

NOVEMBER 2023

Untapped Potential: Economic and Social Costs of Colorado's Foster Youth

Author: John Farnam, Morgridge Child Welfare Fellow

Just a small fraction of the state's foster youth have an outsized impact on the economy. The lifetime social and economic costs range from \$66 million to \$73 million for the single group of 213 youth aging out of the foster system in an average year.

Over ten years, this will equal \$660 million to \$730 million in lost economic and societal costs.

Bottom line: Coloradans are paying the societal and economic costs on the back end of a foster care intervention that did not lead to permanency. Policies which pay for performance at the front end and invest in high school graduation are key.

OUTCOMES FOR FOSTER CARE VS. GENERAL POPULATION



Early parenthood - 13 times higher for women aging out of the foster care system.



Homelessness - 6 times greater risk than the population at large.



High school graduation - 30% of foster youth graduate from high school.

Youth experiencing homelessness graduated from high school at nearly twice that rate, 55.4%.



Incarceration - 26% of former foster youth in Colorado aged 21 in 2021 had been incarcerated in the last two years compared to 0.06%, for young people up to 21 years old in the general population.

LIFETIME SOCIETAL AND ECONOMIC COSTS

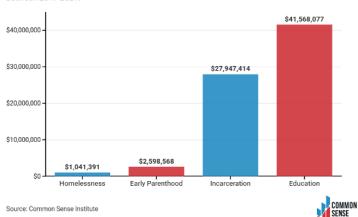
Incarceration - Costs related to incarceration ranged from \$21 million to \$28 million, or \$99,776 to \$131,209 per person.

Education - In 2022, only 30% of the foster care youth in Colorado schools graduated from high school. The costs of not graduating high school amounted to \$42 million, or \$195,155 per person.

Early Parenthood - Costs of early parenthood amounted to \$2.6 million, or \$12,200 per person.

Homelessness - Costs linked to homelessness ranged from \$528,985 to \$1 million, or \$2,483 to \$4,889 per person.

Lifelong Costs for Negative Outcomes of One Year of Colorado Foster Care Age-Outs Costs shown are the higher cost estimates for 213 youth - the average number of age outs between 2017-2021.



A full set of recommendations can be found in the report, "Untapped Potential: Economic Costs of Colorado's Foster Youth," at CSInstituteCO.org.