



COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

Office of the Commissioner

Margaret Ross Schultze
COMMISSIONER

October 15, 2014

MEMORANDUM

TO:

The Honorable Terence R. McAuliffe
Governor of Virginia

Honorable Walter A. Stosch
Co-Chairman, Senate Finance

Honorable Charles J. Colgan
Co-Chairman, Senate Finance

Honorable Chris S. Jones
Chairman, House Appropriations

Daniel S. Timberlake, Director
Department of Planning & Budget

FROM:

Margaret Ross Schultze
Department of Social Services

Susan Cumbia Clare, Executive Director
Office of Comprehensive Services

SUBJECT:

Plan for Implementing Provisions of the Federal Fostering Connections To
Success and Increasing Adoptions Act of 2008

We are pleased to submit the plan for implementing expansion of foster care and adoption assistance to age 21, prepared pursuant to Chapter 2, Item 334 (G) (I&2) of the 2014 Appropriation Act. If you have questions or need additional information concerning this report, please contact us.

MRS: sf

Attachment

**PLAN FOR IMPLEMENTING PROVISIONS OF THE FEDERAL
FOSTERING CONNECTIONS TO SUCCESS AND INCREASING
ADOPTIONS ACT OF 2008: EXPANSION OF FOSTER CARE AND
ADOPTION ASSISTANCE UP TO 21 YEARS OF AGE**

PREFACE

The 2014 Appropriation Act, Chapter 2, Item 334, Section G.1, directed the Department of Social Services (DSS) to submit a plan by October 15, 2014, for implementation of provisions of the federal Fostering Connections to Success and Increasing Adoptions Act of 2008 (P.L.110-351; P.L. 111-148) to extend foster care maintenance and services and adoption assistance payments for youth up to 21 years of age. The plan is to be approved by the Commissioner of the Department of Social Services (DSS), and Director of the Office of Comprehensive Services (OCS), and include:

- 1) Six year projection of the fiscal impact associated with DSS, OCS and local departments of social services;
- 2) Review of all necessary statutory, regulatory and administrative changes required by federal law;
- 3) A draft of any necessary legislative and regulatory changes;
- 4) A draft of any necessary amendments to the Title IV-E state plan;
- 5) Outline of the impact on other child welfare services; and
- 6) Assessment of any impact on children and families.

This implementation plan was prepared by DSS Division of Family Services staff, with assistance of the DSS Finance Division, OCS, the Jim Casey Youth Opportunities Initiative (a national policy and practice resource), Mainspring Consulting (a national program design resource), and two independent contractors with expertise in Virginia child welfare services. Project leaders consulted with local departments of social services and stakeholders, including Office of Executive Secretary/Court Improvement Program of the Supreme Court of Virginia, Department of Juvenile Justice - Court Appointed Special Advocate (CASA) program, Virginia's Great Expectations Program (education support for foster youth), VOICES for Virginia's Children (advocacy), Virginia Poverty Law Center, FACES of Virginia Families (foster, adoption and kinship association), private providers, youth in foster care, former foster youth and others.

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EXECUTIVE SUMMARY

In the 2014 Appropriation Act (Chapter 2 Item 334, Section G.1), the General Assembly directed the Department of Social Services to submit an implementation plan to extend foster care and adoption assistance up to 21 years of age (Appendix A). The federal Fostering Connections to Success and Increasing Adoptions Act of 2008 (Fostering Connections) allows states to use Title IV-E funding to extend supports and services for youth aging out of foster care and youth adopted after age 16. Previously, federal funding ceased when a youth turned 18. Services will include extending maintenance payments for foster and adopted youth, as well as a program of supports, oversight and opportunities for former foster youth as they transition to adulthood.

The impetus for this change at the federal level was two-fold. First, there has been a shift in the population at large, moving the age of independence in adulthood well beyond age 18. Second, research on outcomes for foster youth (e.g. the *Midwest Evaluation of the Adult Functioning of Former Foster Youth*) reveals significant negative patterns in adulthood of unemployment, homelessness, early parenting, dependence on public assistance, lack of secondary and postsecondary education, and involvement in the criminal justice system. In states providing foster care to age 21, there is evidence of positive impacts. Allowing youth to remain in foster care to age 21 is associated with better postsecondary education attainment. Earnings increase incrementally for youth who complete one or more years of college. Illinois found that each year in continued foster care beyond 18 increases the youth's wages by 2.8%, or 8.4% for those who remain to age 21. This leads to reduced dependence on public assistance, higher tax contributions, reduction in homelessness, improved health choices and delayed pregnancies. Youth engaged in postsecondary education or who are earning a living wage are less likely to become involved in the criminal justice system, less likely to become parents prematurely, more likely to have a network of supportive family and peers, and more likely to be engaged in their community.

To be eligible for extended foster care or adoption assistance, the youth must meet one of five conditions:

- completing secondary education or in a GED program;
- enrolled in college or a vocational program;
- attending classes to promote employment or remove barriers to employment;
- working at least 80 hours per month; or
- unable to meet one of those conditions for a documented medical reason.

Youth must voluntarily choose to participate in extended foster care. Adoption assistance can be extended on request of the adoptive parent.

It is expected that the majority of participating youth will be eligible for Title IV-E funding. Currently, funding for youth over 18 is limited to state and local sources with limited

exceptions. This increase in IV-E eligible cases will result in greater federal financial participation, decreasing both state and local contributions. Beginning in FY 2016, Virginia will be able to claim \$10.1 million in new federal dollars that will cover maintenance and administrative costs of the new program. These federal funds will be matched with \$4.6 million in general funds and create a net savings of \$3.7 million to local governments.

Program services for extended foster care are intended to provide continuing support to these especially vulnerable youth during the still-formative years between legal independence and functionally independent adulthood, while promoting educational or vocational preparation for employment. Like their age peers in the larger community, they will be able to rely on continued financial, emotional, educational and housing support during these critical years. A caseworker will visit the youth monthly. Every six months a case review will take place, either in court, if the court has chosen to retain oversight, or in an administrative team meeting convened on behalf of the youth. Reviews will be used to mark progress, plan next steps and verify continued eligibility. Extension of adoption assistance does not involve additional services or oversight, and the parent will continue to verify the youth's eligibility through an annual affidavit.

Changes to the *Code of Virginia* and regulations will be necessary to ensure compliance with federal requirements, maximize anticipated funding efficiencies, and promote successful outcomes for participating youth. A legislative proposal included with this report provides a draft of needed *Code* changes to Title 63.2, Chapters 9 and 13 addressing program requirements, and Title 16.1 addressing judicial requirements. Amendments to the state's Title IV-E Plan are also outlined.

The implementation plan was developed in cooperation with the Office of Comprehensive Services which shares statutory authority for funding and provision of services under the Comprehensive Services Act (CSA). Use of state CSA funds for maintenance costs will diminish as the shift to federal Title IV-E funding increases, while services costs will continue to be state funded under CSA.

To implement the extension of foster care and adoption assistance, Department of Social Services guidance will be updated to reflect requirements adopted in *Code* and regulation. Training is being developed for local department of social services and CSA staff which will address both program requirements and strategies for effectively engaging youth, and using the extended services to prepare them for adulthood. Best practice in serving young adults requires developmentally appropriate supports which balance youth-driven decisions and planning with feedback and guidance from mentors and caseworkers. Special efforts will be made to craft youth-oriented information for teens in the age bracket 14-18, as well as those immediately eligible (18-21), to ensure they understand the benefits and responsibilities of extended foster care.

It is anticipated that the first one to three years after implementation will be a time of careful assessment of program operations and outcomes, so that refinements can be proposed as needed in statutes, regulations, policy, guidance and training. Research to inform policy in this arena is rapidly accumulating and will be used for program modifications.

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Background

The federal Fostering Connections to Success and Increasing Adoptions Act of 2008 (Fostering Connections) created an opportunity for states to extend to age 21 foster care supports and services for youth turning 18 in foster care. Effective in October 2010, Fostering Connections allows states to utilize federal funding through Title IV-E of the Social Security Act for the 18-21 age group in foster care, adoption assistance and guardianship settings. Previously, Title IV-E funding ceased when a youth turned 18. Virginia proposes to implement the extension for foster care and adoption assistance.

While the extension of services for youth in foster care and those receiving adoption assistance will provide funding for continuing maintenance payments (i.e. "room and board"), program design will be built on a foundation of supports, oversight and opportunity for the youth to experience and practice independence. Eligibility conditions require that the youth be engaged in continuing education, training, part-time employment, or have a medical condition that precludes participation in the other requirements. Youth in extended foster care will be visited monthly by a caseworker and a case plan will be reviewed every six months either in court or through an administrative team to help the youth mark progress and plan for the future. The youth remain eligible for Medicaid.

