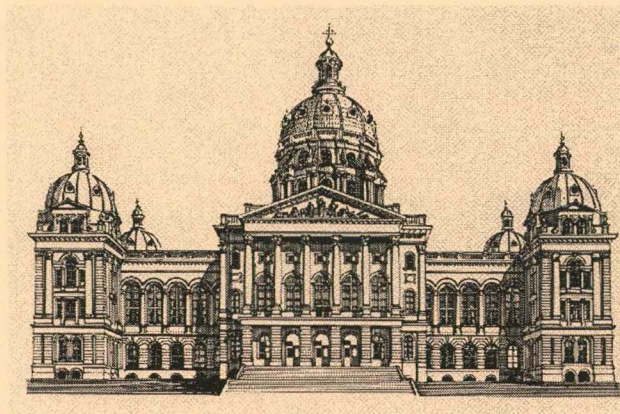


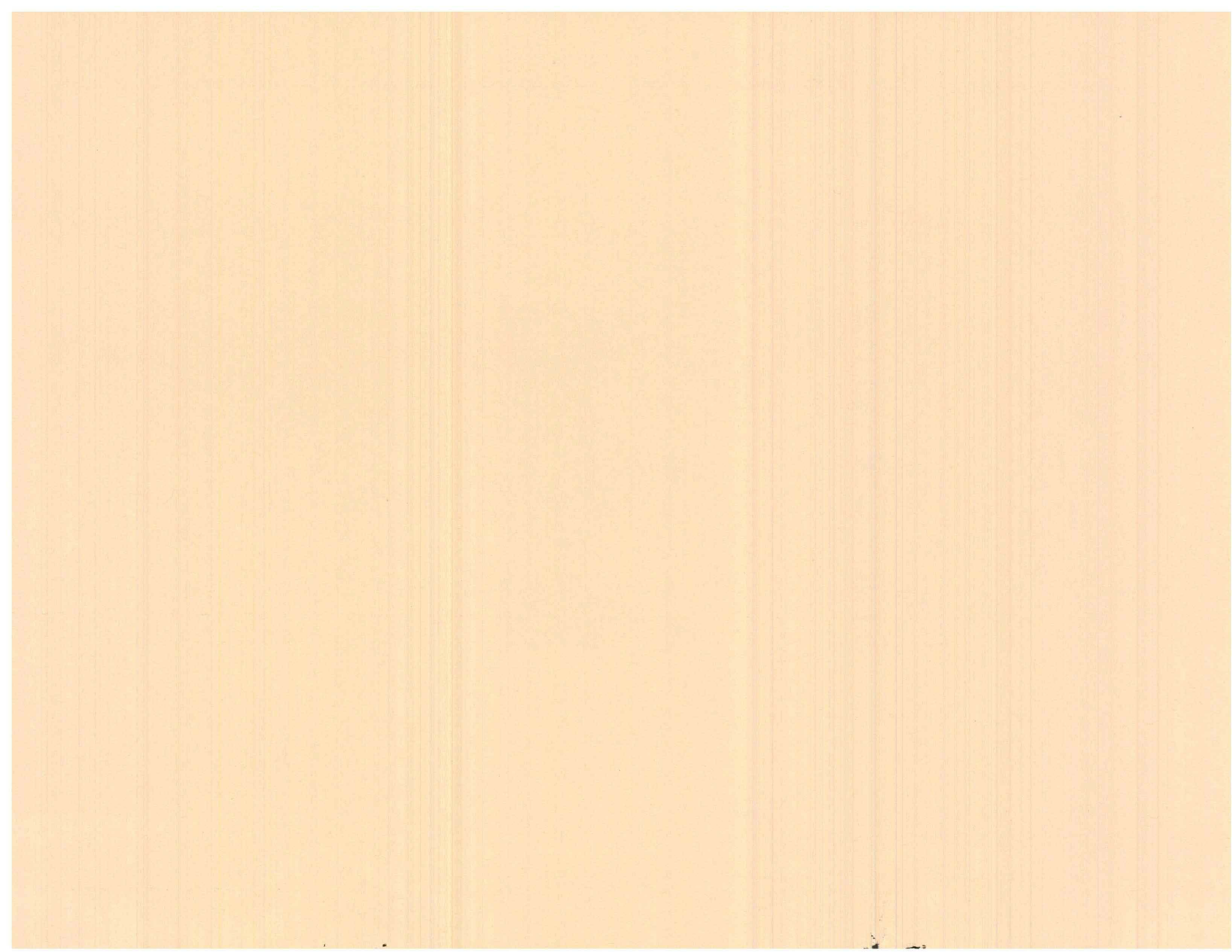
FINAL REPORT

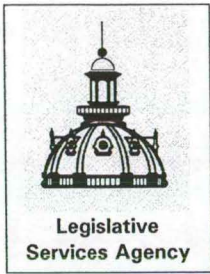
**ADOPTION SUBSIDY PROGRAM
STUDY COMMITTEE**



Presented to the
LEGISLATIVE COUNCIL
and the
IOWA GENERAL ASSEMBLY
January 2005

Prepared by the
LEGISLATIVE SERVICES AGENCY





FINAL REPORT

Adoption Subsidy Program Study Committee

January 2005

MEMBERS

Senator James Seymour, Co-chairperson
Senator Jerry Behn
Senator Amanda Ragan

Representative Polly Granzow, Co-chairperson
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CREATION AND CHARGE

The Adoption Subsidy Program Study Committee was created for the 2004 Legislative Interim by the Legislative Council. The Study Committee was charged to review the adoption subsidy program administered by the Department of Human Services.

