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Little Overlap Exists Between ORR-Funded Foster Care and the US Domestic Foster Care System



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Why **OIG** Did This Review

- Hundreds of thousands of children need safe and stable out-of-home placements each year. Many States have faced shortages of foster families to care for these children.
- [ORR](#) places unaccompanied alien children in a variety of settings, including ORR-funded foster care, to help ensure their safety and wellbeing. ORR foster care and domestic foster care are administered and funded separately by different bureaus within [ACF](#).
- Policymakers have raised concerns that ORR's use of foster care for unaccompanied alien children could increase pressure on the US domestic foster care system by recruiting from an already limited number of foster homes.

What **OIG** Found



Approximately **8 percent** of all unaccompanied alien children in ORR's custody each month were placed in ORR-funded foster care in fiscal year 2024.

- Nearly all of these **15,553 unaccompanied alien children** were placed in short-term placements, with a median length of stay of **15 days**.
- For comparison, the **domestic foster care** program served nearly **570,000 children**, who averaged **over a year** in care.



ORR, States, and child placing agencies (CPAs) reported that ORR-funded foster care **did not impact the availability of foster families** for children in domestic foster care, and offered insights to support their views.

- States and CPAs **did not attribute** the foster family shortages experienced in domestic foster care to ORR, but rather attributed them to the increasingly complex needs of children entering domestic foster care.
- CPAs that work with families involved in both ORR and domestic foster care reported that **payment rates did not influence families' decisions** to foster with one program over the other. ORR has worked to align its payment rates to foster families with each State's payment rates to domestic foster families.
- According to ORR, States, and CPAs, families have different reasons for fostering children and these often align with **either** the ORR **or** the domestic foster care mission.

What **OIG** Concludes

These findings suggest that ORR's use of foster care did not negatively impact the availability of foster families in the US domestic foster care system. First, only a small percentage (8 percent) of unaccompanied alien children were placed with foster families, typically for brief periods. Second, officials from selected States and CPAs did not attribute domestic foster family shortages to ORR's use of foster care for unaccompanied alien children. The officials reported that families' reasons for fostering children often aligned with the mission and needs of either ORR or domestic foster care, but rarely of both. Thus, the pool of families each program recruits from is largely different.

Primer on Foster Care

Foster care is a temporary out-of-home placement for children and youth to promote their safety and well-being. The Administration for Children and Families (ACF) administers more than 60 programs, 2 of which involve providing foster care for different populations of children and youth.

Domestic Foster Care

The Children's Bureau in ACF provides support and funding to States and participating Territories and Tribes to provide safe and stable out-of-home care for children and youth until they are safely returned home; placed permanently with adoptive families or legal guardians; or placed in other planned arrangements for permanency.¹ For the purpose of this evaluation, we refer to this program as domestic foster care. In recent years, many States have struggled with shortages of foster families to care for the hundreds of thousands of children and youth who need care in the foster care system each year.²

Unaccompanied Alien Children

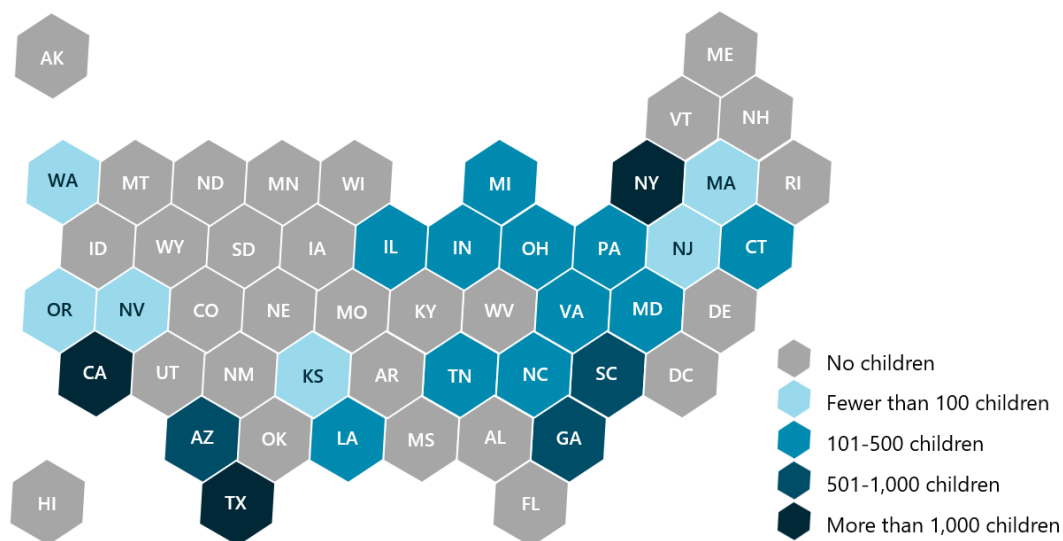
The Office of Refugee Resettlement (ORR) in ACF administers and funds a separate program to provide care for unaccompanied alien children. Unaccompanied alien children are children under the age of 18 who have no lawful immigration status in the United States and who have no parent or legal guardian in this country available to assume physical custody and provide care for them. In total, 98,356 children were referred to ORR care in fiscal year (FY) 2024, and the average length of time a child spent in ORR's care was 30 days. ORR's Unaccompanied Alien Children Bureau (formerly the Unaccompanied Children Program) funds a network of facilities that provide care to unaccompanied alien children, generally until suitable sponsors in the United States can assume custody.

