



Testimony Before the House Appropriations Subcommittee on Health  
and Human Services

**Presented by Ursula Ahart, Executive Director**  
**Federation of Youth Services**

Chairperson Roth and Members of the Committee,

Good afternoon, My name is Ursula Ahart, I'm the Executive Director of Federation of Youth Services located in Detroit, MI. Thank you for the opportunity to speak with you today about the services we provide to our youth.

The Federation of Youth Services provides Independent Living and Independent Living Plus (ILP) programming. Independent Living Plus, or ILP, is a transitional program for youth ages 16 to 20 who are temporary or permanent court wards and preparing to transition out of foster care. These are young people who cannot return home, cannot be placed in a traditional foster family setting, and for whom adoption is not planned. We accept placements for youth from across the State of Michigan.

ILP provides safe, supervised housing combined with intensive life skills development. Youth live in either staff-supported housing or approved host homes, maintain school or employment, participate in budgeting and financial planning, and work closely with a Case Manager and a Life Skills Coach to build the skills necessary for stable adulthood.

ILP is a critical part of Michigan's child welfare continuum. It serves as the bridge between foster care and stable adulthood for young people who do not have a permanent family safety net to rely on. Youth referred to ILP services are coming from Residential settings and foster homes.



When we think about our own children, or reflect on when we were between the ages of 16 and 20, most of us recognize how much guidance, structure, and accountability is still needed during those years. For youth in foster care, ILP provides that structure.

As you are aware, many of our youth have experienced complex trauma, instability, and repeated placement disruptions. When youth come to our program, they are often afraid of what their future will be, and many admit that they feel lost. Our task is to build the confidence of each youth we touch and give them a path to success. For many, this is their last opportunity for structured support before they age out of care.

Our agency has had many successes. Over the past five years, we have a 100% success rate in graduating youth 'by age 18, who came to us with at least 5 credits toward graduation (18-22 needed to graduate). In this time period, we have graduated twelve (12) youth, with six (6) of those youth entering college. One young lady, came to us with a history of abuse and neglect and over sixteen foster care placements and three high school changes. After two and a half years of stability and support with our agency, this young lady went on to graduate from High School with a 2.9gpa, and she attends Ferris State University, where she is studying to be a Social Worker. Ironically, this youth was placed with a foster care agency where I previously worked (over 10 years ago), so watching her accomplish this goal was especially satisfying. She continues to be supported while at Ferris as an Independent Living youth, by an agency in the area. However, she continues to call us weekly with new boyfriend updates, and school successes. Without the treatment, stability and care provided by my amazing staff, this outcome would have been more difficult to achieve,

We appreciate that the Executive budget includes a recommendation in Section 546(2) that recognizes the importance of Independent Living Plus and the real cost pressures facing these programs. This proposal acknowledges rising housing costs, utilities, food, staffing wages, and compliance requirements that directly impact the stability of ILP placements. Section 546(2) includes a per diem rate of \$252.30 per day for staff-supported housing and \$119.95 per day for host-home housing. This reflects a 20 percent increase to current ILP rates.

Providers are currently operating in a workforce environment where direct care staff, those that work directly with our youth everyday, can often earn more in retail or food service positions with far less responsibility. Without competitive rates, agencies struggle to recruit and retain qualified staff. When staff turnover increases, youth stability decreases.

Additionally, the youth who are served in our Staff Supported housing setting are only required by contract to have staff present for supervision from 3pm-7am, However, since inception, many ILP programs have had to staff 24/7 to ensure youth are supervised adequately. ILP Staff-supported housing programs have never been compensated for the additional shift (7am-3pm). Our youth often struggle to maintain school placement, with many requiring online credit-recovery rather than traditional school settings because they come to us with few or no



high school credits. Those youth must be monitored and encouraged to participate, requiring staff supervision. Also, our morning staff transport youth to school and facilitate routine medical and dental care. Agencies providing ILP have had to absorb this cost since the contract's inception in 2014.

The proposed per diem adjustment helps stabilize the workforce and sustain housing options for older youth who would otherwise face homelessness or unsafe living arrangements. We know that youth aging out of care are at heightened risk for housing instability, unemployment, and involvement with the justice system. Stable, well-supported ILP placements are not just compassionate, they are fiscally responsible. Preventing homelessness and crisis intervention costs far more costly than investing in structured, supportive housing now.

The boilerplate language also removes the requirement that ILP contracts be based on proposals submitted in response to a solicitation for pricing, an approach supported by both ILP providers and the department given the limited and specialized nature of the service area.

This change is about flexibility and continuity. In a limited provider market, especially for specialized housing models like staff-supported and host-home placements, rigid procurement cycles can disrupt services and discourage provider participation. Removing this requirement allows the department to negotiate rates that reflect actual costs and community needs while maintaining oversight and accountability.

This is not about reducing transparency. It is about ensuring continuity of care and preventing gaps in service for youth who cannot afford instability.

Just for a moment, I would like to turn to Section 546(1) and the Foster Care Administrative Rate. This language affects our youth who are placed in Independent Living setting, such as the youth mentioned previously who is living "on her own" at Ferris State University.,

The boilerplate maintains the \$60.20 administrative rate for general foster care, independent living, and trial reunification services. It also introduces a reduction to \$54.18 if providers do not meet two key performance benchmarks: 85 percent sibling visitation and 95 percent caseworker visit compliance.

Let me be clear: the goals behind these benchmarks are important and worthy. Sibling visitation preserves critical family bonds. Regular caseworker visits are essential to child safety, permanency planning, and quality oversight. Accountability matters.



However, we must carefully consider how financial penalties tied to benchmarks function in practice.

Providers do not operate in a vacuum. Caseworker visits can be affected by staff vacancies, geographic challenges, court schedules, transportation barriers, and public health disruptions. Sibling visitation may be impacted by placement distances, court orders, behavioral health needs, or limited foster home capacity that can accommodate sibling groups.

When providers fall short of benchmarks due to systemic constraints beyond their direct control, reducing the administrative rate may unintentionally weaken the very infrastructure needed to improve performance. A reduction from \$60.20 to \$54.18 may seem modest on paper, but across hundreds of cases, it represents a significant funding loss, which includes funding that supports case management, compliance monitoring, training, and quality improvement.

If we reduce resources to agencies already operating in a tight fiscal and workforce environment, we risk creating a cycle where performance challenges lead to funding cuts, which in turn make it harder to meet performance standards.

As you consider advancing this language, I encourage the Committee to ensure that performance measures are paired with realistic implementation supports such as, adequate staffing levels, data infrastructure, and flexibility in extraordinary circumstances. Accountability should drive improvement, not destabilization.

In closing, Section 546(2) provides a necessary and responsible investment in Independent Living Plus services, recognizing real cost pressures and the urgent needs of youth preparing for adulthood. Advancing this provision will protect housing stability and strengthen outcomes for some of the most vulnerable young people in our care.

At the same time, as you move forward with Section 546(1), I urge careful consideration of how performance-based rate adjustments are structured and implemented, so that we uphold high standards while preserving the capacity of providers to meet them.

These decisions are not simply line items in a budget. They shape the daily realities of children, youth, and families who depend on a stable, well-resourced system.

Thank you for your time, your leadership, and your commitment to the children and families we serve. I respectfully ask for your support in advancing these provisions in a way that strengthens both accountability and stability across our child welfare system.