It is expected that the majority of participating youth will be eligible for Title IV-E funding, while current funding for youth over age 18 is limited to state and local sources. This increase in IV-E eligible cases will result in greater federal financial participation, decreasing both state and local contributions. Based on other states' experiences, it is anticipated that 75-90% of the cases receiving extended foster care and adoption assistance will be funded at the increased federal reimbursement rate.

Creation of the Fostering Connections legislation to serve youth to age 21 was driven by a combination of factors. First, there has been a general shift in the population at large, moving the age of independence in adulthood beyond the age of 18. Young adults typically continue to rely on family for financial, emotional, educational and housing support well into their early twenties. Second, the *Midwest Evaluation of the Adult Functioning of Former Foster Youth* (the Midwest Study) documented the likelihood of negative pathways in adulthood including unemployment, involvement in the criminal justice system, homelessness, early parenting, dependence on public assistance and lack of secondary or postsecondary education.

Fostering Connections policy was informed by the findings of the comprehensive Midwest Study which followed foster youth from age 17 to 26. Measures of postsecondary education, employment, housing, stability, use of public assistance and

criminal justice system involvement revealed poor status for former foster youth compared to a national sample of age peers. At 26, less than half were employed (versus 80% of the national sample), with few earning a living wage, and more than half had received food stamps in the prior year. Five percent were incarcerated, versus one percent of the comparison sample. Over 15% of former foster youth reported having been homeless at least once in the previous two years, some as many as four or more times. Almost 80% of women had been pregnant, compared to only 55% of the national sample; women/former foster youth were almost twice as likely to have a living child. A fifth of former foster youth had no high school diploma or GED, and only eight percent had a postsecondary degree (either two or four year).

Extension of foster care and adoption assistance to age 21 is intended to provide continuing support to these especially vulnerable youth during the still-formative years between legal independence and functionally independent adulthood, while promoting educational or vocational preparation for employment leading to self-sufficiency. The program offers a safety net by ensuring continued financial and social support by caring adults during these critical years, as youth practice new skills and learn self-advocacy.

By February 2014, 18 states had enacted legislation to extend foster care services to age 21. Virginia has been incrementally investigating this opportunity. In November 2012 the Department of Social Services (DSS) provided the *Report on Extending Foster Care and Adoption Assistance Eligibility to Age Twenty-One* (Appendix B) at the request of the Virginia Senate Committee on Rehabilitation and Social Services. This cost benefit analysis, performed under guidance of The Finance Project, a private entity performing similar analyses in other states, concluded that in Virginia, “the potential benefits to foster youth and society will likely more than offset the costs to young people and the government” with “relatively modest investments” yielding significant and positive long-term benefits.

In November 2013, DSS presented a follow up *Report on Options for Implementing the Extension of Foster Care Maintenance and Adoption Assistance Payments for Individuals up to 21 Years of Age* (Appendix C). This document reviewed federal requirements, legislative and policy decisions to be made in Virginia, and projected implementation costs.

In 2014, the General Assembly directed DSS and the Office of Comprehensive Services (OCS) to develop a plan for implementing the extension of foster care and adoption assistance to age 21(Appendix A). This plan addresses the projected fiscal impact, necessary statutory, regulatory and administrative changes, amendments to the state’s Title IV-E Plan, and the impact on child welfare services and on the children and families served. The plan spans a one year period, from July 2014 to July 2015. (See proposed timeline in Appendix G). In preparation of the plan, a team of DSS staff and contractors determined the legislative and regulatory changes which will be required for implementation and expanded the fiscal impact analysis to six years. Stakeholders, including local departments of social services, providers, advocates and youth, have been engaged in providing input into program decisions. The DSS team made key

recommendations which define program eligibility and parameters. Areas in existing program guidance which will need to be changed have been identified. In addition to programmatic changes, appeals processes and data system enhancements will be made.

In Virginia, the extension will serve youth ages 18-21 who have turned 18 in foster care or who have turned 18 and are subject to an adoption assistance agreement executed when the youth was age 16 or older. Federal guidelines require this accompanying extension of adoption assistance, including the age 16 requirement, if states decide to extend foster care. In addition, youth leaving a Department of Juvenile Justice (DJJ) facility after turning 18 who were in foster care immediately prior to commitment will be served.

To participate in the extension, youth must meet one of five conditions:

- completing secondary education or in a GED program;
- enrolled in college or a vocational program;
- attending classes to promote employment or remove barriers to employment;
- working at least 80 hours per month; or
- unable to meet one of those conditions for a documented medical reason.

Youth who experience a lapse in eligibility may reenter the program at any time up to age 21.

Youth aging out of foster care or leaving a DJJ facility can access the extension by signing a voluntary participation agreement when they turn 18. Title IV-E eligibility will be determined based on the youth's income. Most are expected to qualify for Title IV-E; those who do not will be state-funded through the Comprehensive Services Act (CSA). Youth who meet the adoption assistance requirement can access the extension based on the adoptive parent's request. If the youth was eligible for Title IV-E adoption assistance prior to 18, Title IV-E eligibility will continue; otherwise, state funding will be utilized.

Youth participating in the foster care extension will have a court or administrative review every six months to confirm continued program eligibility, assess progress, and continue planning next steps. A caseworker will visit the youth monthly. For extended foster care, youth may reside in a variety of settings appropriate to their unique needs, but must reside in Virginia or a bordering state.

Youth participating in the adoption assistance extension will be subject to review via their parent's annual affidavit of circumstances (the only provision for the pre-18 adoption assistance agreement). Caseworker visits are not required and the location and setting of residence are determined by their parent.

Training will be provided to local services, benefits and CSA staff in the spring of 2015. A training plan is being developed with a committee that includes representatives of local departments of social services and youth, as well as other stakeholders. A training

curriculum for local staff will address not only program requirements but also strategies for effectively engaging youth and using the extension to prepare them for adulthood. Best practice in serving young adults requires developmentally appropriate supports which balance youth-driven decisions and planning with developmentally appropriate feedback and guidance from mentors and caseworkers. Efforts to connect youth with family will be coupled with a focus on developing lasting community connections and competent relationships with adults and peers. Classroom and on-line training will be available. Special efforts will be made to craft youth-oriented information about extended foster care for teens in the age bracket 14-18, as well as those immediately eligible (18-21), to ensure they understand the benefits and responsibilities of participation. All materials for youth will be engaging and encourage their participation.

It is anticipated that the first one to three years after implementation will be a time of careful assessment of program operations and outcomes so that refinements can be proposed as needed. Not only is the extension of foster care and adoption assistance to age 21 a relatively new program option in federal policy, it is an arena in which research to inform policy is rapidly accumulating. Extending these services will involve a dynamic and evolving set of changes.

1. Fiscal Impact Projection: FY2016-2021

Fiscal impact of implementing the extension of foster care and adoption assistance to age 21 will be primarily associated with DSS, OCS and local departments of social services (Appendix F). The proposal seeks to have the state utilize the options to extend its foster care and adoption assistance program to age 21 pursuant to the federal Fostering Connections. Doing so would allow the state to draw down partial federal reimbursement for support of young adults in the 18 to 21 age group.

Currently, CSA provides foster care assistance at local option to a number of young adults ages 18 to 21. There is no federal funding participation at the present time for this age group. In order to project the cost of the proposed legislation it was necessary to compute total costs under current policy and under the proposed legislation (FC to 21). Table I below displays the major cost assumptions by program component.

Table I - Cost Assumptions for Foster Care

Services Cost per Case	\$ 6,000
Maintenance Cost per Case	\$ 13,566
Case Management per Case	\$ 3,330
Total Cost Per Case	\$ 22,893

For FY 2016, caseload projections were computed through a survey of local departments conducted by a consultant for DSS. For the remaining four years, it is

assumed the caseload will remain constant, which reflects current caseload trends. Making foster care to age 21 a statewide policy is projected to result in a 23% increase in caseload for this age group. Extending foster care to age 21 will result in approximately 75% of this projected caseload to be federally reimbursed under the Title IV-E program operated by DSS. The resulting caseloads broken down by CSA and DSS under foster care extension are summarized in Table 2 below.

Table 2 – Caseload Assumptions for Foster Care

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Current Policy (all CSA)	1,142	1,142	1,142	1,142	1,142	1,142
Total Under FC to 21	1,400	1,400	1,400	1,400	1,400	1,400
DSS under FC to 21	1,050	1,050	1,050	1,050	1,050	1,050
CSA under FC to 21	350	350	350	350	350	350

The results of utilizing the above assumptions are displayed below in Table 3. Briefly summarized, total costs would increase from \$24.2 million to \$32.1 million for FY 2016. However, these costs for the additional eligible population are partially offset by the additional federal reimbursement of \$6.2 million. A savings in local matching funds (\$3.7 million) would also be realized.