In some cases, ORR places unaccompanied alien children into ORR-funded foster care, either transitional (i.e., short-term foster care) or long-term. ORR gives priority for transitional foster care placements to children under 13 years of age, sibling groups with one sibling under 13 years of age, pregnant/parenting teens, or children with special needs.³ Long-term foster care is used for children who are expected to have an extended stay⁴ (i.e., 4 months or longer) in ORR custody because they do not have a viable sponsor and are under the age of 17 and 6 months. ORR does not directly place any unaccompanied alien children into domestic foster care.



States are minimally involved in licensing ORR foster families because ORR contracts directly with child placing agencies (CPAs) that oversee this process. In FY 2024, ORR had more than 100 contracts with CPAs across 23 States. The top 4 States—New York, California, Texas, and Georgia—accounted for 73 percent of ORR foster care placements. See Exhibit 1 for the distribution across all States. The CPAs that contract with ORR are responsible for recruiting foster families and ensuring that they meet all applicable licensing requirements of their State of residence and ORR. CPAs reported that ORR foster families need to complete all State-required foster care training, as well as additional training specific to fostering unaccompanied alien children. Some of the CPAs that contracted with ORR also contracted with States for foster family recruitment and/or child placement services for the domestic foster care program. However, foster families cannot foster children from both programs at the same time. CPAs reported that it is very uncommon—and in some CPA agencies, prohibited—for families to switch from one program to the other.

Exhibit 1: Children’s ORR foster care placements were in 23 States in FY 2024.



Source: OIG analysis of ORR FY 2024 data, 2024.

Methodology

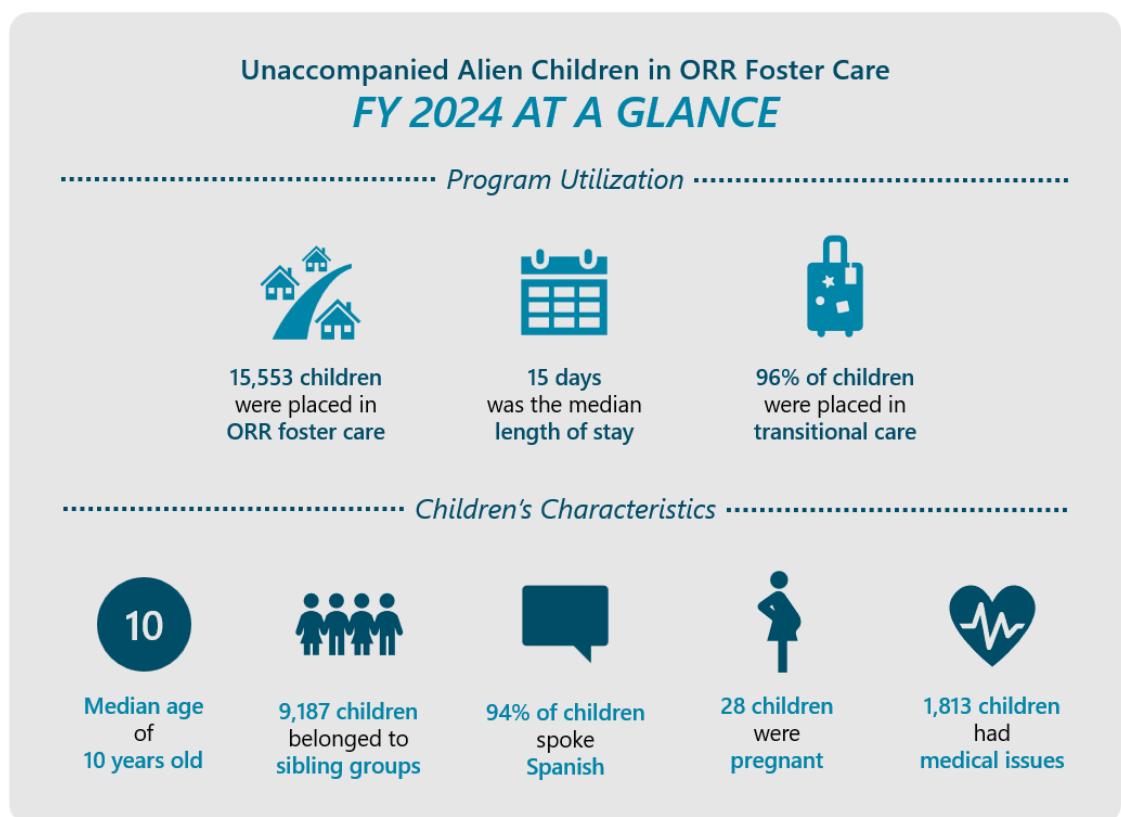
We examined how, and to what extent, ORR used foster care for unaccompanied alien children in FY 2024 and examined the intersections between ORR foster care and domestic foster care programs. We requested and analyzed data from ORR about the number and characteristics of unaccompanied alien children placed in ORR foster care; the details of their placements; and the total number of unaccompanied alien children in ORR’s custody each month of FY 2024.

