



Adoption Promotion Program Update

Children's Services Committee & DSS Directors
February 7, 2018

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Overview of Adoption Promotion Program

To drive and improve performance in the adoption of special needs children.

Special Needs is defined as:
a child having a physical or mental handicap,
who is older, or otherwise hard to place for
adoption, thus meeting the eligibility criteria
for Adoption Assistance benefits.



To utilize and administer the funds for the purpose of advancing adoption programs and permanency for children and youth in foster care.

Local Responsibilities



- Expedite and increase the adoptions of special needs children and youth in foster care.
- Partnerships between local and public agencies to ensure the facilitation of adoptions.

How Agencies Utilize APP Funds



- County DSS's use funds to promote adoptions
- Top uses:
 - Recruitment and retention
 - Legal expenses related to legal clearance
 - Contractors
 - Adoption preparation for youth
- Private agencies as a whole use the funding for services already rendered in the areas of recruitment, training, retention, post placement supervision, and legal services.

Current Program is not Working or Sustainable



- Increasing costs that exceed our state allotment
- Not achieving desired adoption outcomes
- Distribution of funding and clarity or roles between public and private agencies

Breakdown of Adoption Promotion Budget



Recurring Funding Available for Adoption Promotions

State Appropriations	\$1,600,000
TANF	<u>\$2,026,877</u>
Total Recurring Funding	\$3,626,877

Non Recurring Funding Available for Adoption Promotion

Federal Adoption Incentive Funding

(Determined annually based on performance)

