Hitting the MARC: Report on Foster Care Rates Sparks National Dialogue

Children’s Rights made national headlines in early October with the release of a comprehensive report on foster care reimbursement rates that found many states falling far short of their responsibility to cover the costs of supporting children in foster care.

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, called the “Foster Care MARC,” for each state.

According to the report’s findings, states across the nation must raise their foster care rates by an average of 36 percent to cover the actual costs of supporting a child in foster care.

All states are required by federal law to cover the basic needs of children in foster care, including clothing, food, and housing.

Only Arizona and the District of Columbia are currently meeting or exceeding the proposed standards; 23 states must raise their rates by 50 to 100 percent to reach them, and five states must more than double their rates to comply.

“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.”

On any given day, there are more than 500,000 children in foster care in the U.S. Seventy-five percent of them are placed by the government with foster parents, and nearly 20 percent are placed in group homes and institutions. “Hitting the MARC” cites evidence that inadequate foster care rates negatively affect foster parent recruitment.
When I called the director of Michigan’s child welfare agency in the summer of 2006 to tell her that Children’s Rights would be filing suit on behalf of the 19,000 abused and neglected children in state custody, she was surprised. As far as she knew, her system was moving along exactly as it should.

A number of facts pointed in the other direction.

Michigan has made legal orphans of an extraordinarily high number of children in its care—more than 6,000—terminating their parents’ rights without making necessary efforts to find them new, permanent families.

Seven thousand children live in unlicensed foster homes with relatives who receive neither reimbursement from the state for the cost of the children’s clothing, food, and other basic needs, nor many of the support services necessary to help them begin to recover from the abuse and neglect they have endured.

Worst of all, a continuing series of deaths among children in the system has made it clear that in its responsibility to protect Michigan’s abused and neglected children, the system was—and is—failing miserably.

In recent testimony, the director of the child welfare agency said that at the time she took over, she had other priorities and was focused on other things. We hear this too often from the people who run the systems we set out to reform. When we undertake our reform campaigns, however, they tend to get focused very fast.

Children’s Rights negotiated a proposed settlement with the state of Michigan over a period of six months, during which the director received a crash course in all that was going wrong. That settlement was abandoned last May, apparently a casualty of the severe budget crisis that has beset the state, and the director resigned shortly thereafter. But before she left, she helped to develop a reform plan that includes many elements of the settlement we had proposed.

Now, despite the fiscal crunch, the state legislature has made a down payment on that plan in the form of an increase of over $20 million in its child welfare budget. Children’s Rights is still headed for trial in Michigan, scheduled for June 2008, because we believe that the system has been both underfunded and badly managed for so long that even this initial infusion of money will not solve the underlying problems that have put so many of Michigan’s abused and neglected children in grave danger. But there can be no question that this sudden increase in funding—and the reform plan it is intended to support—is a direct result of our work.

Reforming broken child welfare systems is a long and extremely complicated process. Conditions on the ground can change very quickly; setbacks can become depressingly routine, and progress often comes at an agonizingly slow pace. But every step of the way, one way or another, we are forcing those systems to face up to their responsibility to the abused and neglected children in their care—and to begin the vital process of making tangible improvements in their lives.

Marcia Robinson Lowry
Executive Director
“Hitting the MARC,” continued from page 1

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.

“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. 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 authors of the report began a nationwide advocacy campaign for the adoption of the proposed standard rates with a congressional briefing on October 3. National coverage of the story included a prominent feature on “Hitting the MARC” in USA Today and an Associated Press story that was picked up by news media across the country. In all, more than 150 print, broadcast, and electronic news outlets have covered the story to date.

“AT A TIME WHEN FOSTER PARENT RECRUITMENT IS IN STEADY DECLINE IN MANY PLACES, THE INADEQUACY OF CURRENT RATES IS A CRISIS,” SAID JULIE FARBER, DIRECTOR OF POLICY.

Further advocacy efforts by Children’s Rights, the NFPA, and other national and local organizations are ongoing, and one group representing foster parents in California has filed a lawsuit against the state seeking increased foster care rates.

The full report can be found at the Children’s Rights website: www.childrensrights.org/hittingthemarc.

