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CHILD WELFARE

Abuse of Youth Placed in Residential Facilities

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GAO Highlights

Highlights of GAO-24-107625, a testimony before the Committee on Finance, U.S. Senate

Why GAO Did This Study

For over 20 years, GAO has reported on youth in the foster care system who are placed in residential facilities, including concerns with the physical, emotional, and sexual abuse of these youth. In multiple reports, GAO has recommended that HHS enhance the support it provides to states, which are primarily responsible for oversight of residential facilities.

This testimony summarizes findings from prior GAO reports on: (1) youth placed in residential facilities, (2) challenges to preventing harm to these youth, and (3) state and federal oversight of residential facilities.

This testimony is primarily based on prior GAO reports issued from 2008 to 2022. Each of GAO's prior reports contain a detailed description of the methodology GAO used. Generally, for each report, GAO reviewed relevant documentation and information gathered via interviews or surveys of relevant stakeholders, including officials from state and local child welfare agencies and residential facility administrators.

What GAO Recommends

Most recently, in 2022, GAO recommended that HHS facilitate information sharing among states on promising practices for preventing and addressing maltreatment in residential facilities. HHS agreed with this recommendation but has not yet taken action to address it.

View GAO-24-107625. For more information, contact Kathryn A. Larin at (202) 512-7215 or larink@gao.gov.

What GAO Found

Prior GAO reports have described allegations of youth being maltreated, and sometimes killed, by staff employed at residential facilities. Many of the youth placed in residential facilities are in foster care. Youth in foster care may be placed in residential facilities for a number of reasons. For example, youth are sometimes placed in residential facilities due to an insufficient number of family foster homes, especially homes that are equipped to provide care for youth with mental or behavioral health needs.

The use of residential facilities as placements for youth in foster care has declined over the course of 20 years, according to data from the Department of Health and Human Services (HHS). Residential facilities were listed as the most recent placement for about 101,000 youth in foster care in 2002. By 2022, the most recent year of available data, that number had dropped to about 34,000 youth.

GAO has previously reported on challenges to preventing harm to youth placed in residential facilities, which include:

- **Monitoring youth in out-of-state placements.** Youth are sometimes placed in out-of-state facilities if there are no available placements in their home state. Stakeholder groups and state agency officials said monitoring youth in out-of-state facilities is difficult because of limited access to the youth or information regarding their care. To address this challenge, one state established an interagency committee that monitored youth placed in out-of-state residential facilities.

- **Inappropriate use of psychotropic medications.** Some youth placed in residential facilities are prescribed psychotropic medications, such as those used to treat depression and anxiety, among other conditions. However, health risks are associated with certain prescribing patterns—such as using multiple psychotropic medications. Some states have taken steps to curb inappropriate use of these medications among youth in foster care, such as requiring physicians to consult a child psychiatrist when prescribing certain medications.

- **Harming youth through use of restraints.** In some instances, staff injure youth while attempting to restrain them, which may result in maltreatment allegations and findings. To address this challenge, one state set up an interagency advisory committee on restraints that meets regularly to analyze restraint data and review feedback from program providers on the use of restraints in their facilities.

Various state agencies are responsible for monitoring residential facilities and working with them to prevent and address abuse or neglect. At the federal level, HHS is the lead agency for addressing issues related to the safety and well-being of youth, which includes youth in residential facilities. HHS officials reported that they primarily support states' efforts by providing technical assistance and guidance. However, at the time of our 2022 report, some state officials told us they received little to no information from HHS.

Chairman Wyden, Ranking Member Crapo, and Members of the Committee:

Thank you for the opportunity to discuss our work on residential facilities that are responsible for the care of vulnerable youth in the child welfare system.[1] Residential facilities may be an appropriate part of the continuum of care for some youth. However, for over 20 years, we have reported on youth in the foster care system who are placed in such facilities, including concerns with the physical, emotional, and sexual abuse of these youth.[2] In multiple reports, we have called on the Department of Health and Human Services (HHS) to enhance the support it provides to states, which are primarily responsible for oversight of residential facilities.[3]

My statement today will focus on (1) information about the youth who are placed in residential facilities, (2) potential challenges to preventing harm to youth placed in these facilities, and (3) state and federal oversight of residential facilities. My statement is based primarily on the findings from our 2022 report on maltreatment of youth in residential facilities, as well as findings from earlier reports.[4]

Each of our prior reports contains a detailed description of the methodology we used. Generally, for these reports, we reviewed agency

[1]There are various types of residential facilities, including treatment programs for youth with behavioral, emotional, mental health, and substance abuse issues; homes for pregnant teens; homes that specialize in supporting and treating youth with severe emotional disorders; group homes; and other institutions. The Department of Health and Human Services refers to residential facilities as congregate care settings.