Table 3 – Net Cost Calculations for Foster Care

	State	Federal	Local	Total
Current Policy	\$ 15,248,327	\$ -	\$ 8,971,209	\$ 24,219,536
Under FC to 21	\$ 17,859,555	\$ 8,870,400	\$ 5,324,445	\$ 32,054,400
Net Change	\$ 2,611,228	\$ 8,870,400	\$ (3,646,764)	\$ 7,834,864

The state and federal adoption assistance programs as currently implemented in Virginia end at age 18 with the exception of a very limited number of children with severe physical and/or mental disabilities. Under Fostering Connections, federal adoption funding would be extended to age 21 for youth who were adopted at age 16 or later. Therefore, the cost of the extension was computed by projecting the number of

new cases and applying current costs for each component of the adoption assistance program.

For FY 2016, the number of children that would fall into this service category was determined by an analysis of the group of children age 16-18 currently in foster care. A baseline of 167 children was identified for FY 2016. A five percent increase in the number of cases was assumed through FY 2020 to reflect the increasing emphasis DSS places on adoptions. It is assumed that the services population will remain constant after FY 2018 as declining foster care caseloads, due to earlier age adoptions and better preventive efforts, will stabilize the number of children eligible for this adoption assistance option.

Costs per case are based on FY 2013 actual costs. The costs for FY 2016 are summarized below in Table 4. Similar calculations using client projections of 175 and 184 were completed for FY 2017 and FY 2018, respectively.

Table 4 - Extending Adoption Assistance to Age 21 Cost Calculations (FY 2016)

Services	Cost per case	Funding
Services Cost	\$ 4,850	100% GF
Maintenance Cost	\$ 13,566	50% IV-E federal
Case Management	\$ 999	50% IV-E federal
Total Cost Per Case	\$ 19,415	
Total Clients	167	
Total Costs	\$ 3,242,282	
Funding Sources:		
Title IV-E	\$ 1,232,067	
State GF	\$ 2,010,229	
Total Funds	\$ 3,242,305	

2. Review of Statutory, Regulatory and Administrative Changes

Requirements of Fostering Connections to implement an extension of foster care and adoption assistance to age 21 will require changes in the *Code of Virginia*, regulations and administration. These changes will ensure that Virginia comprehensively creates a program and policy structure which supports effective implementation, ensuring compliance with federal requirements at the state and local levels, maximizing the funding efficiencies anticipated in the fiscal analysis, and promoting successful outcomes for the youth.

Statutory Changes

Proposed changes to the *Code of Virginia* are contained in draft legislation (Appendix D) which provides statutory foundation for the components of the extension of foster care and adoption assistance to age 21.

Chapter 9 of Title 63.2 is amended to add Article 2, §§ 63.1-916 through 63.1-922, creating the Extended Foster Care Services and Support Program available to youth age 18-21 as an extension of foster care. Key changes include:

- Re-define “child” as an individual up to age 21 and adds the term “program participant” to include youth age 18-21 who meet the requirements for extension of foster care;
- Enumerate the conditions for program eligibility;
- Identify services and supports available to these youth including medical care, continued maintenance payments, housing options, and case management;
- List conditions of the voluntary participation agreement;
- Specify termination, notice and appeal rights associated with extension of foster care to age 21; and
- Highlight court proceedings and role of the court.

Chapter 13 of Title 63.2 is amended to provide in § 63.2-1302 for the continuation of adoption assistance to age 21 for eligible youth.

Title 16.1 is amended to add a new § 16.1-283.3, which provides for judicial review and approval of a voluntary participation agreement between a program participant, last in foster care as a minor, and the local department of social services. A court hearing will be held within 45 days after a petition is filed for judicial acceptance of the signed voluntary participation agreement. Judicial review of the signed agreement is required to qualify for Title IV-E funding. The court may then order continued judicial review every six months, or finalize judicial review allowing the local department of social services to conduct an administrative review every six months.

Regulatory Changes

Implementation of the program to extend foster care and adoption assistance to age 21 will require changes to the Virginia Administrative Code, specifically to 22VAC40-201, the regulation that addresses foster care and adoption (Appendix E). As guidance and

training are developed prior to implementation of the program in July 2015, the need for additional regulatory changes beyond those set out here may be identified. Proposed changes to 22VAC40-201 that have been identified as the statutory framework have been drafted as follows:

- A new section, 22VAC40-201-35, describes Extended Foster Care Services and Support, providing definitions, program eligibility requirements, services, and reviews consistent with the proposed Code changes.
- A new requirement directs the local department to conduct a redetermination of the youth's eligibility for Title IV-E upon signing the voluntary participation agreement.
- A new section, 22VAC40-201-160, provides for continuation of adoption assistance to age 21 for eligible youth.

Administrative Changes

The implementation of extended services to youth aging out of foster care or receiving adoption assistance will not significantly impact state level administration of these programs. At the local level, there is an expected increase in numbers of youth (cases) to be served beyond age 18 that will require actions by caseworkers and supervisors.

The true impact on local administration is difficult to project. In some localities, many youth over 18 are currently involved in receiving Independent Living (IL) services and already have an assigned caseworker. However, for these staff, there will be some increase in workload because additional visits and reviews will be required. Because the extension of foster care provides some options not available through IL, in other localities the caseload may increase, as youth not currently being served decide to voluntarily participate in this new program.

The local administrative cost of an increased number of adoption assistance cases is minimal. The case worker will need to review the annual affidavit submitted by the parent and may need to provide clarification or brokering of services for the youth or adoptive parents. The administration of extended foster care services is more significant, due to required monthly visits, bi-annual reviews, and continued efforts to help the youth develop problem solving skills and make permanent caring connections that will last beyond age 21.

3. Draft of Legislative and Regulatory Changes

Legislative Changes

A draft of proposed changes to the *Code of Virginia* is included in Appendix D.

Regulatory Changes

A draft of proposed regulatory changes is included in Appendix E.

4. Amendments to Title IV-E State Plan

In order to access Title IV-E funding for the extension of foster care and adoption assistance to age 21, Virginia must propose changes to the state's Title IV-E Plan and have those changes approved by the federal Administration for Children and Families. At a minimum, there must be a revision of the statutory definition of "child" for the Title IV-E programs that allows for the continuation of foster care or adoption assistance for eligible youth up to 21 years of age when the youth meets the specified criteria.

The revised Title IV-E plan will define the eligible population to include three groups between the ages of 18-21: youth aging out of foster care in a locality in Virginia; youth leaving a DJJ facility after turning 18 if in foster care immediately prior to commitment; and adopted youth after turning 18 if subject to an adoption assistance agreement executed after the age of 16. These youth will be eligible when the youth meets one of these conditions:

- completing secondary education or a program leading to an equivalent credential;
- enrolled in an institution which provides postsecondary or vocational education full-time or part-time in a university or college, or enrolled in a vocational or trade school;
- participating in a program or activity designed to promote, or remove barriers to, employment;
- employed for at least 80 hours per month; or
- incapable of doing any of the previously described educational or employment activities due to a documented medical condition.

For extended foster care, youth must reside in Virginia or a bordering state.

The Title IV-E Plan amendments will reflect changes to the *Code of Virginia*, regulations and guidance that allow entry to extended foster care by youth who sign a voluntary participation agreement after attaining age 18 (referred to in federal policy as a "voluntary placement agreement"). Such an agreement entered into between the youth and the Title IV-E agency can meet the removal criteria in section 472(a)(2)(A)(i) of the Social Security Act, necessary for Title IV-E eligibility. The youth age 18 or older is able to sign the agreement as his/her own guardian. In addition, to qualify for Title IV-E funding, the court must make a finding within 180 days of signing the agreement that this is in the best interests of the youth. The state's amended plan will also reflect changes to the *Code of Virginia*, regulations and guidance that will allow a request by the adoptive parent to extend their adoption assistance agreement for young people adopted after age 16.

Additionally, the IV-E Plan will include other changes to *Code* or policy and guidance to support any extension of supports to the newly defined population. It will note where allowable placements for this population are defined, as well as any case review requirements for the foster care extension program. Changes will also address how

termination of services may occur and modification to appeal procedures to accommodate the needs of this population.

After legislation is passed by the General Assembly and regulations are approved by State Board, DSS will be able to submit the amended plan with relevant *Code* or regulation citations along with references to any guidance changes for specific sections of the plan. Following is a list of sections of the Title IV-E Plan in which Code, regulation and guidance changes will be cited; however, the specific content of these changes cannot be drafted until the statutory language is final and the board has approved the regulatory changes.

