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### **Critical Issues in Foster Care: Aging Out of Foster Care**

All young people face barriers to independence as they move into adulthood – studies show that most young adults are dependent on their parents until their late 20's. But when young people leave foster care, many have not had the kind of experiences that will help in their transition. Nearly half of Michigan's 13,000 children and youth in foster care have been exposed to toxic stress, which prompts the prolonged release of hormones that delay cognitive development. Without supportive adults and services, youth who face adverse childhood experiences are at higher risk than others to experience physical, behavioral, emotional, and academic problems.

If they do not return home or are adopted, at the age of 18, young people “age out” of foster care. Youth aging out of the foster care system in Michigan tend to be the most removed from their original systems of social and concrete support, and face increased challenges including failure to graduate high school, substance misuse, emotional problems which lead to increased risk of unemployment, homelessness, and incarceration, early pregnancy and chronic health conditions. These outcomes are particularly grim for those who spend long periods of time in multiple placements over their time in care before aging out, who are often retraumatized by further instability.

Despite increased attention to post-secondary supports in recent years, it is clear that youth transitioning out of foster care require and deserve additional help to be able to make it to self-sufficiency. Outcomes for Michigan's over 4,000 transition-aged youth (14-21) are some of the worst in the country. According to a recent report by the Annie E Casey Foundation, by the time young people involved in Michigan foster care turn 21, only two in five of them have full or part-time employment; only two thirds of them have even a high school diploma or GED; fully a third are already parents; and fewer than 60 percent report having stable housing. All of these indicators are even worse for African American and Native American young people in care.

Although Michigan does extend voluntary foster care through age 21 (some education and training support through age 23), and with it some financial and other supports, we know that there few young people are taking advantage of those options. Recent trends are even more troubling with what looks like fewer and fewer Michigan young people opting into the system at 19 and beyond. Young people aging out of foster care face a perfect storm:

1. Their trauma has resulted in roadblocks to success throughout their lives
2. Our systems have not adequately supported them after taking custody of them in foster care, a negative experience which makes them less likely to opt-in for voluntary foster care after age 18
3. Youth are not provided adequate transitional supports as they leave

### **Policy Investments to Assist in the Transition**

Expanding the Earned Income Tax Credit (EITC). Work is a necessity for many young people in care, often prior to 18, due to their lack of other systems of concrete support. A large share of older youth in Michigan receive independent living services, and many who are living with guardians, foster parents or

in other group settings are responsible for their own expenses early on. Even those young people who are receiving help for college or other workforce training have to couple that with work in order to make ends meet, and often older youth are helping to support the needs of younger siblings who may still be at home or are in care themselves. Lowering the age for eligibility for the EITC would help to bolster their earnings, stabilize their housing, and help them move forward with school or other credentialing. And for the over 1/3 of the youth experiencing care who are already parents, expanding EITC eligibility would better support their children as well.

Michigan Youth Opportunities Initiative. Youth leaving foster care deserve a chance to build assets and financial literacy. The Michigan Youth Opportunities Initiative (MYOI) at the Annie E. Casey Foundation (AECF) creates opportunities for transition-aged youth to interact with their foster care peers, and work towards achieving stable housing, educational success, economic security, pregnancy prevention and parenting support. Michigan staffs MYOI around the state, but that staff is not adequate in some areas to serve the entire eligible population, and all services available through MYOI have not been fully funded, including a \$1,000 asset match provided to participants. According to AECF analyses, a higher proportion of asset-building MYOI participants are employed, compared the general youth population as well as other youth in foster care. Youth who have the opportunity to build assets have stronger economic progression than both other young people with foster care experience and the rest of their peers – higher wages, more hours worked and more full time employment through the years.

Easier Access to Support After Age 18. Youth leaving foster care deserve to be able to access all services available to them. Other states allow young people to seamlessly transition from traditional foster care to services beyond age 18, but Michigan considers benefits beyond age 17 as purely voluntary, and because of this, many young people who could be accessing services are not. Services and benefits could just continue for young people as they age, allowing them to voluntarily remove themselves from service provision.

Postsecondary Support. Youth leaving care deserve support to earn a high school diploma and go on to post-secondary options and work supports. Federal and philanthropic investment have targeted scholarship programs to try to mitigate the gaps in skill building beyond high school for these young people who are far less likely to begin or complete postsecondary training and credentials. Michigan's budget also supports the Fostering Futures Scholarship (FFS), which supports 400 students who have experienced foster care with undergraduate tuition, room and board, and books and supplies. Expanding the level and appropriate use of scholarship dollars could expand the numbers of young adult success.

### **Taking Advantage of a New Opportunity for Investment in Our Most Vulnerable Young People**

A new Governor and significant turn over in our state legislature is changing leadership in Michigan's state government. Changes in federal funding requirements in child welfare offers some opportunity to rethink the way that we serve young people and families in care, and how we are making sure that they leave our care better prepared for what comes next. These things are coupled with a cohort of legislators that seem more interested than ever in making changes to the foster care system, and other systems that serve young people in care, that really matter to their life success. Join young people and caregivers involved in the foster care system, and other allies like Michigan's Children, as we work to build these investments and others.