

# Funding Permanency Services:

A GUIDE TO LEVERAGING FEDERAL, STATE, AND LOCAL DOLLARS



THE ANNIE E. CASEY FOUNDATION



## THE ANNIE E. CASEY FOUNDATION

The Annie E. Casey Foundation is a private charitable organization dedicated to helping build better futures for disadvantaged children in the United States. It was established in 1948 by Jim Casey, founder of UPS, and his siblings, who named the Foundation in honor of their mother.

The Foundation facilitates significant, measurable, and lasting improvements in the way large public systems meet the needs of children and families. Through its Child Welfare Strategy Group (CWSG), a management consulting unit within the Center for Effective Family Services and Systems, Casey collaborates with public sector clients and others to transform child welfare systems and improve the lives of children and families.

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*“There are funding sources available to develop and provide innovative preventive, permanency, and post- permanency services. It is important that state child welfare leaders look at maximizing the federal dollars available to them and strategically direct state and local dollars to the full continuum of services that make a difference for children and families.”*

*- Sarah B. Greenblatt, Jim Casey Youth Opportunities Initiative*

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## ACKNOWLEDGEMENTS

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Many thanks to national consultants Donald Schmid and Madelyn Freundlich, and to Sarah Greenblatt, founding director of the former Casey Center for Effective Child Welfare Practice, for so carefully capturing the complex steps states and localities can take to fund a comprehensive array of promising permanency and post-permanency services.

This work was originally developed and supported by the Casey Center, part of the Annie E. Casey Foundation/Casey Family Services. In 2010, the Casey Center staff joined the Child Welfare Strategy Group, a unit within the Foundation's Center for Effective Family Services and Systems.

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Our appreciation to the reviewers from public child welfare agencies who offered detailed, thoughtful feedback on this paper:

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## INTRODUCTION

Numerous federal funding sources are available for child welfare services; they can be used separately or in combination to provide assistance to vulnerable children and families. Often states and localities are not familiar with how best to maximize these federal funding streams to provide permanency services that support children and families.

In addition to maximizing Title IV-E, child welfare leaders can achieve positive outcomes for children in foster care (and those who remain in their own homes) by:

- maximizing federal Medicaid dollars for treatment services and
- more strategically using state and local dollars for services.

This paper helps child welfare directors and fiscal managers become even more familiar with the intricacies of child welfare funding, including funding streams and dollars recently made possible by the federal Fostering Connections to Success and Increasing Adoptions Act of 2008. It also describes how reducing a system's overreliance on congregate care, a costly service that is less beneficial to children, can encourage reinvestment in community-based permanency services for children and families.

Readers will find descriptions of states and localities that have funded permanence by implementing one or more of four key strategies:

1. **Maximizing Title IV-E reimbursements.** It is not uncommon for states to find, upon careful analysis, that they have under-claimed Title IV-E reimbursement.
2. **Generating savings for community-based services.** Congregate care placement is costly and associated with poor permanency outcomes for children and youth in foster care. One way to improve permanency rates and find savings is to reduce reliance on congregate care. It is essential, however, that as congregate care is reduced, leaders forge agreements with elected officials to reinvest any savings into community and family-based services to help struggling families.
3. **Accessing new and existing Title IV-E training dollars.** New legislation spells out how Title IV-E dollars can be used for training, freeing up state and local money for other staff development needs.
4. **Leveraging federal dollars to fund a permanency continuum.** Supporting vulnerable children and families means finding the right mix of federal funding streams to support community-based permanency services.

### *An agreement to reinvest savings is key*

As child welfare directors and fiscal officers look to spend smarter, they must first negotiate an agreement with elected officials to reinvest savings into needed community and family-based services. With such an agreement in place, states and localities can implement the strategies highlighted in this paper to ensure their communities receive a fair share of federal dollars and build a service array that improves permanency outcomes.

## MAXIMIZING TITLE IV-E REIMBURSEMENTS

Currently, every state has the potential to increase federal Title IV-E revenue through improved fiscal management systems and sustain state general fund savings in the child welfare services base budget.

Title IV-E funding is an open-ended entitlement and because of this, along with Medicaid, should be used before spending dollars from grants, discretionary monies, and other federal funding streams. Title IV-E is not a grant. It is a federal reimbursement for certain expenditures made by public Title IV-E agencies related to eligible children placed in foster care, with adoptive families, and, most recently, with relative guardians.

In addition, Title IV-E serves as an underutilized federal revenue source for placement prevention and reunification services for “candidates for foster care.” Title IV-E funds can be used to strengthen and stabilize families so children can remain safely at home. All jurisdictions are familiar with the use of Title IV-E for children placed in foster care, but some jurisdictions have only recently begun to use Title IV-E to serve the population of “candidates for foster care,” despite a 1987 Health and Human Services Department Appeals Board (DAB #844) ruling allowing such use.

By using Title IV-E funding for “candidates for foster care,” child welfare leaders can then leverage state and local dollars with federal funds to develop and deliver a range of activities that can keep children safely at home. The most frequently used activities include case planning, case management, and case review, all of which are Title IV-E reimbursable {45 CFR 1356.60 (c)}.

Though it often is not fully understood, Title IV-E is in fact a funding source that states can use in flexible and innovative ways. States can increase federal Title IV-E reimbursements and use this money to fund child welfare priorities without necessarily increasing the state share of the overall child welfare budget by taking five critical fiscal management steps:

**STEP #1:** Review the state’s Title IV-E policies to assure foster care, adoption, and relative guardianship assistance eligibility requirements are correctly applied.

**STEP #2:** Review the state’s Cost Allocation Plan (CAP) to determine if federal funding is being maximized and whether claims follow the CAP.

**STEP #3:** Review how the funding source for “Purchase of Service Contracts” is determined and whether federal funds are maximized.

**STEP #4:** Review Random Moment Time Study (RMTS) definitions to assure that current practice is reflected and federal funding is maximized.

**STEP #5:** Establish a Title IV-E Quality Assurance Protocol to strengthen internal management controls and increase the number of children who are potentially Title IV-E eligible.



## STEP #1: REVIEW THE STATE'S TITLE IV-E POLICIES TO ASSURE FOSTER CARE, ADOPTION, AND RELATIVE GUARDIANSHIP ASSISTANCE ELIGIBILITY REQUIREMENTS ARE CORRECTLY APPLIED.

The Title IV-E penetration rate is the key to federal IV-E reimbursements, yet accurately calculating the eligibility requirements for Title IV-E is very complex. Some requirements appear to be vague or are open to interpretation. In addition, a child's eligibility for Title IV-E is tied to the parent's eligibility for the now-defunct federal Aid to Families with Dependent Children program as of 1996 (when it was replaced by the Temporary Assistance to Needy Families [TANF] program). As a result, not all states have an equal opportunity to increase their Title IV-E eligibility and penetration rates to the same extent.

Every three years, the Children's Bureau conducts a Title IV-E eligibility review to determine whether states are properly determining if a child in foster care is Title IV-E eligible. Since the reviews began in FY 2000, 30 states, as well as Washington, D.C., and Puerto Rico, have failed a primary Title IV-E audit (58 per cent of all jurisdictions). One state failed a secondary review. As states fail reviews, they typically become more conservative and determine that some children who could be Title IV-E eligible should be classified as Title IV-E ineligible. Sometimes, states develop more restrictive policies than the federal Title IV-E guidelines require.

In addition, in states that determine Title IV-E eligibility at the district, county, or regional level, the percentage of children approved for Title IV-E eligibility varies widely and cannot be explained by demographics. This variation is due to interpretation and lack of a centralized oversight system. Some counties and states have addressed this by centralizing their eligibility determination process to include detailed, timely management reports and regular meetings with all staff involved, including legal, eligibility, finance, and foster care provider licensing staff. At a minimum, this produces a consistent interpretation of state and federal Title IV-E laws, regulations, and policies.

There are several reasons why states may have a lower Title IV-E penetration rate apart from the legal and AFDC-related requirements. For example, states that promote relative placements and have a disproportionate number of relative homes that are not fully licensed nor are intending to be licensed tend to have a lower Title IV-E penetration rate. In addition, a few states initially use TANF/SSBG/IV-B funds for foster care maintenance rather than IV-E because they do not have the non-federal state match required by Title IV-E. This also results in a significantly lower IV-E penetration rate.

The percentage of children eligible for Title IV-E foster care varies by state, ranging from approximately 25 percent to more than 70 percent of children in foster care.<sup>1</sup> The percentage, known as the foster care Title IV-E "penetration rate," is determined by dividing the number of children in foster care who are Title IV-E eligible by the total number of children in foster care.

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<sup>1</sup> Schmid, D. (2010, April). Title IV-E penetration rate for foster care and adoption assistance in 21 selected states [survey].

States apply the penetration rate to their Title IV-E allowable administrative expenses, including child placement activities, and training expenses. States then apply the appropriate Federal Financial Participation (FFP) rate. Table 1 illustrates the federal share of administrative costs for three states at the established 50 percent FFP for administration.

Formula
$\frac{\text{\# of Title IV-E eligible children}}{\text{Total \# of children in foster care}} = \text{Title IV-E Penetration Rate}$
Federal Financial Participation (FFP) rate for Foster Care Administration Costs = 50%

Table 1: Federal Reimbursement under Title IV-E for Foster Care Administration Costs
<p>State A: <math>\frac{2,400}{6,000} = 40\%</math> penetration x 50% FFP = 20% federal reimbursement for administrative costs</p> <p>State B: <math>\frac{3,000}{6,000} = 50\%</math> penetration x 50% FFP = 25% federal reimbursement for administrative costs</p> <p>State C: <math>\frac{3,600}{6,000} = 60\%</math> penetration x 50% FFP = 30% federal reimbursement for administrative costs</p>

As Table 1 shows, the higher the foster care penetration rate, the greater the federal reimbursement of foster care administrative costs. State A must pay 80 percent of administrative costs with state and local dollars; State B must pay 75 percent of administrative costs with state and local dollars; and State C must pay 70 percent of administrative costs with state and local dollars. These examples illustrate how different penetration rates affect the level of state general funds required to provide foster care and adoption administrative and child placement services.

For example, an administrative cost pool of \$10 million with a penetration rate of 40 percent will have a reimbursement of \$2 million (\$10 million x 40% penetration rate x 50% FFP), while a penetration rate of 60 percent will have a reimbursement rate of \$3 million (\$10 million x 60% penetration rate x 50% FFP).

States required to meet a substantial percentage of foster care costs with state and local dollars often experience more financial difficulties providing preventive and early intervention services that would reduce the need for child protective and foster care services.



Table 2 illustrates common mistakes states make related to Title IV-E eligibility and appropriate solutions.

Table 2	
COMMON MISTAKES	SOLUTIONS
Ending the child's Title IV-E eligibility on the exact date the permanency finding is due	Continue to claim Title IV-E for eligible children through the end of the month in which the 12-month permanency finding is due. Federal policy states that, if a child is eligible for one day a month, the child is eligible for the entire month.
Ending the child's Title IV-E eligibility the exact date a foster care license expires	Continue to claim Title IV-E for eligible children through the end of the month in which the foster care license expires. The federal policy states that a foster home licensed for one day of the month is considered to be licensed for the entire month for Title IV-E eligibility purposes. <sup>2</sup>
Requiring the initial "reasonable efforts" finding be made in the initial order to remove	Allow the initial "reasonable efforts" finding to be made within 60 days of removal.
Requiring an adoptive family to be licensed as a foster family at the time of adoption	Do not require an adoptive family to be licensed as a foster family. Federal Title IV-E adoption policy does not have this requirement. This may represent a challenge for states in which fiscal measures or data tracking are not sophisticated enough to isolate foster family licensing information.
Requiring the "12 month reasonable efforts" finding be made for adoption assistance	Do not require for adoption assistance that the "12 month reasonable efforts" finding for foster care be made. Federal Title IV-E adoption policy does not require this finding.

In summary, states should:

- Evaluate Title IV-E foster care and adoption assistance eligibility requirements to ensure that policies are correctly applied.
- Compare their Title IV-E eligibility manuals or policies with other states in the same federal region to identify differences and the potential for a policy change. The advantage of reviewing Title IV-E eligibility manuals from the same region is that they probably were approved by the same federal regional office.