[2]GAO, *Foster Care: HHS Should Ensure that Juvenile Justice Placements Are Reviewed,* GAO/HEHS-00-42 (Washington, D.C.: June 9, 2000). GAO, *Residential Treatment Programs: Concerns Regarding Abuse and Death in Certain Programs for Troubled Youth*, GAO-08-146T (Washington, D.C.: Oct. 10, 2007). GAO, *Residential Programs: Selected Cases of Death, Abuse, and Deceptive Marketing*, GAO-08-713T (Washington, D.C.: Apr.24, 2008). GAO, *Residential Facilities: Improved Data and Enhanced Oversight Would Help Safeguard the Well-Being of Youth with Behavioral and Emotional Challenges*, GAO-08-346 (Washington, D.C.: May 13, 2008). GAO, *Foster Care: HHS Could Do More to Support States' Efforts to Keep Children in Family-Based Care*, GAO-16-85 (Washington, D.C.: Oct. 9, 2015). GAO, *Child Welfare: HHS Should Facilitate Information Sharing Between States to Help Prevent and Address Maltreatment in Residential Facilities*, GAO-22-104670 (Washington, D.C.: Jan. 22, 2022). This testimony is primarily based on our reports from 2008 to 2022.

[3]For example, see recommendations made in GAO/HEHS-00-42, GAO-08-346, GAO-16-85, and GAO-22-104670.

[4]See GAO-08-146T, GAO-08-346, GAO-16-85, and GAO-22-104670.

documents and information gathered via interviews or surveys of relevant experts or stakeholders, including officials from state and local child welfare agencies and residential facility administrators. In addition, for some reports we reviewed selected data from federal agencies.

The work upon which this statement is based was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Abuse of youth placed in residential facilities is well documented. As we testified in 2007, we found thousands of allegations of abuse—some of which involved death—at residential facilities across the country by reviewing claims of abuse in pending and closed civil or criminal proceedings, among other methods.[5] In May 2008, we found that a majority of states reported at least one death of a youth in a residential facility in 2006.[6] More recently, media reports have described instances of youth being maltreated, and in some cases killed, by staff employed at residential facilities.[7]

Maltreatment in residential facilities may include abuse or neglect. Abuse can range from staff members taunting or threatening youth to physical acts such as punching, slapping, or sexual assault. Incidents of neglect can include a lack of supervision by facilities staff, such as failing to respond to suicide attempts or failing to prevent residents from running away.

The number of youth who have been physically, emotionally, or sexually abused or neglected while living in a residential facility is unknown. HHS collects, on a voluntary basis, data from states on allegations of child abuse and neglect through its National Child Abuse and Neglect Data System. However, while some states voluntarily submit such data, we

[5]GAO-08-146T. As we noted in our prior report, allegations alone do not constitute proof of actual abuse.

[6]GAO-08-346.

[7]See, for example, CNN, "16-year old boy goes into cardiac arrest and dies after staff at residential facility restrain him, lawsuit says," accessed June 7, 2024, https://www.cnn.com/2020/06/23/us/16-year-old-restraint-death-michigan-trnd/index.html and The Salt Lake Tribune, "Utah takes emergency action against youth treatment center after boy's death," accessed June 7, 2024, https://www.sltrib.com/news/2023/07/21/utah-takes-emergency-action/.

have previously concluded that these data likely undercount instances of abuse and neglect—including those taking place in residential facilities.[8]

There are also many reasons that instances of abuse and neglect in residential facilities may go unreported, according to state agency officials and representatives from stakeholder groups we interviewed for our 2022 report.[9] For example, residential facility staff may not report incidences of abuse that they witness for fear of retaliation from their co-workers or employers. Youth placed in residential facilities may not make reports for fear of prolonging their stay in the facility, being punished, becoming a target for additional abuse, or having privileges taken away.