The Study Committee was authorized for one meeting day and held the meeting on November 8, 2004.



Adoption Subsidy Program Study Committee

I. November 8, 2004, Meeting.

A. Overview.

The Committee received testimony from the Department of Human Services (DHS), Iowa Foster and Adoptive Parents Association, parents who have adopted special needs children, and the Child and Family Policy Center.

B. Department of Human Services.

Ms. Mary Nelson, DHS Division Administrator, and Ms. Charlcie Parrish, Adoption Program Manager, provided an overview of the Adoption Subsidy Program and how it was changed following the 2004 Legislative Session. The program was established as a result of 1980 federal legislation. Almost all of the families adopting children placed by DHS receive a subsidy. The number of adoption subsidy program children is projected to average 6,825 in FY 2004-2005, as compared to the approximately 4,000 children in foster care placements at any given time. Approximately 47 new cases per month will enter the Adoption Subsidy Program.

Outcomes are better for children who have been adopted than for those who remain in foster care and the cost of the placement is lower. Iowa has been very successful with the Adoption Subsidy Program but this has resulted in significant, regular increases in costs for the program. An additional \$4 million is projected to be needed to address the new cases and increased costs in FY 2005-2006. Several legislators expressed concern as to whether this amount of new funding can be made available. It was suggested that the growth in the cost of this program, in which funding has been committed through agreements with adoptive parents, has taken funding from other needs, including prevention programs.

C. Iowa Foster and Adoptive Parents Association (IFAPA).

Ms. Lynhon Stout, IFAPA Director, and Ms. Angela Stark, Adoption Information Specialist, made presentations and then introduced a panel of parents who have adopted special needs children and who participate in the adoption subsidy program: Mr. Ron Cronk and Ms. Julie Cronk of Des Moines, Ms. Karmen Inman of Des Moines, Ms. Dianne Larson and Mr. Mike Gorton of Cedar Falls, Ms. Susan Weber of Des Moines, and Ms. Sandra Thompson of Urbandale. Ms. Stout explained the role of IFAPA in recruiting, training, and supporting foster and adoptive parents utilizing funding provided by contracts with DHS and contributions. Ms. Stark discussed a report submitted in advance, emphasizing the positive effects of adoption on children who have been removed from their parents and the special needs of such children, explaining the federal time frame requirements for the state to either reunite the child with parents or terminate parental rights, noting the growth in subsidized adoptions, and making recommendations.

The adoptive parents told about their adoptive children, the effect the Adoption Subsidy Program has had in making their adoptions possible, the type and extent of the special needs exhibited by the children, the positive impact of the federal adoption tax credit, the



importance of the linkage between the foster parent system and the adoptive parent system, and the need for flexibility in negotiating the adoption subsidy since the special needs of many children do not become apparent until years after the adoption occurs. A number of the presenters indicated that they have incurred substantial health care costs relating to their adopted children, noting that their private insurance provides the initial coverage with Medicaid used as the insurer of last resort. All cautioned against making changes that would discourage current and future parents from adopting special needs children.

D. Child and Family Policy Center.

Dr. Charles Bruner, Executive Director, and Ms. Karon Perlowski, Deputy Director for the Center, provided information about Iowa's adoption subsidy program from a survey of parents performed in 1999 and perspectives concerning the program as compared with other states. They made recommendations for monitoring the effects of the program changes made by DHS.

E. Discussion.

Through the course of the day, a number of policy issues were discussed by members, including the following:

- Since child welfare funding has been flat in recent years, the Adoption Subsidy Program's entitlement status has resulted in reductions of programs such as family preservation and other programs intended to address family problems. If additional funding is not provided to address the increasing number of adopted children and cost increases, other programs will have to be reduced. There was extensive discussion as to whether responsibility for reduction decisions and allocations of funds should rest with DHS or the General Assembly.
- DHS does not project that shifting children from foster care to adoption status will make a reduction in funding for foster care spending possible. It is believed that family problems, growth in parental use of methamphetamine and other drugs, and other factors will continue to drive the need for foster care.
- A number of presenters emphasized the importance of continual training opportunities and communications for DHS workers and adoptive families to improve quality and consistency of the adoption subsidy program throughout the state.

II. Recommendations.

The members approved the following recommendations to the General Assembly:

A. That the study Committee receive recommendations for revising the Adoption Subsidy Program. After the meeting, the following recommendations were received by the Committee and are attached to this report:



Adoption Subsidy Program Study Committee

1. Electronic mail from Ms. Julie Cronk, adoptive parent.
2. Memo from Ms. Lynhon Stout, Iowa Foster and Adoptive Parents Association.
3. Memo from Dr. Charles Bruner, Child and Family Policy Center.

B. That a fiscal analysis be prepared of Adoption Subsidy Program options, including an analysis of options for revising the program. This fiscal analysis was prepared by Ms. Lisa Burk, Fiscal Services Division of the Legislative Services Agency, and is attached to this report.

C. That the General Assembly perform further review of the Adoption Subsidy Program during the 2005 Legislative Session and address options concerning the funding of the program.

III. Materials Distributed.

The items listed below were distributed at or in connection with the November 8 meeting and are filed with the Legislative Services Agency. The materials may be accessed from the "Additional Information" link on the Committee's Internet page:

<http://www4.legis.state.ia.us/asp/Internet/Committees/Committee.aspx?id=65>

1. Background Memorandum prepared by Mr. John Pollak, Legal Services.
2. Issue Review prepared by Ms. Lisa Burk, Fiscal Services.
3. Statement submitted by the Iowa Foster and Adoptive Parents Association.
4. Response to Information Request submitted by the Department of Human Services.
5. Presentation Slides distributed by the Department of Human Services.
6. Child and Family Policy Center Presentation.
7. Beyond Adoption: Supporting Adoptive Families of Children with Special Needs submitted by the Child and Family Policy Center.
8. Information Compiled in April 2004 Comparing Iowa's Program to Other Midwest States prepared by Ms. Lisa Burk, Fiscal Services.