<sup>2</sup> If a license does not expire but is revoked, eligibility ends on the day the license is revoked.

**STEP #2: REVIEW THE STATE'S COST ALLOCATION PLAN (CAP) TO DETERMINE IF FEDERAL FUNDING IS BEING MAXIMIZED AND REVIEW WHETHER CLAIMS FOLLOW THE CAP.**

The state's child welfare Cost Allocation Plan (CAP) describes how the state will distribute all child welfare program costs fairly to various local, state, and federal funding sources. The child welfare CAP is typically part of a larger cost allocation plan the agency submits for all federal programs. States often under-claim potential Title IV-E reimbursements because their CAPs do not fully incorporate changes in federal rulings or regulations, or because the plans were developed by staff with limited program knowledge. Table 3 outlines common mistakes and possible solutions. Direct expenses refer to salary, benefits, and operating costs.

Table 3	
COMMON MISTAKES	SOLUTIONS
Using the Title IV-E penetration rate to claim direct expenses of eligibility staff	Claim all direct expenses of eligibility staff at the 50 percent Federal Financial Participation rate, not the Title IV-E penetration rate.
Using the foster care Title IV-E penetration rate to claim direct expenses for adoption specialists	Claim all direct expenses for adoption specialists at the adoption assistance Title IV-E penetration rate, not the foster care Title IV-E penetration rate. The adoption Title IV-E penetration rate is often 15 percent to 20 percent higher than the Title IV-E foster care penetration rate.
Using the overall foster care penetration rate to claim direct expenses for family foster care licensing staff	<p>Claim all direct expenses for family foster care licensing staff at the Title IV-E penetration rate for family foster care, not the overall foster care Title IV-E penetration rate, which includes family, group, and residential placements.</p> <p>The Title IV-E penetration rate is typically higher for family foster care than group or residential care. Separating the two forms of foster care into different penetration rates for some expenses may be to the state's advantage.</p>
Using the foster care penetration rate for claiming expenses for training current or prospective foster or adoptive parents	Claim expenses for training current and prospective foster or adoptive parents at a "blended," or combined foster/adopt Title IV-E penetration rate, not the foster care only Title IV-E penetration rate. A blended penetration rate is higher than a foster care rate.

**STEP #3: REVIEW HOW THE FUNDING SOURCE FOR “PURCHASE OF SERVICE CONTRACTS” IS DETERMINED AND WHETHER FEDERAL FUNDS ARE MAXIMIZED.**

Most states purchase at least some foster care and adoption services from private agencies, universities, or individual specialists. These services typically include:

- Case management
- Recruitment of foster and adoptive families
- Foster care licensing studies
- Adoption home studies
- Training current and prospective foster and adoptive parents
- Training foster care and adoption specialists
- Adoption exchanges that help educate families about the adoption process and the characteristics of children
- Relative search

All these services can be funded with Title IV-E funds at the appropriate Title IV-E penetration rate. Too often, states do not claim Title IV-E reimbursement for purchased services. Table 4 shows some common mistakes and solutions in drawing down Title IV-E reimbursements for purchased services.

Table 4	
COMMON MISTAKES	SOLUTIONS
Paying for contracted services with all general funds without claiming any Title IV-E reimbursement for allowable services	Identify how Title IV-E can be used for specific purchased services, including foster care recruitment (including brochures, and newspaper and TV ads), research and training.
Paying for Title IV-E allowable services with Title IV-B, Title XX or TANF	Identify the purchased services for which Title IV-E can be used before using other federal funding streams. Examples include family search and engagement and adoptive family recruitment and training.
Paying for Title IV-E allowable services provided to foster care candidates with all general funds or Title IV-B rather than Title IV-E	Assure that the necessary “candidate for foster care” documentation is determined by the Title IV-E agency, included in the child’s case plan, and described in the contract.

Table 4 (continued)	
COMMON MISTAKES	SOLUTIONS
Applying the foster care Title IV-E penetration rate for services related to adoption	Apply the adoption assistance penetration rate, usually 15 to 20 percent higher than foster care rate, for training adoptive parents, contracting with an adoption exchange, and other allowable activities.
Applying the foster care IV-E penetration rate to training foster and adoptive parents	Apply a “blended” foster care/adoption Title IV-E penetration rate to training foster and adoptive parents. Blending will increase the Title IV-E penetration rate by approximately 10 percent.
Purchasing from a provider more than one service, each of which has a different funding formula, without requiring a method of cost allocation	Require the provider to use a method of cost allocation when purchasing services with different funding formulas. For example, the federal reimbursement is different when a provider recruits and conducts a licensing study of foster families and also trains them: 50 percent FFP for recruitment and licensing study and 75 percent FFP for training. If there is not a time study or some other method to distribute the time spent on each activity, only the lower 50 percent can be applied to all expenses.

To assess the potential for Title IV-E reimbursement for purchased services, states should:

- Appoint a team of child welfare program and financial specialists to review all purchase of service contracts to determine the most appropriate funding formula.
- Ask the question: Can this contract be claimed to Title IV-E, and if so, is it most appropriate to claim it to foster care, adoption, or a blend?
- Require some type of time study of providers from whom multiple services, including both allowable and unallowable Title IV-E services, are purchased.

Changes in Cost Allocation Plans must be approved by the federal regional cost allocation office and should be undertaken with great care so as to make all of the desired changes as part of a single process.



**STEP #4. REVIEW RANDOM MOMENT TIME STUDY (RMTS) DEFINITIONS TO ASSURE THAT CURRENT PRACTICE IS REFLECTED AND FEDERAL FUNDING IS MAXIMIZED.**

All states distribute costs to various federal funding sources on the basis of a Random Moment Time Study (RMTS). Random moment sampling is a recognized and accepted alternative to burdensome 100 percent time reporting. For Title IV-E, RMTS are typically conducted via computer. Direct service staff members receive a computer “pop-up” asking them to identify what they are doing at that moment in time by coding their activity based on a set of definitions and describing the activity in three to five words. The “moments” for each code are added together and distributed to all the costs of the child welfare agency. An estimated 2,300 to 3,000 moments are needed each quarter to retain program integrity. Customary RMTS activities are listed in Figure 1.

Figure 1	
RMTS ACTIVITIES	
<ul style="list-style-type: none"> <li>• Child protection investigation</li> <li>• Health-related activity</li> <li>• Title IV-E eligibility determination</li> <li>• Case management for children in their own homes</li> <li>• Case management for children in foster care</li> <li>• Court-related activity</li> <li>• Recruitment and licensing of foster homes</li> <li>• Case management for adopted children and other related administrative activities</li> <li>• Case management for children placed with a relative guardian and other related administrative activities</li> </ul>	<ul style="list-style-type: none"> <li>• Training agency staff</li> <li>• Training current and prospective foster parents</li> <li>• Training current and prospective adoptive parents</li> <li>• Training relative guardians</li> <li>• Training private agency staff serving IV-E eligible children</li> <li>• Training court and court-related staff</li> <li>• Other service activities</li> <li>• General administration – not program related</li> <li>• Invalid response</li> </ul>

Critical to child welfare agency funding are the staff’s proper use of activity definitions and appropriate completion of the time study. In many child welfare agencies, 70 percent or more of direct services time can be claimed to Title IV-E, with a small amount claimed to Title XIX Medicaid. When RMTSs are not done correctly, the result is often a tremendous loss of federal claims and reimbursement. Table 5 lists some of the common mistakes in RMTS and solutions.

Table 5	
COMMON MISTAKES	SOLUTIONS
Direct service staff training on how to complete the time study only offered when they are first hired	Train and retrain all staff members who complete the time study at least annually on the definitions and proper coding.
A narrative brief description of the activity that does not match the “code”	<p>Establish a help desk at the central office that direct service staff can call if they are unclear on how to code a particular activity.</p> <p>Routinely monitor the results of the time study to verify that the narrative description matches the chosen code.</p>
RMTS codes and descriptions for activities that constitute case management and counseling are too vague. Case management is reimbursable, whereas counseling is not	Make sure definitions and examples of case management activities are as inclusive as possible and that definitions and examples of counseling are strictly defined. Staff should be trained on the overall purpose of the RMTS and its importance to federal program funding.
Workers leave the narrative description blank so there is no way to “audit” whether the coding is accurate	Routinely monitor the results of the time study to verify that narrative descriptions are provided.
The state does not include “case management to child in their own homes” (for children who are “candidates for foster care”) as a choice in their RMTS definitions. As a result, the state is not able to claim Title IV-E reimbursement for serving this population, which hampers the state’s ability to keep children out of foster care and also can affect reunification. In some states, direct service staff spends 10 percent of their time serving candidates for foster care.	<p>Review policies and procedures in other states that have successful programs for RMTS definitions for case management for children in their own homes.</p> <p>Include “candidate for foster care” language in the child’s case plan and train staff on the language and appropriate services for this population of children.</p>

Table 5 (continued)	
COMMON MISTAKES	SOLUTIONS
Travel time is coded to “other service activity” or “general administration”	<p>Train staff on coding travel to the activity to which they are going. Title IV-E cannot be claimed for “other service activity.” “General administration,” while neutral, does not generate as much federal reimbursement as using the proper category to claim Title IV-E.</p> <p>Review the “other service activity” code results. There should be very few moments in this code, and Title IV-E cannot be claimed for any of these moments.</p> <p>Review the “general administration” code results. This code is neutral, but often the activity would more properly be one of the Title IV-E reimbursable codes.</p>
The state’s CAP, which includes the RMTS definitions and a description of the cost distribution, is not regularly maintained and does not reflect changes in federal law and funding opportunities.	Review the state’s current Cost Allocation Plan and the RMTS definitions to determine if there should be any additions or modifications.



**STEP #5: ESTABLISH A TITLE IV-E QUALITY ASSURANCE PROTOCOL TO STRENGTHEN INTERNAL MANAGEMENT CONTROLS AND INCREASE THE NUMBER OF CHILDREN WHO ARE POTENTIALLY TITLE IV-E ELIGIBLE.**

In addition to best practice quality assurance, a well-managed child welfare system has a fiscal quality assurance protocol. Without such a protocol, there can be a substantial loss in federal Title IV-E claiming and reimbursement.

Table 6 identifies areas of focus for states' fiscal quality assurance protocol and key steps to take.

Table 6	
AREA OF ASSESSMENT	STEPS TO TAKE
Results of initial Title IV-E eligibility determination	Routinely re-determine a sample (at least 10 percent) of all initial Title IV-E eligibility determinations. The sample should include cases determined to be not IV-E eligible AND cases determined to be IV-E eligible. This process serves to reduce errors and usually results in an increase in the number of children who are Title IV-E eligible.
Results of re-determination of IV-E eligibility	Re-determine a sample of all cases in which the child's Title IV-E eligibility changed from IV-E eligible to not IV-E eligible at the time of the re-determination of eligibility process.
Reasons why children are not IV-E eligible	Monitor the reasons children are not IV-E eligible and plan a strategy for correcting determinations under the control of the child welfare agency. These situations likely include: lacking "contrary to the welfare" language in the initial court order; lacking "reasonable efforts" language in a court order within 60 days of removal; and not having a permanency finding within 12 months of removal.
Foster home licensing and reasons why the home is not fully licensed	Monitor the reasons each family foster home is not fully licensed, including lack of adequate training or length of time to secure fingerprint results, and plan how to correct the situation. Some states lose over 50 percent of the Title IV-E maintenance claim to which they are entitled because foster homes are temporarily not fully licensed.
Results of the RMTS	Establish a protocol for reviewing the results of the RMTS and planning corrective action.



### Negotiating with Federal Agencies

Federal regional offices have some autonomy in their interpretation of federal policies and internal memos. As a result, states in one region may be able to claim federal reimbursement for a service or activity whereas states in a different federal region may not.

Most of the services or activities administered by the child welfare agency must be described in the state's unique CAP, which includes how the service or activity will be paid and the financial participation of various federal resources. Prominent in the CAP is the definition of activities in the RMTS.

