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COMMITTEE ON FINANCE WASHINGTON, DC 20510-6200

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December 19, 2024

The Honorable Gene Dodaro Comptroller General of the United States U.S. Government Accountability Office 441 G Street, N.W. Washington, D.C. 20548

Dear Comptroller General Dodaro,

I write to request that the Government Accountability Office (GAO) conduct a review of youth residential treatment facilities' (RTFs)<sup>1</sup> advertising and marketing practices.

GAO has a long history of studying RTFs and the mistreatment, including abuse and death, of youth placed in these facilities. In 2007, GAO identified thousands of allegations of mistreatment, including events resulting in deaths.<sup>2</sup> The following year, in 2008, GAO recommended improving RTF oversight efforts to address the widespread harms experienced by youth.<sup>3</sup> In 2015, GAO released a supplemental report focused on inappropriate placements in RTFs by child welfare agencies.<sup>4</sup> In follow-up, GAO published a 2022 report detailing opportunities to improve information sharing across oversight agencies to better prevent youth mistreatment in RTFs.<sup>5</sup>

<sup>1</sup> For the purposes of this investigation, residential treatment facilities are defined as psychiatric residential treatment facilities (PRTFs) (42 CFR § 483.352), qualified residential treatment programs (42 USC § 672(k)(4)), therapeutic boarding schools, therapeutic residential treatment centers, non-medical residential centers, congregate care facilities for youth, wilderness camps or therapy programs, boot camps, and behavior modification facilities that are intended to address youth's behavioral, emotional, mental health, or substance use needs and that accept federal dollars.

<sup>2</sup> U.S. Gov't. Accountability Off., *GAO-08-146T*, *Residential Treatment Programs: Concerns Regarding Abuse* and Death in Certain Programs for Troubled Youth p. 2 (Oct. 2007); <u>https://www.gao.gov/assets/gao-08-146t.pdf</u>. <sup>3</sup> U.S. Gov't. Accountability Off., *GAO-08-346*, *Residential Facilities: Improved Data and Enhanced Oversight Would Help Safeguard the Well-Being of Youth with Behavioral and Emotional Challenges* p. 2 (May 2008); <u>https://www.gao.gov/assets/gao-08-346.pdf</u>.

<sup>4</sup> U.S. Gov't. Accountability Off., *GAO-16-85*, Foster Care: HHS Could Do More to Support States' Efforts to Keep Children in Family-Based Care (Nov. 2015) <u>https://www.gao.gov/assets/gao-16-85.pdf</u>.

<sup>5</sup> U.S. Gov't. Accountability Off., *GAO-22-104670, Child Welfare: HHS Should Facilitate Information Sharing Between States to Help Prevent and Address Maltreatment in Residential Facilities* (Feb. 2022) https://www.gao.gov/assets/d22104670.pdf. Yet, after decades of RTF study, there is still limited information regarding the role that marketing practices may play in influencing placements for children. GAO's 2008 testimony before the Committee on Education and Labor in the House of Representatives is the only comprehensive accounting of RTF deceptive marketing practices.<sup>6</sup> Since placement decisions directly impact children's outcomes, both in the near and long term, this information is needed to understand the full range of factors that impact a placing agencies' decision of when and where to send a child to an RTF.

I request GAO study RTFs' advertising and marketing practices. This would serve as an update to GAO's 2008 work on residential program deceptive marketing, but expand the focus beyond private residential programs.<sup>7</sup> Specifically, to the extent that information and data are available and reliable, I ask that GAO's review include:

- 1. Examples of advertising practices, marketing materials and in-kind donations, including trips, used by RTFs across a geographically diverse sample, including all types of facilities eligible under the Medicaid Psych Under 21 benefit, to advertise treatment for children;
- 2. A comparison of such practices listed in (1) across state child welfare agencies.
- 3. A comparison of such practices listed in (1) across placing entities (parents and guardians, mental health care providers, child welfare agencies, the juvenile justice system, and educational systems).
- 4. An analysis of the role that RTFs' third-party marketing affiliates, subsidiaries, or consultants, including educational consultants, play in securing placements for children in facilities owned or operated by their parent company.
  - a. An analysis of the professional background and compensation provided to thirdparty marketing affiliates, subsidiaries, or consultants, including educational consultants.
- 5. Experiences of youth with lived experience of RTF placements and their families relating to whether marketing materials informed their placement decisions.

If you have any questions or need additional information, please contact Senate Finance Committee staff. Thank you for your attention to this request.

Sincerely,

Ron Wyden United States Senator Chairman, Committee on Finance

<sup>6</sup> U.S. Gov't. Accountability Off., GAO-08-713T, Residential Programs: Selected Cases of Death, Abuse, and Deceptive Marketing (Apr. 2008) https://www.gao.gov/assets/gao-08-713t.pdf. <sup>7</sup> *Id*.