

FOR IMMEDIATE RELEASE:
October 3, 2007



CONTACT:
Heather Henke
314.367.8373

Missouri Falls Short of Adequate Foster Care Reimbursement Rates, Study Shows
State must more than double its current rates to cover true costs of providing for basic needs of children in foster care

ST. LOUIS, MO – Missouri must raise the rates by which it reimburses foster parents by as much as 131 percent to cover the actual costs of supporting a child in foster care, according to a new report released today by Children’s Rights, the National Foster Parent Association, and the University of Maryland School of Social Work.

Titled “Hitting the MARC: Establishing Foster Care Minimum Adequate Rates for Children,” the report represents the first-ever nationwide, state-by-state calculation of the real expenses of providing for the basic needs of children in foster care—including housing, food, clothing, and school supplies—and proposes a new standard rate (the Foster Care MARC) for each individual state.

“There is a growing body of evidence that the inadequacy of current reimbursement rates is taking a heavy toll on foster parent recruitment and retention,” said Julie Farber, director of policy for Children’s Rights. “At a time when increasing numbers of abused and neglected children are housed in institutions and the number of foster parents is in steady decline in many places, this constitutes a crisis. Adopting the standards proposed in ‘Hitting the MARC’ is an important step toward addressing it.”

According to the most recent federal data, Missouri has more than 11,300 abused and neglected children in its foster care system. “Hitting the MARC” cites evidence that inadequate foster care rates negatively affect foster parent recruitment and retention, potentially increasing the likelihood that children will be placed in institutions or shuttled from one foster placement to another—and decreasing their chances of finding permanent homes.

Although state and local child welfare systems are required by federal law to reimburse foster parents for the cost of providing for the basic needs of children in foster care, there is no standard federal minimum reimbursement rate. States and localities are free to set their own rates on whatever basis they choose, and many states report using no particular methodology in establishing their standards. The resulting disparities are stark. Current monthly rates range from \$226 in Nebraska to \$869 in the District of Columbia—a greater spread than can be accounted for by differences in the cost of living. Missouri’s basic monthly rates range from \$271 to \$358 for different age groups.

“The bottom line is that when these rates don’t reflect the real expenses that foster parents face, it’s the children who suffer,” said Karen Jorgenson, executive director of the NFPA. “‘Hitting the MARC’ provides desperately needed guidelines for rates that would ensure that the basic needs of children in foster care are met no matter where they happen to live.”

The Foster Care MARC was calculated by analyzing consumer expenditure data reflecting the costs of caring for a child, identifying and accounting for costs particular to children in foster care, and applying a geographic cost-of-living adjustment to arrive at specific rates for each of the

50 states and the District of Columbia. The new proposed minimums include sufficient funds to meet a child's basic physical needs and cover the cost of "normalizing" childhood activities such as after-school sports and arts programs—particularly important for children who have been traumatized or isolated by abuse, neglect, and the experience of being placed in foster care.

"The best result for any child in our nation's foster care system is placement in a healthy, stable, permanent home—whether through a safe return to their biological families or adoption," said Diane DePanfilis, a professor at the University of Maryland School of Social Work and director of its Ruth H. Young Center for Families and Children. "Inadequate foster care rates set off a chain reaction of problems that undermine that objective, and the standards we propose in 'Hitting the MARC' are designed to begin correcting those problems at their root."

The full report is available at www.childrensrights.org/hittingthemarcc.

To arrange interviews with local spokesperson, **Melanie Scheetz, Executive Director of Foster & Adoptive Care Coalition** please contact Heather Henke at 314.367.8373.

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Foster & Adoptive Care Coalition (FACC) is a non-profit agency that strives to create permanency in every foster child's life by recruiting and supporting foster/adoptive homes in the St. Louis metropolitan community. Founded in 1989, FACC is the area's largest recruiter. For more information about FACC, visit www.foster-adopt.org.

Children's Rights is a national watchdog organization advocating on behalf of abused and neglected children in the United States. Since 1995, Children's Rights has used legal action and policy initiatives to drive lasting reform in child protection, foster care, and adoption.

The National Foster Parent Association is the national voice of foster parents, supporting foster parents in achieving safety, permanence, and well-being for the children and youth in their care.

The University of Maryland School of Social Work graduates policymakers, legislators, educators, researchers, therapists, community organizers, and leaders in direct services to children and families. It is one of the largest schools of social work in the nation and is ranked in the top 20 by *U.S. News and World Report*