Foster Care Amendments to Section 2 of the Title IV-E Plan:

Federal Regulatory reference	471(a)(7): Describe how cases will be monitored
	471(a)(12): Expand Fair Hearings to include this population
	472(c)(2): Define "supervised settings"
	475(5)(B) & (6): Specify case reviews
	475(5)(H): Address transition planning
	475(8): Define "child" as changed

Adoption Assistance Amendments to Section 3 of the IV-E Plan:

Federal Regulatory reference	473(a): Address payment extensions beyond age 18
	473(a)(4): Address termination of these payments
	475(8): Define "child" as changed

General Program Requirements for Section 4 of the IV-E Plan:

Federal Regulatory reference	472(c)(2): Include "supervised setting" for age 18 and over.
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5. Impact on Other Child Welfare Services

The primary child welfare services affected by the extension to age 21 are foster care and adoption assistance. Youth currently being served by these programs may opt for extended services. The impact on foster care and adoption assistance is reflected in the proposed changes to law and regulation addressed in this document. However, within foster care, a significant program component relative to these youth is IL.

Currently, IL services are initiated with foster youth at the age of 14 to begin a developmentally appropriate planning and preparation process to ensure the youth will possess the necessary educational and life skills to be successful as adults. Independent living services continue the foster care focus on finding permanent families and establishing lifelong connections with significant adults, at the same time emphasizing education, employment, financial skills, health awareness, and housing and home management skills.

Funding through the federal Chafee Foster Care Independence Program provides services for financial needs, housing, counseling, employment, and education, while the Chafee funded Education and Training Voucher Program assists with expenses associated with college and postsecondary vocational training. Eligibility for these federally funded resources will be maintained. The extension of foster care to age 21 will replace current state funding for other IL services with federal funding. The provision of independent living services will be enhanced by the training to be provided to local caseworkers as part of the extension of foster care and adoption assistance.

A key partner in providing foster care services is OCS, which administers the CSA funding. Funding for services, e.g., non-maintenance, community-based services, must be recommended through a family assessment and planning team (FAPT) and authorized by the local community policy and management team (CPMT). Services to be provided to foster youth to age 21 will be subject to FAPT review and CPMT approval. These CSA teams will engage in youth-driven strategies for planning and evaluating services. While the use of CSA funds for maintenance costs will diminish significantly as youth over 18 sign voluntary participation agreements and are determined IV-E eligible, 100% of service costs (i.e., non-maintenance costs) will be funded through CSA regardless of a youth's IV-E eligibility.

Coordination with DJJ will also be required. Youth who were in foster care immediately prior to their commitment to DJJ will be able to access extended foster care services upon their release from DJJ between the ages of 18-21. DSS will work with DJJ to inform youth of this opportunity as part of the transition planning process to ensure coordination and planning with the local department of social services of jurisdiction.

Local departments of social services child welfare staff must also coordinate closely with local department Adult Services Program staff to ensure the transition to adult programs and supports for youth aging out of foster care who have significant physical, mental or intellectual conditions which cause them to remain dependent. Linkages to Adult Services, as well as to the Department of Behavioral Health and Developmental Services when needed, will be strengthened as part of implementation of the extension of foster care. The goal will be to enhance transition planning and engage 18 year olds in appropriate adult community services as quickly and effectively as possible to ensure stability for them.

6. Impact on Children and Families

Provision of foster care by the state and local government is intended to supply substitute parenting to children whose biological families cannot meet the community's standard of care for them. While safety, security and permanency are the focus for young children in foster care, the needs of older youth require shifting the focus to preparation for adulthood. Extension of foster care to age 21 will be offered in a program designed to maximize supports for youth in this critical developmental stage by youth-driven planning, providing opportunities to exercise adult roles and independence with a safety net of support.

Similarly, extension of these services to youth who were adopted after age 16 will provide tangible supplements to what their adoptive families can provide. These youth have typically spent years in foster care before being adopted in their late teens. Despite their late entry into permanent homes, they share the negative foundation of youth who age out of foster care including a history of trauma, lack of stability, and early impermanence.

Delayed entry into independent adulthood experienced today by youth in all socioeconomic strata is particularly difficult for former foster youth. Young people from stable families have a consistent "home base" from which to try self-sufficiency strategies and return as needed. Today's youth in their twenties commonly return home to parents or grandparents as they navigate the challenges of succeeding in school and employment. Youth who age out of foster care with no such home base have no safety net. The extension of foster care to 21 proposes to provide the supports most young people receive from their family.

New research in brain development established in recent years that the adolescent brain is continuing to develop and offers another opportunity to re-wire the brain and heal from the impact of past traumas and disadvantages (e.g., Charles H. Zeanah, Tulane University). This same brain development encourages risk-taking. The challenge is to engage the youth in healthy risk-taking which leads to coping and resilience, not harm.

The Midwest Study and other studies of youth in states which already provide foster care to age 21 point to a number of outcomes which are positively impacted by extending supports to these youth. Given the widening gap in income between high school and college graduates, postsecondary education is becoming more critical. Foster youth desire postsecondary education similarly to their non-foster peers but are less likely to pursue it. Allowing youth to remain in foster care to age 21 is associated with better postsecondary educational attainment. Earnings increase incrementally for youth who complete one or more years of college even if they do not graduate. Illinois data shows that each year in continued foster care beyond 18 increases the youth's wages by 2.8%, or 8.4% for those who remain in care to age 21. Increased earnings mean improved health choices, reduced dependence on means-tested benefits, higher tax contributions, delayed pregnancies, reduction in homelessness and better education outcomes for their own children.

Youth transitioning to adulthood must gain knowledge and practical skills while developing the social capital that will support them. Those who exit foster care not connected to the positive social relationships and networks necessary for adult well-being risk the consequences of isolation and dependence. If they do not achieve autonomy as adults, they will continue to rely on public systems, unable to contribute to society through work and earnings or stable families.

Youth in marginal jobs who have somewhere to turn for help are less likely to fall into criminal activity or homelessness when facing economic crises. Similarly, youth who are engaged in postsecondary education or who are earning a living wage are less likely to engage in criminal activity, less likely to become parents prematurely, and more likely to have a network of supportive family, peers, and a supportive neighborhood and community. Services associated with extended foster care and adoption assistance will provide strong oversight and engagement of a team of individuals offering support.

The safety and security offered by foster care placement for a child up to age 18 is not enough to successfully launch a stable young adult. The years between 18 and 21 comprise a critical period which requires new and continuing strategies and supports, just as families provide for youth in the general population.

Implementation Plan Approval

DSS and OCS share primary statutory authority for funding and provision of services to Virginia youth receiving foster care and adoption assistance services. As such, these entities have collaborated on aligning policy and practice in their respective organizations to ensure compliance with the programmatic and funding requirements necessary to implement this aspect of Fostering Connections.

This proposed plan for implementation of the extension of foster care and adoption assistance to age 21 is approved and submitted by Margaret Ross Schultze, Commissioner, DSS, and Susan Cumbia Clare, Executive Director, OCS.

Appendix A: Legislative Mandate

2014 SPECIAL SESSION I VIRGINIA ACTS OF ASSEMBLY - CHAPTER ENROLLED

An Act for all appropriations of the Budget submitted by the Governor of Virginia in accordance with the provisions of § 2.2-1509, Code of Virginia, and to provide a portion of revenues for the two years ending respectively on the thirtieth day of June, 2015, and the thirtieth day of June, 2016.

[H 5002]

Approved

Be it enacted by the General Assembly of Virginia:

CHAPTER 2

ITEM 334

G.1. Out of this appropriation, \$100,000 the first year from the general fund shall be used to contract with a private entity, with expertise in government systems, finance, and child welfare services, to develop a plan for implementing the provisions of the federal Foster Connections to Success and Increasing Adoptions Act of 2008 (P.L. 110-351; P.L. 111-148). This plan shall 1) include a six year projection of the fiscal impact associated with the Department of Social Services (DSS), the Comprehensive Services Act, and local departments of social services; 2) review of all necessary statutory, regulatory and administrative changes that are required by the federal law; 3) include a draft of any necessary legislative and regulatory changes; 4) include a draft of any necessary amendments to the Title IV-E state plan; 5) outline the impact on other child welfare services; and 6) assess any impact on children and families. The final implementation plan must be approved by the Commissioner, DSS and Director, Office of Comprehensive Services. By October 15, 2014, DSS shall provide this plan to the Governor, Chairmen of the House Appropriations and Senate Finance Committees, Secretary of Health and Human Resources, and the Director, Department of Planning and Budget.

2. Out of the appropriations in Items 336 and 339, \$4,838,071 the second year from the general fund and \$8,382,412 the second year from nongeneral funds shall be available for the expansion of foster care and adoption assistance in accordance federal Fostering Connections provisions per the final implementation plan required in paragraph G.1. above.