2013 - \$112,000

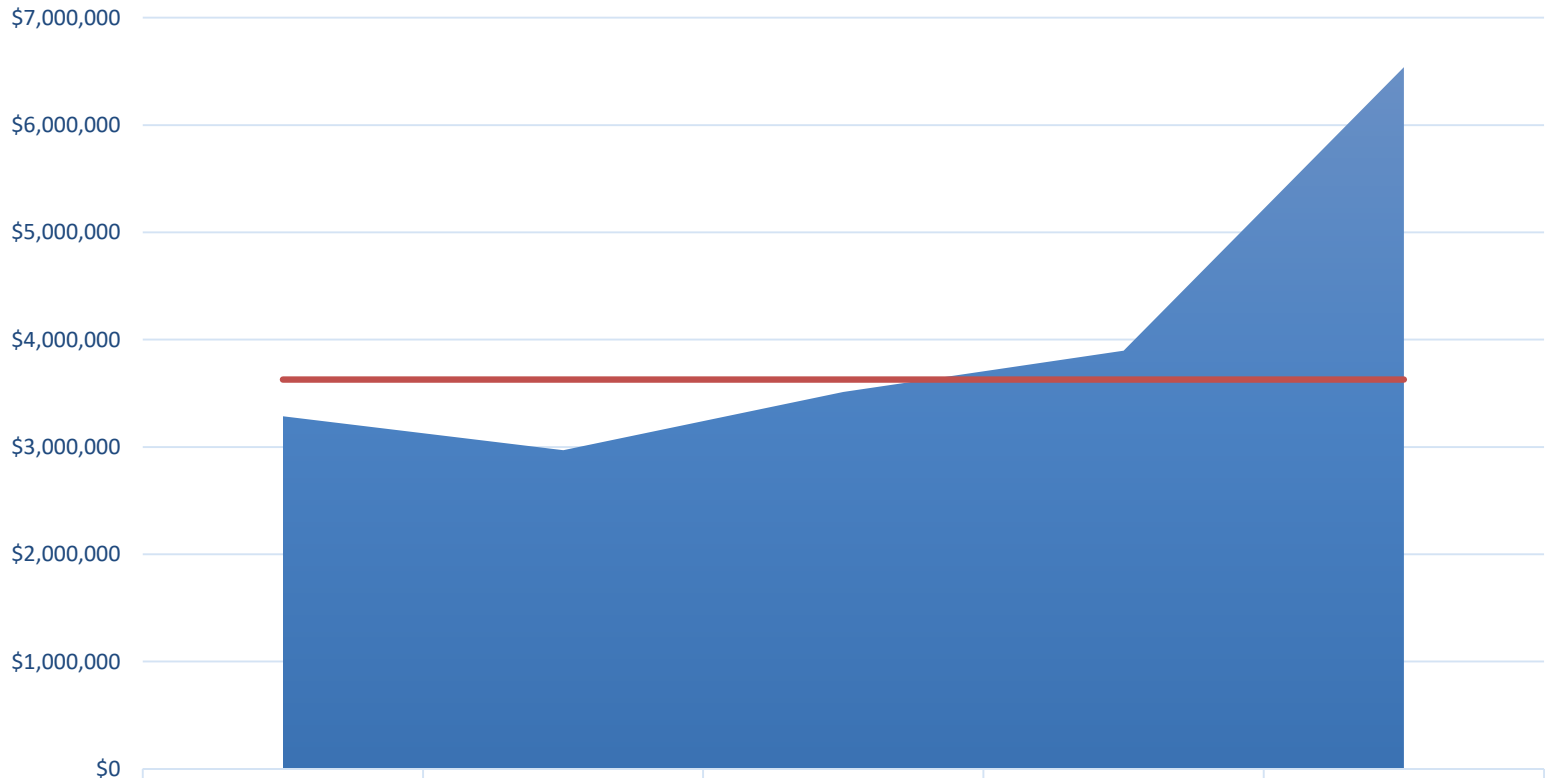
2014 - \$0

2015 - \$220,000

Budget v/s Expenditures



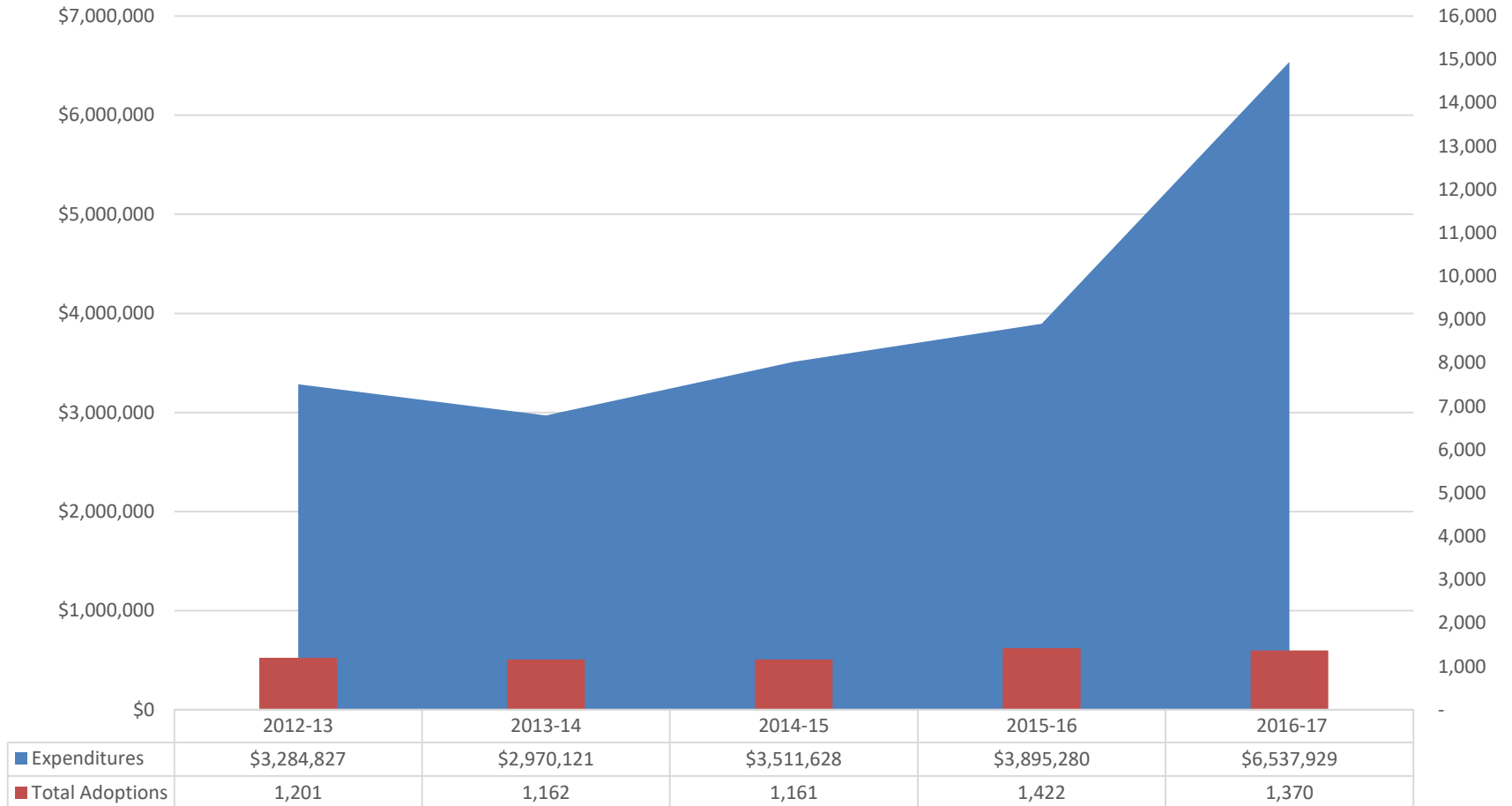
Budget v/s Expenditures



	2012-13	2013-14	2014-15	2015-16	2016-17
Expenditures	\$3,284,827	\$2,970,121	\$3,511,628	\$3,895,280	\$6,537,929
Budget	\$3,626,877	\$3,626,877	\$3,626,877	\$3,626,877	\$3,626,877

