foster youth for a number of reasons.

For one, a large percentage of youth in foster care who need mental health services fail to receive them. A survey of foster care workers, probate judges, and foster parents rated mental health services as the most pressing service needed by foster children.<sup>9</sup> Furthermore, 25 percent of foster children with severe behavioral or psychological problems failed to receive any treatment.

Also, the services that foster children receive are inadequate and inappropriate. Few preventive services for young children in foster care exist. These services are important to stop the development of emotional and behavioral problems that are more difficult to treat at an older age. In addition, there exists a dearth of services for adolescents in foster care. For example, adolescents in foster care have been found to receive residential services, such as group homes, as a first form of treatment compared to outpatient therapy or psychotherapeutic medications. Residential services are intrusive and invasive and are considered the last resort in treatment for other children.

### **Ethnicity/Race and Mental Health Services for Foster Children**

African American and Latino foster children receive significantly fewer mental health services compared to white foster children.<sup>10</sup> These differences occur despite the level of symptomatology. That is, white kids received services at a similar rate

regardless of the severity of their mental health problems. African American and Latino children received the same amount of services as whites only when the severity of their symptoms was very high.

### **Mental Health Needs of Foster Children**

Mental health services for foster children need to improve in two areas:

- 1) Screening and assessment
- 2) Treatment and prevention

### **Screening and Assessment**

Screening and assessment refer to the process in which mental health problems are identified. Assessment refers to the follow-up testing that occurs when children exhibit problems in screening. Assessments provide diagnoses and recommendations for treatment on an individual basis.

Currently, screening and assessment fail to meet the needs of foster children in two ways. First, the measures used by states to screen and assess foster children are not necessarily scientifically validated. This is problematic in that children with problems may fail to be identified or problems may be misdiagnosed, which affects treatment plans. This situation is worsened when tests are administered improperly due to lack of training of evaluators. States should be required to use standardized batteries of tests, which are currently available, and evaluators should be thoroughly trained in administration and scoring procedures.

Second, screening and assessment occurs too infrequently, given the high rate of mental illness within the foster care population. Right now, all foster kids must be screened for mental illness within sixty days of entering the system.

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However, rules and regulations fail to require follow-up testing. Foster kids should be screened or assessed every twelve months. Children who have been previously identified as having problems should be tested more often, depending on the severity of problems. Also, screening and assessment should be available within twenty-four hours of a crisis report to facilitate the early identification of problems, which, in turn, improves prognosis of treatment.

### Treatment and Prevention

Foster children are a difficult population to treat. The myriad of risk factors that foster children are exposed to makes treatment complicated. Available and consistent services are needed to address these issues.

Unfortunately, a number of barriers exist to such treatment.

1) There exists a lack of trained and experienced mental health professionals to work with the population. The number of issues foster children face requires training and experience in dealing with a variety of problems. For example, a therapist who works with foster kids must know about issues of sexual abuse, attachment problems, and substance abuse in addition to other issues. Regrettably, Medicaid reimbursement rates fail to compensate such qualifications adequately, and therefore, providers are unable to afford to take on large caseloads of foster kids. This is especially true for child psychiatrists, who are in great demand for this population.

2) Foster children frequently change placements. When foster children leave a placement, they are less likely to continue to work with the same therapist, and must start over with a new one, affecting the continuity of care.

3) Foster children's problems often go undiagnosed or untreated for so long that by the time they receive treatment children are already at crisis stage. Treatment becomes more difficult as the severity of the problem increases.

4) Foster and adoptive parent training has not been made available. Parent training provides parents with strategies to deal with defiant and disruptive behavior. It has proven to be an effective intervention for children with behavioral problems, including foster children. However, such services have yet to be implemented consistently for foster parents.

5) Older foster children often lose Medicaid eligibility when they leave the system. Therefore, at age 18, they fail to receive compensation for mental health services, including psychotherapeutic drugs. This severely challenges the continuation of treatment as youth transition to self-sufficiency.

6) Few preventative programs exist for foster youth. Prevention strategies provide interventions prior to the development of problematic behaviors. This is important for children from birth to age three. Children within this age range comprise 60 percent of the foster care population, and programs that have targeted other at-risk populations at this age have been found to be effective. For example, access to Early Head Start may be very important for foster children. In addition, prevention programs for youth leaving foster care may be especially important. Adolescents who receive emotional and financial support as they transition out of foster care have been found to better adjust to self-sufficiency.