Children’s Rights Teams with American Bar Association to Ensure Quality Representation for Children in Family Court

The right to legal counsel is guaranteed to every American by the Sixth Amendment to the Constitution. But in many states across the country, children in abuse and neglect cases do not receive any legal counsel at all—and even when they do, it is often not the zealous representation they need to protect their interests.

The Right to Representation project, a bold initiative of the American Bar Association in which Children’s Rights has played a key role, aims to change that—and ensure that every abused and neglected child in the U.S. is represented by a competent attorney in the courtroom.

Children’s Rights joined the Children’s Rights Litigation Committee, an ABA committee that focuses on the underrepresentation of children in the legal system, in 2006. In early 2007, a national survey revealed the alarming lack of effective legal representation for children in family court, including many states in which children simply do not have the right to counsel. Children’s Rights responded by taking a leading role in the Right to Representation project.

“As the most vulnerable citizens in the legal system, abused and neglected children urgently need lawyers to guide them and protect their interests,” said Lawrence J. Fox, former chairman of the ABA Litigation Section and a member of the Children’s Rights Board of Directors. “This project is one step toward ensuring that every child in state custody has an effective ally on his or her side in family court.”

The first phase of the Right to Representation project is nearing completion. Attorneys from the ABA’s Section of Litigation, Children’s Rights, private law firms, and public institutions across the country conducted research over the summer to determine, state by state, the best recourse—whether lobbying the state legislature or filing a class action lawsuit in state or federal court. Once the national research is completed, the CRLC and Children’s Rights will evaluate how best to proceed in securing the legal rights of abused and neglected children throughout the country.
Second Annual Benefit Raises $800,000+ for Children’s Rights

The Second Annual Children’s Rights Benefit began with the premiere of a new film about the organization and ended with a spirited live auction that raised nearly $150,000 to support its work. A crowd of more than 300 packed Gotham Hall for the event, emceed by Deborah Roberts of ABC News, listening intently to the stories behind Children’s Rights’ campaigns to reform America’s broken child welfare systems.

“Children's Rights fought for me,” said Manny, 17, a named plaintiff in Children's Rights’ landmark class action in New Jersey. “It was the first time I felt like I could make a difference.” (See the back cover of this newsletter to read more about Manny.)

Ben Williams, a foster parent, recounted his uphill battle to adopt two brothers out of the child welfare system in Michigan, where Children's Rights has just begun a major reform campaign. “These children have no one else to speak up for them, to stand up for them, and to fight for them,” he said.

ON THE WEB: www.childrensrights.org/events
Margaret C. Ayers (right), president and CEO of the Robert Sterling Clark Foundation, accepted the Children’s Rights Champion Award, for her longtime support of Children’s Rights’ work in New York City.

Hugh Hildesley (below), Sotheby’s executive vice president, solicited pledges of support for Children’s Rights reform campaigns in Michigan, Mississippi, Rhode Island, and an unnamed state currently under investigation.

Alan Myers and Alice Rosenwald, co-chairs of the Children’s Rights Board of Directors, ended the evening with their thanks for guests’ enthusiastic participation. Rosenwald matched gifts from new donors and donors who exceeded their prior-year gifts during the auction, adding $53,000 to the total raised.

See more photos from the Second Annual Children’s Rights Benefit: www.childrensrights.org/events
**New Jersey On Track to Complete First Phase of Reforms**

Although significant challenges remain, New Jersey’s Department of Children and Families (DCF) has mostly completed the first phase of the massive reform effort required under the settlement of Children’s Rights’ landmark class action against the state, according to a new report by the court-appointed independent monitor in the case.

The report cites impressive progress in key areas—including significant increases in adoptions and in the number of licensed foster and adoptive parents, decreased caseloads and better training for DCF caseworkers, and major improvements to the department’s infrastructure. But it also notes many challenges to further reform, and says the state is still failing to provide timely basic services to the children in its custody.

“New Jersey is now where it is supposed to be under Phase I of this massive reform effort,” said Susan Lambiase, associate director of Children’s Rights. “Unfortunately, too many children have yet to feel those improvements in their daily lives, so it is critical that DCF remain focused on the long-term goals of the settlement—and step up its efforts to implement Phase II of the reforms.”