We also purposively selected a sample of domestic foster care agencies and CPAs from New York, California, Texas, and Georgia. We contacted the child welfare directors in each of these States and they identified the relevant staff we should interview. We also interviewed knowledgeable staff from the CPA within each of the four States that placed the largest number of unaccompanied alien children. Each of the CPAs contracted with both the domestic and ORR foster care programs, and offered their insights and experiences in contracting with both programs. For more information, see the Detailed Methodology.

FINDINGS

Approximately 8 percent of all unaccompanied alien children in ORR's custody each month were placed in ORR-funded foster care in fiscal year 2024

In total, 15,553 children—representing about 8 percent of all children in ORR custody each month—were placed in ORR foster care in FY 2024. Nearly all of these children (96 percent) were placed in transitional (or short-term) placements.⁵ The median length of stay in an ORR foster care placement was 15 days. For comparison, there were nearly 570,000 children in the domestic foster care system nationwide in FY 2022 (the most recent year of data available).^{6, 7} Children in domestic foster care spent over a year in care (a median of 471 days or 15.5 months).



Source: OIG analysis of ORR FY 2024 data, 2024.

ORR, States, and CPAs reported that ORR-funded foster care did not impact the availability of foster families for domestic foster care

Officials from ORR, the four States with the largest number of ORR foster care placements, and CPAs reported that ORR foster care did not impact the availability of foster families for domestic foster care, and offered insights to support their views.

States did not attribute domestic foster family shortages to ORR foster care

Although officials from the selected States described domestic foster family shortages, they did not attribute these challenges to ORR's use of foster care for unaccompanied alien children.⁸ Instead, each State we interviewed attributed the shortage of domestic foster families primarily to more complex physical, mental, and behavioral needs of children who have entered foster care in recent years. Because children are entering care with heightened needs, foster families are being asked to provide a higher level of care and supervision, which may not be possible for some families. Additionally, one State said that a child with complex needs will likely need to be placed in a home without other children. They emphasized that many foster families in the domestic program prefer to foster a child such as an infant whose needs may be easier to meet than an older child's.

It is worth noting that while no States indicated that ORR recruited families away from fostering in the domestic system, one State did note that ORR and the domestic foster care system can find themselves competing for resources for congregate care. This State said that some congregate care providers that formerly had contracts with their domestic foster care began accepting contracts with ORR instead.⁹ We do not have more in-depth information about this possibility, as it was outside the scope of our work. This may be an area for future study.

Payment rates were not a factor in families' decisions to foster with one program or the other

CPAs that contract with both ORR and domestic foster care reported that payment rates did not influence families' decisions to foster with one program over the other. Officials reported that States establish foster family payment rates according to factors such as the level of care provided in the child's placement, the age of the child, or any special needs the child may have. CPAs noted that ORR's efforts to align foster family payment rates to the foster care rates set by each State have improved in recent years.

ORR reported that it has worked to align its payment rates for ORR foster care to the rates set by the State or locality in which each child is placed by ensuring that it receives updated State rates each year.

"This regular, continued alignment [of payment rates] aims to create a more equitable landscape for foster parents across State and ORR providers, ensuring all providers can attract and retain foster parents... **ORR aims to work in collaboration and not competition with State child welfare agencies.**"

-Office of Refugee Resettlement

Families have different reasons for fostering children and these often align with either the ORR or the domestic foster care mission

Families that are interested in fostering children are drawn to either ORR or domestic foster care for different reasons, according to ORR, States, and CPAs. Some families' goals for fostering children align with the domestic foster care program. For example, foster families who are interested in adopting children may be drawn to domestic foster care because ORR does not allow adoption of unaccompanied alien children. Other families may be drawn to ORR foster care because they share cultures, languages, or lived experiences with unaccompanied alien children. For example, 94 percent of children in ORR foster care were Spanish-speaking. One CPA reported that language was a significant factor in determining which program is a better fit for potential foster families. This is not always the case, as another CPA reported that there was a need for Spanish-speaking families in both the ORR and domestic foster care programs in its State so these families may elect to participate in either program.