The state's CAP must be approved by the appropriate U.S. Department of Health and Human Services Division of Cost Allocation (DCA). There are four DCA offices – Northeastern, Mid-Atlantic, Central, and Western – serving the 10 federal regions. When a DCA office receives a CAP amendment, it typically sends a copy to the state's federal regional office for comment before taking action.

Thus, it is recommended that states discuss and negotiate proposed amendments with their regional office prior to submitting the CAP to the appropriate DCA office. This procedure tends to “speed up” CAP amendment approval, which often takes several months. In the case of a disagreement between the state and DCA, support from the appropriate agency at the regional office can be helpful.

### CASE STUDIES

#### *Alaska: Online RMTS and Monitoring Protocol*<sup>3</sup>

The Alaska Office of Children's Services has established an online computer-based Random Moment Time Study (RMTS) system that includes visual oversight. During the first year of implementation, the agency used many of the online features to assure timely and accurate results. These same online features have provided an excellent quality assurance system and time savings for RMTS participants by eliminating an often burdensome manual system. Other advantages of Alaska's online RMTS features are:

- Prompts to assist staff to more accurately complete the RMTS
- Complete audit trail for each sample, recording all activity online and including email activity, response activity, and responder's identification
- Ability to require and monitor necessary documentation (i.e., case numbers, providers' numbers, and activity narrative descriptions) for each sample
- Automated follow-up of samples that are missing responses, including notification of supervisors after one reminder
- Convenient, online RMTS training to veteran and new RMTS participants and regional management to increase familiarity with RMTS codes and associated activities

As a result of actively monitoring and managing the online RMTS system, the time allocated to Title IV-E allowable activities has gradually increased, resulting in an increase in federal reimbursement.



<sup>3</sup> Interview with Linnea L. Osbourne, Social Services Program Officer, Office of Children's Services, Alaska Department of Health & Social Services (November 18, 2009).

## GENERATING SAVINGS FOR COMMUNITY-BASED SERVICES

Many states rely on high-cost congregate care settings to meet the increased need for placements of older and sometimes younger children. These placements are costly to states and create significant stress for children, youth, and families. Although specialized, temporary residential treatment services may be needed to help stabilize some troubled youth, ongoing group or residential care generally does not meet the comprehensive developmental needs of youth. Providers too often do not help them maintain continuity in family relationships or engage them in permanency planning.

States are rethinking their approaches to strengthening family- and community-based permanency and post-permanency services. Many have found ways to redirect funds from high-end and high-cost congregate care services. Some jurisdictions have achieved significant success in moving children out of congregate care directly into the homes of caring kin or foster families. Those efforts have been accompanied by implementing practice models that focus on recruiting foster and adoptive families in children's home communities, preparing families to meet the needs of children, and providing a range of post-permanency services and supports. Child welfare leaders have taken strategic steps to gain support from commissioners, governors, and legislators to assure that the savings generated from diverting costs from high-end services and maximizing federal funding are retained in the 'base' child welfare budget. These savings will be invested in comprehensive family and community-based permanency and post-permanency services, which some states have supplemented creatively with Medicaid funding for children's mental health services.

### REDUCING RELIANCE ON CONGREGATE CARE: VIRGINIA<sup>4</sup>

In the early 1990s, Virginia's Office of Comprehensive Services (OCS) was established under the Comprehensive Services Act (CSA), which pooled state funds for serving "at-risk" children across the array of social service systems. Over time, the budget grew to more than \$300 million annually. Under this unique system, localities in Virginia maintained multi-agency CSA teams to develop case plans for children and approve associated funding requests.

The pool of state funds included all placement funding for children in the child welfare system and all funding for placement prevention services for children who were not eligible for federal Title IV-E reimbursement for prevention or family foster care services. In Virginia, children in the child welfare and special education systems were "entitled" to the services; children in the mental health and juvenile justice systems were provided services on a "voluntary" basis.

In FY 2006, more than 24 percent of children in foster care were initially placed in residential or group care, with costs equaling approximately 45 percent of the total budget. In addition, children and youth placed in residential care were likely to have long-term foster

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<sup>4</sup> Virginia's New Financial Incentive Plan – Designed to Encourage Virginia to Serve At-Risk Children in the Community and to Reduce Reliance on Congregate Care; Final CSA Service Categories & Data Set Definitions" Approved June 12, 2008, disseminated June 19, 2008; Virginia Office of Comprehensive Services, Statewide Statistical Data, 2009

care goals, which reduced the likelihood of exiting care to a permanent family. By FY 2008, OCS projected a \$50 million deficit. The state's reliance on congregate care for the placement of foster children not only resulted in poor permanency outcomes, but also proved to be an overall financial burden to the CSA system.

In 2008, Governor Tim Kaine proposed a biennial budget that used financial incentives and disincentives to encourage community-based placements and discourage institutional placements. The Virginia Legislature approved the proposal. Key components included:

- State reimbursements to localities at a higher percentage for community-based services and at a lower percentage for residential and group care.
- An increased state match for community-based services, thus reducing the local match by 50 percent.
- Expectations that localities would review their caseloads for children who could be served appropriately with family and community-based services and transition those children into the community.
- An increase in local matches for residential care by 15 percent above the fiscal year 2007 base rate after \$100,000 in residential care costs were incurred for the period January 1, through June 30, 2009. After July 1, 2009, local matches for residential care were increased by another 10 percent (to a total of 25 percent) when \$200,000 in residential care expenditures were incurred.

These components built fiscal incentives for localities to use less expensive forms of out-of-home care.

This dramatic shift to a system based on incentives for community-based care and disincentives for residential care offers great hope for improved outcomes for children and youth in Virginia. Data from 121 communities show that between FY 2007 and the first half of FY 2009, child welfare spending for community-based services increased by 25 percent and child welfare spending for congregate care decreased by 9.5 percent. Statewide, between December 2007 and August 2009, the percentage of children in congregate care decreased 26 percent, and the number of children exiting with a permanency goal increased by 6.6 percent. The number of children in foster care decreased 19 percent between December 2007 and August 2009.

#### **REDUCING RELIANCE ON CONGREGATE CARE: NEW YORK CITY<sup>5</sup>**

Beginning in 2005, the Commissioner of the New York City Administration for Children's Services (ACS) implemented a plan to shift the child welfare system's primary response to abuse and neglect from placement in out-of-home care to a system that builds on neighborhood-centered family support services. The plan included three components: rightsizing, reinvestment, and realignment. Each component is designed to maximize the use of preventive solutions and make the system more responsive to the needs of children and

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<sup>5</sup> Mattingly, J., Commissioner, New York City Administration for Children's Services. "Enormous Strides for NYC Children and Families." Online article: New York City Chapter of National Association of Social Workers; October, 2005; Mattingly, J. Written communication, June 23, 2009.

families. Through rightsizing, ACS has ended contracts with residential treatment centers and other types of agencies that failed to meet minimal standards. Through reinvestment, ACS is investing savings realized from children spending fewer days in out-of-home care into preventive and aftercare services. Children are moved from expensive residential treatment centers to family-based care, including relatives, or home-based services. Through realignment, the agency has shifted from over-reliance on congregate care to a greater emphasis on front-end, community-based services and family-based care. Preventive services have been intensified and families in all protective cases receive preventive services. In addition, when children need an out-of-home placement, more children are placed in family-based care and fewer in residential placements.

The results have been impressive. In spite of a 20 to 30 percent increase in reports leading to more protective/preventive cases, these combined strategies have resulted in a reduction in the number of children in out-home-care from 24,000 in 2004 to 16,040 as of February 2010. The number of children in congregate care was reduced from about 3,900 in 2004 to 2,454 children in February 2010.

#### **REDUCING RELIANCE ON CONGREGATE CARE: MAINE<sup>6</sup>**

In 2004, Maine's Office of Children and Family Services (OCFS) found an over-utilization of residential care, especially high-end residential treatment services, cutting across all child-serving systems, including child welfare, mental health, special education, and juvenile justice. In 2006, the OCFS director gained the approval of the Maine Department of Human Services Commissioner, the governor's budget office, and the Health and Human Services Committee of the Maine legislature, to transfer \$4 million of the projected general fund savings from the Medicaid budget to the ongoing "Child Welfare baseline account" to serve children in a different, more effective way through a community-based, multi-agency wrap-around process focused on natural systems of care.

The program and the dedicated \$4 million continue into 2010. The program serves children and youth with high-end, multi-system needs, including youth in residential care or at risk of entering residential care from any of the community partners (child welfare, mental health, special education or juvenile justice). The program assures a consistent single plan of care for each child/youth that addresses his or her safety, permanency, and well-being needs. Since the program began, the number of children in residential care has been reduced by over 70 percent. The number of children in OCFS custody has decreased from more than 3,000 children with 24 percent in residential care to fewer than 2,000 children with only 10 percent in residential care. Children and youth are more often supported in their own homes or placed within their communities with relatives who are supported to participate in the permanency planning process.

These innovations hold promise for how states and localities have reduced reliance on congregate care and reinvested the dollars saved in comprehensive services and supports.

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<sup>6</sup> Beougher, J., Director, Office of Child and Family Services, Maine Department of Health and Human Services. Telephone interview, April 8, 2009.



## ACCESSING NEW AND EXISTING TITLE IV-E TRAINING DOLLARS

States can draw down significant federal funds to support their investments in training public and private child welfare agency staff and foster and adoptive families who can effectively meet the complex needs of the child welfare population. States also can train community mental health practitioners who work with children living with foster and adoptive families and relative guardians, as well as children who are “candidates for foster care.” The Fostering Connections to Success and Increasing Adoptions Act of 2008 has provided greater federal resources to states for training.

### *Training Topics*

Title IV-E pays for training only on topics allowed by Title IV-E. In recent years, the array of training topics allowable for Title IV-E training reimbursement has expanded. Table 7 provides a list of select allowable topics.

Table 7: Select Allowable Training Topics under Title IV-E	
<ul style="list-style-type: none"> <li>• Preparation for and participation in judicial determinations</li> <li>• Placement of the child into out-of-home care</li> <li>• Case plan development</li> <li>• Case reviews</li> <li>• Case management and supervision</li> <li>• Recruitment and licensing of foster homes and institutions</li> <li>• Eligibility determinations</li> <li>• Referral to services</li> <li>• Adoption/guardianship home studies</li> <li>• Negotiation and review of adoption and guardianship assistance agreements</li> <li>• Title IV-E policies and procedures</li> <li>• Social work practice, such as family-centered practice and social work methods, including interviewing and assessment</li> <li>• Cultural competency related to children and families</li> <li>• Permanency planning including kinship care as a resource for children involved in the child welfare system</li> <li>• Child development, visitation, and the effects of separation, grief, and loss</li> </ul>	<ul style="list-style-type: none"> <li>• Communication skills required to work with children and families</li> <li>• Assessments to determine whether a situation requires a child’s removal from the home</li> <li>• Activities designed to preserve, strengthen, and reunify the family</li> <li>• General substance abuse, domestic violence, and mental health issues related to children and families in the child welfare system</li> <li>• Child abuse and neglect issues, such as the impact of child abuse and neglect on a child and general overviews of the issues involved in child abuse and neglect investigations</li> <li>• Foster care candidate determinations and pre-placement activities directed toward reasonable efforts</li> <li>• Independent living and the issues confronting adolescents preparing for independent living</li> <li>• Contract negotiation, monitoring, or voucher processing related to the IV-E program</li> <li>• Child welfare automated information and reporting systems functionality (AFCARS or SACWIS) that is closely related to allowable administrative activities</li> <li>• Ethics training associated with Title IV-E state plan requirements</li> </ul>

**Source:** U.S. Department of Health and Human Services. *The Child Welfare Policy Manual*. Section 8.1H, Title IV-E: Administrative Functions/Costs, Training. Question #8. Retrieved May 3, 2010 from [http://www.acf.hhs.gov/j2ee/programs/cb/laws\\_policies/laws/cwpm/policy\\_dsp.jsp?citID=116](http://www.acf.hhs.gov/j2ee/programs/cb/laws_policies/laws/cwpm/policy_dsp.jsp?citID=116)

Title IV-E will not pay for training on the provision of clinical treatment or how to conduct the investigation of child abuse or neglect. In those instances, states should look at a variety of other potential revenue sources, including, but not limited to, Title IV-B, subparts 1 and 2; the Child Abuse Prevention and Treatment Act (CAPTA); the Title XX Social Services Block Grant; Title IV-A TANF/Emergency Assistance; Adoption Incentive dollars; and general funds.