**New Report Shows Results of Reform in Tennessee**

Six years after the settlement of Children’s Rights’ class action against Tennessee’s Department of Children’s Services (DCS), the state has made significant progress toward implementing major reforms, according to a new monitoring report released in September.

The agency has reduced the number of children placed in group homes and orphanage-style institutions by more than 50 percent since the settlement of the case in 2001, and 90 percent of the children whose cases were reviewed for the report were living with foster families. DCS has also made progress in reducing caseloads among its child welfare workers and in keeping brothers and sisters together in foster care.

Still, the state must address serious problems to meet the requirements of the court-enforceable settlement agreement by June 2008, the target date for full compliance, the report says. DCS is still moving children too frequently between foster care placements, failing to provide important services for older children, and making inadequate progress toward placing children in permanent homes, according to the report.

“This settlement has produced significant improvements for Tennessee children, and DCS has a strong leadership team in place,” said Ira Lustbader, associate director of Children’s Rights. “But the remaining problems are very serious, and we will remain in place as a watchdog to hold the agency accountable and ensure that DCS makes the sustained commitment that will be necessary to solve them.”

**Children’s Rights Breakfast Briefings Offer Detailed Views of Legal and Policy Work**

On the morning of September 6, hosted by Skadden, Arps, Slate, Meagher & Flom in Manhattan, Children’s Rights Executive Director Marcia Robinson Lowry and Director of Policy Julie Farber presented “At the Crossroads,” the organization’s major report examining the progress of the New York City child welfare system over the past decade. On November 8, at the offices of Weil, Gotshal & Manges, Associate Director Ira Lustbader presented a detailed account of the reforms now taking place in Tennessee as a result of Children’s Rights’ campaign there.

The events were the first in a new and ongoing series of breakfast briefings presented by Children’s Rights to give supporters and others interested in the organization’s work a look inside its legal and policy efforts—and the results they bring about. The programs are intimate and the discussions are lively, giving attendees an opportunity to participate directly in the conversation and get their questions answered.

Additional briefings are being scheduled for the months ahead. For more information, contact Jethro Miller, director of development, at 212.683.2210 or jmiller@childrensrights.org, or visit the Children’s Rights website at www.childrensrights.org/briefings.

**Supporting Abused and Neglected Children Through Your AmEx Card — and IRA**

This holiday season, American Express is offering cardholders twice the incentive to give a gift to a worthy cause. Donations to Children’s Rights and other charities made online through the American Express GivingExpress program will earn double Membership Rewards points through the end of 2007. For more information, visit www.americanexpress.com/give.

And once again this year, for a limited time, seniors can make a donation to Children’s Rights directly from an IRA and receive a great tax advantage at the same time. Individuals 70 1/2 or older can donate up to $100,000 this year directly from an IRA without first being taxed on the distributions.

For more information about making a gift to Children’s Rights from your IRA, please contact Jethro Miller, director of development, at 212.683.2210 or jmiller@childrensrights.org.
It may seem an unlikely partnership at first, a glossy shopping and style magazine and a child welfare advocacy group. But since 2004, Lucky magazine editor-in-chief Kim France has been helping Children’s Rights spread the word about its child welfare reform campaigns—and supporting the organization through generous corporate and personal gifts.

After learning about the organization from her sister-in-law, staff attorney Shirim Nothenberg, France made her first donation to Children’s Rights in the winter of 2003. Two years later, seeking additional ways to support abused and neglected children, she approached the organization with Lucky special projects director Allyson Waterman. France featured Children’s Rights in Lucky’s “Shop While You Contribute” feature shortly thereafter, offering readers a chance to support the group’s advocacy campaigns through a portion of the proceeds from their purchases, and led off that issue with an editor’s letter highlighting Children’s Rights’ work.

