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Healthy Minds, Strong Futures: Aligning Systems to Advance Adolescent Development for Youth in Foster Care

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Executive Summary

Overview

Adolescence is a time of profound transformation and a pivotal period for human brain development that drives future success. At this age, students are still building the entire map of their inner worlds. They have not yet become fixed in their mindsets. Their thinking has not yet been limited. To them, the world is still full of necessary curiosity and ingenuity. They have an unfiltered drive to question, learn, grow, and pursue knowledge for knowledge's sake. However, not all young people have the same lived experiences or the same equitable opportunities to explore, question, and most importantly thrive during this pivotal stage. Youth in foster care face unique and compounded challenges—rooted in trauma, disrupted relationships, and systemic inequities—that can negatively impact their health, education, and overall well-being.

This report, designed for policymakers and advocates, examines the complex intersection of education, health, and child welfare systems in the lives of youth in foster care. It highlights the transformative potential of school-based approaches to support healthy adolescent development, identifies key policy barriers that prevent youth in foster care from getting their health and educational needs met, presents actionable recommendations to improve cross-system coordination to meet the health and educational needs of youth in foster care, and calls on policymakers to center the experiences of youth in foster care. This report is not just a collection of data points and policy recommendations. It is a call to action for cross-system collaboration that centers the needs of youth in foster care and recognizes their resilience. It is a rallying cry for advocates, policymakers, program administrators, and practitioners to build integrated systems that recognize that a student's academic and future success hinges on more than just meeting their educational needs but also addressing their health needs. We must embrace a “learning system” where health and education work hand in hand to open pathways for success.

What's at Stake

Young people undergo remarkable changes during adolescence—biologically, socially, and cognitively—that shape the adults they will become. Their still-malleable adolescent brain experiences a period of rapid and significant growth. During this period, the brain creates new capacities for learning, creativity, and problem-solving. At this age, students' minds are fertile ground for innovation. They have limitless potential to succeed if given the resources and care they need. But not all young people get the same chance to thrive and as a result their growth is stunted, their opportunities limited, and our society is deprived of their needed contributions.

Youth in foster care are unfortunately among the student population that is often overlooked, underserved, and overburdened by systems that fail to meet their unique needs. In 2023, nearly 350,000 youth were in foster care nationwide. These young people categorically experienced complex trauma, with more than half having experienced four or more adverse childhood experiences (ACEs), compared with 13 percent of children outside the foster care system.

Despite the profound impact of trauma on their development and well-being, youth in foster care remain incredibly resilient. They hold aspirations for their future. Research shows that 70 percent of youth in foster care dream of going to college—a testament to their determination and hope for a brighter future. Their strength and persistence shine through, even when the systems meant to support them fall short. Nonetheless, youth in foster care face very real challenges including instability in housing, school placements, and disrupted relationships with trusted adults that can interrupt their learning, delay development, and contribute to poor academic and health outcomes.

The educational debts (or investments) owed to these young people are compounded by injustices across other dimensions of well-being—from limited access to quality health care and stable housing to the absence of trauma-informed educational environments. Without trauma-informed, well-resourced schools and cross-system coordination among education, child welfare, and health agencies, these young people are denied the conditions they need to flourish.

In a time when technology advances at lightning speed, when industries innovate to stay ahead of the curve, our systems of support for youth in foster care remain stagnant. The child welfare, education, and health systems, though vital—still operate in isolation, failing to recognize what decades of research make clear: health and education are deeply intertwined. A student's mental health affects their ability to focus during class. Unstable housing disrupts their attendance. A compassionate teacher or counselor can alter the course of their future. Yet, the structures meant to uplift young people in foster care too often leave them struggling to navigate disjointed services alone. The reality is, for these young people to fully thrive, they need more than just resources—they need a comprehensive national response and network of meaningful relationships that provide stability, encouragement, and the consistent support necessary to navigate their education, health, and future opportunities.

What Youth in Foster Care Need To Thrive in School

When in the custody of a child welfare agency, youth in foster care have been removed from their families and are, in both the legal and practical senses, our collective responsibility, with the government serving in loco parentis (i.e., in the place of a parent). This is not just a legal imperative; it is a moral obligation. Furthermore, policymakers and advocates have a duty to enact bold, effective policies that prioritize the well-being and success of youth in foster care.

Still, meeting the diverse needs of youth in foster care demands more than fragmented solutions. It demands a comprehensive, integrated approach, one that values academics, recognizes the central role of health in educational success, and provides pathways to future success rather than fragmented solutions. More than half of the foster care population is comprised of youth of color, so any meaningful policy response must also address systemic barriers that have long obstructed their path to long-term, equitable outcomes. This requires looking both inside and beyond the classroom. Young people need well-resourced schools with qualified educators who can provide exceptional and engaging instruction, as well as trauma-informed learning environments that prioritize health and development. This is critical for building resilience and meeting students' unique needs.

Beyond the classroom, these young people also require access to resources and support systems, such as stable housing, mental health services, and community programs, to address challenges in their daily lives and inspire excitement about future opportunities. By applying a systems approach,

stakeholders can understand better and strengthen the connections between these elements, ensuring youth in foster care receive the comprehensive support they need to thrive.

Anything less is a failure of the systems meant to support them.

What Keeps Youth from Getting What They Need

Federal policy and funding across education, child welfare, and health often operate in silos, failing to maximize support for youth in foster care. Despite good intentions, these fragmented policies do not work well together and young people fall through the cracks. Federal initiatives aimed at supporting youth in foster care are divided among the U.S. Department of Education, the U.S. Department of Health and Human Services' Children's Bureau (child welfare policy), and the Centers for Medicare & Medicaid Services (health). Each addresses pieces of the puzzle, but they rarely work in concert.