Youth Placed in Residential Facilities

Many of the youth placed in residential facilities are in foster care.[10] Most youth enter foster care due to abuse or neglect, which is a traumatic experience.[11] When these youth experience abuse or neglect by residential facility staff or other residents, it may exacerbate their trauma.

Youth in foster care may be placed in residential facilities for a number of reasons. For example, youth can be placed in these facilities due to mental or behavioral health needs. As noted in our January 2022 report, according to a study conducted by HHS, a significant proportion of youth in foster care who lived at some point in a residential facility had been diagnosed with a mental health disorder, had behavioral health issues, or had clinical disabilities other than a diagnosed mental health disorder.[12]

Youth are sometimes placed in residential facilities due to an insufficient number of family foster homes, especially homes that are equipped to

[8]GAO-08-346.

[9]GAO-22-104670.

[10]Other types of youth who may be placed in residential facilities include: those with disabilities whose special education needs are best met there; those whose parents believe they are at risk of running away or are a danger to themselves or others; and those placed in residential facilities through the juvenile justice system as an alternative to incarceration.

[11]Any frightening, dangerous, or violent event that threatens a child or their loved ones can potentially be traumatic. While not every child who experiences trauma will suffer lasting effects, trauma significantly increases the risk of mental health problems, difficulties with social relationships and behavior, physical illness, and poor school performance. GAO, *Children Affected by Trauma: Selected States Report Various Approaches and Challenges to Supporting Children*, GAO-19-388 (Washington, D.C.: Apr. 24, 2019).

[12]GAO-22-104670.

provide care for youth with mental or behavioral health needs. In 2015, we reported on the barriers to increasing the number of available family foster homes.[13] One barrier was that states had insufficient time and resources to recruit and train additional foster families. Another barrier was a lack of community resources (such as therapy or mental or behavioral health services) needed to support youth in foster care.

Certain youth in foster care are more often placed in a residential facility compared to others. For example, according to a child welfare organization that looked at data from 15 states from 2012 through 2019, older youth and teens are more often placed in residential facilities compared to younger youth.[14] In addition, we reported in 2022 that youth of color and those who identify as lesbian, gay, bisexual, transgender, and queer or questioning, are overrepresented among residential facility placements.[15]

Almost 10 years ago, HHS issued a report stating that child development theory and best practices confirm that youth should be placed in family-like settings that are developmentally appropriate and least restrictive.[16] In addition, a child welfare organization found that youth placed in family foster homes or with kin have better outcomes compared to those placed in residential facilities.[17] Given these findings, state child welfare agencies have undertaken efforts to decrease the use of residential facility placements. For example, in October 2015 we found that states reported increased efforts to find relatives to care for youth removed from their homes, additional recruiting and training for specialized foster families to

[13]GAO-16-85.

[14]X. Zhou, J. McClanahan, S. Huhr, and F. Wulczyn. *Using Congregate Care: What the Evidence Tells Us*. Center for State Child Welfare Data, Chapin Hall at the University of Chicago. Chicago, IL (2021). This study used data from 903 counties in 15 states between January 1, 2012 and December 31, 2019.

[15]GAO-22-104670 and GAO. *Foster Care: Further Assistance from HHS Would be Helpful in Supporting Youth's LGBTQ+ Identities and Religious Beliefs,* GAO-22-104688 (Washington, D.C.: Apr. 20, 2022).

[16]Department of Health and Human Services. Administration for Children and Families. Children's Bureau. *A National Look at the Use of Congregate Care in Child Welfare*. May 13, 2015.

[17]Casey Family Programs, *What Are the Outcomes for Youth Placed in Group and Institutional Settings* (updated June 2022).

care for youth with serious emotional, behavioral, or medical problems, and increased supports for families in crisis.[18]

Due to these state efforts, the number of residential facility placements for youth in foster care declined from 2002 through 2022. Among youth in foster care in 2002, nearly 101,000 (about 19 percent) were placed in residential facilities for their most recent foster care placement. According to HHS's most recent data, by 2022, that number had dropped to about 34,000 youth (about 9 percent of placements for youth in foster care).[19]

The Family First Prevention Services Act (FFPSA), enacted in 2018, introduced new restrictions on state use of federal Title IV-E foster care maintenance payments to support youth placed in residential facilities.[20] These restrictions ensure placements in residential facilities are only used in a specific set of limited circumstances. Under FFPSA, Title IV-E funding can be used to support youth in residential facilities for 2 weeks. After that time, these funds may only be used to support youth in residential facilities if the setting:

- is a qualified residential treatment program,[21]
- specializes in providing prenatal, post-partum, or parenting supports for youth,
- is a supervised setting in which the child is living independently (for youth 18 years old or older), or
- provides high-quality residential care and support services for youth who have been or are at risk of becoming sex trafficking victims.