#### *Federal Reimbursement for Allowable Training*

One of the federal principles for reimbursement is that the training costs must be distributed to all benefiting programs. The benefiting programs are usually determined by applying the appropriate Title IV-E penetration rate. In some instances, the results of the Random Moment Time Study (RMTS) or results of an analysis of the training curriculum are also applied. After the RMTS or curriculum analysis is complete, the appropriate federal share (FFP) is applied.

#### *Who May Be Trained*

The Fostering Connections to Success and Increasing Adoptions Act of 2008 expands training opportunities to new populations. States can carefully consider the array of child welfare priorities and provide essential training to a broad range of professionals on allowable topics.

Under the new federal law, Title IV-E training continues to be available at the enhanced 75 percent training reimbursement rate for:

- Employees and those preparing for employment with the state IV-E agency
- Current and prospective foster and adoptive parents
- Staff of institutions providing care for Title IV-E eligible foster and adoptive children (see Casey Family Services, “Creative Strategies for Financing Post-Adoption Services” (2003)).

The new federal law now provides Title IV-E training reimbursement for:

- Public and private child welfare agency staff serving children with foster, adoptive, and guardianship families
- Relative guardians
- Those representing the court system
- Special advocates

According to the Child Welfare Policy Manual, Section 8.1H, Question #19, “the State Title IV-E agency has the discretion to determine what kind of agencies are child welfare agencies and the criteria for licensing or approving such agencies for purposes of this provision” of the Fostering Connections to Success Act.

For these new populations who can be trained with Title IV-E dollars, the following reimbursement rules apply:

- On October 7, 2008 (FY 2009), the federal reimbursement rate for Title IV-E training was set at 55 percent FFP.

- The rate will increase by 5 percent each year until FY 2013.
- In FY 2013, the training reimbursement rate will reach 75 percent and remain at that rate. At that point, all Title IV-E training reimbursement rates will be the same.

See Figure 2 (below). Prior to the new federal law, the federal reimbursement for training these individuals was either not available or, at best, was considered an administrative expense and reimbursed at 50 percent, discounted by the appropriate Title IV-E penetration rate.

### *What States Need to Do to Maximize Their Title IV-E Training Reimbursement*

In order to be eligible for the increased training reimbursement, states will need to take four steps:

**STEP #1:** Amend the state's Title IV-E state plan to comply with the provisions of the new federal legislation

**STEP #2:** Include a description of the training in the state's Title IV-B, Child Welfare Services Plan. (States' FY 2009 plans were submitted prior to June 30, 2008, before the law was enacted. States will need to amend their plans in order to obtain the increased training rate for FY 2009. This amendment can be made at any time.)

**STEP #3:** Amend the state's Cost Allocation Plan (CAP) to comply with changes required by the new federal law, such as training relative guardians.

**STEP #4:** Because the federal reimbursement formula increases by 5 percent every year for the next five years, isolate the training costs of the newly allowable trainees from other existing Title IV-E trainings. It is recommended that states use separate cost centers for each year.

**Figure 2: Federal Reimbursement Funding Formulas for Newly Allowable Trainees**

**FFY 2009:** Cost x appropriate Title-E penetration rate x 55% FFP = Title IV-E reimbursement for training costs.

**FFY 2010:** Cost x appropriate Title IV-E penetration rate x 60% FFP = Title IV-E reimbursement for training costs.

**FFY 2011:** Cost x appropriate Title IV-E penetration rate x 65% FFP = Title IV-E reimbursement for training costs.

**FFY 2012:** Cost x appropriate Title IV-E penetration rate x 70% FFP = Title IV-E reimbursement for training costs.

**FFY 2013:** Cost x appropriate Title IV-E penetration rate x 75% FFP = Title IV-E reimbursement for training costs.

### Adoption Competency Training for Post Masters Mental Health Professionals

The Center for Adoption Support and Education, based in Burtonsville, Maryland, has developed a comprehensive adoption competency training curriculum to prepare post-master's clinicians to work effectively with children and youth who are preparing for adoption, adopted children and youth, adoptive families, kinship families, and birth families. Piloted at the University of Maryland School of Social Work from September 2009 through September 2010, the training is currently supported by private foundations. A key aspect of the training's development is an exploration of federal funding streams, particularly Title IV-E, which partially can support the provision of this type of training in communities across the country.

## CASE STUDIES

### *Training Washington State CASA/GAL Volunteers (Advocates)*<sup>7</sup>

Taking advantage of the Fostering Connections to Success and Increasing Adoptions Act of 2008 legislation, the Washington State Department of Social and Health Services Children's Administration entered into a contract with the Washington State Association of Court Appointed Special Advocates (CASA)/Guardians ad Litem (GAL) to train or facilitate the training of CASA/GAL volunteers. The curriculum for CASA/GAL training is extensive and includes only allowable training topics as described in federal policy.

State, county, or tribal programs are responsible for providing most of the training and providing the non-federal match. Local programs will certify their CASA/GAL per diem and trainer costs to the statewide CASA/GAL Association, which will provide oversight and supervision of the training and submit a statewide quarterly claim to the Children's Administration.

The Children's Administration will provide technical assistance and fiscal management, submit the IV-E claim, and "pass through" the earned IV-E reimbursement to the statewide CASA/GAL Association for distribution to the local CASA/GAL programs. The Children's Administration also will amend its Child Welfare Services Plan (IV-B) and Public Assistance Cost Allocation Plan (PCAP) and will make other changes, if federally required.

As a result of the training, CASA/GAL advocates will be better trained about foster care and their role in assisting children for whom they advocate. The federal match is 60 percent in FY 2010 and will increase 5 percent per year until FY 2013, when it reaches 75 percent.



<sup>7</sup> Interview with Molly Elliot, Supervisor and Interim Office Chief – Federal Funding, Children's Administration, Washington State Department of Social and Health Services (August 27, 2009).

## LEVERAGING FEDERAL DOLLARS TO FUND A PERMANENCY CONTINUUM

When states access their fair share of federal dollars for child welfare services, state and local dollars can be freed up to fund permanency and post-permanency programs or services. This spending can be reinvested into community and family-based services and programs so the needs of vulnerable children and families are met without placing children in institutional settings.

What are the most common or costly mistakes states make in matching funding streams to their service needs? There are essentially only two:

1. Not being familiar with available funding streams and
2. Not knowing which funding sources (or combinations of sources) can be used for each of the various services needs.

Toward this end, this section provides information on federal funding for permanency and post-permanency services. First, a table (Table 8) describes potential funding streams for these services. Next, a series of four charts (beginning on page 33) identifies how particular service needs might be supported with particular federal funding streams.

Table 8. Potential Funding Streams for Permanency and Post-Permanency Services		
FUNDING STREAM	WHAT PROGRAM IS FUNDED	ADDITIONAL INFORMATION
<p><b>Title IV-E Foster Care, Adoption, and Guardianship</b></p> <p>Title IV-E is an open-ended entitlement, and states are reimbursed the federal share of a state's expenditures for foster care maintenance, adoption assistance, guardianship assistance, administration and child placement, and training. Title IV-E is not a grant.</p>	<p>Foster Care (Title IV-E of the Social Security Act)</p>	<p><i>Eligibility</i></p> <p>Children from low-income families who are placed in foster care may be Title IV-E eligible on the basis of meeting a state's eligibility criteria (including family income, resource limits, and deprivation of parental support) for the Aid to Families with Dependent Children program that was in place on July 16, 1996. On April 6, 2010, the federal Children's Bureau revised its policy and is no longer requiring re-determination of a child's AFDC-related eligibility (CWPM 8.4a, Question no.4. April 6, 2010). Initial and ongoing legal requirements must be met.</p> <p><i>Maintenance Payments</i></p> <p>The monthly payment is intended to meet the child's basic needs, including a "difficulty of care" payment, when appropriate, made to licensed or approved</p>

Table 8. Potential Funding Streams for Permanency and Post-Permanency Services (continued)

FUNDING STREAM	WHAT PROGRAM IS FUNDED	ADDITIONAL INFORMATION
		<p>foster parents, group homes, and residential foster care facilities. The federal share of these costs is the same as the Federal Medical Assistance Program (FMAP) and ranges between 50 percent and 83 percent, based primarily on the state's per capita income. As a result of the American Recovery and Reinvestment Act of 2009, the FMAP was temporarily increased through December 2010 for foster care maintenance payments. (45 CFR 1356.60 (a)); (45 CFR 1356.60 (c))</p> <p><i>Administration and Child Placement Activities</i> This includes reimbursement for expenses necessary for a state to provide child placement and administration services to children who are in foster care, as well as those who are "candidates for foster care." Examples of services include: placement of the child, development of a case plan, case reviews, case management and supervision, preparing court papers, testifying in court, and recruitment and licensure of foster homes and facilities. The federal share of the expenditures reimbursed to states providing these activities is 50 percent, based on the percentage of children who are Title IV-E eligible. (45 CFR 1356.60 (c))</p> <p><i>Candidates for Foster Care</i> This includes children who are at serious risk of removal from home as evidenced by the state agency either pursuing removal from his or her home or making reasonable efforts to prevent such removal. These efforts must be documented in the child's defined case plan. Eligibility that the child meets the "candidate" requirements must be re-determined at least every six months" (SSA, section 472 (i) (2). CWPM, section 8.1D, questions 1 &amp; 5). Some states have included documentation that a child is a candidate in their automated case plan to assure compliance with federal law and policies and to increase the opportunities to serve children in their own homes, prevent foster care and better meet "best practice" standards.</p> <p><i>Training</i> This includes training the public child welfare staff who work in foster care, current and prospective foster parents, and staff at public or private residential facilities serving Title IV-E eligible foster and adopted children. The federal share of the expenditures reimbursed to states providing this training is 75 percent, based on the percentage of children who are Title IV-E eligible. The Fostering Connections to Success and Increasing Adoptions Act of 2008 expanded the types of professionals who can be trained with Title IV-E dollars. (45 CFR 1356.60 (b))</p>



Table 8. Potential Funding Streams for Permanency and Post-Permanency Services (continued)

FUNDING STREAM	WHAT PROGRAM IS FUNDED	ADDITIONAL INFORMATION
	Adoption Assistance (Title IV-E of the Social Security Act)	<p><i>Eligibility</i></p> <p>The Fostering Connections to Success and Increasing Adoptions Act of 2008 gradually changes the eligibility requirements for adoption assistance. Beginning October 1, 2009 (FFY 2010) the Act creates two categories of Title IV-E eligibility with some different eligibility criteria: “<i>applicable child</i>” and “<i>not applicable</i>” child.</p> <p>An “<i>applicable child</i>” is a special needs child (as established in section 473(c)(2) of the Act) whose Title IV-E eligibility is based on “revised” criteria, including: applicable age requirements (age 16 and older in FFY 2010), or child has been in foster care under the responsibility of the Title IV-E agency for at least 60 consecutive months, or child is the sibling of an applicable child and is placed in the same adoption arrangement as his or her sibling and meets all special needs criteria as described in section 473(a)(2)(A)(ii) of the Act. The applicable age requirement decreases by two years for each of the next nine years until FFY 2018, when there is no applicable age requirement.</p> <p>A “<i>not applicable child</i>” is a child with special needs whose Title IV-E eligibility remains the same as it was prior to October 1, 2009, including but not limited to the following conditions: was in foster care at the time of the adoption placement, originally met the AFDC-related requirements and the “contrary to the welfare” legal requirement, has been eligible for Supplemental Security Income (SSI), or has met other criteria.</p> <p>To the extent they are not superseded by the law, all other requirements apply equally to both an “<i>applicable child</i>” and a “<i>not applicable</i>” child. These include requirements in section 473 (a) through (c) of the Act, the background check requirements in section 471(a)(20)(A) and (B) of the Act and 45CFR1356.30(b) and (c), the adoption assistance agreement requirements as defined in section 475(3) of the Act and regulations in 45CFR1356.40 and 1356.41.</p> <p><i>Adoption Assistance Payments</i></p> <p>The monthly payment is made to an adoptive family to minimize financial barriers to adoption. The amount and needed services must be included in the Adoption Assistance Agreement negotiated by the adoptive family and the state or local IV-E agency. The payment amount may be as much as, but not more than, the family foster care payment, including an added “difficulty of care” payment. The federal share is the same as the FMAP. As a result of the American Recovery and Reinvestment Act of 2009, the FMAP was temporarily increased through December 2010 for adoption assistance payments.</p>