"We don't push families towards one program or another—we talk about training options, placement options, etc., and **the families decide** at that point."

-Child Placing Agency

CONCLUSION

These findings suggest that ORR's use of foster care for unaccompanied alien children did not negatively impact the availability of foster families in the US domestic foster care system. In FY 2024, ORR placed about 8 percent of unaccompanied alien children each month in ORR-funded foster care (15,553 children total for the year). Nearly all of these unaccompanied alien children were placed in short-term placements, with a median length of stay of 15 days. For comparison, the domestic foster care program served nearly 570,000 children, who typically spent over a year in care.

Officials from selected States and CPAs did not attribute domestic foster family shortages to ORR's use of foster care for unaccompanied alien children. The officials reported that families' reasons for fostering children often aligned with the mission and needs of either ORR or domestic foster care, but rarely of both. Thus, the pool of families each program recruits from is largely different.

DETAILED METHODOLOGY

We examined how, and to what extent, ORR used foster care for unaccompanied alien children in FY 2024, and we examined the intersections between ORR foster care and domestic foster care programs.

We requested and analyzed data from ORR about the number and characteristics of unaccompanied alien children placed in ORR foster care during FY 2024; the details of their placements (i.e., transitional or long-term placement, dates, locations, child placing agencies); and the total number of unaccompanied alien children in ORR's custody each month of FY 2024.

We interviewed officials from ORR, from selected State domestic foster care agencies, and from selected child placing agencies to collect information about the extent to which ORR and domestic foster programs intersect. We purposively selected the domestic foster care agencies and child placing agencies to contact on the basis of the locations where the largest number of unaccompanied alien children were placed in ORR foster care. On the basis of the FY 2024 data we received from ORR, we found that the four States with the most children placed in ORR foster care were New York, California, Texas, and Georgia. We contacted the child welfare directors in each of these States, and they identified the relevant staff we should interview. We also selected and interviewed staff from the child placing agency within each of the four States that placed the largest number of unaccompanied alien children. Each of the child placing agencies contracted with both the domestic and ORR foster care programs. We analyzed the interviews to gain insights into ORR's use of foster care for unaccompanied alien children and to determine how it intersects with domestic foster care programs.

Limitations

The second finding of this report is based on interviews with a purposive sample of four State foster care agencies and four child placing agencies. The experiences of these agencies may not represent the experiences of other agencies. However, they do represent experiences that reflect the greatest number of ORR-funded foster care placements.

Standards

We conducted this study in accordance with the *Quality Standards for Inspection and Evaluation* issued by the Council of the Inspectors General on Integrity and Efficiency.

ENDNOTES

¹ The program is authorized by Title IV-E of the Social Security Act, as amended, and implemented at 45 CFR parts 1355, 1356, and 1357. ACF, [Foster Care](#). Accessed on January 8, 2025.

² NPR, [There's a nationwide shortage of foster care families](#), July 15, 2023. KFF Health News, ['Desperate Situation': States Are Housing High-Needs Foster Kids in Offices And Hotels](#), June 1, 2022. KVC, [The National Foster Care Placement Crisis: Why Are Kids Sleeping in Offices?](#), September 9, 2024. Child Welfare Monitor, [The child placement crisis: It's time to lose the slogans and find real solutions](#), October 15, 2023. Each accessed on January 8, 2025.

³ [ORR Policy Guide](#), section 1.2.2. Accessed on October 28, 2024.

⁴ "ORR considers a stay of four (4) months or longer to be an 'extended stay' case. Extended stay cases generally occur when the child has no identified sponsor and: [a] legal service provider or attorney has screened the child as eligible for immigration relief; or [a]nother reason prevents return of the unaccompanied alien child to the home country, such as the child's country of origin is in a state of emergency, indicating that the child will likely not be repatriated for an extended period of time." [ORR Policy Guide](#), section 1.4.3. Accessed on March 6, 2025.

⁵ The remaining children (4 percent) were placed in long-term foster care, or in non-family settings including residential treatment centers or therapeutic group homes.

⁶ ACF, [The AFCARS Report](#). Accessed on September 30, 2024.

⁷ Of all foster care placements needed in the US, children placed in ORR foster care represented less than 3 percent.

⁸ Ongoing OIG work ([Audit of Efforts of State Agencies to Ensure the Safety of Children in Foster Care](#)) is exploring the broader issue of domestic foster care placement shortages by examining States' use of emergency placements when a permanent placement is not available.

⁹ Staff from this State suggested that some possible reasons for which these providers sought contracts with ORR may include different needs of the children in each program, their State's efforts to reduce the use of congregate care for children in domestic foster care, and differences in how ORR pays these providers.

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