

## **SECTION 11. CHILD PROTECTION, FOSTER CARE, AND ADOPTION ASSISTANCE**

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### **INTRODUCTION**

Child welfare services aim to improve the conditions of children and their families and to improve or provide substitutes for functions that parents have difficulty performing. Child welfare services encompass a broad range of activities, including protection of abused or neglected children, support and preservation of families, care of the homeless and neglected, support for family development, and provision of out-of-home care, including adoption. Services may help the family cope with problems or they may protect children while the family learns to perform appropriate parenting roles.

It is generally agreed that it is in the best interests of children to live with their families. To this end, experts emphasize both the value of preventive and rehabilitative services and the need to limit the duration of foster care placements. However, if children must

be removed, a major principle of professional social work is the provision of permanent living arrangements, either by returning children to their homes in a timely fashion or by moving children into adoption or other permanent arrangements.

Many private, nonprofit and government entities work to provide child welfare services to families in need. The primary responsibility for child welfare services in the government, however, rests with the States. Each State has its own legal and administrative structures and programs that address the needs of children. The Federal Government has also been involved in efforts to improve the welfare of children in specific areas of national concern since the early 1900s. About 30 Federal programs were authorized to provide support for such services as of 2000, administered by four different Cabinet agencies and overseen by five House committees. The largest of these programs are authorized under titles IV–B and IV–E of the Social Security Act and are under the jurisdiction of the House Committee on Ways and Means. Additional programs include grants to States, local governments and nongovernmental agencies for prevention and treatment of child abuse and neglect, advocacy centers for victims of sexual abuse, services for abandoned infants and children with AIDS, promotion of adoption, child abuse-related training for judicial personnel, federally administered research and demonstration, Indian child welfare programs, family violence programs, and a number of other small programs. Of these non-Social Security Act programs, most had funding of less than \$25 million in 2000. In addition, services related to child welfare may be provided at State discretion under the Social Services Block Grant (title XX of the Social Security Act), described in section 10. Finally, a \$5,000 Federal adoption tax credit is available to adoptive parents to offset some of the initial expenses associated with adoption (a \$6,000 credit is available for parents who adopt children with special needs; section 13).

This section will focus specifically on Child Welfare, Foster Care and Adoption Assistance Programs authorized under titles IV–B and IV–E of the Social Security Act.

### **FEDERAL CHILD WELFARE PROGRAMS TODAY**

The Social Security Act contains the primary sources of Federal funds available to States for child welfare, foster care, and adoption activities. These funds include both nonentitlement authorizations (for which the amount of funding available is determined through the annual appropriations process) and authorized entitlements (under which the Federal Government has a binding obligation to make payments to any person or unit of government that meets the eligibility criteria established by law). The programs include the Title IV–B Child Welfare Services and Promoting Safe and Stable Families (formerly known as Family Preservation) Programs, the Title IV–E Foster Care Program, the Title IV–E Adoption Assistance Program, the Title IV–E Foster Care Independence Program, and the Title XX Social Services Block Grant (SSBG) Program. Table 11–1 lists these programs, and describes their funding.

Table 11–2 provides data on the level of Federal funds provided to States under titles IV–B and IV–E for fiscal years 1989–99, and the U.S. Department of Health and Human Services (DHHS) pro-

jections for fiscal years 2000–2005. Under SSBG States have discretion over what portion of their allocation they spend on child welfare activities, as well as a range of other activities not directly focused on children.

TABLE 11–1.—FUNDING ENVIRONMENT OF THE FEDERAL PROGRAMS WHICH SUPPORT FOSTER CARE, CHILD WELFARE, AND ADOPTION SERVICES

Program	Budgetary classification	Federal support of total
Title IV–E Foster Care Program:		
Foster care assistance payments.	Authorized entitlement ..	Open-ended Federal match at Medicaid rate.
Placement services and administrative costs.	Authorized entitlement ..	Open-ended Federal match of 50 percent. <sup>1</sup>
Training expenses .....	Authorized entitlement ..	Open-ended Federal match of 75 percent.
Title IV–E Adoption Assistance Program:		
Adoption assistance payments.	Authorized entitlement ..	Open-ended Federal match at Medicaid rate.
Nonrecurring adoption expenses.	Authorized entitlement ..	Open-ended Federal match of 50 percent. <sup>2</sup>
Placement services and administrative costs.	Authorized entitlement ..	Open-ended Federal match of 50 percent.
Training expenses .....	Authorized entitlement ..	Open-ended Federal match of 75 percent.
Title IV–E Foster Care Independence Program	Authorized entitlement ..	80 percent Federal funding, with a funding ceiling. <sup>3</sup>
Title IV–B Child Welfare Services Program:		
Child welfare services (subpart 1).	Nonentitlement authorization.	Federal match of 75 percent, total capped at State allotment.
Promoting Safe and Stable Families <sup>4</sup> (subpart 2).	Authorized entitlement ..	Federal match of 75 percent, with a funding ceiling. <sup>5</sup>
Title XX Social Services Block Grant Program.	Authorized entitlement ..	100 percent Federal funding, with a funding ceiling.

<sup>1</sup> Seventy-five percent matching was available from fiscal year 1994 through fiscal year 1997 for certain costs related to data collection.

<sup>2</sup> The Federal Government reimburses 50 percent of up to \$2,000 of expenditures for any one placement.

<sup>3</sup> During fiscal years 1991–99, States were required to provide 50 percent matching for any Federal funding claimed that exceeded \$45 million. Beginning in fiscal year 2000, the Federal share of expenditures is 80 percent.

<sup>4</sup> The name of this program was changed from Family Preservation and Family Support in 1997, by Public Law 105–89.

<sup>5</sup> Program authorized through fiscal year 2001.

Source: Compiled by House Committee on Ways and Means staff.

Funds available to States from the title IV–B programs may be used for services to families and children without regard to family income. Federal matching funds for foster care maintenance payments under title IV–E are provided only in those cases in which the child would have been eligible for Aid to Families with Dependent Children (AFDC) if still in the home. All children determined to have “special needs” related to their being adopted, as defined under title IV–E, are eligible for reimbursement of certain non-

TABLE 11-2.—FEDERAL FUNDING FOR CHILD WELFARE, FOSTER CARE, AND ADOPTION ACTIVITIES UNDER TITLES IV-B AND IV-E OF THE SOCIAL SECURITY ACT, UNDER CURRENT LAW, 1989–2005

[In millions of dollars]

Fiscal year	Title IV-B-1 Child Welfare Services Pro- gram	Title IV-B-2 Pro- moting Safe and Stable Families <sup>1</sup> Program	Title IV-E foster care State claims			Title IV-E Independent Living Pro- gram	Title IV-E adoption assistance State claims			Total
			Total <sup>2</sup>	Maintenance payments	Administra- tion/train- ing <sup>3</sup>		Total <sup>4</sup>	Assistance payments	Administra- tion/training	
1989 .....	\$247	( <sup>5</sup> )	\$1,153	\$646	\$507	\$45	\$111	\$86	\$24	\$1,555
1990 .....	253	( <sup>5</sup> )	1,473	835	638	50	136	105	31	1,912
1991 .....	274	( <sup>5</sup> )	1,819	1,030	789	60	175	130	45	2,328
1992 .....	274	( <sup>5</sup> )	2,233	1,204	1,029	70	220	161	58	2,796
1993 .....	295	( <sup>5</sup> )	2,534	1,312	1,222	70	272	198	74	3,171
1994 .....	295	\$60	2,750	1,371	1,375	70	347	249	98	3,522
1995 .....	292	150	3,066	1,599	1,467	70	411	306	105	3,989
1996 .....	277	225	3,098	1,503	1,595	70	483	361	122	4,153
1997 .....	292	240	3,692	1,725	1,967	70	590	429	161	4,884
1998 .....	292	255	3,714	1,932	1,782	70	697	512	185	5,027
1999 <sup>6</sup> .....	292	275	4,011	1,963	2,048	70	843	621	222	5,491
2000 (estimate) .....	292	295	4,398	2,120	2,278	<sup>7</sup> 105	991	730	261	6,081
2001 (estimate) .....	292	305	5,013	2,384	2,629	140	1,161	856	305	6,911
2002 (estimate) .....	292	( <sup>8</sup> )	5,426	2,580	2,846	140	1,358	1,000	358	7,216
2003 (estimate) .....	292	( <sup>8</sup> )	5,759	2,781	2,978	140	1,575	1,160	415	7,766
2004 (estimate) .....	292	( <sup>8</sup> )	6,214	2,998	3,216	140	1,810	1,333	477	8,456
2005 (estimate) .....	292	( <sup>8</sup> )	6,702	3,231	3,471	140	2,079	1,531	548	9,213

<sup>1</sup>In fiscal years 1998 and 1999, \$16 and \$18 million, respectively, lapsed. <sup>2</sup>Total includes administration, Statewide Automated Child Welfare Information System (SACWIS), and training expenditures, as well as maintenance payments. <sup>3</sup>Includes regular administration, SACWIS costs, child placement costs, and training. <sup>4</sup>Total includes administration and training expenditures and assistance payments. Differences in total due to rounding. <sup>5</sup>The IV-B-2 program did not begin operation until 1994. <sup>6</sup>Beginning in fiscal year 1999, title IV-E foster care and adoption assistance State claims data include Puerto Rico. <sup>7</sup>Does not include additional \$35 million requested through a supplemental budget request. <sup>8</sup>Not authorized.

Note.—Totals may differ from sum of amounts because of rounding.

Source: U.S. Department of Health and Human Services.

recurring costs of adoption under the Title IV–E Adoption Assistance Program. However, only AFDC- or Supplemental Security Income (SSI)-eligible “special-needs” children qualify for federally matched adoption assistance payments available under title IV–E. Funds available to States for the Title IV–E Foster Care Independence Program may be used for services which facilitate the transition of children from foster care to independent living, regardless of whether they are eligible for AFDC foster care assistance.

In addition to the programs described above, title IV–B authorizes funds for research and demonstration activities and for direct Federal grants to public and private entities for child welfare staff training. Under title IV–E, incentive payments are authorized for States that increase their number of adoptions of foster children, including children with special needs, above specified baselines.

Table 11–3 provides data on participation under the title IV–B and IV–E programs. Table 11–4 shows the Congressional Budget Office (CBO) projections for Federal foster care and adoption assist-

TABLE 11–3.—PARTICIPATION IN CHILD WELFARE, FOSTER CARE, AND ADOPTION ACTIVITIES UNDER TITLES IV–B AND IV–E OF THE SOCIAL SECURITY ACT, UNDER CURRENT LAW, 1988–2004

Fiscal year	Title IV–B–1 Child Wel- fare Serv- ices Pro- gram	Title IV–B–2 Promoting Safe and Stable Fam- ilies Pro- gram	Title IV–E foster care assistance payments <sup>1</sup>	Title IV–E Independent Living Pro- gram <sup>2</sup>	Title IV–E adoption assistance payments <sup>1</sup>
1988 .....	NA	( <sup>3</sup> )	132,757	18,931	34,698
1989 .....	NA	( <sup>3</sup> )	156,871	44,191	40,666
1990 .....	NA	( <sup>3</sup> )	167,981	44,365	44,024
1991 .....	NA	( <sup>3</sup> )	202,687	45,284	54,818
1992 .....	NA	( <sup>3</sup> )	222,315	57,360	66,197
1993 .....	NA	( <sup>3</sup> )	231,100	57,918	78,000
1994 .....	NA	NA	245,000	71,081	91,200
1995 .....	NA	NA	260,800	73,137	106,200
1996 .....	NA	NA	273,600	85,261	124,700
1997 .....	NA	NA	289,400	84,309	146,900
1998 .....	NA	NA	306,500	87,446	168,400
1999 <sup>4</sup> .....	NA	NA	302,422	NA	195,243
2000 (estimated) .....	NA	NA	319,300	NA	223,900
2001 (estimated) .....	NA	NA	341,700	NA	256,400
2002 (estimated) .....	NA	( <sup>5</sup> )	357,100	NA	292,200
2003 (estimated) .....	NA	( <sup>5</sup> )	371,400	NA	330,200
2004 (estimated) .....	NA	( <sup>5</sup> )	386,300	NA	369,900

<sup>1</sup> Average monthly number of recipients.

<sup>2</sup> Estimated.

<sup>3</sup> The IV–B–2 program did not begin operation until 1994.

<sup>4</sup> Beginning in fiscal year 1999, data for average monthly number of recipients include Puerto Rico.

<sup>5</sup> The IV–B–2 program is only authorized through 2001.

NA—Not available.

Source: U.S. Department of Health and Human Services.

ance for 2000–2005. According to CBO, between 2000 and 2005, the federally funded foster care caseload is projected to increase from 314,000 to 356,000 (13 percent). Total IV–E foster care outlays are expected to increase 34 percent, from \$4,139,000 in 2000 to \$5,546,000 in 2005. Over the same time period, the adoption assistance caseload is projected to increase from 218,000 to 345,000 (58 percent), while total adoption assistance outlays are estimated to increase from \$953 million to \$1,750 million (84 percent).

TABLE 11–4.—CBO BASELINE PROJECTIONS FOR THE FEDERAL FOSTER CARE AND ADOPTION ASSISTANCE PROGRAMS, FISCAL YEARS 2000–2005

[In millions of dollars]

Program	2000	2001	2002	2003	2004	2005
<b>Foster Care:</b>						
Title IV–E caseload (in thousands) .....	314	325	334	342	349	356
Average monthly maintenance payments (Federal share) ...	\$545	\$564	\$584	\$605	\$626	\$648
Federal outlays (in millions of dollars):						
Maintenance payments .....	2,034	2,174	2,318	2,459	2,599	2,744
Administrative and child placement services .....	1,899	2,025	2,154	2,282	2,407	2,538
Training .....	206	218	230	241	253	264
<b>Total outlays .....</b>	<b>4,139</b>	<b>4,417</b>	<b>4,702</b>	<b>4,983</b>	<b>5,259</b>	<b>5,546</b>
<b>Adoption Assistance:</b>						
Title IV–E caseload (in thousands) .....	218	242	267	292	318	345
Average monthly payments (Federal share) .....	273	283	293	303	314	325
Federal outlays (in millions of dollars):						
Assistance payments .....	705	807	920	1,044	1,178	1,325
Administrative and child placement services .....	210	235	263	292	323	356
Training .....	39	44	49	55	62	69
<b>Total outlays .....</b>	<b>953</b>	<b>1,086</b>	<b>1,232</b>	<b>1,391</b>	<b>1,564</b>	<b>1,750</b>
<b>Independent Living:</b>						
<b>Total outlays .....</b>	<b>70</b>	<b>123</b>	<b>140</b>	<b>140</b>	<b>140</b>	<b>140</b>
<b>Total outlays .....</b>	<b>5,171</b>	<b>5,625</b>	<b>6,074</b>	<b>6,514</b>	<b>6,962</b>	<b>7,436</b>

Note.—Numbers may not add to totals due to rounding.

Source: Congressional Budget Office, March 2000 baseline.

## THE TITLE IV-B CHILD WELFARE SERVICES PROGRAMS

*Grants to States for child welfare services*

The Child Welfare Services Program under subpart 1 of title IV-B permanently authorizes 75 percent Federal matching grants to States for services that protect the welfare of children. These services: address problems that may result in neglect, abuse, exploitation or delinquency of children; prevent the unnecessary separation of children from their families and restore children to their families, when possible; place children in adoptive families when appropriate; and assure adequate foster care when children cannot return home or be placed for adoption. There are no Federal income eligibility requirements for the receipt of child welfare services.

Under legislation originally enacted in 1980 (Public Law 96-272), States are limited in the amount of their title IV-B allotments that may be used for child day care, foster care maintenance payments, and adoption assistance payments. Specifically, States may use no more than their portion of the first \$56.6 million in Federal title IV-B appropriations for these three activities. The intent of this restriction is to devote as much title IV-B funding as possible to supportive services that could prevent the need for out-of-home placement. In addition, the 1980 legislation required States to implement certain foster care protections for all children in foster care to be eligible to receive their full allotment of Federal title IV-B appropriations. (The foster care protections are described below.)

Between 1977 and 1990, the annual authorization level for the Child Welfare Services Program remained flat at \$266 million. The authorization level was increased to \$325 million under Public Law 101-239 beginning for fiscal year 1990. Appropriations for the program—the amount of money Congress actually made available for spending each year—increased from \$163.6 million in fiscal year 1981 to \$294.6 million in fiscal year 1994. Appropriations have since decreased, to \$292 million in fiscal year 1995, \$277.4 million in fiscal year 1996, and have remained at \$292 million since fiscal year 1997 (see table 11-2). Table 11-5 details the State-by-State distribution of child welfare service funds for selected fiscal years. Child welfare service funds are distributed to States on the basis of their under 21 population and per capita income.

Because of minimal reporting requirements, no reliable data are available on the exact number of children or families served, their characteristics, or the services provided with child welfare service funds. However, a 1997 study funded by DHHS provides some information on the number and characteristics of children and families served by the child welfare system in 1994, and examines changes in this population since a similar study was conducted of children and families served in 1977 (U.S. Department, 1997). This study looks at children served by all components of the child welfare system, regardless of funding source.

The study found a significant decline in the number of children receiving services from the child welfare system, from an estimated 1.8 million children in 1977 to an estimated 1 million in 1994. Of these totals, about the same number of children in each of the 2 years were in foster care (543,000 in 1977 and 502,000 in 1994).

TABLE 11-5.—STATE-BY-STATE ALLOCATIONS FOR TITLE IV-B (SUBPART 1) CHILD WELFARE SERVICES, SELECTED YEARS 1989-2000

[In thousands of dollars]

State	1989 actual	1991 actual	1994 actual	1996 actual	1997 actual	1998 actual	1999 actual	2000 allotments
Alabama .....	\$5,136	\$5,634	\$5,623	\$5,106	\$5,327	\$5,244	\$5,198	\$5,250
Alaska .....	294	561	754	725	749	776	787	817
American Samoa .....	163	175	193	183	188	187	186	185
Arizona .....	3,797	4,307	5,034	5,015	5,466	5,291	5,752	5,764
Arkansas .....	3,095	3,369	3,424	3,178	3,359	3,349	3,213	3,301
California .....	23,100	26,521	31,732	31,049	32,760	33,893	34,075	34,160
Colorado .....	3,091	3,482	3,866	3,719	3,935	3,959	4,009	3,857
Connecticut .....	2,143	2,123	2,120	2,052	2,154	2,075	2,050	1,885
Delaware .....	654	716	726	713	756	688	689	701
District of Columbia .....	432	469	447	345	346	333	327	319
Florida .....	10,361	11,771	13,146	12,781	13,708	13,806	13,930	14,210
Georgia .....	7,301	8,002	8,426	8,032	8,502	8,479	8,584	8,679
Guam .....	342	375	351	329	340	338	336	335
Hawaii .....	1,119	1,247	1,204	1,117	1,179	1,207	1,189	1,196
Idaho .....	1,388	1,576	1,703	1,622	1,736	1,753	1,760	1,766
Illinois .....	10,773	11,488	11,773	11,067	11,684	11,633	11,663	11,556
Indiana .....	6,064	6,677	6,952	6,367	6,697	6,613	6,575	6,604
Iowa .....	3,074	3,223	3,475	3,223	3,358	3,310	3,318	3,290
Kansas .....	2,461	2,779	3,068	2,873	3,011	3,001	2,996	3,055
Kentucky .....	4,556	4,934	5,030	4,624	4,842	4,806	4,752	4,647
Louisiana .....	5,657	6,368	6,527	5,910	6,195	6,015	5,824	5,842
Maine .....	1,391	1,477	1,482	1,378	1,432	1,443	1,428	1,406
Maryland .....	3,798	4,074	4,343	4,156	4,358	4,453	4,386	4,457
Massachusetts .....	4,418	4,498	4,708	4,579	4,792	4,624	4,681	4,627
Michigan .....	9,551	10,047	10,885	10,075	10,487	10,118	10,130	10,178
Minnesota .....	4,206	4,537	5,092	4,785	5,022	4,913	4,915	4,704
Mississippi .....	3,923	4,244	4,293	3,949	4,146	4,051	4,019	4,016
Missouri .....	5,235	5,654	6,146	5,727	5,998	6,055	6,078	6,066
Montana .....	1,049	1,125	1,207	1,158	1,203	1,201	1,183	1,176



Nebraska .....	1,744	2,087	2,071	1,879	1,968	1,991	1,995	2,002
Nevada .....	964	1,123	1,401	1,379	1,516	1,625	1,711	1,786
New Hampshire .....	1,024	498	1,087	1,096	1,152	1,137	1,135	1,134
New Jersey .....	5,465	5,412	5,224	5,368	5,669	5,679	5,542	5,718
New Mexico .....	2,072	2,282	2,510	2,418	2,541	2,530	2,511	2,535
New York .....	14,373	15,245	15,452	14,148	14,808	14,817	14,767	14,539
North Carolina .....	7,189	7,916	8,112	7,728	8,229	8,179	8,291	8,440
North Dakota .....	849	908	945	858	891	893	874	862
Northern Marianas .....	118	124	142	136	139	138	138	137
Ohio .....	10,429	12,195	12,878	11,853	12,386	11,996	11,901	11,397
Oklahoma .....	3,735	4,114	4,406	4,133	4,310	4,325	4,295	4,316
Oregon .....	2,850	3,162	3,556	3,321	3,531	3,582	3,580	3,594
Pennsylvania .....	11,236	12,011	12,148	11,076	11,583	11,515	11,350	11,347
Puerto Rico .....	3,674	7,100	8,105	7,480	7,787	7,722	7,662	7,631
Rhode Island .....	953	1,032	1,054	984	1,012	993	986	1,007
South Carolina .....	4,468	4,876	4,948	4,544	4,696	4,613	4,670	4,682
South Dakota .....	938	1,015	1,075	991	1,029	1,028	1,001	1,023
Tennessee .....	5,598	6,137	6,210	5,792	6,100	5,959	5,946	5,937
Texas .....	18,958	21,476	23,795	22,401	23,783	23,889	24,264	24,511
Utah .....	2,891	3,192	3,474	3,284	3,469	3,475	3,519	3,561
Vermont .....	583	717	715	674	703	710	701	685
Virginia .....	5,463	5,905	6,373	6,114	6,408	6,444	6,459	6,458
Virgin Islands .....	295	310	280	263	271	269	268	267
Washington .....	4,382	4,968	5,699	5,231	5,512	5,679	5,725	5,804
West Virginia .....	2,397	2,519	2,486	2,189	2,251	2,243	2,183	2,157
Wisconsin .....	5,077	5,442	6,022	5,574	5,854	5,742	5,729	5,748
Wyoming .....	382	689	724	638	661	671	662	659
Total .....	246,679	273,907	294,624	277,389	291,989	291,458	291,896	291,986

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Note.—Totals may differ from sum of State amounts due to rounding.

Source: U.S. Department of Health and Human Services.

However, DHHS found a sharp drop in the number of children receiving services while still living at home, and a substantial increase in the percent of children who were receiving services as a result of abuse or neglect (45 percent in 1977 compared with 80 percent in 1994). The report suggests that child welfare agencies today are dealing with more difficult cases that require more extensive services and therefore have been forced to set priorities and narrow their focus from a broader population of children and families to those in more immediate crisis. The report found that, despite the goals of Public Law 96-272, the same number of children were in foster care in 1994, as compared with 1977, and foster care "drift" remained a problem. The report also found a major shift in the racial composition of children in the system, with minority children increasing from 40 percent of those served in 1977 to 54 percent in 1994. Moreover, the report found that minority children, especially African-American children, were more likely to be placed in foster care than to receive in-home services, even when they presented the same problems and characteristics as white children. Finally, the report examined the longer lengths of stay in foster care experienced by African-American and Hispanic children in 1994 and concluded that higher rates of kinship care did not necessarily explain this phenomenon, since minority children remained in out-of-home care longer than white children, regardless of the type of placement.

*Grants to States for promoting safe and stable families*

Grants to States for family preservation and family support services were originally authorized as a capped entitlement under subpart 2 of title IV-B, beginning in fiscal year 1994. States already had the flexibility to expend their child welfare services funds available under subpart 1 of title IV-B for family support and preservation activities, but few States used a significant share of such funds for these two categories of services. Entitlement funding was authorized for 5 years at the following ceiling levels: \$60 million in fiscal year 1994; \$150 million in 1995; \$225 million in 1996; \$240 million in 1997; and either \$255 million in 1998 or the 1997 level adjusted for inflation, whichever is greater. The Adoption and Safe Families Act (Public Law 105-89), enacted in November 1997, reauthorized and changed the name of this program to Promoting Safe and Stable Families. Entitlement ceilings are now set at the following levels: \$275 million for 1999, \$295 million for 2000, and \$305 million for 2001.

From these ceiling amounts, \$2 million in fiscal year 1994 and \$6 million in each subsequent fiscal year are reserved for use by the Secretary of DHHS to fund research, training, technical assistance and evaluation of family preservation and support activities. In addition, \$5 million in fiscal year 1995 and \$10 million in each subsequent fiscal year are reserved for a grant program for State courts (described below). Finally, 1 percent of the entitlement is reserved for allotment to Indian tribes.

After these set-asides are made, remaining entitlement funds are allocated among States according to their relative shares of children receiving food stamps, subject to a 25-percent non-Federal

match. Table 11–6 shows State allotments of promoting safe and stable families entitlement funds in fiscal years 1997–2000.

TABLE 11–6.—TITLE IV–B PROMOTING SAFE AND STABLE FAMILIES<sup>1</sup> PROGRAM: STATE-BY-STATE ALLOCATIONS

State	Fiscal year 1997 actual	Fiscal year 1998 actual	Fiscal year 1999 actual	Fiscal year 2000 allotments
Alabama .....	\$4,298,428	\$4,587,680	\$4,998,474	\$5,467,218
Alaska .....	343,874	389,953	447,625	529,555
American Samoa .....	159,031	164,480	171,567	179,043
Arizona .....	4,126,491	4,495,927	4,774,662	5,070,424
Arkansas .....	2,106,230	2,202,087	2,412,199	2,716,339
California .....	29,852,578	33,398,317	37,749,671	40,544,805
Colorado .....	2,256,675	2,247,963	2,362,463	2,496,711
Connecticut .....	1,805,340	1,995,641	2,138,651	2,349,394
Delaware .....	451,335	481,706	522,229	586,057
District of Columbia .....	752,225	825,782	920,117	1,031,541
Florida .....	11,691,723	12,203,230	13,105,452	14,020,393
Georgia .....	6,297,197	6,766,829	7,559,881	8,335,896
Guam .....	274,029	286,517	302,757	319,890
Hawaii .....	773,717	894,598	1,019,589	1,222,967
Idaho .....	623,272	688,152	746,041	812,739
Illinois .....	8,682,824	9,404,745	10,046,684	11,393,553
Indiana .....	3,890,077	3,945,405	3,978,885	3,909,002
Iowa .....	1,504,450	1,536,873	1,641,290	1,760,182
Kansas .....	1,396,989	1,513,935	1,666,158	1,811,435
Kentucky .....	3,696,648	3,738,960	4,003,753	4,411,229
Louisiana .....	6,447,642	6,468,629	6,888,444	7,195,319
Maine .....	924,162	940,474	969,853	1,066,598
Maryland .....	3,030,392	3,303,130	3,680,469	4,079,010
Massachusetts .....	3,632,171	3,784,836	3,978,885	4,149,338
Michigan .....	7,995,076	8,349,578	8,952,491	9,485,814
Minnesota .....	2,600,549	2,752,608	2,934,428	2,998,745
Mississippi .....	4,019,030	4,197,728	4,327,037	4,532,892
Missouri .....	4,470,365	4,748,249	5,172,550	5,577,218
Montana .....	515,811	550,522	646,569	714,863
Nebraska .....	924,162	963,413	1,019,589	1,078,461
Nevada .....	752,225	848,721	920,117	1,049,293
New Hampshire .....	429,843	481,706	497,361	523,548
New Jersey .....	4,212,459	4,541,804	5,147,682	5,616,230
New Mexico .....	1,934,292	2,064,456	2,262,991	2,485,020
New York .....	15,237,926	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
North Carolina .....	4,814,239	5,069,387	5,520,703	6,068,954
North Dakota .....	343,874	344,076	348,152	379,765
Northern Marianas ..	121,935	125,114	129,247	133,608
Ohio .....	9,499,525	9,634,129	9,972,080	10,110,000
Oklahoma .....	2,750,994	3,004,931	3,232,844	3,490,646
Oregon .....	2,041,753	2,225,025	2,437,067	2,631,579
Pennsylvania .....	8,489,395	8,854,223	9,574,192	10,468,059
Puerto Rico .....	5,901,525	6,258,461	6,722,614	7,212,312
Rhode Island .....	752,225	825,782	895,249	989,602
South Carolina .....	3,116,360	3,349,007	3,556,128	3,927,057
South Dakota .....	429,843	458,768	472,493	533,640

TABLE 11-6.—TITLE IV-B PROMOTING SAFE AND STABLE FAMILIES<sup>1</sup> PROGRAM: STATE-BY-STATE ALLOCATIONS—Continued

State	Fiscal year 1997 actual	Fiscal year 1998 actual	Fiscal year 1999 actual	Fiscal year 2000 allotments
Tennessee .....	5,287,066	5,551,093	5,669,911	5,999,983
Texas .....	21,169,757	22,892,526	24,793,426	26,985,190
Utah .....	1,096,099	1,123,982	1,143,929	1,225,329
Vermont .....	429,843	458,768	522,229	536,382
Virginia .....	3,933,061	4,404,173	4,874,134	5,300,937
Virgin Islands .....	222,094	231,404	243,510	256,282
Washington .....	3,481,726	3,830,713	4,351,905	4,833,043
West Virginia .....	2,493,088	2,523,224	2,287,859	2,486,708
Wisconsin .....	2,836,962	2,959,054	3,158,240	3,270,921
Wyoming .....	279,398	298,199	323,284	349,572
Subtotal .....	221,600,000	220,186,673	238,195,810	276,050,000
Set-asides:				
Indians (1 per- cent) .....	2,400,000	2,550,000	2,750,000	2,950,000
Research and evaluation ..	6,000,000	6,000,000	5,953,061	6,000,000
Courts .....	10,000,000	10,000,000	10,000,000	10,000,000
Subtotal .....	18,400,000	18,550,000	18,703,061	18,950,000
Lapsed funds	0	16,263,327	18,057,129	19,339,709
Total .....	240,000,000	255,000,000	274,956,000	295,000,000

<sup>1</sup>The name of this program was changed from Family Preservation and Family Support in 1997 by Public Law 105-89.

<sup>2</sup>New York did not apply for its allotment for these years; as a result, their funds lapsed.

Note.—Totals may differ from sum of State amounts because of rounding.

Source: U.S. Department of Health and Human Services.

States must submit a plan to the U.S. Department of Health and Human Services (DHHS) that provides a detailed account of how the money will be used. Prior to the enactment of Public Law 105-89, at least 90 percent of the funds had to be used for two categories of services: family preservation services and community-based family support services. Public Law 105-89 added two additional categories: time-limited family reunification services, and adoption promotion and support services. No more than 10 percent of funds can be used for administration.

The Federal statute does not specify a percentage or minimum amount of funds that must be spent on any particular category of service, but says that States must devote “significant portions” of their expenditures to each of the four categories. DHHS issued program instructions on March 5, 1998, and March 25, 1999, specifying that States must have a “strong rationale” for spending less than 20 percent of their allotments on each of the four categories of services.

Family preservation services are intended for children and families, including extended and adoptive families, that are at risk or in crisis. Services include: programs to help reunite children with their biological families, if appropriate, or to place them for adoption or another permanent arrangement; programs to prevent placement of children in foster care, including intensive family preservation services; programs to provide followup services to families after a child has been returned from foster care; respite care to provide temporary relief for parents and other care givers (including foster parents); and services to improve parenting skills.

Family support services are intended to reach families which are not yet in crisis and to prevent child abuse or neglect from occurring. Family support services are generally community-based activities designed to promote the well-being of children and families, to increase the strength and stability of families (including adoptive, foster and extended families), to increase parents' confidence and competence, to provide children with a stable and supportive family environment, and to enhance child development. Examples include parenting skills training, respite care to relieve parents and other care givers, structured activities involving parents and children to strengthen their relationships, drop-in centers for families, information and referral services, and early developmental screening for children.

As added by Public Law 105-89, time-limited reunification services are services and activities intended to facilitate the safe and appropriate reunification of children who have been removed from home and placed in foster care with their parents in a timely fashion; i.e., within 15 months of having entered foster care. Reunification services for children and their families include counseling, substance abuse treatment services, mental health services, assistance to address domestic violence, temporary child care and therapeutic services such as crisis nurseries, and transportation to and from these activities. Adoption promotion and support services, also added to the law by Public Law 105-89, are services and activities designed to encourage more adoptions out of the foster care system, including pre- and postadoptive services and activities designed to expedite adoptions and support adoptive families.

In regulations proposed on October 4, 1994, and made final on November 18, 1996, DHHS set forth a series of child and family services "principles" that were intended to guide State implementation of the program. According to DHHS, these principles emphasize the paramount importance of safety for all family members, including victims of child abuse and neglect and victims of domestic violence and their dependents. In the preamble to its regulations, DHHS stated that family preservation "does NOT mean that the family must stay together or 'be preserved' under all circumstances." The principles also were intended to support a family-focused approach while allowing for individual needs, and a service delivery approach that stresses flexibility, accessibility, coordination, and respect for cultural and community strengths.

