

2805 - FUNDING SOURCES

POLICY STATEMENT	Maintenance and administrative costs for children in foster care are paid from several funding sources.
BASIC CONSIDERATIONS	<p>The funding sources available are Title IV-E Foster Care, Supplemental Security Income (SSI), Title IV-B Foster Care, Medicaid and state funds. Federal funding sources are pursued because they share in the cost of foster care, conserving state funds.</p> <p>Children in foster care are referred to the Office of Child Support Services to determine if the parent can pay child support and/or medical expenses to offset placement costs.</p>
IV-E Foster Care Funds	<p>IV-E is the federal funding source designated for certain children who are under the care and supervision of the State Child Welfare Agency. IV-E provides reimbursement for costs associated with the care and maintenance of children in placement, and for administrative cost related to the State's Foster Care Program. The IV-E Foster Care Program authorized by the Social Security Act, provides funds to states for the following activities:</p> <ul style="list-style-type: none"> • Maintenance of children in foster care placements • Reimbursement of administrative and case management costs incurred while staff work with the child, the child's family and the care provider • Reimbursement for training agency staff and providers who work with the child or who administer the foster care program • Provides Medicaid for children in placement <p>All reimbursements are based on actual state expenditures.</p> <p>All children entering foster care must be referred to the Revenue Maximization MES for IV-E eligibility determination. To be eligible for IV-E Foster Care maintenance and administrative costs, all IV-E requirements must be met.</p> <p>Children classified as IV-E eligible must have some relationship to the Aid to Families with Dependent Children (AFDC) program in addition to meeting other criteria. IV-E is unrelated to Temporary Assistance to Needy Families (TANF). In the Welfare Reform Act of 1996, Congress mandated that the state AFDC policy in effect on July 16, 1996 be used for determining the AFDC relationship for IV-E eligibility purposes.</p>

**BASIC
CONSIDERATIONS
(cont.)**
**IV-B Foster Care
(Child Welfare
Foster Care Funds)**

The IV-B (Child Welfare Foster Care) Program is a federal child welfare block grant that provides funds to states for foster care expenses. A child who is eligible for IV-B is a child in placement for whom DFCS has partial or total responsibility and who has been determined ineligible for IV-E Foster Care. IV-B funding is limited and once exhausted, foster care expenses for a IV-B eligible child are paid primarily with state funds. It is advantageous to pursue IV-E Foster Care for all children to conserve the use of state dollars.

**Supplemental Security
Income (SSI)**

Supplemental Security Income (SSI) is a federal payment program for disabled individuals administered by the Social Security Administration. Payments are made directly to the recipient from the federal government on a monthly basis. When a child is in DFCS' custody, the county department becomes the payee for the child's SSI check. Children in care who are determined to have a serious mental, emotional or physical disability may receive SSI. Certain SSI eligible children may be concurrently eligible for IV-E payments.

Medicaid Program

The Medicaid program is a joint federal/state program, authorized under the Social Security Act that provides funds to states for the costs of providing medical services to eligible recipients. Funds are also provided for reimbursement of activities that support the administration of the Medicaid program. DFCS accesses Medicaid funds through the Department of Community Health, Division of Medical Assistance, for both child and adult protective services case management and therapeutic services in out-of-home care. MATCH placements are also partially funded with Medicaid funds. Children who are IV-E eligible and/or SSI eligible are automatically eligible for Medicaid. Children whose substitute care is paid by state funds are not automatically eligible for Medicaid, but may be determined eligible for Medicaid benefits. An eligibility determination must be completed on each child entering care.