IV. Attachments: Recommendations Received and Fiscal Analysis.

- A.** Electronic mail from Ms. Julie Cronk, adoptive parent.
- B.** Memo from Ms. Lynhon Stout, Iowa Foster and Adoptive Parents Association.
- C.** Memo from Dr. Charles Bruner, Child and Family Policy Center.
- D.** Fiscal Analysis prepared by Ms. Lisa Burk, Fiscal Services.

Received via electronic mail on 11/12/2004

Mr. Pollak,

My name is Julie Cronk. I am one of the parents who participated in the adoption subsidy meeting last Monday.

I don't know how much if any money this may save for the dept. but has anyone given thought to doing things like direct deposit for the subsidy checks or doing any more online than they do now? The cost of postage to send out all those individual checks must be huge. I know the initial set up would be expensive but after that is realized maybe? I think the child support recovery unit direct deposits money now rather than sending out checks so maybe that would be a place to look for an idea. We also get mailed a statement as to what the check is for. It comes separately. It may save money to have a place we can check that online or attach it to the check like your paystub.

Anyway just a couple of thoughts.

Thank you!

Julie Cronk



Iowa Foster and Adoptive Parents Association

6864 Northeast 14th Street, Suite 5, Ankeny, Iowa 50021 1-800-277-8145 515-289-4567 fax 515-289-2080 email: ifapa@ifapa.org

November 15, 2004

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Executive Director

Lynhoh Stout

To: Adoption Subsidy Program Study Committee Members

From: Lynhoh Stout, Executive Director

Thank you for the opportunity to provide information to the Interim Committee for Subsidized Adoptions.

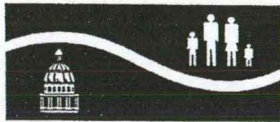
As I reflect over the testimony, comments, and questions; I would like to make the following comments:

- The main issue that I think must be in our minds when we are discussing the children who come through the child welfare system is 'these are Iowa's children who do not have a family to provide a safe, stable, and loving home.' Through no fault of their own these children are in need of substitute care arrangements. DHS had to intervene for their safety and well-being. They will remain Iowa's children whether they are in foster family care, group care, institutions, or subsidized adoptive homes. There will be a cost to maintain these children until they reach adulthood. What the subsidized adoption program does is to provide a permanent family in which to maintain some of these children. This option not only gives the child the most stability and provides a permanent family, but is also the least costly alternative.
- As far as discussion on the foster care maintenance rates which drive the adoption subsidy rates, IFAPA public policy agenda has for many years requested an increase in the maintenance rates for foster parents for the 70% of the USDA standards for raising a family in the Midwest. The families that choose to open their homes to foster children, encumber many expenses to parent these children that are not covered in the current maintenance rate (birthdays, holidays, vacations, school expenses, additional clothing, activities to name a few.). Foster parents are willing to do this if they feel they are valued and a member of the team. A reduction in the maintenance rate would give the message that they are not valued and would limit many families ability to foster.

- Currently in Iowa we are losing as many foster parents as we are gaining each month. There are several reasons for this. On the positive side foster parents are adopting the children in their homes. On the negative side, foster parents do not feel part of the team, valued for the work they do, do not receive services and supports to provide the level of care needed by the children's needs and behaviors.
- I know that you also feel that the child welfare system is under-funded. This area must be a priority or Iowa is again failing the children they are responsible for protecting. There is no one else to provide for these children if there is not a fully funded foster and adoption subsidy program.
- Information is currently being gathered by the National Foster Parent Association as to the maintenance rates for foster parents. This information will be shared when it is received.

I know that this information piece does not include recommendations other than the ones discussed. I don't know that there is any choice but to take care of these children who are Iowa's responsibility and support the families who offer to provide for these children. Thank you for your support and interest in Iowa's children.

Please feel free to contact us for more information and clarification.



Child and Family Policy Center

218 Sixth Avenue • 1021 Fleming Building • Des Moines, IA 50309-4006
515.280.9027 telephone • info@cfpciowa.org email • 515.244.8997 fax

November 18, 2004

Dear Adoption Subsidy Interim Study Committee,

We thank the Adoption Subsidy Interim Committee for an opportunity to provide information at your November 8th meeting. We are prepared to provide further assistance, as called upon, and are taking this time to provide some specific options for action. These are attached.

We also wanted to restate a point that may have been obscured in the final discussion at the meeting – regarding the relationship of adoption subsidy costs to overall child welfare expenditures.

First, the Adoption Subsidy Program is part of a larger child welfare system that serves children in need of assistance. The state has a statutory responsibility to address the needs of abused and neglected children, including placement into foster care, when necessary. Under both federal and state law, children are entitled to protection, and the IV-E program represents an entitlement program which applies to all eligible children in foster and residential care as well as to children in subsidized adoption. If children were not adopted, the state would still be required to provide them necessary services to protect their safety and well-being.

Second, the growth in costs in the Adoption Subsidy Program largely is the result of increased numbers of children who have been adopted out of foster care. If not adopted, these children would still be entitled to services and most would be wards of the state, either in family foster care or group placement. The costs of care would still exist and in all likelihood would be much higher than they are under the subsidy program. Restrictions on the Adoption Subsidy Program that result in fewer adoptions would not free funding for more preventive or early intervention services and actually could do just the reverse.