The Secretary of DHHS is required to evaluate activities under subpart 2 of title IV-B. In September 1994, the Secretary funded three evaluation projects: a study of the implementation of family preservation and family support; a national evaluation of family

preservation and reunification programs; and a national evaluation of family support programs. These projects are still underway and no final reports on the national evaluations have yet been published. However, as part of this evaluation, contractors (Westat, James Bell Associates, Chapin Hall Center for Children) submitted two products in May 1995, including a literature review of existing research on family preservation and family reunification and a description of the range of program models then in existence (U.S. Department, 1995a, 1995b). Although numerous studies had been conducted of individual programs, leading to initial enthusiasm for the family preservation approach, the 1995 literature review found "little solid evidence" that demonstrated that programs designed to prevent foster care placement or to reunify families had achieved their intended goals. According to the literature review summary, nonexperimental studies had produced misleading results, and the few controlled studies that had been conducted had produced mixed findings. The research suggested that family preservation programs had only modest effects on family and child functioning, although the contractors suggested that it would be unrealistic to expect dramatic results in this area, given the scope of problems facing child welfare clients and the short-term nature of family preservation services. Regarding family reunification, the contractors noted that evaluations of such programs were still very preliminary but that a few studies had reported encouraging results.

In 1998, the contractors submitted a final report on one specific family reunification project, known as HomeRebuilders in New York City (Westat et al., 1998). This project began in 1993 and tested an alternative payment method for foster care in which six local agencies received a flat rate for serving an identified group of children in foster care for a 3-year period. These funds could be used for foster care or any service the agencies believed would achieve permanency. Funding was "front-loaded" in the first year to encourage early discharge, and agencies could retain any savings they realized if the children left foster care before the end of the 3 years (see below). The impact of HomeRebuilders varied across the six participating agencies. Earlier discharge from foster care and fewer days in care was achieved in one of the three agencies using random assignment, with a 13 percent difference between the experimental and control groups. This outcome did not occur at the other two random assignment sites, however, although one of the nonrandom assignment agencies did show fewer days in foster care. The contractors concluded that changes in fiscal incentives alone are not likely to result in major child welfare reform, but that other factors are needed for reform to occur, such as clear decisionmaking protocols, triage strategies, and data systems that can be used for case and program management.

Most recently, James Bell Associates released an interim report (1999a) on the family preservation and family support services implementation study, reporting on State and local planning efforts, the relationship of planning to service delivery, and the design of programs. The contractor found that services did not fall neatly into the categories of family preservation and family support as defined in the legislation, although the majority of services were in general more characteristic of family support programs. This is also

consistent with the findings of the U.S. General Accounting Office (GAO), which reported in 1997 that States were using more than half their funds for family support services, which are designed for a broader population than family preservation activities.

#### *Court Improvement Program*

A portion of the promoting safe and stable families entitlement funds is reserved for a grant program to the highest State courts to assess and improve certain child welfare proceedings. The court set-aside equals \$5 million in fiscal year 1995 and \$10 million in each of fiscal years 1996–2001. A 25-percent non-Federal match is required in each of the last 6 fiscal years.

Courts use their grant funds to assess their procedures and effectiveness in determinations regarding foster care placement, termination of parental rights (TPR), and recognition of adoptions. Courts also can use these grant funds to implement changes found necessary as a result of the assessments. According to DHHS, 49 States and the District of Columbia were participating in this program, as of fiscal year 1999. South Carolina was no longer participating in the program.

According to a review conducted for DHHS on court improvement activities during 1995–98, States conducted thorough assessments of their judicial systems and came up with various recommendations (James Bell Associates, 1999b). Categories where improvement was most commonly recommended were: representation of parties, timeliness of decisions, management information systems, quality of court hearings, judicial expertise, multidisciplinary training for court participants, coordination between the courts and child welfare agency or service providers, treatment and participation of parties, and resources for courts and social services. The activities most commonly implemented included: development of training and educational materials; pilot programs; revision of legislation, court rules and judicial directives; development of automated case tracking systems, public relations campaigns and local work groups; supplemental assessments or studies; increased number of attorneys, judges and other court personnel; hiring of court improvement coordinating staff; and improved treatment of parties. The report found that court improvement changes were still at an early stage, partially because initial assessments took longer to complete than expected and also because reforms requiring new legislation or staff require time to implement. However, the report concluded that the Court Improvement Program had raised the visibility of courts within the child welfare system and provided States with flexibility and resources to address court-related challenges.

#### *Child welfare research, training, studies*

In addition to providing funds to the States for services, title IV-B authorizes the Secretary of DHHS to make direct grants for research and demonstration, training, and studies. Specifically, section 426 authorizes direct grants from DHHS to public and private organizations and institutions of higher education for research and demonstration projects related to child welfare, and for training projects for personnel in the child welfare field. For fiscal year

2000, \$7 million was appropriated for child welfare training, but no funding was provided for research and demonstration under section 426.

Section 429A was added to title IV–B by the welfare reform legislation enacted in 1996 (Public Law 104–193). This provision authorized and appropriated funds for DHHS to conduct a national longitudinal study of children at risk for abuse or neglect, and of children who have been identified as victims of abuse or neglect. For this study, the welfare reform law appropriated \$6 million for each of fiscal years 1996–2002; however, Congress subsequently rescinded the appropriations for fiscal years 1996–2000, with the understanding that adequate funding was available for the study in the broader appropriation for social services and income maintenance research.

In response to the section 429A provision, DHHS has undertaken the National Survey of Child and Adolescent Well-Being through a contract with Research Triangle Institute and subcontracts with the University of California at Berkeley, the University of North Carolina at Chapel Hill, and Caliber Associates. DHHS anticipates that this study will provide nationally representative data on children and families that come into contact with the child welfare system, which will enable analysis of child and family well-being outcomes in relation to the experience of children and families with the child welfare system, as well as characteristics of the families, the community environment, and other factors. The study is being conducted over a 6-year period (1997–2003) and will include a sample of more than 6,000 children, ages 0–14, from 100 child welfare agencies nationwide.

#### THE TITLE IV–E FOSTER CARE PROGRAM

##### *Eligibility criteria*

The Foster Care Program under title IV–E is a permanently authorized entitlement that provides open-ended matching payments to States for the costs of maintaining certain children in foster care, and associated administrative, child placement, and training costs. Several eligibility criteria apply to the foster children on whose behalf Federal reimbursement is available to States. First, children must have been removed from families that would have been eligible for Aid to Families with Dependent Children (AFDC), as the program existed in their State on July 16, 1996. Although welfare reform legislation enacted in 1996 (Public Law 106–193) repealed the AFDC Program, its eligibility criteria continue to be used for determining children’s eligibility under title IV–E. Under Public Law 106–193 as originally enacted, foster children would be eligible under title IV–E if their families met the AFDC criteria of June 1, 1995; however, technical corrections enacted in 1997 changed this date to July 16, 1996 (Public Law 105–33). The welfare reform legislation replaced AFDC with a block grant to States called Temporary Assistance for Needy Families (TANF), and requires all States participating in TANF to certify that they will operate a Foster Care and Adoption Assistance Program under title IV–E. States are required to provide foster care maintenance payments to AFDC-eligible children removed from the home of a rel-



ative if the child received or would have received AFDC prior to removal from the home and if the following also apply: (1) the removal and foster care placement were based on a voluntary placement agreement signed by the child's parents or guardians or a judicial determination that remaining in the home would be contrary to the child's welfare; (2) reasonable efforts were made to eliminate the need for removal or to return the child home (unless certain exceptions apply, which are described later in the section); and (3) care and placement of the child are the responsibility of the State. Children whose expenses are eligible for reimbursement under title IV-E also are deemed eligible for Medicaid. Finally, States may claim reimbursement on behalf of eligible children who have been placed in licensed or approved foster family homes or child care institutions, which can be public or private, including both for-profit and nonprofit. Public child care institutions can accommodate no more than 25 children, although no limitation applies to the size of private institutions. Detention facilities for children determined to be delinquent are not eligible for Federal reimbursement under title IV-E.

#### *Financing structure*

The Federal matching rate for foster care maintenance payments for a given State is that State's Medicaid matching rate, which is inversely related to State per capita income and can range from 50 to 83 percent. States may claim open-ended Federal matching at a rate of 50 percent for their child placement services and administrative costs, including costs of data collection. States may claim open-ended Federal matching at a rate of 75 percent for costs of training personnel employed (or preparing for employment) by State or local agencies administering the program and for training current and prospective foster and adoptive parents. During fiscal years 1994-97, States also were able to receive Federal matching at the 75 percent rate for certain costs related to the development of Statewide Automated Child Welfare Information Systems (SACWIS); currently, these costs are matched at the 50 percent rate.

#### *Foster care expenditures and participation rates*

The average estimated monthly number of children in title IV-E foster care more than tripled between 1983 and 1999, from 97,370 in fiscal year 1983 to 302,422 in fiscal year 1999 (table 11-3). During those same years, Federal spending on title IV-E foster care increased more than tenfold, from \$395 million in fiscal year 1983 to \$4 billion in fiscal year 1999. Table 11-7 provides a State breakdown of foster care expenditures in fiscal year 1999, showing maintenance payments, child placement services and administration, information systems, and training expenditures. Note that California, New York, Pennsylvania and Illinois accounted for 49 percent of total Federal foster care expenditures in fiscal year 1999.

TABLE 11-7.—FEDERAL FOSTER CARE EXPENDITURES UNDER TITLE IV-E, FISCAL YEAR 1999

[In thousands of dollars]

State	Maintenance payments	Child placement services and administration	SACWIS	Training	Total
Alabama .....	\$2,533	\$5,801	\$3,769	\$1,137	\$13,240
Alaska .....	2,338	6,209	361	511	9,418
Arizona .....	25,625	26,738	-660	2,612	54,316
Arkansas .....	8,172	16,610	787	6,488	32,057
California .....	437,765	427,894	12,192	33,950	911,802
Colorado .....	7,993	25,584	6,902	2,070	42,548
Connecticut .....	33,044	54,934	0	3,799	91,777
Delaware .....	1,650	5,723	347	586	8,306
District of Columbia ..	22,377	17,011	3,557	0	42,946
Florida .....	39,090	67,183	3,886	10,609	120,768
Georgia .....	19,975	18,003	1,258	3,657	42,893
Hawaii .....	4,916	8,640	0	2,258	15,813
Idaho .....	1,293	6,338	334	-43	7,922
Illinois .....	100,774	152,903	10,580	9,011	273,267
Indiana .....	30,425	16,592	5,613	688	53,319
Iowa .....	19,553	8,809	0	1,260	29,623
Kansas .....	20,203	10,269	0	419	30,892
Kentucky .....	22,464	12,647	1,928	9,070	46,108
Louisiana .....	29,734	17,344	0	3,058	50,136
Maine .....	27,835	1,842	1,249	1,257	32,183
Maryland .....	42,415	47,779	606	5,928	96,728
Massachusetts <sup>1</sup> .....	28,415	45,735	1,039	41	75,229
Michigan .....	67,906	65,983	0	2,067	135,956
Minnesota .....	30,445	30,393	3,828	7,929	72,595
Mississippi .....	2,769	8,058	-2,123	787	9,491
Missouri .....	33,757	30,138	749	8,975	73,619
Montana .....	4,031	2,764	826	173	7,794
Nebraska .....	13,219	6,839	0	5,829	25,887
Nevada .....	4,407	4,460	5,380	509	14,756
New Hampshire .....	5,756	3,693	1,855	543	11,847
New Jersey .....	32,529	12,100	13	998	45,641
New Mexico .....	4,145	6,063	15	4,144	14,367
New York .....	302,376	160,352	11,278	8,031	482,037
North Carolina .....	33,494	25,340	832	4,871	64,537
North Dakota .....	4,144	5,862	330	873	11,209
Ohio .....	116,128	80,983	838	9,940	207,889
Oklahoma .....	14,714	12,450	0	5,254	32,418
Oregon .....	12,628	16,981	79	1,812	31,499
Pennsylvania .....	169,269	125,280	5,908	15,946	316,403
Puerto Rico .....	7,281	0	0	0	7,281
Rhode Island .....	4,541	7,385	-9	671	12,588
South Carolina .....	8,066	4,774	2,125	2,269	17,234
South Dakota .....	2,264	1,828	446	61	4,598
Tennessee .....	13,902	7,953	447	2,887	25,189
Texas .....	63,755	17,549	0	5,660	86,964

TABLE 11-7.—FEDERAL FOSTER CARE EXPENDITURES UNDER TITLE IV-E, FISCAL YEAR 1999—Continued

[In thousands of dollars]

State	Maintenance payments	Child placement services and administration	SACWIS	Training	Total
Utah .....	3,519	13,726	2,093	1,612	20,950
Vermont .....	8,705	2,644	0	650	11,999
Virginia .....	16,756	23,867	0	3,699	44,322
Washington .....	11,271	15,694	976	1,358	29,299
West Virginia .....	11,474	2,526	2,971	758	17,729
Wisconsin .....	29,565	55,130	3,722	3,238	91,654
Wyoming .....	1,206	551	435	0	2,192
Total .....	1,962,611	1,751,955	96,759	199,910	4,011,236

<sup>1</sup> Fiscal year 1999 data include estimates for the third and fourth quarters.

Note.—Totals may differ from sum of State amounts due to rounding.

Source: U.S. Department of Health and Human Services.

Federal expenditures for child placement services, administrative costs, and training have grown more rapidly than expenditures for foster care maintenance payments. For example, expenditures for child placement services, administration, and training in fiscal year 1983 equaled \$118 million, or 30 percent of total Federal foster care expenditures. In fiscal year 1999, Federal expenditures for child placement services, administration, and training totaled almost \$2 billion, or 49 percent of total Federal expenditures for foster care. DHHS regulations give the following examples of allowable child placement services and administrative costs for foster care under title IV-E: referral to services, preparation for and participation in judicial determinations, placement of the child, development of the case plan, case reviews, case management and supervision, recruitment and licensing of foster homes and institutions, rate setting, and a proportionate share of agency overhead. In addition, Federal matching is available for certain expenses related to data collection and automation of child welfare information systems (see below). Expenditures for child placement services and administration also include expenditures made on behalf of children before and during the time a title IV-E eligibility determination is made; as a result, Federal reimbursement is provided for expenditures made for some children who, ultimately, are determined not eligible for title IV-E maintenance payments.

In 1987, the DHHS Inspector General reported that administrative costs associated with the Foster Care Program were much higher than those associated with similar programs, such as the former AFDC Program, Medicaid, and the Food Stamp Program (Office, 1987). However, the additional spending was attributed to the fact that regulations implementing Public Law 96-272 expressly defined many activities as allowable administrative costs that had not been reimbursed by the Federal Government prior to 1980, when foster care was part of AFDC. The Inspector General

subsequently reported in 1990 that the term “administrative costs” is a misnomer (Office, 1990). Most of the activities being funded are not traditional administrative costs, but are child placement services required by the law. The Inspector General determined that the significant increases in Federal reimbursement for so-called “administrative” costs occurred for two primary reasons: the expanded definition of administrative costs provided in Public Law 96–272, and a broad interpretation of that definition by the DHHS Departmental Appeals Board. Other factors, according to the Inspector General’s 1990 report, included States’ use of consultants, an increase in the number of title IV–E children, increases in the number of caseworkers, and cost-of-living increases for State employees.

In response to concerns about the rapid growth in administrative costs, the 101st Congress enacted legislation as part of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101–508) that was intended to provide better information on State reimbursement for administrative costs. Under Public Law 101–508, “child placement services” was added as a separate category for which States may claim reimbursement, in addition to administrative costs. Prior to this provision, child placement services were included among administrative costs and not identified separately. DHHS reports that of claims filed for child placement and administrative costs in fiscal year 1999, 49 percent were for case planning and management activities, 18 percent were for preplacement activities, 4 percent were for eligibility determinations, and the remaining 28 percent were for other activities including traditional administrative and overhead costs.

#### *Foster care payment rates*

Table 11–8 shows each State’s “basic” monthly foster care payment rates in 1987, 1991, 1994, and 1998 for children ages 2, 9, and 16, as reported in surveys conducted by the American Public Human Services Association (APHSA) and the Child Welfare League of America. States are allowed to set the payments at any level; thus, the rates vary widely. The basic monthly foster care rates shown in the table are those paid for family foster care, and differ from rates paid for group or congregate care.

The family foster care rates shown in the table are only generally comparable due to variations among States regarding the items that are covered under the basic rate, additional services that are provided by supplements, and the States’ administrative structures. Table 11–8 indicates whether the basic rate includes each of the following three items: room and board (r); supervision (s); and clothing (c). States include other items in their basic rates, such as child care, respite care, transportation, personal allowance, school supplies, recreational and community activities, and incidentals. In addition, many States and counties supplement their basic rates, for items such as education, child care, respite care, level of need, clothing, transportation, health and medical care (other than Medicaid or State-funded medical assistance), and special emotional, behavioral, medical, or psychological needs.

TABLE 11-8.—FOSTER CARE BASIC MONTHLY MAINTENANCE RATES FOR CHILDREN AGES 2, 9, AND 16, SELECTED YEARS 1987-98

State	Age 2				Age 9				Age 16			
	1987	1991	1994	1998	1987	1991	1994	1998	1987	1991	1994	1998
Alabama .....	\$168	\$181	\$205	\$230rsc	\$188	\$202	\$229	\$254rsc	\$198	\$213	\$241	\$266rsc
Alaska <sup>1</sup> .....	428	561	588	652rsc	478	499	523	580rsc	565	592	621	689rsc
Arizona .....	223	247	297	<sup>2</sup> 403rsc	223	247	286	<sup>2</sup> 392rsc	282	305	365	<sup>2</sup> 471rsc
Arkansas .....	175	195	300	400rc	190	210	325	425rc	220	240	375	475rc
California .....	294	345	345	375rsc	340	400	400	436rsc	412	484	484	528rsc
Colorado .....	235	296	319	<sup>2</sup> 361rc	266	296	319	<sup>2</sup> 361rc	318	352	379	<sup>2</sup> 430rc
Connecticut <sup>1</sup> .....	268	386	567	622rsc	302	424	586	642rsc	350	478	637	708rsc
Delaware <sup>3</sup> .....	264	301	342	410rsc	266	304	342	410rsc	342	1	440	511rsc
District of Columbia .....	304	304	431	445rsc	304	304	431	445rsc	317	317	519	536rsc
Florida .....	233	296	296	345rsc	233	296	296	355rsc	293	372	372	425rsc
Georgia <sup>1</sup> .....	300	300	300	338rsc	300	300	300	338rsc	300	300	300	338rsc
Hawaii .....	194	529	529	<sup>2</sup> 529rs	233	529	529	<sup>2</sup> 529rs	301	529	529	<sup>2</sup> 529rs
Idaho .....	138	198	228	228rs	165	205	250	250rs	204	278	338	358rs
Illinois .....	233	268	322	343rsc	259	299	358	382rsc	282	325	390	415rsc
Indiana <sup>4</sup> .....	226	281	405	486rsc	245	330	462	536rsc	280	398	518	603rsc
Iowa .....	159	198	328	387rsc	201	243	342	409rsc	285	300	405	474rsc
Kansas .....	187	304	205	<sup>2</sup> 305rsc	245	304	277	<sup>2</sup> 305rsc	280	386	351	<sup>2</sup> 386rsc
Kentucky .....	248	265	263	375rsc	263	288	285	350rsc	300	333	330	398rsc
Louisiana .....	199	283	298	<sup>2</sup> 348rc	232	316	331	<sup>2</sup> 331rc	265	349	364	<sup>2</sup> 364rc
Maine .....	244	296	296	<sup>2</sup> 325r	250	304	304	<sup>2</sup> 334r	291	353	353	<sup>2</sup> 389r
Maryland .....	285	535	535	535rsc	285	535	535	535rsc	303	550	550	535rsc
Massachusetts .....	362	410	410	448rs	362	410	410	464rs	433	486	486	515rs
Michigan <sup>5</sup> .....	315	332	383	398rsc	315	332	383	398rsc	395	416	454	493rsc

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TABLE 11-8.—FOSTER CARE BASIC MONTHLY MAINTENANCE RATES FOR CHILDREN AGES 2, 9, AND 16, SELECTED YEARS 1987-98—Continued

State	Age 2				Age 9				Age 16			
	1987	1991	1994	1998	1987	1991	1994	1998	1987	1991	1994	1998
Minnesota <sup>1</sup> .....	285	341	377	458rsc	285	341	377	458rsc	375	442	487	561rsc
Mississippi .....	130	145	175	<sup>2</sup> 225rc	150	165	205	<sup>2</sup> 255rc	160	175	250	<sup>2</sup> 300rc
Missouri .....	174	209	212	316rs	212	255	259	364rs	232	281	286	392rs
Montana .....	283	307	330	<sup>2</sup> 345rs	283	307	330	<sup>2</sup> 345rs	354	384	416	<sup>2</sup> 435rs
Nebraska .....	210	222	326	<sup>2</sup> 326rsc	210	291	394	<sup>2</sup> 393rsc	210	351	461	<sup>2</sup> 463rsc
Nevada .....	275	281	281	<sup>2</sup> 304rs	275	281	281	<sup>2</sup> 304rs	330	337	337	<sup>2</sup> 365rs
New Hampshire .....	200	200	314	<sup>2</sup> 314rs	251	251	342	<sup>2</sup> 342rs	354	354	404	<sup>2</sup> 404rs
New Jersey .....	203	244	272	294rs	215	259	288	312rs	253	305	340	368rs
New Mexico .....	236	258	308	<sup>2</sup> 308rsc	247	270	341	<sup>2</sup> 341rsc	259	281	367	<sup>2</sup> 367rsc
New York .....	312	353	367	<sup>2</sup> 367rs	375	424	441	<sup>2</sup> 441rs	434	490	510	<sup>2</sup> 510rs
New York City .....	342	386	401	<sup>2</sup> 401rs	403	455	473	<sup>2</sup> 473rs	465	526	547	<sup>2</sup> 547rs
North Carolina .....	215	265	315	315rs	215	265	365	365rs	215	265	415	415rs
North Dakota .....	240	260	265	317rsc	287	312	318	359rsc	345	416	424	469rsc
Ohio <sup>6</sup> .....	240	289	413	603rsc	270	328	413	603rsc	300	366	413	603rsc
Oklahoma .....	300	300	300	300rsc	360	360	360	360rsc	420	420	420	420rsc
Oregon .....	200	285	315	356rsc	234	295	327	370rsc	316	363	404	457rsc
Pennsylvania .....	558	303	315	<sup>2</sup> 312rc	558	319	368	<sup>2</sup> 375rc	558	377	473	<sup>2</sup> 482rc
Rhode Island <sup>7</sup> .....	223	274	279	308rs	223	274	279	285rs	275	335	341	348rs
South Carolina .....	138	182	212	212rsc	158	209	239	239rsc	208	275	305	305rsc
South Dakota .....	188	237	259	353rsc	230	291	317	353rsc	276	349	382	424rsc
Tennessee .....	139	255	336	336rs	190	226	262	262rs	224	267	385	385rs
Texas .....	243	420	476	<sup>2</sup> 482rsc	243	420	476	<sup>2</sup> 482rsc	274	420	476	<sup>2</sup> 482rsc

Utah <sup>1</sup> .....	198	300	300	326rsc	198	300	300	326rsc	225	300	300	326rsc
Vermont .....	210	371	416	360rsc	249	371	416	360rsc	268	447	504	440rsc
Virginia .....	193	246	256	270rs	244	288	300	316rs	309	365	379	400rs
Washington .....	184	270	292	338rsc	227	332	359	410rsc	268	392	425	481rsc
West Virginia .....	161	161	161	400rsc	202	202	202	400rsc	242	242	242	400rsc
Wisconsin .....	163	231	276	289rsc	224	257	301	315rsc	284	324	361	374rsc
Wyoming .....	300	400	400	400rsc	300	400	400	400rsc	330	400	400	400rsc
Average monthly rates .....	239	294	329	NA	263	314	350	NA	307	365	407	NA

<sup>1</sup>These States provided daily regular foster care maintenance rates which were converted to monthly rates using the formula: (daily rate) × 365 ÷ 12. Alaska's base rate changes for regular family foster care became effective July 1, 1998.

<sup>2</sup>1998 data were not available. Data shown are for 1996, as reported to the American Public Human Services Association (formerly American Public Welfare Association).

<sup>3</sup>The foster care maintenance rates provided in the table are midpoints. Delaware has a range of payments for each age. Delaware has a standard foster care payment and three levels of care with supplemental payments.

<sup>4</sup>Basic monthly payment rates are State averages of rates set at the county level. They are estimated from daily maintenance payments of \$16.20, \$17.88, \$20.10 and \$27.35 respectively.

<sup>5</sup>Michigan has two age ranges for payment rates in family foster care: 0–12 and 13–18.

<sup>6</sup>Ohio's foster care rates range depending on the county; the rates provided in the table are the overall average for 88 counties, converted from Ohio's daily rate to a monthly rate. Rates are determined by the county agency, but must be within the approved uniform statewide standards for per diem foster care maintenance rates.

<sup>7</sup>Regular family foster care basic monthly maintenance rates apply to age ranges. The amount presented for age 2 applies to ages 0–3; the amount for age 9 applies to ages 4–11; the amount for age 16 applies to ages 12 and older.

NA—Not available.

Note.—Most States and/or counties supplement these basic rates with additional payments. For 1998, figures are coded for major items covered in the basic rate. Key: r = room and board; s = supervision; c = clothing.

Source: American Public Human Services Association (formerly American Public Welfare Association) for 1987–96. Child Welfare League of America for 1998.

Public Law 96-272 (1980) stipulated that title IV-E foster care payments could be made for children in public institutions, whereas previously under title IV-A (AFDC), payments were limited to children in private nonprofit institutions or foster family homes. To qualify for Federal payments, these public institutions may not accommodate more than 25 children. Facilities operated primarily for the detention of delinquents, including forestry camps and training schools, are ineligible for Federal funds. Legislation enacted in 1996 (Public Law 104-193) also allows participation of for-profit institutions. It is generally agreed that the costs associated with institutional care are substantially higher than the cost of family foster care. However, definitive data are not available.

*History of Federal protections for children in foster care*

The 1980 legislation that established the current framework of titles IV-B and IV-E contained several provisions intended to protect foster children and children at risk of foster care placement. Under the 1980 law as originally enacted, States were not eligible for all of their Federal title IV-B funds unless the following protections had been implemented: (1) a one-time inventory of children who had been in foster care more than 6 months to determine the appropriateness of and necessity for their current foster care placement, whether the child should be returned home or freed for adoption, and the services needed to achieve this placement goal; (2) a statewide information system containing the status, demographic characteristics, location, and placement goals of every child in care for the preceding 12 months; (3) a case review system to assure procedural safeguards for each child in foster care, including a 6-month court or administrative review and an 18-month dispositional hearing to assure placement in the least restrictive (most familylike) setting available, in close proximity to the child's original home, and consistent with the child's best interest; and (4) a reunification program to return children to their original homes.

These provisions were originally contained in section 427 of the Social Security Act. Effective for fiscal years beginning after April 1, 1996, however, these protections are required of States as a component of their State plans under section 422 of the act. This change was enacted under the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66). In addition, the Adoption and Safe Families Act (Public Law 105-89) made significant changes in the case review system, including a requirement that dispositional hearings (renamed permanency hearings) be held at 12 months after placement and a requirement that States initiate procedures to terminate parental rights after a child has been in foster care a certain period of time (see below).

In addition to the protections specified above, States were required to implement a preplacement preventive service program if the title IV-B appropriation was at least \$325 million for 2 consecutive years. The amount appropriated for title IV-B was sufficient to trigger this provision. However, effective April 1, 1996, States are required to implement preplacement preventive services as a component of their State plans. In addition, under Public Law 103-66, States are required to review their policies and procedures related to abandoned children and to implement any changes nec-



essary to enable permanent placement decisions to be made expeditiously for such children.

States must comply with certain State plan requirements under title IV–B that are intended to protect all children in foster care. The law reinforces these protections by specifically requiring that they be provided in the case of children for whom Federal reimbursement is claimed under title IV–E. In addition, the law requires States to establish specific goals for title IV–E-eligible children who will remain in foster care more than 24 months, and to describe the steps the State will take to meet these goals.

*Mandatory procedural safeguards: “reasonable efforts”*

The 1980 legislation required that in every case, “reasonable efforts” must be made to prevent placement of a child in foster care and to reunify a foster child with her parents. The Adoption and Safe Families Act (Public Law 105–89), enacted in November 1997, modified this provision. First, the law now specifies that a child’s health and safety must be of “paramount” concern in all efforts made by the State to preserve or reunify the child’s family. States continue to be required to make reasonable efforts to preserve or reunify the family, but the 1997 law established exceptions to this requirement. Specifically, States are not required to make such efforts if a court finds that a parent had killed another of their children, or committed felony assault against the child or a sibling, or if their parental rights to another child had previously been involuntarily terminated.

In addition, the law establishes that efforts to preserve or reunify a family are not required if the court finds that a parent had subjected the child to “aggravated circumstances.” Each State may define these circumstances in State law; the act cites abandonment, torture, chronic abuse, and sexual abuse as examples. Moreover, the law does not preclude judges from using their discretion to protect a child’s health and safety regardless of whether the specific circumstances are cited in Federal law. If the court determines that reasonable efforts to preserve or reunify a child and family are not required, the law now requires that a permanency hearing be held within 30 days of the child entering foster care, and that reasonable efforts be made to place the child for adoption or in an alternative permanent setting in a timely manner.

Notwithstanding the exceptions allowed under the Adoption and Safe Families Act, reasonable efforts to preserve or reunify a family are still required in most cases. The Social Security Act establishes this requirement in two separate provisions. First, in order for a State to be eligible for title IV–E funding, its plan must specify that reasonable efforts will be made prior to a child’s placement in foster care to prevent the need for placement or to help the child return home, unless the exceptions described above apply (section 471(a)(15)). Second, for every title IV–E-eligible child placed in foster care, a judicial determination must be made and documented that reasonable efforts were made to prevent placement into foster care in that particular case, unless an exception applies (section 472(a)(1)).

The term “reasonable efforts” is not defined in law or regulations. Instead, U.S. Department of Health and Human Services (DHHS)

regulations have required State plans to include a description of the services provided to prevent removal or to reunify families. The regulations provide an illustrative list of the types of preplacement preventive and reunification services that may be offered. This list includes: 24-hour emergency caretaker and homemaker services; day care; crisis counseling; emergency shelters; access to available emergency financial assistance; respite care; home-based family services; self-help groups; services to unmarried parents; provision of or arrangement for mental health; drug and alcohol abuse counseling; vocational counseling or vocational rehabilitation; and postadoption services.

Because "reasonable efforts" is not defined, Federal courts have been active in defining reasonable efforts in individual cases. Over the 20 years since enactment of Public Law 96-272, numerous lawsuits have been filed by foster children, parents, and advocacy groups against State and local child welfare systems, challenging their failure to make reasonable efforts to preserve or reunify families. Many of these cases have been broad in scope, and some Federal courts have become involved in the overall child welfare system, although this has traditionally been an area of exclusive State jurisdiction.

On March 25, 1992, the U.S. Supreme Court decided in *Suter v. Artist M.*, an Illinois case, that the reasonable efforts requirement does not confer a private right on the child beneficiaries of the act. The plaintiffs, abused and neglected children in State custody, brought suit under the act and under 42 U.S.C. 1983 alleging that the State social services agency failed to: (1) make reasonable efforts to prevent the removal of children from home; (2) make reasonable efforts to reunify children who were removed from home; (3) notify appropriate agencies when a child was mistreated while placed in substitute care; and (4) develop case plans to assure proper services were provided to children while in placement. State officials questioned the appropriateness of involvement by the Federal judiciary in the resolution of child welfare disputes and in the operation of child welfare systems.

Both the district court and the Seventh Circuit Court of Appeals held that the "reasonable efforts" requirement conferred enforceable rights on the child beneficiaries that were sufficiently specific to be enforceable in an implied cause of action directly under Public Law 96-272 or in an action brought under 42 U.S.C. 1983. The Supreme Court reversed, and construed the reasonable efforts requirement to impose only a generalized duty on the State, to be enforced not by the child beneficiaries, but by the Secretary of DHHS in monitoring and enforcing compliance with State plan requirements. The Court found that Public Law 96-272 does not create any rights, privileges, or immunities within the meaning of section 1983, and fails to provide the "unambiguous notice" that is necessary before States receiving Federal grants can be subjected to suit.

As a result of the Court's decision in *Suter*, Congress enacted legislation in 1994 (Public Laws 103-382 and 103-432). These laws added a new section to the Social Security Act, which was inadvertently enacted twice, as section 1123 and section 1130A. The provision establishes that, in any action brought to enforce a provision

of the Social Security Act, the provision is not to be deemed unenforceable because of its inclusion in a section of the act requiring a State plan. Congress explicitly stated that it does not intend to limit or expand any grounds for determining the availability of private actions to enforce State plan requirements. The provision also is not intended to alter the Court's decision in *Suter* that the reasonable efforts requirement is not enforceable in a private right of action.

*Mandatory procedural safeguards: case planning and case reviews*

The law specifies case review provisions that apply to all foster children, as required by the title IV-B State plan, and specifically to title IV-E-eligible children in order for States to claim Federal reimbursement for expenditures made on their behalf. The case review process must include a written case plan that: describes the child's placement, including its safety and appropriateness; describes a plan for assuring the child receives safe and proper care and that services are provided to enable the child to return home or to another permanent setting; includes the child's health and education records; describes services to help the child prepare for independent living, if the child is age 16 or older; and for children with permanency plans of adoption or another permanent arrangement, documents the steps taken or planned by the agency to place the child in accordance with that plan. Children must have a case plan that is designed to achieve a safe setting, that is the least restrictive (most familylike) and most appropriate setting available, in close proximity to the child's parent's home, and is consistent with the child's best interest and special needs.

The law also requires an administrative or judicial review at least every 6 months for children in foster care to determine the continuing need and appropriateness of the foster care setting, compliance with the case plan, progress made toward improving the conditions that caused the child to be placed in foster care, and projecting a date by which the child can be returned home or placed for adoption or legal guardianship.