Since then, the magazine has sponsored a cocktail party designed to help Children’s Rights cultivate new donors and purchased tables at the annual Children’s Rights benefit gala in 2006 and 2007. Last summer, France found another opportunity to support Children’s Rights when Lucky teamed with Flirt! cosmetics to launch a new signature line of products for television personality Vanessa Minnillo. A portion of sales from the kickoff event, held at New York’s Big Drop boutique, benefited Children’s Rights, and guests were sent home with gift bags that included detailed information about Children’s Rights’ work on behalf of abused and neglected children.

“It is so consistently amazed by the spirit and tenacity of Marcia Lowry and the entire Children’s Rights organization,” says France. “I became involved after reading about Faheem Williams and other well-publicized New Jersey cases of foster child abuse and neglect. Children’s Rights was already working in New Jersey, of course, and it wasn’t long before Marcia and her team were able to ensure that real and meaningful reforms happened there. Children’s Rights are heroes. They’re saving children’s lives.”

France is a founding editor of Lucky, and has been with the Condé Nast publication since December 2000. Over the past seven years, she has led the magazine to a host of industry awards, including Adweek’s “Start-up of the Year” in 2002 and Advertising Age’s “Magazine of the Year” in 2003. In 2004, The New York Post named France one of New York City’s “Most Powerful Women,” and Crain’s New York Business featured her as one of its “40 under 40,” which singles out rising stars in the New York City business community. Most recently, France and the team at Lucky received the award for Journalism Excellence from the Fashion Footwear Association of New York. An alumna of Oberlin College, France contributed to more than a dozen publications before launching Lucky, serving also as editor-at-large for Spin magazine and as deputy editor for New York magazine.

“Children’s Rights is extremely fortunate to have the support of Kim France and Lucky, who have brought the plight of abused and neglected children to the attention of an audience far broader than we could ever hope to reach on our own,” says Children’s Rights founder and Executive Director Marcia Robinson Lowry. “They never cease to come up with new and innovative ways to promote our advocacy campaigns, and they have matched their creativity with extraordinary generosity.”

Board Co-Chair Alice Rosenwald Matches New and Increased Gifts to Annual Fund—and Makes Headlines in Wall Street Journal

In September, Children’s Rights Board of Directors Co-Chair Alice Rosenwald was featured in The Wall Street Journal’s “Gift of the Week” column, which highlighted her recent gift of $2.5 million to establish a reserve fund for Children’s Rights and support the development of a new strategic plan.

This winter, she is offering a dollar-for-dollar challenge to match the first $100,000 from new donors and donors who exceed their gifts from last year.

“We are deeply grateful to Alice not only for her personal generosity, but also for her leadership in building the sustainability of Children’s Rights and broadening our outreach,” said Executive Director Marcia Robinson Lowry. “She is a true asset to this organization in a great many ways.”
Manny was just three years old when he and his brother were first taken away from their home and placed in foster care after multiple confirmed reports of abuse and neglect. In the years that followed, they would be bounced around to more than 10 different homes and subjected to one ordeal after another.

At times, the two brothers were separated from one another. Manny was placed in the wrong grade at school. After being moved into one home in Florida where authorities later discovered more than 20 other children living under intolerable conditions, Manny was sent to another home in New Jersey where he was reunited with his brother—in a home where their foster parents kept them locked in the basement, in the dark, feeding them bowls of table scraps. The foster parents spoke mostly Spanish. Although Manny is of Latino descent, he speaks only English.

Manny and his brother were named plaintiffs in the class action that Children’s Rights brought against the state of New Jersey in 1999. Since the landmark settlement of the case in 2003, great progress has been made. A cabinet-level children’s agency has been created, and a child advocate has been appointed as its commissioner. Adoptions are up and caseloads among the state’s child welfare workers have been reduced. In the first half of this year, the state more than tripled its number of licensed foster and adoptive families as compared to fiscal year 2006.

Manny and his brother were finally moved into a loving and caring home, where Manny remains to this day. Manny’s brother lived in the same home until he reached adulthood and remains close to the family.

Manny is now in his junior year of high school in New Jersey. He plays lacrosse and basketball on his school’s varsity teams and also enjoys football. He is already looking forward to attending college, possibly in Boston, and plans to study either history—or his favorite subject in high school—or sports management. He is thriving in his permanent home.