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# CHILD WELFARE

# HHS Actions Would Help States Prepare Youth in the Foster Care System for Independent Living

Statement of Cornelia M. Ashby, Director
Education, Workforce, and Income Security Issues

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# Highlights

Highlights of GAO-07-1097T, a testimony before the Subcommittee on Income Security and Family Support, Committee on Ways and Means, House of Representatives

## Why GAO Did This Study

Congress passed the Foster Care Independence Act of 1999 (FCIA), which doubled annual federal funds for independent living programs to $140 million. This testimony discusses (1) states' FCIA funding allocations, (2) services provided and remaining challenges, (3) state coordination of programs to deliver services, and (4) the states and the Department of Health and Human Services' (HHS) Administration for Children and Families' (ACF) progress toward meeting program accountability requirements. This testimony is primarily based on our 2004 report on FCIA (05-25), with updated information from our 2007 testimony on state child welfare challenges (07-850T). To conduct the 2004 work, we surveyed state independent living coordinators, conducted 4 state site visits, and reviewed states' plans and annual reports. Updated information from our 2007 testimony was taken primarily from a 2006 survey of state child welfare directors.

## What GAO Recommends

We recommended that HHS improve access to federal program information. HHS did not comment on this recommendation in 2004, but disagreed with a similar recommendation in our 2007 testimony. We also recommended that HHS improve its state monitoring processes. HHS agreed to develop uniform monitoring tools, but disagrees that standard state reports are necessary.

www.gao.gov/cgi-bin/getrpt?GAO-07-1097T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Cornela M. Ashby at (202) 512-7215 or ashbyc@gao.gov.

July 12, 2007

# CHILD WELFARE

## HHS Actions Would Help States Prepare Youth in the Foster Care System for Independent Living

## What GAO Found

States' funding allocations for independent living programs effectively ranged from a maximum of approximately $500 to $2,300 for each foster care youth who was eligible for independent living services, according to data available at the time of our 2004 report. Funding varied because of differences in states' eligibility requirements and the funding formula used to allocate funds.

Although our 2004 survey of state independent living coordinators showed that 40 states reported expanding existing independent living services to younger youth and 36 states reported serving youth older than they had previously served, states varied in their ability to engage youth and to provide key services. 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. Our 2006 survey of state child welfare directors showed that critical gaps remain in providing services such as mental health and housing for youth transitioning to independence. Mental health barriers included differences in eligibility requirements and level of services between the youth and adult systems, and long waiting lists. Housing barriers included limited affordable housing in costly urban areas, scarce rental housing in rural areas, and problems obtaining a rental lease due to the lack of youth employment and credit history or a co-signer to guarantee payment.

Almost all states that we surveyed in 2004 reported an increase in coordination with some federal, state, and local programs, 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. Despite these coordination efforts, some states may not make full use of the available resources. Inconsistent availability of information on the array of programs that were operating in each state and local area was cited as a challenge in promoting coordination in both our prior and more current work.

States and HHS have taken action to fulfill the accountability provisions of FCIA, but 8 years later, little information is available to assess program outcomes. All states developed multiyear plans for their programs and submitted annual reports, but using these documents to assess state performance was hindered by inconsistencies between the plans and reports, an absence of goals and baseline information to measure progress, and incomplete information on outcomes for the youth serviced. ACF started developing an information system in 2000 to monitor state performance, but final regulations directing states to begin collecting data and tracking outcomes are still pending. ACF is also conducting evaluations of selected independent living programs, but results are not yet available.

July 12, 2007

Mr. Chairman and Members of the Subcommittee:

Thank you for inviting me here today to discuss the needs of youth who leave the foster care system each year without the support of an adoptive or other permanent home. As you are aware, almost 40 percent of the estimated 513,000 children in foster care are age 13 or older, and over 24,000 youth left the foster care system in 2005 as emancipated youth without 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 was further strengthened with the passage of the Foster Care Independence Act of 1999 (FCIA) and creation of the John H. Chafee Foster Care Independence Program (Chafee Program). Under the new program, overall federal funding doubled for independent living programs from $70 million to $140 million.[1] In addition to providing increased funding, FCIA resulted in other significant changes for the independent living program.