This disjointed approach ignores a crucial reality: education and health are fundamentally linked. When youth have access to strong health resources, their ability to learn and grow improves. And when they receive quality education, they are equipped better to excel as adults. Research shows that health challenges, such as asthma and mental health disorders, are directly linked to decreased academic achievement. For youth in foster care, unresolved trauma from ACEs can worsen these health concerns, creating additional barriers to learning and development. Without a coordinated strategy that addresses both health and education, we risk compromising the well-being and educational outcomes of youth in foster care and the vital contributions they can make to their communities (both present and future).

What This Report Offers

This report provides a roadmap for policymakers and advocates interested in helping youth in foster care maximize their educational success by supporting their health. By addressing the unique health challenges faced by youth in foster care and identifying practical, policy-driven solutions that can meet the health needs of youth in foster care, we can ensure that they receive the holistic support they need to thrive academically, socially, and emotionally. We explore how health and education intersect for youth in foster care, examining the specific health challenges they face, the barriers they encounter when accessing health care, the interventions that support their holistic development that can improve their health and educational outcomes, and the policy changes that can make these interventions a reality.

This report has four sections. In the first section, "Current Landscape for Youth in Foster Care: Key Challenges for Health and Education," we examine how health issues, such as trauma and chronic conditions, impact educational outcomes for youth in foster care. We then dive into the next section, "Barriers to Equitable Health Care Access and Opportunities To Improve Access," which identifies key challenges students face to access health care. Then we transition to "Leveraging Federal Policies To Create an Effective System for Youth in Foster Care," which looks at how policymakers can leverage existing policies, including Medicaid, Titles IV-B and IV-E of the Social Security Act, the Bipartisan Safer Communities Act, the Every Student Succeeds Act (ESSA), and the John H. Chafee Foster Care Program for Successful Transition to Adulthood to improve coordinated services and support for these young people. The final section of this report, "Supporting the Health of Youth in Foster Care Through Purpose-Driven Pathways," presents an alternative approach to facilitating wellness for youth in foster care through career-connected learning opportunities. Policymakers and advocates have an opportunity to reimagine how we support youth in foster care—not just academically but

holistically. Through greater collaboration across education, health, and child welfare systems, we can create a more unified support network that addresses the full spectrum of their needs. This is not a moment for incremental change; this moment calls for bold leadership and a commitment to equity, ensuring that every young person in foster care has the chance to succeed and the opportunity to flourish as they transition into adulthood. Their success is not just a personal triumph but an investment in the strength and future of our communities and our nation.



Current Landscape for Youth in Foster Care: Key Challenges for Health and Education

Adolescence: A Critical Window for Growth and Support

With nearly 350,000 youth in foster care, this is a pivotal moment to reimagine how we support these young people throughout their educational journeys. Adolescence is a time of tremendous promise, marked by significant biological, social, emotional, and cognitive changes that lay the foundation for lifelong learning. While this period is filled with opportunities, it also comes with vulnerabilities that call for thoughtful support from families, educators, communities, and policymakers alike. During this critical time, the brain undergoes transformations that enhance important skills, such as planning, learning, and decision-making. To ensure adolescents thrive, it is essential to provide support that encompasses high-quality education while simultaneously promoting optimal health. The interconnectedness of physical and mental well-being with educational outcomes means it is essential to design policies that empower young people to navigate challenges and embrace their potential, especially for vulnerable youth. This time of growth has the potential to change the course of a child's life. As such, we have a responsibility to ensure all students, including youth in foster care receive the support they need to reach their potential.

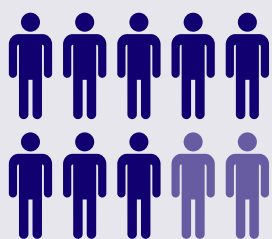


Key Health Challenges Facing Youth in Foster Care

The relationship between health and education is undeniable. When young people have access to strong physical, mental, and emotional health resources, their ability to engage in school and envision a brighter future improves. Conversely, unresolved health challenges, such as chronic illnesses or mental health disorders, can create additional barriers to academic success. For youth in foster care, the impact of ACEs can further complicate this relationship, jeopardizing both their well-being and their educational outcomes.

Young people in foster care face compounded difficulties due to their experiences of trauma, disrupted adult relationships, and resulting health and social challenges. Not only may these young people experience higher rates of chronic health issues, they often experience greater barriers to medical care access, further exacerbating their conditions and limiting their ability to succeed in school. The good news is that education policy and school-focused health policy can play key roles

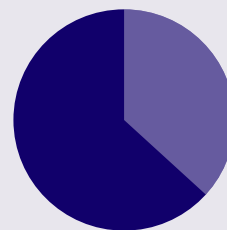
in improving access to health care and promoting safe, stable, and nurturing relationships that help in healing from trauma and promoting healthy attachment. These policies can serve young people's interconnected needs and enable them to show up differently in schools and better succeed academically and personally.



8 in 10 of foster youth enter the child welfare system with a significant mental health need.



1 in 3 in foster care has a chronic health condition.



Up to 30% meet the criteria for PTSD.

Youth in foster care face additional burdens that their peers do not—healing from trauma, navigating the child welfare system, facing familial and relational disruption, and often experiencing frequent changes in the schools they attend. These adversities can take a toll on their physical and mental well-being. Eighty percent of children in foster care enter the child welfare system with a significant mental health need, and up to 30 percent of children in foster care meet the criteria for post-traumatic stress disorder. According to the American Academy of Pediatrics (AAP), one-third of youth in foster care have a chronic health condition, and the AAP considers children in foster care to categorically be children with special health care needs because of their pronounced health disparities

Additionally, research shows that young people in foster care are also diagnosed with attention deficit hyperactivity disorder (ADHD) and autism spectrum disorder at much higher rates compared to their peers. This is not because foster care increases the risk of neurodevelopmental disorders, but rather because it is easy to mistake trauma-related behavior for symptoms of neurodiversity. While some youth in foster care do have neurodevelopmental disorders, the trauma of instability, abuse, and neglect can mimic symptoms of ADHD and autism, leading to overdiagnosis and ineffective treatment that could instead be better targeted to addressing trauma and supporting the cultivation of healthy attachment relationships.