Third, there are significant strains in child welfare funding. The demand for child welfare services has increased over the last several years, with confirmed child abuse cases up by 14.5% between 2001 and 2004. During the same period, overall state and federal expenditures have declined in absolute dollars, and the value of the expenditures in meeting child needs has declined much further in inflation-adjusted dollars.

The General Assembly will have difficult issues to face in addressing the overall child welfare budget. The Adoption Subsidy Program, however, should not be



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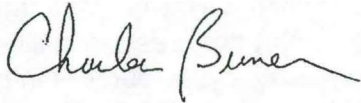
Linking research and policy on issues vital to children and families.

viewed as a source of the problem. Instead, a strong adoption subsidy program is part of the solution.

Ultimately, the goal is to have fewer children who need to be in the child welfare system and fewer still who cannot be reunited with their birth families. This does require front-end investments. At the same time, the best and most cost-effective way to address the needs of the majority of children who can never be safely reunited with their parents is through adoption. This Adoption Subsidy Program needs to be as strong as possible, which means supporting the adoptive parents in their role.

If you have questions or would like more information, please feel free to contact me at (515) 280-9027 or cbruner@cfpciowa.org.

Sincerely,

A handwritten signature in black ink that reads "Charles Bruner". The signature is fluid and cursive, with the first name "Charles" and last name "Bruner" clearly distinguishable.

Dr. Charles Bruner
Executive Director

Options for Consideration – Policy Direction

As heard in the testimony and as reflected in the research, one of the greatest challenges to maintaining adoptions and avoiding disruptions is for the adoptive parents to be able to meet their children's special needs, particularly those that manifest themselves as children grow into the adolescent years. Many of these needs simply cannot be projected or anticipated at the time of adoption finalization.

As a matter of policy, all adoption agreements could and should include language that keeps open the option for future eligibility for such services, when they are needed. This could be part of legislative intent language or other legislative direction to the department.

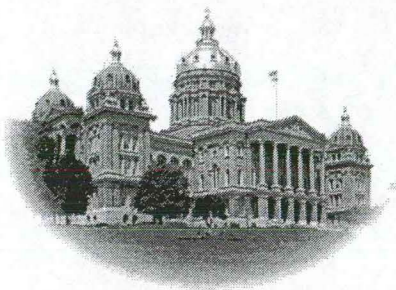
Options for Consideration – Fiscal Analysis

The department provided some comparative information on the average costs of a child in foster care, group care, or subsidized adoption, but these figures only provide part of the story. In addition, it would be useful to have information on average Medicaid expenditures for children in the adoption subsidy program compared with those in family foster care and residential treatment, with Medicaid broken out by regular health care expenditures and RTSS (and other behavioral/mental health) expenditures. This would provide a much more complete picture of the comparative costs of the overall child welfare system.

Foster parents automatically receive the child care subsidy at its full rate, while adoptive parents negotiate maintenance subsidy and may or may not be eligible for child care subsidy. It would be useful to examine a representative sample of adoption agreements to determine:

- (1) The degree to which negotiations result in different rates than would be received under foster care and any sources for variation across regions on these negotiations,
- (2) The degree to which adoption agreements include additional payment provisions and how these relate to what the child was receiving while in care, and
- (3) The degree to which adoption agreements provide for increases in subsidies as the child grows older and would be eligible for higher levels.

This information would be useful in determining whether there is significant variation in treatment of adoptive parents across the state that needs to be addressed.



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IOWA GENERAL ASSEMBLY WEB SITE
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MEMORANDUM

DATE: January 10, 2004
TO: Adoption Subsidy Program Study Committee
FROM: Lisa Burk
RE: Adoption Subsidy & Foster Care Savings Alternatives

The Adoption Subsidy Program Study Committee requested the Fiscal Services Division of the Legislative Services Agency conduct an analysis of potential cost savings with regard to the Adoption Subsidy and Foster Care Programs.

Attachment A provides the estimated savings that would be achieved by reducing the basic daily rates used for maintenance payments for each Program for each year over a five-year period. The various reduction levels are based on those the Committee wished to have examined.

Caseload data was provided by the Department of Human Services (DHS). The following assumptions were used to derive the estimates:

- Adoption Subsidy caseload will increase by 48 cases per month in FY 2006 and current cases will be grandfathered in at the current rates.
- Foster care caseload will increase by 1.5% per year with no provision to grandfather in current cases.
- Title IV-E eligibility rates are based on statistics used to prepare the FY 2006 DHS budget request. These rates are 72.87% for the Adoption Subsidy Program and 51.12% for the Foster Care Program.
- A FY 2006 Federal Matching Assistance Percentage (FMAP) rate of 63.07%.

If you have additional questions or concerns, please do not hesitate to contact me at 281-7942.