### Current Federal Policy

The Bush administration has proposed

changes in funding of foster care in its FFY 2006 budget proposal. These changes fail to meet the needs of foster kids. Although services for children in foster care need to be improved and expanded, the Bush administration has proposed to cut back on future services. This is especially troubling given that the number of children in foster care has risen every year of the past two decades and continues to rise.

For the third consecutive year, the administration's budget proposes, to cap federal spending on foster care. This means that states would receive the same amount of funding that they currently receive to fund an increasing demand for services. States are offered this option in exchange for increased

productivity, incarceration costs, and indigent care costs. Second, the removal of spending safeguards in exchange for spending flexibility puts foster children at risk.

Essentially, it will be up to states to monitor how money is spent on foster kids. Although we hope that states will do right by their children, there exists no guarantee. Given the fiscal crises states face, legislatures across the country will face tough decisions on how to use money. Child welfare would be better protected if the safeguards remained in place.

Indirectly, the Bush administration has proposed cuts in other social services programs that would affect foster

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flexibility on how to spend foster care funds. Currently, a number of guidelines exist on how to spend federal foster care dollars. These guidelines were imposed to ensure that states meet the needs of children in the system. The budget proposal effectively eliminates these regulations.

This provision of the proposal is problematic for two reasons. First, capping already insufficient funding will allow fewer services to be provided as the foster care population continues to rise. Foster kids fail to receive adequate screening and treatment now. This deficiency will worsen as inflation and increased caseloads diminish dollars. Furthermore, the money "saved" in these cuts will be spent in lost

children. For example, the Bush administration has proposed \$45 million in cuts to Medicaid funding. This is problematic in that foster kids treatment is primarily paid by Medicaid, and currently Medicaid reimbursement rates to mental health professionals are prohibitively low. As discussed, this causes providers to avoid serving foster kids.

### Recommendations

Advocates and researchers must collaborate to protect and improve the well-being of children in foster care. Advocates must ensure that funding exists to better serve foster children, and researchers need to develop better screening and treatment programs. The

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following recommendations specifically address these needs:

- ❖ Reject the Bush administration's multiple attempts to cut funding for foster care and other social services, such as Medicaid and early childhood prevention programs that serve foster children.
- ❖ Legislation should be proposed to increase spending on foster care, Medicaid, and early intervention programs.
- ❖ Medicaid coverage should be extended to cover adolescents as they transition out of the foster care system.
- ❖ Medicaid reimbursement rates for mental health professionals should be increased to promote access to treatment.
- ❖ States should incorporate scientifically validated screening and assessment tools for foster children.
- ❖ Screening and assessment of mental health problems among foster children should occur more frequently, given the extremely high rates of problems.
- ❖ Treatment and prevention programs should be developed that target the multiple needs of children in foster youth. Especially important is an intervention that assists adolescents as they transition out of foster care and into adulthood.
- ❖ Federal funding of foster care should include requirements that states fund the development and evaluation of treatments for foster youth. Such requirements will force states to prioritize treatment and fill the gap of mental health needs and services for the foster care population.

## Conclusion

Upon entrance into the foster system, the care and well-being of children become the responsibility of states by law. However, policy has effectively rejected this responsibility. The majority of children in foster care suffer from a variety of emotional and behavioral problems that continue into adulthood and impair their successful transition into adulthood. Federal and state policy has failed to provide effective and consistent treatment for foster youth. The system has failed to meet the needs of children in foster care, and politicians have proposed to incorporate changes that would further harm them. Advocacy and research must push for more and better mental health services for children in foster care. The emotional cost to children, as well as the cost to society in loss of productivity, demands that these improvements be made now.

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<sup>1</sup> U.S. Department of Health and Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau. The AFCARS Report: *Preliminary Estimates for FY 2001 as of March 2003*. (2003) <http://www.acf.hhs.gov/programs/cb/publications/afcars/report8.htm>. (accessed February 1, 2005).

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<sup>9</sup> D. Barnett, and S.J. Ondersma, "Assessment & Treatment of Children in Foster Care: A Report to the Governor's Task Force on Children's Justice," Task Force Subcommittee. (2003).

<sup>10</sup> Burns et al. (2004). A.F. Garland, R. Hough, J.A. Landsverk, K.M. McCabe, M. Yeh, W.C. Ganger, and B. Reynolds, "Racial/ethnic differences in mental health care utilization among children in foster care," *Children's Services: Social Policy, Research, and Services Review* 19 (2000). 651-656. Leslie et al. (2004).

## Federal and state policy has failed to provide effective and consistent treatment for foster youth.

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