Moreover, the American Academy of Child and Adolescent Psychiatry highlights another concern. Youth in foster care receive prescriptions for psychotropic medications at a significantly higher rate than nonfoster youth in Medicaid (for more information see Box 1). While some of this prescribing is necessary to address higher unmet mental health needs, unnecessary prescribing reflects both a lack of access to effective psychosocial services and a likely overreliance on these medications for behavioral control. Overreliance on medication without adequate mental health care can compound the challenges faced by youth in foster care, further impacting their cognitive development, learning capacity, and emotional well-being.

The good news is that these outcomes are not destiny. By prioritizing trauma-sensitive schools and improving education and health policies, we can reduce the over diagnosing of mental illnesses and overreliance on psychotropic medication to ensure young people in foster care have access to comprehensive health care. Strengthening these systems disrupts the cycle of unmet health needs.

Box 1: What is Medicaid?

Medicaid is a joint federal and state program that provides free or low-cost health coverage to eligible individuals from low-income homes, including children, pregnant women, elderly adults, and people with disabilities. It is the largest public health insurance program in the United States and covers essential services, such as doctor visits, hospital stays, mental health care, and long-term care.

Medicaid ensures comprehensive health care and long-term support for more than 90 million people, including youth in foster care, nearly all of whom are Medicaid eligible. Through its federal-state funding structure, Medicaid provides states with uncapped federal matching dollars for eligible services, enabling them to expand care without being constrained by overwhelming costs. With a baseline federal match rate of 50 percent and higher rates for states with lower per-capita income, Medicaid is a critical resource for addressing disparities in access to health care across the country.

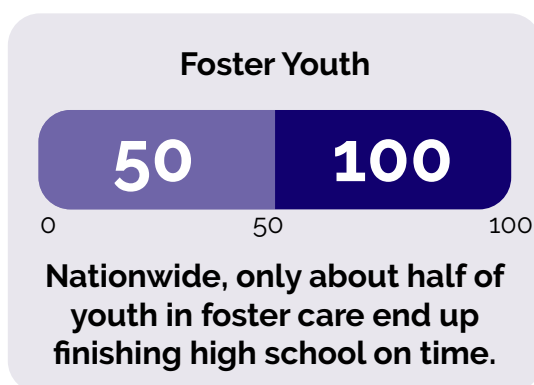
For youth in foster care, Medicaid plays a crucial role by ensuring access to physical and mental health services, including trauma-informed care, therapy, and medications. An estimated 99 percent of children in foster care have Medicaid coverage, either by virtue of their eligibility for federal funding of foster care placement through Title IV-E of the Social Security Act, or other eligibility pathways. In many states, they can remain covered until age 26, even after aging out of the system.

Historically, Medicaid covers health services for students with an individualized education plan (IEP) or individualized family service plan (IFSP). However, since 2014, the Centers for Medicare & Medicaid Services (CMS) has allowed Medicaid to reimburse schools for services provided to all Medicaid-enrolled students, regardless of IEP/IFSP status. Medicaid allows reimbursement for services that support students' physical, behavioral, and developmental health, ensuring sustainable funding for school-based care. These services can include speech therapy, occupational and physical therapy, psychological services, nursing services, and case management.

Medicaid can also fund mental health counseling and substance use disorder treatment, which are critical for addressing the complex needs of youth in foster care, who are disproportionately affected by trauma and adverse childhood experiences. Furthermore, Medicaid provides funding for early periodic screening, diagnostic, and treatment benefits, ensuring that students receive early detection and treatment for medical conditions before they become more severe.

Impact of Health Challenges on Educational Outcomes

The relationship between health and education is deeply intertwined, and for youth in foster care, the stakes are even higher. Children who experience health challenges are more likely to fall behind in school, drop out, and have lower earning potential as adults, perpetuating cycles of poverty and inequality. All youth in foster care have experienced significant trauma, which can lead to symptoms including intrusive thoughts, flashbacks, and hypervigilance. These effects often disrupt concentration and memory because the psychological distress associated with significant trauma can interfere with the brain's ability to encode and retrieve information effectively.



The impact extends beyond memory alone. Trauma can also disrupt executive function skills, particularly during key developmental windows, creating difficulties with long-term planning, attention, focus, and other skills necessary for academic success. Evidence demonstrates that youth in foster care frequently read at a lower level than their peers, have high rates of retention, and have higher rates of out-of-school suspensions and expulsions.

Without intentional, and targeted interventions, these academic struggles can compound over time, limiting their opportunities for postsecondary success and economic stability. The impact of these challenges is reflected in academic data, which shows how youth in foster care are faring in school and underscores the urgent need for policies that support their educational success.

How Are Youth in Foster Care Faring Academically?

Lower High School Completion

- Nationwide, only about half of youth in foster care finish high school on time.*

Lower Postsecondary Completion

- Fewer than 5 percent of all youth in foster care who graduate from high school go on to graduate from a four-year college. And 2 to 6 percent complete a degree from a two-year college.

Higher Rates of Absenteeism

- Across the nation, students in foster care experience greater school absenteeism compared to their peers, averaging 25 missed days compared to 12 days for other students within the same district.

