Corporation for Supportive Housing

Issue Brief: Optimizing Resources for Successful Youth Transitions from Foster Care

August 2026

INTRODUCTION

There is an opportunity for jurisdictions to better align and coordinate federal, state, and local resources to create a continuous and extended pathway of housing stability and support for youth and young adults transitioning from foster care. Currently, gaps in transition support exist because programs are often siloed, uncoordinated and have varying eligibility requirements and time limits, and short-sighted policies and practices.

This brief proposes a more coordinated and optimized approach that emphasizes strategic sequencing, layering, and extending of cross-sector supports throughout the transition from foster care to adulthood, helping ensure access to housing, education, economic security, health, and well-being support through age 26.

THE ISSUE

Young adults transitioning out of foster care often carry lengthy experiences with significant and prolonged adversity, trauma, and loss. Many spend portions of their childhood under the supervision of a child welfare system, entering care after separation from their families and later exiting without being reunified or adopted. While child welfare systems play an essential protective role, they are not designed to fully replicate the support, guidance, and developmental opportunities that a family structure typically provide, and many young people consequently miss important milestones that help prepare them for adulthood. In addition, they often lack the familial guidance and safety net that many of their peers rely on while navigating early adulthood, such as exploring interests and opportunities, pursuing educational or career pathways, living independently for the first time, and having a place to return when additional support is needed.

Child welfare agencies, courts, and community partners have made progress in preventing unnecessary entries into foster care and helping children and youth achieve permanency. Still, far too many young people exit foster care without permanency or the consistent connections, housing, services, and transition supports they need through the critical stages of later adolescent development. While the overall foster care population has gradually declined, often the young people that continue languishing in and aging out of foster care face challenging histories and complex, higher acuity needs. In FY2025, over 15,000 young people exited foster care without connections to a stable family. Although approximately 1 in 10 youth and young adults experience homelessness annually, young people exiting foster care face significantly greater housing challenges. More than 40 percent experience housing instability within two years of leaving care.

Child welfare agencies are required to develop transition plans before young people leave foster care, yet many plans do not adequately address long-term needs, particularly housing stability. While there are a number of resources and programs that can support youth transitioning from foster care, many young people do not receive coordinated support needed for a successful long-term transition.

In some jurisdictions, budget constraints or state policy decisions lead programs to use available resources early rather than strategically sequencing them over time. This approach can shorten the duration of support and leave young people without adequate assistance during a critical period of transition to adulthood.

Problem

- When youth exit foster care, critical support often ends before stability is achieved.

Contributing Factors

- Systems do not make adequate substitutes for family
- Systems are not designed to support developmental milestones
- Young people miss critical adolescent experiences needed for adulthood
- Resources are insufficient, fragmented, and inefficiently sequenced
- Support often ends too early, despite ongoing need

Result

- Young people transition from foster care to adulthood without critical safety nets, skills, experiences, and support needed to secure stable housing, education, employment, health, well-being and economic mobility.

YOUTH TRANSITION RESOURCES

The landscape of federal, state and local policies and resources is constantly shifting. State and local jurisdictions make differing policy choices for implementation of federal programs, with many having complimentary state or locally funded programs. The following chart provides examples of these programs and other safety net resources commonly utilized to support young adult transitions, including both youth-specific and adult-focused. The following chart provides examples of these programs and other safety net resources commonly utilized to support young adult transitions, including both youth-specific and adult-focused.