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ATTACHMENT A

Maintenance Payment Alternatives - Adoption Subsidy - Year 1

Age Group	New Caseload	Basic Daily Rate	Number of Days	Age Group Totals	Comparison to Current Rate	State Savings	Federal Funds Loss
Current Daily Rate							
0-5 (54%)	114	\$ 14.28	365	\$ 595,342			
6-11 (33%)	221	15.07	365	1,216,950			
12 Up (13%)	241	16.83	365	1,477,610			
Total	576			\$ 3,289,903			
Reduced by 5%							
0-5	114	\$ 13.57	365	\$ 565,575	\$ -29,767	\$ -16,086	\$ -13,681
6-11	221	14.32	365	1,156,103	-60,848	\$ -32,883	-27,965
12 Up	241	15.99	365	1,403,730	-73,881	\$ -39,926	-33,955
Total	576			\$ 3,125,407	\$ -164,495	\$ -88,895	\$ -75,600
Reduced by 10%							
0-5	114	\$ 12.85	365	\$ 535,807	\$ -59,534	\$ -32,173	\$ -27,361
6-11	221	13.56	365	1,095,255	-121,695	\$ -65,765	-55,930
12 Up	241	15.15	365	1,329,849	-147,761	\$ -79,851	-67,910
Total	576			\$ 2,960,912	\$ -328,990	\$ -177,789	\$ -151,201
Reduced to 60% USDA							
0-5	114	\$ 13.76	365	\$ 573,663	\$ -21,679	\$ -11,716	\$ -9,964
6-11	221	14.38	365	1,161,231	-55,720	\$ -30,111	-25,608
12 Up	241	15.86	365	1,392,448	-85,162	\$ -46,022	-39,140
Total	576			\$ 3,127,341	\$ -162,561	\$ -87,849	\$ -74,712
Reduced to 55% USDA							
0-5	114	\$ 12.62	365	\$ 526,135	\$ -69,206	\$ -37,400	\$ -31,807
6-11	221	13.18	365	1,064,327	-152,624	\$ -82,479	-70,144
12 Up	241	14.54	365	1,276,557	-201,053	\$ -108,651	-92,402
Total	576			\$ 2,867,019	\$ -422,883	\$ -228,530	\$ -194,353

Maintenance Payment Alternatives - Foster Care - Year 1

Age Group	New Caseload	Basic Daily Rate	Number of Days	Age Group Totals	Comparison to Current Rate	State Savings	Federal Funds Loss
Current Daily Rate							
0-5 (54%)	1,088	\$ 14.28	365	\$ 5,671,671			
6-11 (33%)	658	15.07	365	3,618,818			
12 Up (13%)	1,037	16.83	365	6,368,197			
Total	2,783			\$ 15,658,686			
Reduced by 5%							
0-5	1,088	\$ 13.57	365	\$ 5,388,088	\$ -283,584	\$ -192,152	\$ -91,431
6-11	658	14.32	365	3,437,878	-180,941	\$ -122,603	-58,338
12 Up	1,037	15.99	365	6,049,787	-318,410	\$ -215,750	-102,660
Total	2,783			\$ 14,875,752	\$ -782,934	\$ -530,505	\$ -252,429
Reduced by 10%							
0-5	1,088	12.85	365	\$ 5,104,504	\$ -567,167	\$ -384,305	\$ -182,863
6-11	658	13.56	365	3,256,937	-361,882	\$ -245,206	-116,676
12 Up	1,037	15.15	365	5,731,377	-636,820	\$ -431,500	-205,319
Total	2,783			\$ 14,092,818	\$ -1,565,869	\$ -1,061,011	\$ -504,858
Reduced to 60% USDA							
0-5	1,088	\$ 13.76	365	\$ 5,465,140	\$ -206,531	\$ -139,943	\$ -66,589
6-11	658	14.38	365	3,453,126	-165,692	\$ -112,271	-53,422
12 Up	1,037	15.86	365	6,001,164	-367,032	\$ -248,696	-118,336
Total	2,783			\$ 14,919,430	\$ -739,256	\$ -500,910	\$ -238,346
Reduced to 55% USDA							
0-5	1,088	\$ 12.62	365	\$ 5,012,359	\$ -659,312	\$ -446,741	\$ -212,571
6-11	658	13.18	365	3,164,965	-453,853	\$ -307,525	-146,329
12 Up	1,037	14.54	365	5,501,698	-866,499	\$ -587,127	-279,371
Total	2,783			\$ 13,679,023	\$ -1,979,664	\$ -1,341,393	\$ -638,271

ATTACHMENT A

Maintenance Payment Alternatives - Adoption Subsidy - Year 2

Age Group	New Caseload	Basic Daily Rate	Number of Days	Age Group Totals	Comparison to Current Rate	State Savings	Federal Funds Loss
Current Daily Rate							
0-5 (54%)	176	\$ 14.28	365	\$ 917,818			
6-11 (33%)	341	15.07	365	1,876,132			
12 Up (13%)	371	16.83	365	2,277,983			
Total	888			\$ 5,071,933			
Reduced by 5%							
0-5	176	\$ 13.57	365	\$ 871,927	\$ -45,891	\$ -24,800	\$ -21,091
6-11	341	14.32	365	1,782,325	-93,807	\$ -50,694	-43,113
12 Up	371	15.99	365	2,164,084	-113,899	\$ -61,552	-52,347
Total	888			\$ 4,818,336	\$ -253,597	\$ -137,046	\$ -116,551
Reduced by 10%							
0-5	176	\$ 12.85	365	\$ 826,037	\$ -91,782	\$ -49,600	\$ -42,182
6-11	341	13.56	365	1,688,519	-187,613	\$ -101,388	-86,225
12 Up	371	15.15	365	2,050,184	-227,798	\$ -123,104	-104,694
Total	888			\$ 4,564,740	\$ -507,193	\$ -274,092	\$ -233,102
Reduced to 60% USDA							
0-5	176	\$ 13.76	365	\$ 884,396	\$ -33,422	\$ -18,062	\$ -15,360
6-11	341	14.38	365	1,790,231	-85,901	\$ -46,422	-39,479
12 Up	371	15.86	365	2,146,691	-131,292	\$ -70,951	-60,341
Total	888			\$ 4,821,318	\$ -250,615	\$ -135,435	\$ -115,180
Reduced to 55% USDA							
0-5	176	\$ 12.62	365	\$ 811,125	\$ -106,693	\$ -57,658	\$ -49,035
6-11	341	13.18	365	1,640,837	-235,295	\$ -127,155	-108,139
12 Up	371	14.54	365	1,968,026	-309,957	\$ -167,504	-142,454
Total	888			\$ 4,419,988	\$ -651,945	\$ -352,317	\$ -299,628