(For more information about the educational outcomes of students in foster care see National Datasheet 2022.)

Recognizing the challenges young people in foster care face in their education is essential for addressing the systemic issues that hinder their academic success. The data paints a concerning picture, with high school completion and postsecondary enrollment rates remaining alarmingly low for youth who have experienced foster care. Moreover, the prevalence of chronic absenteeism among young people in foster care exacerbates their academic struggles. While this absenteeism stems from experiences outside young people's control, it further compounds existing barriers to educational success, perpetuating cycles of disadvantage and limiting opportunities for future advancement.

Health, whether physical, mental, or emotional, plays a central role in shaping academic outcomes. When health and placement issues, including trauma and instability, go untreated, they contribute to absenteeism and disengagement from school, further impeding academic progress. Addressing these challenges requires trauma-informed education policies, school-based mental health support, and cross-system collaboration to ensure that youth in foster care receive the resources and stability they need to thrive. These approaches can ensure that youth in foster care get the support they need to succeed.

**The average state graduation rate for youth in foster care was 54% in school year 2021-2022.*



Barriers to Equitable Health Care Access and Opportunities To Improve Access

An effective system of education integrates high-quality academic opportunities with additional support to meet students' comprehensive needs. Such an approach is important for all young people, but it is especially vital for young people facing complex challenges, such as youth in foster care who experience frequent changes in placement and schools, as well as complex trauma. To ensure success for these vibrant yet vulnerable young people, our education and health care systems must simultaneously address their academic and health needs. With the correct support systems in place, young people in foster care can thrive and demonstrate remarkable resilience.

Youth in foster care often face unique and complex health care needs due to traumatic events they have experienced, including abuse, neglect, and other family crises, such as unmet parental mental health and substance use disorder needs. These experiences, compounded by separation from their parents and families, can often lead to greater medical and mental health needs compared to their peers. Still, despite their critical needs, youth in foster care frequently encounter barriers that hinder their access to appropriate medical, dental, and mental health care. While challenges such as scheduling appointments, enduring long wait times, and navigating insurance are common for many people, for youth in foster care, these challenges represent only the tip of the iceberg.



In this section, we delve into three significant barriers that hinder access to health care for youth in foster care: (1) poor care coordination and inadequate access to health records, (2) limited therapist availability and Medicaid acceptance, and (3) housing and placement instability.

Poor Care Coordination and Inadequate Access to Health Care Records

Youth in foster care often navigate a complex web of agencies, case workers, and caregivers, each of whom has responsibilities of collecting data on their experiences and the services they receive.

Unfortunately, data quality remains a significant challenge. As a result, leveraging the data to better tailor services and achieve better outcomes for youth in foster care remains elusive.

Despite investments in the Comprehensive Child Welfare Information System and reforms to the Adoption and Foster Care Analysis and Reporting System to collect more data about health, data coordination across Medicaid and child welfare systems remains rudimentary in most jurisdictions. When children enter foster care, there is often a breakdown in information sharing. Barriers to sharing data can prevent vital health records from reaching new health care providers and foster parents, despite Title IV-E requiring caseworkers to maintain health and education records and to share those with the care providers and the youth when they exit care, leaving gaps in understanding their health history and needs. These gaps in information contribute to fragmented care and frequent misdiagnoses, especially when a child's health history is incomplete or misunderstood. While educators are often the primary source of behavioral and mental health referrals, Connecticut is currently the only state that formally includes schools in its Title IV-E prevention plan. This highlights a broader systemic failure to recognize and integrate education partners into child welfare and health coordination, missing a critical opportunity to provide holistic, informed support for youth in care.

Moreover, critical information about a child's needs and medical history is often not adequately shared among professionals when a placement change occurs, despite Title IV-B of the Social Security Act requiring state and county agencies to establish health oversight and coordination plans for youth in foster care. This lack of coordination leads to significant gaps in services. Moreover, those plans often do not reflect actual practice, meaning that children often do not receive timely access to comprehensive health services. However, there are promising opportunities to improve this situation through better data management and coordination. By leveraging emerging technologies like block chain technology and artificial intelligence, we can enhance our understanding of the health needs of youth in foster care, ensuring that services are more effectively tailored to meet their needs while maintaining appropriate confidentiality protections.

Limited Therapist Availability and Medicaid Acceptance

The shortage of therapists who accept any insurance, especially Medicaid, poses a significant barrier to mental health care for children in foster care. Medicaid's low reimbursement rates exacerbate this challenge and discourage many mental health providers from participating in the program. Children in foster care, who often have more severe and complex mental health needs than their peers, are disproportionately affected.

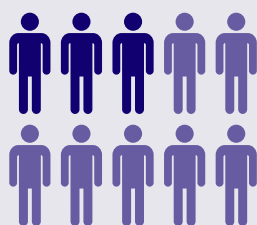
Take the experience of Melanie Stimmell, a foster parent in Winter Garden, Florida, who recounted how it took months to find a nearby, Medicaid-friendly therapist for an 11-year-old boy with bipolar disorder who was previously hospitalized. The delay in accessing health care had lasting consequences, as the boy's untreated mental health began to affect his school performance, social interactions, and overall self-esteem. These problems highlight the critical need for more therapists willing to accept Medicaid, as the current scarcity further impedes the ability of youth in foster care to receive timely and effective mental health support.

Low reimbursement rates also lead to an overreliance on faster interventions with administratively simple billing structures, such as psychotropic medication. Comprehensive developmental-behavioral pediatric services require time and coordination—intensive work that Medicaid reimbursement does not adequately cover creating major sustainability challenges for financing nonpharmaceutical trauma-informed care. As a result, the quality and accessibility of care suffer, exacerbating the barriers youth in foster care face to receiving the support they need.