My testimony today will focus on four key issues as they relate to the implementation of the Chafee Program:

1. how states' funding allocations for independent living programs compare when considering the number of youth eligible for services,

2. the extent to which states have expanded independent living services and age groups for youth in foster care after 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 care youth, and

[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 2006, the adoption program received approximately $1.8 billion, and the foster care program received approximately $4.6 billion.

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.

My comments are based on the findings of a report GAO issued in 2004,[2] with updated information from a May 2007 testimony on challenges facing state child welfare systems.[3] The information reported in the 2004 report was based on survey responses from independent living coordinators in all 50 states and the District of Columbia regarding their experiences in developing and implementing their Chafee Programs in federal fiscal year 2003. Where appropriate, we compared those responses to information we gathered on state independent living programs operating in federal fiscal year 1998. We analyzed federal financial and foster care data. We also analyzed Chafee Program plans from 49 states, the District of Columbia, and Puerto Rico for 2001-2004, and 90 annual progress and services reports for 2001 and 2002. We visited 4 states—Connecticut, Florida, Texas, and Washington—and two local areas within each state, where we spoke with state and local officials, caseworkers, youth, foster parents, and contract providers. Finally, we interviewed HHS officials, federal contractors, and child welfare experts, and reviewed relevant documents and literature. We included updated information—taken primarily from our 2006 survey of state child welfare directors—from our 2007 testimony on challenges states face in improving outcomes for children. In addition, we included additional information from reports issued by the American Public Human Services Association, the Congressional Research Service, and the National Resource Center for Youth Services. We conducted our work in accordance with generally accepted government auditing standards.

In summary,

- States' funding allocations for independent living programs effectively ranged from a maximum of approximately $500 to $2,300 for each foster care youth who was eligible for independent living services, according to data available at the time of our 2004 report. Funding

[2]See GAO, *Foster Youth: HHS Actions Could Improve Coordination of Services and Monitoring of States' Independent Living Programs*, GAO-05-25 (Washington, D.C.: Nov.18, 2004).

[3]See GAO, *Child Welfare: Additional Federal Action Could Help States Address Challenges in Providing Services to Children and Families*, GAO-07-850T (Washington, D.C.: May 15, 2007).

varied because of differences in states' eligibility requirements and the funding formula used to allocate funds.

- Although our 2004 survey of state independent living coordinators showed that 40 states reported expanding existing independent living services to younger youth and 36 states reported serving youth older than they had previously served, states varied in their ability to engage youth and to provide key services. 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, and states we visited reported that gaps in the availability of critical services contributed to the differences in proportion of youth served. For example, securing safe and secure housing was identified as a challenge by youth and program officials in the 4 states we visited, including limited affordable housing in costly urban areas and scarce rental housing in rural areas. In addition, our more recent survey of state child welfare directors in 2006 showed that 31 states remained dissatisfied with housing for youth transitioning to independence, and similar numbers of states were dissatisfied with the availability of mental health, substance abuse, and dental health services.

- Almost all states that we surveyed in 2004 reported an increase in coordination with some federal, state, and local programs, 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. Despite these coordination efforts, some states may not make full use of the available resources. Inconsistent availability of information on the array of programs that were operating in each state and local area was cited as a challenge in promoting coordination in both our prior and more current work.

- 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. At the time of our review in 2004, all states had developed their initial multiyear plans for their programs and submitted annual reports to the Administration for Children and Families (ACF), but using these plans and the reports to assess state performance was 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. Although in 2000 ACF began taking steps to develop an information system that will allow it to capture data on the characteristics, services, and outcomes of youth in independent living programs, it has not yet implemented the final regulations directing states to begin collecting data and tracking outcomes. ACF is also conducting an evaluation of selected independent living programs.

In our 2004 report, we recommended that the Secretary of HHS improve the availability of information on the array of federal programs that could be used to assist youth transitioning out of foster care. HHS did not comment on this recommendation. Our 2007 testimony cites a similar recommendation that HHS take action to improve awareness of and access to federal social services by such means as modifying the Catalog of Federal Domestic Assistance. HHS disagreed with this recommendation, stating that it was insufficient to address the problem and incorrectly implied that caseworkers were not already aware of existing resources. We continue to support the recommendation based on the results of our work.