Maintenance Payment Alternatives - Foster Care - Year 2

Age Group	New Caseload	Basic Daily Rate	Number of Days	Age Group Totals	Comparison to Current Rate	State Savings	Federal Funds Loss
Current Daily Rate							
0-5 (54%)	1,104	\$ 14.28	365	\$ 5,756,746			
6-11 (33%)	668	15.07	365	3,673,101			
12 Up (13%)	1,052	16.83	365	6,463,720			
Total	2,824			\$ 15,893,566			
Reduced by 5%							
0-5	1,104	\$ 13.57	365	\$ 5,468,909	\$ -287,837	\$ -195,035	\$ -92,803
6-11	668	14.32	365	3,489,446	-183,655	\$ -124,442	-59,213
12 Up	1,052	15.99	365	6,140,534	-323,186	\$ -218,986	-104,200
Total	2,824			\$ 15,098,888	\$ -794,678	\$ -538,463	\$ -256,215
Reduced by 10%							
0-5	1,104	12.85	365	\$ 5,181,072	\$ -575,675	\$ -390,069	\$ -185,605
6-11	668	13.56	365	3,305,791	-367,310	\$ -248,884	-118,426
12 Up	1,052	15.15	365	5,817,348	-646,372	\$ -437,973	-208,399
Total	2,824			\$ 14,304,210	\$ -1,589,357	\$ -1,076,926	\$ -512,431
Reduced to 60% USDA							
0-5	1,104	\$ 13.76	365	\$ 5,547,117	\$ -209,629	\$ -142,042	\$ -67,587
6-11	668	14.38	365	3,504,923	-168,178	\$ -113,955	-54,223
12 Up	1,052	15.86	365	6,091,182	-372,538	\$ -252,426	-120,111
Total	2,824			\$ 15,143,222	\$ -750,345	\$ -508,423	\$ -241,922
Reduced to 55% USDA							
0-5	1,104	\$ 12.62	365	\$ 5,087,545	\$ -669,202	\$ -453,442	\$ -215,760
6-11	668	13.18	365	3,212,440	-460,661	\$ -312,137	-148,523
12 Up	1,052	14.54	365	5,584,224	-879,496	\$ -595,934	-283,562
Total	2,824			\$ 13,884,208	\$ -2,009,359	\$ -1,361,514	\$ -647,845

ATTACHMENT A

Maintenance Payment Alternatives - Adoption Subsidy - Year 3

Age Group	New Caseload	Basic Daily Rate	Number of Days	Age Group Totals	Comparison to Current Rate	State Savings	Federal Funds Loss
Current Daily Rate							
0-5 (54%)	290	\$ 14.28	365	\$ 1,513,160			
6-11 (33%)	562	15.07	365	3,093,082			
12 Up (13%)	611	16.83	365	3,755,593			
Total	1,464			\$ 8,361,836			
Reduced by 5%							
0-5	290	\$ 13.57	365	\$ 1,437,502	\$ -75,658	\$ -40,886	\$ -34,772
6-11	562	14.32	365	2,938,428	-154,654	\$ -83,576	-71,078
12 Up	611	15.99	365	3,567,814	-187,780	\$ -101,478	-86,302
Total	1,464			\$ 7,943,744	\$ -418,092	\$ -225,941	\$ -192,151
Reduced by 10%							
0-5	290	\$ 12.85	365	\$ 1,361,844	\$ -151,316	\$ -81,773	\$ -69,543
6-11	562	13.56	365	2,783,774	-309,308	\$ -167,153	-142,155
12 Up	611	15.15	365	3,380,034	-375,559	\$ -202,956	-172,604
Total	1,464			\$ 7,525,652	\$ -836,184	\$ -451,881	\$ -384,303
Reduced to 60% USDA							
0-5	290	\$ 13.76	365	\$ 1,458,059	\$ -55,101	\$ -29,777	\$ -25,324
6-11	562	14.38	365	2,951,462	-141,621	\$ -76,533	-65,088
12 Up	611	15.86	365	3,539,139	-216,454	\$ -116,974	-99,480
Total	1,464			\$ 7,948,660	\$ -413,176	\$ -223,284	\$ -189,892
Reduced to 55% USDA							
0-5	290	\$ 12.62	365	\$ 1,337,260	\$ -175,900	\$ -95,058	\$ -80,842
6-11	562	13.18	365	2,705,164	-387,918	\$ -209,634	-178,284
12 Up	611	14.54	365	3,244,583	-511,011	\$ -276,155	-234,856
Total	1,464			\$ 7,287,007	\$ -1,074,828	\$ -580,847	\$ -493,981