[18]GAO-16-85.

[19]Department of Health and Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau, Adoption and Foster Care Analysis and Reporting System (AFCARS) data.

[20]Title IV-E is the largest source of federal child welfare funding. In fiscal year 2022, Title IV-E expenditures totaled about $9 billion.

[21]FFPSA created this new category of residential facility placements and outlines a number of criteria that must be met to be considered a qualified residential treatment program. For example, a program must have a trauma-informed treatment model that is designed to address the needs of youth with serious emotional or behavioral disorders and have registered or licensed nursing staff and other licensed clinical staff available at all times, among other criteria.

Potential Challenges to Preventing Harm to Youth Placed in Residential Facilities

We have previously reported on challenges to preventing harm to youth placed in residential facilities. In addition to the abuse and neglect previously discussed, these challenges include:

- **Monitoring youth in out-of-state placements.** Youth are sometimes placed in out-of-state facilities if there are no available placements in their home state. In 2022, we reported that stakeholder groups and state agency officials we interviewed said monitoring youth in out-of-state facilities is difficult because the home state often must rely on information and reports from the state where the facility is located.[22] In addition, it is difficult for child welfare officials in the home state to know how youth are doing when they cannot visit with them regularly. To address this challenge, one state established an interagency committee dedicated to monitoring the well-being of youth placed in residential facilities out-of-state, including coordinating outreach to providers and state agencies in other states to discuss allegations of maltreatment.
- **Inappropriate use of psychotropic medications.** In 2017, we reported that some youth placed in residential facilities are prescribed psychotropic medications that affect mood, thought, or behavior.[23] These medications may be used to treat conditions such as depression, anxiety, and attention deficit hyperactivity disorder, among others. Information on the number of youth in foster care using psychotropic medications nationwide is limited, according to our 2017 report.[24] However, health risks are associated with certain prescribing patterns—such as simultaneously using multiple psychotropic medications—so it is important to ensure that such treatment is appropriate. We also found in our 2017 report that some states have

[22]GAO-22-104670.

[23]GAO, *Foster Care: HHS Has Taken Steps to Support States' Oversight of Psychotropic Medications, but Additional Assistance Could Further Collaboration*, GAO-17-129 (Washington, D.C.: Jan. 5, 2017). In addition, in December 2012, we reported on the results of the Administration for Children and Families (ACF) surveys of children in contact with the child welfare system conducted during 2008-2011. Eighteen percent of foster-care children were taking a psychotropic medication at the time they were surveyed. Foster children who lived in group homes or residential treatment centers had much higher rates of psychotropic medication use (48 percent) than those living in nonrelative foster homes (14 percent) or formal kin care (12 percent), according to the surveys. The higher utilization rate among children living in group homes or residential treatment centers may be related to these children having higher rates of potential mental health needs. GAO, *Children's Mental Health: Concerns Remain about Appropriate Services for Children in Medicaid and Foster Care*, GAO-13-15 (Washington, D.C.: Dec. 10, 2012).

[24]GAO-17-129.

taken steps to curb inappropriate prescriptions of psychotropic medications among youth in foster care, such as developing prescription guidelines or requiring physicians to consult a child psychiatrist when prescribing certain medications.

- **Harming youth through restraint and seclusion.** Federal regulations governing certain residential facilities state that restraint and seclusion should not be used as coercion, discipline, convenience, or retaliation, and must not result in harm or injury to youth.[25] However, in some instances, staff injure youth while attempting to restrain them, which may result in maltreatment allegations and findings, according to our 2022 report.[26] In addition, seclusion may be traumatic or psychologically damaging to youth, according to HHS. We reported in January 2022 that to address this challenge, one state set up an interagency advisory committee on restraints that meets regularly to analyze restraint data and review feedback from program providers on the use of restraints in their facilities.