The mandatory case review process also includes a judicial permanency hearing, to be held no later than 12 months after a child has entered foster care (as amended by the Adoption and Safe Families Act in 1997), and every subsequent 12 months. This hearing determines the child's permanency plan; i.e., whether the child should be returned to the parents, placed for adoption (in which case, the State also will initiate proceedings to terminate parental rights), referred for legal guardianship, or placed in another planned, permanent arrangement (if other options, including placement with a fit and willing relative, are not in the child's best interest). Prior to enactment of Public Law 105-89 in 1997, long-term foster care also was a specified permanency plan. Also as amended in 1997, the law provides that States may make efforts to reunify a child and family concurrently with efforts to place the child for adoption or guardianship. This practice, referred to as "concurrent planning," allows States to develop a backup plan, to save time in case efforts to restore the original family are unsuccessful.

The permanency hearing also must ensure safeguards for children placed outside their home State; must determine the inde-

pendent living services needed for foster children aged 16 and older; and must ensure safeguards for the parental rights pertaining to children in foster care. A child's foster parents, preadoptive parents, or relative caretakers must be given notice and an opportunity to be heard at any review or hearing held with respect to the child.

*Mandatory procedural safeguards: filing for termination of parental rights (TPR)*

One of the most significant provisions of the 1997 Adoption and Safe Families Act requires States to initiate proceedings to terminate parental rights for certain foster children. There was no comparable provision in prior law. Specifically, the act requires States to initiate or join TPR proceedings for children who have been in foster care for 15 of the most recent 22 months, or for infants determined under State law to be abandoned, or in any case in which the court has found that a parent has killed another of their children or committed felony assault against the child or a sibling. States can opt not to initiate such proceedings if the child is in a relative's care, or if the State agency has documented in the child's case plan a compelling reason to determine that TPR would not be in the child's best interest, or if the State had not provided necessary services to the family. According to final regulations issued by DHHS on January 25, 2000, exceptions to the TPR requirement must be made on a case-by-case basis; States may not establish blanket exceptions for categories of children. For purposes of the TPR provision and the 12-month permanency hearing, children are considered to have entered foster care on the first date that the court finds they have been subjected to abuse or neglect, or 60 days after their removal from home, whichever occurs first.

THE TITLE IV-E ADOPTION ASSISTANCE PROGRAM

The Title IV-E Adoption Assistance Program is an open-ended entitlement program required of States that participate in TANF. Like the IV-E Foster Care Program, the IV-E Adoption Assistance Program funds three distinct types of activities: assistance payments for qualified children who are adopted, administrative payments for expenses associated with placing children in adoption, and training of professional staff and parents involved in adoptions.

Under the Adoption Assistance Program, which is permanently authorized, States develop adoption assistance agreements with parents who adopt eligible children with special needs. Federal matching funds are provided to States that, under these agreements, provide adoption assistance payments to parents who adopt AFDC- or SSI-eligible children with special needs. In addition, the program authorizes Federal matching funds for States that reimburse the nonrecurring adoption expenses of adoptive parents of special-needs children (regardless of Aid to Families with Dependent Children (AFDC) or SSI eligibility).

*Definition of special needs*

A special-needs child is defined in the statute as a child with respect to whom the State determines there is a specific condition or

situation, such as age, membership in a minority or sibling group, or a mental, emotional, or physical disability, which prevents placement without special assistance. Before a child can be considered to be a child with special needs, the State must determine that the child cannot or should not be returned to the biological family, and that reasonable efforts have been made to place the child without providing adoption assistance. States have discretion in defining special-needs eligibility criteria and individually determining whether a child is eligible. For example, some States add religion or not being able to place the child without subsidy to the definition of special needs.

*Adoption assistance agreements and payments*

An adoption assistance agreement is a written agreement between the adoptive parents, the State IV-E agency, and other relevant agencies (such as a private adoption agency) specifying the nature and amount of assistance to be given. Under the adoption assistance agreement, States may make federally subsidized monthly adoption assistance payments for AFDC- and SSI-eligible children with special needs who are adopted.

The amount of adoption assistance payments is based on the circumstances of the adopting parents and the needs of the child. No means test can be used to determine eligibility of parents for the program; however, States do consider the adoptive parents' income in determining the payment. Payments may be adjusted periodically if circumstances change, with the concurrence of the adopting parents. However, the payments may not exceed the amount the family would have received on behalf of the child under foster care. Adoption assistance payments may continue until the child is age 18, or, at State option, age 21 if the child is mentally or physically disabled. Payments are discontinued if the State determines that the parents are no longer legally responsible for the support of the child. Federally subsidized payments may start as soon as an agreement is signed and the child has been placed in an adoptive home.

Not all families of adopted IV-E eligible children with special needs actually receive adoption assistance payments. The adoptive parents' circumstances may be such that an adoption subsidy is not needed or wanted. Adopted AFDC- or SSI-eligible children with special needs are also eligible for Medicaid if an adoption assistance agreement is in effect, regardless of whether adoption assistance payments are being made. Pursuant to the 1985 budget reconciliation legislation, a child for whom an adoption assistance agreement is in effect is eligible for Medicaid from the State in which the child resides regardless of whether the State is the one with which the adoptive parents have an adoption assistance agreement.

States also have the option under the Medicaid Program to provide Medicaid coverage for other special-needs children (those not eligible for AFDC or SSI) who are adopted under a State-funded adoption subsidy program. According to APHSA, all States but four currently take this option, with regard to children for whom they have an adoption assistance agreement in effect. (The four that do not take this option are Connecticut, Illinois, New Mexico, and

Michigan.) In addition, APHSA reports that 25 States provide Medicaid to children living in their States who have State-funded adoption assistance agreements from other States, and another 9 States provide Medicaid to children with State-funded adoption assistance agreements from other States, but only if those States are members of the Interstate Compact on Adoption and Medical Assistance. As of April 2000, an additional three States were in the process of developing reciprocity policies.

The Adoption and Safe Families Act contains additional requirements regarding health insurance coverage for special-needs adopted children who are not eligible for title IV-E adoption assistance. Specifically, the 1997 law requires States to provide health insurance coverage to non-title IV-E children for whom they have an adoption assistance agreement in effect, if the children have special needs for medical, mental health or rehabilitative care. This health coverage can be through Medicaid or another program, as long as benefits are comparable. In addition, the law prohibits States from receiving adoption incentive payments (described below) in fiscal years 2000 or 2001, or from receiving waivers of title IV-B or IV-E provisions (also described below), unless they provide health coverage for non-title IV-E children who are living in their State, but who are covered by an adoption assistance agreement from another State.

The structure of adoption subsidy programs varies across States. Some States offer basic maintenance payments and also allow additional payments for certain activities (such as family counseling) or for certain groups of children (such as children with severe disabilities). Other States offer one level of payment to everyone with no special allowances. Some States allow parents to request changes in payment levels on a regular basis if circumstances change for a child; others allow very little change once the adoption agreement is signed. Some States start payments as soon as placement is made; others not until the adoption is finalized.

Not all children who receive adoption subsidies from States are eligible for Federal title IV-E funds. Data from APHSA for 1997 indicate that almost three-fourths of children receiving adoption assistance nationwide were eligible for title IV-E. The non-IV-E children's adoption subsidies are paid solely by the State in which their adoption agreement was signed.

#### *Nonrecurring adoption costs*

The Adoption Assistance Program also authorizes Federal matching funds for States to pay the one-time adoption expenses of parents of special-needs children (regardless of AFDC or SSI eligibility). In order to be eligible, the child must be a child with special needs, as defined in section 473(c) of the Social Security Act and described above.

Through the program, parents may receive reimbursement of up to \$2,000 per child for these nonrecurring adoption expenses, and States may claim 50 percent Federal matching for these reimbursements. Qualified adoption expenses are defined as reasonable and necessary adoption fees, court costs, attorney fees, and other expenses that are directly related to the adoption of a child with spe-

cial needs. States may vary in the maximum amount they allow parents to receive under this provision.

All States and the District of Columbia have implemented the program; Delaware does not operate a separate program for reimbursing these one-time expenses. Table 11-9 shows State-by-State data on maximum reimbursement rates, based on 1998 data collected by the North American Council on Adoptable Children. These maximum payment rates are the same for most States as the maximum rates reported in a 1996 survey by APHSA; however, APHSA also reported that average reimbursements did not equal the maximum for many States. In 1996, as reported by APHSA, the average maximum reimbursement rate for all States was \$1,651, while the average amount actually awarded to adoptive families was \$966, based on data for 36 States. Parents adopting children from public child welfare agencies may not necessarily claim these reimbursements because many costs incurred in public agency adoptions are already covered under the States' adoption programs.

#### *Adoption assistance expenditures*

The number of children receiving adoption assistance payments and the Federal expenditures for these payments have increased significantly since the program began. In fiscal year 1981, only six States participated in the program, with payments being made for an average of 165 children per month. In fiscal year 1999, 50 States plus the District of Columbia and Puerto Rico participated, and 195,243 children (table 11-10) were served.

TABLE 11-9.—MAXIMUM STATE REIMBURSEMENT OF NONRECURRING ADOPTION COSTS, 1998

Amount	States
\$2,000 .....	Alaska, <sup>1</sup> Arizona, District of Columbia (contested), Georgia, <sup>1</sup> Hawaii, Idaho, <sup>1</sup> Kansas, <sup>1</sup> Maine, Maryland, <sup>1</sup> Michigan, Minnesota, Missouri, <sup>1</sup> Montana, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, <sup>1</sup> Oklahoma, <sup>1</sup> Oregon, Pennsylvania, Utah, <sup>1</sup> Vermont, <sup>1</sup> Virginia, West Virginia, Wisconsin, Wyoming
\$1,500 .....	Arkansas, Illinois, Indiana, Nebraska, <sup>1</sup> South Carolina, South Dakota, Tennessee, Texas, Washington
\$1,000 .....	Alabama, <sup>1</sup> District of Columbia (uncontested), Florida, Kentucky, <sup>1</sup> Louisiana, Mississippi, <sup>1</sup> Rhode Island
\$800 .....	Colorado
\$750 .....	Connecticut <sup>2</sup>
\$400 .....	California, Massachusetts
\$250 .....	Nevada

<sup>1</sup> States that indicated they will consider reimbursement of nonrecurring adoption costs for international adoptions.

<sup>2</sup> States that indicated they will not consider reimbursement of international adoption nonrecurring expenses.

Note.—States without footnotes may have provisions for reimbursing international adoption expenses but did not specify. Iowa participates in the program but did not indicate the maximum amount of reimbursement available to families.

Source: North American Council on Adoptable Children.

TABLE 11-10.—FEDERAL ADOPTION ASSISTANCE EXPENDITURES, FISCAL YEARS 1994-99, AND AVERAGE NUMBER OF CHILDREN RECEIVING ADOPTION ASSISTANCE, FISCAL YEAR 1999

[In thousands of dollars]

State	1994 claims	1995 claims	1996 claims	1997 claims	1998 claims	1999 claims	1999 average monthly number of children
Alabama .....	\$1,830	\$1,867	\$1,786	\$2,243	\$2,492	\$3,525	429
Alaska .....	1,070	1,286	1,562	1,914	2,232	2,840	731
Arizona .....	3,960	5,522	6,856	8,365	9,435	11,270	2,161
Arkansas .....	1,960	1,542	2,387	3,035	4,323	5,181	688
California .....	43,590	48,234	52,962	76,819	85,093	108,802	24,786
Colorado .....	3,230	3,316	4,361	5,420	7,888	10,358	2,992
Connecticut .....	6,310	7,122	6,040	4,507	12,369	10,341	1,748
Delaware .....	430	536	556	592	635	862	267
District of Columbia .....	1,970	1,847	1,987	2,676	3,273	4,434	485
Florida .....	10,580	16,830	19,613	23,664	29,801	33,428	8,900
Georgia .....	3,320	4,364	4,864	6,913	11,156	15,193	3,570
Hawaii .....	480	610	980	1,183	2,026	2,802	675
Idaho .....	580	753	982	1,063	1,313	1,485	271
Illinois .....	13,060	16,801	19,362	27,246	35,494	55,526	16,242
Indiana .....	6,710	7,338	8,692	10,630	12,421	15,106	3,574
Iowa .....	3,870	4,976	6,591	11,347	12,238	15,792	2,670
Kansas .....	2,240	2,740	3,180	7,702	4,147	5,809	2,975
Kentucky .....	3,320	3,540	3,835	3,742	4,436	5,198	1,148
Louisiana .....	9,320	11,044	12,180	13,556	17,342	18,129	1,874
Maine .....	2,960	2,794	3,669	4,084	4,730	4,811	754

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Maryland .....	2,880	3,633	4,491	5,447	6,271	8,197	2,179
Massachusetts <sup>1</sup> .....	8,380	9,603	11,147	12,585	12,648	17,699	4,552
Michigan .....	26,840	31,917	37,282	44,032	52,429	58,439	14,213
Minnesota .....	4,620	5,224	5,861	6,653	8,314	10,232	2,246
Mississippi .....	390	667	795	936	1,110	1,346	419
Missouri .....	5,190	6,743	6,270	7,432	8,775	10,998	3,341
Montana .....	760	905	1,330	1,258	2,866	2,339	501
Nebraska .....	1,560	1,771	2,062	2,332	2,881	3,287	877
Nevada .....	460	668	870	1,504	1,835	1,690	419
New Hampshire <sup>2</sup> .....	740	841	834	803	745	872	313
New Jersey .....	6,700	8,975	8,522	13,629	9,807	15,614	3,788
New Mexico .....	1,890	2,443	2,722	3,246	4,413	6,180	1,377
New York .....	72,590	89,816	100,466	114,405	123,605	134,508	32,759
North Carolina .....	2,550	4,229	5,258	6,783	8,962	11,035	3,506
North Dakota .....	500	460	544	635	827	1,139	202
Ohio .....	30,300	34,985	56,331	74,323	69,112	84,502	12,355
Oklahoma .....	2,240	2,950	4,030	6,431	6,949	8,008	1,671
Oregon .....	3,300	4,020	4,936	6,178	8,668	10,776	4,081
Pennsylvania .....	4,263	5,440	6,820	8,090	10,273	12,385	2,760
Puerto Rico <sup>3</sup> .....	NA	NA	NA	NA	NA	54	92
Rhode Island .....	4,610	4,194	3,080	3,042	3,958	4,469	1,053
South Carolina .....	2,910	3,915	4,454	5,382	6,623	9,169	1,679
South Dakota .....	630	649	666	788	890	1,006	363
Tennessee .....	3,240	3,607	5,814	5,204	4,705	6,605	1,790
Texas .....	14,520	17,160	17,308	19,815	24,454	28,003	6,969
Utah .....	1,240	1,158	1,943	2,700	3,782	3,825	951
Vermont .....	1,860	1,947	2,080	2,664	3,325	3,970	667

TABLE 11-10.—FEDERAL ADOPTION ASSISTANCE EXPENDITURES, FISCAL YEARS 1994-99, AND AVERAGE NUMBER OF CHILDREN RECEIVING ADOPTION ASSISTANCE, FISCAL YEAR 1999—Continued

[In thousands of dollars]

State	1994 claims	1995 claims	1996 claims	1997 claims	1998 claims	1999 claims	1999 average monthly number of children
Virginia .....	2,590	2,998	3,671	3,601	5,256	7,705	2,011
Washington .....	3,940	3,013	4,441	5,085	6,812	9,227	4,563
West Virginia .....	440	492	542	678	4,567	3,189	386
Wisconsin .....	7,730	9,056	10,339	13,122	14,503	17,382	3,211
Wyoming .....	60	24	51	105	123	172	68
<b>Total .....</b>	<b>344,540</b>	<b>411,398</b>	<b>482,990</b>	<b>604,371</b>	<b>694,545</b>	<b>842,737</b>	<b>195,243</b>

<sup>1</sup>Fiscal year 1999 data include estimates for the third and fourth quarters.

<sup>2</sup>Fiscal year 1999 data include estimates for the average monthly number of children.

<sup>3</sup>Did not begin to participate until fiscal year 1999.

NA—Not applicable.

Note.—Totals may differ from sum of State amounts because of rounding.

Source: U.S. Department of Health and Human Services.

Federal expenditures for adoption assistance payments have increased from less than \$400,000 in fiscal year 1981 to \$843 million in fiscal year 1999, and are expected to exceed \$2 billion by fiscal year 2005.

DHHS data indicate that expenditures for child placement services and administration for the Adoption Assistance Program have also increased significantly in recent years. In fiscal year 1981, claims totaled \$100,000; in fiscal year 1999 they totaled \$222 million and are expected to be \$548 million in fiscal year 2005.

#### THE TITLE IV–E ADOPTION INCENTIVES PAYMENT PROGRAM

The Adoption and Safe Families Act of 1997 (Public Law 105–89) established a new provision intended to promote adoption through incentive payments to States that increase their number of foster child adoptions, with additional incentives for the adoption of special-needs foster children with adoption assistance agreements under title IV–E. Incentive payments equal \$4,000 for each foster child whose adoption is finalized (over a certain baseline) and an additional \$2,000 for each special-needs child whose adoption is finalized (over the baseline). For adoptions finalized in 1998, the baseline was the average number of adoptions in 1995–97. For adoptions finalized in 1999–2002, the baseline is the highest number of adoptions in any preceding year, beginning with 1997. Table 11–11 shows the 1998 and 1999 baselines for foster child adoptions in all States. For those States that achieved a sufficient number of adoptions in 1998 to receive an incentive payment in 1999, their 1998 adoptions and incentive awards are also shown. Adoptions shown in this table, which qualified for incentive payments, are those of children who were in foster care before their adoption, and are not necessarily the same as adoptions made with the involvement of public child welfare agencies. The number of incentive-qualifying adoptions in 1998 for States that did not earn incentive payments is not shown in table 11–11; however, State information on adoptions made with public agency involvement is provided below.

TABLE 11–11.—ADOPTION BASELINES, NUMBER OF INCENTIVE-QUALIFYING ADOPTIONS, AND INCENTIVE PAYMENTS, BY STATE

State	1998 baseline (3-year average, 1995–97)	1998 incentive-qualifying adoptions	Incentive payments for 1998 adoptions (in thousands)	1999 baseline (higher of 1997 or 1998)
Alabama .....	139	NA	0	136
Alaska .....	108	NA	0	109
Arizona .....	357	NA	0	474
Arkansas .....	138	251	\$596	251
California .....	3,287	3,958	3,916	3,958
Colorado .....	417	560	892	560
Connecticut .....	207	229	88	278
Delaware .....	39	NA	0	33
District of Columbia .....	110	NA	0	132

TABLE 11-11.—ADOPTION BASELINES, NUMBER OF INCENTIVE-QUALIFYING ADOPTIONS, AND INCENTIVE PAYMENTS, BY STATE—Continued

State	1998 baseline (3-year aver- age, 1995- 97)	1998 incen- tive-qualify- ing adoptions	Incentive pay- ments for 1998 adop- tions (in thousands)	1999 baseline (higher of 1997 or 1998)
Florida .....	987	1,549	2,744	1,549
Georgia .....	493	672	956	672
Hawaii .....	85	297	1,102	297
Idaho .....	44	NA	0	47
Illinois .....	2,200	4,656	14,606	4,656
Indiana .....	495	774	1,792	774
Iowa .....	350	517	790	517
Kansas .....	349	NA	0	421
Kentucky .....	211	NA	0	222
Louisiana .....	220	NA	0	284
Maine .....	108	112	24	112
Maryland .....	342	420	676	420
Massachusetts .....	1,116	1,137	84	1,161
Michigan .....	1,905	2,254	2,004	2,254
Minnesota .....	258	427	1,022	427
Mississippi .....	114	169	398	169
Missouri .....	557	616	236	616
Montana .....	115	144	116	144
Nebraska .....	185	NA	0	180
Nevada .....	149	NA	0	148
New Hampshire .....	45	50	20	50
New Jersey .....	621	755	870	755
New Mexico .....	147	197	200	197
New York .....	4,716	4,822	424	4,979
North Carolina .....	467	NA	0	694
North Dakota .....	47	83	144	83
Ohio .....	1,287	NA	0	1,400
Oklahoma .....	338	456	596	456
Oregon .....	445	665	1,248	665
Pennsylvania .....	1,224	1,494	1,260	1,526
Rhode Island .....	261	NA	0	226
South Carolina .....	256	465	1,064	465
South Dakota .....	56	58	8	58
Tennessee .....	328	NA	0	295
Texas .....	880	1,365	2,872	1,365
Utah .....	225	250	100	268
Vermont .....	75	116	214	116
Washington .....	607	759	620	759
West Virginia .....	182	211	128	220
Wisconsin .....	467	589	640	589
Wyoming .....	15	30	0	30

NA—Not available.

Source: Compiled by the Congressional Research Service from data available from the U.S. Department of Health and Human Services.

Public Law 105–89 originally authorized appropriations of \$20 million annually for fiscal years 1999–2003 for adoption incentive payments. In addition, discretionary budget caps were adjusted to help ensure that the funds are actually appropriated for each year. However, the amount of incentive payments that States earned for fiscal year 1999, based on the number of adoptions finalized in 1998, exceeded the \$20 million level. Congress subsequently enacted the Foster Care Independence Act (Public Law 106–169), which authorized an additional \$23 million for adoption incentive payments in fiscal year 2000. These funds were intended to supplement payments made in fiscal year 1999 for increased adoptions in the previous year. The additional \$23 million was appropriated in Public Law 106–113, a consolidated appropriations bill that also called for a governmentwide reduction of 0.38 percent, slightly reducing the amount appropriated in fiscal year 2000 for adoption incentive payments. The total amount awarded for adoptions finalized in fiscal year 1998 was \$42.5 million.

#### THE TITLE IV–E FOSTER CARE INDEPENDENCE PROGRAM

In 1986, title IV–E was amended by Public Law 99–272 (Consolidated Omnibus Budget Reconciliation Act of 1985) to include section 477, which established the Independent Living Program to assist youth who would eventually be emancipated from the foster care system. Several surveys conducted during the mid–80s showed that a significant number of homeless shelter users had been recently discharged from foster care, prompting Congress to establish a program to help youngsters in foster care establish their independence.

Initially, an annual entitlement amount of \$45 million was established for 1987 and 1988 to provide States with the resources to create and implement independent living services. These services were designed to assist IV–E-eligible children age 16 and over make a successful transition from foster care to independent adult living when they became ineligible for foster care maintenance payments at age 18. In 1988, the program was expanded under Public Law 100–647, which permitted States to provide independent living services to all youth in foster care aged 16 to 18 (not just title IV–E-eligible youth); States could also provide followup services to youth up to 6 months after their emancipation from substitute care. Under Public Law 101–508, States had the option of serving individuals up to age 21 in the Independent Living Program. Funds were allocated on the basis of each State’s share of children receiving IV–E foster care in 1984.

Public Law 101–239 increased the amount of Federal entitlement funds available to the States for the Independent Living Program to \$50 million for fiscal year 1990, \$60 million for fiscal year 1991, and \$70 million for fiscal year 1992. Beginning in fiscal year 1991, States were required to provide 50 percent matching for any Federal funding claimed that exceeded the original \$45 million funding level. In 1993, Congress permanently extended the authority for independent living under Public Law 103–66.

In response to continuing concerns about the adjustment problems faced by older children leaving foster care, the 106th Congress enacted the Foster Care Independence Act of 1999 (Public Law

106–169). The law replaced section 477 with new language and renamed the program the John H. Chafee Foster Care Independence Program, in honor of the Rhode Island Senator who was one of the law's sponsors and who died before it was enacted. As amended in 1999, the Foster Care Independence Program is intended to help States provide services to children who are likely to remain in foster care until age 18 (no minimum age is specified for participation in the program), as well as former foster children between the ages of 18 and 21. To participate in the program, States must submit a 5-year plan to DHHS and must certify that, among other things, no more than 30 percent of program funds will be used for room and board for 18–20 year olds and that services will be coordinated with related Federal and State youth programs, including transitional living youth projects funded under the Juvenile Justice and Delinquency Prevention Act, abstinence education, housing programs, programs for disabled youth, and school-to-work activities. The law also allows States to extend Medicaid coverage to former foster children between 18 and 21 years of age.

States have flexibility in the use of their Foster Care Independence Program funds within the general purposes outlined in the law. These purposes include helping eligible children make the transition to self-sufficiency through such services as assistance in obtaining a high school diploma, career exploration, vocational training, job placement and retention, training in daily living skills, training in budgeting and financial management skills, substance abuse prevention, and preventive health activities. The program seeks to help eligible children obtain employment and to receive postsecondary education and training. The program also seeks to provide personal and emotional support to eligible children and youth in their efforts to achieve self-sufficiency.

The revised Foster Care Independence Program is a capped entitlement with an annual ceiling set at \$140 million, which is double the entitlement ceiling level prior to enactment of Public Law 106–169. States are entitled to an amount based on their share of the Nation's foster care population, in the most recent year for which information is available. However, no State may receive less than the greater of \$500,000 or the amount received by the State in fiscal year 1998. The law contains a ratable reduction provision to ensure total State allotments do not exceed the national ceiling of \$140 million. The law also requires a 20-percent non-Federal match. For fiscal year 2000, Congress appropriated \$105 million for the program, notwithstanding the new entitlement ceiling of \$140 million. Thus, table 11–12 shows State allocations for fiscal year 2000 under section 477 at the \$105 million and \$140 million level, under the new formula established by Public Law 106–169. (The law authorizes a set-aside for evaluation activities, equal to 1.5 percent of \$140 million, after which State allocations are made.)

TABLE 11-12.—TITLE IV-E INDEPENDENT LIVING AWARDS UNDER PUBLIC LAW 106-169, AT FISCAL YEAR 2000 APPROPRIATION AMOUNT OF \$105 MILLION AND FULL AUTHORIZATION AMOUNT OF \$140 MILLION, BY STATE

[In thousands of dollars]

State	Fiscal year 2000 appropriation amount of \$105 million	Full authorization amount of \$140 million	Funding under prior law
Alabama .....	\$1,038	\$1,269	\$1,038
Alaska .....	500	500	13
Arizona .....	858	1,248	348
Arkansas .....	500	685	271
California .....	18,804	27,350	12,482
Colorado .....	1,419	2,064	826
Connecticut .....	1,134	1,650	755
Delaware .....	500	500	203
District of Columbia .....	1,092	1,092	1,092
Florida .....	4,163	6,055	987
Georgia .....	1,610	2,342	1,099
Hawaii .....	500	651	18
Idaho .....	500	500	107
Illinois .....	8,524	12,398	2,817
Indiana .....	1,405	2,044	1,020
Iowa .....	593	863	450
Kansas .....	717	1,030	717
Kentucky .....	984	1,432	792
Louisiana .....	1,358	1,535	1,358
Maine .....	566	713	566
Maryland .....	2,179	3,170	1,238
Massachusetts .....	2,353	3,422	636
Michigan .....	4,406	6,408	4,172
Minnesota .....	1,496	2,176	1,142
Mississippi .....	523	761	514
Missouri .....	2,112	3,072	1,295
Montana .....	500	500	244
Nebraska .....	765	1,113	436
Nevada .....	500	500	154
New Hampshire .....	500	500	320
New Jersey .....	2,298	2,298	2,298
New Mexico .....	500	500	207
New York .....	11,586	13,392	11,586
North Carolina .....	1,879	2,733	1,045
North Dakota .....	500	500	192
Ohio .....	2,861	3,072	2,861
Oklahoma .....	1,161	1,688	620
Oregon .....	1,197	1,741	931
Pennsylvania .....	4,638	5,578	4,638
Puerto Rico .....	1,126	1,637	NA
Rhode Island .....	500	500	315
South Carolina .....	810	1,178	580
South Dakota .....	500	500	193
Tennessee .....	1,622	2,359	778

TABLE 11-12.—TITLE IV-E INDEPENDENT LIVING AWARDS UNDER PUBLIC LAW 106-169, AT FISCAL YEAR 2000 APPROPRIATION AMOUNT OF \$105 MILLION AND FULL AUTHORIZATION AMOUNT OF \$140 MILLION, BY STATE—Continued

[In thousands of dollars]

State	Fiscal year 2000 appropriation amount of \$105 million	Full authorization amount of \$140 million	Funding under prior law
Texas .....	2,900	4,218	1,842
Utah .....	500	500	202
Vermont .....	500	500	296
Virginia .....	1,362	1,393	1,362
Washington .....	1,664	2,421	825
West Virginia .....	521	714	521
Wisconsin .....	1,673	2,434	1,554
Wyoming .....	500	500	45
<b>Total .....</b>	<b>102,900</b>	<b>137,900</b>	<b>70,000</b>

NA—Not available.

Note.—The allotments under the fiscal year 2000 appropriation amount of \$105 million were provided by the U.S. Department of Health and Human Services. The allotments under the full authorization amount of \$140 million are estimates based on the above data provided by the U.S. Department of Health and Human Services. Both allotment columns reflect the evaluation set-aside of 1.5 percent of \$140 million (\$2.1 million).

Source: Table prepared by the Congressional Research Service.

As originally enacted in 1986, section 477 instructed the U.S. Department of Health and Human Services (DHHS) to conduct a study of independent living services, which was done in two phases by Westat, Inc. (Cook, 1990, 1992). Looking at youths who emancipated from foster care between January 1987 and July 1988, Westat reported that they were a troubled population. In the study group, two-thirds of 18-year-olds had not completed high school or obtained a GED and 61 percent had no job experience. Also, 38 percent of the youths had been diagnosed as emotionally disturbed, 17 percent had a drug abuse problem, 9 percent had a health problem, and 17 percent of the females were pregnant. During the time they had been in foster care, 58 percent of the study group had experienced at least three placement settings and about 30 percent had been in foster care an average of 9 years. Of the total number of youths who emancipated from foster care during the study period, 31 percent received services from their State's Independent Living Program, 29 percent received informal services, and 40 percent received no independent living services at all. Westat conducted a followup with the study group and reported in 1992 that, 2½–4 years after leaving foster care, many were still having problems. Only about half had completed high school, a little less than half had jobs, and only about 40 percent had held a job for at least 1 year. Among the females, 60 percent had given birth. One quarter of the youths had been homeless for at least one night, and fewer than 1 in 5 were completely self-supporting.



Later research conducted by the University of Wisconsin had similar findings (Courtney & Piliavin, 1998). Looking at Wisconsin youths 12–18 months after they emancipated from foster care in 1995, researchers found 37 percent had still not completed high school and 12 percent had been homeless at least once since their discharge from foster care. While 81 percent had held at least one job since their discharge, only 61 percent reported being employed at the time of their interview, suggesting that job retention was a problem for some. Of females, 40 percent were receiving public assistance, as were 23 percent of the males. Access to medical care was a problem for 44 percent of the youths, usually because of a lack of health insurance. While almost half of the youths had received mental health services when still connected to the child welfare system, 21 percent reported receiving such services after they left foster care. Although they were not reunited with their biological families by the child welfare system, many of the youths had contact with their original families after their discharge from foster care, with about one-third actually living with their families. At the same time, 40 percent reported continued and frequent contact with their foster parents. About 18 percent of the youths had been incarcerated at some point since their discharge.

The U.S. General Accounting Office (GAO) reported in 1999 that State and local administrators felt they could not provide youths who were leaving foster care with all the support they needed to make a successful transition to independent adult living. GAO reported that some programs lacked sufficient connections with employers to provide job leads, or opportunities for youths to practice skills in real-life settings, or supervised living arrangements for youths to become experienced at living self-sufficiently. GAO also noted that DHHS lacked sufficient information to evaluate the effectiveness of services.

Also in 1999, DHHS released a report reviewing the history of the Independent Living Program over the 10 years from 1987 through 1996 (U.S. Department, 1999b). This report found that many eligible youth did not receive independent living services at all. Specifically, in 30 States that reported data for fiscal year 1996, 37 percent of eligible youth received no services. Of those youth served in fiscal year 1996, 65 percent were either 16 or 17 years old, while 22 percent were 18 and the remainder were 19 or 20. Half the youth were white, and slightly more than half were females. African-American youth comprised 38 percent and Hispanic youth 9 percent. Half of the youth served had been in foster care less than 2 years, while 20 percent had been in care 5 years or longer. Slightly more than a quarter of the youth had special needs, and 9 percent were parents or pregnant. Over the 10 year period reviewed, DHHS found that States shifted from providing primarily tangible skills, such as vocational training, job search, and money management, to also addressing intangible skills, such as decisionmaking, communication, and conflict resolution.

To enable assessments of State independent living activities, Public Law 106–169 directed the Secretary of DHHS to develop a series of outcome measures, including the following: educational attainment, high school diploma, employment, avoidance of dependency, homelessness, nonmarital childbirth, incarceration, and high-

risk behaviors. The Secretary also must identify data elements that can be used to track the number and characteristics of children receiving independent living services, the type and quantity of services provided, and State performance on the outcome measures. The Secretary must develop a plan to collect this information beginning with the second fiscal year that starts after the date of enactment, and must report to Congress on this plan and timetable within 1 year of the date of enactment. Once this data collection plan is in effect, States must submit the required reports or face financial penalties. In addition, the law requires the Secretary to conduct evaluations of innovative State Independent Living Programs or programs that have potential national significance. The law reserves 1.5 percent of each year's appropriation for such evaluation, technical assistance, performance measurement, and data collection.

### **STATE ACCOUNTABILITY AND FEDERAL OVERSIGHT**

Federal child welfare law requires States to comply with a series of provisions that are intended to protect children who have been placed in foster care or who are at risk of foster care placement. States are required to comply with these provisions to be eligible to receive Federal funds, but the extent to which the Federal Government actually holds States accountable has been an issue of ongoing concern. On January 25, 2000, DHHS published final regulations establishing a new system, mandated by Congress, for monitoring and enforcing the implementation by States of Federal child welfare laws. The new regulations took effect on March 27, 2000. In addition, the law establishes specific penalties for violations of certain provisions intended to eliminate ethnic or geographic barriers to adoption. Finally, the Adoption and Safe Families Act in 1997 mandated that DHHS establish a series of outcome measures that could be used to rate the performance of State child welfare programs, and to report annually on State performance in meeting these outcome measures. DHHS published the outcome measures on August 20, 1999. The new Federal review system, the specific penalties applicable to violations of ethnic or geographic discrimination provisions, and outcome measures that will be used to assess State performance are described in detail below.