Table 8. Potential Funding Streams for Permanency and Post-Permanency Services (continued)

FUNDING STREAM	WHAT PROGRAM IS FUNDED	ADDITIONAL INFORMATION
		<p><i>Administration</i> This includes expenses necessary to recruit and place a child with an adoptive family, which continue through finalization of the adoption. Ongoing services such as case management are available after finalization if they are included in the negotiated Adoption Assistance Agreement. The federal share of the expenditures reimbursed to states providing these activities is 50 percent, based on the percentage of children who are Title IV-E eligible.</p> <p>In addition, adoptive families may be reimbursed for their non-recurring adoption expenses up to \$2,000, without regard to the Title IV-E eligibility of the child. The federal share is 50 percent of the cost.</p> <p><i>Training</i> This includes training the public child welfare staff who work in adoption, as well as current and prospective adoptive parents. The federal share of the expenditures reimbursed to states providing this training is 75 percent, based on the percentage of children who are Title IV-E eligible.</p> <p><i>Information based on ACYF-CB-PI-09-10, Adoption Assistance, Fostering Connections to Success and Increasing Adoptions Act of 2008 and the Social Security Act, Part Title IV-E</i></p>
	Relative Guardianship Assistance	<p>This is a new federal program that became available as a state option on October 7, 2008, with the enactment of the Fostering Connections to Success and Increasing Adoptions Act of 2008.</p> <p><i>Eligibility</i> The child must have been eligible for Title IV-E foster care maintenance payments while living for a minimum of six consecutive months in the home of the prospective relative guardian who is a licensed foster parent.</p> <p>Children who were in a state Relative Guardianship program prior to passage of Fostering Connections may be eligible for Title IV-E, according to new federal program instructions (U.S. Department of Health and Human Services, Administration for Children, Youth, and Families, Children's Bureau PI-10-01, issued February 18, 2010)</p> <p>Further, the state must determine that reunification or adoption is not an appropriate permanency option for the child. Any sibling of a Title IV-E eligible child who is placed with the same relative legal guardian is also Title IV-E eligible.</p>

Table 8. Potential Funding Streams for Permanency and Post-Permanency Services (continued)

FUNDING STREAM	WHAT PROGRAM IS FUNDED	ADDITIONAL INFORMATION
		<p><i>Guardianship Assistance Payment</i></p> <p>The monthly payment may be no more than the cost of the foster care maintenance payment, including the difficulty of care payment, had the child remained in a family foster home. The federal share is the same as the FMAP. As a result of the American Recovery and Reinvestment Act of 2009, the FMAP was temporarily increased through December 2010 for guardianship assistance payments.</p> <p><i>Administration</i></p> <p>This includes expenses necessary to recruit and place a child with a relative through the finalization of the legal guardianship. Ongoing IV-E reimbursable services such as case management are available after the legal guardianship is finalized if they are included in the negotiated relative guardianship assistance agreement. The federal share of the expenditures reimbursed to states for these activities is 50 percent, based on the percentage of children who are IV-E eligible.</p> <p>The agreement also must provide for the state to pay the total amount of nonrecurring expenses associated with obtaining legal guardianship of the child. The federal share of the expenditures reimbursed to states providing these activities is 50 percent, based on the percentage of children who are IV-E eligible.</p> <p><i>Training</i></p> <p>This includes training for public child welfare staff that work in the relative guardianship program. It also provides for the training of current and prospective relative guardians. Effective October 7, 2008, the federal share of the training expenditures reimbursed to states providing this training starts at 55 percent and increases by 5 percent every year until October 1, 2012, when it will be and remain at 75 percent. The reimbursement is further adjusted based on the percentage of IV-E eligible children in a relative guardianship placement.</p>
	<p>Title IV-E Enhanced Reimbursement for Court, Legal &amp; Private Agency Training</p>	<p>In addition to training relative guardians, states also may receive enhanced federal reimbursement for providing short-term training for staff of state-licensed or approved child welfare agencies providing services to Title IV-E eligible foster or adopted children or children living with a relative guardian.</p> <p>According to the Child Welfare Policy Manual, Section 8.1H, Question #19, “the state Title IV-E agency has the discretion to determine what kind of agencies are child welfare agencies and the criteria for licensing or approving</p>

Table 8. Potential Funding Streams for Permanency and Post-Permanency Services (continued)

FUNDING STREAM	WHAT PROGRAM IS FUNDED	ADDITIONAL INFORMATION
		<p>such agencies for purposes of this provision.” In addition, the enhanced training reimbursement is available for training staff of child abuse and neglect courts; attorneys representing the agency, children, or parents; guardians ad litem; and court appointed special advocates. Effective October 7, 2008, the federal share is 55 percent and increases by 5 percent every year until October 1, 2012, when it will remain at 75 percent. The reimbursement is further adjusted based on the appropriate IV-E eligible population.</p> <p><i>Information based on Fostering Connections to Success and Increasing Adoptions Act of 2008. (PL 110-351))</i></p>
	Title IV-E Option to Extend Eligibility Up to Age 21	<p>Beginning on October 1, 2010, states will have the option to extend IV-E eligibility for children in foster care and certain children in adoption or guardianship placements until age 21, provided the youth is: (1) completing high school or an equivalency program, (2) enrolled in a post-secondary or vocational institution, (3) participating in a program or activity designed to promote or remove barriers to employment, (4) employed for at least 80 hours per month, or (5) incapable of performing any of these activities due to a medical condition.</p> <p><i>Information from the Fostering Connections and Increasing Adoptions Act of 2008 (PL 110-351)</i></p>
Direct IV-E Funding to Indian Tribes (Fostering Connections to Success and Increasing Adoptions Act of 2009 (PL 110-351))		<p>Effective October 1, 2009, direct IV-E funding is available to federally recognized American Indian tribes or consortia that meet all IV-E program and eligibility requirements, show evidence of sound financial management, and receive a Title IV-B child welfare grant. Direct IV-E funding is available for foster care and adoption and, at tribal option, relative guardianship assistance.</p> <p><i>Information from the Social Security Act, section 471 (a) (2).</i></p>
Title IV-B, Sub-Part 1, The Stephanie Tubbs Jones Child Welfare Services Program - Federal Grant to States and Some Indian Tribes		<p>This discretionary grant (non-entitlement) can be spent on a wide variety of child welfare services on the basis of a federally approved Child Welfare Services Plan. These grants require a 25 percent non-federal match. Distribution to states is based primarily on the state’s child population under age 21 as it compares to other states.</p>
Title IV-B, Sub-Part 2, Promoting Safe and Stable Families Program - Federal Grant to States and Some Indian Tribes		<p>Most of the grant is a capped entitlement, a guaranteed federal appropriation, while a portion is discretionary (or non-entitlement). Funds must be spent primarily in four categories: (1) community-based family support services, (2) family preservation, (3) time-limited family</p>

Table 8. Potential Funding Streams for Permanency and Post-Permanency Services (continued)

FUNDING STREAM	WHAT PROGRAM IS FUNDED	ADDITIONAL INFORMATION
		<p>reunification services, and (4) adoption promotion and support on the basis of the federally approved Child Welfare Services Plan. This grant requires a 25 percent non-federal match. Distribution to states is based on the average number of children receiving monthly food stamp benefits. Distribution to eligible Indian tribes is based on the tribe's child population under age 21 as it compares to other Indian tribes.</p>
The Court Improvement Program		<p>The highest court in each state is eligible to receive a Court Improvement Program (CIP) grant from the discretionary funds of the Promoting Safe and Stable Families Program. The grants enable the courts to assess their foster care and adoption laws and judicial processes, and to develop plans for system improvement. The improvements must provide for the safety, well-being, and permanence of children in foster care and must implement portions of required Child Welfare Program Improvement Plans. The Deficit Reduction Act of 2005 authorized two additional CIP grants: (1) a data collection and analysis grant and (2) a training grant. All three grants are authorized for \$10 million per year and require a 25 percent non-federal match.</p> <p><i>Information from the Social Security Act, Section 438; Deficit Reduction Act of 2005 (PL 109-171); and ACYF-CB-PI-07-09</i></p>
Adoption Incentive Program (Fostering Connections for Success and Increasing Adoptions Act of 2008 )		<p>Adoption incentive funds can be used for any service or activity that can be funded with Title IV-B, Subpart 1, Title IV-B, Subpart 2, or Title IV-E.</p> <p>The Adoption Incentives Program has been extended through FY 2013, with increased incentives including: (1) updating the “base year” to FY 2007 for measuring adoption increases, (2) doubling the incentive payment amount for children with special needs – from \$2,000 to \$4,000 – and for children who are age 9 and older at the time of adoption – from \$4,000 to \$8,000 – and (3) creating a “highest ever” foster care adoption rate payment of up to \$1,000 per adoption for exceeding the highest adoption rate since FY 2002.</p> <p><i>Information from (PL 110-351); ACYF-CB-PI-08-05, dated October 23, 2008.</i></p>
Family Connections Grants (Fostering Connections to Success and Increasing Adoptions Act of 2008)		<p>The Fostering Connections to Success and Increasing Adoptions Act of 2008 authorizes a new competitive grant program for the purpose of “helping children who are in or who are at risk of entering foster care reconnect with family members.” Beginning in FY 2009 and ending in</p>

Table 8. Potential Funding Streams for Permanency and Post-Permanency Services (continued)

FUNDING STREAM	WHAT PROGRAM IS FUNDED	ADDITIONAL INFORMATION
		FY 2013, \$15 million will be distributed annually among four grant areas: (1) kinship navigator programs, (2) intensive family finding efforts, (3) family group decision making meetings, and (4) residential family substance abuse treatment programs. (PL 110-351)
Child Abuse Prevention and Treatment Act (CAPTA) State Grants		<p>CAPTA was reauthorized by the “Keeping Children and Families Safe Act of 2003.” The Act was due to be re-authorized in 2008, but did not come up for a vote. Congress did, however, make an appropriation for FY 2009. The primary purpose of CAPTA state grants is to assist states in improving the child protection services system. This includes, but is not limited to, assessment and investigation of reports of abuse and neglect; case management and delivery of services to children and families; and training and “developing, strengthening, and supporting child abuse and neglect prevention, treatment and research programs in the public and private sectors.” Funding for the state grants is based on the proportional number of children under the age of 18 residing in each state.</p> <p><i>Information from the Keeping Children &amp; Families Safe Act of 2003 (PL 108-36).</i></p>
	Community-Based Child Abuse Prevention (CBCAP)	<p>The primary purpose of the CBCAP program is to support community-based efforts to develop, operate, expand, and enhance programs and activities designed to strengthen and support families to prevent child abuse and neglect. This includes but is not limited to accessible, effective, and culturally appropriate family resource and support programs; voluntary home visiting, respite care, parent education, and community referral programs; and comprehensive support for parents. The Omnibus Appropriations Act of 2009 made nearly \$42 million available in FFY 2009, with nearly all the funding appropriated for state and territory grants. Funds are allotted proportionately among the states based on the number of children under age 18 residing in each State. However, no state will receive less than \$175,000. During FFY 2009 the minimum award was \$200,000. Grants require a 20 percent non-federal match.</p> <p><i>Information from (ACYF-CB-PF-09-05; Keeping Children and Families Safe Act of 2003 (PL 108-36)).</i></p>
Title IV-E of the Social Security Act	Chafee Foster Care Independence Program	Under this federal capped entitlement grant, funds can be spent on a wide variety of services that support youth in foster care in moving toward or achieving independence. Services also are available for youth who leave foster care after age 16 for adoption or relative guardianship. Funds



