

Review of States Definitions and Policies for Adoption Subsidy

The state subsidy profiles listed on the North American Council on Adoptable Children (NACAC) was used as a resource to review individual state's definition of special needs and to look at other related topics. When the profile was not clear, the state's administrative rules, policy manuals and/or state statutes were reviewed, but policy in some states was either difficult to find or still unclear. This is a summary of what was found:

Special Needs documentation for non-age, race or sibling criteria:

A child with special needs is defined as a child that has at least one of the following needs or circumstances that may be a barrier to placement or adoption without financial assistance:

- 16 States require a diagnosis of mental, physical, emotional or psychological disorders
- 5 States say the child has a documented disability but policy was unclear on who documented or diagnosed
- 18 States require the child to have a physical, mental, emotional disability or a medical condition, or need for ongoing treatment, but policy was unclear on who documented or diagnosed
- 11 States require the child to have a physical, emotional, mental handicap, and only 1 state defines handicap

Other criteria allowed by states to determine special needs:

- 2 states define history of abuse or neglect as a special need
- 1 state defines a previous adoption or multiple placements as a special need
- 1 state defines residing in the same foster family home for a lengthy period of time where emotional ties have been developed with the foster family and adoption assistance is necessary to facilitate an adoption as a special need
- 1 state defines adoption by foster parents with whom the child is living is the only appropriate permanency plan as a special need

Minimum age as a special need for a non-minority child:

- 1 state age 1 or older
- 1 state age 2 or older
- 2 states age 3 or older
- 1 state age 4 or older
- 6 states age 5 or older
- 10 states age 6 or older
- 4 states age 7 or older
- 12 states age 8 or older
- 1 state age 9 or older
- 4 states age 10 or older
- 2 states age 12 or older
- 1 state age 11 for boys and age 12 for girls
- 1 state age 8 if a member of a sibling group
- 1 state states age but does not give a minimum
- 3 states did not state age as a special needs criteria

Minimum age when race is defined as a special need

- 27 states have no minimum age for minority children
- 2 states have minimum age of 1
- 8 states have minimum age of 2
- 3 states of minimum age of 3
- 1 state has minimum age of 6
- 1 state has minimum age of 8
- 7 states do not identify race as a qualifying special need
- 1 state requires another special need in addition to race

Number of siblings required to qualify as a special need

- 23 states require 2 siblings
- 8 states require 3 siblings
- 6 states require 2 siblings or more with at least one meeting age, special need or other criteria or a combination of requirements
- 1 state requires 3 siblings or more with at least one meeting age, special needs or other criteria, or a combination of requirements
- 1 state requires 3 siblings with minimum age requirements for one child if they are Caucasian children, and 2 siblings with one child meeting a minimum age requirement if they are minority children
- 11 do not either specify or allow sibling groups to be considered a special needs criteria

Maximum age of subsidy – Several states differentiate between state funded subsidy and federally funded subsidy. This is the maximum age for any subsidy payment regardless of fund source.

- 11 states extend subsidy to age 21 if the youth has a qualifying special need
- 11 states extend to age 21 if a combination of education and/or special needs requirements are met
- 10 states have different criteria for IV-E and state funded – subsidy is ended earlier for state funded than for IV-E funded who have continued special need
- 10 states end subsidy at age 18 with no extension
- 5 states end subsidy at age 21 or completion of high school whichever is the earliest
- 2 states extend subsidy to age 21 for all youth
- 1 state ends subsidy at 19

Subsidy Reviews

- 29 states require annual review
- 5 states require review every 2 years
- 2 states require review every 3 years
- 2 states require review every 5 years
- 6 states require reviews at specific ages
- 6 states do not require any review

Iowa's eligibility criteria:

- a. Eight years of age or older and Caucasian
- b. Two years of age or older and a member of a minority race or ethnic group or the child of blended parentage (parents are of different races)
- c. Member of a sibling group of three or more children placed in the same adoptive home
- d. Medically diagnosed disability which substantially limits one of more major life activity, requires professional treatment, assistance in self-care, or the purchase of special equipment
- e. Diagnosed by a qualified mental health professional to have a psychiatric condition which impairs the child's mental, intellectual, or social functioning, and for which the child requires professional services
- f. Diagnosed by a qualified mental health professional to have a behavioral or emotional disorder characterized by situationally inappropriate behavior which deviates substantially from behavior appropriate to the child's age or significantly interferes with child's intellectual social and personal adjustment
- g. Determined to be mentally retarded by a qualified mental retardation professional

Iowa in Comparison

- Iowa's eligibility criteria falls in line with the majority of the states in requiring a diagnosis to determine special needs. Iowa's policy is far clearer than the majority of states on what is required for documentation.
- Iowa is average in providing subsidy for Caucasian children age 8 or older – 25 states provide subsidy for younger than 8 and 21 provide subsidy for children 8 or older. The other four either do not have age as an eligibility criteria or the age was not identified.
- Iowa is slightly less liberal in granting subsidy to minority children based on age. 29 states either have no minimum age or have age 1 as a minimum. Iowa is one of 8 states who provide subsidy at age 2. Only 5 states have higher ages.
- Iowa is one of 8 states that set the number of siblings at 3 children. There are 23 states who set a sibling group at 2 children. Eight states do not allow just sibling groups alone to meet eligibility but also require either age or special needs criteria to be met.
- Iowa is one of 22 states who require documentation of continued special need to extend subsidy beyond age 18. Only 5 states end subsidy at 21 or completion of high school. 10 states have different eligibility standards beyond age 18 for children who are IV-E eligible and for youth who are not IV-E eligible. Iowa makes no distinction – all children who receive subsidy regardless of IV-E eligibility are extended the same benefits.

Percentage of Subsidized Adoptions:

In order to determine the percentage of children who are subsidized adoptions, CWIS ran a file showing the number of cases with a finalized adoption from out of home care and who received an adoption subsidy payment within the year. They also ran cases where a special issuance was paid (child care attorney fees, medical not covered by Medicaid, supplies and equipment, same day in-out). It also showed the number of cases finalized without any special issuance entered.

A special issuance should only be issued if a child meets special needs criteria and an agreement is entered into with the family – either with active subsidy or future needs subsidy. A finalized adoption without either special needs or subsidy payment could indicate the child did not meet criteria for subsidy including future needs.

As the chart indicates, Iowa fully subsidized 85% of all adoptions in SFY08.

	SFY2006		SFY2008	
	#	%	#	%
Number of Adoptions	1027		1060	
Received a subsidy payment	864	84%	903	85%
Received a Special Issuance Only	44	4%	49	5%
Finalized, but no Spec Issuance or subsidy payment	119	12%	108	10%

Iowa's policy on documentation of special needs has been a source of discussion for some time. In reviewing the rules and policies of all 50 states, the rules and policy for Iowa's adoptions subsidy are in line with most of the states. In comparing Iowa policy to that of other states, Iowa's policy was clearer on what documentation could be considered, and who could provide that diagnosis. Many states' policies were unclear on how a special need was documented and who was responsible for providing the diagnosis or documentation of the special need.