### **HISTORY OF FEDERAL REVIEW EFFORTS**

The history of Federal child welfare review efforts goes back to passage of the Adoption Assistance and Child Welfare Act of 1980 (Public Law 96-272). Many of the original foster child protections were established by that legislation as part of section 427 and were voluntary incentives for States to meet to receive their full allotment of title IV-B funds. In addition, the 1980 law established eligibility requirements that were used to determine which children could qualify for federally subsidized foster care and adoption assistance payments. These eligibility criteria contained provisions that were intended to work together with the "section 427 requirements" to protect children in foster care.

In the early 1980s, DHHS developed and operated review systems for monitoring State compliance with section 427 protections

and with the Federal foster care requirements under title IV–E. However, child welfare advocates, State and Federal officials, and Members of Congress grew dissatisfied with the early review systems for various reasons, both procedural and programmatic, and beginning in 1989, Congress suspended the collection of penalties resulting from these reviews. Procedural concerns included a lack of formal regulations, frequently resulting in confusion about the standards that States were expected to meet. Reviews were conducted retrospectively, sometimes for fiscal years that had long past, so that current practices were not examined. Exacerbating this problem was the late release of final reports by DHHS, so their findings and recommendations were sometimes irrelevant by the time they were issued. State officials had limited ongoing contact with Federal regional office staff, so that formal reviews were seen as adversarial and punitive, rather than collaborative and potentially helpful. The reviews were often seen as time consuming, labor intensive, and burdensome for the States.

Of greater concern, however, was the perception that the reviews did not result in improved services for children and families. Both section 427 and title IV–E eligibility reviews focused on paper compliance with legal requirements. Moreover, States were sometimes held accountable for circumstances beyond their control, such as the schedule or actions of the courts. Reviews were criticized for focusing on isolated components of a State's child welfare system, rather than the system as a whole. When problems were identified, penalties were imposed but little technical assistance was provided. The review system contained no mechanism for helping States improve the quality of their child welfare programs, and also were criticized for failing, in some cases, to identify problems in State programs.

In 1989, Congress imposed the first in a series of moratoriums, prohibiting DHHS from collecting penalties associated with these reviews. Finally, in 1994, Congress enacted two significant provisions as part of the Social Security Act amendments of that year (Public Law 103–432). First, Congress restructured title IV–B so that the foster child protections previously contained in section 427 were no longer voluntary incentives, but rather mandatory components of the State title IV–B plan. Second, Congress mandated the development of a new system to review State conformity with Federal requirements, including State plan requirements, under titles IV–B and IV–E.

The 1994 legislation directed DHHS to develop a review system that would incorporate the concepts of technical assistance and corrective action. Specifically, DHHS was directed to specify the Federal requirements that would be subject to review and the criteria that would be used to determine if a State was substantially meeting those requirements. The law further directed DHHS to specify a method for determining the amount of financial penalties that would be imposed in cases of substantial nonconformity. However, Congress also mandated that before such penalties could be imposed, States must be given an opportunity to implement a corrective action plan, and required that DHHS provide the States with necessary technical assistance.

## FEDERAL CONFORMITY REVIEW SYSTEM

The 1994 legislation also directed DHHS to promulgate regulations establishing the new review system by July 1, 1995, to take effect on April 1, 1996. After pilot testing the system in several States, DHHS proposed the regulations in the *Federal Register* of September 18, 1998, and issued them as final on January 25, 2000, with an effective date of March 27, 2000. Two types of reviews are established: child and family services reviews of activities funded by both titles IV–B and IV–E, to determine systemwide State compliance with Federal law; and title IV–E eligibility reviews to determine the eligibility of State expenditures for foster care or related activities for Federal reimbursement under title IV–E.

*Child and family services reviews*

The child and family services review primarily measures outcomes and results, and allows States to undertake corrective action if they are not found in substantial conformity with the law. DHHS established three outcomes for children and families and seven specific criteria as indicators of States' conformity with Federal law:

1. Child safety
  - children are first and foremost protected from abuse and neglect, and
  - children are safely maintained in their homes whenever possible and appropriate;
2. Permanency for children
  - children have permanency and stability in their living situations, and
  - the continuity of family relationships and connections is preserved for children;
3. Child and family well-being
  - families have enhanced capacity to provide for their children's needs,
  - children receive appropriate services to meet their educational needs, and
  - children receive adequate services to meet their physical and mental health needs.

In addition, the review system measures State performance on the following seven systemic factors, explained in detail in the regulations, that reflect a State's capacity to deliver services leading to improved outcomes for children and families. These factors are:

1. Statewide information system on children in foster care;
2. Case review system for all children in foster care;
3. Standards to protect the health and safety of children in foster care and an identifiable quality assurance system;
4. Staff development and training program;
5. Service array for children and families;
6. Agency responsiveness to the community; and
7. Foster and adoptive parent licensing, recruitment, and retention.

The child and family services review is conducted by a joint Federal-State team, and a full review consists of two steps: first, a statewide assessment conducted by the State members of the team, and second, an onsite review conducted by the joint Federal-

State team. The statewide assessment examines each of the seven systemic factors listed above; assesses State performance in each of the three child and family outcomes listed above, using statewide data, and analyzes the State's performance in meeting national standards established for these outcomes; assesses characteristics of the State agency that enable it to deliver services that lead to improved outcomes; and assesses the State's strengths and areas that require further examination during the onsite review.

While the national standards mentioned above are not specified in the regulations themselves, DHHS explained in its preamble that standards for some of the criteria, related to two of the three child and family outcomes, were developed based on currently available data. National standards have been established as follows:

For the child safety outcome:

- percent of children with substantiated or indicated child abuse or neglect reports, for whom a subsequent abuse or neglect report is substantiated or indicated—standard: 7 percent;
- percent of foster children who are the subject of substantiated or indicated abuse or neglect by a foster parent or facility staff—standard not specified in the January 25, 2000, publication.

For the child permanency outcome:

- of children who entered foster care during a review period, the percent who reentered within 12 months of a prior foster care episode—standard: 13 percent;
- of foster children who were reunified with their parents, the percent who were reunified in less than 12 months—standard: 80 percent;
- of foster children who were adopted, the percent who left foster care in less than 24 months—standard: 26 percent;
- of children in foster care less than 12 months, the percent who had no more than two placement settings—standard: 77 percent; and
- the median length of stay in foster care prior to discharge, for children entering foster care for the first time—standard: 12 months.

DHHS established these national standards at the 75th percentile of all States' performance on the particular outcome, as measured through two data collection systems (see below): the Adoption and Foster Care Analysis and Reporting System (AFCARS), and the National Child Abuse and Neglect Data System (NCANDS). The standards, and the outcomes for which standards are established, may change over time.

The onsite component of the child and family services review relies on information from the statewide assessment to determine areas in need of improvement and requiring indepth review. The onsite review may focus on specific geographic areas within the State, as long as the State's largest metropolitan area is included. While the onsite review must be planned and conducted by the joint Federal-State team, DHHS has final approval of the program components and geographic areas that are the focus of the review.

Sources of information to determine whether a State is in substantial conformity with Federal law, include at a minimum: specific case records on children and families served by the agency; interviews with the children and families; interviews with case-workers, foster parents and service providers for the cases selected for review; and interviews with “key stakeholders,” including individuals involved in developing the State’s child and family services plan, courts, administrative review bodies, guardians ad litem, and other individuals or organizations with responsibility for representing the best interests of children.

The onsite review examines a sample of cases (drawn randomly from AFCARS and NCANDS data) that may range in size from 30 to 50. The sample size may be increased to ensure that all program areas (i.e., children in foster care, children and families receiving in-home services) are adequately represented. If discrepancies appear between the statewide assessment and the findings of the onsite review, the State may submit additional data or the State and DHHS may jointly review additional cases, up to a specified maximum.

A State is considered in substantial conformity with regard to the three child and family outcomes (and seven associated criteria), if its performance meets the national standards for those outcomes or criteria for which standards are established; and if each of the outcomes is “substantially achieved” in 95 percent of cases examined during an onsite review (90 percent for an initial review). Moreover, a State’s level of achievement with regard to the child and family outcomes is measured by the extent to which it has implemented a series of statutory and regulatory requirements or assurances.

A State is considered in substantial conformity with regard to the seven systemic factors, indicating its service delivery capacity, if all State plan requirements associated with the systemic factor are in place and no more than one of the State plan requirements fails to function.

If a State is found not to be in substantial conformity, the regulations require development and implementation of a corrective action plan before financial penalties may be assessed. The plan must be approved by DHHS. States subject to a mandatory program improvement plan must report quarterly to DHHS on their progress, and have a specified time in which to complete the plan, based on the seriousness and complexity of the remedies required to correct program deficiencies. In general, the maximum time allowed to complete the program improvement plan is 2 years, although DHHS may grant 1-year extensions in rare circumstances. Priority goes to correcting deficiencies that affect child safety, which must be addressed in less than 2 years.

For States that are not in substantial conformity, DHHS must determine the amount of Federal funds to be withheld from that State as a penalty. DHHS will not actually withhold these funds while an approved program improvement plan is in effect, if the State is actively implementing the plan. DHHS can suspend the withholding of funds for no longer than 3 years, or the amount of time allowed for completing the improvement plan, whichever is shorter. Ultimately, funds are withheld for those States that fail to

complete their plan by the specified date, or for States that fail to submit quarterly progress reports, or if reports indicate that the State is not making satisfactory progress toward achieving the steps outlined in the plan.

The amount of Federal funds to be withheld from a particular State can vary, depending on the extent of the State's nonconformity. Penalties are calculated as a percentage of the following pool of funds: the State's allotment of title IV-B funds (both subparts 1 and 2) for the year(s) to which the withholding applies; and 10 percent of the State's Federal reimbursement claims for administrative costs related to foster care under title IV-E, for the years to which the withholding applies.

In the case of a first finding of substantial nonconformity, the amount to be withheld equals 1 percent of the pooled amount described above, for each of the seven criteria associated with child and family outcomes and for each of the seven systemic factors subject to review. For example, if a State does not substantially achieve two of the seven child and family outcome indicators, then 2 percent of the pooled amount of funds it would otherwise receive would be withheld. Likewise, if a State is not in substantial conformity with one of the systemic factors, then 1 percent of the pooled amount would be withheld. The maximum penalty is 14 percent of the pooled amount (i.e., 1 percent for each of the 14 factors).

If a State completes a program improvement plan but is found to be in substantial nonconformity during a second full review, the amount of pooled funds to be withheld increases to 2 percent for each of the child and family outcomes or systemic factors that are not achieved, for a maximum penalty of 28 percent. In the case of a third finding of nonconformity, after completion of a program improvement plan, the penalty increases to 3 percent for each factor, for a maximum of 42 percent. If a State refuses to develop a program improvement plan altogether, it is subject to the maximum 42 percent withholding. Once funds are withheld from a State, the withholding continues until a subsequent full review finds the State in substantial conformity or until the State successfully completes a program improvement plan developed as a result of the subsequent review.

All States are required to complete an initial full review under the regulation within the 4-year period that began March 27, 2000. Those States that are found to be in substantial conformity must complete a subsequent full review every 5 years, and submit a completed statewide assessment 3 years after their last onsite review. This assessment must be reviewed by the State and DHHS to determine the State's continuing substantial conformity, but is not subject to formal DHHS approval. If an initial or subsequent full review finds that a State is not in substantial conformity, the State must develop and implement a program improvement plan and must begin a subsequent full review 2 years after the plan is approved.

If DHHS has any information suggesting that a State is no longer operating in substantial conformity, it may conduct an inquiry and request data from the State and may, depending on the outcome of the inquiry, require a full or partial review at any time, regardless of when the State was last reviewed. Moreover, if DHHS

learns that a State is not complying with a title IV–B or IV–E requirement that is outside the scope of the child and family services review, it may conduct an inquiry and institute a partial review at any time, which could result in a mandatory program improvement plan and potentially a financial penalty.

Final determinations of substantial nonconformity, and withholding or reduction of funds, may be appealed to the DHHS Departmental Appeals Board within 60 days of the State receiving notice of the nonconformity. States may seek judicial review of an adverse decision by the Board in Federal district court.

*Title IV–E eligibility reviews*

Like the child and family services reviews, title IV–E eligibility reviews are conducted by a Federal-State team and include an on-site review. From AFCARS data, DHHS officials select a random sample of 80 cases, plus a 10 percent “oversample” of 8 additional cases, from the pool of children eligible for federally funded foster care maintenance payments. Cases from the oversample are used to replace any cases in the basic sample that are found to be invalid for some reason. The State submits to DHHS the complete payment history for all cases in the sample and the oversample, prior to the onsite review.

The Federal-State team reviews the sample to determine whether any cases are ineligible under title IV–E. In an initial review, a State is considered in substantial compliance with the law if no more than 8 cases (from the sample of 80) are determined to be ineligible. In a subsequent review, a State is considered in substantial compliance if no more than 4 cases (again, from a sample of 80) are found ineligible.

If a State is found in substantial compliance, it is not subject to another review for 3 years. If a State is not found in substantial compliance, it must develop a program improvement plan followed by a secondary review. The program improvement plan must be developed by the joint Federal-State team, identify weaknesses to be corrected and steps to correct them, and specify a timetable for achieving these steps. However, in contrast to the child and family services review, the program improvement plan for a title IV–E eligibility review can last no longer than 1 year, unless enactment of State legislation is required, in which case an extension of one legislative session may be granted.

In the secondary review, DHHS draws a sample of 150 cases (plus a 10 percent oversample) from AFCARS data, for review by the joint Federal-State team. The team calculates for the sample both an ineligibility error rate and a dollar error rate. If neither of these error rates, or only one, is more than 10 percent, a disallowance is assessed for the ineligible cases in the sample. If both error rates exceed 10 percent, an extrapolated disallowance is assessed based on the State’s entire foster care population.

The following title IV–E State plan requirements, which relate to the eligibility of children and foster care providers, are subject to review:

1. For each child, there must be judicial finding that certain “reasonable efforts” were made by the State, and that remaining



- in the biological home would be “contrary to the welfare” of the child;
2. If a child was placed through a voluntary placement agreement, the agreement must meet specified criteria;
  3. The State agency must have responsibility for the child’s placement and care;
  4. The child must be placed in a licensed foster family home or child care institution; and
  5. The child must meet Aid to Families with Dependent Children (AFDC) requirements, as in effect on July 16, 1996.
- Compliance with State plan requirements regarding licensing authorities and criminal background checks are also reviewed.

#### INTERETHNIC AND INTERJURISDICTIONAL ADOPTION PROVISIONS

States are subject to penalties if they violate certain provisions of law that were enacted to eliminate barriers to adoption, in addition to any violations of provisions that are subject to a child and family services review or title IV–E eligibility review. Specifically, States may not discriminate in adoption or foster care placements on the basis of race, color or national origin, and also may not deny or delay a child’s adoptive placement when an approved family is available outside of the jurisdiction that has responsibility for handling the child’s case. The law establishes specific penalties for violations of these provisions.

Regarding discrimination on the basis of race or ethnicity, Congress initially enacted the Multiethnic Placement Act (MEPA) in 1994 (Public Law 103–382), which prohibited any agency or entity that received Federal assistance from discriminating on the basis of the child’s or the potential adoptive or foster parents’ race, color or national origin. However, as enacted in 1994, MEPA did allow agencies to consider the child’s cultural, ethnic, or racial background, and the capacity of the prospective parents to meet the child’s needs, as one of the factors used to determine the child’s best interest. The 1994 legislation also provided a right of action in U.S. district court for individuals who were aggrieved by a MEPA violation and deemed noncompliance with MEPA to be a violation of title VI of the Civil Rights Act. In addition, the 1994 law amended title IV–B of the Social Security Act to add, as a State plan requirement, that States must provide for the diligent recruitment of potential foster and adoptive families that reflect the ethnic and racial diversity of children who need homes.

In 1996, Congress revised the interethnic discrimination provisions, as part of the Small Business Job Protection Act (Public Law 104–188). The 1996 law repealed the prior MEPA provision that allowed consideration of a child’s cultural, ethnic, or racial background in making placement decisions. Further, the law amended title IV–E of the Social Security Act to provide that neither the State nor any other entity that receives Federal funds may discriminate in adoption or foster care placements on the basis of race, color or national origin. The law specified a penalty for violations of this State plan requirement, equal to 2 percent of Federal title IV–E funds for a first violation, 3 percent for a second violation, and 5 percent for three or more violations. Private agencies that violate the interethnic provisions are required to pay back any

Federal funds received. Under the current law, private individuals may continue to seek relief in U.S. district court. However, Public Law 104–188 provides that no action may be brought more than 2 years after the alleged violation occurs. None of these interethnic provisions affect the application of the Indian Child Welfare Act.

The final child welfare review regulations, published by DHHS on January 25, 2000, do not establish a specific monitoring system for the antidiscrimination provisions of MEPA, as amended by the 1996 law. However, the regulations establish a procedure for responding to reports of violations of these provisions, and for enforcing the law in cases where violations are found to have occurred. Specifically, whenever DHHS becomes aware of a possible violation, either through a child and family services review or filing of a complaint or any other mechanism, it refers the case to the Department's Office for Civil Rights (OCR) for investigation. If, on the basis of OCR's investigation, a violation actually has occurred, enforcement action will be taken, based on the nature of the violation.

If OCR (or a court) finds that a State has discriminated against an individual, on the basis of race, color or national origin, in the course of a foster or adoptive placement, a penalty is assessed for the quarter in which the State is notified of the violation. The penalty equals 2 percent of the State's total title IV–E funds for the quarter, in the case of a first violation in a given fiscal year, and continues for subsequent quarters in that fiscal year, until the State completes a corrective action plan or comes into compliance. In the case of a second violation in the same fiscal year, the penalty equals 3 percent, and 5 percent for third or subsequent violations in a given fiscal year. Violations that remain uncorrected at the end of the fiscal year may be subject to another review and additional penalties.

If a MEPA violation results from a State's statute, regulation, policy, procedure, or practice, and no individual is directly affected, the State has 30 days to develop and submit a corrective action plan for DHHS approval. If the State hasn't completed the plan and come into compliance within 6 months of DHHS approving the plan, penalties are assessed. Findings of MEPA violations, and related financial penalties, may be appealed to the DHHS Departmental Appeals Board, and States may seek judicial review of an adverse decision by the Board in Federal district court.

As amended in 1997 by the Adoption and Safe Families Act (Public Law 105–89), title IV–E provides that States may not deny or delay a child's placement for adoption if an approved family is available outside the jurisdiction responsible for the child's case. Further, States must provide an opportunity for a fair hearing to anyone whose allegation of a violation of this provision is denied by the State or not acted upon promptly. The law specifies that the same penalty structure applicable to violations of the interethnic provisions, described above, also applies to violations of this provision (i.e., 2 percent for a first violation, 3 percent for a second violation, and 5 percent for three or more violations). However, DHHS did not address enforcement of this interjurisdictional provision in the January 25, 2000, child welfare monitoring regulations.

## STATE PERFORMANCE REPORTS

The Adoption and Safe Families Act (Public Law 105–89) required the Secretary of DHHS, in consultation with Governors, State legislatures, State and local public officials, and child welfare advocates, to develop a set of outcome measures that could be used to assess State performance in operating programs under titles IV–B and IV–E. The law required that these outcome measures include length of stay in foster care, number of foster care placements, and number of adoptions. The law also required that DHHS develop a system for rating State performance on these outcome measures, and publish an annual report on each State’s performance, examining the reasons for high and low performance and making recommendations for how State performance could be improved. The first annual report was issued in early August 2000, too late to be included in this edition of the *Green Book*.

DHHS published preliminary outcomes and measures on February 2, 1999, and published the final list of child welfare outcomes and measures on August 20, 1999. These may be amended or expanded over time, particularly to include outcomes addressing child safety and well-being. According to DHHS, the first annual performance report will be based on NCANDS data for calendar year 1997 and AFCARS data for fiscal year 1998 (these data collection systems are described in detail below). The annual report will include additional information about each State and its child welfare program to provide context necessary to interpret the State’s performance on the outcome measures.

The final list published by DHHS includes seven child welfare outcomes, each with one or more measures that will be used to assess performance. Table 11–13 identifies the child welfare outcomes and measures.

TABLE 11–13.—CHILD WELFARE PERFORMANCE OUTCOMES AND RELATED MEASURES

Outcome	Measure
Reduce recurrence of child abuse and/or neglect	Of all children who were victims of substantiated or indicated child abuse/neglect during the reporting period, what percentage had another substantiated or indicated report within a 12-month period?
Reduce the incidence of child abuse and/or neglect in foster care	Of all children who were in foster care during the reporting period, what percentage was the subject of substantiated or indicated maltreatment by a foster parent or facility staff?

TABLE 11–13.—CHILD WELFARE PERFORMANCE OUTCOMES AND RELATED MEASURES—Continued

Outcome	Measure
Increase permanency for children in foster care	<p>For all children who exited the child welfare system, what percentage left either to reunification, adoption, or legal guardianship?</p> <p>For children who exited the system and were identified as having a diagnosed disability, what percentage left either to reunification, adoption, or legal guardianship?</p> <p>For children who exited the system and were age 12 or older at the time of their most recent entry into care, what percentage left either to reunification, adoption, or legal guardianship?</p> <p>For all children who exited the system, what percentage by racial/ethnic category left either to reunification, adoption, or legal guardianship?</p> <p>Of all children exiting the system to emancipation, what percentage was age 12 or younger at the time of entry into care?</p>
Reduce time in foster care to reunification without increasing reentry	<p>Of all children who were reunified with their parents or caretakers at the time of discharge from foster care, what percentage was reunified in the following time periods: less than 12 months from the time of the latest removal from home; 12–23 months; 24–35 months; 36–47 months; 48 or more months?</p> <p>Of all children who entered foster care during the reporting period, what percentage reentered care within 12 months of a prior foster care episode?</p>
Reduce time in foster care to adoption	<p>Of all children who exited care to a finalized adoption, what percentage exited care in the following time periods: less than 12 months from the time of latest removal from home; 12–23 months; 24–35 months; 36–47 months; 48 or more months?</p> <p>Of all children who exited care to a finalized adoption and who were age 3 or older at the time of entry into care, what percentage exited care during the following time periods: less than 12 months from the time of latest removal from home; 12–23 months; 24–35 months; 36–47 months; 48 or more months?</p>
Increase placement stability	<p>Of all children served who had been in care for the time periods listed below, what percentage had no more than two placement settings during that time period: less than 12 months from the time of latest removal from home; 12–23 months; 24–35 months; 36–47 months; 48 or more months?</p>

TABLE 11-13.—CHILD WELFARE PERFORMANCE OUTCOMES AND RELATED MEASURES—Continued

Outcome	Measure
Reduce placements of young children in group homes or institutions	For all children who entered care during the reporting period and were age 12 or younger at the time of their most recent placement, what percentage was placed in a group home?

Source: Compiled by the Congressional Research Service from information published in the Federal Register (1999).

### FEDERAL WAIVERS OF TITLE IV-B AND IV-E PROVISIONS

To provide States flexibility to design innovative child welfare programs, Congress enacted a provision in 1994 (Public Law 103-432) authorizing the Secretary of the U.S. Department of Health and Human Services (DHHS) to approve up to 10 demonstration projects requiring waivers of provisions under titles IV-B and IV-E. This authority was established by section 1130 of the Social Security Act, and was subsequently amended by the Adoption and Safe Families Act in 1997, allowing DHHS to approve an additional 10 demonstration projects in each of fiscal years 1998-2002. The Secretary may waive any provision of either title IV-B or title IV-E if necessary to enable the State to carry out its demonstration project, with some exceptions. Demonstrations are limited to 5 years and must include an evaluation component and be cost-neutral to the Federal Government.

As of April 2000, almost half the States had demonstration projects approved, with some States operating more than one project. For new waivers, DHHS is especially interested in proposals that would examine the following: performance-based systems, integrated systems for behavioral health (substance abuse and mental health), effective prevention and early intervention, adoption and postadoption services, service improvements for children in the placement and care responsibility of tribes, service improvements for adolescent youth, and reunification services for adolescent youth.

Table 11-14 summarizes the waiver projects that currently have been approved by DHHS and are in various stages of implementation. Few of these demonstrations operate statewide and few have produced evaluation findings thus far. Almost all are designed as 5-year projects.

TABLE 11-14.—SUMMARY OF APPROVED STATE CHILD WELFARE WAIVER DEMONSTRATIONS

State and date of implementation	Project description
Assisted guardianship/kinship permanence:	
California December 1998	Assisted guardianship for relatives caring for children, age 13 or older, who have been living with the relative at least 1 year and for whom reunification or adoption are not options. Payments equal the basic foster care rate and children retain Medicaid eligibility. Project goals: promote permanence and stability, reduce court and case management costs, increase client safety, increase client satisfaction.
Delaware July 1996	Assisted guardianship for caretakers (related or unrelated) of children, who are older than 12, in a sibling group, or have special needs, and for whom reunification or adoption are not options. Children must have been living with the foster caretaker at least 1 year and have a strong attachment. Payments equal the basic foster care rate, and postadoption-type services are available. Project goals: move children more quickly to permanency, provide an additional permanency option, reduce agency involvement and costs.
Illinois May 1997	Assisted guardianship for relative caretakers and licensed foster parents caring for children who have been in foster care at least 2 years and living with the prospective guardian at least 1 year, and for whom reunification or adoption are not options. Payments equal adoption assistance payments, and services may be provided. Project goals: provide more stable placement, reduce agency intrusion in family life, reduce costs.
Maryland February 1998	Assisted guardianship for relative caretakers of children ages 0-18 (or up to 21 if in formal education) who have been in stable relative homes at least 6 months, and for whom reunification or adoption are not options. Payments equal \$300 per month and priority for support services is given. Project goals: provide more stable placement, reduce agency intrusion in family life, reduce costs.
Montana January-September 1999	Assisted guardianship for caretakers of children (including in tribal custody) who are at least age 12, have lived with the prospective guardian at least 1 year, and for whom reunification or adoption are not options. Payments may not exceed foster care rate. Services similar to those for adoptive families, and financial and medical assistance, may be provided at the family's request. Project goals: reduce the number of children in long-term foster care and placement disruptions, without increasing subsequent reports of child abuse or neglect.
New Mexico January-July, 2000	Assisted guardianship for caretakers of children for whom reunification or adoption are not options. (Two projects are approved; one for children in State custody and one for children in tribal custody.) Payments are similar to and may not exceed adoption assistance. Project goals: achieve permanency more rapidly, improve child well-being, family functioning and child and caretaker satisfaction, increase number of placements in adoption and guardianship homes, and decrease reentry into foster care.

TABLE 11-14.—SUMMARY OF APPROVED STATE CHILD WELFARE WAIVER DEMONSTRATIONS—Continued

State and date of implementation	Project description
North Carolina July 1997	Assisted guardianship for related and unrelated caretakers of children who have lived with the prospective guardian at least 6 months, and for whom adoption or reunification are not options. Payments and services are similar to those offered adoptive families. (This is part of a larger demonstration of capped allocations and local flexibility, described below.) Project goals (of overall demonstration): reduce rate of initial entry into foster care, reduce length of stay in foster care, reduce rate of reentry into foster care.
Oregon July 1997 (assisted guardianship option approved in June 1999)	Assisted guardianship for related and unrelated caretakers of children who have been in foster care at least 1 year, have lived with the prospective guardian continuously at least 6 months, are at least 12 years old if the prospective guardian is not a relative (any age for relatives), and for whom termination of parental rights (TPR), adoption or reunification are not options. (This is part of a larger demonstration of capped allocations and local flexibility, described below). Project goals (of overall demonstration): improve outcomes for children and families and increase service efficiency, reduce length of stay in foster care and prevent children's placement in foster care, reduce foster care costs by investing in services, maintain child safety and protection.
Capped title IV-E allocations and flexibility to local agencies:	
Florida July-December 2000	Capped title IV-E funding allocations that can be used flexibly are provided to locally controlled, nonprofit, community-based systems of care. A local lead agency is responsible for all children referred to the community-based system from point of referral to exit, and assumes financial risk for service delivery. The State must develop a catastrophic risk plan to ensure that children are not put at risk due to bankruptcy or termination of contracts with private service providers. Target population: children from selected counties with a maltreatment finding who require services beyond investigation. Project goals: improve access to services, reduce length of stay in foster care, reduce reentry into the system, improve satisfaction with services, reduce variability in service delivery across sites.
Indiana January 1998	A fixed number of home-based placement slots are allocated to counties, which select children for these slots. Individually-tailored intensive services are designed by community-based teams. Each slot has an allocation of \$9,000 and the county bears the risk of costs exceeding this amount. Target population: children with substantiated maltreatment reports who are in or at risk of foster care placement. Project goals: improve child and family well-being, reduce placement in out-of-State facilities, improve youth and caretaker satisfaction, promote permanence.

TABLE 11-14.—SUMMARY OF APPROVED STATE CHILD WELFARE WAIVER DEMONSTRATIONS—Continued

State and date of implementation	Project description
New York originally Sep- tember 1999 (to be ex- tended)	Participating local districts use a prospective payment system with individually negotiated payment arrangements with service providers. Target population: children (chosen by the local district) who can safely remain home or return from foster care with appropriate services, and children who can benefit from adoption services. Project goals: decrease foster care placements, increase quality and flexibility of services, decrease reentry, expedite permanency, increase rate of transfer to less restrictive setting.
North Carolina July 1997	Participating counties receive allocations based on historic title IV-E funding levels, which they can use flexibly to achieve goals of permanency, safety, and well-being. Strategies may include internal restructuring and contracting with community-based service providers. Counties may not reduce spending below 1995-96 levels and may enter into risk-sharing agreements with service providers. If necessary, the State will share excess costs with counties at the end of the demonstration. Target population: children at imminent risk of placement. Project goals: reduce rate of initial entry into foster care, reduce length of stay in foster care, reduce rate of reentry into foster care.
Ohio October 1997	Participating counties receive a capped allotment based on historic and projected costs, and may negotiate financial and risk-sharing agreements with private providers. Funds may be used flexibly to achieve safety, permanency and well-being outcomes. Target population: children in foster care or at risk of placement. Project goals: reduce time in foster care, reduce placement costs, improve stability for children, promote adoption.
Oregon July 1997	Participating branch offices receive a title IV-E allocation based on estimates of projected use for foster care, a portion of which can be used flexibly for alternative services. The branch office retains "savings" that result; any additional foster care costs are subsidized by the State. Target population: children in foster care or at risk of placement. Project goals: improve outcomes for children and families and increase service efficiency, reduce length of stay in foster care and prevent children's placement into care, reduce foster care costs by investing in services, maintain child safety and protection.



TABLE 11-14.—SUMMARY OF APPROVED STATE CHILD WELFARE WAIVER DEMONSTRATIONS—Continued

State and date of implementation	Project description
<b>Managed care/capitated payment systems:</b>	
Colorado July–December 2000	Participating counties negotiate a capitated or case rate (rate per child) with service providers, which manage the cases of children assigned to them. Agreements with providers may include risk-sharing formulas, penalties, and performance-based incentives. Providers must accept children assigned by the county, and are responsible for outcomes. Target population: children age 10 or older who are at risk of, or have already experienced, foster care “drift” and are at risk of aging out of the system without a permanent family. Project goals: increase child safety (reduce recurrence of maltreatment), achieve permanency more rapidly, improve child and family functioning, decrease adoption.
Connecticut June 1999	Participating lead service agencies receive a case rate for each child referred to them for a 15-month period. The lead service agency coordinates the child’s care through a network of service providers and places children in the least restrictive setting. Providers may retain savings up to 10 percent of the case rate and are not at risk for excess costs up to 10 percent of the case rate. Target population: children ages 7–15 with significant behavior problems who are authorized for residential placement or group homes. Project goals: reduce average length of stay in foster care, increase safety (i.e., reduce substantiated reports or abuse or neglect), increase stability in the community for the children affected, improve children’s behavioral health (based on standardized measures), increase children’s and families’ satisfaction with department services.
Maryland January–July 2000	Participating service providers receive a capitated rate for placement and support services. Providers propose outcome improvements; if improvements are achieved, providers retain savings to be used flexibly while providers that fail to achieve improvements risk financial loss. Providers remain responsible for children who reenter care. Target population: children entering foster care after a dispositional hearing and any siblings already in care, children entering foster care from kinship care and any siblings already in care; foster children age 5 and under and any siblings already in care. Project goals: expedite permanency, reduce time in foster care, decrease reentry into foster care.