Table 8. Potential Funding Streams for Permanency and Post-Permanency Services (continued)

FUNDING STREAM	WHAT PROGRAM IS FUNDED	ADDITIONAL INFORMATION
		require a 20 percent non-federal match. Distribution to states is based primarily on the number of children in foster care in each state as compared to all other states. The grant requires a federally approved Child Welfare Services Plan. Indian tribes are not eligible for a direct federal grant.
Title IV-E of the Social Security Act	Chafee Foster Care Independence Program – Education & Training Vouchers	The federal non-entitlement grant provides youth eligible for the Chafee Independence program with post-secondary education and training vouchers. The goal of the program is to assist youth in making the transition to adulthood and securing a job. It requires a 20 percent non-federal match. Distribution to states is based primarily on the number of children in foster care in a state as compared to all other states. This program requires a federally approved Child Welfare Services Plan.
Title IV-A Temporary Assistance for Needy Families (TANF)		<p>TANF, a block grant that replaced AFDC, is a capped state entitlement, not an individual entitlement. To be eligible, families with a child must meet one of the four purposes of the program:</p> <ol style="list-style-type: none"> <li>1. To provide assistance to needy families (means test);</li> <li>2. To end the dependence of needy parents by promoting job preparation, work, and marriage (means test);</li> <li>3. To prevent and reduce out-of-wedlock pregnancies (no means test); or</li> <li>4. To encourage the formation and maintenance of two-parent families.</li> </ol> <p>There is great latitude in determining eligibility, benefit levels, and services provided to families.</p> <p>In addition, states that administered a Title IV-A Emergency Assistance program prior to TANF are able to continue to administer the program using TANF funds with the same program requirements that were in place prior to TANF. The grant to each state is based on the amount of Title IV-A funds the state was claiming prior to TANF. There is not a federal match requirement, but there is a Maintenance of Effort (MOE) requirement.</p> <p><i>Information from the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PL 104-193); Deficit Reduction Act of 2005 (DRA) (Pub. L. 109-171).</i></p>
Medicaid (Title XIX of the Social Security Act)		Medicaid is an open-ended entitlement through which states provide a wide range of mandated and optional medical services based on each state's unique plan, including: physical health, behavioral health, rehabilitation services (including treatment components of residential and therapeutic foster care), and Targeted Case Management

Table 8. Potential Funding Streams for Permanency and Post-Permanency Services (continued)

FUNDING STREAM	WHAT PROGRAM IS FUNDED	ADDITIONAL INFORMATION
		<p>(TCM). In general, states are able to bill Medicaid for treatment-related services for IV-E eligible children. Title IV-E cannot be billed for treatment-related services.</p> <p>All IV-E eligible foster and adopted children and those living with a relative guardian have categorical eligibility with a state option for coverage of non IV-E eligible children. States are reimbursed based on the Federal Medical Assistance Program (FMAP), ranging from between 50 percent and 83 percent, based primarily on a state's per capita income. This percentage is adjusted at the beginning of each federal fiscal year. TCM is allowable for children in the child welfare population in accordance with the provisions of the Deficit Reduction Act of February, 2005.</p>
The American Recovery and Reinvestment Act of 2009	Temporary Increase in State FMAP for Foster Care Maintenance and Adoption Assistance Payments	<p>The American Recovery and Reinvestment Act of 2009 provides a temporary increase in state FMAP (Federal Medical Assistance Percentage) for the costs of Medicaid benefits and Title IV-E foster care maintenance, adoption assistance, and guardianship assistance programs. The increase will be for the period October 1, 2008, through December 31, 2010.</p> <p>There are three components to the policy:</p> <ul style="list-style-type: none"> <li>• Each state's FY 2009 "base" will be its highest FMAP of FY 2008 or FY 2009. Each state's FY 2010 "base" will be its highest FMAP between FY 2008 through FY 2010.</li> <li>• Every state will receive an increase of 6.2 percent added to its "base."</li> <li>• States with high unemployment rates will receive an additional FMAP increase. The increase based on unemployment will not apply to Title IV-E.</li> </ul> <p>This temporary increase in the state FMAP was extended through June, 2011; however, it was reduced to 3.2 percent added to its base for January-March, 2011, and to 1.2 percent of its base for the April-June, 2011 quarter. The FMAP extension was contained in the Education, Jobs and Medical Assistance Act (PL 111-226) signed into law on August 10, 2010.</p> <p>One of the results of these increases in states' FMAP and the resultant savings in state general funds will be the potential to use some of the savings for expanded permanency and post-permanency services.</p>
Title XX Social Services Block Grant (Title XX of the Social Security Act)		<p>Title XX is a federal block grant that can be used for a broad array of social services, including those for children and their families. Title XX is not an entitlement and is vulnerable to Congressional reductions to balance the budget. No federal match is required.</p>

### Funding Permanency and Post-Permanency Services

The funding streams described in the previous section can be used to support a variety of permanency-related child welfare services. Charts 1 through 4, which follow, show the federal funding streams that can be used to support each of these services.

Chart 1 - Financing Placement Prevention and Reunification Services									
SERVICES	FEDERAL FUNDING SOURCES								
	IV-B-1	IV-B-2	IV-E Admin.	IV-E Training	XIX	XX	TANF/EA	CHAFEE	CAPTA/ CBCAP
<b>Maintenance</b>									
Emergency Assistance							•		
Flexible Funding for Families		•					•		
<b>Case Management</b>									
Case Management	•	•	•			•	•	•	•
Case Planning & Reviews			•					•	•
Child Advocacy	•	•	•			•		•	•
Crisis Intervention	•	•				•	•	•	•
Educational Advocacy							•	•	•
Family Group Decision-Making/Team Meetings	•	•	•			•	•		•
Intensive In-Home Supervision	•	•	•			•	•	•	•
Support Groups - Parents	•	•	•			•	•		•
Support Groups - Children	•	•	•			•	•		•
TCM for Child Welfare Population					•				
TCM for Children who are SED or DD					•				
Translation Services	•	•	•			•	•	•	
<b>Administrative/Legal</b>									
Court/Legal Activities	•	•	•			•	•		
Information & Referral	•	•	•			•	•		
Eligibility Determination - IV-E & XIX			•		•				
Family Resource Centers	•	•	•			•	•		•
Supplies and Equipment	•	•				•		•	
<b>Services/Treatment</b>									
After School	•	•				•			
Before School	•	•				•			
Behavioral/Mental Health Treatment	•	•			•	•	•		•
Child Care Services	•	•				•	•		
Crisis Nurseries	•	•							•
Day Treatment	•	•			•	•			
Educational Support	•	•				•			
Employment Assistance	•	•				•	•	•	
Family Therapy	•	•			•	•			
Group Therapy	•	•			•	•			
Housing Assistance Consultation Referral	•	•						•	
Independent, Living Services	•	•				•	•	•	
Individual Therapy	•	•			•	•			
Medical/Physical Health Services	•	•			•				
Mentoring for Adults (Parents)	•	•				•	•		•
Neighborhood Services Time Banks	•	•				•			
Parent Aide	•	•				•	•		•
Parenting Education	•	•				•	•		•
Recreational Services	•	•				•	•		
Recreational Therapy	•	•			•	•	•		
Residential Treatment	•				•	•	•		•
Respite Care	•	•				•	•		•
Social Skills Training	•	•				•	•		
Special Day Camps/Daily Supervision	•	•				•	•	•	
Substance Abuse Treatment	•	•			•	•			•
Transportation Services	•	•			•	•	•		
Wrap Around Services	•	•				•	•		•
<b>Training</b>									
Training for Former Foster Children	•	•				•		•	
Community Education Re: Needs of Children Formerly in Foster Care	•	•	•			•		•	
Training of Private Agency Preventive Case Management Staff	•	•		•		•		•	
Training of Public Agency Preventive Case Management Staff	•	•		•		•		•	

**Explanation of Chart** - This chart includes potential federal funding resources which may be wholly or partially administered by the state/local child welfare agency to support allowable youth and relative guardianship-related services. It includes those services authorized in the Fostering Connections to Success and Increasing Adoptions Act of 2008 as well as other child-welfare related federal legislation, regulations and policies. Chart developed by Donald L. Schmid, Financing Consultant.

Chart 2 - Financing Foster Care and Permanency Services

SERVICES	FEDERAL FUNDING SOURCES										
	IV-B-1	IV-B-2	IV - E Main.	IV-E Admin.	IV-E Training	XIX	XX	Chafee IL	TANF/EA	Court Improvement	CAPTA/ CBCAP
<b>Maintenance</b>											
Child Care	•	•	•				•		•		
Eligibility Determination - IV-E & XIX				•		•					
Flexible Funding for Families		•							•		
Foster Care Maintenance Payment	•		•				•		•		
Residential Psychiatric Treatment Care						•			•		
Treatment Foster Care	•		•				•		•		
<b>Case Management</b>											
Case Management	•	•		•			•	•	•		•
Case Planning & Reviews	•	•		•			•	•	•		•
Child Advocacy	•	•		•			•	•	•		•
Crisis Intervention	•	•					•	•	•		•
Educational Advocacy	•	•		•			•	•	•		•
Family Group Decision-Making/ Team Meetings	•	•		•			•		•		•
Intensive In-Home Supervision	•	•		•			•		•		•
Support Groups - Bio. Parent & Foster Parent	•	•		•			•		•		•
Support Groups - Foster Child	•	•		•			•	•	•		•
Targeted Case Management - Foster Children						•					
TCM for SED & DD Children in Foster Care						•					
Translation Services	•	•		•			•	•	•		
<b>Administrative/Legal</b>											
Court Activities related to Foster Care	•			•			•		•	•	
Family Resource Centers	•	•		•			•		•		•
Foster/Adoptive Resource Fam. Recruitment	•	•		•			•		•		
Foster Care Licensing	•			•					•		
Information and Referral	•	•		•		•	•		•		
Relative Search/Family Finding	•			•			•		•		
<b>Services and Treatment</b>											
Behavioral/Mental Health Treatment Services	•	•				•	•		•		•
Day Treatment	•	•				•	•		•		
Family Therapy	•	•				•	•		•		
Group Therapy	•	•				•	•		•		
Independent Living Services	•	•				•	•	•	•		
Individual Therapy	•	•				•	•		•		
Medical/Physical Health Services						•					
Parent Aide	•	•					•		•		•
Parent Education	•	•					•		•		•
Permanency Team Decision Making	•	•		•			•		•		
Recreation Therapy	•					•	•		•		
Residential Foster Care/Treatment Care	•					•	•		•		•
Respite Care	•	•					•		•		•
Special Camps/Daily Supervision	•		•				•		•		
Substance Abuse Treatment	•	•				•	•		•		•
Treatment Foster Care	•					•	•		•		•
Wrap Around Services	•	•					•		•		•
<b>Training</b>											
Foster Parents - Current & Prospective	•	•			•		•	•	•		
Community Training Regarding Needs of Foster Children	•	•		•			•	•	•		
Private Agency Contracted Foster Care Services	•	•			•		•	•			
Public Agency Staff Providing Foster Care Services	•	•			•		•	•	•		
Court, GAL, & Legal System re: IV-E	•	•			•		•	•	•	•	
Staff at Lic. Inst. Serving Foster/Adopt Child	•	•			•	•	•	•	•		

**Explanation of Chart** - This chart includes potential federal funding resources which may be wholly or partially administered by the state/local child welfare agency to support allowable youth and relative guardianship-related services. It includes those services authorized in the Fostering Connections to Success and Increasing Adoptions Act of 2008 as well as other child-welfare related federal legislation, regulations and policies. Chart developed by Donald L. Schmid, Financing Consultant.

