Enhancing a System of Care for Children, Adolescents, and Young Adults in Foster Care

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CONTENTS

KEY HIGHLIGHTS

- Many children in foster care experience significant trauma and other health, social, and environmental factors that impact their wellbeing. Additionally, children and their caregivers must navigate a fragmented set of health and child welfare agencies.
- Medicaid managed care organizations (MCOs) implement a trauma-informed, person-centered approach for children in foster care that improves collaboration across agencies, enhances permanency and stability, and integrates critical services and supports.
- Medicaid MCOs can help states achieve their mission of improving health outcomes and quality of life for children in foster care.

Overview

Many children in foster care experience significant trauma and face other social and environmental factors that impact their long-term health and wellbeing.

Providing children in foster care with needed services is **crucial for their long-term success.**

Children, adolescents, and young adults in foster care or adoption assistance (collectively referred to throughout this paper as children in foster care) often have extensive physical health needs, mental health conditions or substance use disorders (MH/SUD), or intellectual and/or developmental disabilities. They also experience unique social challenges that result from their lack of environmental stability due to removal from their family and multiple foster placements.

Children who enter foster care oftentimes come from environments exposing them to violence and poverty and they may have experienced abuse and neglect.[1] Furthermore, children removed from their homes typically experience feelings of anger, guilt, rejection, shame and abandonment—all of which contribute to psychological difficulties that influence health, safety, permanency, and wellbeing.[2]

Findings from the landmark Adverse Childhood Experiences Study—one of the largest studies to link childhood maltreatment and long-term outcomes—suggest certain experiences in childhood can be significant risk factors for the leading causes of illness and death later in life.[3, 4]

Childhood maltreatment can increase health risks in areas such as:[5]

- **Severe Obesity:** 1.6x increase
- **Heart Disease:** 2.2x increase
- **Depression:** 4.6x increase
- **Illicit Drug Use:** 4.7x increase
- **Alcoholism:** 7.4x increase
- **Attempted Suicide:** 12.2x increase

Providing children in foster care with needed services and supports during childhood is crucial for their safety, permanency, and long-term wellbeing. Making sure professionals who understand trauma adequately assess, diagnose, and treat the needs of children in foster care will help address acute health conditions and set up these children for a successful adulthood. Medicaid managed care organizations (MCOs) offer a whole person approach for states seeking to achieve positive outcomes for children in foster care.

Medicaid Plays a Critical Role

Children in foster care engage with numerous agencies to access services and supports—such as child welfare, education, housing, transportation, and juvenile justice services. Medicaid is also an important partner in serving these children.

Of the nearly 700,000 children who were served by the foster care system in 2019, almost all of them were eligible for Medicaid benefits through mandatory eligibility pathways.[6, 7] Although children may transition in and out of foster care and other parts of the child welfare system, they typically remain enrolled in the Medicaid program due to low family incomes.

Children in foster care represent a small percentage of Medicaid beneficiaries.[8] However, the chronic and often complex interactions of co-occurring physical health and MH/SUD conditions can have a significant impact on the health, wellbeing, and quality of life for many of these children.

More than 54 percent of children in foster care **have a mental health condition.**

Research has found that 35 to 60 percent of children in foster care have acute or chronic physical conditions—such as neurological problems, hearing loss, vision loss, obesity, asthma, growth failure, and sexually transmitted diseases.[9] Between 30 and 60 percent of children in foster care experience intellectual, developmental, and physical disabilities.[10] Additionally, an evaluation of children formerly in foster care found that more than 54 percent had at least one mental health condition; nearly a quarter had post-traumatic stress disorder.[11]

Each state determines how children in their foster care system receive services, either through the unmanaged Medicaid fee-for-service (FFS) system or via comprehensive Medicaid MCOs. However, given the multifaceted needs of children in foster care and their engagement with various parts of the system of care, the importance of collaboration and coordination across providers and agencies is paramount. If children's healthcare and social supports needs are not appropriately and effectively addressed, they may experience further trauma, which exacerbates acute problems and often extends into adulthood.[12]

Managed Care Enhances the Delivery System

Too often, children in foster care experience fragmented delivery of services and supports. An integrated approach, in partnership with a comprehensive Medicaid MCO, can improve quality and outcomes for children by enhancing access to a coordinated system of care.

Comprehensive Services and Supports that Address Each Child's Needs

Reducing fragmentation and uncoordinated care should be a key goal of delivering comprehensive services and social supports to children in foster care. Service providers, care managers, and caseworkers often do not know about other agencies' benefit programs for which children in foster care are eligible.[13] Additionally, often because foster parents are not supported, children may be forced to move or relocate. These children may experience disruption or lack of continuity of care due to inconsistent exchange of clinically important information between providers. A comprehensive managed care program facilitates access to and coordinates needed services in numerous ways.