Appendix B: Report on Extending Foster Care and Adoption Assistance Eligibility to Age Twenty-One, November 2012



COMMONWEALTH of VIRGINIA
DEPARTMENT OF SOCIAL SERVICES
Office of the Commissioner

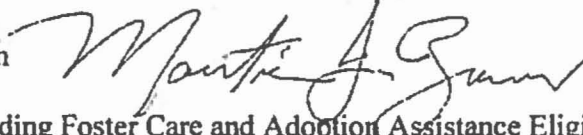
Martin D. Brown
COMMISSIONER

November 16, 2012

MEMORANDUM

TO: Honorable Robert F. McDonnell
Governor of Virginia

Honorable Frank Wagner, Chair
Senate Committee on Rehabilitation and Social Services

FROM: Martin D. Brown 

SUBJECT: Report on Extending Foster Care and Adoption Assistance Eligibility to Age
Twenty-One

I am pleased to submit the Department of Social Services' report on extending foster care and adoption assistance to age twenty-one. The report was prepared pursuant to your request, in a letter dated May 7, 2012. If you have questions or need additional information concerning this report, please contact me.

MDB/sg

Enclosure

A Report of the
Department of Social Services
Commonwealth of Virginia

**Extending Foster Care and Adoption
Assistance to Age Twenty-One**

to the Senate Rehabilitation and Social Services
Committee

November 2012

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EXECUTIVE SUMMARY

The *Fostering Connections to Success and Increasing Adoptions Act of 2008 (FCA)* created new incentives for states to extend assistance to older youth ages 18 to 21. For states like Virginia that already make significant investments in permanency and supportive services for young people beyond age 18 using Comprehensive Services Act (state and local) funds, FCA offers new opportunities to recoup a portion of expenditures for maintenance, support and administrative costs through Title IV-E. States can receive reimbursement for qualifying youth under three programs:

- *Foster Care Support and Services:* Young people who turn 18 while in foster care can continue to receive support and services until their 21st birthday;
- *Adoption Assistance:* Young people adopted at age 16 or older can continue to receive assistance until their 21st birthday; and
- *Custody Assistance:* Youth entering into relative guardianship at age 16 or older can receive assistance until their 21st birthday.

FCA promotes increased permanency and improved outcomes for children in the foster care system. Research shows that permanency is linked to better outcomes for youth in foster care. Young people who achieve permanency are more likely to graduate from high school. Researchers estimate that extending assistance will increase per-person lifetime earnings by an average of \$72,000 – a return in future earnings that exceeds the average cost of two years of extended assistance.¹

Against this backdrop, the Virginia Senate Committee on Rehabilitation and Social Services requested that officials in the Virginia Department of Social Services (DSS) provide a report "detailing a cost benefit analysis of extending the foster care and adoption program to the age of 21²". The Finance Project partnered with DSS and undertook a series of data collection, analysis, and facilitation activities to project the net fiscal impact of extending services statewide under the Title IV-E extension provisions of FCA.

To achieve a broad consensus on the specific design parameters for the fiscal impact analysis, DSS convened an interdisciplinary work group comprised of staff from various state agencies, local child welfare supervisors, local Independent Living Coordinators, judicial leaders, services providers, advocates, and foster youth. (See Appendix A for a list of Work Group members.) The Finance Project staff facilitated three on-site design conversations for the Work Group to establish the boundaries and the core assumptions that are the foundation of the fiscal analysis, including:

- Clarifying the design of extended assistance for youth aging out of foster care,
- Projecting the population of older youth who will utilize extended assistance, and
- Determining the cost basis for assessing the potential fiscal impact of extending assistance to older youth.

¹ Peters, C.M., Dworsky, A., Courtney, M.E., & Pollack, H. (2009). *Extending foster care to age 21*. Chicago, Illinois: Chapin Hall at the University of Chicago.
http://www.chapinhall.org/sites/default/files/publications/Issue_Brief%2006_23_09.pdf

² Letter from Senator Frank W. Wagner, Chairman, Senate Committee on Rehabilitation and Social Services, Senate of Virginia, to The Honorable Martin D. Brown, Commissioner, Department of Social Services, Commonwealth of Virginia, May 7, 2012

The detailed results of the study are presented in this report, including information on the methodological design, cost assumptions, projections of future costs and potential revenue, and implications for changes in policy and practice.

Anticipated Trends and Budgeting Assumptions

The following key trends and assumptions concerning the population of older youth in foster care and the costs of continued support and services provided the foundation for this fiscal analysis and they are:

- *Declining foster care population (See page 19)*
- *Large number of older youth receiving extended assistance (See page 21)*
- *Less restrictive placements for older youth (See page 23)*
- *Extending assistance to youth exiting the juvenile justice system (See page 23)*
- *Increasing adoptions for older youth (See page 24)*
- *Youth moving to kinship guardianship arrangements(See page 24)*

Summary of Fiscal Impact

Based on the fiscal analysis, Virginia would benefit from implementing the Title IV-E Extension to 21 provisions of FCA. Because the Commonwealth already makes significant investments in supporting and serving older youth who turn 18 while in foster care, and an estimated 79 percent of localities match state funding at varying levels depending on the assistance they offer and the number of youth they serve, Virginia is eligible to recover Title IV-E reimbursable costs for extending benefits to older youth statewide, thereby freeing up state, local, and/or federal Chafee funds for re-investment.

Total fiscal impact – As shown in the summary table (page 9), Virginia will realize a cost savings by extending foster care support and services to older youth ages 18 to 21. If the Commonwealth extends adoption subsidy and custody assistance for older youth, there will be net costs to the state for both provisions and potentially to localities for custody assistance, if policy makers decide to share the Title IV-E non-reimbursable portion of costs between the Commonwealth and localities.

Accordingly, using the most conservative assumptions, if Virginia adopts all three FCA provisions for older youth and the number of youth who receive assistance does not increase beyond the current population projected to be served, the total cost to the Commonwealth and localities is projected to be \$166.9 million over the five years from FY 2013 through FY 2017. Of that amount, the Commonwealth and localities are projected to save 12 percent of total costs, which is approximately \$20.6 million over the five year period. The savings are projected to range from \$5.3 million in FY 2013 to \$3 million in FY 2017³. Specifically,

- For the Commonwealth, there will be a net savings of about 13 percent of total costs or \$13 million cost over the five year period – ranging from about \$3.7 million in FY 2013 to about \$1.6 million in FY 2017.
- For localities, there will be net savings of about 22 percent over the five year period or about \$7.6 million – ranging from \$1.7 million in FY 2013 to about \$1.4 million in FY 2017.

³ For more detailed information, see Figures 25 and 26 on page 42.

Assuming a reasonable level of growth in the population of youth who take advantage of extended assistance under all three programs, the total projected cost to the Commonwealth and localities is \$196.2 million over five years.

- Of that amount, the Commonwealth and localities are projected to experience a modest net increase in total costs of approximately 1 percent or \$2.6 million. This ranges from a net savings of about \$383,000 in FY 2013 to a net cost of about \$1.6 million in FY 2017.
- For the Commonwealth, there will be a net cost increase over the five-year period of about \$3.4 million or about 3 percent of total costs for all three programs. This ranges from a net savings of about \$151,000 in FY 2013 to a net cost of about \$1.7 million in FY 2017.
- For localities there will be a net savings of about 2 percent of total costs or approximately \$776,000 over the five-year period -- ranging from \$232,000 in FY 2013 to about \$100,000 in FY 2017.

Using conservative assumptions about the impact of implementing the FCA Title IV-E Extension to 21 provisions, the Commonwealth will recover an additional \$34.8 million in Title IV-E revenue over the five-year period to offset approximately 21 percent of total costs. In contrast, applying assumptions that assume a reasonable level of growth in the population who take advantage of extended assistance under the three programs, costs will increase to \$196.2 million and the total projected additional Title IV-E revenue coming to Virginia is expected to be approximately \$40.9 million (See Figure 30 on page 45 for further details on revenue). Under this scenario the Commonwealth will experience a very modest increase in its total share of costs once the additional revenue is factored in, but the Commonwealth will extend support and services to an additional 985 youth ages 18 to 21 over five years, and provide adoption subsidies to an additional 157 youth.

See Figure 30 on page 45 for the dollar amounts and details of the fiscal impact.