Expenditures Budget

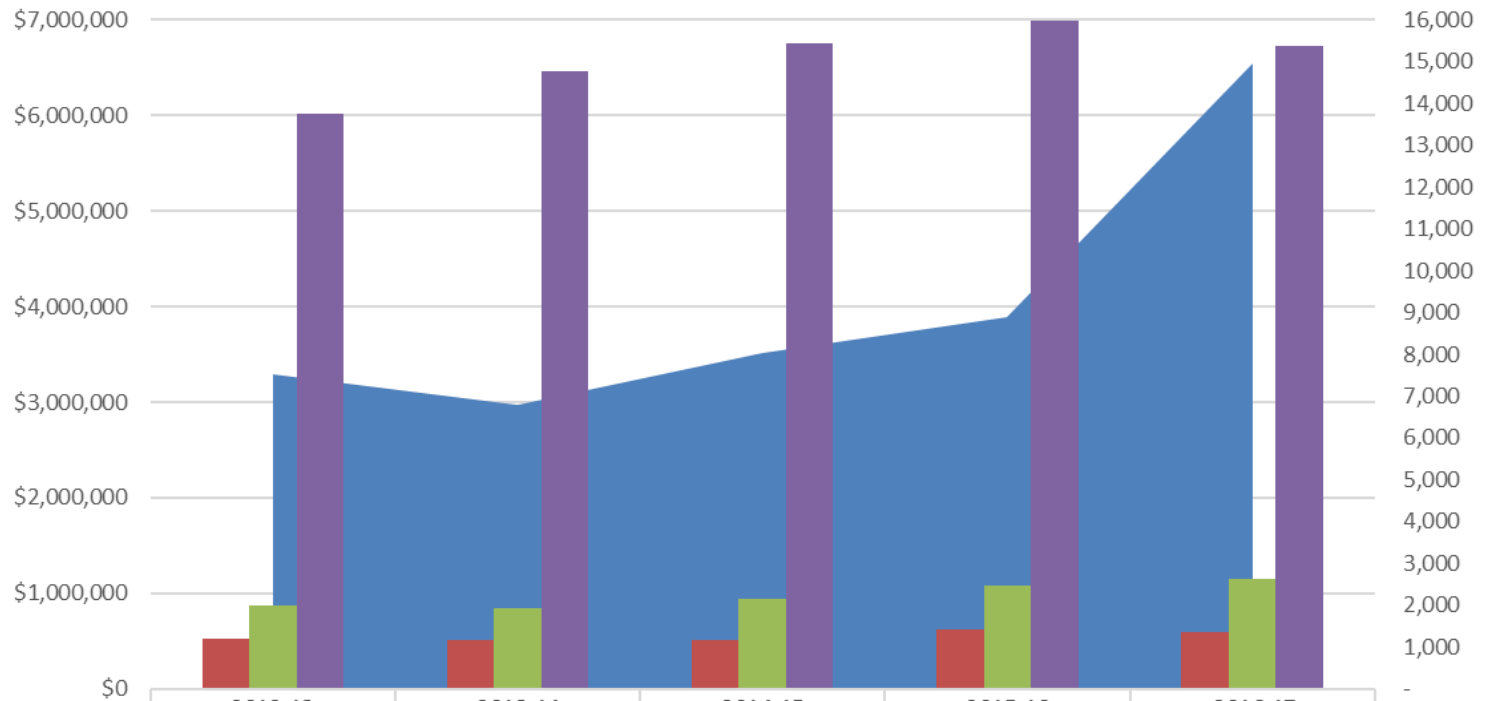
Spending v/s Adoption Outcomes



Population in Need



Population in Need

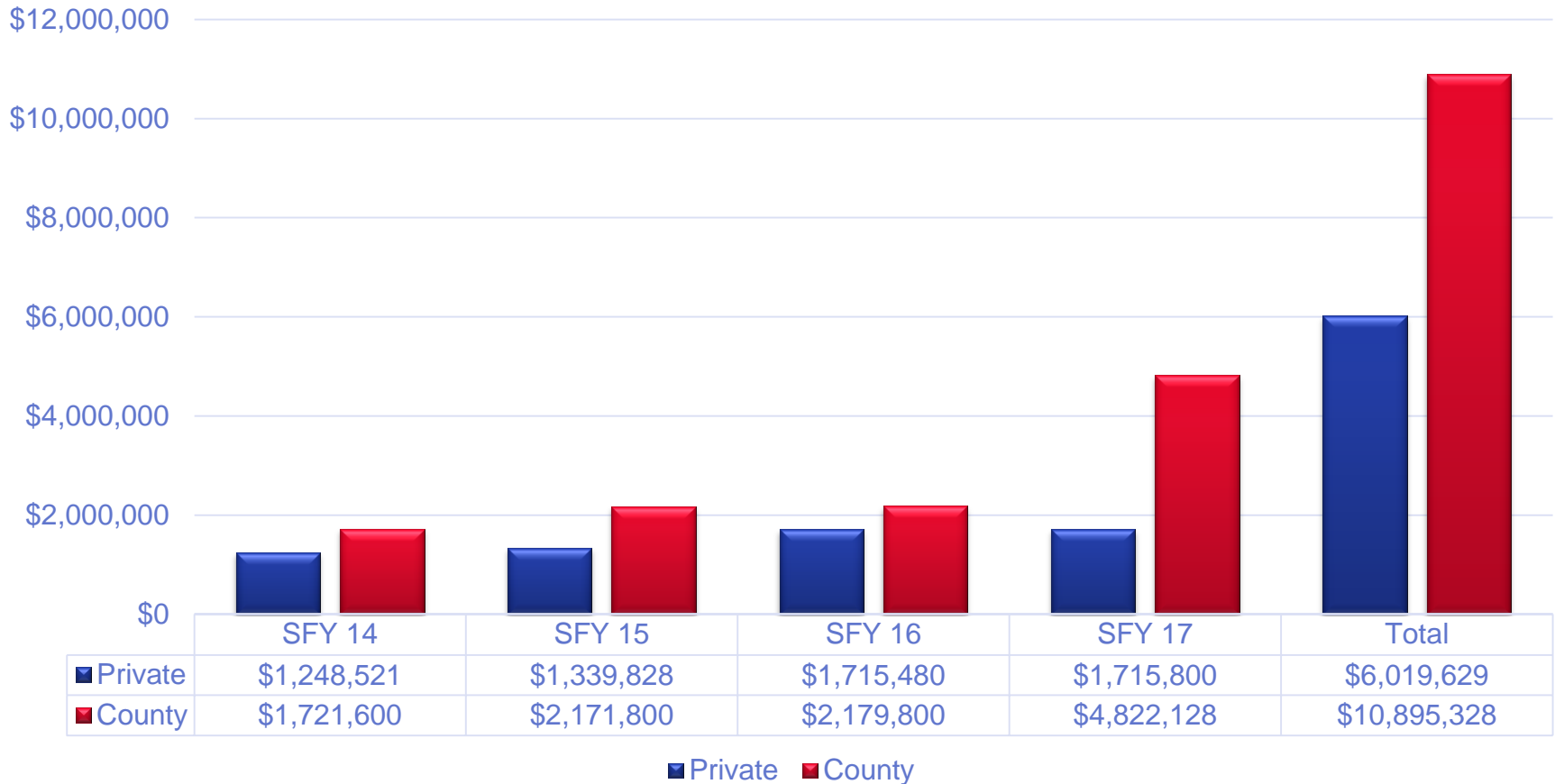


	2012-13	2013-14	2014-15	2015-16	2016-17
Expenditures	\$3,284,827	\$2,970,121	\$3,511,628	\$3,895,280	\$6,537,929
Total Adoptions	1,201	1,162	1,161	1,422	1,370
Total Annually Freed for Adoption	1,999	1,943	2,151	2,484	2,639
Total # children in foster care	13,760	14,765	15,429	15,981	15,385

■ Expenditures ■ Total Adoptions ■ Total Annually Freed for Adoption ■ Total # children in foster care



Yearly Adoption Promotion Payments



Private Agency Participation Data



	SFY 16/17	SFY 17/18 (through Jan. 2018)
Total # of adoptions DSS received reimbursement	487	14
Of those, # involving participation with Private Child Placing Agency	219 (45%)	205
Average % of work claimed by CPA per adoption	68%	66%

What's causing the rise in
expenditures?