MCOs are a one-stop resource for coordinating all healthcare services and social supports.

Enhanced care coordination

Medicaid MCOs seamlessly link children in foster care to the healthcare services and social supports that meet their needs and improve their health outcomes. MCOs are a one-stop resource for managing and coordinating all service and social supports needs, directing trauma-informed person-centered planning, and tailoring care plans based on a child's specific needs. This approach provides children with consistency and continuity of care, helping to decrease placement disruption. When a child moves from one foster family to another, the MCO can share important information with new providers in a timely fashion.

Additionally, MCOs play a key role making sure children continue to receive services as they move from one placement to another (e.g., transfer from a residential treatment facility to the community, transition from the juvenile justice system to the community, transition from an inpatient hospital setting back to the community).

Elevance Health's affiliated health plan in Indiana

Dedicated care coordination

The plan offers the Fostering Connections Program—a dedicated care management team for children in foster care. These care managers use all available assessment information to stratify members, coordinate referrals, and assist children and foster parents with timely access to providers.

An MCO's approach to comprehensive service coordination can also more quickly link children to the services they need. For instance, states require that medical, dental and vision exams occur soon after placement. MCOs can be valuable in facilitating these prompt assessments and ensuring completion of any needed follow-up care.

Trauma-informed care

A trauma-informed system of care is crucial to improving the health, safety, permanency, and wellbeing of children in foster care. Yet, traditional Medicaid FFS seldom provides the level of care management intensity and cross-agency collaboration (e.g., juvenile justice, education, MH/SUD, child welfare) that produce good experiences and outcomes for children in foster care. Medicaid MCOs employ care coordinators and partner with providers that have specialized training and expertise in trauma-informed care to ensure the unique needs of children in foster care are met. This specialization enables the MCO care coordinators, in partnership with the child welfare agency case workers, to identify the most appropriate—not just readily available—services each child needs to help ensure their safety, permanency, and wellbeing.

Cultural competency

Care coordinators should reflect the diversity of the children and their communities and understand the cultural characteristics of the child's birth family.[14] MCOs are also increasingly adept at matching children with providers who share their culture, ethnicity, and/or native language. This helps improve doctor-patient communication, increase the comfort of the child, and engage the children and their caregivers to take active roles in their health and wellness. For example, Elevance Health's affiliated health plan in Georgia—which serves as the single statewide MCO serving children in foster care—tracks the cultural and linguistic needs of children to ensure they are paired with culturally and linguistically appropriate services.

MCOs organize **respite, support groups, and connections to community resources for caregivers.**

Caregiver support

Supporting the foster families who serve as the primary caregivers of each child in foster care is also critical. Foster parents provide a safe and comfortable environment for the child, support the child's emotional and physical wellbeing, and help them navigate the complicated delivery system. Additionally, foster parents often have the same life demands and stressors as everyone else.

An effective managed care model supports these caregivers through efforts such as providing respite support, organizing and facilitating caregiver support groups, and connecting caregivers to available community resources.

Elevance Health's affiliated health plan in Georgia

Easing stress with respite benefits for caregivers

The plan provides **respite benefits** for caregivers to help alleviate the high risk of emotional or physical stress or to offer temporary assistance to those unable to provide care due to illness or family emergency.[15]

MCOs improve communication and collaboration across agencies to reduce fragmentation.

Improved Collaboration and Communication Across Agencies

Medicaid MCOs are critical partners to the child welfare agency in the coordination of services and social supports for children in foster care. Medicaid MCOs are motivated to work with the child welfare agency, as well as the other agencies involved in the children's lives, to jointly develop the most effective and comprehensive system of care. In doing so, the MCO offers the following advantages.

Single point of accountability

When there is a clear, single point of accountability, children are more likely to have positive outcomes, such as safety, permanency, and overall wellbeing. In an integrated system of care, the Medicaid MCO serves as a single point of accountability for the child's full experience—whether with healthcare, child welfare, education, housing or career preparation for transition-age youth, or other social services and supports.

In contrast, in a FFS setting, there is no single individual or agency accountable for the continuum of services and social supports. Further, providers in a FFS system are less likely to be aware of or engage with the myriad agencies involved in a child's life, exacerbating the effects of poor cross-agency coordination and data sharing. An MCO is consistently involved and is accountable whenever a child in foster care changes placement—especially when a state elects a single, statewide MCO.

Engagement with state agency partners

MCOs can also facilitate communication and collaboration across state agencies. In turn, better collaboration improves service coordination across supportive and affordable housing, education, employment, the juvenile justice system, and other services that help a child achieve safety and wellbeing—including as they transition out of foster care.

This level of coordination is particularly crucial as youth prepare to exit the foster care system but still require support to begin employment, post-secondary education, or community living.