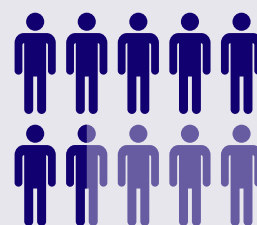
The systemic issues in health care for youth in foster care are not isolated. National advocacy groups and child welfare experts emphasize the widespread and largely unaddressed failures in providing adequate health care for this population of children. These experts call for comprehensive reforms, including creating larger benefit packages, improving care coordination, and raising Medicaid reimbursement rates to attract more providers. Expanding Medicaid eligibility and increasing reimbursement rates are both vital for bridging the gaps in care that youth in foster care currently face. Policymakers must commit to sustainable financing solutions that guarantee access to high-quality health care. This approach is essential not only for addressing the immediate health needs of youth in foster care but also for enhancing their educational engagement and setting the stage for long-term success.

Placement Instability

Disruptions in family connection and instability in secure housing present an additional barrier for youth in foster care to access consistent health care and educational services. A study by Pecora et al., 2005, reveals that, of the participants, more than 30 percent of youth in foster care endured eight or more residential changes, while a remarkable 65 percent of the participants from the Northwest foster care alumni study underwent seven or more school transitions while in elementary school through high school.



**30 percent of youth
in foster care
endured eight or more
residential changes**



**65 percent of the participants from the
Northwest foster care alumni study underwent
seven or more school transitions from while in
elementary school through high school.**

These frequent relocations can disrupt access to consistent medical and dental care, leading to lost medical records, missed appointments, and difficulties in maintaining a steady relationship with health care providers. Studies show that chronic stress and the lack of stable housing significantly increase the likelihood of developing long-term physical and mental health conditions.

Placement instability also undermines the development of safe, stable, nurturing relationships. When young people experience frequent changes in foster care placements and schools, they miss the chance to build meaningful connections with caring adults and peers—relationships that are essential for helping them heal from trauma. The constant disruption of these bonds deepens attachment trauma and makes it more difficult for youth to form, and maintain, trusting relationships with adults.

To support positive brain development for youth in foster care, it is essential to implement comprehensive solutions that address their medical, mental health, and educational needs, all while ensuring placement stability. Untreated health challenges—physical, emotional, or psychological—can hinder learning and overall development, and instability in living arrangements and school transitions further compounds these challenges. Youth in foster care often face multiple disruptions

in placements and schools, which prevent them from forming the consistent, nurturing relationships necessary for healing and growth. By bridging the gaps between health, education, and child welfare systems, and ensuring more stable placements, we can improve access to the critical services that youth in foster care need to thrive. This integrated approach will not only address the barriers to academic success and well-being, but it will create a foundation for long-term healing and empowerment, giving youth the stability and support they need to overcome trauma and build brighter futures.



Leveraging Federal Policies To Create an Effective System for Youth in Foster Care

Schools are a critical support system for youth in foster care, providing stability and a reliable point of access for essential health services. By integrating medical and mental health care into students' daily routines, schools can help overcome challenges, such as transportation barriers and inconsistent provider access. While schools should not bear the full financial burden of health care, they play a key role in coordinating services, ensuring youth receive the support they need to succeed academically and thrive.

Several key federal policies can help schools improve access to health care for youth in foster care. Titles IV-B and IV-E of the Social Security Act—strengthened by the Fostering Connections to Success and Increasing Adoptions Act and the Supporting America's Children and Families Act—prioritize school stability for youth in foster care. Additionally, ESSA reinforces the importance of educational continuity. Recent Medicaid policies further support this effort by encouraging the expansion of school-based health services. Together, these policies empower schools to play a vital role in ensuring equitable access to health care.

Medicaid-Funded School-Based Services and School-Based Health Centers

Medicaid-funded school-based services (SBSs) encompass a range of health care and support services for students. Medicaid allows reimbursement for services that support students' physical, behavioral, and developmental health, ensuring sustainable funding for school-based care. These services include speech therapy, occupational and physical therapy, psychological services, nursing services, and case management. Medicaid also funds mental health counseling and substance use disorder treatment, which are critical for addressing the complex needs of youth in foster care, who are disproportionately affected by trauma and adverse childhood experiences.

Historically, Medicaid covers health services for students with an IEP or IFP. However, since 2014, CMS has allowed Medicaid to reimburse



schools for services provided to all Medicaid-enrolled students, regardless of IEP/IFSP status. As of October 2023, 25 states have amended their Medicaid state plans to include school-based health services beyond IEP/IFSP requirements. Among these, 18 states have broadened coverage to all medically necessary services, while others focus on specific areas, such as behavioral health. This expansion potentially opens new opportunities for youth in foster care because they are categorically eligible for Medicaid. Medicaid's foundational role in delivering care presents significant opportunities to address the unique health and educational needs of youth in foster care, especially when combined with other policies that integrate health and education systems.

School-based health centers (SBHCs) are colocated in or near a school offering primary medical care, mental health support, and other critical services either on site or through mobile or telehealth services. These centers are often staffed by interdisciplinary teams that may include physicians, nurse practitioners, physician assistants, social workers, and other health professionals. The colocation of health centers within schools reduces logistical barriers such as transportation, appointment scheduling conflicts, and stigma associated with seeking care. SBHCs also play a vital role in early intervention and prevention, offering routine health screenings, immunizations, and chronic disease management for conditions like asthma and diabetes.