Statutory Implications of Adopting the FCA Older Youth Provisions

If Virginia leaders decide to adopt and implement the older youth provisions of FCA in order to take advantage of the financial benefits of additional Title IV-E funding, they will need to review statutory language in existing state law and regulations to ensure it is consistent with FCA provisions. This includes:

- The requirement that all localities across the state offer extended assistance to Title IV-E youth who are in foster care when they turn 18 or have been adopted or placed in a kinship guardianship arrangement between the ages of 16 and 18;
- The definition of a "child" for purposes of receiving extended assistance for foster care maintenance, adoption subsidies and custody assistance;
- The rationale for not extending all programs to all Title IV-E eligible youth ages 18 to 21 if Commonwealth leaders 1) opt to phase in extended benefits under all three programs over a period of time rather than all at once, and 2) do not provide extended benefits under all three programs;
- The mechanisms to meet "removal from home" and "placement in care" criteria for older youth;
- The provision of protections (court jurisdiction and child welfare supervision) for older youth who take advantage of extended benefits;
- The provision of reentry opportunities for youth between the ages of 18 and 21 who leave foster care and opt to return to take advantage of extended benefits; and
- The requirements for child welfare licensing for families and staff who serve older youth.

Administrative Implications of Adopting the FCA Older Youth Provisions

FCA also contains a number of provisions that suggest the need to review the Commonwealth administrative processes and requirements to ensure that they are consistent with the federal law. These include:

- Additional permanency plan and case review requirements;
- Monthly face-to-face meetings between caseworkers and older youth receiving Title IV-E benefits;
- Requirements to cover the costs of the child of a parent between ages 18 and 21 who is receiving foster care support and services;
- Data collection and reporting requirements for the Adoption and Foster Care Analysis and Reporting System (AFCARS); and
- Data collection and reporting requirements for the National Youth in Transition Database.

Conclusion

With the passage of the *Fostering Connections to Success and Increasing Adoptions Act*, Virginia has an important opportunity to improve outcomes for older youth in foster care. As research confirms, permanency pays significant dividends for youth ages 18 to 21. If Virginia policy makers adopt a policy allowing young people to continue to receive Title IV-E assistance until age 21 – an option that will be much less of a financial burden on the Commonwealth and localities because of FCA – the potential benefits to foster youth and society will likely more than offset the costs to young people and to government. This analysis is intended to assist Virginia leaders as they consider how best to provide supports and services to this particularly vulnerable population and the costs and revenues associated with the programmatic assumptions. Although the Commonwealth faces a challenging fiscal environment, The Finance Project's analysis shows clearly that relatively modest investments in this population of young people have the potential to yield significant and positive long-term benefits.

Summary of Total Costs and Net Savings, by Scenario

SCENARIO I	2013	2014	2015	2016	2017	Total	Percent of Total Costs
Foster Care Support and Services							
Total Costs	\$33,868,472	\$31,497,679	\$29,922,795	\$29,025,111	\$28,444,809	\$152,758,667	
Population Served	1,293	1,202	1,142	1,108	1,086		
Net Costs / (Savings)							
State	\$(4,921,155)	\$(4,576,674)	\$(4,347,841)	\$(4,217,405)	\$(4,133,057)	\$(22,196,133)	-25%
Local	\$(1,680,614)	\$(1,562,971)	\$(1,484,823)	\$(1,440,278)	\$(1,411,472)	\$(7,580,158)	-22%
Total	\$(6,601,769)	\$(6,139,646)	\$(5,832,663)	\$(5,657,683)	\$(5,544,530)	\$(29,776,291)	-19%
Adoption Subsidy							
Total Costs	\$1,507,887	\$1,598,361	\$2,117,828	\$2,693,877	\$3,283,836	\$11,201,788	
Population Served	92	115	138	159	175	678	
Net Costs / (Savings)							
State	\$930,329	\$986,148	\$1,306,647	\$1,662,055	\$2,026,045	\$6,911,223	62%
Local	\$0	\$0	\$0	\$0	\$0	\$0	0%
Total	\$930,329	\$986,148	\$1,306,647	\$1,662,055	\$2,026,045	\$6,911,223	62%
Custody Assistance							
Total Costs	\$436,597	\$534,084	\$612,459	\$674,267	\$721,692	\$2,979,079	
Population Served	40	48	56	61	66	270	
Net Costs / (Savings)							
State	\$331,814	\$405,889	\$465,469	\$512,443	\$548,486	\$2,264,100	76%
Local	\$0	\$0	\$0	\$0	\$0	\$0	0%
Total	\$31,814	\$405,889	\$465,469	\$512,443	\$548,488	\$2,264,100	
Total for Foster Care Support and Services, Adoption Subsidy, and Custody Assistance							
Total Costs	\$35,812,957	\$33,630,104	\$32,653,082	\$32,393,255	\$32,450,137	\$166,939,534	
Net Costs / (Savings)							
State	\$(3,659,012)	\$(3,184,637)	\$(2,575,725)	\$(2,042,908)	\$(1,558,527)	\$(13,020,809)	-13%
Local	\$(1,680,614)	\$(1,562,971)	\$(1,484,823)	\$(1,440,278)	\$(1,411,472)	\$(7,580,158)	-22%
Total	\$(5,339,627)	\$(4,747,608)	\$(4,060,548)	\$(3,483,186)	\$(2,969,999)	\$(20,600,968)	-12%

Percent of state net costs/savings are based on the total state costs. Percent of local net costs/savings are based on the total local costs. See Appendix C for more detail on total state and local costs used to derive these percentages.

SCENARIO II	2013	2014	2015	2016	2017	Total	Percent of Total Costs
Foster Care Support and Services							
Total Costs	\$39,880,725	\$37,089,074	\$35,234,620	\$34,177,582	\$33,494,030	\$179,876,032	
Population Served	1,511	1,406	1,336	1,296	1,269		
Net Costs / (Savings)							
State	\$(1,406,939)	\$(1,308,454)	\$(1,243,031)	\$(1,205,740)	\$(1,181,625)	\$(6,345,789)	-6%
Local	\$(347,657)	\$(323,321)	\$(307,155)	\$(297,940)	\$(291,982)	\$(1,568,055)	-4%
Total	\$(1,754,596)	\$(1,631,775)	\$(1,550,186)	\$(1,503,680)	\$(1,473,607)	\$(7,913,844)	-4%
Adoption Subsidy							
Total Costs	\$1,685,832	\$1,786,982	\$2,482,461	\$3,262,760	\$4,150,231	\$13,348,266	
Population Served	103	134	167	201	231		
Net Costs / (Savings)							
State	\$1,040,116	\$1,102,523	\$1,519,277	\$2,013,041	\$2,560,589	\$8,235,546	62%
Local	\$0	\$0	\$0	\$0	\$0	\$0	0%
Total	\$1,040,116	\$1,102,523	\$1,519,277	\$2,013,041	\$2,560,589	\$8,235,546	62%
Custody Assistance							
Total Costs	\$436,597	\$534,064	\$612,459	\$674,267	\$721,692	\$2,979,079	
Population Served	40	48	56	61	66		
Net Costs / (Savings)							
State	\$215,679	\$263,828	\$302,555	\$333,088	\$356,516	\$1,471,665	49%
Local	\$116,135	\$142,061	\$162,914	\$179,355	\$191,970	\$792,435	27%
Total	\$331,814	\$405,889	\$465,469	\$512,443	\$548,486	\$2,264,100	76%
Total for Foster Care Support and Services, Adoption Subsidy, and Custody Assistance							
Total Costs	\$42,003,154	\$39,410,120	\$38,309,540	\$38,114,609	\$38,365,953	\$196,203,376	
Net Costs / (Savings)							
State	\$(151,144)	\$57,897	\$578,800	\$1,140,389	\$1,735,480	\$3,361,422	3%
Local	\$(231,522)	\$(181,260)	\$(144,241)	\$(118,585)	\$(100,011)	\$(775,620)	-2%
Total	\$(382,666)	\$(123,363)	\$434,559	\$1,021,804	\$1,635,469	\$2,585,802	1%

Percent of state net costs/savings are based on the total state costs. Percent of local net costs/savings are based on the total local costs. See appendix c for more detail on total state and local costs used to derive these percentages.

INTRODUCTION

In 2008, Congress passed *The Fostering Connections to Success and Increasing Adoptions Act* which represents an historic shift in federal child welfare policy. The FCA created important new financial incentives to encourage state leaders to support permanency and put in place extended maintenance and services for young people who turn 18 while they are in foster care. Specifically, the FCA contains three key expansions of federal funding available under the Title IV-E program. These include:

1. The federal IV-E reimbursement that states receive for adoption assistance is no longer tied to IV-E income eligibility requirements.
2. States can opt to offer kinship guardianship assistance (custody assistance) for children and youth age 0 through 17 and receive federal IV-E reimbursement for eligible custody assistance.
3. States can opt to offer extended supports for young people until age 21 and receive federal IV-E matching funds. Extended supports include foster care⁴; adoption assistance for young people adopted age 16 and older; and guardianship assistance (custody assistance) for young people who enter into custody assistance at age 16 and older.⁵

The Fostering Connections Act presents an opportunity for states like Virginia that already make significant investments in permanency and supportive services for young people beyond age 18 using state and locality funds to recoup a portion of maintenance, support and administrative costs through Title IV-E. Until passage of Fostering Connections, few states allowed young people to continue to receive IV-E benefits, largely because federal reimbursement for placement, maintenance and administrative costs ended when a young person turned 18. Federal law now enables states to receive federal reimbursement for qualifying young people under the three IV-E programs highlighted above, so there are strong incentives and productive opportunities for states to extend assistance to young people beyond age 18. Programs funded with state and/or federal Chafee funds that provide support for case management and placement costs have the potential to now be covered in part through federal IV-E reimbursement, thereby freeing up state/locality funds and Chafee funds for re-investment.