TABLE 11-14.—SUMMARY OF APPROVED STATE CHILD WELFARE WAIVER DEMONSTRATIONS—Continued

State and date of implementation	Project description
Michigan May 1999	Community-based providers receive capped allocations (\$1,545 per month per child), to be used flexibly to achieve safety and permanency goals. Providers assume full case management responsibility. Some participating providers bear full risk for costs that exceed the capped allocation; others share risk with the State, retaining savings or covering costs within 10 percent of the case rate. Target population: children who have formerly been in foster care, are suitable for reunification, have been judged at risk by a risk assessment process, and for whom the court approves an alternative treatment plan. Project goals: increase availability and flexibility of services, reduce foster care placement, reduce time in foster care, expedite permanency, improve child safety and well-being.
Texas September 2000– March 2001	A primary contractor receives a per-child standard monthly payment, based on average historic costs, to cover all services and coordinate service delivery by a provider network. Incentives encourage providers to move children to lower levels of care. Target population: children with therapeutic needs (and their siblings) who have been removed from home due to abuse or neglect. Project goals: improve child functioning, reduce time in foster care, decrease reentry into foster care, increase placement stability, ensure least restrictive placement settings.
Washington June–December 1999	A fixed payment rate is negotiated for each demonstration site, which develops local agreements between the child welfare agency and other systems, such as education or mental health. Local agreements specify responsibilities of each participant and local service rate per child. Title IV–E funds may be blended with other (Medicaid or education) funds to provide comprehensive services for children to be served at home or in least restrictive community-based setting. Risk is borne by either contractor or local service providers. Target population: children ages 8–17 in the child welfare system, in need of mental health or special education services, who are in temporary care or likely to enter high-cost care. Project goals: meet safety and individual needs of children in appropriate setting; where therapeutically indicated and appropriate, prevent out-of-community group care settings, decrease length of stay, and ensure placement in least restrictive setting.

TABLE 11-14.—SUMMARY OF APPROVED STATE CHILD WELFARE WAIVER DEMONSTRATIONS—Continued

State and date of implementation	Project description
Intensive service options:	
California December 1998	In participating counties, title IV–E funds are used for individually-targeted services for children and families, in addition to traditional maintenance costs. Intensive services include: family conferencing, “wraparound” process for children and adolescents with complex and enduring needs, shared family care in which an entire family is temporarily placed with a host family. Target population: children at risk of removal (for family preservation and placement prevention services), foster children moving toward reunification, adoption or guardianship (for services to expedite permanency goals). Project goals: reduce foster care placement, divert children to less restrictive family-like placements.
District of Columbia January–July 2000	Social workers are matched with trained neighborhood-based “community collaborative” workers to provide family support services to kinship “triads”; i.e., kinship care giver, parent, and child. Collaboratives are partnerships intended to produce a community-based service delivery system. Target population: children cared for by kinship care givers, who have been in foster care an average of 3–4 years. Project goals: expedite permanency, increase stability, increase child safety, reduce the incidence of child abuse or neglect, reduce the number of new foster care placements, increase child well-being.
Mississippi originally June–December 1999 (to be ex- tended)	Using flexible title IV–E funds, participating counties provide “core” services (e.g., parent training, family counseling) and additional services to respond to needs (e.g., respite care, temporary financial or inkind assistance, job training, educational services, medical care, transportation, child care, counseling, support services for foster parents, homemaker services). Target population: children in the child welfare system, their parents, foster or potential foster parents, custodial relatives, siblings, adoptive or potential adoptive parents. Project goals: reduce subsequent abuse and neglect, increase number of children remaining with their families, increase relative placements for children placed outside the home, increase placement of children and sibling groups in their home communities, decrease foster care placements, decrease time in foster care, increase child well-being.
Permanency efforts:	
California December 1998	Voluntary placement agreements (without court orders) may be extended from 6 to 12 months, while retaining title IV–E eligibility. Target population: children who have been placed voluntarily, would otherwise become dependents of the court, who can likely return home safely during the extended time period. Project goals: reduce long-term foster care costs, achieve permanence more rapidly, increase/maintain levels of child safety, avoid court processes.

TABLE 11-14.—SUMMARY OF APPROVED STATE CHILD WELFARE WAIVER DEMONSTRATIONS—Continued

State and date of implementation	Project description
Maine April 1999	Expanded training is provided for social workers, mental health and other professionals who work with adoptive families, to provide postadoption support services. Target population: families adopting special-needs children (for services; training provided Statewide). Project goals: increase number of special-needs adoptions, decrease disruptions of special-needs adoptions, decrease length of stay in foster care, strengthen adoptive families.
Texas September 2000– March 2001	Enhanced adoption services for children with special needs are provided. Target population: children for whom petition to terminate parental rights has been filed, or for whom parental rights have been terminated, families interested in adopting special-needs children. Project goals: increase pool of adoptive families, increase number of children leaving foster care for adoption, reduce time in care prior to adoption, reduce disruption and dissolution rates.
Substance abuse services:	
Delaware February 1997	Contracted substance abuse counselors are colocated with child protection workers; accompany child protection workers on initial visits; with the child protection worker, assess the substance abuse problem and its impact on parenting; conduct or arrange for substance abuse evaluations; and stay connected to families through treatment. Savings are used to pay for the counselors. Target population: children in foster care or likely to enter foster care due to parental substance abuse. Project goals: prevent foster care, reduce number of days in foster care.
Illinois October 1999–June 2000	Recovery coach services are provided in addition to traditional child welfare and substance abuse services, assisting families early in the treatment process and providing continuing support during and after treatment to prevent relapse and enable family reunification. Some participants receive enhanced services in addition to the recovery coach. Target population: custodial parents with a child who enters placement. Project goals: increase rate of reunification, reduce length of stay in foster care, reduce reallegations of abuse or neglect, increase successful completion of parental substance abuse treatment.
Maryland January–July 2000	Family support services teams provide comprehensive coordinated services. Treatment options include inpatient treatment for parents and their children; intermediate (28-day residential) care, or intensive outpatient treatment. Core services include case management, individual, group and family therapy. Additional services may be provided. Title IV–E funds are used when Medicaid or other sources are not available. Target population: parents who have lost custody or are at risk of losing custody of their children due to substance abuse. Project goals: reduce reallegations of abuse or neglect, reduce time in foster care, increase successful completion of substance abuse treatment, enable mothers to assume a healthy parenting role.

TABLE 11-14.—SUMMARY OF APPROVED STATE CHILD WELFARE WAIVER DEMONSTRATIONS—Continued

State and date of implementation	Project description
New Hampshire November 1999	A substance abuse specialist trains child protection investigators and supervisors on screening and identifying parents with substance abuse problems; evaluates parents identified by child protection investigators; if needed, refers families to counseling and treatment, assists with case planning, collaborates with corrections departments, and provides intensive case management. Target population: families with credible reports of abuse or neglect due to parental substance abuse. Project goals: prevent placement in foster care, reduce time in foster care, reduce subsequent abuse or neglect reports, and reduce foster care costs by improving parents' recovery from substance abuse and use of available services and improving stability and adjustment of children in substance-abusing families.
West Virginia June–December 2000	Teams of child protection workers and substance abuse outreach specialists coordinate services for families affected by substance abuse. Parents identify temporary informal care givers for their children (up to 60 days) while the parent receives inpatient and/or residential substance abuse treatment. Child protection workers assess appropriateness of informal care givers and conduct criminal background checks; licensed providers supply temporary care if relatives or friends are not available. Caretakers receive payments no higher than foster care rate. Target population: children likely to enter foster care due to maternal substance abuse. Project goals: expedite family reunification, reduce number of children entering formal foster care, increase number of mothers successfully completing substance abuse treatment.
Tribal administration of title IV–E funds:	
New Mexico January–July 2000	Administration of foster care maintenance, adoption and independent living services is fully delegated to the tribal government. Target population: children in the custody of tribes that do not already have agreements with the State as allowed under current law. Project goals: increase capacity of tribes to protect and care for their children without subordination to State oversight, promote and improve permanency.

Source: Compiled by the Congressional Research Service from information available from the U.S. Department of Health and Human Services.

### RECENT TRENDS AFFECTING CHILD WELFARE POPULATIONS AND PROGRAMS

Certain social problems and trends are inextricably linked with the child welfare system and its clients, and data and information on these issues are sometimes used as indicators of the need for child protection and preventive services for families. Most children enter foster care as a result of child abuse or neglect; thus, data on the incidence and trends of maltreatment are of great interest

to child welfare practitioners and policymakers. Likewise, substance abuse is cited as a factor in many of the cases coming to the attention of child welfare agencies, so that information on substance abuse among families with children and responses to the problem of substance abuse is also of interest. Kinship care also is a phenomenon that has had a significant impact on the child welfare system. In addition, as a major policy change affecting low-income families with children, the welfare reform law of 1996 has implications for both the child welfare system and its clients. These issues are described briefly below.

#### CHILD ABUSE AND NEGLECT

##### *Child Abuse Prevention and Treatment Act*

Between 1963 and 1967, every State and the District of Columbia enacted some form of child abuse and neglect reporting law. The model reporting law disseminated by the U.S. Children's Bureau facilitated the States' rapid adoption of these laws; after 1974 reporting laws were modified to conform to the standards established by the Child Abuse Prevention and Treatment Act of 1974 (CAPTA). CAPTA provides formula grants to States to help support their child protective service systems (\$21 million in fiscal year 2000), in exchange for which States must comply with various requirements related to the reporting, investigation, and treatment of child maltreatment cases. The law also authorizes Federal discretionary research and demonstration projects (\$18 million in fiscal year 2000), grants to States for community-based family resource and support services (\$33 million in fiscal year 2000), and grants to States to improve investigation and prosecution of child maltreatment cases (funded through a set-aside of the victims of crime fund).

As amended most recently in 1996 (Public Law 104-235), CAPTA requires States to have procedures for reporting known or suspected cases of child abuse or neglect, for investigating such reports, and for taking immediate steps to protect children who might be in danger. The law requires States to provide immunity from prosecution for individuals who make good faith reports of suspected abuse or neglect, and to provide confidentiality of records. States also must have procedures for public disclosure of information about cases of abuse or neglect which result in a child's death or near-death. State CAPTA plans must provide for cooperation with law enforcement officials, courts, and human service agencies, and for the expungement of records in cases that are false or unsubstantiated. Further, States must appoint a guardian ad litem, who may be an attorney or court-appointed special advocate, to represent children in judicial proceedings.

The 1996 law required States to establish citizen review panels, composed of volunteer community representatives, to evaluate State and local child protection activities. In addition, the law required States (within 2 years of the law's enactment) to have procedures for expedited termination of parental rights (TPR) in any case of an abandoned infant, and to have procedures for individuals to appeal an official finding of abuse or neglect. Also within 2 years of enactment, States were required to provide that family reunifica-

tion would be not be required for a surviving child with a parent who had committed or aided in the murder or voluntary manslaughter of another of their children, or who had committed a felony assault that resulted in serious bodily injury to any of their children. States were required to provide that conviction of any of these felonies would constitute grounds for TPR. CAPTA also requires States to have procedures for responding to cases of medical neglect.

*Child abuse and neglect statistics*

The 1996 CAPTA amendments required States to submit annual aggregate data to DHHS on child maltreatment for inclusion in the National Child Abuse and Neglect Data System (NCANDS). States with the capacity to do so may also submit case-level data. NCANDS was established by the 1988 amendments to CAPTA and has published annual reports each year beginning with 1990, although prior to the 1996 amendments States participated in NCANDS on a voluntary basis. Other sources of national data on child maltreatment have included the American Association for Protecting Children (of the American Humane Association), which collected information from 1976 to 1987, and Prevent Child Abuse America (formerly called the National Committee to Prevent Child Abuse), which has been conducting an annual survey of States since 1986. Finally, DHHS has periodically funded the National Incidence Study of Child Abuse and Neglect (NIS), which collects data on children who have been investigated by child protection agencies, but also includes information from community professionals on children who were either not reported to child welfare agencies or whose cases were not investigated. The NIS has been conducted three times, in 1980, 1986, and 1993.

The latest data available from NCANDS are for 1998, and include aggregate data from all States and the District of Columbia and case-level data from 20 States. (It is anticipated that 27 States will submit case-level data for 1999 and that 29 States will submit these data for 2000.) Data for 1998 show that 2.8 million reports of possible maltreatment were made to child welfare agencies in that year (U.S. Department, 2000). Approximately two-thirds of these reports were investigated, and 903,000 children were estimated to have been victims of abuse or neglect, for an incidence rate of 12.9 per 1,000 children. These numbers mark a continuation of a downward trend that began in 1993, when more than 1 million children were substantiated as victims, for an incidence rate of 15.3 per 1,000 children. Table 11-15 shows NCANDS data on the incidence of children alleged to have been victims, and substantiated or indicated victimization, by State, in 1994 and 1998, and the percent change between those years. Chart 11-1 illustrates nationwide changes in these incidence rates between 1990, when NCANDS began, and 1998.

TABLE 11-15.—INCIDENCE OF CHILD MALTREATMENT ALLEGATIONS AND VICTIMIZATION, BY STATE, 1994-98

State	Children alleged to be victims per 1,000 children		Percentage change in allegation rate, 1994-98	Child victims per 1,000 children		Percentage change in victimization rate, 1994-98
	1994	1998		1994	1998	
Alabama .....	37.4	33.1	-11	20.1	15.4	-24
Alaska .....	53.5	58.9	10	36.0	37.1	3
Arizona .....	43.4	48.0	11	26.3	7.1	-73
Arkansas .....	28.7	45.2	58	12.3	13.1	6
California .....	51.9	46.4	-11	18.4	17.7	-4
Colorado .....	<sup>1</sup> 43.3	37.6	-13	<sup>1</sup> 15.2	6.7	-56
Connecticut .....	47.2	51.7	10	35.2	21.4	-39
Delaware .....	53.6	54.1	1	14.4	16.2	12
District of Columbia .....	117.3	95.8	-18	49.4	47.7	-3
Florida .....	50.2	52.8	5	23.5	23.2	-1
Georgia .....	47.8	36.7	-23	33.9	12.1	-64
Hawaii .....	19.6	12.0	-39	7.9	7.3	-7
Idaho .....	100.9	76.0	-25	27.8	22.6	-19
Illinois .....	45.6	34.7	-24	17.2	11.2	-35
Indiana .....	42.4	67.3	59	17.2	12.5	-27
Iowa .....	43.1	38.9	-10	12.7	10.1	-20
Kansas .....	49.4	38.4	-22	5.3	7.6	43
Kentucky .....	61.4	64.2	4	26.8	23.1	-14
Louisiana .....	36.5	38.0	4	12.2	11.6	-5
Maine .....	29.2	31.0	6	15.6	12.3	-21
Maryland .....	<sup>1</sup> 43.3	43.5	0	<sup>1</sup> 15.2	11.1	-27
Massachusetts .....	39.7	36.3	-9	16.9	18.9	12
Michigan .....	54.5	61.3	12	8.7	8.9	2
Minnesota .....	23.0	19.7	-14	8.5	8.4	-1
Mississippi .....	36.0	42.8	19	10.6	8.0	-24
Missouri .....	62.9	53.4	-15	11.6	8.9	-23
Montana .....	57.8	84.7	47	17.9	14.7	-18
Nebraska .....	39.9	32.9	-18	10.3	9.5	-8
Nevada .....	<sup>1</sup> 43.3	49.7	15	21.3	17.2	-19
New Hampshire .....	<sup>1</sup> 43.3	30.1	-31	3.6	3.9	8
New Jersey .....	34.0	38.2	12	4.9	4.9	1
New Mexico .....	50.9	26.6	-48	15.0	8.4	-44
New York .....	46.9	53.4	14	12.2	18.6	52
North Carolina .....	54.1	65.6	21	17.1	19.5	14
North Dakota .....	45.5	43.7	-4	21.2	0.0	-100
Ohio .....	55.1	47.7	-13	21.7	20.4	-6
Oklahoma .....	40.1	68.6	71	12.5	18.9	51
Oregon .....	<sup>1</sup> 43.3	33.5	-23	10.1	12.3	22
Pennsylvania .....	8.2	7.9	-4	2.4	1.9	-23
Rhode Island .....	61.0	41.5	-32	13.7	14.5	6
South Carolina .....	42.9	39.9	-7	12.3	8.8	-29
South Dakota .....	49.3	26.4	-46	9.3	13.2	41
Tennessee .....	26.9	24.2	-10	9.4	7.5	-21
Texas .....	32.9	30.7	-7	10.5	7.1	-32
Utah .....	43.4	38.8	-11	15.6	11.4	-27
Vermont .....	20.6	14.0	-32	8.4	6.3	-25



TABLE 11-15.—INCIDENCE OF CHILD MALTREATMENT ALLEGATIONS AND VICTIMIZATION, BY STATE, 1994-98—Continued

State	Children alleged to be victims per 1,000 children		Percentage change in allegation rate, 1994-98	Child victims per 1,000 children		Percentage change in victimization rate, 1994-98
	1994	1998		1994	1998	
Virginia .....	35.3	29.8	-15	6.4	5.9	-8
Washington .....	40.8	32.1	-21	<sup>1</sup> 15.2	8.8	-42
West Virginia .....	<sup>1</sup> 43.3	159.5	268	<sup>1</sup> 15.2	19.3	27
Wisconsin .....	35.5	16.5	-54	13.6	6.0	-55
Wyoming .....	<sup>1</sup> 43.3	17.1	-61	<sup>1</sup> 15.2	6.2	-59
Total .....	43.3	42.5	-2	15.2	12.9	-15

<sup>1</sup> Based on estimates.

Source: Table prepared by the Congressional Research Service using data provided by the U.S. Department of Health and Human Services.

The long-term trend in child abuse reporting has been one of substantial growth, with the number of maltreatment reports more than quadrupling since 1976. However, increased reporting does not necessarily mean an equivalent increase in actual abuse or neglect. It is generally agreed that some part of the dramatic growth in reporting over the last two to three decades is due to greater public awareness and recognition of child abuse and neglect, especially since the 1960s and 1970s when States enacted mandatory

CHART 11-1. INCIDENCE RATE OF CHILD MALTREATMENT ALLEGATIONS AND VICTIMIZATION, 1990-98



Source: Chart prepared by the Congressional Research Service using data provided by the U.S. Department of Health and Human Services.

reporting laws. Moreover, not all reports are substantiated. In fact, the proportion of child maltreatment reports that are substantiated has grown smaller over time. According to NCANDS data, 29 percent of investigations in 1998 resulted in victim determinations, compared to 39 percent in 1990. Looking at data from earlier sources, 65 percent of child abuse or neglect reports were substantiated in 1976. However, researchers and professionals agree that not all children who are victims of abuse or neglect are reported to child welfare agencies. According to the most recent NIS survey, more than 1.5 million children were victims of abuse or neglect in 1993 under the "harm" standard (i.e., children who have suffered demonstrable harm by objective measures), for a 67 percent increase from 1986, and a 149 percent increase from 1980 (Sedlak & Broadhurst, 1996). The NIS also found that 2.8 million children could be counted in 1993 under the "endangerment" standard (a more subjective measure, including children who were not actually harmed but might be considered at risk), which was almost double the number counted in 1986. The endangerment standard was not used in the 1980 NIS.

Of child victims in 1998, almost 54 percent experienced neglect, while 23 percent were physically abused. Almost 12 percent were sexual abuse victims, 6 percent had been psychologically abused, and about 2 percent had suffered from medical neglect. Other forms of maltreatment were found for 25 percent of child victims in 1998, with some children falling into more than one of these categories. According to NCANDS data, the number of children who died in 1998 as a result of substantiated abuse or neglect was about 1,100, which was virtually unchanged from 1997 and 1996, although below the peak of 1,240 in 1994. However, in 1995, the U.S. Advisory Board on Child Abuse and Neglect estimated that 2,000 children under age 18 are actually killed by parents or caretakers each year, and suggested that this might be a low estimate (U.S. Advisory Board, 1995).

#### SUBSTANCE ABUSE

Substance abuse has received considerable attention as one of the major challenges facing the child welfare system, especially in the last 10–15 years. It is widely believed that the dramatic increase in foster care placements in the mid to late 1980s resulted, at least in part, from the introduction of crack cocaine. Children born drug exposed often enter substitute care shortly after birth, either because of their own medical problems or because of abuse or neglect by their parents. However, children exposed prenatally to drugs or alcohol are a small portion of the children affected by parental substance abuse. Children of all ages typically enter foster care because of child abuse or neglect, and substance abuse is a factor in the majority of these cases.

According to a 1990 publication by the Committee on Ways and Means, New York City officials blamed the introduction of crack for the threefold increase in that city's child abuse and neglect cases involving parental substance abuse between 1986 and 1988. Crack cocaine had an especially significant impact on the number of very young infants entering foster care at birth during the late 1980s. From a survey of women who gave birth during 1992–93, the Na-

tional Institute on Drug Abuse estimated that 221,000 women who gave birth during that period used illegal drugs while pregnant (5.5 percent of a total of 4 million women). Marijuana and cocaine were the most frequently used illegal drugs (2.9 percent for marijuana; 1.1 percent for cocaine). The survey also estimated that 820,000 women (20.4 percent of all women who gave birth during the period) had smoked cigarettes while pregnant, and 757,000 women (18.8 percent of the total) drank alcohol (National Institute, 1995).

Cocaine abuse appears to have declined from 1985, when 5.7 million Americans reported being current users, to the latest available level of 1.7 million Americans in 1997 (National Institute, 1999). However, there has been no significant change in the number of frequent cocaine users (682,000 Americans in 1997) since 1985, and no significant change in the number of current crack users (604,000 in 1997) since 1988. In a report mandated by Congress and released in 1999, the U.S. Department of Health and Human Services (DHHS) looked at data from several sources and concluded that a substantial number of children (8.3 million) live with substance abusing parents (U.S. Department, 1999a). African-American parents have higher rates of illegal drug abuse than white parents, especially for cocaine, and substance abusing parents in general have less education, are less likely to be working full time, are less likely to be married, and more likely to be receiving welfare than other parents. Of all forms of parental substance abuse, alcohol abuse is the most prevalent. Although relatively few of the children in substance abusing families ever come into contact with the child welfare system, substance abuse is a major factor in the child welfare caseload. For children with substantiated reports of abuse or neglect, DHHS found that substance abuse is a factor in between one-third and two-thirds of cases, and is a factor in two-thirds of the cases of children in foster care. While mothers and fathers are equally represented in substance abusing households with children, mothers more typically come to the attention of the child welfare system.

The DHHS study identified various barriers to meeting the needs of child welfare clients with substance abuse problems, including the different perspectives and philosophies of the substance abuse treatment and child welfare fields. For example, differences exist with regard to the definition of "client," the establishment of reasonable expectations for outcomes and timetables, and responses to setbacks in treatment. Additional barriers cited by DHHS include certain Federal and State laws, the crisis environment affecting many child welfare agencies, shortages of substance abuse treatment facilities, the particular shortage of services appropriate for women with children, and confidentiality requirements. DHHS identified certain key features as important components of a comprehensive approach to addressing joint substance abuse and child maltreatment problems, including preventive services for children, training for caseworkers, enhanced risk assessment and referral capacity, increased access to substance abuse treatment, client retention, recognition of the importance of permanency for children, and support for ongoing recovery.

## KINSHIP CARE

The number of children living with relatives who are not their parents has increased in recent years, especially among minority populations. In the child welfare system, States increased their use of relatives as foster care providers for 18 percent of foster children in 1986 to 31 percent in 1990, according to data from 25 States submitted to the DHHS Inspector General (Office, 1992). Several recent studies shed light on the characteristics of these children and their families.

A study for DHHS in 1997 reported on formal and informal kinship care; in other words, "formal" placements of children with relatives by the court or a child welfare agency versus "informal" arrangements in which relatives care for children without government intervention (U.S. Department, 1997). Based on Current Population Survey data, the contractors (Chapin Hall and the Urban Institute) found 2.15 million children living with relatives without a parent present in 1994. The report found that among these arrangements generally, two-thirds of care givers were the child's grandparents and about half were married. Of single relative care givers, more than 85 percent were female. Kinship care givers were much older than parents caring for their own children, and more likely to be unmarried, have less education, be unemployed or out of the labor force, be poor, or receive welfare benefits. Based on administrative data from four States (California, Illinois, New York and Missouri), the report found that informal kinship care is more common than formal care, with only about 15 percent of kinship children in these States in a formal foster care placement. Younger children were more likely to be in formal kinship care arrangements than older children. The study also found that formal kinship care was largely an urban phenomenon in these States. New York and Missouri had virtually no formal kinship care outside their major city; in California and Illinois, formal kinship care also was concentrated in their major city and a few other counties. In each State, African-American children were more likely to be in kinship care and were eight times as likely as all other children to be in formal kinship care placements.

A 1998 report for DHHS by Macro International examined kinship care in seven States (California, Illinois, Louisiana, Maryland, Minnesota, New York, and Utah). This report found that all seven States had policies that explicitly favored kinship foster care over care by nonrelatives, and most allowed relatives to be licensed or certified and receive title IV-E foster care subsidies (U.S. Department, 1998). At the time of the study in 1995, the seven States combined had an equal number of children placed with relatives and nonrelatives. During the previous 5 years, the total number of foster children in these States had increased, almost entirely within the kinship care component. The report found that case management practices were generally the same for relative and nonrelative foster parents in the seven States, and similar services were provided with some exceptions. For example, nonrelated foster parents were more likely to receive training, respite care, and have support groups available, while relative caretakers were more likely to receive funds to meet emergencies. When family reunification was

not possible for the child, caseworkers in the seven States encouraged relatives to seek legal custody, guardianship, or subsidized adoption.

The Urban Institute surveyed foster care administrators in 1997 to obtain information on State kinship care policies and found considerable variation among States (Boots & Geen, 1999). Almost all States gave preference to relatives over nonrelative foster care providers, but policies differed with regard to the definition of an eligible "relative." In some States, this category included neighbors, godparents, or other adults with a close but not blood relationship with the child. Licensing policy also varied among States, particularly with regard to the stringency of requirements applied to relative care givers. Ten States required kinship care givers to meet the same licensing standards as nonrelative foster parents; however, the remaining 41 States also offered relatives a more flexible option (e.g., less stringent licensing criteria, waiver of certain licensing criteria, or special licensing criteria established specifically for relatives). In addition, some States offered relatives the option of meeting only minimal requirements (generally safety-related), which meant they could not receive a foster care stipend, but could potentially qualify for a welfare payment. In general, payments made to kinship care givers varied according to the type of licensing they received. Relatives who met the same licensing requirements as nonrelatives were generally eligible to receive the same foster care payment. Of 41 States that offered less stringent licensing options, 21 continued to pay the full foster care rate to relatives covered by these options, while most of the remaining States only offered welfare assistance. Finally, based on their National Survey of America's Families, the Urban Institute estimated about 200,000 children are currently in formal kinship care, or about 10 percent of the total number of children living with relatives without their parents present.

The U.S. General Accounting Office (GAO) reported in 1999 on quality and permanency issues raised by kinship care. Looking at open foster care cases in California and Illinois, as of September 1997, GAO found the quality of kinship care and other foster care was good and the experiences of children in both types of settings were comparable. GAO's review confirmed the generally held view that children in kinship care have more stability than children in other forms of foster care, but also found that caseworkers had somewhat less confidence that kinship care givers would enforce court-ordered restrictions on parental visits with their children. In addition, the two States held kinship care givers to somewhat lower standards than other foster parents and provided a lower level of support to these families as well. Kinship care children in California spent about the same length of time in foster care as other foster children, while kinship care children in Illinois spent significantly less time in the system, according to GAO.

Most recently, DHHS released a report to Congress on kinship care in response to a mandate in the 1997 Adoption and Safe Families Act (U.S. Department, 2000b). The report included a research review, and also identified the following principles to guide policy discussions on kinship care: the child welfare system should continue to focus on safety, permanency, and well-being of children;

kinship placement decisions should be based on the best interests of the child; the child welfare system should not supplant family efforts or income assistance programs; and relatives should be viewed as potential resources but should be assessed on a case-by-case basis.

#### WELFARE REFORM

Congress enacted landmark welfare reform legislation in 1996, the Personal Responsibility and Work Opportunity Reconciliation Act (Public Law 104-193), which has been of great interest to child welfare practitioners, researchers, and policymakers because of its potential implications for the child welfare system and its clients. The 1996 law replaced the 61-year-old program of Aid to Families with Dependent Children (AFDC) with a State-administered block grant of Temporary Assistance for Needy Families (TANF). Receipt of public assistance now is time limited and conditioned on participation in work activities (see section 7).

The 1996 legislation had an immediate programmatic impact on child welfare agencies because of the legal connection between AFDC eligibility and title IV-E foster care and adoption assistance. As explained earlier, the law now limits title IV-E funding to those children who would have been eligible for the former AFDC Program as it existed on July 16, 1996. Thus, States must maintain these eligibility criteria, even though AFDC has been repealed, for use in determining title IV-E (and Medicaid) eligibility. Some analysts have observed that over time, these eligibility criteria could erode in value and the number of foster and adoptive children for whom States can claim Federal reimbursement may decrease.

The financing of welfare reform also has potential implications for child welfare. The law replaced an open-ended entitlement program with a capped block grant, while allowing foster care and adoption assistance under title IV-E to remain uncapped. There is overlap between the populations served by TANF and title IV-E, raising the possibility that States might have an incentive to shift expenditures from TANF to the open-ended title IV-E program, particularly for kinship care families who might be able to meet Federal title IV-E eligibility criteria. In fact, a significant number of children receiving TANF benefits are "child-only" cases (see section 7), which means the adult in the household is not part of the assistance unit. In some cases, the adult may be a parent who is not eligible for TANF benefits because of immigration status or another reason, but some portion of these children are living with relatives who are not their parents. Both welfare and child welfare analysts are particularly interested in the dynamics of this population and the extent to which these children and families resemble those in formal kinship foster care arrangements.

Beyond these issues, child welfare professionals are closely watching the implementation of welfare reform to determine its impact on the well-being of children and families, especially as measured through changes in the incidence of child maltreatment or entry into foster care. Although relatively few welfare families ever come into contact with the child welfare system, a disproportionately large share of child welfare clients receive or have received cash assistance. Thus, changes in welfare programs that affect a

small percentage of clients may have a significant impact on the size of the child welfare population and the workload of the child welfare system. DHHS recently reported on the interaction between welfare assistance (specifically, receipt of AFDC), Medicaid, and foster care prior to enactment of welfare reform (U.S. Department, 2000a). Using administrative data from California, Illinois, and North Carolina in 1995–96, DHHS found that less than 3 percent of children who entered AFDC during the study period were subsequently placed in foster care. However, about 60 percent of the foster care entries in the three States during the study period were from AFDC families. Infants were more likely to enter foster care from an AFDC family than children ages 15–17 and, if they were placed in foster care, they generally entered care within the first 10 months of receiving welfare. These findings may provide a rough baseline for later research on the transition of welfare recipients to foster care after enactment and implementation of the Federal welfare reform law.

Numerous evaluations are currently underway on the impact of welfare reform on various outcomes, including the transition of welfare recipients to work, the family formation patterns of welfare recipients, and the economic status of families receiving or formerly receiving welfare (see appendix L). These evaluations have produced limited findings so far on the impact of welfare reform on child welfare-related outcomes; however, additional findings are expected in the near future. Moreover, as the welfare rolls have declined in recent years, many States are conducting “leaver” studies to learn about the circumstances of these families after their TANF benefits end. Some of the leaver studies have examined the extent to which children in former welfare families become involved with the child welfare system after the family’s cash assistance ends. As of yet, no significant findings on this outcome have emerged, although these studies will continue and may identify trends in the future. In the interim, some analysts have explored potential impacts by looking at data on previous welfare recipients. For instance, Kristen Shook (1999) at Northwestern University attempted to examine the effect of a reduction in welfare income on the likelihood of a family’s involvement with child welfare by studying data on AFDC recipients in the Chicago area during a 16-month period in 1995–96. Shook found that a reduction in welfare income was associated with higher risk of child welfare involvement. This relationship was partially offset by an increase in employment income, but was exacerbated by other stressful life events, such as housing or similar environmental problems, birth of another baby, or health issues.

Another recent study, by the National Bureau of Economic Research, examined the relationship between child maltreatment and the economic circumstances of parents using State-level data from several sources on child maltreatment (Paxson & Waldfogel, 1999). In this case, researchers found that States with higher proportions of very poor children, children with absent fathers (especially those with absent fathers and working mothers), or nonworking fathers, also had higher rates of child maltreatment. Reductions in State welfare benefits were associated with higher rates of child neglect and foster care, but with small decreases in physical abuse (pos-

sibly because of changes in household composition and parental employment).

These studies suggest that welfare reform has significant implications for child welfare clients and services because of its potential impact on family formation patterns, parental employment, amount and composition of household income, poverty status, and other socioeconomic circumstances that may be associated with family dysfunction and child maltreatment. However, as of spring 2000, few studies are available on the impact of welfare reform on child welfare-related measures.

## **NATIONAL FOSTER CARE AND ADOPTION INFORMATION**

### **DATA COLLECTION SYSTEMS**

Historically, there has been a lack of reliable data on foster care and adoption. In fact, not every State even reported its average monthly foster care caseload under the federally assisted program until 1975. Moreover, before 1980 States were not required to collect data on nonfederally-assisted foster care, which in a typical State constitutes about half the cases in foster care. This lack of data was one of several concerns that Congress hoped to address with enactment of the Adoption Assistance and Child Welfare Act of 1980 (Public Law 96-272).

The 1980 law imposed several requirements on States as a condition for incentive funds under the Title IV-B Child Welfare Services Program, including a one-time inventory of children in foster care and a statewide information system for tracking children in foster care. Shortly after enactment of the 1980 legislation, DHHS wrote detailed guidelines for the implementation of these requirements, which were published as an interim final rule on December 31, 1980. However, DHHS withdrew these regulations the following March, stating that the Office of Management and Budget had not reviewed and approved certain sections. In 1982, the Department issued a policy information question (ACYF-PIQ-82-06) which restated the law's requirement that States have an information system, but did not specify the system's content. The 1980 regulations were never reissued.

Starting in 1982, DHHS funded the American Public Human Services Association (APHSA, formerly the American Public Welfare Association) to conduct a voluntary annual survey of States, known as the Voluntary Cooperative Information System (VCIS). Until recently, VCIS was the only source of national data on the number and characteristics of children in foster and adoptive care. However, the VCIS was of limited use for several reasons: (1) not all States participated fully in the survey; (2) reporting periods were not consistent among States; (3) there was a serious time lag between data collection and publication; and (4) data were available only in an aggregated, State-specific format, preventing the type of analysis that could be conducted with case-specific data.