Elevance Health's affiliated health plan in Georgia

Bridging the gap between state and community agencies

The plan facilitates ongoing meetings with state and community agencies that serve children in foster care to ensure all responsible entities are sharing important information with each other.[16]

Co-location of staff

Medicaid MCOs may co-locate clinical and administrative support staff in key settings such as high-volume offices of the state's child welfare agency or large group homes. Similarly, dedicated clinical discharge planning staff can be placed in psychiatric residential treatment facilities (PRTFs). These types of arrangements enhance collaboration and coordination, ease transitions in care, and increase the health plan's understanding of the needs of the state's child welfare partners.

Outreach and training

MCOs can facilitate training opportunities for multiple state agencies (e.g., child welfare, juvenile justice, community health and education) that ultimately improves care for children.

Elevance Health's affiliated health plan in Georgia

Creating training and education opportunities

The plan partners with the state Department of Juvenile Justice (DJJ) and the Division of Child and Family Services (DFCS) to create training materials and educate their placement staff on how to request and use trauma assessments for children enrolling in the plan.[17]

The plan also provides education for law enforcement regarding crisis intervention techniques when a child is having a behavioral health crisis and how to address challenges that arise when called to intervene in child's living situation.[18]

MCOs share data to help stakeholders identify issues and find opportunities to improve care.

Data and information sharing

Medicaid MCOs have the resources, expertise, and relationships to serve as a resource hub for stakeholders. MCOs analyze data and generate reports that can be shared, consistent with privacy rules and protections, across state agencies to keep stakeholders informed and to identify issues and opportunities for improving the delivery of health services and social supports. Given that the child welfare system includes numerous funding streams—such as Medicaid, mental health block grants, and child welfare funding—MCOs can also apply their expertise with public health program financing to work with the state to align financing streams to ensure the appropriate resources are available as needed.

MCOs effectively **integrate physical health and MH/SUD services** to address critical gaps in care.

Integrated Physical Health and MH/SUD Services and Supports

Many children in foster care experience MH/SUD conditions, often co-occurring with physical health conditions. Medicaid MCOs integrate these benefits through several key pathways.

Whole person care

There is limited capacity and few structures in place in Medicaid FFS to effectively integrate and manage physical health and MH/SUD services. The absence of a coordinated approach to service delivery in Medicaid FFS can often cause critical gaps in care.[19] Managed care focuses on the integration of physical health and MH/SUD needs by coordinating services and social supports that meet the child's needs in a comprehensive manner. This could include, for example, co-locating MH/SUD therapists in primary care settings. Or it might include programs specifically designed for children with complex healthcare needs. For instance, Elevance Health's affiliated health plan in Georgia incorporates a comprehensive care coordination team comprised of specially trained and educated staff, telemedicine, and peer navigators, among other supports.[20]

Medication management

One of the most critical challenges in serving children in foster care is oversight of psychotropic medications used to address MH/SUD conditions.[21] Research shows that children in foster care enrolled in Medicaid use psychotropic medications at a much higher rate than do other children enrolled in Medicaid.[22] Also, children in foster care who live in group homes or residential treatment centers use these medications at a rate nearly four times greater than children in foster care who live in non-relative foster homes or formal kin care settings.[23]

Better management and coordination of medications brings immediate value to the child and to the state through improved quality of life. MCOs can be innovative partners in improving use of these medications.

Elevance Health's affiliated health plan in Georgia

Working with providers to reduce psychotropic medication use

The plan collaborates with providers through its psychotropic medication management program to change prescribing practices, improve decision-making, and reduce potentially inappropriate medication use.[24]

Through this program, overall use of psychotropic medications declined by 3 percent from 2014 through 2017, and use of antipsychotics in particular declined by 8 percent.[25]

Importantly, MCOs take a whole person view when it comes to assessing a child's medication needs. Careful consideration is given to the most effective evidence-based treatment regimen, with preference for non-pharmacological services as the first option. Effective management and coordination of medications requires that critical services and social supports remain in place—or are added—to help the individual avoid a crisis. The MCO works closely and collaboratively with the child welfare case manager, MH/SUD provider, and foster or adoptive parents to develop crisis plans that specify the services and supports available to the child that can be accessed before reaching a critical crisis point and fill any potential gaps.

Enhanced Permanency and Stability for Children

MCOs help children successfully transition from foster care and achieve permanency.

Permanency and stability are essential when supporting children in foster care. Frequent changes in placements and caregivers cause instability in children's lives and further exacerbate the fragmentation of health and social services and supports.[26] Additionally, this often leads to feelings of shame and guilt within children—that they are unwanted, unloved, and are responsible for being removed their birth family. Medicaid MCOs establish continuity and stability for children in foster in several ways.