Our 2004 report also recommended that HHS improve existing processes for monitoring states' progress in meeting the needs of current and former foster care youth by developing a standard reporting format for state plans and progress reports, and implementing 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 continues to disagree with our recommendation to provide a standard reporting format in that it would be overly prescriptive and impose an unnecessary burden on states. 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. In the continued absence of implementation of such a database, we continue to support our recommendation to monitor state performance through modification of existing state reporting requirements. HHS agreed with our recommendation to implement a uniform process that regional offices can use to assess states' progress, but has not yet done so.

## 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. This program was designed to prepare adolescents in foster care to live self-sufficiently once they exited the child welfare system. 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.[4] These funds are allocated to states based on their share of the nation's foster care population.[5]

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 also provided several new services to help youth make the transition to adulthood.

- 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.

- 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 care 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.

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[4]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.

[5]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.

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.

To receive funds under the Chafee Program, states were required to develop multiyear plans describing how they would design and deliver programs 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 purposes of the law. 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 foster parents, adoptive parents, workers in group homes, and case managers on 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 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.

FCIA also 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.

## FCIA Increased Independent Living Allocations for Most States and Allocations per Youth Vary by State

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 the maximum amount of funds available at the time of our 2004 report for each eligible foster care youth ranged between $476 and $2,300. 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 8 other states received the guaranteed minimum of $500,000, while California received more than $27 million (see table 1). Some states were unable to spend all of their federal allocations in the first 2 years of increased funding under the program. For example, in 2001, 20 states returned nearly $10 million in federal funding to HHS, and in 2002, 13 states returned more than $4 million. 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. Data provided in a July 2007 Congressional Research Service memo to Congress showed that 9 states returned less than 1 percent of total Chafee funding in 2004 (see app. I).

Table 1: 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 |
| 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 |

| State | 1998 allocation | 2001 allocation | Percentage change over 1998 allocation |
|---|---|---|---|
| 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.

At the time of our 2004 report, we could not determine the exact amount of 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 at that time 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.[6] This comparison showed that maximum funding for independent living services ranged from $476 per foster care youth in West Virginia to almost $2,300 per foster care youth in Montana.[7] These differences were due in part to the new provision that allowed states to define the age ranges within which youth were eligible for independent living services. For example, 4 states reported in our survey offering independent living services to youth at age 12, while 27 states reported offering services at age 14.[8] 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, even when their eligibility age range is the same. 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.[9]

[6]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.

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

[8]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.

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

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

In our 2004 survey, 40 states reported expanding services to youth younger than they had previously served, and 36 states reported serving older youth, but states reported service gaps in critical areas, such as mental health and housing. 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.

Many states also began to offer the new services to support youth that emancipated from foster care. These services include the Education and Training Vouchers, Medicaid health insurance, and assistance with room and board.

- *ETV:* All states, the District of Columbia, and Puerto Rico began receiving funds under the ETV program to assist youth seeking postsecondary education, but 26 states did not spend all of the funding received (see app. II). A report from the National Resource Center for Youth Development showed that states provide a range of benefits to youth eligible for ETVs.[10] Over 90 percent of 38 state independent living coordinators responding to a survey reported offering financial support to youth for room and board, school supplies, equipment and uniforms, school-related fees, and transportation costs. Eighty-four percent of states made payments for child care for the dependents of youth, and 60 percent of state reported making payments for college or university health plans on behalf of youth.[11] States were challenged to spend all of their funding allotment. Mississippi returned almost all of its 2004 ETV funds, and 14 other states returned over 20 percent of their funding allotment.[12]

- *Medicaid:* Recent information from the American Public Human Services Association shows that all states are now using or planning to

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[10]See Michelle L. Kessler, *Educating Youth in Care: The First Year of Education and Training Vouchers* (Tulsa, Oklahoma: 2004).

[11]Of the 38 responding states, 54 percent also indicated that they pay for other tangible benefits such as tutoring, Internet access, computers, books, medications required to allow youth to be successful with their studies, payment for housing over the holidays and vacations when dorms are closed, preparatory tests, and study materials.

[12]Overall, more than 14 percent of 2004 ETV funding was returned to the U.S. Treasury. As states have 2 years to spend these funds, information on later years is not currently available.

use the Chafee option or other means to extend Medicaid coverage to youth. In our 2004 survey, 31 of 50 state independent living coordinators had reported offering Medicaid benefits to at least some emancipated youth to help them maintain access to health care benefits while they transitioned to independence. In 2007, the American Public Human Services Association reported that 22 states planned or have already started using the Chafee option to offer Medicaid coverage to youth who age out of foster care.[13] The study also found that the remaining 28 states and the District of Columbia were reported to be using other methods, such as the State Children's Health Insurance Program or the Medicaid waiver demonstration program, to extend coverage to youth.