Chart 3 - Financing Adoption and Post-Adoption Services

SERVICE	FEDERAL FUNDING SOURCES										
	IV-B-1	IV-B-2	IV - E Main.	IV-E Admin.	IV-E Training	XIX	XX	Adoption Incentive	TANF/EA	Chafee IL/ETV	CAPTA/ CBCAP
<b>Administration, Case Management and Services/Treatment</b>											
Adoption Search	•	•		•			•	•	•		
Adoption Assistance Payment	•		•					•			
Adoption Resource Centers	•	•		•		•	•	•	•		•
Case Management	•	•		•			•	•	•	•	•
Case Plan/Review	•	•		•			•	•	•	•	•
Child/Family Advocacy	•	•		•		•	•	•	•	•	•
Crisis Intervention	•	•				•	•	•	•	•	•
Day Treatment	•	•				•	•	•	•		
Information & Referral to Adoptive Family	•	•		•			•	•			
Educational Advocacy	•	•				•	•	•			•
Eligibility Determination - IV-E & XIX				•		•					
Family Therapy	•	•				•	•	•			
Family Group Decision-Making/Team Meetings	•	•		•			•	•	•		•
Flexible Funding for Families		•						•			
Group Therapy	•	•				•	•	•	•		
Independent Living Services	•						•	•		•	
Individual Therapy	•	•				•	•	•	•		
Intensive In-Home Supervision	•	•					•	•	•		•
Medical/Physical Health Services						•			•		
Medical/Behavioral Health Services	•	•				•	•	•	•		•
Mental Health Treatment	•	•				•	•	•	•		
Parent Aide	•	•					•	•	•		•
Parenting Education	•	•					•	•	•		•
Recreation Therapy	•	•				•	•	•	•		
Residential Treatment	•					•		•	•		
Respite Care	•	•					•	•	•		•
Social Skills Training	•	•					•	•	•		
Special Camps	•	•				•		•	•		
Substance Abuse Treatment	•	•				•	•	•	•		•
Supplies and Equipment	•	•				•		•			
Support Groups	•	•		•			•	•	•	•	•
Targeted Case Management (TCM)						•					
Wrap Around Services	•	•					•	•	•		•
<b>Training</b>											
Adoptive Parents: Current/Prospective	•	•			•		•	•	•		
Community Education Regarding Needs of Adopted Children	•	•		•			•	•	•		
Private Agency Adoption/Case Management Staff	•	•			•		•	•	•		
Public Agency Adoption/Case Management Staff	•	•			•		•	•	•		
Court & Legal System re: IV-E Adoption Req.	•	•			•		•	•	•		

**Explanation of Chart** - This chart includes potential federal funding resources which may be wholly or partially administered by the state/local child welfare agency to support allowable youth and relative guardianship-related services. It includes those services authorized in the Fostering Connections to Success and Increasing Adoptions Act of 2008 as well as other child-welfare related federal legislation, regulations and policies. Chart developed by Donald L. Schmid, Financing Consultant.

**Chart 4 - Financing Permanency Services for Youth in Relative Guardianship**

<b>SERVICE</b>	<b>FEDERAL FUNDING SOURCES</b>										
<b>Relative Guardianship</b>	<b>IV-B-1</b>	<b>IV-B-2</b>	<b>IV - E Main.</b>	<b>IV-E Admin.</b>	<b>IV-E Training</b>	<b>XIX</b>	<b>XX</b>	<b>Chafee IL</b>	<b>TANF/EA</b>	<b>Court Improvement</b>	<b>CAPTA/ CBCAP</b>
<b>Maintenance</b>											
Eligibility Determination - IV-E & XIX				•		•					
Flexible Funding for Families		•									
Relative Guardianship Assistance Payment			•								
<b>Case Management</b>											
Case Management	•	•		•			•	•	•		•
Case Planning & Reviews	•	•		•			•	•	•		•
Child Advocacy	•	•		•			•	•	•		•
Crisis Intervention	•	•					•	•	•		•
Educational Advocacy	•	•		•			•	•	•		•
Family Group Decision-Making/Team Meetings	•	•		•			•		•		•
Intensive In-Home Supervision	•	•		•			•		•		•
Support Groups - Guardian & Bio Parent	•	•		•			•		•		•
Support Groups - Youth in Guardianship Place.	•	•		•			•	•	•		•
Translation Services	•	•		•			•	•	•		
<b>Administrative/Legal</b>											
Court/Legal Activities	•			•			•		•	•	
Family Resource Centers	•	•		•			•		•		•
Guardian Resource Family Recruitment	•	•		•			•		•		
Guardian Home Approval & Background Check	•			•			•				
Information and Referral	•	•		•		•	•		•		
Relative Search/Family Finding	•			•			•		•		
<b>Services and Treatment</b>											
Day Treatment	•	•				•	•		•		
Family Therapy	•	•				•	•		•		
Group Therapy	•	•				•	•		•		
Individual Therapy	•	•				•	•		•		
Independent Living Services	•	•				•	•	•	•		
Medical/Behavioral/Mental Health Treatment	•	•				•	•		•		•
Medical/Physical Health Services						•					
Parent Aide	•	•					•		•		•
Parent Education	•	•					•		•		•
Recreation Therapy	•					•	•		•		
Respite Care	•	•					•		•		•
Special Camps/Daily Supervision	•		•				•		•		
Substance Abuse Treatment	•	•				•	•		•		•
Transportation	•		•	•		•	•		•		
Wrap Around Services	•	•					•		•		•
<b>Training</b>											
Relative Guardians - Current & Prospective	•	•			•		•	•	•		
Community training regarding needs of youth in relative guardianship placement	•	•		•			•	•	•		
Private child welfare agency staff serving youth in guardianship placement	•	•			•		•	•			
Public agency staff providing services to youth in relative guardianship placement	•	•			•		•	•	•		
Court & Legal System re: IV-E Requirements	•	•			•		•		•	•	

**Explanation of Chart** - This chart includes potential federal funding resources which may be wholly or partially administered by the state/local child welfare agency to support allowable youth and relative guardianship-related services. It includes those services authorized in the Fostering Connections to Success and Increasing Adoptions Act of 2008 as well as other child-welfare related federal legislation, regulations and policies. Chart developed by Donald L. Schmid, Financing Consultant.



## CONCLUSION

This paper builds on funding opportunities made possible by the Fostering Connections to Success and Increasing Adoptions Act of 2008. It also builds on previous publications (see below) specifically focused on funding post-adoption services and youth permanence.

As this paper makes clear, states and localities can be creative in using available dollars even in times of fiscal constraint, and they can do this now. Without broad child welfare funding reform at the federal level, states and localities can still marshal resources to keep children safe at home, place them in family- and community-based care settings when needed, achieve permanence for children and youth, and provide support to help reunified, guardianship, and adoptive families remain safely together. They can enhance their capacity to maximize available federal dollars and to reinvest state and local general fund dollars, freed up through this process, into preventive and intervention services.

## RESOURCES

### *The Annie E. Casey Foundation*

*An Approach to Post-Adoption Services* (2002)

<http://www.caseyfamilyservices.org/index.php/resources/pubdetail/274/>

*Creative Strategies to Finance Post Adoption Services* (2003)

<http://www.caseyfamilyservices.org/index.php/resources/pubdetail/272/>

*Creative Funding Strategies for Youth Permanence* (2008)

<http://www.caseyfamilyservices.org/index.php/resources/pubdetail/260/>

*Family to Family: Reconstructing Foster Care* (No date)

[http://www.aecf.org/upload/pdffiles/familytofamily/reconstructing\\_initiative\\_overview.pdf](http://www.aecf.org/upload/pdffiles/familytofamily/reconstructing_initiative_overview.pdf)

*Promising Practices in Adoption-competent Mental Health Services* (2003)

<http://www.caseyfamilyservices.org/index.php/resources/pubdetail/273/>

### *The U.S. Government:*

*Laws and Policies* (2010).

[http://www.acf.hhs.gov/programs/cb/laws\\_policies/index.htm#cwpm](http://www.acf.hhs.gov/programs/cb/laws_policies/index.htm#cwpm)

*Finding and Managing Funding for Programs* (2010).

<http://www.childwelfare.gov/systemwide/funding/>

*The 2008 Green Book*, Section 11—Child Welfare

<http://waysandmeans.house.gov/media/pdf/111/s11cw.pdf>

## APPENDIX A: DEFINITIONS OF PERMANENCY AND POST-PERMANENCY SERVICES

This section provides a list of services child welfare professionals may use to prevent the placement of children in foster care and support children and families through family reunification, guardianship, adoption, foster care, and post-permanency services. These services are included in the funding tables found on pages 29 through 32. Although there may appear to be duplication, services are individually defined because of funding requirements for specific populations.

### *Administration, Case Management & Services/Treatment*

#### *Adoption Search*

This is a program that provides non-identifying medical information and/or facilitates, on a mutual voluntary basis, the reunion of biological parents and adoptees, biological siblings, or other biological relatives of adoptees through a centralized network.

#### *Adoption Assistance Payment*

This payment is a monthly subsidy, negotiated on a child-by-child basis that pays the adoptive family for the care of an adopted child with special needs.

#### *Adoption Resource Centers*

These centers provide a wide array of supportive services to adoptive families, which may include, but are not limited to, training, information and referral, support, and case management.

#### *Before- and After-School Services*

These are educational and recreational services that are provided for children before and after the school day. The purpose is to provide safe, supervised activities for children. Core services may include homework help, therapy, enrichment activities, and transportation home. For older children, core services may include life and socialization skills building, pre-employment skills and links to part-time work, tutoring, computer time, field trips to enhance life experiences, sports and artistic activities, community service, free time, and snacks or dinner. The program offers support – and in some cases respite – for family caregivers.

#### *Case Management Services*

These services include procedures to plan, seek, and monitor services from different social agencies and staff on behalf of a child. Usually one agency takes primary responsibility for the client and assigns a case manager, who coordinates services, advocates for the client, and sometimes controls resources and purchases services for the client. Services may also include case plan development; case reviews including individual, group, and team meetings; permanency hearings; monitoring; and general management of the case after a child has been discharged from foster care. This may include negotiation of a subsidized agreement for adoptive or guardianship placement or reunification plan.

#### *Case Management – Post-Adoption*

This service provides case plan development, case reviews, permanency hearings, monitoring, and general management of the case after an adoptive placement, including post-legalization. It may include negotiation of an Adoption Assistance Agreement.

#### *Case Planning and Reviews*

Case planning refers to a written plan with time-limited goals and objectives developed and signed by the service recipient and social service worker. For children in foster care, the plan must include steps necessary to achieve permanence for the child and health and education records. The plan must be reviewed and renegotiated at least every six months.

#### *Child Care Services*

These services provide for the care, supervision, or guidance of a child by a person other than the parent for periods of less than 24 hours on a regular basis in a place other than the child's home to help avoid a family crisis. Child care does not include special activity programs scheduled on a regular basis such as music or dance classes, organized athletics or sports programs, scouting programs, or hobby or craft classes.

#### *Child/Family Advocacy*

Advocacy includes assisting birth parents, foster parents, adoptive parents, and guardians to gain access to needed services for their children. Often there is a need for services such as special education, including completion of an Individualized Education Plan (IEP), or assistance in determining what to include in adoption or guardian assistance agreements. It can occur on accessing referrals of assistance to needed services such as mental health or chemical abuse treatment or needed medical appliances.

#### *Crisis Intervention*

These programs provide short-term, intensive services to assist a birth, guardianship or adoptive family through a crisis.

#### *Crisis Nurseries*

Drop-in child care facilities offer respite for parents and guardians who are stressed and fear they will maltreat their children. Crisis nurseries operate 24 hours a day, seven days a week.

#### *Court/Legal Activities (IV-E)*

These activities include preparing for or participating in judicial proceedings related to a child. May include filing petitions for removal of child from the home; preparation of court reports and other documents; testifying in court ; and activities of an attorney in representing the agency or the child.

#### *Day Treatment*

Day treatment is a comprehensive, highly structured alternative to placement, or a more restrictive placement, that provides therapy or education for children.

#### *Educational Advocacy*

These educational services target children's educational needs: advocacy with the educational system to have the child evaluated and to have his or her special education needs met; participation in meetings about the child's Individual Education Plan (IEP); and ensuring a child is promptly enrolled in a new school when his or her foster care placement changes.

#### *Eligibility Determination (Title IV-E & Title XIX, Medicaid)*

This process determines if a child is eligible for a Title IV-E foster care maintenance, foster care administration, adoption assistance, guardianship assistance, or Title XIX Medicaid reimbursement.

