In 2014, the American Orthopsychiatric Association proclaimed that group settings should not be used as living arrangements because of their inherently detrimental effects on the healthy development of children, regardless of age.

Institutional and group placements typically cost seven to ten times more than family-based placements. A single state can pay as much as $95 million each year to institutionalize youth. Jurisdictions that reduce their use of institutions and group facilities gain cost savings and an immediate reinvestment opportunity to fill gaps in their community-based service array to support prevention, preservation, and family placements (especially with kin).

The growing alarm over the detrimental effects and unjustified financial costs of institutionalization has prompted a steady reduction in the number of youth living in group and institutional placements nationwide, with decreases in nearly every state.

In 2018, to further restrict utilization of institutional and other group placements, Congress passed the Family First Prevention Services Act, ending federal funding for most non-therapeutic group placements and providing new funding streams for family and community-based services.

Yet today, the U.S. continues to place approximately 50,000 children in congregate, juvenile detention, and other group settings instead of loving homes, while thousands more migrant children are detained by the federal government in brutal facilities. The harms of the continued institutionalization of youth are well-documented.

**TRAUMA**

Separating a child from their family and community imposes profound trauma—even the briefest separation can cause emotional harm that may last a lifetime. Therefore, youth are significantly more likely to suffer from serious and life-threatening mental health disorders when institutionalized.

**DISPROPORTIONATE IMPACTS ON CHILDREN OF COLOR**

Black, multiracial, and American Indian/Alaska Native youth are overrepresented in group and institutional settings. Nationally, Black children represent 14% of the general population of children, 23% of children in the foster system, and 26% of children in institutions and other group facilities. Similarly, Native children represent 1% of the general population of children, 2% of children in the foster system, and 8% of children in institutions and other group facilities.

**DISPROPORTIONATE IMPACTS ON OLDER YOUTH**

Older youth (ages 14 to 17) make up 64% of the institutional and group facilities population. Youth placed in group homes are 2.5 times more likely to be arrested than youth who have been in family foster homes.
Youth who spend time in congregate settings have poorer educational outcomes than youth in family foster placements, including lower test scores in English and math. They are less likely to graduate from high school or receive a GED than youth in family foster placements.

A large percent of youth who age out of the foster system without achieving a permanent family home are unemployed by age 24. One study reported that, by age 21, 75% of young women and more than one in every three young men relied on need-based public benefits such as food stamps, housing benefits, and unemployment insurance.

Youth are at risk of physical abuse when they are placed in group settings. Numerous reports confirm that group facilities lack oversight, protective health and safety practices, and provide substandard treatment. One study found that the rate of physical abuse in residential facilities was twice that of family foster placements.

Youth in group placements are also more likely to run away than youth in traditional foster home placement. Without safe and permanent homes and caring adults, youth who run away and experience housing instability are more likely to engage in high-risk behaviors or put themselves in unsafe situations.

Institutionalization often violates children’s legal rights in numerous ways, including: constitutional substantive due process rights; the constitutional right to family integrity; youth protected under the Americans with Disabilities Act; and violations of international human rights standards.