



Children's Advocacy Institute



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Legal Advocates for Permanent Parenting

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Two New Reports Sound Alarm on Foster Home Crisis

Shortage of Foster Homes Blamed on Lack of Rate Increase in Six Years

-- Average Rate Paid for Care of Foster Children Less than Cost to Kennel a Dog --

Sacramento, CA -- California is experiencing an unprecedented crisis in its ability to find licensed homes willing to accept the state's nearly 80,000 foster children, with some counties reporting an alarming 50 percent plummet in the number of such family placements, according to two new studies to be released at a State Capitol press conference on Tuesday, May 22, 2007.

The two reports document the impact the shortage of homes is having on foster children, including costly and unnecessary placement of children in group homes, and the ways in which an outdated rate structure is limiting the ability of families to care for foster children and youth.

"We have a statewide crisis in California," said Frank Mecca, executive director of the County Welfare Directors Association, one of the organizations issuing today's reports at a State Capitol press conference. "We have too few licensed foster families for the 80,000 children who are in our care and foster care rates that have not been increased in over six years. Foster families today receive 23 percent less than in 2000, when adjusted for inflation."

The two reports, issued by three statewide organizations representing county welfare directors and advocates for children and caregivers, indicate an average 30 percent decline in licensed foster homes across the state, with counties such as Sacramento, Santa Clara, San Mateo, and Sonoma reporting losses of 45 to 50 percent. San Bernardino County has experienced a 61 percent decline.

The reports show that as the number of licensed foster families has decreased, counties have had to turn to far more costly foster family agencies and group homes to provide care for children. Since 1999, foster care placements with foster family agencies and group homes have increased by 19 percent and 5 percent, respectively.

"Why are taxpayers paying more to deny children the most appropriate placements?," asked Ed Howard with the Children's Advocacy Institute of California, one of the organizations releasing today's reports. "The state's current policy both hurts children and is fiscally baffling."

In California, licensed foster families receive \$425 to \$597 per month to provide care and support for foster children, depending on the age of the child. Foster family agencies and group homes, which are intended for children with higher levels of therapeutic need, cost far more. Foster family agencies receive \$1,589 to \$1,865 per month and group homes receive \$1,454 to \$6,371 per month.

The reports document that when foster children are placed in institutional settings such as group homes they are at higher risk for developmental problems, long-term personality disorders and medical ailments. The reports also document that children stay in group homes and foster family agencies longer than they do with licensed foster families, and have less chance of being connected to family, are more likely to transition out of foster care alone, and are more likely to experience poorer outcomes as adults.

A critical theme in both reports is the relationship between the number of licensed foster families and monthly foster care payments. Both reports cite the ways in which insufficient payments are a key barrier. By analyzing various state and federal measures, including the California Necessities Index, the reports document the degree to which foster care rates have not kept up with inflation – noting that rates are 23 to 25 percent lower than they were in 2000 when adjusted for inflation. The report contrasts the average foster care rate of \$494 per month with the average cost to care for a child in California, which is significantly higher at \$707 per month.

In a telling contrast, the reports note that the State of California pays less to care for foster children than the average kennel charges to board and feed a dog. Kennels charge an average of \$620 per month to care for a dog, compared to the average of cost of \$494 per month for basic board and care for a foster child.

“While county licensed families volunteer their homes and their time for children and youth who have been traumatized by abuse or neglect, treating them as though these children were their own, the rate of reimbursement for expenses falls far short of the actual expenditures made by these dedicated families,” said Regina Deihl, executive director of Legal Advocates for Permanent Parenting, the third organization issuing one of today’s reports. “Stability and permanency for these vulnerable children will not be found if families are not supported with funds to cover basic expenses, as well as other supports to assist them in doing the volunteer task which they are committed to doing well.”

The reports note that foster care rates are not the only barrier to families providing care for foster children, noting research that shows as many as 60 percent of new foster parents quit within the first 12 months. The reports cite foster family surveys where families have consistently indicated the need for supports such as respite care, mentoring and ongoing access to experienced foster/adoptive parents, caseworkers and professionals.

The chief recommendations called for in both reports include an immediate increase in foster care rates, ranging from 5 to 25 percent, and the provision of \$25 million in additional supports for foster and adoptive families.

Both reports endorse legislation introduced by Assembly Member Jim Beall (D-Santa Clara), AB 324, which would increase foster care rates by 5 percent, effective January 1, 2008, stating that the increase is a “critical first step.” Both reports also strongly endorse the Beall provision that would mandate annual cost of living increases in foster care rates, a provision that is currently in state statute but routinely suspended by lawmakers in lieu of other priorities.

The two reports issued include “No Family, No Future,” produced by the County Welfare Directors Association of California and Legal Advocates for Permanent Parenting, and “They Deserve a Family,” produced by the Children’s Advocacy Institute of California.