Permanency plans

A permanency plan is required for children in foster care and includes the child's permanency goals as well as the tasks and responsibilities of the people involved—all oriented toward maintaining a child with their birth family or with another permanent family.[27] MCOs participate in the development of permanency plans, which the child welfare agency creates, to ensure the child has all of the health and social supports needed to gain permanency and stability in the community. MCO participation in permanency planning, as well as other planning processes, helps bolster the system of care for children in foster care and ensures the service plan reflects the needs of the child and foster family.

Elevance Health's affiliated health plan in Indiana

Partnering with community organizations

The plan partnered with a community organization to develop the first mobile crisis unit for children in foster care. As a single point of entry, the program assures children receive crisis services in the most appropriate setting—supporting families and caregivers, helping children remain in the community whenever possible, and improving foster placement stability.

Transition planning and support

Transition planning is critical due to the potential trauma and service disruptions children can experience. Without a comprehensive and coordinated transition plan for services and social supports, youth aging out of the foster care system "fall off the cliff" and often end up homeless, in jail, or experiencing other poor outcomes.[28]

MCOs can help transition-age youth as they move into Medicaid coverage as an adult.[29] For instance, MCO care coordinators can assist with the enrollment process to ensure there are no interruptions in their health coverage. MCOs can also cultivate a variety of opportunities that help children in foster care transition successfully out of the child welfare program and achieve permanency.

Training can help foster families **provide a stable home environment.**

The MCO can provide training and interventions that focus on transitions to ensure continuity of care and minimize the trauma for the child. Well in advance of the transition to adulthood, care coordinators with Elevance Health's affiliated plans assess the services and supports that will best position the child for successful transition, identify potential care gaps that may result from the transition and solutions to avoid them, and facilitate any provider changes as needed.

Family and caregiver training

Child welfare agencies have the responsibility to train foster families and others (e.g., emergency responders, social workers). However, the MCO also can provide intensive training and technical assistance regarding issues such as the effects of trauma, safety, and crisis planning. Training can prepare the family to assist with the child's health needs (e.g., MH/SUD conditions, trauma-responsive care) and can offer them techniques for addressing challenging behaviors that the child may demonstrate. This can improve the likelihood that a child remains stable at home and does not cycle in and out of institutional service settings, or move in and out of different foster homes.

MCOs can also offer this level of training to adoptive families or the biological family, if there is an option of the child returning to the home. This training helps families maintain an environment of consistency and stability for the child and helps the child achieve permanency as they transition home, reducing their risk of returning to the foster care system.

Conclusion

As states look to strengthen care and delivery for children in foster care, an integrated approach using Medicaid MCOs can enhance access to a comprehensive system of care.

MCOs help states **improve health outcomes and quality of life** for children in foster care.

Medicaid MCOs implement trauma-informed care coordination and person-centered planning—taking into account each child's unique circumstances and needs in support of permanency plans, transition planning, and whole person care. MCOs also help improve collaboration and communication across agencies to reduce fragmentation and ensure children in foster care access the services and supports they need.

These efforts, along with other aspects of a comprehensive managed care approach, help states achieve their mission of improving health outcomes and quality of life for children in foster care now and into the future.

Endnotes

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[11] Stoltzfus, E., et al. (2014, November 19).

[12] Fang, X., et al. (2012). The Economic Burden of Child Maltreatment in the United States and Implications for Prevention. *Child Abuse and Neglect 36*(2), 156-165. Retrieved December 1, 2019, from http://linkinghub.elsevier.com/retrieve/pii/S0145213411003140?via=sd&cc=y. For instance, although not limited to children in foster care, the average additional lifetime costs associated with nonfatal childhood maltreatment is roughly $210,000 per child—which reflects health and child welfare spending, criminal justice and special education costs, as well as loss of productivity.

[13] Allen, K. & Hendricks, T. (2013, March). Medicaid and Children in Foster Care. Center for Health Care Strategies. Retrieved December 1, 2019, from https://www.chcs.org/resource/medicaid-and-children-in-foster-care/.

[14] Program information from the Elevance Health's affiliated health plan in Georgia.

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[16] Ibid.

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[18] Ibid.

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[28] Dworsky, A., Napolitano, L., & Courtney, M. (2013). Homelessness During the Transition from Foster Care to Adulthood. *American Journal of Public Health 103*(S2), S318-S323. Retrieved November 16, 2020, from http://ohioaap.org/wp-content/uploads/2015/05/Dworksy-Homelessness-During-the-Transition-From-Foster-Care-to-Adulthood.pdf. The study found that approximately 11 percent of participants leaving the foster care system reported at least one episode of homelessness by age 19; that number grew to 22 percent by age 21, and to 36 percent by age 26.

[29] Former children in foster care are eligible for Medicaid up to age 26.

ABOUT US

Elevance Health Public Policy Institute

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