As access to counseling, therapy, and other health services increases in schools, youth in foster care stand to benefit from more timely and effective care. In fact, research consistently demonstrates that SBHCs and SBSs significantly enhance access to health care services, allowing students to consistently utilize primary care, including medical and behavioral health services. SBHC users also tend to undergo yearly dental and medical check-ups more frequently compared to nonusers. Furthermore, SBHC users exhibit lower rates of emergency room visits and hospitalizations, indicating the effectiveness of SBHCs in preventive care and early intervention.

Beyond access to health care, SBHCs and SBSs have a profound impact on academic outcomes and healthy adolescent development. A research study conducted by the L.A. Trust for Children's Health between 2015 and 2021 of 16,462 students attending middle or high school in the Los Angeles Unified School District found that following any visit to the SBHC, students' attendance rose by an average of 5.4 school days per year, with an even greater increase of 7 school days per year after seeking mental health assistance. Notably, students receiving mental health services through SBHCs demonstrate accelerated improvements in their grades compared to their peers.

Recommendations

To ensure youth in foster care have continued access to essential health care services, Congress should expand federal funding for integrated health and educational services specifically by expanding funding for Medicaid and SBHCs. Increased funding would support expanded services, such as mental health screenings, crisis intervention, and access to specialized therapist critical resources for youth who have faced trauma and instability. These centers can be the cornerstone of comprehensive, wraparound services that youth in foster care need to succeed academically and socially. Additionally, by enhancing Medicaid reimbursement and broadening eligibility for a wider range of services, states can strengthen school-based health care infrastructure, ensuring that all students receive the support they need in an accessible, effective setting. Schools are natural hubs for delivering health services, and expanding these programs can reduce disparities in access, helping students remain healthy, engaged, and ready to learn.

Moreover, it is imperative that sustainable funding for mental and behavioral health services be secured. School-based Medicaid offers a key opportunity to sustain these services, but policy

changes are needed to maximize its impact. CMS should require states to allow Medicaid reimbursement for all health services provided in schools, not just those listed in IEPs, and states should submit state plan amendments to expand eligibility to include services outlined in 504 plans, behavior intervention plans, and individualized health plans. Additionally, states should broaden the list of licensed providers eligible for Medicaid reimbursement, including school counselors, social workers, and other mental health professionals. To further support schools, federal and state agencies should simplify the Medicaid reimbursement process by reducing administrative burdens, standardizing billing practices, and streamlining documentation requirements, alongside providing technical assistance and training to ensure districts maximize reimbursement. By strengthening SBHCs and Medicaid-funded SBSs, states and school districts can create a more supportive environment where all students, regardless of their background, receive the care they need to thrive.

Bipartisan Safer Communities Act

The Bipartisan Safer Communities Act (BSCA) included several provisions to facilitate the expansion of Medicaid-funded school-based services. For example, BSCA required the U.S. Department of Education (ED) and CMS to issue updated guidance to states on how Medicaid can be leveraged to fund school-based health services. Released on May 18, 2023, the guidance introduces new reimbursement models and increased flexibility, enabling schools to offer expanded health services to students. In addition, BSCA provided \$50 million to state Medicaid programs to better connect millions of children to quality health care by supporting the implementation, enhancement, and expansion of Medicaid school-based services. The U.S. Department of Health and Human Services (HHS) worked with ED to select 18 states that will each receive up to \$2.5 million over three years. BSCA also established the School-Based Services Technical Assistance Center to help state Medicaid agencies, school districts, and schools access Medicaid to pay for school-based health services and facilitate coordination between HHS and ED.

Despite this progress, funding remains limited, and many schools lack the infrastructure or workforce to fully implement expanded services. To ensure students continue to receive quality health care services in schools, Congress should reauthorize and expand funding for school-based health initiatives supported through BSCA. The \$50 million in grants provided under BSCA should be renewed and expanded to help states strengthen their Medicaid programs and increase access to school-based mental health services, with CMS continuing to provide technical assistance to facilitate Medicaid expansion in schools.

Additionally, CMS should continue to provide technical assistance to facilitate Medicaid expansion in schools and enhance implementation efforts across states. Expanding the scope of funding to include workforce development for school-based mental health professionals and increasing state capacity for Medicaid billing infrastructure will ensure the long-term sustainability of these services. Finally, each state Medicaid office should designate a point of contact to work with state and local child welfare agencies, state departments of education, and school districts to help implement health



oversight and coordination plans required under Title IV-B (discussed below) and ensure youth in foster care have and can access the care for which they are eligible.

Health Care Oversight and Educational Stability: Titles IV-B and IV-E of the Social Security Act

Title IV-E of the Social Security Act provides federal funding to states for foster care and adoption assistance, playing a critical role in supporting and financing the child welfare system while setting standards to ensure the safety, permanency, and well-being of children in foster care. It covers foster care maintenance costs, administrative expenses, and training for child welfare staff, foster parents, and certain private agency personnel. Title IV-E further mandates that child welfare agencies prioritize school stability when making placement decisions, working with school districts to keep youth in their original school (i.e., school of origin) whenever it is in the child's best interest. Federal funding under Title IV-E can also be used to cover transportation costs to maintain school continuity.

Beyond funding, Title IV-E establishes legal requirements that guide how states deliver services, ensuring that children are placed in safe, stable environments with a focus on family reunification first or another permanent placement when needed. Additionally, Title IV-E supports services aimed at preventing unnecessary placements, providing resources for kinship care, guardianship assistance, and adoption subsidies. This comprehensive framework helps states meet the immediate needs of youth in foster care and also promotes long-term stability and success as they transition into adulthood.

In 2008, the [Fostering Connections to Success and Increasing Adoptions Act](#) introduced key updates to federal child welfare policy, including new health care oversight and educational stability requirements. Under Title IV-B, state child welfare agencies must collaborate with state Medicaid offices to develop health oversight and coordination plans ensuring youth in foster care have access to essential health services, including routine screenings, mental health care, prescription oversight, and dental care. However, these plans do not currently require coordination with schools. While the Supporting America's Children and Families Act of 2024 made minor updates to Title IV-B, it did not expand requirements for education system engagement in meeting the health needs of youth in foster care.