- *Housing assistance:* In our 2004 survey, 46 states reported that they offered assistance with room and board to youth who had been emancipated from foster care, and the 4 states we visited reported offering a range of housing supports to assist youth. At the time of our visit, 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 3 other states we visited offered a more limited supply of housing options, all provided some type of housing subsidy or placement.

- *Existing services:* Chafee Program funds were also used to improve the quality of existing independent living services and refocus the attention of their programs, according to state officials we visited. For example, 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. At the time of our visit, 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.

[13] Arizona, California, Florida, Indiana, Iowa, Kansas, Massachusetts, Mississippi, Nevada, New Jersey, Oklahoma, Rhode Island, South Carolina, South Dakota, Texas, Utah, and Wyoming reported enacting the Chafee Medicaid option. Maryland, Missouri, New Mexico, North Carolina, and Wisconsin reported planning to pursue the use of the Chafee Medicaid option. See American Public Human Services Association, *Medicaid Access for Youth Aging Out of Foster Care* (Washington, D.C.: 2007).

States differed in the proportion of eligible youth served under their respective independent living programs. In our 2004 survey, 40 states 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.[14] 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. 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.

Certain gaps in the availability of critical services were reported, which may have contributed to the challenge of serving higher numbers of eligible youth.[15] 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. However, states continue to be challenged in providing youth with a smooth transition between the youth and adult mental health systems. Of the 4 states we visited in 2004, 3 cited difficulties due to more stringent eligibility requirements in the adult system, different levels of services, and long waiting lists for services. Challenges with mental health services remained in 2006, when 32 state child welfare directors responding to our survey reported dissatisfaction with the level of mental health services.[16]

- *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. Although the majority of states reported in our 2004 survey that they offered mentoring programs to youth, officials in the states we visited cited challenges in providing all youth with access to mentoring programs to establish and

[14]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.

[15]State and local administrators reported some similar gaps in our 1999 report. They noted that their independent living programs fell short in key areas, including gaps in employment, daily living skills, and housing services. See GAO, *Foster Care: Effectiveness of Independent Living Services Unknown*, HEHS-00-13 (Washington, D.C.: Nov. 5, 1999).

[16]Child welfare directors in many states were also dissatisfied with the level of substance abuse services (31) and dental care services (29). Dissatisfaction with physical health services and access to Medicaid was cited by 10 states.

maintain such relationships.[17] For example, in Connecticut, one program director reported challenges recruiting adults to serve as mentors, especially men willing to make a 1-year commitment to an adolescent boy. In addition, some state and local officials and service providers seemed unclear on what should be included in a high-quality mentoring program and how to identify qualified service providers.

- *Securing safe and suitable housing:* Providing appropriate housing also remains a critical service gap. Youth we spoke with across the 4 states we visited in 2004 said that locating safe and stable housing after leaving foster care was one of their primary concerns in their transition to independence, and 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 cosigner. 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, at the time of our visit, local officials in Washington 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 was scarce. This service gap was identified by states again in our 2006 survey, as 31 state child welfare directors reported dissatisfaction with the level of housing for foster youth transitioning to independence.

- *Youth and foster family engagement:* 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.[18]

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

[18]The National Resource Center for Youth Services—under contract with HHS—reported in 2004 on a study conducted by the Casey Family Services, which found that not all young adults accepted supports extended to them. In a sample of 115 alumni of foster care, only 41 percent incurred expenses for services after age 19. Some youth are simply ready to end their relationship with the child welfare system when they are legally able. Others, however, may not incur expenses for services because they are not aware of the benefits that are available. See Kessler, *Educating Youth in Care.*

## 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. States we surveyed reported working with a range of service provides, such as Job Corps, workforce boards, and local housing agencies.[19]

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

Despite states' efforts, we continued to find in our 2006 survey that states were least likely to address challenges in providing services such as mental health that are typically provided outside of the child welfare system by other agencies. Officials in the 4 states we visited in 2004 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 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

[19]Job Corps is an education and vocational training program administered by the U.S. Department of Labor to service youth ages 16 through 24 years. The Workforce Investment Act established workforce investment boards. Each state workforce investment board is responsible for developing statewide workforce policies and overseeing its local workforce investment boards. The local workforce investment boards, in turn, are responsible for developing local workforce policies and overseeing operations.