Maintenance Payment Alternatives - Foster Care - Year 3

Age Group	New Caseload	Basic Daily Rate	Number of Days	Age Group Totals	Comparison to Current Rate	State Savings	Federal Funds Loss
Current Daily Rate							
0-5 (54%)	1,121	\$ 14.28	365	\$ 5,841,556			
6-11 (33%)	678	15.07	365	3,727,214			
12 Up (13%)	1,068	16.83	365	6,558,945			
Total	2,866			\$ 16,127,715			
Reduced by 5%							
0-5	1,121	\$ 13.57	365	\$ 5,549,478	\$ -292,078	\$ -197,908	\$ -94,170
6-11	678	14.32	365	3,540,853	-186,361	\$ -126,275	-60,085
12 Up	1,068	15.99	365	6,230,998	-327,947	\$ -222,213	-105,735
Total	2,866			\$ 15,321,330	\$ -806,386	\$ -546,396	\$ -259,990
Reduced by 10%							
0-5	1,121	12.85	365	\$ 5,257,401	\$ -584,156	\$ -395,816	\$ -188,340
6-11	678	13.56	365	3,354,493	-372,721	\$ -252,551	-120,171
12 Up	1,068	15.15	365	5,903,051	-655,895	\$ -444,425	-211,469
Total	2,866			\$ 14,514,944	\$ -1,612,772	\$ -1,092,792	\$ -519,980
Reduced to 60% USDA							
0-5	1,121	\$ 13.76	365	\$ 5,628,839	\$ -212,718	\$ -144,135	\$ -68,583
6-11	678	14.38	365	3,556,559	-170,655	\$ -115,634	-55,022
12 Up	1,068	15.86	365	6,180,919	-378,026	\$ -256,145	-121,881
Total	2,866			\$ 15,366,316	\$ -761,399	\$ -515,914	\$ -245,486
Reduced to 55% USDA							
0-5	1,121	\$ 12.62	365	\$ 5,162,496	\$ -679,060	\$ -460,122	\$ -218,938
6-11	678	13.18	365	3,259,766	-467,448	\$ -316,736	-150,712
12 Up	1,068	14.54	365	5,666,492	-892,453	\$ -604,714	-287,739
Total	2,866			\$ 14,088,754	\$ -2,038,961	\$ -1,381,572	\$ -657,389

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Maintenance Payment Alternatives - Adoption Subsidy - Year 4

Age Group	New Caseload	Basic Daily Rate	Number of Days	Age Group Totals	Comparison to Current Rate	State Savings	Federal Funds Loss
Current Daily Rate							
0-5 (54%)	405	\$ 14.28	365	\$ 2,108,502			
6-11 (33%)	784	15.07	365	4,310,033			
12 Up (13%)	852	16.83	365	5,233,204			
Total	2,040			\$ 11,651,738			
Reduced by 5%							
0-5	405	\$ 13.57	365	\$ 2,003,077	\$ -105,425	\$ -56,973	\$ -48,452
6-11	784	14.32	365	4,094,531	-215,502	\$ -116,459	-99,043
12 Up	852	15.99	365	4,971,543	-261,660	\$ -141,403	-120,257
Total	2,040			\$ 11,069,151	\$ -582,587	\$ -314,835	\$ -267,752
Reduced by 10%							
0-5	405	\$ 12.85	365	\$ 1,897,652	\$ -210,850	\$ -113,945	\$ -96,905
6-11	784	13.56	365	3,879,030	-431,003	\$ -232,918	-198,085
12 Up	852	15.15	365	4,709,883	-523,320	\$ -282,807	-240,513
Total	2,040			\$ 10,486,564	\$ -1,165,174	\$ -629,670	\$ -535,504
Reduced to 60% USDA							
0-5	405	\$ 13.76	365	\$ 2,031,722	\$ -76,780	\$ -41,493	\$ -35,287
6-11	784	14.38	365	4,112,692	-197,341	\$ -106,645	-90,696
12 Up	852	15.86	365	4,931,587	-301,617	\$ -162,996	-138,620
Total	2,040			\$ 11,076,001	\$ -575,737	\$ -311,134	\$ -264,604
Reduced to 55% USDA							
0-5	405	\$ 12.62	365	\$ 1,863,396	\$ -245,106	\$ -132,457	\$ -112,649
6-11	784	13.18	365	3,769,491	-540,542	\$ -292,114	-248,428
12 Up	852	14.54	365	4,521,140	-712,064	\$ -384,806	-327,258
Total	2,040			\$ 10,154,027	\$ -1,497,712	\$ -809,377	\$ -688,335

Maintenance Payment Alternatives - Foster Care - Year 4

Age Group	New Caseload	Basic Daily Rate	Number of Days	Age Group Totals	Comparison to Current Rate	State Savings	Federal Funds Loss
Current Daily Rate							
0-5 (54%)	1,137	\$ 14.28	365	\$ 5,928,435			
6-11 (33%)	688	15.07	365	3,782,647			
12 Up (13%)	1,084	16.83	365	6,656,493			
Total	2,909			\$ 16,367,575			
Reduced by 5%							
0-5	1,137	\$ 13.57	365	\$ 5,632,013	\$ -296,422	\$ -200,851	\$ -95,570
6-11	688	14.32	365	3,593,515	-189,132	\$ -128,153	-60,979
12 Up	1,084	15.99	365	6,323,668	-332,825	\$ -225,517	-107,307
Total	2,909			\$ 15,549,196	\$ -818,379	\$ -554,522	\$ -263,857
Reduced by 10%							
0-5	1,137	12.85	365	\$ 5,335,591	\$ -592,843	\$ -401,703	\$ -191,141
6-11	688	13.56	365	3,404,382	-378,265	\$ -256,307	-121,958
12 Up	1,084	15.15	365	5,990,844	-665,649	\$ -451,035	-214,615
Total	2,909			\$ 14,730,818	\$ -1,636,758	\$ -1,109,044	\$ -527,713
Reduced to 60% USDA							
0-5	1,137	\$ 13.76	365	\$ 5,712,554	\$ -215,881	\$ -146,278	\$ -69,603
6-11	688	14.38	365	3,609,453	-173,194	\$ -117,354	-55,840
12 Up	1,084	15.86	365	6,272,845	-383,648	\$ -259,955	-123,693
Total	2,909			\$ 15,594,852	\$ -772,723	\$ -523,586	\$ -249,137
Reduced to 55% USDA							
0-5	1,137	\$ 12.62	365	\$ 5,239,275	\$ -689,160	\$ -466,965	\$ -222,195
6-11	688	13.18	365	3,308,247	-474,400	\$ -321,447	-152,953
12 Up	1,084	14.54	365	5,750,767	-905,726	\$ -613,707	-292,019
Total	2,909			\$ 14,298,290	\$ -2,069,285	\$ -1,402,119	\$ -667,166