In response to the need for better data collection, Congress in 1986 approved an amendment to title IV-E (section 479) requiring that an advisory committee be established and submit a report to Congress and DHHS with recommendations for establishing, ad-



ministering, and financing a system for collecting data on adoption and foster care. This amendment, contained in the Omnibus Budget Reconciliation Act, Public Law 99-509, required that the Secretary of DHHS issue final regulations for the new data system by December 31, 1988, and that mandatory data collection be fully implemented no later than October 1, 1991.

The advisory committee submitted its final report in 1987, and in May 1989, DHHS submitted an implementation plan to Congress. On September 27, 1990, DHHS proposed regulations to implement the data collection system known as the Adoption and Foster Care Analysis and Reporting System (AFCARS). The population to be covered was children under the responsibility of the State child welfare agency and financing was to come from the title IV-E administrative cost match. States were to claim only that portion of their costs that related to children eligible for title IV-E, although the system would have required States to collect data on non-IV-E children as well.

In 1993, as part of the Omnibus Budget Reconciliation Act (Public Law 103-66), Congress authorized an enhanced Federal matching rate to States for certain costs related to data collection for fiscal years 1994-96. Welfare reform legislation enacted in 1996 (Public Law 104-193) extended this enhanced match through fiscal year 1997. The statute specified that this enhanced match of 75 percent was available for costs of planning, design, development and installation of statewide mechanized data collection and information retrieval systems, including costs of hardware, as long as the systems did the following: complied with DHHS regulations; to the extent practicable, interfaced with State child abuse and neglect data collection systems and with AFDC (now TANF) data collection systems; and provided more efficient, economical, and effective administration of State Child Welfare Programs, as determined by DHHS. The law also provided that ongoing operational costs of State data collection and information retrieval systems are matched at the 50 percent Federal rate available for administrative expenses under title IV-E. Further, the amendment specified that States may claim reimbursement for data collection systems without regard to whether they are used for foster and adoptive children who are not eligible for title IV-E assistance.

On December 22, 1993, DHHS published two sets of rules in the *Federal Register*: interim final rules for Statewide Automated Child Welfare Information Systems (SACWIS), issued in response to enactment of Public Law 103-66; and final rules implementing AFCARS. Under the interim final rules for SACWIS, States were required to develop "comprehensive" child welfare data collection systems, of which AFCARS must be a component, in order to qualify for Federal funding, including the 75 percent enhanced match. According to DHHS, "comprehensive" means that a State SACWIS system must include child welfare services, foster care and adoption assistance, family preservation and support services, and independent living.

State SACWIS systems must do the following, at a minimum:

1. Meet the AFCARS data collection and reporting requirements;
2. Provide for intrastate electronic data exchange with data collection systems operated under TANF, Medicaid, child support

- enforcement, and the National Child Abuse and Neglect Data System (NCANDS) (unless not practicable for certain reasons);
3. Provide for automated data collection on all children in foster care under the responsibility of the State child welfare agency to support implementation of statutory child protections and requirements;
  4. Collect and manage information necessary to facilitate delivery of child welfare services, family preservation and family support services, family reunification services, and permanent placement;
  5. Collect and manage information necessary to determine eligibility for the Foster Care, Adoption Assistance, and Independent Living Programs and to meet case management requirements for these programs;
  6. Monitor case plan development, payment authorization and issuance, and review and management including eligibility determinations and redeterminations; and
  7. Ensure confidentiality and security of information.

In addition, optional SACWIS functions could include (if cost-beneficial) resource management, tracking and maintenance of legal and court information, administration and management of staff and workloads, licensing verification, risk analysis, and interfacing with other automated information systems.

Under the final AFCARS rules, States are required to collect case-specific data on all children in foster care for whom the State child welfare agency has responsibility for placement, care, or supervision, regardless of their eligibility for title IV-E. Further, States are required to collect data on all adopted children who were placed by the State child welfare agency, and on all adopted children for whom the State provides adoption assistance (ongoing payments or for nonrecurring expenses), care, or services either directly or by contract with other private or public agencies. States must report data to DHHS twice a year. Full penalties for non-compliance with AFCARS requirements can be imposed for reporting periods beginning on or after October 1, 1998.

Table 11-16 shows the status of State SACWIS projects and those States that submitted detailed case data to NCANDS for 1998.

#### TRENDS IN FOSTER CARE CASELOADS

The incidence of all children in the United States who are in foster care has increased from 3.9 per 1,000 in 1962 to an estimated 7.7 per 1,000 in 1999. The incidence of children in foster care fluctuated during the 1960s and 1970s. However, the incidence of children in foster care in 1982 was 3.9 per 1,000—exactly the same as 20 years earlier. Since 1982, the incidence has risen steadily each year. In just 2 years between 1987 and 1989, the incidence rose from 4.5 per 1,000 to 5.6 per 1,000. The incidence has continued to rise to an estimated 7.7 per 1,000 in 1999, the most recent year for which data are available (table 11-17).

TABLE 11-16.—STATUS OF STATE PARTICIPATION IN CHILD WELFARE DATA COLLECTION SYSTEMS

Status of information system	States
Operating (or partially operating) SACWIS (as of February 2000).	Arizona, Arkansas, California, Connecticut, Delaware, District of Columbia, Idaho (partial), Indiana, Iowa, Kentucky, Maine, Massachusetts, Montana, Nebraska, New Hampshire, New Mexico, New York (partial), North Dakota (partial), Oklahoma, Rhode Island, South Dakota (partial), Texas, Virginia, Washington, West Virginia, Wisconsin (partial), Wyoming
Implementing SACWIS (as of February 2000).	Alabama, Colorado, Florida, Michigan, Minnesota, Mississippi, Missouri, Nevada, Oregon, South Carolina, Tennessee, Utah
Planning SACWIS (as of February 2000).	Alaska, Georgia, Illinois, Kansas, Maryland, New Jersey, Ohio
No SACWIS activity reported (as of February 2000).	Hawaii, Louisiana, North Carolina, Pennsylvania, Vermont
Submitted detailed case data to NCANDS for 1998.	Colorado, Connecticut, Delaware, Florida, Illinois, Kentucky, Louisiana, Nebraska, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Texas, Utah, Vermont, West Virginia, Wyoming

Source: Compiled by the Congressional Research Service, from data obtained from the U.S. Department of Health and Human Services.

TABLE 11-17.—U.S. FOSTER CARE AND IV-E FOSTER CARE POPULATIONS AND FOSTER CARE INCIDENCE IN U.S. POPULATION AGES 0-18, 1962-99

Year	U.S. foster care population (end of fiscal year) <sup>1</sup>	IV-E foster care children (average monthly number) <sup>2</sup>	U.S. foster children per 1,000 in U.S. population ages 0-18 <sup>3</sup>
1962	272,000	989	3.9
1963	276,000	2,308	3.9
1964	287,000	4,081	4.0
1965	300,000	5,623	4.1
1966	309,400	7,385	4.2
1967	309,600	8,030	4.2
1968	316,200	8,500	4.3
1969	320,000	16,750	4.3
1970	326,000	34,450	4.4
1971	330,400	57,075	4.5
1972	319,800	71,118	4.4
1973	NA	84,097	NA
1974	NA	90,000	NA
1975	NA	106,869	NA
1976	NA	114,962	NA
1977	NA	110,494	NA
1978	NA	106,504	NA
1979	NA	103,771	NA

TABLE 11-17.—U.S. FOSTER CARE AND IV-E FOSTER CARE POPULATIONS AND FOSTER CARE INCIDENCE IN U.S. POPULATION AGES 0-18, 1962-99—Continued

Year	U.S. foster care population (end of fiscal year) <sup>1</sup>	IV-E foster care children (average monthly number) <sup>2</sup>	U.S. foster children per 1,000 in U.S. population ages 0-18 <sup>3</sup>
1980	302,000	100,272	4.4
1981	274,000	104,851	4.1
1982	<sup>4</sup> 262,000	97,309	3.9
1983	<sup>4</sup> 269,000	93,360	4.0
1984	<sup>4</sup> 276,000	102,051	4.1
1985	<sup>4</sup> 276,000	109,122	4.1
1986	<sup>4</sup> 280,000	110,749	4.2
1987	<sup>4</sup> 300,000	118,549	4.5
1988	<sup>4</sup> 340,000	132,757	5.0
1989	<sup>4</sup> 387,000	156,871	5.6
1990	<sup>4</sup> 400,000	167,981	5.9
1991	<sup>4</sup> 414,000	202,687	6.0
1992	<sup>4</sup> 427,000	223,315	6.1
1993	<sup>4</sup> 445,000	231,100	6.3
1994	<sup>4</sup> 468,000	245,000	6.6
1995	<sup>4</sup> 483,000	260,800	6.7
1996 (estimate)	<sup>5</sup> 507,000	273,600	7.0
1997 (estimate)	<sup>5</sup> 537,000	289,400	7.3
1998 (estimate)	<sup>5</sup> 560,000	306,500	7.6
1999 (estimate)	<sup>5</sup> 568,000	304,422	7.7

<sup>1</sup> Data from Child Welfare Research Notes #8 (July 1984), published by the Administration for Children, Youth, and Families at the U.S. Department of Health and Human Services. This note cites as sources of data for the foster care population: annual reports from 1962 to 1972 of the Children's Bureau and the National Center for Social Statistics, Social and Rehabilitation Services; National Study of Social Services to Children and their Families, published by the Administration for Children, Youth, and Families in 1978, for 1977 data; and the Office of Civil Rights, DHHS, report, "1980 Children and Youth Referral Survey: Public Welfare and Social Service Agencies" for 1980 data.

<sup>2</sup> Incomplete data based on voluntary reporting to the Department of Health, Education and Welfare, prior to 1975.

<sup>3</sup> Based on data from U.S. Census Bureau, Population Division, unpublished data (1962-80); U.S. Bureau of the Census, Current Population Reports, Series 1095 (1980-89), PPL-41 (1990-95), and 1130 (1996-99).

<sup>4</sup> American Public Welfare Association (now the American Public Human Services Association).

<sup>5</sup> U.S. Department of Health and Human Services.

NA—Not available.

Source: Compiled by staff of the House Committee on Ways and Means and the Congressional Research Service.

The number of children in federally assisted foster care has grown significantly in the years since funding first became available under AFDC in the early 1960s. The number grew from 1962 to 1976, then decreased from 1976 to 1983. Between 1983 and 1998, the number of foster care children funded under title IV-E has increased steadily (table 11-17).

More detailed information is available on trends in foster care caseloads in certain States through the Multistate Foster Care Data Archive at the Chapin Hall Center for Children. Using State administrative data, Chapin Hall has conducted analyses of foster

care dynamics from 1983 through 1997 (Wulczyn, Brunner, & Goerge, 1999). Current participants are Alabama, California, Illinois, Iowa, Maryland, Michigan, Missouri, New Mexico, New York, Ohio, and Wisconsin, although not all States have participated in the archive for all years. In general, the data show that in recent years caseload growth has become more a function of longer lengths of stay and changes in the composition of the caseload, rather than the marked increases in admissions that characterized the late 1980s.

Looking at the number of children in care at a given point in time, Chapin Hall found different patterns among States, although virtually all States that submitted data for the late 1980s showed growth during that period. For five States (California, Illinois, Michigan, Missouri, and New York), net caseload growth was the highest between 1988 and early 1990, averaging an additional 2,000 cases per month, primarily due to rapid growth in California and New York. California's caseload in general has grown steadily since 1983. Illinois also has seen steady growth in its caseload, especially since 1988, but showed a decline in 1997. After rapid growth between 1986 and 1991, the New York caseload has been steadily dropping. Meanwhile, Alabama's caseload declined slightly each year from 1989 to 1995, and then began to grow. Maryland and Wisconsin have seen steady growth in their caseloads since 1991 and 1992, although data for these States for earlier years are not available from the archive. Caseloads in Michigan and Missouri have grown steadily since 1983.

The size of a State's caseload is a function of several factors, including the number of children entering and exiting. To control for differences in State population sizes, Chapin Hall examined data on entries into foster care by looking at entry rates; i.e., the number of new entrants in a given year per 1,000 children in the State. Again, States show various patterns. In New York, entry rates more than doubled from less than 2.5 per 1,000 children in 1983 to almost 6 per 1,000 in 1989, and then declined to less than 3 per 1,000 in 1995 before climbing again slightly. In Illinois, entry rates rose from 1.7 per 1,000 in 1983 to 4.4 per 1,000 in 1994, but have sharply declined since then. California entry rates have stayed relatively stable at 3 per 1,000 since 1991, after a slight decrease between 1989 and 1991. Entry rates in Michigan and Missouri fluctuated but slowly increased between 1983 and 1997, from less than 2 to almost 3 per 1,000 in Michigan and from less than 2.5 to more than 3 per 1,000 in Missouri. Entry rates in Maryland, Ohio, and Wisconsin have been fairly stable since 1990, at around 2 per 1,000 children in Maryland, around 3 per 1,000 in Ohio, and between 3 and 3.5 per 1,000 in Wisconsin. Finally, entry rates in Alabama and New Mexico declined slowly since the late 1980s, although Alabama's rate increased again in 1995. The rate in Alabama has generally been between 2 and 1.5 per 1,000; in New Mexico, the entry rate has fluctuated between 2.5 and 2 per 1,000.

Chapin Hall found that caseload growth in the 11 archive States in the late 1980s coincided with a change in the age distribution of children entering the system for the first time, with a dramatic increase in infants and a decrease in adolescents. The percent of new entrants who were infants rose from 15 percent in 1983–86 to

almost 25 percent during the peak years of 1987–94. As a percent of new entrants, infants have since declined somewhat, but they remain the single largest group of children entering care, accounting for 20 percent of new entrants in 1995–97. Comparing children ages 0–4 with children ages 5–17, Chapin Hall found that younger children are twice as likely to enter care as older children.

To further understand the dynamics of State foster care case-loads, Chapin Hall examined the length of time that children remained in care during their first spell, for the years 1988–97. The investigators found that in every State except Illinois, a quarter of the children had completed their first spell (i.e., exited from the system) within the first 5 months of placement. The comparable figure was 10 months in Illinois. Another 25 percent of children spent more than three times longer in foster care than the first 25 percent; nonetheless, half the children exited foster care in 1 year or less in the following States: Alabama, Iowa, Michigan, Missouri, New Mexico, Ohio, and Wisconsin. At the same time, at least 25 percent of children, in all States except Iowa, spent more than 18 months in foster care. Median durations in care varied widely, from 3 months in Iowa to almost 3.5 years in Illinois. Median duration in Maryland was just over 1 year; New York was 1.5 years. In eight of the archive States, children who entered as infants stayed longer than others, although in Illinois, Iowa, and Maryland, median durations were high for all children who entered before age 12. Median duration was also high for children from major cities and African-American children, except in Missouri. Children in kinship care stayed significantly longer than children in nonrelative foster care, especially in Maryland, Missouri, and New York. Meanwhile, congregate care was associated with shorter spells in Alabama, Illinois, Michigan, New Mexico, New York, and Ohio, but the opposite was true in Iowa. Finally, Chapin Hall found that length of stay appears to be increasing in Alabama, California, Illinois, and Missouri, while declining or remaining stable in the other States.

Children who entered the system as infants had the highest rates of adoption, with the likelihood of adoption decreasing each year after the first birthday. Children who entered at age 14 or older were less likely than younger children to exit through family reunification or placement with relatives, except in Alabama. Of children who left the system and had been in nonrelative foster care, 19 percent were adopted, compared with 11 percent of children who had been in kinship foster homes. On the other hand, kinship children were somewhat more likely to be reunited with their families than children in nonrelative foster care. Children in congregate care were least likely to exit through adoption and more likely to age out or run away. White and Hispanic children were more likely to be reunified with their families than African-American children, who were more likely to be permanently placed with a relative or be adopted. Finally, Chapin Hall looked at the relationship between length of stay and type of discharge, and found that 15 percent of children returned to their families in the first 3 months of placement. The rate of family reunification fell sharply after that, although there was an increase between months 12 and 15, possibly due to the case review process. On the other

hand, the likelihood of adoption increased over time, and was the most likely discharge for children who had been in care for 3 years or more.

#### NATIONAL DATA ON FOSTER CARE AND ADOPTION

As described earlier, States now are required to participate in a mandatory data collection system known as AFCARS. Tables 11-18 through 11-40, below, present national and State AFCARS data on the following: (1) total numbers of children in foster care, including numbers of children entering and exiting the system; (2) characteristics of children in foster care and conditions of their placement; (3) characteristics of foster children who are awaiting adoption; and (4) number and characteristics of children who have been adopted through the public child welfare system, including their relationship with their adoptive parents. Data included in these tables are for those States whose data were considered of sufficient quality by the U.S. Department of Health and Human Services (DHHS). (AFCARS data, as well as complete tables from the earlier VCIS system, can be found on the DHHS web site at <http://www.acf.hhs.gov/programs/cb/stats/index.htm>.)

Over the years, States have made great strides in collecting, analyzing and submitting child welfare data to the Federal Government for inclusion in AFCARS. Nonetheless, State capacity to collect and report valid data in a nationally consistent format continues to be a challenge. As States transition from older, payment-focused systems to more comprehensive, child-focused systems, they face difficult implementation decisions, while also addressing such issues as training workers, revising manuals, and synchronizing paper and automated information systems. Many States have been and continue to be engaged in the development and implementation of SACWIS. The construction of a SACWIS normally requires sequential stages of development; i.e., planning, design, development, and implementation. Until a State's SACWIS is fully utilized by staff, operational statewide, and all programming errors have been corrected, care should be exercised in utilizing their data (see table 11-16 for the status of individual States' SACWIS development). For those States that indicated general concerns about the reliability of their 1998 AFCARS data as a result of SACWIS conversion, a footnote is shown in the tables. In addition, several tables include other footnotes, which reflect comments made by certain States about specific data elements.

This year's *Green Book* contains more tables, including data from more States, than available in previous years from AFCARS, and DHHS has indicated confidence that these data will continue to improve in quantity and quality each year. To that end, DHHS provides ongoing technical assistance to States in improving the quality of their AFCARS data (and child abuse data reported into NCANDS), as well as in implementing SACWIS systems. This technical assistance also includes the creation of a new national resource center for information technology in child welfare.

#### *Number of children in foster care*

Table 11-18 illustrates the "flow" of children through the foster care system in 1982-99; i.e., the number of children in care at the

start of each year, the number who entered or exited foster care during the course of the year, the total number of children served during the year, and the number of children who remained in care at the end of the year. These numbers indicate steady increases in the foster care population that were most dramatic in the late 1980s and that continue today, as also illustrated in chart 11-2. It should be remembered that these data reflect the total foster care population and are not limited to those children receiving subsidies under title IV-E. DHHS estimates that 55 percent of the total foster care population is eligible for assistance under title IV-E.

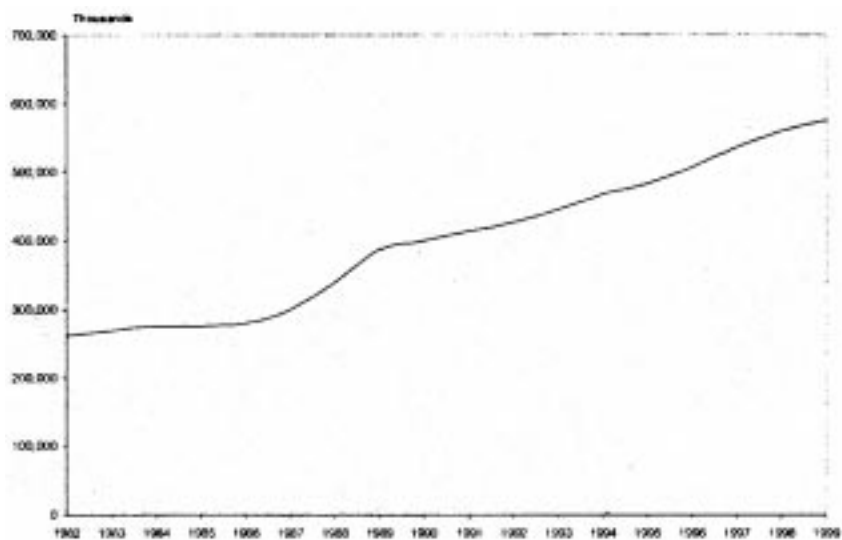
TABLE 11-18.—NUMBER AND MOVEMENT OF SUBSTITUTE CARE CHILDREN, 1982-99

Year	Start of year	Entered care	Total served	Left care	End of year
1982	273,000	161,000	434,000	172,000	262,000
1983	263,000	184,000	263,000	178,000	263,000
1984	272,000	184,000	456,000	180,000	276,000
1985	270,000	190,000	460,000	184,000	276,000
1986	273,000	183,000	456,000	176,000	280,000
1987	280,000	222,000	502,000	202,000	300,000
1988	312,000	199,000	511,000	171,000	340,000
1989	347,000	222,000	569,000	182,000	387,000
1990	379,000	238,000	617,000	217,000	400,000
1991	400,000	224,000	624,000	210,000	414,000
1992	414,000	238,000	652,000	225,000	427,000
1993	427,000	230,000	657,000	212,000	445,000
1994	444,000	254,000	698,000	230,000	468,000
1995	455,000	255,000	710,000	227,000	483,000
1996	488,000	237,000	725,000	218,000	507,000
1997	507,000	251,000	758,000	231,000	537,000
1998	537,000	262,000	799,000	241,000	560,000
1999	560,000	266,000	826,000	244,000	568,000

Source: Data for 1997, 1998, and 1999 are estimates from AFCARS, U.S. Department of Health and Human Services. Data for 1982-96 were obtained from the American Public Human Services Association.



CHART 11-2. CHILDREN IN SUBSTITUTE CARE, END OF YEAR, 1982-99



Source: U.S. Department of Health and Human Services and the American Public Human Services Association.

Table 11-19 shows the number of children who entered care during fiscal year 1998, the number of children who exited care during fiscal year 1998, and the total number of children who were in care as of September 30, 1998.

Table 11-20 lists the average monthly number of children in foster care who received Federal funding under title IV-E for the years 1989, 1993, 1997, and 1999. These figures are lower than AFCARS estimates of the total number of children in foster care because they do not include the substantial number of children who were not eligible for Federal funding (primarily because they were not from AFDC-eligible homes).

#### *Characteristics of children in foster care*

Much of the data collected on children in foster care reflect three different groupings of children: children who entered foster care during the study period (fiscal year 1998); children who left care during the study period; and children who remained in care on the last day of the study period. Tables 11-21 and 11-22 present data on the age composition of children in these three categories, for all States combined whose data was of sufficient quality to be included in AFCARS; and on the ages of children who were in care on September 30, 1998. In addition, tables 11-23 and 11-24 show the racial and ethnic composition of children in each category for all States combined, and of children who remained in care on September 30, 1998, for each State.

TABLE 11-19.—CHILDREN ENTERING AND EXITING CARE IN FISCAL YEAR 1998, AND CHILDREN IN CARE ON SEPTEMBER 30, 1998, BY STATE

State	Entering	Exiting	In care
Alabama .....	2,803	2,851	5,198
Arizona .....	4,300	2,190	5,608
Arkansas .....	2,737	2,094	3,138
California .....	52,997	50,049	112,767
Colorado .....	7,147	5,202	7,951
Connecticut .....	5,222	3,682	6,683
Delaware .....	1,023	333	1,480
District of Columbia .....	1,039	792	3,188
Florida .....	13,980	7,934	26,320
Georgia <sup>1</sup> .....	3,724	3,632	9,937
Hawaii .....	1,774	1,410	2,441
Idaho .....	851	572	963
Illinois .....	9,229	12,627	48,737
Indiana <sup>1</sup> .....	6,328	9,524	5,070
Kansas <sup>1</sup> .....	6,683	3,400	8,488
Louisiana .....	3,051	2,399	6,301
Maine <sup>1</sup> .....	1,646	712	3,595
Maryland .....	4,467	3,296	12,890
Minnesota .....	11,772	10,512	8,618
Mississippi .....	1,821	1,325	3,359
Missouri .....	6,504	4,950	12,495
Montana .....	1,503	1,223	1,991
New Jersey .....	4,748	4,385	9,191
New Mexico .....	1,480	1,137	821
New York .....	19,749	20,324	53,555
North Carolina .....	5,464	3,993	11,314
North Dakota .....	1,067	728	1,125
Oklahoma .....	6,346	5,337	7,233
Oregon .....	5,212	4,512	7,266
Pennsylvania .....	13,019	10,933	23,070
Puerto Rico .....	2,171	1,615	6,629
Rhode Island <sup>1</sup> .....	1,623	915	2,844
South Carolina .....	3,191	3,689	4,644
Texas .....	6,539	3,760	17,103
Utah .....	2,196	1,956	2,468
Vermont .....	783	655	1,316
Virginia <sup>1</sup> .....	2,683	1,856	6,838
Washington .....	7,243	6,560	8,980
West Virginia .....	2,011	1,767	3,082
Wisconsin .....	5,566	4,846	10,076
Wyoming .....	961	863	883
<b>Total .....</b>	<b>242,653</b>	<b>210,540</b>	<b>475,656</b>

<sup>1</sup> State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Note.—Delaware reports underreporting in the above number for children exiting foster care and overreporting in the number of those remaining in foster care at the end of 1998. Oklahoma, Texas, and Utah report underreporting in the above numbers for children exiting foster care.

Source: Table prepared by the Congressional Research Service from data provided by the U.S. Department of Health and Human Services.

TABLE 11-20.—TITLE IV—E FOSTER CARE AVERAGE MONTHLY NUMBER OF CHILDREN,  
SELECTED FISCAL YEARS 1989-99

State	Fiscal year				Percent change	
	1989 <sup>1</sup>	1993	1997	1999	1993-99	1989-99
Alabama .....	1,119	810	1,152	1,304	61	17
Alaska .....	253	303	317	487	61	93
Arizona .....	714	1,774	3,382	3,634	105	409
Arkansas .....	372	715	1,299	1,624	127	337
California .....	35,659	48,928	71,042	78,222	60	119
Colorado .....	1,866	2,529	2,874	2,653	5	42
Connecticut .....	1,646	1,482	3,192	4,528	205	175
Delaware .....	244	183	342	378	107	55
District of Columbia .....	356	748	1,101	1,297	73	264
Florida .....	2,464	4,191	6,545	8,842	111	259
Georgia .....	2,244	3,254	4,382	4,208	29	88
Hawaii .....	42	326	1,172	1,101	238	2521
Idaho .....	272	225	375	510	126	87
Illinois .....	8,578	11,514	30,668	28,592	148	233
Indiana .....	1,559	2,541	4,061	3,963	56	154
Iowa .....	1,157	1,502	2,197	2,810	87	143
Kansas .....	1,167	1,371	466	2,356	72	102
Kentucky .....	1,509	1,797	2,796	3,018	68	100
Louisiana .....	3,061	2,824	3,850	2,908	3	-5
Maine .....	815	1,000	1,482	2,013	101	147
Maryland .....	869	3,073	4,533	5,090	66	486
Massachusetts <sup>2</sup> .....	2,021	7,839	7,910	7,340	-6	263
Michigan .....	7,914	8,672	8,609	9,338	8	18
Minnesota .....	2,030	2,984	3,696	4,115	38	103
Mississippi .....	673	868	1,088	1,000	15	49
Missouri .....	2,139	4,570	5,263	5,620	23	163
Montana .....	426	557	782	950	71	123
Nebraska .....	924	1,291	1,549	1,477	14	60
Nevada .....	436	620	759	1,345	117	209
New Hampshire <sup>3</sup> .....	444	526	639	625	19	41
New Jersey .....	3,064	3,873	5,453	6,124	58	100
New Mexico .....	746	875	869	1,183	35	59
New York .....	34,607	53,475	42,679	38,049	-29	10
North Carolina .....	1,557	2,983	4,586	4,854	63	212
North Dakota .....	309	402	504	486	21	57
Ohio .....	4,513	6,546	7,849	4,936	-25	9
Oklahoma .....	732	1,379	2,555	4,039	193	452
Oregon .....	2,067	1,882	3,129	3,193	70	54
Pennsylvania .....	9,638	14,760	14,816	15,054	2	56
Puerto Rico <sup>4</sup> .....	NA	NA	NA	5,110	NA	NA
Rhode Island .....	569	673	775	629	-7	11
South Carolina .....	1,123	1,652	1,695	1,146	-31	2
South Dakota .....	210	225	211	340	51	62
Tennessee .....	1,586	6,533	6,269	6,327	-3	299
Texas .....	3,588	4,920	6,434	6,757	37	88
Utah .....	436	454	771	730	61	67
Vermont .....	734	874	1,130	1,151	32	57

TABLE 11-20.—TITLE IV-E FOSTER CARE AVERAGE MONTHLY NUMBER OF CHILDREN, SELECTED FISCAL YEARS 1989-99—Continued

State	Fiscal year				Percent change	
	1989 <sup>1</sup>	1993	1997	1999	1993-99	1989-99
Virginia .....	1,986	2,100	3,266	3,260	55	64
Washington .....	2,477	2,484	1,748	2,603	5	5
West Virginia .....	1,004	1,017	1,949	823	-19	-18
Wisconsin .....	3,174	4,834	4,995	4,037	-16	27
Wyoming .....	104	97	198	242	149	133
<b>Total .....</b>	<b>157,197</b>	<b>231,055</b>	<b>289,404</b>	<b>297,312</b>	<b>29</b>	<b>89</b>

<sup>1</sup> Based on accrual method accounting.<sup>2</sup> Fiscal year 1999 data include estimates for the third and fourth quarters.<sup>3</sup> Fiscal year 1999 data include estimates for the average monthly number of children.<sup>4</sup> Did not begin to participate in title IV-E foster care until fiscal year 1999. It is not included in the fiscal year 1999 total. If Puerto Rico were included, the total average monthly number of children in fiscal year 1999 would be 302,422.

NA—Not applicable.

Note.—Totals may differ from sum of State amounts because of rounding.

Source: U.S. Department of Health and Human Services.

TABLE 11-21.—AGES OF CHILDREN ENTERING AND EXITING CARE IN FISCAL YEAR 1998, AND IN CARE ON SEPTEMBER 30, 1998

[In percent]

Age range	Entering	Exiting	In care
Under 1 year .....	13	4	4
1-5 years .....	25	26	26
6-10 years .....	22	23	27
11-15 years .....	29	24	27
16-18 years .....	11	20	14
19 years or older .....	0	2	1
Mean age (years) .....	8.57	10.24	9.62
Median age (years) .....	8.47	10.25	9.55

Source: Compiled by the Congressional Research Service from information provided by the U.S. Department of Health and Human Services.

TABLE 11-22.—AGES OF CHILDREN IN CARE ON SEPTEMBER 30, 1998, BY STATE

[In percent; 469,578 total cases]

State	Age						Mean years	Median years
	Under 1	1-5	6-10	11-15	16-18	19+		
Alabama .....	4	24	25	29	17	2	10.20	10.50
Arizona .....	5	27	26	28	14	0	9.33	9.41
Arkansas .....	4	23	24	31	18	1	10.30	10.93
California .....	4	28	29	27	12	0	9.25	9.11

TABLE 11-22.—AGES OF CHILDREN IN CARE ON SEPTEMBER 30, 1998, BY STATE—  
Continued

[In percent; 469,578 total cases]

State	Age						Mean years	Median years
	Under 1	1-5	6- 10	11- 15	16- 18	19+		
Colorado .....	4	19	22	34	20	1	10.83	11.92
Connecticut .....	4	29	28	28	11	1	9.23	8.97
Delaware .....	4	25	25	26	20	0	10.12	10.14
District of Columbia .....	2	26	28	23	15	6	10.25	9.66
Florida .....	5	31	30	24	10	1	8.62	8.18
Georgia <sup>1</sup> .....	3	28	29	27	12	1	9.31	9.18
Hawaii .....	7	33	27	23	11	0	8.35	7.79
Idaho .....	4	26	30	28	13	0	9.35	9.21
Illinois .....	3	28	30	24	12	3	9.49	9.05
Indiana <sup>1</sup> .....	4	27	24	25	15	4	9.88	9.79
Kansas <sup>1</sup> .....	6	15	18	36	25	1	11.52	13.55
Louisiana .....	3	21	25	36	15	( <sup>2</sup> )	10.45	11.19
Maine <sup>1</sup> .....	5	22	26	30	16	2	10.14	10.43
Maryland .....	3	23	30	28	13	3	10.09	9.99
Minnesota .....	3	16	22	35	23	1	11.47	12.76
Mississippi .....	4	26	27	27	14	2	9.71	9.56
Missouri .....	4	23	26	30	15	2	10.05	10.21
Montana .....	5	25	26	29	14	0	9.58	9.85
New Jersey .....	7	32	23	24	13	0	8.64	8.19
New Mexico .....	7	33	30	23	7	( <sup>2</sup> )	8.02	7.72
New York .....	4	27	28	26	13	3	9.67	9.50
North Carolina .....	5	28	27	29	12	1	9.32	9.30
North Dakota .....	6	13	19	35	26	1	11.55	13.41
Oklahoma .....	5	27	26	26	16	0	9.55	9.48
Oregon .....	5	30	29	27	9	0	8.76	8.60
Pennsylvania .....	4	21	23	30	20	1	10.58	11.27
Puerto Rico .....	3	29	32	27	9	( <sup>2</sup> )	8.94	8.61
Rhode Island <sup>1</sup> .....	4	21	20	28	23	4	11.06	12.16
South Carolina .....	5	23	25	30	16	2	10.04	10.50
Texas .....	5	30	28	26	11	0	8.91	8.71
Utah .....	4	20	23	33	20	1	10.75	11.71
Vermont .....	2	12	16	39	30	0	12.53	14.37
Virginia <sup>1</sup> .....	2	19	23	31	22	3	11.24	12.15
Washington .....	6	32	27	24	11	0	8.63	8.14
West Virginia .....	3	18	21	32	25	2	11.48	12.78
Wisconsin .....	2	21	26	31	18	3	10.78	11.23
Wyoming .....	2	19	20	38	21	0	11.26	13.03
Total .....	4	26	27	27	14	1	9.62	9.55

<sup>1</sup> State indicated general concern with reliability of 1998 data due to conversion process to Statewide Automated Child Welfare Information Systems (SACWIS).<sup>2</sup> No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.