#### *Employment Assistance*

These programs offer assistance to secure employment, in addition to providing supplemental services to support job retention such as transportation or child care. They include services to help individuals develop the capacities and skills to be employable.

#### *Family Group Decision Making/Team Meetings*

These are family meetings that are held on behalf of/with children in the child welfare system to enable families to make decisions and develop plans that nurture children and protect them from abuse and neglect. Team meetings are used as the vehicle for shared planning and decision making for the child and for ensuring that the child's safety, permanency, and well being needs are met.

#### *Family Resource Centers*

These centers provide supportive services to youth, birth families, guardians, or foster and adoptive families. Such facilities typically offer an array of services under one roof, including: drop-in centers within a neighborhood; family services and supports, including peer supports; and information and referrals for housing, food, utilities, child care, clothing, transportation, and employment assistance.

#### *Family Therapy*

Therapeutic services are provided to a foster child, former foster child, adopted child, or child living with a guardian, as well as the child's family, including birth parents and siblings. Sessions range from 30 minutes to two hours.

#### *Flexible Funding for Families*

Limited flexible funds are made available to birth families and guardians or adoptive families when other resources have been exhausted during times of crisis.

#### *Foster Care Maintenance Payment*

Monthly payments are paid to foster care providers (which include foster parents, relative caregivers, and residential facilities) to cover the cost of providing food, clothing, shelter, daily supervision, school supplies, personal incidentals, liability insurance related to the

child, reasonable travel to the child's home for visitation, and reasonable travel for the child to remain in the school in which he or she was enrolled at the time of placement. In the case of institutional care, payments also may cover the reasonable costs of administration and operation to provide such items.

#### *Foster/Adoptive Resource Family Recruitment*

These are services that include a wide variety of activities that relate to recruitment of foster or adoptive families, including advertising, promotion, and contacts to care for a specific child.

#### *Foster Care Licensing*

These are activities that relate to the licensing of foster families or residential child care facilities. They include extensive on-site visits, assessment, collateral contacts, and training to assure child safety.

#### *Group Therapy*

This is a service that includes therapeutic contact with two or more children in a group setting.

#### *Guardianship Assistance Payments*

This benefit includes subsidies that consist of monthly payments to legal guardians negotiated on a child-by-child basis, which are often, but not always, limited to relative guardians.

#### *Housing Assistance, Consultation, and Referral*

Housing referral and assistance helps with locating and securing affordable housing within a safe community. This may also include, but is not limited to, assistance in accessing publicly funded programs, which are designed – and typically administered by – the U.S. Department of Housing and Urban Development to provide suitable homes for those unable to find or pay for them. The programs include: low-rent public housing, rent subsidies, home ownership assistance for low-income families, home maintenance programs for low-income people, and assistance with lease negotiations and landlord and tenant concerns.

#### *Independent Living Services*

These are services that prepare youth in foster care to transition to adult living. Services generally include: support for high school graduation and general equivalency diploma (GED), higher education, and academic support; job readiness, job search assistance, and placement programs; and instructions in basic living skills such as money management, home management, consumer skills, parenting, health care, access to community resources, transportation, etc. Services also are provided to eligible youth who have exited the foster care system after age 16 for relative guardianship or adoption.

#### *Individual Therapy*

This service includes therapeutic contact that is provided to one client, such as the birth or adoptive parent, guardian, or the child. Sessions range from 30 minutes to two hours.

### *Information and Referral*

These services provide information and, when appropriate, referral services to birth parents; current and prospective foster, adoptive; and guardianship parents, and children and youth. Services may include a center or telephone line to inform people about existing benefits, services, and programs, as well as the procedures for obtaining or using them. These services also help people find other appropriate resources, through toll-free numbers, Web sites, and more.

### *Intensive Family Preservation Services*

These specialized services provide short-term, intensive, in-home, crisis intervention services that teach skills and provide support for families in which a child is at imminent risk of out-of-home placement.

### *Intensive In-Home Supervision*

This service is provided when a child's condition requires one-on-one, 24-hour supervision, and the parent or guardian needs someone to come into the home for a portion of the day so the parent or guardian can sleep or attend to other personal family needs.

### *Legal Services*

These services include legal consultation/clinics for the birth parents, custodians, adoptive parents, and guardians on such issues as transfer of custody to the birth parents, transitions from guardianship to adoption, the rights of the guardian, navigating the child welfare and juvenile justice systems, visitation, immigration issues, and creating wills or addressing inheritance concerns.

### *Medical/Behavioral and Mental Health Treatment Services*

These services include medical, preventive, and rehabilitative care provided by an authorized medical provider in accordance with the state Medicaid plan and clinical treatment by an authorized mental health professional. Child must have a DSM-IV diagnosis. Treatment may be provided on an inpatient or outpatient basis.

### *Medical/Physical Health Services*

These services provide basic medical care, including clinic visits, hospitalization, surgery, dental services, vision and hearing screening and services, and medication. Services include preventive, primary, treatment, and specialized health services.

### *Mentoring for Adults*

This program connects adults in need with peer mentors who have dealt successfully with an issue. Examples include: a peer mentor with a history of child abuse or neglect who is parenting positively now; a peer mentor who stopped abusing alcohol or another substance; or a peer mentor who has found and retained employment.



#### *Neighborhood Services Time Banks*

Time banks are organized neighborhood cooperatives where birth parents, foster/adoptive parents, and guardians voluntarily trade or exchange needed supports such as child care, transportation, house cleaning, home repair, meal preparation, and elder care.

#### *Parent Aide Services*

These are services help birth parents and guardians maintain custody of their children by receiving instruction, demonstration, and assistance in such areas as: child rearing; child care; performing household tasks such as budgeting, food purchase and preparation; and home maintenance.

#### *Parenting Education*

These programs include didactic and experiential education programs to teach parents how to be effective in child rearing and socialization, parent-child communication, and problem solving. Knowledge and skill development is offered in areas such as child development, anger management, and disciplining children.

#### *Parents Anonymous or Other Parent-Led Supports*

These private, voluntary organizations are comprised of parents who have experienced difficulties dealing with their children and who provide one another with mutual support. Parents Anonymous is one of many national self-help organizations whose members help one another restrain themselves from maltreating their children.

#### *Recreational Services*

These services provide families with information/referral and financial assistance to access special activities and children's programs. These may include transportation, membership to the local YMCA/YWCA, music or dance classes, organized athletics or sports programs, scouting programs, hobby, or craft classes.

#### *Recreation Therapy*

This treatment uses recreation and is provided by a practitioner of the healing arts based on a DSM-IV diagnosis.

#### *Relative Search/Family Finding*

This process includes programs that recruit and prepare family members to be foster and adoptive parents.

#### *Residential Treatment*

This service provides specialized treatment in an institutional boarding facility for children whose needs exceed the normal limits of in-home or community-based care. Treatment can include special education; psychiatric services; clinical social work; and psychological, medical, or consultative services provided for physical or emotional disability, retardation, or drug and alcohol problems.

### *Respite Care*

These programs provide child care services for a brief time to families parenting children who are currently or have been formerly in foster care; families who have adopted children with special needs; and guardians. Respite care may be provided for all or part of a 24-hour period or for a weekend, either in or out of the home.

### *Social Skills Training*

This training assists children with special needs and adjustment issues to build verbal and communication skills.

### *Special Camps*

These short-term day or overnight camps provide recreational, social, therapeutic, educational, or peer support opportunities for children and respite for both the parents and the children. Usually held during the summer months, these camps may last for a few days, a week, or a month or longer, but are considered short term in duration.

### *Substance Abuse Treatment*

These services include clinical treatment for a child currently or formerly in foster care or for birth parents diagnosed with substance-abuse issues. Inpatient or outpatient treatment may be provided.

### *Supplies and Equipment*

This service provides materials to integrate a child with special needs into the home of a birth family, guardian, or adoptive family. Services may include house modifications; adaptive equipment; and provisions, such as vitamins, nutritional supplements, diapers, or pads.

### *Support Groups*

These group services are provided to families and children to help them deal with issues related to foster care, placement prevention, reunification, guardianship, adoption, and caring for adopted children with special needs. They often are staffed by case managers or parent volunteers who might also be referred to as “buddy families” or are part of a “warmline” program.

### *Targeted Case Management for Children with Serious Emotional Disturbance (SED) or Developmentally Disabled (DD)*

These services help Medicaid-eligible families with children who have been diagnosed as being seriously emotionally disturbed or developmentally disabled access needed medical, social, educational, and other services. Services may include needs assessment, development of specific case plans, referral to needed services, and monitoring.

### *Targeted Case Management for Current, Former, or Prospective Foster Children and Families*

These Medicaid-eligible services assist children and their families in gaining access to needed medical, social, educational, and other services. These may include activities such as needs assessment, development of specific case plans, referral to needed services and monitoring.

#### *Targeted Case Management for Adopted Children and Families*

These services assist adopted children (and their families) who are Medicaid eligible in gaining access to needed medical, social, educational, and other services. (SSA, section 1915 (g) (2)). These may include activities such as needs assessment, development of specific case plans, referral to needed services, and monitoring.

#### *Translation Services*

These service programs provide referral and assistance accessing services in an individual's native language. This service is usually part of case management.

#### *Transportation Assistance*

These services are provided to family members to secure transportation for essential activities such as employment and keeping medical and other appointments.

#### *Treatment Foster Care*

This service includes Treatment Family Foster Care that is provided to a child with Serious Emotional Disturbance (SED) by specially trained foster parents in a family setting rather than in congregate or residential care. The service includes both daily supervision and treatment components.

#### *Wrap-Around Services*

These flexible services are provided to a birth or adoptive family or guardian through interagency collaboration, individualized strengths-based care, culturally competent services, child and family involvement, community-based services, and accountability.

### **Training**

#### *Training for Court and Legal Systems Regarding Title IV-E Requirements*

This training is targeted at members of the staff of child abuse and neglect courts, other court appointed special advocates representing children in proceedings of such courts, guardians ad litem, agency attorneys, and attorneys representing children or parents. The training deals with federal and state laws, regulation, and policy requirements related to Title IV-E.

#### *Training for Former Foster Children*

This training targets youth who have experienced foster care and focuses on youth development, self-advocacy, and independent living skills. It may include short-term classes, as well as formal academic or vocational education.

#### *Community Education Regarding Needs of Former Foster Children, Adopted Children, and Children in Relative Guardianship*

This training focuses on foster care and adoption and the needs of children who were formerly in foster care or have been adopted. It is provided to the broad community, including school personnel, attorneys, physicians, probation officers, and the public.

*Training of Current and Prospective Foster and Adoptive Parents, and Relative Guardians*

This training targets current and prospective foster and adoptive parents and relative guardians. It may include basic training (i.e., PRIDE, MAP, or PATH), conferences, seminars or retreats, and specific-condition training such as Fetal Alcohol Syndrome (FAS), Fetal Alcohol Effect (FAE), and Serious Emotional Disturbance (SED).

*Training of Private Agency Preventive or Placement Case Management Staff*

This training targets non-clinical private agency case managers who carry out some of the state agency responsibilities under a “purchase of service” contract.

*Training of Public Agency Preventive or Placement Case Management Staff*

This training focuses on non-clinical training for staff of the public Title IV-E agency.

*Training of Providers of Service*

This training includes clinical and diagnostic training provided to clinicians who work with children who are now or have formerly been in foster care, adopted children, or children being cared for by a parent or guardian, as well as their families.

*Training of Staff at Licensed Institutions Serving Foster and Adopted Children and Children Cared for by a Guardian*

This training includes short-term training, including travel and per diem expenses, with members of state-licensed institutions that provide care to foster and adopted children and guardians receiving Title IV-E assistance to care for children. Training can cover a wide range of topics focusing on better serving the foster or adopted child or the child being cared for by a guardian.



*“If we reduce the population of children in foster care by as little as 5 percent, we can free up significant state and local dollars that can be reinvested in crucial permanency and post-permanency services.”*

*- Don Schmid, National Title IV-E Financing Consultant*