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 other agencies. Some gaps in awareness may be partly due to turnover rates for caseworkers reported by the states we visited.[20] 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. In addition, officials cited barriers to establishing linkages with other federal and state programs because of different program priorities. Differences in performance goals among programs can affect the ability of independent living staff to obtain services for foster youth from other agencies. In North Carolina, state officials we visited in 2006 said that about 70 percent of children and families in the child welfare system received services from multiple public agencies, and the Catalog of Domestic Assistance (CFDA)—a repository of information on all federal assistance programs—lists over 300 federal programs that provide youth and family services. In October 2003, the White House Task Force for Disadvantaged Youth recommended that the CFDA be modified to provide a search feature that can be used to identify locations where federally funded programs were operating.[21]

[20]See also 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).

[21]A similar model may be found on an HHS Web link, http://ask.hrsa.gov/pc/, where users can enter a ZIP code to find the closest community health center locations offering medical, mental, dental, and other health services on a sliding fee scale.

## 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 levels to monitor how well the programs are working to serve foster care 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.

- *State plans and annual reports:* All states developed state plans as required by FCIA that described independent living services they planned to provide to foster care youth and submitted annual reports to ACF, but for several reasons, these plans and reports cannot be used to assess states' independent living programs. 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.[22]

  On the basis of our review of plans from all 50 states and the District of Columbia covering federal fiscal years 2001 through 2004, and annual reports for 45 states from federal fiscal years 2001 and 2002, we found the following:

  - 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.
  - The plans vary in their usefulness in establishing outcomes the states intended to achieve for youth.
  - Annual reports for all 45 states contained information that did not directly relate to information in their state plan, making it unclear

[22]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.

whether the differences were due to service changes or missing information.

- 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 programs.

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 plans and reports, interpreting guidance, and communicating with the states. However, officials in three offices reported during our 2004 review that their review of the documents was cursory and that the plans and annual reports do not serve as effective monitoring tools. In addition, ACF officials reported that the Child and Family Services Review (CFSR) 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.

- *National Youth in Transition Database:* 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. The agency issued proposed rules on July 14, 2006, but as of July 2007, final rules governing the system have not been issued.[23]

The proposed rules include an approach to collect information on all youth who received independent living services, youth who are in foster care at age 17, and follow-up information on youth at ages 19 and 21. For any youth who receives independent living services from either the child welfare agency or another source supported by federal Chafee funds, the state must report a series of data elements, including the

[23]Chafee National Youth in Transition Database, 71 Fed. Reg. 40,346 (July 14, 2006) (to be codified at 45 C.F.R. pt. 1356).

type of independent living services received, such as housing education or health education and risk prevention. These data are to be collected on an ongoing basis for as long as the youth receives services.

In order to develop a system to identify youth outcomes, HHS proposes establishing information on a baseline population of youth at age 17. All youth who turn 17 years old while in foster care would be surveyed on a series of outcomes, such as their current employment status. States would be required to conduct follow-up surveys with the youth at ages 19 and 21. HHS would allow the states to pull a sample from this baseline population with which to conduct these follow-up surveys. For example, California had over 7,500 youth in care in 2004 who were 17 years old. On the basis of the proposed sampling methodology, the state would be allowed to survey a minimum of 341 19-year-olds in the follow-up effort.

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. Similarly, 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. When HHS issued the proposed rule, it provided strategies states could use to conduct the follow-up component of the NYTD requirements. For example, the document recommends letting the youth know up-front that the agency will be contacting them in the future; suggests keeping a “case file” that tracks any activity, such as reasons why a letter was returned; and suggests that the agency establish a toll-free phone line.

- *Mutltistate evaluations:* At the time of our 2004 review, ACF expected to complete the evaluations of four approaches to delivering independent living services by December 2007. However, it is unclear if that deadline will be achieved at this point. As required by FCIA, these evaluations are expected to 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[24] and to conduct 5-year evaluations of the selected programs.[25] On the basis of the search and the established criteria, HHS selected four programs for the evaluation (see table 2).

[24]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.

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

**Table 2: 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, and 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.