Recommendations

Modest updates to federal child welfare policy could significantly enhance the health and well-being of youth in foster care. Under Title IV-B, health oversight and coordination plans should require consultation with foster care points of contact within state departments of education and school districts. By integrating these educational representatives into the planning process, states can better facilitate access to school-based health services where they are available. Additionally, Title IV-B should be revised to mandate that both state and local child welfare agencies designate a point of contact responsible for coordinating with state Medicaid offices, education departments, and school districts. This would ensure that youth in foster care receive the full range of school-based support, including health and mental health care, while also reinforcing school stability.

To create a more integrated approach, these designated points of contact should collaborate across agencies, aligning with existing requirements that school districts appoint a foster care liaison if their corresponding child welfare agency has done the same. A coordinated effort among Medicaid offices,

child welfare agencies, state education departments, and school districts would streamline services, making it easier for youth in foster care to access the care and resources they need.

Beyond individual policy changes within Medicaid, child welfare, and education law, federal policy should encourage states to develop a comprehensive, statewide strategy for supporting the health and education of youth in foster care. A critical element of this strategy would be interagency data-sharing agreements that allow child welfare agencies and schools to track academic progress, stability, and well-being while maintaining necessary privacy protections. By securely sharing critical health and academic records, agencies could respond more effectively to emerging challenges and tailor interventions to meet the unique needs of each child. Establishing these systems of coordination would strengthen the ability of schools and child welfare agencies to work together, ensuring that youth in foster care receive consistent, high-quality support.

Every Student Succeeds Act

Title I, Part A of ESSA includes several requirements promoting educational stability for youth in foster care. State educational agencies (SEAs) must appoint state foster care points of contact who are responsible for coordinating with state child welfare agencies and overseeing implementation of ESSA's educational stability requirements. In addition, local educational agencies (LEAs) are required to designate a local foster care point of contact if the corresponding child welfare agency has a point of contact for the school district. School districts are required to immediately enroll youth in foster care and allow them to attend their school of origin if it is in their best interest to do so, even if the student resides outside the school district. While ESSA includes requirements to support the educational success of youth in foster care, it does not address the health needs of these youth, even among school districts that implement school-based health services.

Recommendations

To create a more cohesive system that integrates educational and health services, the foster care requirements under Title I, Part A of ESSA should be expanded to include collaboration among SEAs, LEAs, child welfare agencies, and Medicaid to address the health and mental health needs of youth in foster care through school-based health services, where they are available. This would help to establish a more unified support system that can respond quickly to disruptions in the lives of young people in foster care, such as changes in placement or school transitions, minimizing the educational setbacks that often accompany these challenges.

In addition, to increase the availability of health services at schools for all young people, including youth in foster care, federal policy should provide incentive grants to help LEAs develop the infrastructure necessary to integrate health services into their educational support programs. Schools should have the flexibility to partner with SBHCs or community health providers to offer on-site services that address both mental health and physical health needs. By embedding these services into the educational environment, all young people, including youth in foster care, will receive the comprehensive care they need without the added barriers of transportation or stigma, enabling them to focus on their education while also addressing their trauma and health challenges.

John H. Chafee Foster Care Program for Successful Transition to Adulthood

The Chafee Foster Care Program for Successful Transition to Adulthood (Chafee), established under Title IV-E of the Social Security Act, provides flexible federal funding to help current and former foster youth achieve independence and stability as they transition to adulthood. Chafee supports critical services across education, employment, housing, and health care. The Chafee statute includes the Education and Training Voucher (ETV) program, which helps Chafee-eligible youth cover the cost of higher education through vouchers worth \$5,000 each year or the cost of attendance (whichever is less). Yet for many foster youth, the road to postsecondary success remains steep. While most say they want to go to college, fewer than 10 percent earn a degree and those who do often take longer than their peers due to part-time attendance, stop-outs, or the need to balance school with work and parenting. That's why it is essential to ensure that existing support from Chafee is maintained and strengthened.

Recommendations

As proposed by the Journey to Success campaign, the Chafee program can be enhanced to address the overlapping challenges faced by youth in, and aging out of, foster care in accessing health care and education. Beginning at age 14, youth should receive consistent, age-appropriate information about services available to them through Chafee and ETV. This information must be shared not only during caseworker meetings and court or administrative reviews, but also through a robust statewide outreach strategy. This strategy should include peer-to-peer models and youth-designed resources to meet the real needs of their peers.

States should also leverage modern technology, creating user-friendly websites and mobile platforms that explain eligibility, contact information, and the application process for services such as housing, counseling, driving classes, legal assistance, and educational and workforce supports. Additionally, case planning requirements should be amended to ensure youth in foster care can receive their vital documents (e.g., social security card, health insurance, copy of medical records) beginning at age 14, rather than waiting until age 18 as required under current law.

Chafee funding should be increased to improve information sharing with Chafee-eligible youth, expand the services made available to these young people, and connect them with supportive peers and adults that can provide mentoring and specialized service navigation. Additionally, the ETV program must evolve to better support foster youth as they pursue postsecondary education and training. This includes streamlining application processes, improving outreach, and updating academic progress rules to reflect the realities of foster youth.

Further, Chafee eligibility should be modified to facilitate greater alignment with other programs serving Chafee-eligible youth. Extending Chafee eligibility to age 26 would strengthen coordination with Medicaid, ETVs, and Fostering Youth to Independence housing vouchers. Additionally, the ETV eligibility time limit should be changed from five to six years to match the Pell grant timeframe. By aligning the age of eligibility between Chafee and other programs, federal policy can more effectively assist youth in and aging out of foster care maintain uninterrupted access to health care and education during a vulnerable stage of development.

