

PRESERVING FOSTER CHILDREN'S FEDERAL BENEFITS

THE PROBLEM

Up to 80k

Foster youth who are disabled or have a deceased parent are either receiving or may be eligible for Social Security or other federal benefits

\$16,031

Average amount of benefits that accrue to each impacted foster youth beneficiary

Federal and state law require that these benefits – the private property of the child – be used, with input from the child, to meet unmet current needs or saved for future needs. Yet most foster care agencies routinely apply for and then covertly intercept foster youth's benefits to supplant their own fiscal obligations, providing no additional benefit to the child. Most impacted foster youth will never know about their benefits or see a dollar of their money as they struggle to achieve self-sufficiency.

CURRENT OUTCOMES ARE DISMAL & COSTLY

In addition, disabled youth are projected to earn an additional 37% less than their non-disabled peers over their lifetimes.

40%
face homelessness
within 2 years of
leaving care

<3%
obtain a
bachelor's
degree

71%
of young women
will be pregnant
by age 21

43%
are
unemployed at
age 21*

Costs avoided if young people transitioning from foster care had outcomes similar to non-foster care peers:
\$4.1 BILLION*

POLICY REFORM CHANGES LIVES ONE CHILD'S BENEFITS (\$16K) AMOUNTS TO:



10.4 MONTHS RENT FOR A ONE BEDROOM¹



2.8 YEARS COST OF COMMUTING TO WORK²



1.6 YEARS TUITION AT PUBLIC STATE UNIVERSITY³



1.4 YEARS OF CHILDCARE⁴

* The economic impact of young people aging out of care and failing to keep pace with their general population peers: almost \$4.1 billion for each new group of youth aging out of foster care. Future Savings, Annie E. Casey Foundation.

¹ The average monthly rent in the United States for a one-bedroom as of July 2024 is \$1,534.

² The average commuter pays \$5,232.50 annually to commute to work in 2023.

³ The average annual cost of tuition and required fees for a first-year college student at a public in-state school in 2022-2023 is \$2,824.

⁴ The national average price for childcare in July 2023 is \$11,692.

THE SOLUTION

State legislators must act to ensure foster children actually benefit from their benefits. This is how:

Prohibit foster care agency from using benefits to offset care obligations

Conserve child's benefits to address child's unmet current needs or to prepare for future needs

Notify youth, parents, and child's attorney or GAL

Educate stakeholders and provide financial literacy training to youth

Screen foster youth for federal benefit eligibility upon entry and annually thereafter

Lived Experience Priority:

Apply for benefits when a child is eligible

Refund impacted youth whose benefits were misused

Account for use of child's benefit

LEARN MORE, TAKE ACTION

Support the dozens of states who have adopted or are pursuing policy reform to promote economic stability for youth beneficiaries and prevent poor and costly outcomes for taxpayers:

- **Review State-by-State Report Card:** [Foster Care or Foster Con: Preserving The Federal Benefits of America's Most Vulnerable Children](#)
- **Advance Model Reform:** like [Arizona](#) and [District of Columbia](#), which address most of the key elements of a model law
 - See the Center for Rights of Abused Children's [Toolkit for Preservation of Youth Benefits](#) for state templates, letters, talking points and other tips
 - See [Suggested Model Law](#), by Element
- **Stay Current:** [Up To Date State Reform Tracking](#)



"I never thought that the system that was supposed to be helping me really was stealing from me the entire time."

– Antonio L.J., MN



Children's Advocacy Institute
www.caichildlaw.org

House of Pennsylvania

Children & Youth Committee

October 8, 2024

Benefits for Foster Youth

Testimony of Laurie A. Ayler, LSW, Social Work Supervisor

Support Center for Child Advocates

The Support Center for Child Advocates is Philadelphia's pro bono legal program dedicated to representing children involved in the city's child welfare system. Each year, we assemble dedicated lawyer-social worker teams to advocate for approximately 900 children. Our legal and social services are delivered through Direct Representation Services and a Child Advocacy Training program. I have had the privilege of serving *Child Advocates* for over 16 years.

Today, we must address the critical need for county agencies to support youth in their care by connecting youth with all available benefits, and using or conserving benefits to meet the unique needs of each foster youth. Many children are eligible for Social Security benefits, whether due to a qualifying disability or through entitlements such as veterans' or survivors' benefits following the death of a parent. Unfortunately, in our state, when a child receiving these benefits enters foster care, their benefits are often discontinued. In many cases, the county agency appoints itself as the Representative Payee, (who is) the person responsible for managing benefits in the child's best interest, and starts collecting these funds. While this practice is legal in Pennsylvania and elsewhere, it raises ethical concerns in that the child is now paying for their own foster care, something that does not occur for foster youth who are not eligible for benefits.

I commend Representatives Krajewski and Delozier for their efforts in shedding light on this issue with the proposed legislation. Thank you also to the members of the committee for your commitment to learning about and solving the problem at hand.

In the more than two decades I have worked as a social worker in Philadelphia, I have informed many families that they and their child would no longer have access to their benefits once they entered foster care. I have seen this impact their ability to maintain affordable housing as well as delaying and, at times, disrupting reunifications. In December 2021, the [Philadelphia Inquirer published a story](#) about a Philadelphia family who successfully recovered benefits taken by Philadelphia DHS. That case was a turning point for me—it confirmed that the system itself was deeply flawed. This same article led to the formation of a Philadelphia-based stakeholder group of which I became a member. That group has since grown to include advocates from around the state and country.

In September 2022, Philadelphia City Council passed an ordinance permitting the city's Department of Human Services (DHS) to help youth connect with vital benefits, use or conserve

benefits for youths' current and future needs, and share information about benefits with youth and their representatives. Unfortunately, this ordinance has not been implemented. Philadelphia DHS cites a March 27, 2024 Special Transmittal from PA DHS stating that "under Pennsylvania law, 62 P.S. §704.2, and regulation, Title 55 Pa. Code §3170.31(b), state/local funds are not required to be used for a child/youth's foster care maintenance payment(s) when the child/youth is eligible for or receiving benefits from other private, public, local, State or Federal programs." Through advocacy with the stakeholder group and conversations with Philadelphia DHS, we realized that State legislation may be the only way to secure these supports for youth.

Social Security benefits exist to support the most vulnerable among us, providing financial assistance to improve their quality of life. Foster children, who are among the most vulnerable, should not lose this critical support. When their benefits are redirected to a general fund, advocates like myself find it difficult to obtain information and accounting of our clients' benefits. The Social Security Administration will only speak to the Representative Payee and so we find ourselves in court arguing for our clients' basic needs like new clothing, transportation to school, or medical appointments. If county agencies conserved these benefits for the intended children, those specific needs could be better met by drawing from a child's own assets rather than burdening the court and agency staff with requests.

Many children in foster care eventually reunite with their families. Conserving their benefits during foster care could provide much-needed financial support for that child's direct care upon reunification with their family. For foster youth who age out of the system without family support, access to conserved benefits could be life-changing, helping them afford essentials like groceries, childcare, rent, and utilities. I think of former clients now in their late 20s who are struggling to survive on limited SSI benefits—had they been given access to conserved funds, they would surely have had a more secure start to adulthood.

We must do better for our foster youth. As a social worker, I am committed to seeing positive change, ensuring that families who encounter our systems emerge with stronger support. If this bill advances, it will be a significant step toward that goal.

For more information:

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