In the report issued in 2004, we made recommendations to HHS (1) to 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 and (2) to 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. These recommendations have not been implemented.

## Concluding Observations

Preparing youth to successfully transition to independence is a daunting task that requires coordinated and continuous services across many social service systems including child welfare, health, education, and housing. The Chafee Program has provided a single funding stream that can be used to meet service needs across these social systems. However, this funding alone is not sufficient to overcome state challenges in meeting the varied service needs of emancipating youth. The child welfare system must work with housing agencies to remove barriers faced by youth with no employment history or cosigner, and with health agencies, to ensure a smooth transition between the youth and adult mental health systems. In addition, states continue to have difficulty building adequate service capacity for housing and mental health in all locales, and child welfare staff still struggle to identify the myriad of public and private sector programs that exist to assist youth. Our November 2004 report and our May 2007 testimony present recommendations we made to HHS to make information available to states and local areas about other federal programs that may assist youth in their transition to self-sufficiency.

HHS did not comment on our 2004 recommendation, but disagreed with our recent recommendation to improve awareness of and access to various social services funded by the federal government. HHS stated that the recommendation was insufficient to address the need for additional services, and incorrectly implied that local child welfare agencies were not already aware of and using such resources. We acknowledged that increasing awareness of existing federal resources is not the only action needed, but in the course of our work across the years, continue to find that caseworkers are sometimes unaware of the full array of federal resources, such as health and housing, available in their locale, or had not coordinated with other agencies to use them. We continue to support the view that federal action, such as modifying the CFDA, would allow caseworkers and others to more easily identify services and service providers funded by federal agencies in closest proximity to the youth and families they serve.

How well the Chafee Program has worked to improve outcomes for emancipated youth among states is still unknown 8 years after the passage of FCIA, and HHS has not yet implemented its information system that is intended to meet FCIA requirements for collecting and monitoring a state's performance. Given the significant variation in the number of youth served and services provided across states, an interim system for measuring state progress would seem to be warranted. However, while HHS has an oversight process to measure outcomes of state child welfare systems as a whole, this process no longer includes measures required by FCIA.

Similarly, while ACF's regional offices conduct much of the federal oversight for the Chafee Program, the oversight tools currently in place do not provide standard information needed to measure and compare performance across states. Our 2004 report included a recommendation to 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. These recommendations have not been implemented.

HHS continues to disagree with our recommendation to develop a standard reporting format for state plans and progress reports, stating that such action would be overly prescriptive and impose an unnecessary burden on states. However, as reflected in our 2004 report, we continue to believe that strengthening the state reporting process is needed to provide some assurance of program accountability at the state and federal levels. HHS had agreed with our recommendation to establish a uniform process regional offices can use to assess states' progress and said that in 2005, ACF would develop and provide a review protocol to be used in regional office desk reviews of states' annual progress reports. However, ACF officials reported that they have not yet implemented such a review protocol.

Mr. Chairman, this concludes my statement. I will be pleased to respond to any questions you or other members of the subcommittee may have.

## GAO Contact and Staff Acknowledgments

For further information, please contact Cornelia Ashby or Kay Brown at (202) 512-7215. Individuals making key contributions to this testimony include Lacinda Ayers and Sara L. Schibanoff.

# Appendix I: Fiscal Year 2004 Chafee Foster Care Independence Program: Final Funds Allotted, Expended, and Returned to Federal Treasury, by State

