

## BRIEF ANALYSIS

No. 228

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## Languishing in Foster Care

More than half a million American children are in government-run foster care today. The federal government dictates — and funds — much of foster care policy, but states carry it out. Originally intended to provide safe, temporary homes for abused children, the \$12 billion foster care system frequently keeps children in care for years — long after they are legally free to be adopted.

- The American Civil Liberties Union (ACLU) reports that one-quarter of all foster children remain in care for more than four years.
- According to the U.S. Department of Health and Human Services, children who leave the system to be adopted do so after an average stay of 3.5 to 5.5 years.
- This year, some 15,000 children will turn 18 in foster care with no permanent home.

Thousands of American families want to adopt children. Not counting adoptions by relatives, an estimated 60,000 children are adopted each year, with the majority placed through private adoption agencies and independent attorneys. In a national survey commissioned by the Institute for Children, 71 percent of Americans said that, if adopting, they would be willing to adopt a foster child. The Institute for Children found that 53,642 foster children — one in 10 — were legally free for adoption at the beginning of fiscal 1997. Yet only 22,491 children were adopted from foster care during 1996.

**Who and Where Foster Children Are.** Half of the foster children in America are concentrated in six states, and half of those available for adoption are in five. They come from a wide variety of backgrounds. Unfortunately, many come from troubled biological families.

The American Public Welfare Association found that in 1990:

- Just over half of the children entering foster care did so because of abuse or neglect.
- Another 20 percent entered because their parents were incarcerated, drug addicted or ill.
- Only 2 percent entered due to a handicap or disability.
- Approximately 11 percent had committed a “status offense” such as truancy, and the remainder entered for miscellaneous or unknown causes.

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■ Racially, 47 percent were white, 31 percent black and 14 percent Hispanic.

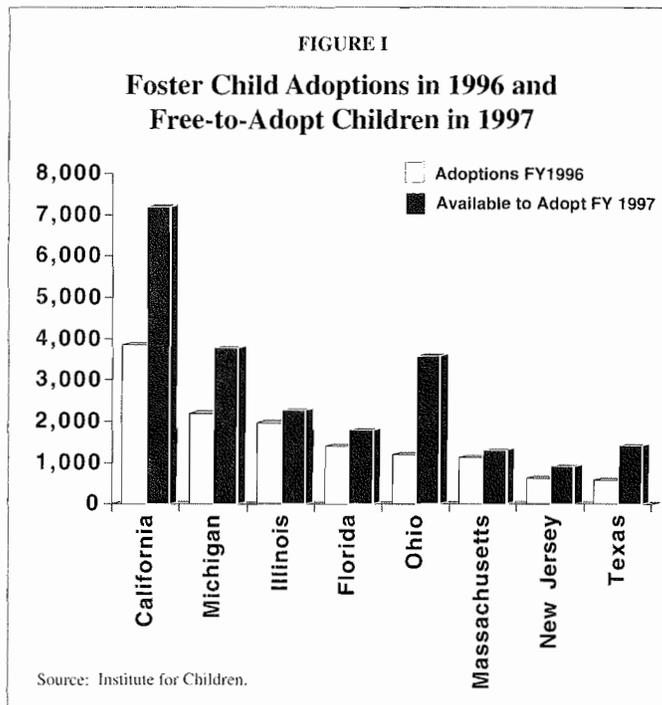
■ Forty-two percent were five years old or under.

In a study of foster care in five states (California, Illinois, Michigan, New York and Texas), the Chapin Hall Center for Children at the University of Chicago found that, controlling for variables, black children could expect to stay in foster care 32 percent longer than white children. Chapin Hall notes that 20 percent of foster children in the five states entered as infants, and that the

younger a child enters care, the longer he is likely to remain there.

**Becoming Free for Adoption.** About two-thirds of children in foster care eventually return to their families. But thousands more become legally free for adoption when the rights of their biological parents are terminated by a court. The Department of Health and Human Services has estimated that it takes between 12 and 78 months on average (in 10 states studied) before termination of parental rights takes place.

As Figure I shows, each of the eight states with the highest number of adoptions in 1996 began the 1997 fiscal year with more foster children available for adoption than the total number adopted in 1996. For example,



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Ohio finalized 1,201 adoptions during 1996, but had another 3,588 foster children legally free for adoption as 1997 began.

**Why the Current System Works Badly.** The current design of public agency child welfare fails to guarantee that no child will be forgotten. It has five principal flaws. (1) The federal government reimburses states for foster care costs on a per-day, per-child basis — a reverse-incentive funding scheme that in effect rewards states for keeping children in care. (2) There is a bias toward reunifying children with biological parents, no matter how abusive or neglectful. (3) Although the 104th Congress tried to eliminate delays in adoptions based on race, policy and practice are often quite different. (4) While a few bellwether states call upon private adoption agency expertise, most states jealously maintain a monopoly on the adoption process. (5) The federal government does not require that states actively seek adoptive homes for all free-to-be-adopted children, who often are assigned to long-term foster care or the federally funded Independent Living Program instead.

Every child is adoptable. Private agencies nationwide are recruiting families for children of all racial backgrounds and ages and with every type of disability. Today nearly two-thirds of all foster children are categorized as having “special needs,” which qualifies states for increased federal reimbursement. In fact, some counties categorize 100 percent of their foster care caseload as “special needs” children. Thus a severely handicapped child may be included in the same category as a child who is biracial or has a sibling.

Experiencing foster care can be ruinous, especially for youngsters who leave the system at age 18 without having been adopted. Westat, Inc., in Rockville, Md., studied youths who had left foster care two and one-half to four years earlier, and found that 40 percent had been on public assistance, incarcerated or otherwise been a cost to the community. The Bureau of Justice Statistics found that nearly 17 percent of inmates of local jails are former foster children. The ACLU calculates that government spends an average of \$17,500 for a year of foster care. But the social costs of foster care’s failure can extend years after a child leaves the system.

**Reforming the System.** Both federal and state reforms are necessary to encourage foster child adoption. The federal government should:

- Reimburse states based on program efficacy and end funding that creates incentives to keep children in foster care for longer than 12 months.
- Redefine “special needs” to mean children with physical or other types of handicaps that would either require ongoing medical attention or result in increased cost to adoptive families.
- Require states to follow a strict timetable from the day a child enters foster care until the child is reunified with the biological family or adopted within 12 months, with a one-time extension to 24 months.
- Require states to report publicly each year the number of foster children in state care, the number free to be adopted but not in pre-adoptive placements and the number of state-approved adoptive families.
- Give control over foster care to the states to encourage more initiatives in the private, voluntary sector.

As for the states, they should:

- Enact policies and practices that have as their goal a 12-month maximum stay.
- Grant biological parents no more than 12 months to prove their fitness to resume custody of their children.
- Give unwed noncustodial biological parents 30 days from the birth of a child to formalize their parental rights or forfeit the right to contest adoption.
- Prohibit race-based delays in adoption.
- Terminate parental rights for abandoned children after 30 days and allow adoption through private agencies without placement in foster care.
- Require state departments of social services (or equivalent agencies) to find adoptive homes for children within 30 days after the termination of parental rights or contract the adoption process out to a private agency.

*This Brief Analysis was prepared by Conna Craig and Derek Herbert of the Institute for Children, Cambridge, Massachusetts.*