Note.—Vermont reports that foster care population includes children in the juvenile justice system, which accounts for the significant percentage of children in foster care who are 11–18 years of age.

Source: U.S. Department of Health and Human Services.

TABLE 11-23.—RACIAL/ETHNIC BACKGROUND OF CHILDREN ENTERING AND EXITING CARE IN FISCAL YEAR 1998, AND IN CARE ON SEPTEMBER 30, 1998

[In percent]

Race/ethnicity	Enter- ing	Exiting	In care
White .....	45	44	34
Black .....	30	33	44
Hispanic .....	16	15	15
Other .....	4	4	3
Unknown .....	5	4	4

Source: Compiled by the Congressional Research Service from information provided by the U.S. Department of Health and Human Services.

TABLE 11-24.—RACE/ETHNICITY OF CHILDREN IN CARE ON SEPTEMBER 30, 1998

[In percent; 474,906 total cases]

State	White	Black	American Indian/ Alaska Native	Asian/ Pacific Islander	Hispanic	Unknown
Alabama .....	44	55	0	0	1	0
Arizona .....	51	13	4	0	27	4
Arkansas .....	56	41	0	0	2	1
California .....	30	35	1	2	31	1
Colorado .....	53	16	2	1	25	3
Connecticut .....	33	35	0	0	32	( <sup>1</sup> )
Delaware .....	31	59	0	( <sup>1</sup> )	5	5
District of Columbia .....	1	97	( <sup>1</sup> )	( <sup>1</sup> )	0	2
Florida .....	45	50	0	0	5	0
Georgia <sup>2</sup> .....	35	59	0	0	1	3
Hawaii .....	12	2	1	77	2	5
Idaho .....	86	2	4	( <sup>1</sup> )	7	1
Illinois .....	17	77	0	0	5	1
Indiana <sup>2</sup> .....	59	35	0	0	1	4
Kansas <sup>2</sup> .....	69	19	1	1	7	2
Louisiana .....	34	65	0	0	1	0
Maine <sup>2</sup> .....	91	2	1	0	2	4
Maryland .....	19	80	0	0	1	( <sup>1</sup> )
Minnesota .....	56	24	13	2	5	1
Mississippi .....	40	58	( <sup>1</sup> )	0	1	0
Missouri .....	55	43	0	0	1	0
Montana .....	64	2	27	0	3	4
New Jersey .....	22	64	0	0	9	4
New Mexico .....	28	8	5	( <sup>1</sup> )	56	2
New York .....	14	46	0	0	15	25
North Carolina .....	40	52	1	0	6	0
North Dakota .....	61	2	34	0	3	0
Oklahoma .....	55	24	15	0	4	0
Oregon .....	63	11	4	1	6	15
Pennsylvania .....	36	52	0	1	11	0
Puerto Rico .....	0	0	0	0	99	0

TABLE 11-24.—RACE/ETHNICITY OF CHILDREN IN CARE ON SEPTEMBER 30, 1998—  
Continued

[In percent; 474,906 total cases]

State	White	Black	American Indian/ Alaska Native	Asian/ Pacific Islander	Hispanic	Unknown
Rhode Island <sup>2</sup> .....	56	23	2	1	14	4
South Carolina .....	36	62	0	0	1	1
Texas .....	33	33	0	0	31	2
Utah .....	74	4	4	1	14	4
Vermont .....	96	2	0	0	1	1
Virginia <sup>2</sup> .....	42	54	0	1	3	1
Washington .....	63	18	10	2	7	0
West Virginia .....	86	12	( <sup>1</sup> )	0	1	1
Wisconsin .....	43	48	3	1	4	( <sup>1</sup> )
Wyoming .....	84	3	2	0	8	2
Total .....	34	44	2	1	15	4

<sup>1</sup> State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.<sup>2</sup> No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.

Source: U.S. Department of Health and Human Services.

*Characteristics of foster care*

As table 11-25 shows, 40 percent of the children who were in foster care on September 30, 1998, had permanency plans of reunification with their families, while 20 percent had plans of adoption. For 7 percent of the children, the permanency plan was long-term foster care. As for the living arrangements of these children, table 11-26 shows that slightly less than half were in foster family homes with people unrelated to them, while another 29 percent were in foster care with relatives, and 15 percent of these children were either in a group home or institution. As shown in table 11-27, almost two-thirds of the children in care on September 30, 1998, had experienced between one and two placements during their current spell in foster care, while 21 percent had experienced three or four, and 16 percent had experienced five or more.

TABLE 11-25.—PERMANENCY PLANS OF CHILDREN IN CARE ON SEPTEMBER 30, 1998,  
BY STATE

[In percent; 470,431 total cases]

State	Re- unify	Live with rel- ative(s)	Adop- tion	Long- term foster care	Eman- cipa- tion	Guard- ian- ship	Not yet estab- lished
Alabama .....	45	14	15	23	( <sup>1</sup> )	( <sup>1</sup> )	3
Arizona .....	42	8	24	8	9	3	7
Arkansas .....	40	6	10	7	7	0	29
California .....	14	4	3	4	( <sup>1</sup> )	2	73

TABLE 11-25.—PERMANENCY PLANS OF CHILDREN IN CARE ON SEPTEMBER 30, 1998, BY STATE—Continued

[In percent; 470,431 total cases]

State	Re-unify	Live with relative(s)	Adoption	Long-term foster care	Emancipation	Guardianship	Not yet established
Colorado .....	59	3	16	11	6	3	1
Connecticut .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	100
Delaware .....	23	4	9	4	4	1	54
District of Columbia .....	23	7	32	12	17	( <sup>1</sup> )	10
Florida .....	71	2	16	10	2	( <sup>1</sup> )	( <sup>1</sup> )
Georgia <sup>2</sup> .....	67	2	21	4	6	0	0
Hawaii .....	54	4	16	6	( <sup>1</sup> )	3	17
Idaho .....	67	0	8	6	1	2	17
Illinois .....	24	0	45	1	19	8	3
Indiana <sup>2</sup> .....	34	3	8	2	2	3	48
Kansas <sup>2</sup> .....	70	0	21	3	3	1	1
Louisiana .....	58	5	18	16	3	0	( <sup>1</sup> )
Maine <sup>2</sup> .....	28	1	32	21	2	0	15
Maryland .....	31	14	15	18	9	10	4
Minnesota .....	55	4	12	13	2	1	14
Mississippi .....	55	17	18	3	3	1	3
Missouri .....	64	2	17	5	6	3	3
Montana .....	40	4	19	18	4	1	14
New Jersey .....	53	8	32	5	2	( <sup>1</sup> )	0
New Mexico .....	25	( <sup>1</sup> )	13	0	6	1	55
New York .....	57	( <sup>1</sup> )	30	( <sup>1</sup> )	10	1	3
North Carolina .....	37	14	34	( <sup>1</sup> )	2	12	2
North Dakota .....	42	3	19	15	5	0	15
Oklahoma .....	56	1	21	12	4	1	5
Oregon .....	70	1	17	11	1	1	( <sup>1</sup> )
Pennsylvania .....	51	2	20	18	4	2	3
Puerto Rico .....	72	11	8	6	2	0	1
Rhode Island <sup>2</sup> .....	53	1	20	13	12	0	1
South Carolina .....	35	3	39	12	10	0	1
Texas .....	24	9	39	10	8	4	6
Utah .....	29	( <sup>1</sup> )	1	1	0	0	70
Vermont .....	53	2	12	17	9	1	7
Virginia <sup>2</sup> .....	25	7	29	24	15	0	0
Washington .....	59	3	24	5	1	6	2
West Virginia .....	33	4	29	31	1	1	1
Wisconsin .....	79	2	8	4	1	( <sup>1</sup> )	6
Wyoming .....	53	3	6	19	6	1	11
Total .....	40	3	20	7	5	3	23

<sup>1</sup>No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.<sup>2</sup>State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Note.—Connecticut reports that missing data is an indication of the complexity of the system, and/or a mapping difficulty between the State elements and the Adoption and Foster Care Analysis and Reporting System.

Source: U.S. Department of Health and Human Services.



TABLE 11-26.—PLACEMENT SETTINGS OF CHILDREN IN CARE ON SEPTEMBER 30, 1998, BY STATE

[In percent; 455,411 total cases]

State	Pre-adopt-ive home	Foster home (rel-ative)	Foster home (nonrel-ative)	Group home	Insti-tution	Super-vised inde-pendent living	Run-away	Trial home visit
Alabama .....	1	14	57	3	16	0	2	7
Arizona .....	( <sup>1</sup> )	26	42	20	10	( <sup>1</sup> )	1	1
Arkansas .....	9	11	67	( <sup>1</sup> )	10	1	2	0
California .....	0	46	38	10	3	( <sup>1</sup> )	1	3
Colorado .....	4	10	60	3	20	1	2	0
Connecticut .....	4	25	50	3	17	0	( <sup>1</sup> )	( <sup>1</sup> )
Delaware .....	2	16	61	6	14	1	( <sup>1</sup> )	( <sup>1</sup> )
District of Columbia ..	8	( <sup>1</sup> )	66	12	8	2	0	5
Florida .....	4	46	41	6	1	1	1	( <sup>1</sup> )
Georgia <sup>2</sup> .....	6	19	60	7	6	0	1	2
Hawaii .....	2	37	53	2	4	1	1	0
Idaho .....	2	8	74	9	7	( <sup>1</sup> )	( <sup>1</sup> )	1
Illinois .....	6	46	35	1	6	3	2	2
Indiana <sup>2</sup> .....	0	21	54	4	20	0	( <sup>1</sup> )	1
Kansas <sup>2</sup> .....	2	10	38	12	8	1	1	27
Louisiana .....	0	11	62	8	14	0	0	4
Maine <sup>2</sup> .....	2	3	74	4	8	2	0	6
Maryland .....	1	28	58	9	4	0	0	0
Minnesota .....	5	16	55	16	7	0	0	( <sup>1</sup> )
Mississippi .....	2	26	36	15	7	1	1	12
Missouri .....	7	25	41	2	20	2	1	3
Montana .....	( <sup>1</sup> )	25	64	10	1	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
New Jersey .....	2	2	68	8	18	2	( <sup>1</sup> )	( <sup>1</sup> )
New Mexico .....	5	29	56	5	3	2	0	( <sup>1</sup> )
New York .....	0	24	54	2	14	0	( <sup>1</sup> )	4
North Carolina .....	5	18	45	7	7	0	5	13
North Dakota .....	6	9	54	6	25	( <sup>1</sup> )	0	( <sup>1</sup> )
Oklahoma .....	2	28	49	14	6	0	0	0
Oregon .....	( <sup>1</sup> )	27	63	1	9	0	( <sup>1</sup> )	( <sup>1</sup> )
Pennsylvania .....	2	8	61	9	18	1	0	1
Puerto Rico .....	2	40	41	8	7	0	1	1
Rhode Island <sup>2</sup> .....	2	22	32	33	2	3	6	( <sup>1</sup> )
South Carolina .....	6	2	50	38	2	0	0	1
Texas .....	14	13	46	5	16	0	1	5
Utah .....	3	6	37	13	3	2	3	33
Vermont .....	3	10	58	14	3	3	( <sup>1</sup> )	9
Virginia <sup>2</sup> .....	6	2	69	18	1	1	1	2
Washington .....	2	34	57	5	1	0	2	0
West Virginia .....	5	6	61	14	11	2	1	( <sup>1</sup> )
Wisconsin .....	2	6	75	6	11	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )

TABLE 11-26.—PLACEMENT SETTINGS OF CHILDREN IN CARE ON SEPTEMBER 30, 1998, BY STATE—Continued

[In percent; 455,411 total cases]

State	Pre-adopt-ive home	Foster home (rel-ative)	Foster home (nonrel-ative)	Group home	Insti-tution	Super-vised inde-pendent living	Run-away	Trial home visit
Wyoming .....	0	18	47	13	22	1	0	( <sup>1</sup> )
Total .....	3	29	48	7	8	1	1	3

<sup>1</sup> No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.<sup>2</sup> State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Note.—Minnesota reports that 80 percent of placements in the largest county are initially in emergency shelters, which may be characterized as institutional settings. Oklahoma reports that group home data include children experiencing brief shelter stays. South Carolina reports that an estimated one-third of the children in group homes, shown above, are misidentified.

Source: U.S. Department of Health and Human Services.

TABLE 11-27.—NUMBER OF PLACEMENTS OF CHILDREN IN CARE ON SEPTEMBER 30, 1998, BY STATE

[In percent; 394,707 total cases]

State	1-2	3-4	5-6	7 or more
Alabama .....	74	15	5	5
Arizona .....	14	9	8	68
Arkansas .....	67	19	7	8
California .....	69	21	6	4
Colorado .....	63	22	8	7
Connecticut .....	77	18	3	1
Delaware .....	90	7	2	2
District of Columbia .....	59	21	9	10
Georgia <sup>1</sup> .....	71	18	6	6
Hawaii .....	67	21	7	5
Idaho .....	57	33	5	5
Illinois .....	53	26	11	10
Indiana <sup>1</sup> .....	97	2	1	1
Kansas <sup>1</sup> .....	48	23	11	17
Louisiana .....	46	25	13	16
Maine <sup>1</sup> .....	47	20	10	23
Maryland .....	85	13	2	0
Minnesota .....	65	21	8	6
Mississippi .....	74	14	6	6
Missouri .....	53	25	10	12
Montana .....	59	25	10	5
New Jersey .....	69	19	7	5
New Mexico .....	97	3	1	0
North Carolina .....	47	26	12	15
North Dakota .....	83	13	3	1

TABLE 11-27.—NUMBER OF PLACEMENTS OF CHILDREN IN CARE ON SEPTEMBER 30, 1998, BY STATE—Continued

[In percent; 394,707 total cases]

State	1-2	3-4	5-6	7 or more
Oklahoma .....	56	27	10	8
Oregon .....	64	21	8	7
Pennsylvania .....	62	22	9	7
Puerto Rico .....	96	3	1	0
Rhode Island <sup>1</sup> .....	56	22	10	12
South Carolina .....	61	22	9	7
Texas .....	46	28	12	14
Utah .....	29	29	22	19
Vermont .....	38	27	15	20
Virginia <sup>1</sup> .....	94	5	1	0
Washington .....	53	24	10	14
West Virginia .....	87	9	2	2
Wisconsin .....	83	14	3	1
Wyoming .....	78	16	4	2
<b>Total</b> .....	<b>64</b>	<b>21</b>	<b>8</b>	<b>8</b>

<sup>1</sup> State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Source: U.S. Department of Health and Human Services.

The amount of time that children spend in foster care is an issue of public policy concern. As shown in table 11-28, children who left care during fiscal year 1998 had generally shorter lengths of stay from the time of removal from home than those children who remained in care on September 30, 1998. Table 11-29 shows the length of stay, by State, for children in care on September 30, 1998.

TABLE 11-28.—LENGTH OF STAY FOR CHILDREN EXITING CARE DURING FISCAL YEAR 1998, AND FOR CHILDREN IN CARE ON SEPTEMBER 30, 1998

[In percent]

Length of stay	Exiting care	In care
Under 1 month .....	20	4
1-5 months .....	18	15
6-11 months .....	14	15
12-17 months .....	10	11
18-23 months .....	7	9
24-29 months .....	5	7
30-35 months .....	4	5
3-4 years .....	11	16
5 years or longer .....	10	18
Mean (months) .....	22.45	33.26
Median (months) .....	11.2	21.19

Source: Compiled by the Congressional Research Service from information provided by the U.S. Department of Health and Human Services.

TABLE 11-29.—LENGTH OF STAY FOR CHILDREN IN CARE ON SEPTEMBER 30, 1998, BY STATE

[In percent; 474,839 total cases]

State	Less than 1 month	1-5 months	6-11 months	12-17 months	18-23 months	24-29 months	30-35 months	3-4 years	5 years or more	Mean months	Median months
Alabama .....	4	15	13	11	10	8	5	13	21	38.35	22.28
Arizona .....	7	25	24	11	8	5	4	11	7	20.02	10.74
Arkansas .....	8	25	16	13	10	7	4	10	7	20.95	12.22
California .....	3	13	16	12	9	7	5	14	20	35.17	21.62
Colorado .....	7	26	19	12	7	5	4	11	8	21.16	11.14
Connecticut .....	7	24	20	15	10	8	5	9	3	16.46	11.50
Delaware .....	7	29	19	12	6	6	4	10	6	18.31	9.46
District of Columbia .....	2	9	12	11	8	7	6	21	23	41.40	29.96
Florida .....	5	21	21	13	9	7	5	11	9	22.53	13.31
Georgia <sup>1</sup> .....	0	10	14	12	11	9	8	19	18	36.58	26.22
Hawaii .....	5	22	22	13	10	5	5	11	7	20.80	12.29
Idaho .....	7	22	19	15	8	6	4	12	6	19.73	12.35
Illinois .....	2	7	7	7	8	8	7	28	27	45.26	40.02
Indiana <sup>1</sup> .....	5	17	16	11	7	8	6	17	13	28.89	19.06
Kansas <sup>1</sup> .....	5	28	31	12	6	4	3	6	5	15.82	8.80
Louisiana .....	4	20	14	10	7	6	5	15	18	33.40	19.65
Maine <sup>1</sup> .....	2	17	20	9	6	6	5	15	19	33.57	18.73
Maryland .....	3	11	12	11	9	8	6	20	20	36.08	26.18
Minnesota .....	8	25	18	10	7	6	4	11	13	25.30	11.99
Mississippi .....	5	18	16	12	9	8	4	14	15	30.06	17.45
Missouri .....	4	17	15	12	9	8	6	15	13	28.83	18.79
Montana .....	5	20	15	11	8	8	6	15	11	26.96	16.99
New Jersey .....	4	16	15	12	10	8	6	18	12	29.45	19.81
New Mexico .....	10	36	21	33	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	7.62	6.93
New York .....	3	11	12	10	8	7	6	15	27	42.54	28.58

North Carolina .....	4	19	16	14	10	8	5	13	11	25.93	16.33
North Dakota .....	6	25	26	10	6	6	9	11	1	15.79	11.47
Oklahoma .....	5	25	18	13	9	7	5	10	8	21.88	12.88
Oregon .....	6	20	17	14	11	8	4	14	7	22.71	14.95
Pennsylvania .....	5	18	16	10	8	7	5	14	20	34.42	19.63
Puerto Rico .....	2	12	14	11	7	7	8	22	17	35.12	28.01
Rhode Island <sup>1</sup> .....	4	22	20	12	11	6	4	12	9	23.67	14.19
South Carolina .....	4	17	14	9	6	6	6	19	19	35.03	24.80
Texas .....	4	16	14	12	8	7	5	17	17	31.89	20.99
Utah .....	6	23	19	16	10	7	4	10	4	18.01	12.45
Vermont .....	5	17	18	12	9	8	7	15	10	26.16	17.54
Virginia <sup>1</sup> .....	4	13	13	8	9	8	5	19	21	37.70	25.76
Washington .....	5	16	17	13	10	8	5	16	10	26.37	17.05
West Virginia .....	4	19	17	11	9	6	6	14	14	29.49	16.76
Wisconsin .....	4	15	12	10	9	9	7	19	14	31.61	23.85
Wyoming .....	7	25	20	14	10	3	3	12	7	19.54	11.04
<b>Total</b> .....	<b>4</b>	<b>15</b>	<b>15</b>	<b>11</b>	<b>9</b>	<b>7</b>	<b>5</b>	<b>16</b>	<b>18</b>	<b>33.26</b>	<b>21.19</b>

<sup>1</sup>State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

<sup>2</sup>No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.

Source: U.S. Department of Health and Human Services.

Finally, table 11–30 shows the reasons for discharge for children who left foster care during fiscal year 1998, and indicates that the majority (62 percent) of these children were reunified with their families. Another 14 percent were adopted, 9 percent left to live with other relatives, and 7 percent were emancipated (i.e., “aged out”).

TABLE 11–30.—DISCHARGE REASONS FOR CHILDREN EXITING CARE, BY STATE, FISCAL YEAR 1998

[In percent; 166,035 total cases]

State	Reunification	Live with other relative	Adoption	Emancipation	Guardianship	Other
Alabama .....	58	33	(1)	3	(1)	5
Arizona .....	95	(1)	(1)	2	(1)	3
Arkansas .....	66	21	3	3	(1)	7
California .....	73	(1)	10	8	4	5
Colorado .....	69	6	7	5	1	12
Connecticut .....	63	7	15	2	10	4
Delaware .....	95	(1)	(1)	1	(1)	4
District of Columbia .....	28	27	20	11	1	13
Florida .....	30	41	16	9	(1)	4
Georgia <sup>2</sup> .....	53	19	15	7	2	4
Hawaii .....	62	2	23	7	4	2
Idaho .....	77	8	5	3	(1)	7
Illinois .....	52	6	35	5	0	1
Indiana <sup>2</sup> .....	100	(1)	(1)	(1)	(1)	(1)
Kansas <sup>2</sup> .....	66	5	9	6	1	14
Louisiana .....	49	24	10	13	2	2
Maine <sup>2</sup> .....	73	4	6	11	1	5
Maryland .....	48	15	11	7	3	16
Minnesota .....	90	3	2	2	0	2
Mississippi .....	56	25	10	5	3	3
Missouri .....	67	3	13	10	3	4
Montana .....	59	14	16	5	1	4
New Jersey .....	71	(1)	16	8	(1)	5
New Mexico .....	76	10	0	1	5	8
New York .....	49	11	24	7	(1)	8
North Carolina .....	47	16	17	6	10	4
North Dakota .....	70	8	1	6	0	15
Oklahoma .....	71	10	11	2	1	5
Oregon .....	68	2	17	2	5	7
Pennsylvania .....	61	11	12	6	1	10
Rhode Island <sup>2</sup> .....	56	3	13	4	2	22
South Carolina .....	61	13	17	8	0	1
Texas .....	48	37	2	11	(1)	2
Utah .....	54	(1)	14	6	22	4
Vermont .....	62	3	16	9	1	8
Virginia <sup>2</sup> .....	50	23	10	11	0	6
Washington .....	71	(1)	13	6	7	3
West Virginia .....	54	13	11	7	1	14
Wisconsin .....	58	10	11	6	(1)	16

TABLE 11-30.—DISCHARGE REASONS FOR CHILDREN EXITING CARE, BY STATE, FISCAL YEAR 1998—Continued

[In percent; 166,035 total cases]

State	Reunification	Live with other relative	Adoption	Emancipation	Guardianship	Other
Wyoming .....	56	9	2	2	4	27
Total .....	62	9	14	7	2	6

<sup>1</sup>No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.<sup>2</sup>State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Note.—California reports that its foster care population includes probation children who enter at older ages and may not be good candidates for adoption; therefore, their inclusion skews data to show a lower rate of adoption. Also, the data conversion process resulted in missing cases for this data element. Delaware reports that no exits to adoption, as shown in the table, is an error. Florida reports that children exiting to reunification include guardianship cases.

Source: U.S. Department of Health and Human Services.

*Characteristics of children awaiting adoption*

Tables 11-31 through 11-33 show characteristics of children who were awaiting adoption at the end of fiscal year 1998; i.e., children in foster care who had permanency plans of adoption and/or whose parental rights had been terminated. Children whose permanency plan was emancipation are not included in these tables. As the tables show, nearly 60 percent were between the ages of 6 and 15; more than half (53 percent) were black; and more than half (54 percent) had been in foster care for 3 years or longer.

TABLE 11-31.—AGE DISTRIBUTION OF CHILDREN AWAITING ADOPTION, BY STATE, FISCAL YEAR 1998

[In percent; 103,329 total cases]

State	less than 1	1-5	6-10	11-15	16-18
Alabama .....	2	31	39	21	6
Arizona .....	5	38	39	17	1
Arkansas .....	4	30	33	30	2
California .....	8	55	26	9	2
Colorado .....	2	30	39	26	3
Connecticut .....	1	37	40	19	3
Delaware .....	1	39	46	13	1
District of Columbia .....	1	40	43	15	1
Florida .....	3	32	37	25	3
Georgia <sup>1</sup> .....	2	33	36	24	5
Hawaii .....	2	32	31	24	10
Idaho .....	3	31	39	21	6
Illinois .....	2	36	40	21	2
Indiana <sup>1</sup> .....	2	44	32	18	4
Kansas <sup>1</sup> .....	8	20	23	39	11
Louisiana .....	2	31	41	24	2

TABLE 11-31.—AGE DISTRIBUTION OF CHILDREN AWAITING ADOPTION, BY STATE,  
FISCAL YEAR 1998—Continued

[In percent; 103,329 total cases]

State	less than 1	1-5	6-10	11-15	16-18
Maine <sup>1</sup> .....	5	30	36	22	7
Maryland .....	1	31	43	22	2
Minnesota .....	3	23	37	29	8
Mississippi .....	1	27	37	26	9
Missouri .....	2	30	36	27	5
Montana .....	2	27	28	34	9
New Jersey .....	5	43	28	18	6
New Mexico .....	5	33	37	23	2
New York .....	1	30	38	28	3
North Carolina .....	5	35	33	23	4
North Dakota .....	25	27	30	17	2
Oklahoma .....	3	33	36	25	3
Oregon .....	3	43	39	14	1
Pennsylvania .....	3	36	37	21	3
Puerto Rico .....	3	18	41	31	6
Rhode Island <sup>1</sup> .....	1	40	41	15	2
South Carolina .....	3	30	34	28	5
Texas .....	3	35	35	24	3
Utah .....	7	35	37	19	2
Vermont .....	3	28	26	34	8
Virginia <sup>1</sup> .....	3	38	41	16	1
Washington .....	7	45	32	14	3
West Virginia .....	4	34	40	21	2
Wisconsin .....	2	32	36	25	6
Wyoming .....	2	26	38	28	6
Total .....	3	35	37	22	3

<sup>1</sup> State indicated general concern with reliability of 1998 data due to conversion process to Statewide Automated Child Welfare Information Systems (SACWIS).

Source: U.S. Department of Health and Human Services.

TABLE 11-32.—RACE/ETHNICITY OF CHILDREN AWAITING ADOPTION, BY STATE, FISCAL  
YEAR 1998

[In percent; 103,217 total cases]

State	White	Black	Hispanic	American Indian/ Alaska Native	Asian/ Pacific Islander	Unknown
Alabama .....	43	56	1	0	( <sup>1</sup> )	0
Arizona .....	53	14	26	4	0	3
Arkansas .....	55	43	0	( <sup>1</sup> )	( <sup>1</sup> )	2
California .....	40	27	30	1	1	0
Colorado .....	47	22	27	2	1	2
Connecticut .....	36	39	25	( <sup>1</sup> )	0	( <sup>1</sup> )



TABLE 11-32.—RACE/ETHNICITY OF CHILDREN AWAITING ADOPTION, BY STATE, FISCAL YEAR 1998—Continued

[In percent; 103,217 total cases]

State	White	Black	Hispanic	American Indian/ Alaska Native	Asian/ Pacific Islander	Unknown
Delaware .....	27	57	6	( <sup>1</sup> )	( <sup>1</sup> )	10
District of Columbia .....	1	97	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	1
Florida .....	44	50	4	0	0	0
Georgia <sup>2</sup> .....	38	57	1	0	0	4
Hawaii .....	14	3	3	2	76	3
Idaho .....	86	3	10	1	( <sup>1</sup> )	( <sup>1</sup> )
Illinois .....	12	83	4	0	0	1
Indiana <sup>2</sup> .....	55	39	2	0	( <sup>1</sup> )	4
Kansas <sup>2</sup> .....	62	28	4	1	( <sup>1</sup> )	4
Louisiana .....	37	61	1	0	( <sup>1</sup> )	1
Maine <sup>2</sup> .....	93	3	1	1	1	1
Maryland .....	20	79	1	0	0	( <sup>1</sup> )
Minnesota .....	48	35	6	11	1	0
Mississippi .....	35	64	( <sup>1</sup> )	( <sup>1</sup> )	1	( <sup>1</sup> )
Missouri .....	53	45	1	0	0	0
Montana .....	73	1	3	19	1	4
New Jersey .....	18	70	9	0	0	2
New Mexico .....	23	5	69	3	( <sup>1</sup> )	( <sup>1</sup> )
New York .....	10	51	14	0	0	25
North Carolina .....	39	54	5	1	0	1
North Dakota .....	54	2	2	41	1	( <sup>1</sup> )
Oklahoma .....	47	35	5	14	( <sup>1</sup> )	0
Oregon .....	68	10	7	3	0	11
Pennsylvania .....	30	58	11	0	0	0
Puerto Rico .....	0	( <sup>1</sup> )	100	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Rhode Island <sup>2</sup> .....	50	27	15	2	0	5
South Carolina .....	31	67	1	0	0	1
Texas .....	30	35	32	0	0	3
Utah .....	73	4	18	1	1	3
Vermont .....	96	2	1	( <sup>1</sup> )	( <sup>1</sup> )	1
Virginia <sup>2</sup> .....	38	56	4	0	1	1
Washington .....	65	20	7	6	1	0
West Virginia .....	84	15	1	( <sup>1</sup> )	( <sup>1</sup> )	0
Wisconsin .....	56	33	4	7	0	( <sup>1</sup> )
Wyoming .....	77	8	13	2	( <sup>1</sup> )	( <sup>1</sup> )
<b>Total .....</b>	<b>29</b>	<b>53</b>	<b>11</b>	<b>1</b>	<b>1</b>	<b>5</b>

<sup>1</sup>No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.<sup>2</sup>State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Source: U.S. Department of Health and Human Services.

TABLE 11-33.—LENGTH OF STAY FOR CHILDREN AWAITING ADOPTION, BY STATE, FISCAL YEAR 1998

[In percent; 103,325 total cases]

State	Less than 1 month	1-5 months	6-11 months	12-17 months	18-23 months	24-29 months	30-35 months	36-59 months	60 or more months
Alabama .....	1	2	4	6	9	13	9	22	35
Arizona .....	2	9	20	9	11	11	7	24	6
Arkansas .....	(1)	7	10	9	11	10	11	31	11
California .....	1	6	11	16	17	15	9	16	9
Colorado .....	3	12	11	11	9	10	8	23	15
Connecticut .....	7	31	25	16	9	6	2	3	2
Delaware .....	(1)	6	5	13	9	14	7	36	11
District of Columbia .....	0	2	6	8	9	9	10	30	26
Florida .....	1	10	11	10	10	11	9	23	15
Georgia <sup>2</sup> .....	0	2	4	7	9	11	10	28	29
Hawaii .....	0	3	9	9	19	7	9	28	16
Idaho .....	(1)	3	8	3	9	12	12	32	20
Illinois .....	0	1	3	5	8	9	8	35	29
Indiana <sup>2</sup> .....	0	2	5	9	12	8	7	27	29
Kansas <sup>2</sup> .....	5	22	36	4	4	5	2	9	13
Louisiana .....	(1)	2	3	6	9	10	9	28	33
Maine <sup>2</sup> .....	1	9	22	13	9	7	6	17	15
Maryland .....	0	1	4	6	8	9	8	32	33
Minnesota .....	3	10	9	9	10	9	7	18	23
Mississippi .....	0	4	5	6	7	9	5	28	36
Missouri .....	0	2	5	8	9	12	10	28	24
Montana .....	1	3	8	12	11	12	10	25	19
New Jersey .....	1	7	7	9	10	11	8	29	18
New Mexico .....	(1)	21	24	55	(1)	(1)	(1)	(1)	(1)

New York .....	0	1	2	3	5	7	6	24	51
North Carolina .....	2	9	11	14	12	10	7	20	15
North Dakota .....	3	13	18	12	10	8	19	15	2
Oklahoma .....	1	5	8	12	12	13	9	25	15
Oregon .....	1	4	9	14	12	14	9	30	7
Pennsylvania .....	0	2	5	8	10	10	8	26	31
Puerto Rico .....	1	3	3	4	2	4	8	27	55
Rhode Island <sup>2</sup> .....	0	5	7	11	19	12	10	21	15
South Carolina .....	1	6	7	7	6	9	10	30	23
Texas .....	0	4	9	12	10	9	8	25	22
Utah .....	2	11	18	22	13	10	6	14	5
Vermont .....	1	3	9	10	13	10	7	23	24
Virginia <sup>2</sup> .....	1	7	10	8	10	11	8	27	19
Washington .....	1	6	11	14	12	11	8	24	13
West Virginia .....	1	6	10	11	13	12	9	24	15
Wisconsin .....	2	7	8	6	8	12	9	28	21
Wyoming .....	( <sup>1</sup> )	8	8	8	8	( <sup>1</sup> )	4	43	23
<b>Total</b> .....	<b>1</b>	<b>4</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>8</b>	<b>27</b>	<b>27</b>

<sup>1</sup>No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.

<sup>2</sup>State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Source: U.S. Department of Health and Human Services.

*Number and characteristics of adopted children*

The Adoption and Foster Care Analysis and Reporting System (AFCARS) collects data on children who were adopted with the involvement of public child welfare agencies (see table 11–34). As explained earlier, this is not necessarily the same as the number of adoptions reported by States for purposes of earning adoption incentive payments, which are based specifically on adoptions of children from foster care. Table 11–35 compares the racial and ethnic composition of children who were adopted through the child welfare system in fiscal year 1998 with the race and ethnicity of children who were waiting for adoption during that year. Black children were the largest racial group in either category, but comprised a larger share of waiting children (53 percent) than of children for whom adoptions had been finalized (46 percent). The opposite was true for white children, who made up 14 percent of waiting children but 34 percent of adopted children. Table 11–36 shows the racial and ethnic background of children adopted in fiscal year 1998, by State.