| State | Dollar amount allocated | Dollar amount expended | Dollar amount returned to the U.S. Treasury | Percentage of allotment returned to the U.S. Treasury |
|---|---|---|---|---|
| Alabama | $1,536,181 | $1,536,181 | $0 | 0% |
| Alaska | 550,782 | 550,782 | 0 | 0 |
| Arizona | 1,606,959 | 1,606,959 | 0 | 0 |
| Arkansas | 764,776 | 764,776 | 0 | 0 |
| California | 26,112,429 | 26,112,429 | 0 | 0 |
| Colorado | 2,184,770 | 2,184,770 | 0 | 0 |
| Connecticut | 1,519,750 | 1,519,750 | 0 | 0 |
| Delaware | 500,000 | 500,000 | 0 | 0 |
| District of Columbia | 1,092,276 | 1,092,276 | 0 | 0 |
| Florida | 8,265,302 | 8,265,302 | 0 | 0 |
| Georgia | 3,120,798 | 3,120,798 | 0 | 0 |
| Hawaii | 703,523 | 703,523 | 0 | 0 |
| Idaho | 500,000 | 500,000 | 0 | 0 |
| Illinois | 6,316,656 | 6,316,656 | 0 | 0 |
| Indiana | 2,184,711 | 1,987,583 | 197,128 | 9.0 |
| Iowa | 1,336,412 | 1,336,412 | 0 | 0 |
| Kansas | 1,549,330 | 1,549,330 | 0 | 0 |
| Kentucky | 1,741,339 | 1,741,339 | 0 | 0 |
| Louisiana | 1,358,484 | 1,358,484 | 0 | 0 |
| Maine | 771,350 | 771,350 | 0 | 0 |
| Maryland | 3,048,143 | 2,635,510 | 412,633 | 13.5 |
| Massachusetts | 3,242,220 | 2,859,297 | 62,350 | 1.9 |
| Michigan | 5,235,404 | 5,235,404 | 0 | 0 |
| Minnesota | 2,063,393 | 2,063,393 | 0 | 0 |
| Mississippi | 758,148 | 758,148 | 0 | 0 |
| Missouri | 3,303,069 | 3,303,069 | 0 | 0 |
| Montana | 500,000 | 500,000 | 0 | 0 |
| Nebraska | 1,586,304 | 1,586,304 | 0 | 0 |
| Nevada | 500,000 | 498,650 | 1,350 | 0.3 |
| New Hampshire | 500,000 | 500,000 | 0 | 0 |
| New Jersey | 2,844,433 | 2,844,433 | 0 | 0 |
| New Mexico | 500,000 | 500,000 | 0 | 0 |
| New York | 11,588,972 | 11,588,972 | 0 | 0 |
| North Carolina | 2,405,731 | 2,249,851 | 155,880 | 6.5 |

| State | Dollar amount allocated | Dollar amount expended | Dollar amount returned to the U.S. Treasury | Percentage of allotment returned to the U.S. Treasury |
|---|---|---|---|---|
| North Dakota | 500,000 | 457,425 | 42,575 | 8.5 |
| Ohio | 5,310,180 | 5,310,180 | 0 | 0 |
| Oklahoma | 2,230,667 | 2,230,667 | 0 | 0 |
| Oregon | 2,216,643 | 2,216,643 | 0 | 0 |
| Pennsylvania | 5,341,822 | 5,279,535 | 62,287 | 1.2 |
| Puerto Rico | 2,124,039 | 2,124,039 | 0 | 0 |
| Rhode Island | 611,725 | 611,725 | 0 | 0 |
| South Carolina | 1,238,495 | 1,238,495 | 0 | 0 |
| South Dakota | 500,000 | 500,000 | 0 | 0 |
| Tennessee | 2,353,574 | 2,353,574 | 0 | 0 |
| Texas | 5,413,220 | 5,412,566 | 654 | 0 (0.01) |
| Utah | 500,000 | 500,000 | 0 | 0 |
| Vermont | 500,000 | 500,000 | 0 | 0 |
| Virginia | 1,710,740 | 1,710,740 | 0 | 0 |
| Washington | 2,332,664 | 2,332,664 | 0 | 0 |
| West Virginia | 769,310 | 769,310 | 0 | 0 |
| Wisconsin | 1,955,276 | 1,955,276 | 0 | 0 |
| Wyoming | 500,000 | 498,996 | 1,004 | 0.2 |
| **Total** | **$137,900,000** [a] | **$136,643,566** | **$935,861** | **0% (.001%)** |

Source: Subcommittee on Income Security and Family Support, Committee on Ways and Means, House of Representatives via the Congressional Research Service presentation of HHS data, July 2007.

[a]The total mandatory funds for this program are $140 million. However, the statute provides that a certain percentage of those funds be set aside for HHS to conduct (or fund) research, evaluation, and technical assistance.