Child Welfare	John H. Chafee Foster Care Program for Successful Transition to Adulthood (Chafee) Education and Training Vouchers (ETV) Extended Foster Care Independent Living/Transition Supports Aftercare Supports
Youth Homeless	Basic Center Program (BCP) Transitional Living Program Maternity Group Homes Program (MGH) Street Outreach Program (SOP) Other runaway/homeless youth programs
Homeless Response	Continuum of Care/Coordinated Entry Rapid Re-housing, Transitional, Supportive Housing Youth Homelessness Demonstration Program (YHDP) Youth Homelessness Systems Improvement (YHSI) Emergency Solutions Grants (ESG)
Housing	Foster Youth to Independence (FYI) Initiative and Family Unification Program (FUP) Housing Choice Voucher (HCV) Family Self-Sufficiency (FSS) Program Affordable Housing Supportive Housing
Education and Training	Federal Student Aid Career and Technical Education / Workforce Training McKinney-Vento Education for Homeless Children and Youth Program State and Local Higher Education Programs
Workforce	Workforce Innovation and Opportunity Act (WIOA) Youth and Adult Programs YouthBuild JobCorps/AmeriCorps Reentry Employment Supports
Healthcare	Medicaid Extended Medicaid for Former Foster Youth Federally Qualified Health Centers Behavioral Health (mental health/substance use)
Human Services	Supplemental Nutrition Assistance Temporary Aid to Needy Families Low Income Energy Assistance SSI/SSDI Direct Cash Assistance Other economic/concrete supports

EXISTING GAPS AND CHALLENGES

The programs most often used to support young people transitioning from foster care do not align in their age limits, eligibility requirements, or benefit periods. This misalignment can make it difficult to create seamless transition plans and often contributes to gaps in support as young people move from one program or system to another.

For example, Extended Foster Care ends at age 21, while services funded through the John H. Chafee Foster Care Program for Successful Transition to Adulthood extend to age 23. Medicaid coverage for former foster youth extends to age 26. Education and Training Vouchers (ETV) are available through age 26 but are limited to five years of use within the eight-year period between ages 18 and 26. Workforce Innovation and Opportunity Act (WIOA) youth programs support can extend to age 24. Foster Youth to Independence (FYI) housing vouchers can be issued to young people aged 18 through 24 with a time limit of 3 years, although qualifying extensions for eligible young people can offer a maximum time limit of 5 years of rental assistance.

The multiple agencies, systems, and programs that provide youth transition services often operate in silos, limiting their ability to coordinate with one another and with young people to holistically plan and deliver services and support. As young people move between programs and from child- and youth-serving systems to adult-serving systems, gaps in services and supports can occur.

Misaligned age limits, time limits, and other eligibility requirements often contribute to these gaps. In some cases, programs transition young people to the next service early to avoid a lapse in services rather than coordinating support and bridging gaps. This approach can undermine efforts to create extended pathways of support through emerging adulthood.

As state and local jurisdictions navigate budget constraints and funding challenges, some seek to reduce costs by limiting resources, shifting costs across systems, or encouraging earlier exits from programs. These decisions can affect the availability and duration of supports for young people transitioning from foster care. In some cases, jurisdictions maximize the use of available youth-focused resources as early as possible to fill funding gaps or reduce state expenditures. This approach can shorten the period during which young people receive support. A more effective strategy is to coordinate and sequence resources across systems to create a continuous pathway of support through age 26.

For example, public child welfare agencies often fund Extended Foster Care, Chafee services, and other transition and aftercare programs through a mix of federal and state sources. In many cases, states must provide matching funds to receive federal funding. Together, these funds pay for program costs. When state budgets tighten, they may struggle to cover their share of program costs, leading them to reduce caseloads, supportive living options, or other services within Extended Foster Care. When state budgets tighten, they may struggle to cover their share of program costs, leading them to reduce caseloads, Some states return underused Chafee or ETV funds because of inadequate appropriation of state funding to cover their match of these federal funding sources, despite young people having unmet transition needs. supportive living options, or other services within Extended Foster Care. Some states return underused Chafee or ETV funds because of inadequate appropriation of state funding to cover their match of these federal funding sources, despite young people having unmet transition needs.

Because Chafee and FYI vouchers offer more flexible federal funds and housing subsidies, some states may feel incentivized to shift young people away from higher-cost state obligations like extended foster care towards these federally funded housing programs. While these programs are important transition resources, this shift may result in a premature departure from the more comprehensive safety net of Extended Foster Care, thereby reducing access to case management, independent living planning, supervised independent living, and system oversight. In addition, these young people may face service gaps when they are most in need, may be less prepared to sustain housing independently, and may reach their FYI/FUP housing maximum time limit earlier, potentially putting them at greater risk of homelessness and other transition challenges. Yet, maximizing the time from ages 18-21 in Extended Foster Care increases likelihood of positive outcomes and developmental milestones and decreases likelihood of disrupted transitions and negative outcomes.