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Maintenance Payment Alternatives - Adoption Subsidy - Year 5

Age Group	New Caseload	Basic Daily Rate	Number of Days	Age Group Totals	Comparison to Current Rate	State Savings	Federal Funds Loss
Current Daily Rate							
0-5 (54%)	519	\$ 14.28	365	\$ 2,703,843			
6-11 (33%)	1,005	15.07	365	5,526,983			
12 Up (13%)	1,092	16.83	365	6,710,814			
Total	2,616			\$ 14,941,641			
Reduced by 5%							
0-5	519	\$ 13.57	365	\$ 2,568,651	\$ -135,192	\$ -73,059	\$ -62,133
6-11	1,005	14.32	365	5,250,634	-276,349	\$ -149,342	-127,008
12 Up	1,092	15.99	365	6,375,273	-335,541	\$ -181,329	-154,212
Total	2,616			\$ 14,194,559	\$ -747,082	\$ -403,730	\$ -343,352
Reduced by 10%							
0-5	519	\$ 12.85	365	\$ 2,433,459	\$ -270,384	\$ -146,118	\$ -124,266
6-11	1,005	13.56	365	4,974,285	-552,698	\$ -298,683	-254,015
12 Up	1,092	15.15	365	6,039,733	-671,081	\$ -362,658	-308,423
Total	2,616			\$ 13,447,477	\$ -1,494,164	\$ -807,460	\$ -686,705
Reduced to 60% USDA							
0-5	519	\$ 13.76	365	\$ 2,605,384	\$ -98,459	\$ -53,208	\$ -45,251
6-11	1,005	14.38	365	5,273,923	-253,060	\$ -136,756	-116,304
12 Up	1,092	15.86	365	6,324,035	-386,779	\$ -209,019	-177,760
Total	2,616			\$ 14,203,342	\$ -738,299	\$ -398,983	\$ -339,315
Reduced to 55% USDA							
0-5	519	\$ 12.62	365	\$ 2,389,531	\$ -314,312	\$ -169,857	\$ -144,455
6-11	1,005	13.18	365	4,833,818	-693,165	\$ -374,593	-318,573
12 Up	1,092	14.54	365	5,797,697	-913,117	\$ -493,457	-419,661
Total	2,616			\$ 13,021,046	\$ -1,920,595	\$ -1,037,907	\$ -882,688

Maintenance Payment Alternatives - Foster Care - Year 5

Age Group	New Caseload	Basic Daily Rate	Number of Days	Age Group Totals	Comparison to Current Rate	State Savings	Federal Funds Loss
Current Daily Rate							
0-5 (54%)	1,154	\$ 14.28	365	\$ 6,017,382			
6-11 (33%)	698	15.07	365	3,839,400			
12 Up (13%)	1,100	16.83	365	6,756,364			
Total	2,952			\$ 16,613,146			
Reduced by 5%							
0-5	1,154	\$ 13.57	365	\$ 5,716,513	\$ -300,869	\$ -203,865	\$ -97,004
6-11	698	14.32	365	3,647,430	-191,970	\$ -130,076	-61,894
12 Up	1,100	15.99	365	6,418,546	-337,818	\$ -228,901	-108,917
Total	2,952			\$ 15,782,488	\$ -830,657	\$ -562,842	\$ -267,815
Reduced by 10%							
0-5	1,154	12.85	365	\$ 5,415,644	\$ -601,738	\$ -407,729	\$ -194,009
6-11	698	13.56	365	3,455,460	-383,940	\$ -260,152	-123,788
12 Up	1,100	15.15	365	6,080,727	-675,636	\$ -457,802	-217,835
Total	2,952			\$ 14,951,831	\$ -1,661,315	\$ -1,125,684	\$ -535,631
Reduced to 60% USDA							
0-5	1,154	\$ 13.76	365	\$ 5,798,262	\$ -219,120	\$ -148,473	\$ -70,647
6-11	698	14.38	365	3,663,608	-175,792	\$ -119,114	-56,678
12 Up	1,100	15.86	365	6,366,960	-389,404	\$ -263,855	-125,549
Total	2,952			\$ 15,828,829	\$ -784,317	\$ -531,442	\$ -252,875
Reduced to 55% USDA							
0-5	1,154	\$ 12.62	365	\$ 5,317,883	\$ -699,500	\$ -473,971	\$ -225,528
6-11	698	13.18	365	3,357,883	-481,517	\$ -326,269	-155,248
12 Up	1,100	14.54	365	5,837,049	-919,315	\$ -622,915	-296,400
Total	2,952			\$ 14,512,814	\$ -2,100,332	\$ -1,423,156	\$ -677,176