# Appendix II: Fiscal Year 2004 Chafee Education and Training Vouchers: Funds Allotted, Expended, and Returned to Federal Treasury, by State

| State | Dollar amount allocated | Dollar amount expended | Dollar amount returned to the U.S. Treasury | Percentage of allotment returned to the U.S. Treasury |
|---|---|---|---|---|
| Alabama | $501,312 | $501,312 | $0 | 0% |
| Alaska | 179,694 | 158,938 | 20,756 | 11.6 |
| Arizona | 524,273 | 524,273 | 0 | 0 |
| Arkansas | 249,575 | 249,575 | 0 | 0 |
| California | 8,519,233 | 8,452,447 | 66,786 | 0.8 |
| Colorado | 712,785 | 712,785 | 0 | 0 |
| Connecticut | 495,822 | 495,822 | 0 | 0 |
| Delaware | 73,625 | 73,625 | 0 | 0 |
| District of Columbia | 270,123 | 270,123 | 0 | 0 |
| Florida | 2,696,572 | 2,106,077 | 590,495 | 21.9 |
| Georgia | 1,018,431 | 1,018,431 | 0 | 0 |
| Hawaii | 229,526 | 228,762 | 764 | 0.3 |
| Idaho | 103,074 | 71,429 | 31,645 | 30.7 |
| Illinois | 2,060,822 | 2,060,822 | 0 | 0 |
| Indiana | 712,952 | 712,952 | 0 | 0 |
| Iowa | 436,007 | 436,007 | 0 | 0 |
| Kansas | 505,472 | 232,828 | 272,644 | 53.9 |
| Kentucky | 568,115 | 383,562 | 184,553 | 32.5 |
| Louisiana | 400,401 | 400,401 | 0 | 0 |
| Maine | 251,655 | 224,651 | 27,004 | 10.7 |
| Maryland | 994,722 | 546,876 | 447,846 | 45.0 |
| Massachusetts | 1,057,781 | 1,057,781 | 0 | 0 |
| Michigan | 1,708,505 | 841,705 | 866,800 | 50.7 |
| Minnesota | 673,186 | 633,908 | 39,278 | 5.7 |
| Mississippi | 247,412 | 1,795 | 245,617 | 99.3 |
| Missouri | 1,077,913 | 304,222 | 773,691 | 71.8 |
| Montana | 157,066 | 157,066 | 0 | 0 |
| Nebraska | 517,535 | 517,535 | 0 | 0 |
| Nevada | 138,764 | 138,764 | 0 | 0 |
| New Hampshire | 103,241 | 103,241 | 0 | 0 |
| New Jersey | 928,002 | 928,002 | 0 | 0 |
| New Mexico | 159,478 | 133,294 | 26,184 | 16.4 |
| New York | 3,454,364 | 3,317,873 | 136,491 | 4.0 |
| North Carolina | 785,079 | 785,079 | 0 | 0 |

| State | Dollar amount allocated | Dollar amount expended | Dollar amount returned to the U.S. Treasury | Percentage of allotment returned to the U.S. Treasury |
|---|---|---|---|---|
| North Dakota | 100,579 | 44,943 | 55,636 | 55.3 |
| Ohio | 1,741,616 | 1,282,013 | 459,603 | 26.4 |
| Oklahoma | 727,760 | 692,465 | 35,295 | 4.9 |
| Oregon | 723,184 | 424,309 | 298,875 | 41.3 |
| Pennsylvania | 1,742,780 | 1,640,714 | 102,066 | 5.9 |
| Puerto Rico | 693,152 | 497,325 | 195,827 | 28.3 |
| Rhode Island | 199,577 | 199,577 | 0 | 0 |
| South Carolina | 404,061 | 404,061 | 0 | 0 |
| South Dakota | 115,969 | 72,411 | 43,558 | 37.6 |
| Tennessee | 767,858 | 637,334 | 130,524 | 17.0 |
| Texas | 1,766,074 | 803,113 | 962,961 | 54.5 |
| Utah | 150,993 | 150,993 | 0 | 0 |
| Vermont | 120,794 | 120,794 | 0 | 0 |
| Virginia | 558,132 | 312,991 | 245,141 | 43.9 |
| Washington | 761,037 | 761,037 | 0 | 0 |
| West Virginia | 250,989 | 250,989 | 0 | 0 |
| Wisconsin | 637,913 | 554,677 | 83,236 | 13.1 |
| Wyoming | 87,518 | 87,518 | 0 | 0 |
| **Total** | **$44,062,503** | **$37,719,227** | **$6,343,276** | **14.4%** |

Source: Subcommittee on Income Security and Family Support, Committee on Ways and Means, House of Representatives via the Congressional Research Service presentation of HHS data, July 2007.

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