RESOURCE OPTIMIZATION STRATEGY

An optimal model to support youth transitions from foster care through emerging adulthood requires collaboration, strategic sequencing, layering of resources to support young people across critical life domains from ages 18 to 26. This includes ensuring stable and appropriate housing options throughout this timeframe.

Optimization Strategy Elements:

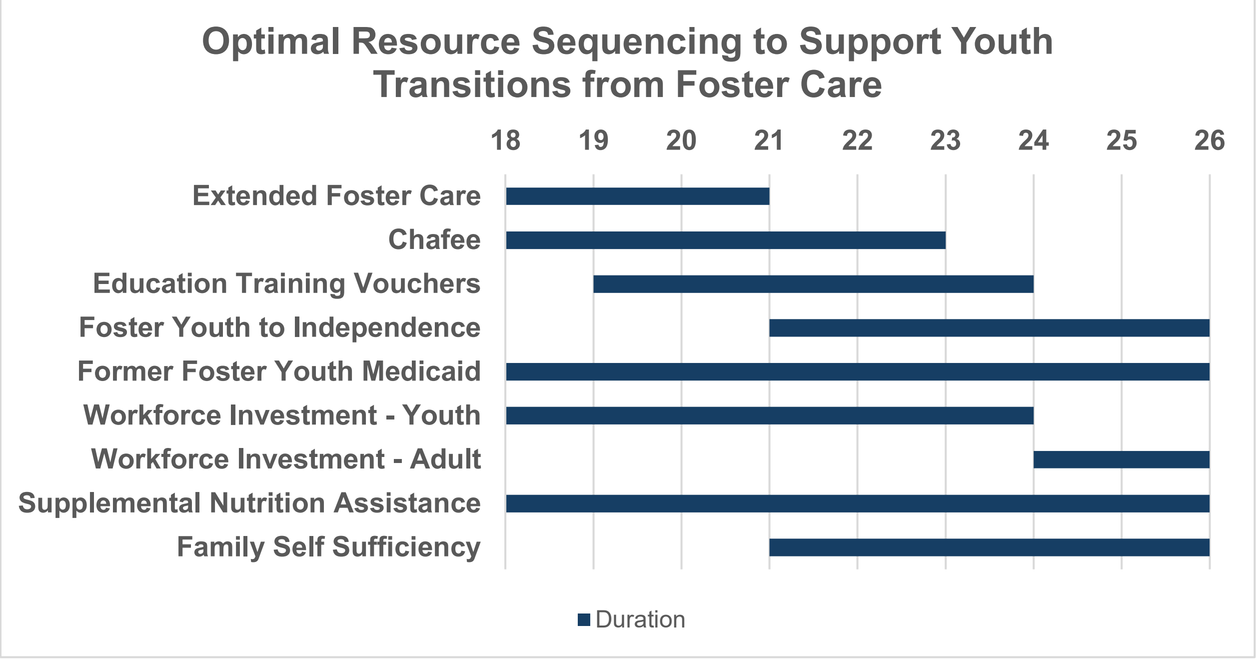
- **Create a shared cross-sector transition framework**
  - Co-design the framework with cross-sector partners and young adults.
  - Map youth transition programs, including age, timing, and eligibility requirements.
  - Develop a shared plan to sequence and layer funding, reduce duplication and gaps, and clarify roles and responsibilities.
- **Operationalize a youth and young adult transition coordination system**
  - Establish shared cross-sector responsibility and structure to deliver and monitor continuous transition services through age 26, in partnership with young people and community partners.
  - Monitor and improve the system, streamline eligibility and enrollment, and jointly secure and sustain funding.
  - Ensure young people know about and can navigate extended care, transition supports, and housing assistance.

- Provide flexible, coordinated, person-centered transition services that start early and align resources to support housing stability and successful transitions from ages 18 to 26.

OPTIMAL SEQUENCING AND LAYERING

While each young person's goals and support needs are different, optimal transition plans should be developed in partnership with young people and cross-sector partners. Better coordination, sequencing, and alignment of resources and services can strengthen housing stability and support successful transitions to adulthood through age 26. This approach can help reduce homelessness, increase educational attainment, improve employment and economic security, promote long-term health and well-being, make more efficient use of public resources with reduced duplication.