State and Federal Oversight of Residential Facilities

States contract with private nonprofit and for-profit providers to operate residential facilities. At the federal level, HHS is the lead agency for addressing issues related to the safety and well-being of youth, which includes youth in residential facilities. Federal funding authorized under the Title IV-E foster care program, Medicaid, or the Individuals with Disabilities Education Act may be used to support youth in foster care who are placed in residential facilities.

In states, responsibility for monitoring residential facilities and working with facilities to prevent and address abuse or neglect may be spread across multiple agencies. Each agency has different, though sometimes overlapping, responsibilities. For example, among the four states we selected for review in our 2022 report, we found that:

[25]These regulations apply to psychiatric residential treatment facilities (PRTF). 42 C.F.R. § 483.356(a)(1), (3). A psychiatric residential treatment facility is any non-hospital facility that provides psychiatric services to individuals under the age of 21 in an inpatient setting (known as the psych under 21 benefit). Restraint means a “personal restraint,” “mechanical restraint,” or “drug used as a restraint.” Seclusion means the involuntary confinement of a resident alone in a room or an area from which the resident is physically prevented from leaving. 42 C.F.R. § 483.352.

[26]GAO-22-104670.

- Suspected incidents of abuse or neglect were reported to the state's child welfare agency or state police.
- Child welfare staff or special police units, together or independently, investigated reports of suspected abuse or neglect to determine if maltreatment occurred.
- State licensing officials sometimes participated in investigations or obtained information from child welfare officials or police and determined if the abuse or neglect resulted from licensing violations. These violations could include inadequate training or staffing ratios, or failure to complete background checks, for example.

We also reported in 2022 that among the four selected states, agencies try to prevent abuse or neglect in residential facilities by requiring background screenings and training for facility staff and increasing interagency coordination, among other things.[27] When abuse or neglect occurs, states may respond in various ways, such as prohibiting a facility from taking in new residents or revoking its license.

Stakeholders we interviewed for our 2022 report suggested additional steps that states could take to further prevent and address abuse or neglect in residential facilities. For example:

- States could provide additional hours of training for residential facility staff and include topics such as conflict de-escalation and trauma-informed care.
- States could minimize oversight gaps by making one state agency solely responsible for responding to abuse and neglect in facilities.
- States could impose stiffer financial or other penalties when abuse or neglect occurs in facilities.

Over the years, HHS has emphasized that states are primarily responsible for oversight of residential facilities and efforts to prevent maltreatment.[28] HHS officials reported that they primarily support states' efforts by providing technical assistance and guidance to states. However, at the time of our 2022 report, some state officials told us they

[27]GAO-22-104670.

[28]HHS's oversight role includes the authority to cancel state approval of PRTFs that do not meet federal health or safety requirements. PRTFs, which are one type of residential facility that is funded by Medicaid, could have state approval cancelled if, for example, there is a serious occurrence involving the death of a resident. HHS does not have this authority for other types of residential facilities.

received little to no information from HHS. We recommended that HHS facilitate information sharing among states on promising practices for preventing and addressing maltreatment in residential facilities. While HHS agreed with the recommendation, as of June 2024, the agency has not yet implemented it.

In conclusion, there are longstanding issues related to abuse and neglect in residential facilities. As states and HHS implement residential facility requirements in the Family First Prevention Services Act, there is a new opportunity to further assess the use of these facilities and consider whether additional steps will ensure that vulnerable youth placed in these facilities are not victims of abuse and neglect.[29]

Chairman Wyden, Ranking Member Crapo, and Members of the Committee, this completes my prepared statement. I would be pleased to respond to any questions that you may have at this time.

GAO Contact and Staff Acknowledgments

If you or your staff have any questions about this testimony, please contact Kathryn A. Larin, Director, Education, Workforce, and Income Security at (202) 512-7215 or larink@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. GAO staff who made key contributions to this testimony are Andrea Dawson (Assistant Director), David Barish (Analyst in Charge), and Kelsey Kreider. Additional contributors to this testimony were Ramona Burton, Monika Gomez, Wanda Harrison, Jean McSween, Nhi Nguyen, James Rebbe, Ronni Schwartz, and Kathleen van Gelder.

[29]FFPSA requires that GAO review the impact of the act's restrictions on federal reimbursement for residential facility placements. GAO will submit a report to Congress by December 2025.