Baseline – Current Methodology



- Average number of children who exited foster care by a Decree of Adoption during three of the last four years. Data pulled from Child Placement and Payment System (CPPS)
- The highest number in the four year period is not included in the average.
- Payments are only made to an agency when their baseline has been exceeded and additional decrees are entered.
- **Exception:** adoptions completed for youth age 13 and older or sibling groups of 3 or more placed together for adoption.
- Previously received funds must also be expended before requesting additional funds.

Spikes in Performance



	SFY12/13	SFY13/14	SFY 14/15	SFY15/16	SFY 16/17
Baseline	52	52	46	43	44
Total Number of Children Legally Free for Adoption	187	201	210	210	162
Total Number of Adoptions Finalized during fiscal year	52	48	32	68	86
Total Amount of Adoption Promotion Funds Accessed	\$0	\$0	\$0	\$300,000	\$500,400

How Other States Administer the Funds?



STATE	AMOUNT ALLOCATED	HOW DISBURSED	AMOUNT DISBURSED
Pennsylvania	Yearly Federal Adoption Incentive dollars	N/A (only for statewide initiatives)	N/A
Virginia	Yearly Federal Adoption Incentive dollars	<u>Local:</u> Proposal & approval process for adoption specific programs, activities & events.	<u>Local:</u> \$5,000/year available to each local entity
Ohio	1.5 million State Adoption Incentive dollars	<u>Local:</u> Baseline=Average # of adoptions over 3 years. Payment for each adoption over baseline.	<u>Local:</u> Age 0-8 = \$3,250/child Age 9-17 = \$6,500/child
California	Yearly Federal Adoption Incentive dollars	<u>Local:</u> Federal Baseline = 3 year average of the rate of adoptions/guardianships during the 3 previous years. Payment is received by increasing your rate in any of 4 categories.	<u>Local:</u> Increase rate of FC adoptions = up to \$5,000/child above baseline. Increase rate of FC guardianships = up to \$4,000/child Increase rate of ages 9-13 adoptions/guardianships = up to \$7,500/child Increase rate of 14 & up adoptions/guardianships = up to \$10,000/child

What is the Federal Formula?



The federal measures for determining state level baselines for adoption achievement involve accounting for a rate of success based on total adoptions achieved, also considering the population in need of service.

- To account for the changing number of children in foster care, incentive awards are calculated using base rates.
- The number of adoptions is compared to a number that is derived by multiplying a base rate to the number of children in foster care on the last day of the preceding year.
- The base rate is defined as the lesser rate for the immediately preceding year or the average rate for the immediately preceding 3 years.
- Incentive payments are determined by the # of completed adoptions minus Baseline

Sample Calculation of Federal Rate



	"In Care" only Year 0	Year 1	Year 2	Year 3	"Earning Year" Year 4						
Current Adoptions		200	250	300	300						
Prior Yr In Care	1,000	1,100	1,100	1,075	- 247	Adoption Baseline					
Adoption Rate		0.2	0.23	<u>0.27</u>	53	Number of Adoptions Exceeding Baseline					
Average rate of the 3 years prior to earning year				<u>0.23</u>	0.23	Lesser of two rates multiplied by Year 3 "In Care"					
						Adoption Incentive Award		53	X	\$5,000	= \$265,000

- **Strayed from original intent of program**
- **Partnership has become a barrier**
 - Adoptions have been delayed
 - Delays in submitting invoices/reimbursement requests

Adoption Milestones



- Legally clear a child for adoption
- Completing a Pre Placement Assessment
- Adoption Committee convened – family selected
- Facilitating initial pre placement visit
- Petition for Adoption was filed
- Legal paperwork completed & filed with court (Report to Court, etc)
- Decree of adoption filed

Considerations for Moving Forward



- How to best incentivize to achieve outcomes and remain within budget guidelines
- What is an appropriate funding method for private agencies to achieve clarity of roles and responsibilities of public and private agencies

Next Steps



- DHHS will finalize 18/19 funding availability
- DHHS will examine alternative payment methodologies including the application of the federal formula and payments based on milestones to private agencies.
- DHHS will convene a workgroup of DSS Directors and Private Agency leaders to facilitate a discussion regarding strategies to increase the rate of adoptions in North Carolina.

Contact Information



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