The chart below offers a proposal for how to sequence, layer and algin these critical resources.



Example: Sequence and layer key resources that can support youth transitions from ages 18 through 25. (Not all inclusive - consider other cross-sector and community resources)

RECOMMENDATIONS

The table below illustrates how current common practices can create transition challenges and identifies aligned recommendations to improve continuity, coordination, and housing stability.

Current Practice	Common Drivers	Challenge Created	Recommendation
Limited transition planning and coordination across ages 18–26.	Multiple system disconnects, resource and staffing constraints, and misaligned mandates.	Increased instability, poorer outcomes, and service or benefit gaps and cliffs during transition.	Establish a statewide transition sequencing and coordination framework. Ensure young people can access extended care, transition supports, and housing assistance, with co-enrollment, warm handoffs and coordination across systems.
Young people exit extended foster care early.	Budget pressures and high state cost share for placement, stipends, and case management. Youth dissatisfaction with limited range of placement and independent living options.	Reduced structure and support, with increased risk of homelessness.	Encourage and support participation in extended foster care through age 21. Provide flexible and supportive placement and independent living options as part of Extended Foster Care that match needs and promote housing stability.
Young people are referred to FYI too early, at ages 18 or 19.	Efforts to shift costs to federal resources outside the child welfare budget.	The voucher time limit begins too soon, causing housing assistance to end before young people are prepared to cover housing costs.	Refer young people to FYI up to 180 days before age 21 to align with the transition from Extended Foster Care. Prioritize investments in effective Extended

		Young people face eviction or other hardships.	Foster Care through age 21.
Other federal programs are used to replace state child welfare obligations.	Budget constraints and pressure to shift costs to federal resources.	Shorter support timelines and gaps in transition services array, increasing the risk of instability.	Coordinate and supplement internal and cross-sector resources rather than substituting them for child welfare responsibilities.
Chafee, ETV, and other transition services are underused.	Budget constraints and limited alignment of wraparound transition planning.	Gaps in transition navigation, independent living skills, education supports, and housing resources.	Track eligibility, conduct active outreach, and streamline and enrollment. Braid programs and supportive services with extended foster care, followed by expanded housing stability models including FYI or supportive housing as appropriate.

THINGS YOU CAN DO NOW

These immediate actions can help partners move from shared understanding to coordinated implementation.

1. Convene cross-sector partners and young people to define transition challenges and share resource optimization goals.
2. Map existing resources, how they are sequenced, and where gaps or opportunities exist to realign, braid, or enhance supports.
3. Co-design and implement a plan to sequence, layer, and braid key resources into extended pathways from foster care to adulthood.
4. Elevate funding and policy gaps to key partners, leaders, and policymakers.

CONCLUSION

Young people transitioning from foster care should not lose access to critical supports simply because they age out of one program or become eligible for another. Coordinated transition planning and strong alignment across federal, state, local, and cross-sector partners can help ensure young people transitioning from foster care receive continuous support from ages 18 to 26. By intentionally sequencing and layering housing, education, employment, health, and economic supports, states can reduce service gaps, strengthen housing stability, and improve long-term outcomes. This approach not only supports more successful transitions to adulthood but also maximizes the impact of public investments by reducing duplication and making better use of available resources.

RESOURCES

- Housing and Child Welfare Resource Hub | One Roof
- Youth Housing Voucher Briefs | CSH
- Youth in Transition | AECF
- Improving Outcomes for Young Adults and the Systems that Serve Them: A Playbook of Best Practices | APHSA, Foster Club, Youth Villages
- National Center for Housing + Health - Resources | Powered by CSH

ABOUT US

CSH (Corporation for Supportive Housing) advances affordable housing aligned with services by advocating for effective policies and funding, investing in communities, and strengthening the supportive housing field. Since our founding in 1991, CSH has been the only national nonprofit intermediary focused solely on increasing the availability of supportive housing. As an intermediary, we do not directly develop or operate housing but center our approach on collaboration with a wide range of people, partners, and sectors.

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