Against this backdrop, the Virginia Senate Committee on Rehabilitation and Social Services requested that officials in the Virginia Department of Social Services (DSS) provide a report "detailing a cost benefit analysis of extending the foster care and adoption program to the age of 21".⁶ The Finance Project partnered with DSS and undertook a series of data collection, analysis, and facilitation activities to project the net fiscal impact of extending services statewide under the Title IV-E extension provisions of FCA. These include:

⁴ Title IV-E eligible foster youth age 18 and older must be: either completing high school or an equivalent program; enrolled in post secondary or vocational school; participating in a program or activity designed to promote, or remove barriers to, employment; employed for at least 80 hours per month; or incapable of doing any of these activities due to a medical condition.

⁵ *Fostering Connections* created a new category of eligibility placement – the Guardianship Assistance Program. States have the option of claiming reimbursement for qualifying children and youth placed with a relative guardian. States also can choose to extend eligibility for these placements to older youth.

⁶ Letter from Senator Frank W. Wagner, Chairman, Senate Committee on Rehabilitation and Social Services, Senate of Virginia, to The Honorable Martin D. Brown, Commissioner, Department of Social Services, Commonwealth of Virginia, May 7, 2012.

- Facilitating agreement on key design parameters for extending Title IV-E assistance to age 21;
- Mapping current investments in older youth currently in and transitioning from foster care;
- Developing cost estimates for relevant programs based on the design parameters;
- Analyzing the net fiscal impact of extending services; and
- Developing implications for policy reform.

The detailed results of the study are presented in this report, which includes information on the methodological design and cost assumptions, projections of future costs and potential revenue associated with the FCA provisions, and implications for changes in policy and practice that would be required to implement FCA in the Commonwealth.

SECTION 1: OPPORTUNITIES AND BARRIERS TO EXTENDING SERVICES TO YOUTH IN FOSTER CARE BEYOND AGE 18 IN VIRGINIA

Purpose and intent of the Fostering Connections to Success and Increasing Adoptions Act of 2008 (FCA)

The Fostering Connections to Success and Increasing Adoptions Act of 2008 (FCA) promotes increased permanency and improved outcomes for children in the foster care system.

Research shows that permanency is linked to better outcomes for youth in foster care. For instance, young people who achieve permanency are more likely to graduate from high school or get a GED. They are more likely to earn a bachelor's degree, be employed and have health insurance. They are also likely to have higher outcomes than their peers who do not achieve permanency. Researchers at Chapin Hall at the University of Chicago estimate that extending assistance will increase per-person lifetime earnings by an average of \$72,000. They also found that the return in future earnings exceeds the average cost of an additional two years of extended assistance.⁷

The provisions of FCA span six areas:

1. Support for kinship care and family connections
2. Support for older youth
3. Coordinated health services
4. Improved educational stability and opportunities
5. Incentives and assistance for adoption
6. Direct access to federal resources for Indian Tribes

This fiscal analysis focuses on the implications of implementing the support for older youth provisions of FCA.

- *Foster Care Support and Services:* Young people who turn 18 while in foster care can continue to receive support and services until their 21st birthday;
- *Adoption Assistance:* Young people adopted at age 16 or older can continue to receive assistance until their 21st birthday; and

⁷ Peters, C.M., Dworsky, A., Courtney, M.E., & Pollack, H. (2009). Extending foster care to age 21. Chicago, Illinois: Chapin Hall at the University of Chicago.
http://www.chapinhall.org/sites/default/files/publications/Issue_Brief%2006_23_09.pdf

- **Custody Assistance:** Youth entering into relative guardianship at age 16 or older can receive assistance until their 21st birthday.⁸

Figure 1 below displays the key FCA provisions that expand the availability of IV-E funds. It also highlights which supports Virginia currently provides and whether the Commonwealth has taken the steps necessary to leverage new IV-E funding available under FCA.

Figure 1: Virginia’s Current Policy and Fostering Connections Provisions

Fostering Connection Provisions	Virginia Provides Supports	Virginia Has Taken Necessary Steps to Leverage New IV-E Funding Available under Fostering Connections
1. De-Link eligibility for adoption assistance from IV-E income eligibility	X	N/A – All states receive this category of increased IV-E revenue. No state action is necessary.
2. Kinship guardianship assistance (custody assistance) for children and youth 0 – 17		Virginia currently does not provide custody assistance.
3. Extension of Supports to 21		Virginia currently does not provide custody assistance for guardianship arrangements (custody assistance). Virginia does provide adoption subsidy to youth up to age 21 who have special needs.
Extension of Foster Care Supports and Services to 21	X ⁹	
Extension of Guardianship (Custody) Assistance to 21		
Extension of Adoption Subsidy to 21	X ¹⁰	

The costs of Title IV-E extended foster care supports and services and adoption assistance, funded with state and local funds in Virginia, now have the potential to be matched with federal funds, generating cost-savings for the state. Virginia does not currently offer guardianship assistance (custody assistance), but the plan to do so has been submitted to executive leadership for approval. In order to leverage the funding available for extended foster care services, Virginia also will have to extend adoption subsidy to age 21, and custody assistance to age 21, if custody assistance is implemented.

Federal requirements for securing reimbursement under FCA

To receive federal reimbursements under FCA, states have to meet several requirements:

- **Eligibility:** FCA requires youth ages 18 to 21 to meet title IV-E program participation, age, and educational or work requirements. This means that a young person must meet one of the following conditions
 - o In foster care, including independent living, under the responsibility of the state Title IV-E agency,
 - o Part of an adoption assistance agreement that became effective after the youth turned 16; or
 - o Part of a kinship guardianship agreement (custody assistance) that became effective after the youth turned 16.

⁸ Fostering Connections created a new category of eligibility placement – the Guardianship Assistance Program. States have the option of claiming reimbursement for qualifying children and youth placed with a relative guardian. States can choose to also extend eligibility for these placements to older youth as well.

⁹ Virginia Department of Social Services provides foster care benefits to eligible youth until age 18 who meet certain education requirements; local Departments of Social Services have the discretion to provide supports to youth over age 18, but do not receive federal IV-E reimbursements.

¹⁰ Virginia provides adoption subsidy past age 18 to eligible youth who have special needs.

Eligibility also means that the youth must be one of the following:

- o Completing high school or a program leading to an equivalent credential;
- o Enrolled in post-secondary or vocational education part time or full time;
- o Enrolled in a program to remove barriers to employment;
- o Working at least 80 hours per month; or
- o Incapable of pursuing any of these educational or employment activities.¹¹

States have flexibility in how they implement these education and work requirements, as long as their plans are consistent with federal law. Additionally, although a child/youth must have met AFDC eligibility requirements at the time of removal from the home or voluntary placement in order to be eligible for Title IV-E foster care assistance, there is no requirement for AFDC redetermination to extend benefits when the youth turns 18, because he/she can not meet the definition of a "needy child" under federal welfare law.¹²

- **Placement Options:** FCA expands the definition of a child care institution to include supervised independent living settings for eligible youth ages 18 to 21. States, therefore, can obtain federal reimbursements for supervised independent living settings in which eligible youth reside.
- **Protections:** States that opt to extend Title IV-E assistance eligibility must provide all protections to older youth ages 18 to 21 that are provided to children under age 18, including case management, transition planning, permanency planning and regular judicial/administrative case reviews. FCA emphasizes that states must work towards permanency planning for all young people receiving benefits.
- **Re-entry after age 18:** FCA permits youth who were previously in foster care to become eligible for Title IV-E services after age 18, provided they meet the eligibility criteria for removal from the home (i.e., court-ordered removal prior to or after age 18; voluntary placement prior to or after age 18, and trial independence breaks in foster care).¹³

Effective October 1, 2010, states have the option to continue providing Title IV-E payments to youth ages 18 to 21 who were in foster care or who were adopted or in kinship guardianship (custody assistance) after they turned age 16, provided they meet the specified conditions related to education, work, and training. States can implement the extension of services to age 21 at one time, or they can roll out the extension over a number of years. As an example, California allowed youth age 18 in foster care to receive extended benefits until age 19 in 2012. Subsequent legislation then extended benefits to age 20 in 2013, and pending legislation would extend benefits to age 21 beginning in 2014.