TABLE 11–34.—NUMBER OF AGENCY-INVOLVED ADOPTIONS BY STATE, FISCAL YEAR 1998

State	Number of adoptions
Alabama .....	47
Alaska .....	95
California .....	3,965
Colorado .....	265
District of Columbia .....	75
Florida .....	1,549
Georgia <sup>1</sup> .....	646
Hawaii .....	293
Illinois .....	4,566
Indiana <sup>1</sup> .....	99
Iowa .....	296
Kansas <sup>1</sup> .....	254
Kentucky .....	111
Louisiana .....	198
Maine <sup>1</sup> .....	18
Maryland .....	400
Massachusetts .....	1,060
Michigan .....	1,941
Minnesota .....	403
Mississippi .....	135
Missouri .....	585
Montana .....	130
New Hampshire .....	51
New Jersey .....	713
New York .....	4,561
North Carolina .....	797
North Dakota .....	39
Ohio .....	1,212
Oklahoma .....	472

TABLE 11-34.—NUMBER OF AGENCY-INVOLVED ADOPTIONS BY STATE, FISCAL YEAR 1998—Continued

State	Number of adoptions
Oregon .....	490
Pennsylvania .....	504
Puerto Rico .....	35
Rhode Island <sup>1</sup> .....	101
South Carolina .....	278
South Dakota .....	85
Tennessee .....	272
Texas .....	1,388
Utah .....	190
Vermont .....	69
Virginia <sup>1</sup> .....	107
Washington .....	441
West Virginia .....	207
Wisconsin .....	621
Wyoming .....	28
<b>Total</b> .....	<b>29,792</b>

<sup>1</sup> State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Source: U.S. Department of Health and Human Services.

TABLE 11-35.—RACIAL AND ETHNIC BACKGROUND OF CHILDREN AWAITING ADOPTION AND ADOPTED, FISCAL YEAR 1998

[In percent]

Race/ethnicity	Waiting children	Adopted children
White .....	29	34
Black .....	53	46
Hispanic .....	11	12
Other .....	2	2
Unknown .....	5	5

Source: Compiled by the Congressional Research Service from information provided by the U.S. Department of Health and Human Services.

Additional State-by-State information on children adopted through the public child welfare system is shown in tables 11-37 through 11-40, including age at the time of adoption finalization, the prior relationship between adoptive parents and children, the length of time between termination of parental rights (TPR) and adoption finalization, and the basis of children's special needs. Readers should note (table 11-38) that most children who are adopted out of foster care are adopted by their foster parents. In table 11-40, the percentages shown are of all children identified in the individual States as having special needs. Note also that slightly more than half the children classified as "special needs" received this classification because of either their age or their membership in a sibling group.

TABLE 11-36.—RACE/ETHNICITY OF CHILDREN ADOPTED IN FISCAL YEAR 1998, BY STATE

[In percent; 29,773 total cases]

State	White	Black	Hispanic	Asian/ Pacific Islander	American In- dian/Alaska Native	Unknown
Alabama .....	45	55	(1)	(1)	(1)	(1)
Alaska .....	22	22	3	(1)	53	(1)
California .....	37	25	34	3	1	1
Colorado .....	60	14	23	0	2	1
District of Columbia ..	1	99	(1)	(1)	(1)	(1)
Florida .....	49	40	10	0	(1)	0
Georgia <sup>2</sup> .....	37	59	2	(1)	(1)	2
Hawaii .....	12	1	4	79	2	2
Illinois .....	18	76	5	0	0	1
Indiana <sup>2</sup> .....	80	11	3	(1)	(1)	6
Iowa .....	71	19	3	2	5	1
Kansas <sup>2</sup> .....	69	19	8	(1)	2	2
Kentucky .....	60	25	5	(1)	(1)	9
Louisiana .....	28	71	(1)	(1)	(1)	1
Maine <sup>2</sup> .....	94	(1)	6	(1)	(1)	(1)
Maryland .....	32	63	3	1	(1)	1
Massachusetts .....	46	23	23	1	0	7
Michigan .....	37	58	3	0	1	1
Minnesota .....	40	43	6	1	9	(1)
Mississippi .....	44	52	2	(1)	1	(1)
Missouri .....	58	41	0	0	1	0
Montana .....	82	2	4	(1)	12	(1)
New Hampshire .....	84	8	6	(1)	2	(1)
New Jersey .....	21	70	9	(1)	(1)	1
New York .....	9	53	14	0	0	23
North Carolina .....	40	55	3	0	2	1
North Dakota .....	97	(1)	(1)	(1)	3	(1)
Ohio .....	46	47	2	(1)	(1)	5
Oklahoma .....	58	26	3	0	12	0
Oregon .....	76	11	10	1	2	1
Pennsylvania .....	52	35	13	1	(1)	(1)
Puerto Rico .....	(1)	(1)	100	(1)	(1)	(1)
Rhode Island <sup>2</sup> .....	33	38	7	(1)	(1)	23
South Carolina .....	30	67	0	(1)	0	2
South Dakota .....	65	2	1	(1)	32	(1)
Tennessee .....	51	45	4	(1)	0	(1)
Texas .....	27	40	28	0	0	5
Utah .....	74	5	17	2	3	1
Vermont .....	99	1	(1)	(1)	(1)	(1)

TABLE 11-36.—RACE/ETHNICITY OF CHILDREN ADOPTED IN FISCAL YEAR 1998, BY STATE—Continued

[In percent; 29,773 total cases]

State	White	Black	Hispanic	Asian/ Pacific Islander	American In- dian/Alaska Native	Unknown
Virginia <sup>2</sup> .....	48	49	1	( <sup>1</sup> )	( <sup>1</sup> )	3
Washington .....	67	19	7	1	5	1
West Virginia .....	84	9	1	1	( <sup>1</sup> )	4
Wisconsin .....	42	48	5	0	5	( <sup>1</sup> )
Wyoming .....	68	4	14	( <sup>1</sup> )	7	7
<b>Total .....</b>	<b>34</b>	<b>46</b>	<b>12</b>	<b>1</b>	<b>1</b>	<b>5</b>

<sup>1</sup>No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.<sup>2</sup>State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Source: U.S. Department of Health and Human Services.

TABLE 11-37.—CHILD'S AGE AT ADOPTION FINALIZATION, BY STATE, FISCAL YEAR 1998

[In percent; 29,791 total cases]

State	under 1	1-5	6-10	11-15	16-18	19+
Alabama .....	( <sup>1</sup> )	47	34	19	( <sup>1</sup> )	( <sup>1</sup> )
Alaska .....	( <sup>1</sup> )	48	37	15	( <sup>1</sup> )	( <sup>1</sup> )
California .....	3	62	28	7	1	( <sup>1</sup> )
Colorado .....	3	50	38	7	2	( <sup>1</sup> )
District of Columbia .....	( <sup>1</sup> )	48	32	17	3	( <sup>1</sup> )
Florida .....	1	47	35	15	2	0
Georgia <sup>2</sup> .....	2	47	35	15	2	( <sup>1</sup> )
Hawaii .....	2	53	36	9	1	( <sup>1</sup> )
Illinois .....	0	38	42	17	2	0
Indiana <sup>2</sup> .....	( <sup>1</sup> )	37	39	21	2	( <sup>1</sup> )
Iowa .....	0	36	45	15	3	( <sup>1</sup> )
Kansas <sup>2</sup> .....	1	37	37	22	3	( <sup>1</sup> )
Kentucky .....	( <sup>1</sup> )	35	49	13	3	( <sup>1</sup> )
Louisiana .....	1	28	52	18	1	( <sup>1</sup> )
Maine <sup>2</sup> .....	( <sup>1</sup> )	33	50	17	( <sup>1</sup> )	( <sup>1</sup> )
Maryland .....	2	42	43	13	1	( <sup>1</sup> )
Massachusetts .....	1	46	40	13	1	( <sup>1</sup> )
Michigan .....	1	44	40	13	2	( <sup>1</sup> )
Minnesota .....	0	34	48	15	2	( <sup>1</sup> )
Mississippi .....	( <sup>1</sup> )	16	44	31	8	( <sup>1</sup> )
Missouri .....	1	42	38	17	2	( <sup>1</sup> )
Montana .....	( <sup>1</sup> )	36	42	19	2	( <sup>1</sup> )
New Hampshire .....	( <sup>1</sup> )	51	33	14	2	( <sup>1</sup> )
New Jersey .....	1	56	32	11	0	( <sup>1</sup> )
New York .....	0	31	43	22	4	0
North Carolina .....	3	43	34	16	3	0
North Dakota .....	3	64	18	15	( <sup>1</sup> )	( <sup>1</sup> )
Ohio .....	3	53	30	13	2	( <sup>1</sup> )

TABLE 11-37.—CHILD'S AGE AT ADOPTION FINALIZATION, BY STATE, FISCAL YEAR 1998—Continued

[In percent; 29,791 total cases]

State	under 1	1-5	6-10	11-15	16-18	19+
Oklahoma .....	1	44	35	17	3	(1)
Oregon .....	0	49	38	12	1	(1)
Pennsylvania .....	1	48	38	12	2	(1)
Puerto Rico .....	(1)	51	31	17	(1)	(1)
Rhode Island <sup>2</sup> .....	1	52	39	8	(1)	(1)
South Carolina .....	(1)	26	46	26	3	(1)
South Dakota .....	1	44	36	18	1	(1)
Tennessee .....	0	38	38	20	4	(1)
Texas .....	2	47	37	13	1	(1)
Utah .....	4	49	33	13	1	(1)
Vermont .....	(1)	48	39	12	1	(1)
Virginia <sup>2</sup> .....	(1)	30	49	19	3	(1)
Washington .....	0	60	31	8	1	(1)
West Virginia .....	1	44	39	14	3	(1)
Wisconsin .....	1	43	38	16	3	(1)
Wyoming .....	(1)	50	25	25	(1)	(1)
<b>Total .....</b>	<b>1</b>	<b>44</b>	<b>38</b>	<b>15</b>	<b>2</b>	<b>0</b>

<sup>1</sup>No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.<sup>2</sup>State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Source: U.S. Department of Health and Human Services.

TABLE 11-38.—PRIOR RELATIONSHIP OF ADOPTIVE PARENT(S) TO CHILD, BY STATE, FISCAL YEAR 1998

[In percent; 23,014 total cases]

State	Nonrel- ative	Foster parent	Step- parent	Other relative
Alaska .....	1	59	(1)	40
Arkansas .....	30	60	(1)	10
California .....	7	58	(1)	35
Colorado .....	15	60	1	24
Connecticut .....	24	52	(1)	23
Delaware .....	14	83	(1)	3
District of Columbia .....	2	98	(1)	(1)
Florida .....	36	54	(1)	10
Georgia <sup>2</sup> .....	1	89	(1)	10
Hawaii .....	3	40	(1)	58
Indiana <sup>2</sup> .....	83	11	(1)	6
Kansas <sup>2</sup> .....	21	60	(1)	19
Kentucky .....	78	21	0	1
Louisiana .....	24	75	(1)	1
Maine <sup>2</sup> .....	82	14	(1)	4
Maryland .....	19	60	(1)	21
Michigan .....	12	55	(1)	33



TABLE 11-38.—PRIOR RELATIONSHIP OF ADOPTIVE PARENT(S) TO CHILD, BY STATE, FISCAL YEAR 1998—Continued

[In percent; 23,014 total cases]

State	Nonrel- ative	Foster parent	Step- parent	Other relative
Minnesota .....	36	31	(1)	33
Mississippi .....	32	58	2	8
Missouri .....	15	66	0	18
Montana .....	(1)	78	(1)	22
New Hampshire .....	20	65	(1)	16
New Jersey .....	21	79	(1)	(1)
New Mexico .....	65	6	(1)	29
North Carolina .....	32	51	1	17
North Dakota .....	52	45	(1)	4
Oklahoma .....	37	38	(1)	25
Oregon .....	30	39	(1)	31
Pennsylvania .....	53	45	0	2
Puerto Rico .....	22	32	9	37
Rhode Island <sup>2</sup> .....	10	53	(1)	37
South Carolina .....	37	58	(1)	5
South Dakota .....	38	51	(1)	12
Tennessee .....	34	64	(1)	3
Texas .....	27	59	0	14
Utah .....	37	57	0	6
Vermont .....	42	55	(1)	3
Virginia <sup>2</sup> .....	10	84	(1)	6
Washington .....	40	58	2	0
West Virginia .....	8	74	(1)	18
Wisconsin .....	13	76	(1)	11
Wyoming .....	29	55	(1)	16
<b>Total .....</b>	<b>26</b>	<b>55</b>	<b>0</b>	<b>19</b>

<sup>1</sup> No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.<sup>2</sup> State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Note.—Relative foster parents are shown as “other relative.”

Source: U.S. Department of Health and Human Services.

## TRENDS IN CHILD WELFARE AND FOSTER CARE COSTS

As a result of the trends in foster care caseloads and the Federal requirements of Public Law 96-272, funding for the Title IV-E Foster Care Program has increased significantly since it began in 1981. Based on administration estimates for fiscal year 1999, Federal title IV-E expenditures have increased thirteenfold, from \$308.8 million to \$4 billion, between 1981 and 1999. Funding for the Title IV-B Child Welfare Services Program increased by almost 80 percent from 1981 to 1999 (\$163.6 million to \$292 million). Funding for the Title XX Social Services Block Grant (SSBG), which States may use for child welfare services, has actually fallen.

TABLE 11-39.—TIME BETWEEN TERMINATION OF PARENTAL RIGHTS AND ADOPTION FINALIZATION, BY STATE, FISCAL YEAR 1998

[In percent; 28,339 total cases]

State	Less than 1 month	1-5 months	6-11 months	12-17 months	18-23 months	24-29 months	30-35 months	3-4 years	5+ years
Alabama	(1)	13	29	21	4	8	8	12	4
Alaska	2	20	27	19	7	3	11	7	3
Arkansas	2	26	27	20	6	8	5	6	1
California	0	13	34	22	12	7	4	5	2
Colorado	1	30	22	22	12	5	3	4	1
Connecticut	(1)	12	44	21	10	6	3	3	1
Delaware	(1)	25	48	3	11	2	(1)	2	10
District of Columbia	26	23	17	10	8	6	5	5	1
Florida	0	12	27	21	15	9	6	8	2
Georgia <sup>2</sup>	0	3	27	25	19	8	6	8	3
Hawaii	3	25	33	15	8	6	3	4	1
Illinois	1	25	41	16	8	4	2	3	1
Indiana <sup>2</sup>	9	21	22	21	9	7	3	6	2
Iowa	(1)	19	27	29	13	4	3	4	1
Kansas <sup>2</sup>	1	5	33	20	21	5	3	4	8
Kentucky	12	3	27	22	9	13	3	8	2
Louisiana	0	8	32	19	13	8	4	14	1
Maryland	(1)	27	30	18	11	6	3	4	2
Massachusetts	1	24	27	18	13	7	5	4	1
Michigan	0	10	31	25	13	9	5	5	2
Minnesota	0	6	13	15	20	14	16	12	4
Mississippi	3	8	26	20	10	11	9	11	3
Missouri	15	14	22	19	9	6	3	8	3
Montana	3	13	25	19	10	3	8	13	6
New Hampshire	22	14	38	14	3	5	(1)	(1)	5
New Jersey	4	13	32	25	10	7	4	4	1

New Mexico .....	2	8	43	14	12	11	4	5	1
North Carolina .....	1	21	31	20	9	5	4	5	3
North Dakota .....	4	14	64	10	6	1	1	( <sup>1</sup> )	( <sup>1</sup> )
Oklahoma .....	2	7	24	27	14	9	4	11	2
Oregon .....	( <sup>1</sup> )	5	27	30	20	8	4	4	1
Pennsylvania .....	20	22	24	17	7	3	3	4	1
Puerto Rico .....	70	4	9	5	8	2	( <sup>1</sup> )	1	1
Rhode Island <sup>2</sup> .....	12	41	19	11	5	4	3	5	2
South Carolina .....	4	10	49	19	10	2	0	3	2
South Dakota .....	( <sup>1</sup> )	11	31	34	8	5	6	5	1
Tennessee .....	2	13	25	20	13	8	4	12	2
Texas .....	1	17	31	19	11	8	3	7	2
Utah .....	6	42	22	17	5	6	1	1	( <sup>1</sup> )
Vermont .....	( <sup>1</sup> )	7	37	17	23	12	2	3	( <sup>1</sup> )
Virginia <sup>2</sup> .....	( <sup>1</sup> )	1	31	22	10	11	7	12	7
Washington .....	1	16	27	19	12	8	4	11	3
West Virginia .....	4	5	15	20	15	16	9	12	6
Wisconsin .....	1	43	28	16	6	3	1	1	1
Wyoming .....	16	34	34	6	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	6	3
<b>Total .....</b>	<b>3</b>	<b>17</b>	<b>31</b>	<b>20</b>	<b>11</b>	<b>7</b>	<b>4</b>	<b>6</b>	<b>2</b>

<sup>1</sup>No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.

<sup>2</sup>State indicated general concern with reliability of 1998 data due to conversion process to SACWIS.

Source: U.S. Department of Health and Human Services.

TABLE 11-40.—BASIS OF SPECIAL NEEDS FOR ADOPTED CHILDREN WITH SPECIAL NEEDS, BY STATE, FISCAL YEAR 1998

[In percent; 29,764 total cases]

State	Racial/ original back- ground	Age	Sibling group	Medical condition or mental, phys- ical, emotional disabilities	Other
Alabama .....	51	32	(1)	13	4
Alaska .....	2	14	4	74	6
California .....	13	13	23	14	38
Colorado .....	2	3	6	89	(1)
District of Columbia .....	(1)	40	32	23	5
Florida .....	41	22	(1)	(1)	37
Georgia <sup>2</sup> .....	19	10	41	4	26
Hawaii .....	0	13	58	15	14
Illinois .....	(1)	92	6	2	(1)
Indiana <sup>2</sup> .....	(1)	(1)	(1)	100	(1)
Iowa .....	2	4	6	88	(1)
Kansas <sup>2</sup> .....	4	27	14	55	(1)
Kentucky .....	18	13	7	55	6
Louisiana .....	28	5	4	64	(1)
Maryland .....	18	13	36	29	5
Massachusetts .....	19	3	18	2	59
Michigan .....	18	74	4	3	0
Minnesota .....	9	9	24	40	19
Mississippi .....	2	25	38	36	(1)
Missouri .....	23	14	37	20	6
Montana .....	2	72	20	6	(1)
New Hampshire .....	4	29	47	10	10
New Jersey .....	30	2	17	30	21
New York .....	(1)	17	32	31	21
North Carolina .....	2	2	24	50	22
North Dakota .....	(1)	44	18	38	(1)
Ohio .....	43	32	15	11	(1)
Oklahoma .....	13	30	33	7	17
Oregon .....	(1)	(1)	59	41	(1)
Pennsylvania .....	22	16	16	40	6
Puerto Rico .....	(1)	3	66	31	(1)
Rhode Island <sup>2</sup> .....	42	3	25	2	29
South Carolina .....	(1)	38	31	31	(1)
South Dakota .....	14	2	33	39	12
Tennessee .....	17	15	8	57	3
Texas .....	14	18	45	24	(1)
Utah .....	6	25	44	18	6
Vermont .....	(1)	28	43	14	14

TABLE 11-40.—BASIS OF SPECIAL NEEDS FOR ADOPTED CHILDREN WITH SPECIAL NEEDS, BY STATE, FISCAL YEAR 1998—Continued

[In percent; 29,764 total cases]

State	Racial/ original back- ground	Age	Sibling group	Medical condition or mental, phys- ical, emotional disabilities	Other
Virginia <sup>2</sup> .....	12	24	32	22	9
Washington .....	4	35	0	61	( <sup>1</sup> )
West Virginia .....	47	36	11	( <sup>1</sup> )	6
Wisconsin .....	7	2	2	83	5
Wyoming .....	11	7	39	36	7
Total .....	12	31	20	21	15

<sup>1</sup> No cases were reported; a 0 indicates that the percentage of reported cases rounded to zero.<sup>2</sup> State indicated general concern with reliability of 1998 data due to conversion process to Statewide Automated Child Welfare Information Systems (SACWIS).

Source: U.S. Department of Health and Human Services.

In recent years, an increasing proportion of title IV-E costs has been expended on child placement services, administration, and training. Table 11-42 shows U.S. Department of Health and Human Services (DHHS) and Congressional Budget Office (CBO) estimates of title IV-E expenditures through fiscal year 2005.

Table 11-41 shows Federal foster care expenditures by State in 1987, 1991, 1996, and 1999. Between 1991 and 1999, total foster care expenditures increased by 103 percent. Over this same time period, foster care maintenance costs increased by 75 percent. Because of the large increase in administrative and placement costs relative to maintenance costs, the share of total costs represented by maintenance costs decreased between 1991 and 1999.

In an effort to gain more complete information on total child welfare spending, including sources in addition to titles IV-B and IV-E of the Social Security Act, the Urban Institute conducted a survey in fiscal year 1996 (Geen, Boots, & Tumlin, 1999). Geen et al. found that States spent \$14.4 billion in that year, and estimated that Federal funds accounted for 44 percent of total spending, that State funds also constituted 44 percent, and that local sources accounted for 13 percent. Of Federal expenditures, 49 percent was from title IV-E and 16 percent was from the SSBG. Medicaid and the former Aid to Families with Dependent Children (AFDC)-Emergency Assistance (EA) Program each accounted for 13 percent, 6 percent came from title IV-B, and other sources accounted for the rest. Thus, the authors concluded that nontraditional funding streams (i.e., Medicaid, SSBG, and EA) were surprisingly important sources of funds. The report also found that the financing of child welfare services varies considerably by State, and that the largest single category of expenditure was for out-of-home care, with residential or group care being the most costly.

TABLE 11-41.—FEDERAL FOSTER CARE EXPENDITURES BY STATE, 1987-99<sup>1</sup>

State	Fiscal year total expenditures (in millions of dollars)				Maintenance costs (in millions of dollars)		Maintenance costs as a percentage of total		Percentage growth in total 1991-99
	1987 <sup>2</sup>	1991	1996 <sup>3</sup>	1999 <sup>3</sup>	1991	1999	1991	1999	
Alabama .....	\$2.09	\$5.17	\$5.23	\$13.24	\$1.43	\$2.53	0.28	0.19	156
Alaska .....	0.39	3.75	7.99	9.42	1.67	2.34	0.45	0.25	151
Arizona .....	3.02	11.43	44.12	54.32	3.72	25.63	0.33	0.47	375
Arkansas .....	1.06	4.85	26.64	32.06	1.76	8.17	0.36	0.25	561
California .....	163.61	354.69	727.89	911.80	185.50	437.77	0.52	0.48	157
Colorado .....	5.65	7.46	20.35	42.55	4.49	7.99	0.60	0.19	470
Connecticut .....	4.32	24.04	66.83	91.78	8.18	33.04	0.34	0.36	282
Delaware .....	0.4	1.35	7.40	8.31	0.57	1.65	0.42	0.20	515
District of Columbia .....	6.62	4.70	22.89	42.95	2.68	22.38	0.57	0.52	814
Florida .....	6.61	25.36	78.70	120.77	10.98	39.09	0.43	0.32	376
Georgia .....	9.77	24.19	24.52	42.89	7.39	19.98	0.31	0.47	77
Hawaii .....	0.07	1.23	11.77	15.81	0.09	4.92	0.07	0.31	1,186
Idaho .....	0.41	1.23	6.70	7.92	0.28	1.29	0.23	0.16	544
Illinois .....	37.03	67.45	238.33	273.27	40.36	100.77	0.60	0.37	305
Indiana .....	1.27	7.12	50.82	53.32	2.49	30.43	0.35	0.57	649
Iowa .....	3.73	14.02	16.96	29.62	3.60	19.55	0.26	0.66	111
Kansas .....	3.98	12.94	23.90	30.89	6.36	20.20	0.49	0.65	139
Kentucky .....	6.86	30.68	51.58	46.11	11.96	22.46	0.39	0.49	50
Louisiana .....	13.15	26.12	36.68	50.14	14.67	29.73	0.56	0.59	92
Maine .....	4.19	8.01	18.78	32.18	4.79	27.84	0.60	0.86	302
Maryland .....	15.43	28.95	76.46	96.73	14.23	42.42	0.49	0.44	234
Massachusetts <sup>4</sup> .....	12.42	29.47	95.20	75.23	17.01	28.41	0.58	0.38	155
Michigan .....	55.87	128.27	104.57	135.96	52.49	67.91	0.41	0.50	6
Minnesota .....	16.09	24.83	44.55	72.59	12.60	30.45	0.51	0.42	192
Mississippi .....	0.85	2.16	8.74	9.49	1.07	2.77	0.50	0.29	339
Missouri .....	14.04	29.29	45.96	73.62	14.29	33.76	0.49	0.46	151
Montana .....	1.77	6.72	8.31	7.79	2.47	4.03	0.37	0.52	16
Nebraska .....	3.27	7.15	20.40	25.89	3.73	13.22	0.52	0.51	262
Nevada .....	0.59	2.54	5.18	14.76	0.92	4.41	0.36	0.30	481

New Hampshire .....	1.12	5.06	10.24	11.85	1.97	5.76	0.39	0.49	134
New Jersey .....	14.33	16.30	41.38	45.64	8.07	32.53	0.50	0.71	180
New Mexico .....	3.32	6.28	13.78	14.37	3.04	4.14	0.48	0.29	129
New York .....	224.01	672.62	471.46	482.04	451.66	302.38	0.67	0.63	-28
North Carolina .....	2.36	8.64	37.44	64.54	6.55	33.49	0.76	0.52	647
North Dakota .....	1.25	3.84	8.12	11.21	1.90	4.14	0.49	0.37	192
Ohio .....	27.66	52.52	135.55	207.89	26.40	116.13	0.50	0.56	296
Oklahoma .....	4.39	11.64	24.99	32.42	8.21	14.71	0.71	0.45	179
Oregon .....	8.51	14.02	24.82	31.50	6.91	12.63	0.49	0.40	125
Pennsylvania .....	14.21	118.44	149.79	316.40	82.01	169.27	0.69	0.53	167
Puerto Rico <sup>5</sup> .....	NA	NA	NA	7.28	NA	7.28	NA	NA	NA
Rhode Island .....	3.74	5.77	9.17	12.59	2.57	4.54	0.45	0.36	118
South Carolina .....	3.35	9.70	18.78	17.23	4.74	8.07	0.49	0.47	78
South Dakota .....	1.8	2.02	3.04	4.60	1.07	2.26	0.53	0.49	128
Tennessee .....	2.1	19.63	27.15	25.19	11.22	13.90	0.57	0.55	28
Texas .....	18.94	54.75	77.22	86.96	28.54	63.76	0.52	0.73	59
Utah .....	0.96	3.84	13.19	20.95	2.05	3.52	0.53	0.17	446
Vermont .....	3.61	6.59	8.24	12.00	4.32	8.71	0.66	0.73	82
Virginia .....	5.15	12.48	32.67	44.32	5.09	16.76	0.41	0.38	255
Washington .....	7.4	17.06	24.83	29.30	6.02	11.27	0.35	0.38	72
West Virginia .....	6.77	7.60	8.51	17.73	5.69	11.47	0.75	0.65	133
Wisconsin .....	15.62	32.27	45.97	91.65	15.88	29.56	0.49	0.32	184
Wyoming .....	0.31	0.89	1.92	2.19	0.61	1.21	0.69	0.55	146
<b>Total .....</b>	<b>765.47</b>	<b>1,977.13</b>	<b>3,085.71</b>	<b>4,003.96</b>	<b>1,116.30</b>	<b>1,955.33</b>	<b>0.56</b>	<b>0.49</b>	<b>103</b>

<sup>1</sup> Does not include disputes and reconciliations. <sup>2</sup> Fiscal year 1987 claims are based on accrual accounting. <sup>3</sup> Fiscal year 1996 and 1999 include SACWIS expenditures. <sup>4</sup> Fiscal year 1999 data include estimates for the third and fourth quarters. <sup>5</sup> Did not begin to participate in title IV-E foster care until fiscal year 1999. It is not included in the fiscal year 1999 total.

NA—Not applicable.

Note.—Totals may differ from sum of State amounts because of rounding.

Source: U.S. Department of Health and Human Services.

TABLE 11-42.—PROPORTION OF TITLE IV-E FOSTER CARE EXPENDITURES SPENT ON CHILD PLACEMENT, ADMINISTRATION, AND TRAINING, FISCAL YEARS 1989–2005

Fiscal year	Total Federal title IV-E expenditures (in millions of dollars)	Placement administration and training expenditures (in millions of dollars) <sup>1</sup>	Placement administration and training proportion of total
<b>Actual:</b>			
1989 .....	\$1,153	\$507	0.44
1990 .....	1,473	638	0.43
1991 .....	1,819	789	0.43
1992 .....	2,233	1,029	0.46
1993 .....	2,534	1,222	0.48
1994 .....	2,750	1,375	0.50
1995 .....	3,066	1,467	0.48
1996 .....	3,098	1,595	0.51
1997 .....	3,692	1,967	0.53
1998 .....	3,714	1,782	0.48
1999 <sup>2</sup> .....	4,011	2,048	0.51
<b>DHHS estimates:</b>			
2000 .....	4,398	2,278	0.52
2001 .....	5,013	2,629	0.52
2002 .....	5,426	2,846	0.52
2003 .....	5,759	2,976	0.52
2004 .....	6,214	3,216	0.52
2005 .....	6,702	3,471	0.52
<b>CBO estimates:</b>			
2000 .....	4,139	2,105	0.51
2001 .....	4,417	2,243	0.51
2002 .....	4,702	2,384	0.51
2003 .....	4,983	2,523	0.51
2004 .....	5,259	2,660	0.51
2005 .....	5,546	2,802	0.51

<sup>1</sup> Includes regular administration, training, and for fiscal years 1994–2005, SACWIS costs.

<sup>2</sup> Beginning in fiscal year 1999, data includes Puerto Rico.

Source: Compiled by the Congressional Research Service from data provided by the U.S. Department of Health and Human Services and Congressional Budget Office.

### LEGISLATIVE HISTORY

(For legislative history before 1996, see previous editions of the *Green Book*.)

During the 104th Congress, comprehensive welfare reform legislation was enacted that contained provisions affecting child welfare (Personal Responsibility and Work Opportunity Reconciliation Act, Public Law 104–193). The centerpiece of the welfare reform legislation was the repeal of AFDC and creation of a new block grant to States for Temporary Assistance for Needy Families (TANF). As a condition of receiving TANF funds, States must operate Foster Care and Adoption Assistance Programs under title IV–E of the Social Security Act. However, eligibility for title IV–E historically has been linked to AFDC eligibility. Thus, Public Law 104–193 provides that foster or adoptive children are eligible for title IV–E sub-



sidies if their families would have been eligible for AFDC, as it was in effect in their State on June 1, 1995. (Technical amendments enacted in 1997, Public Law 105-33, subsequently changed this date to July 16, 1996.) Children eligible for SSI continue to be eligible for title IV-E adoption assistance, and foster and adoptive children continue to be eligible for Medicaid.

Public Law 104-193 also amended title IV-E to enable for-profit child care institutions to participate in the Federal Foster Care Program; extended the enhanced Federal matching rate for certain data collection costs through fiscal year 1997; mandated DHHS to conduct a national random sample study of children in the child welfare system; and required States, as a component of their title IV-E plans, to consider giving preference to adult relatives in determining a foster or adoptive placement for a child.

In 1997, Congress enacted the most significant changes to titles IV-B and IV-E of the Social Security Act since they were established in their current form in 1980. This legislation, the Adoption and Safe Families Act (Public Law 105-89), was intended to promote adoption and ensure safety for children in foster care. The law established that a child's health and safety must be of paramount concern in any efforts made by the State to preserve or reunify the child's family. The law retained, but clarified the requirement that States make "reasonable efforts" to preserve or reunify a child's family, establishing exceptions to this requirement. Also to promote safety, Public Law 105-89 required States to conduct criminal background checks for all prospective foster or adoptive parents, and required States to develop standards to ensure quality services that protect children's health and safety while in foster care. To promote permanency, the law required States to make reasonable efforts to place children, in a timely manner, who have permanency plans of adoption or another alternative to family reunification, and to document these efforts. Further, provisions were included intended to eliminate interjurisdictional barriers to adoption. Public Law 105-89 changed the name of dispositional hearings to "permanency" hearings, and required that they occur within 12 months of a child's placement in foster care, rather than the first 18 months. The law also revised the list of permanency goals, eliminating specific reference to long-term foster care, and required that foster parents, preadoptive parents, and relative care givers be given notice and opportunity to be heard at reviews and hearings.

The Adoption and Safe Families Act required that States initiate or join proceedings to terminate parental rights on behalf of children who have been in foster care for 15 of the most recent 22 months, although certain exceptions are allowed. The law also authorized incentive payments to States to increase the number of foster and special-needs children who are placed for adoption. The law contains some provisions intended to expand health insurance coverage for special-needs adopted children who are not eligible under title IV-E, and also reauthorized and renamed the Family Preservation and Family Support Program. The program was authorized through fiscal year 2001, as the Promoting Safe and Stable Families Program. In addition, Public Law 105-89 established a new outcome measures reporting system for States, and author-

ized an expansion of the child welfare waiver demonstration authority established earlier.

Public Law 106-169 was enacted during the 106th Congress, revising the Independent Living Program and renaming it in honor of the late Senator John Chafee. The legislation provided greater flexibility to States in their use of funds to help older foster children obtain the education and employment services necessary for a successful transition to adult living, increased the entitlement ceiling for the program, and revised the State allocation formula. The law also established an option under Medicaid for States to cover certain former foster care youth aged 18-20.

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