

	<b>INDIANA DEPARTMENT OF CHILD SERVICES CHILD WELFARE MANUAL</b>	
	<b>Chapter 10:</b> Adoption/Permanency	<b>Effective Date:</b> February 1, 2014
	<b>Section 16:</b> Funding for Adoption Assistance	<b>Version:</b> 2

**POLICY [REVISED]**

The Indiana Department of Child Services (DCS) will make adoption assistance benefits available, including Medicaid benefits, to eligible children.

**Overview of Available Assistance**

There are three (3) types of assistance for which an adoptive child may be eligible: Medicaid, Non Recurring Adoption Expenses (NRAE), and financial assistance through Title IV-E Adoption Assistance (AAP) Program or State Adoption Subsidy (SAS). AAP eligible children are also eligible for Medicaid; SAS eligible children will require a separate eligibility determination. DCS will provide reimbursement for NRAE for children eligible for either AAP or SAS. In addition, AAP eligible children may receive a periodic payment (per diem). These periodic payments are to assist the adoptive family with costs associated with the child's needs that are not otherwise covered. In the event funds are made available through the Adoption Assistance Account to fund SAS periodic payments, DCS will prioritize how available funds will be distributed. See Related Information for the list of priority levels.

**Medicaid**

Medicaid will be available to children eligible for AAP and may be available for children eligible for SAS who also meet the requirements for Medicaid. Medicaid services shall not be interrupted for a child who is covered by Medicaid when the petition for adoption of the child is filed.

**Non Recurring Adoption Expenses (NRAE)**

Non Recurring Adoption Expenses (NRAE) are applicable costs and fees not to exceed one thousand five hundred dollars (\$1,500.00) that are reimbursed per eligible child. See Related Information.

**AAP and SAS Periodic Payments**

Title IV-E AAP periodic payment amounts will be negotiated by DCS and the pre-adoptive parent(s) and documented in the adoption assistance agreement. Monthly payments will be made to the adoptive parent(s) at regular intervals by DCS and these payments will not exceed the amount the child would have received in foster care. The adoptive parent(s) may request a modification of the adoption assistance agreement. These requests may be made if there are changes in the circumstances of the child or family and should be submitted to DCS in writing. See policy [10.18 Modifications for Adoption Assistance](#).

DCS may make an across the board adjustment in foster care maintenance rates in accordance with applicable law. See policy [10.18 Modifications for Adoption Assistance](#).

In the event there are sufficient funds to begin making SAS periodic payments, then the rules, policy and procedures governing the negotiations of AAP periodic payments will apply. If circumstances arise and there are no longer sufficient funds available to maintain the current level of SAS periodic payments, DCS may authorize reductions to SAS periodic payments in accordance with the SAS agreement.

### Adoption Assistance Account – Priorities

DCS will prioritize how available funds will be distributed from the Adoption Assistance Account. The funds available to DCS in the Adoption Assistance Account shall be disbursed as follows:

1. All Title IV-E Adoption Assistance Agreements;
2. Payments due under agreements signed, or court orders entered under IC 31-19-26 (repealed) before January 1, 2009, that are still in effect, including any DCS approved continuation of payments after the child turns 18 years of age;
3. Non Recurring Adoption Expenses agreements; and
4. SAS Agreements placed in payment status by DCS, with chronological order priority given to SAS Agreements based on the order of the priority level and the effective date. Once payments for SAS agreements on the waiting list have been approved to commence:
  - a. For priority levels one (1) and two (2) (children who remain in the care of the adoptive parents) the order in which payments will begin shall be determined in the order of the date of entry of the adoption decree; and
  - b. For priority level three (3), the order in which payments will begin shall be determined by the date of the child's 18<sup>th</sup> Birthday.

**Note:** Children who were placed on the waiting list and have since aged out (i.e. the child has turned age 21 or is age 18) and was not approved for the continuation of adoption assistance prior to the approval of the commencement of payment will not be placed into payment status or receive any retroactive payments.

#### Code References

1. [IC 31-19-26.5 Adoption Subsidies](#)
2. [45 CFR 1356.41 Nonrecurring expenses of adoption](#)
3. 405 IAC 1 Medicaid

#### **PROCEDURE**

After consultation with the State Budget Agency, the DCS Chief Financial Officer will submit an Annual Adoption Subsidy Report to the DCS Director regarding the amount spent and the amount to be spent from the Adoption Assistance Account in or for the State fiscal year.

#### **PRACTICE GUIDANCE**

N/A

#### **FORMS AND TOOLS**

N/A

## RELATED INFORMATION [REVISED]

### **SAS waitlist priority levels**

There are three (3) priority levels on the SAS waitlist:

1. Sibling groups;
2. Individual children; and
3. SAS Continuations.

### **[NEW] Non Recurring Adoption Expenses (NRAE)**

The term “nonrecurring adoption expenses” means reasonable and necessary adoption fees, court costs, attorney fees and other expenses which are directly related to the legal adoption of a child with special needs, which are not incurred in violation of State or Federal law, and which have not been reimbursed from other sources or other funds. “Other expenses which are directly related to the legal adoption of a child with special needs” means the costs of the adoption incurred by or on behalf of the parents and for which parents carry the ultimate liability for payment. Such costs may include the adoption study, including health and psychological examination, supervision of the placement prior to adoption, transportation and the reasonable costs of lodging and food for the child and/or the adoptive parents when necessary to complete the placement or adoption process.

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