Supporting the Health of Youth in Foster Care Through Purpose-Driven Pathways

True support for youth in foster care requires systemic change. Ensuring their success means designing learning systems that do more than deliver academics—they must integrate health services, career exploration, and social-emotional support into cohesive structures that promote both education and health equity. These systems should not only help youth in foster care overcome barriers but also empower them with the skills, stability, and confidence to thrive. The following section explores another critical policy solution that extends beyond the previous recommendations, emphasizing the role of college and career pathways as a transformative model for fostering long-term success.

The Power of Purpose: Boosting Mental Health and Opportunity for Youth in Foster Care Through College and Career Pathways

For young people who have experienced trauma and instability, relationships with supportive adults and peers are essential in fostering trust, security, and a sense of belonging. Community ties and mentorship provide stability, guidance, and encouragement—especially as youth navigate the transition into adulthood. Career-connected learning opportunities further empower them by building skills, confidence, and a vision for a productive future. By prioritizing career exploration, mentorship, and real-world skill-building, these youth will develop relationships that will deepen their social networks and see themselves as capable, self-sufficient individuals equipped to contribute meaningfully to society.

At its core, wellness is about achieving a balance among physical health, emotional stability, and social connectedness. Therapy can be a valuable tool in supporting emotional health by equipping students with coping strategies, but it alone cannot address all the dimensions of wellness youth in foster care need to thrive. Traditional therapy may not always align with their preferences or needs, and the [“Aged-Out”](#) report by Think of Us highlights that “healing and dealing with trauma” is a core priority for young people in care, emphasizing that conventional approaches can sometimes be retraumatizing.



Wellness transcends treatment; it flourishes in environments where meaning, connection, and growth are nurtured.

Career-connected pathways offer a powerful strategy for engaging students by making learning meaningful and relevant. Programs like Linked Learning, used in California and other states, integrate the following:

- Rigorous academics
- Career and technical education
- Work-based learning
- Comprehensive support services

This model aligns education with students' aspirations while addressing their holistic needs. One example is the [Oakland Health Pathways Project](#), which combines classroom learning with real-world work experiences and targeted support services. Students engage in health-focused coursework—such as anatomy, physiology, and medical chemistry—while taking dual-enrollment courses in medical assisting, EMT (emergency medical technician) training, and kinesiology through local community colleges. These opportunities build college-level skills while reinforcing a sense of purpose and direction.

A key element of the project is its emphasis on mentorship and work-based learning. Internships, career exploration trips, and community-based action research projects allow students to apply their knowledge, clarify career goals, and develop a sense of agency and impact. These experiences, combined with comprehensive support systems, help students from underrepresented backgrounds succeed in both education and life.



The impact of such systems is measurable. A [2024 survey](#) of 4,417 students in California revealed that Linked Learning fosters engagement, belonging, and confidence:

- **81 percent** feel supported in an inviting learning environment.
- **78 percent** feel respected by adults, strengthening trust.
- **76 percent** feel their experiences are valued, affirming their identities.
- **74 percent** report meaningful relationships with adults, critical for guidance and mentorship.

[Independent studies](#) further show that Linked Learning [increases credit accrual](#), postsecondary preparation, and college enrollment.

Federal policy is recognizing the value of college and career pathways as a bridge to stability and opportunity. ED initiated [Career-Connected High Schools](#) in 2023, which focuses on aligning the last two years of high school with the first two years of college in high-need districts. By providing dual-enrollment, work-based learning, industry-recognized credentials, and career navigation systems, the initiative equips students with practical skills and goals in fields like advanced

manufacturing, computer science, and health sciences. To expand access to these opportunities for highly mobile youth such as youth in foster care, ED issued a playbook for policymakers and practitioners.

As college and career pathways expand nationwide, integrating services that address health and mental health needs can create transformational learning systems and deepen peer-to-peer and adult-to-student relationships. For youth in foster care, the opportunity to create social relationships and feel a sense of belonging is imperative to their well-being and future academic success. Given the challenges these youth face, career-connected learning opportunities teach youth in foster care about the world beyond them, expanding their social networks and capital and allowing them to see the bigger picture and their place in the world. These work-based learning opportunities can change these youth's perspectives about their lives and give them insight into the future they want for themselves. At this young age, their brains are still malleable, adaptable, and fertile grounds for innovation and exploration.

Recommendations

To ensure youth in foster care and other highly mobile populations are not left behind, policymakers and practitioners should prioritize their inclusion and address their comprehensive needs. This includes appointing designated liaisons to collaborate with foster care agencies and social workers, bridging education and child welfare systems to provide consistent and cohesive support.



Conclusion

Children and youth in foster care experience profound health disparities and face systemic barriers to accessing the services they need, jeopardizing both their well-being and educational success. Without intentional policy action, these challenges will continue to reinforce cycles of instability and inequity. Addressing these issues requires a coordinated, cross-sector approach that strengthens alignment among education, health, and child welfare systems.

Federal and state policy reforms—particularly through Medicaid, Titles IV-B and IV-E, and ESSA—present critical opportunities to break down bureaucratic silos, expand access to essential services, and create more seamless supports for youth in foster care. Policymakers have a unique opportunity to drive meaningful change by ensuring these policies work in tandem to improve outcomes, enhance program efficiency, and nurture resilience. Only through comprehensive and sustained efforts can we mitigate the lasting impacts of trauma and provide youth in foster care with the stability, resources, and opportunities they need to thrive.

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