¹¹ See ACYF-CB-PI-10-11 for details.

¹² See ACYF-CB-PI-10-11 for details regarding AFDC redeterminations.

¹³ Per ACYF-CB-PI-10-11, *Removal From Home* can include court ordered removal prior to age 18, voluntary placement agreement prior to age 18, court ordered removal after attaining age 18, voluntary placement agreement after attaining age 18, or Trial independence and breaks in foster care
Placement and Care Responsibility can include written authorization prior to age 18, voluntary placement agreement after attaining age 18, court orders after attaining age 18.

How foster care and services for older youth are currently managed in Virginia localities

Currently, DSS terminates payments for services to IV-E eligible youth when they turn 18, unless young people between ages 18 and 19 are finishing high school or a GED. For these IV-E eligible youth who turn 18 in foster care, continued payments for support and services are generally funded by Virginia's Comprehensive Services Act for At-Risk Youth and Families (CSA), which is "a single state pool of funds to purchase services for at-risk youth and their families."¹⁴ Funds are used to cover payments to foster families, independent living stipends, and the costs of an array of supportive services, including health and mental health, education and employment training. CSA funds come from the Commonwealth. No federal funding is involved. Localities are required to match CSA funds to cover the full costs of these supports and services for older youth. The local match rate varies by locality and type of service provided.

A survey of localities undertaken as a part of this study showed that approximately 79 percent of Virginia localities report that they currently match CSA funding with local dollars to serve older youth who were in Title IV-E foster care prior to age 18.¹⁵ Findings from the survey can be found in Appendix F.

Currently in Virginia, adoption subsidy payments also cease at age 18, unless a young person has a disability or other special needs. Extended payments for these youth are covered with a mix of federal and state funding. The FMAP rate for IV-E eligible payments is fifty percent, with the Commonwealth general fund supplying the remainder. Adoption subsidy payments are state supervised and locally administered. Monthly payment rates differ by age group. For children over age 13, the maximum payment is \$666 per month for basic maintenance. Virginia also provides enhanced maintenance payments for children who require additional daily support and supervision.

Custody assistance payments for family/kinship care arrangements currently are not provided for children or youth of any age in Virginia, though DSS anticipates implementing custody assistance for children under age 18 in foster care in the future. At present there is no official start date for implementation; however, in 2010 a Custody Assistance Policy and Tools Work Group began work to frame and define the process for guidance.¹⁶

Current barriers to capturing Title IV-E reimbursement

Several legal and administrative barriers affect Virginia's ability to capture Title IV-E reimbursement for extending benefits to older youth. These include:

- **Statewide eligibility** – Currently localities are not required to extend services to older youth. In order to qualify for Title IV-E reimbursement for youth aged 18 to 21, Virginia would need to require all localities to make assistance available equally to older youth.
- **Title IV-E eligibility requirements** – As noted above, under the FCA provisions, youth must meet stated education and work requirements in order to qualify for IV-E reimbursement. Virginia would have flexibility in the design and implementation of these education and work requirements, as long as they are consistent with federal law.

¹⁴ Comprehensive Services Act, Commonwealth of Virginia. (2012). <http://www.csa.virginia.gov/>

¹⁵ All 120 local Department of Social Services (DSS) were given a survey, developed by The Finance Project and the Virginia Department of Social Services. Of the 76 local DSS that replied, 60 (79 percent) indicated they provided services to youth in foster care until age 21.

¹⁶ Virginia's Annual Report on the Five Year Child Welfare Plan. (2012).

- Agency financing for older youth -- Currently two agencies have responsibility for providing services and benefits to older youth in foster care and adoption assistance. For young people aged 18 and 19 who are completing high school or an equivalent educational credential, DSS continues to provide payments to foster families and adoption assistance to adoptive families. For other IV-E eligible youth who age out of care, and for non IV-E eligible youth, CSA is a funding source that provides assistance to cover the costs of their placements, protections and services.
- Data limitations -- The data systems maintained by the Virginia Department of Social Services and CSA are not integrated, and therefore, make it difficult to track the caseload and expenditures for youth aged 18 to 21 across the Commonwealth.

SECTION II: METHODOLOGICAL APPROACH

At the request of DSS officials, The Finance Project staff undertook a series of design, data collection and analysis activities to assist Virginia state agency and legislative leaders with assessing the net fiscal impact of extending Title IV-E eligibility to age 21. This support was structured around four key steps:

Facilitating agreement on key design parameters for extending benefits to age 21

This included specifying eligibility for extended assistance, placement options for older youth, protections, including case management, judicial/administrative oversight, and supportive services that will need to be offered to older youth statewide. To achieve a broad consensus on the specific design parameters, DSS appointed an interdisciplinary Fostering Connections Work Group comprised of state agency officials, local child welfare officials, judicial leaders, youth development specialists, service providers, advocates, and foster youth. (See Appendix A for a list of Work Group members.) The Finance Project staff facilitated three on-site design conversations for the Work Group. The purpose of these conversations was to establish the boundaries and the core assumptions that are the foundation of the fiscal analysis, including:

- Clarifying the design of extended assistance for youth aging out of foster care,
- Projecting the population of older youth who will utilize extended assistance, and
- Determining the cost basis for assessing the potential fiscal impact of extending assistance to older youth.

These conversations included discussion about the potential impact of extending all three IV-E programs (foster care maintenance, adoption assistance, and custody assistance) for young people age 18, 19, and 20.

Mapping current investments in older foster youth and projecting the utilization of extended assistance

In order to develop realistic and reliable estimates of extending IV-E assistance to older youth, The Finance Project staff worked closely with state program and budget staff in DSS and CSA to gather and summarize historic information over a period of three to five years, including:

- *Caseload data on the population of older youth who would be eligible for extended IV-E assistance* in order to project the expected trend in the number of youth who will be eligible for and will take advantage of extended benefits during the five year period from FY 2013 through FY 2018.

- *Budgetary data on federal, state and local investments in older youth and the potential for cost savings in extending benefits under provisions of the FCA as completely and accurately as possible.*

This enabled The Finance Project staff to project federal IV-E revenues and state/locality expenditures in Virginia, if the Commonwealth kept current programs in place and did not receive any additional revenue as a result of FCA.

Developing estimates of the costs extending Title IV-E assistance to age 21

Based on the specified design parameters and budgeting assumptions established by the Fostering Connections Work Group, The Finance Project staff worked with Virginia state program and budget staff to develop revenue and cost projections based on three to five years of trend data, in order to realistically forecast utilization rates as well as the expected costs of various placements, protections and other administrative costs from FY 2013 through 2017.

Projecting the net fiscal impact of extending Title IV-E assistance to age 21

Based on the selected design parameters, cost assumptions, expected new Title IV-E revenues, and potential state and locality savings, The Finance Project calculated the net fiscal impact of implementing Fostering Connections older youth provisions in Virginia based on the difference in state and local expenditures prior to FCA and if the Commonwealth takes advantage of all relevant provisions of the federal law. Based on the data collected during the mapping process and the cost projections developed, The Finance Project analyzed:

- *The amount of new Title IV-E funds that will be available to support older youth in foster care statewide annually from FY 2013 through 2017;*
- *The amount of funds Virginia currently spends on 18 to 21 year olds that can be reallocated for other purposes because these services can be reimbursed by Title IV-E; and*
- *The amount of state spending that will be required to extend Title IV-E assistance to the eligible population of older youth annually from FY 2013 through 2017.*
- *The amount of locality spending that will be required to extend Title IV-E assistance to the eligible population of older youth annually from FY 2013 through 2017.*

Presenting implications for policy reform and budgeting

The Finance Project's program analysis and fiscal analysis have implications for statutory, budgetary and administrative actions, if Virginia is to extend Title IV-E assistance to youth aged 18 to 21.

In addition to these steps there were some notable **data limitations** in conducting the study:

- **CSA data and DSS data are not integrated** – While there is significant overlap in the population of older youth who are served using CSA funding and who receive case management services provided by DSS, this study was not able to use youth-specific information to determine actual costs for each youth. Consequently, estimates are used to determine average per-youth maintenance costs, services costs, and administrative and case management costs in developing the cost projections.
- **CSA cost data is not from their financial system** – CSA cost data is reported based on gross costs reported by localities. It does not come from information in the CSA financial system. Consequently, there may be some discrepancies when comparing cost data to actual CSA expenditures. The CSA "community-based services" cost category captures services costs for all children and families served by CSA, with no

- ability to extract services information solely for foster care. As a result, this category of funding for services could not be used to extrapolate additional service cost information.
- **DSS cost data not broken out by age** -- DSS cost data also has some limitations. Available information on case management costs, administrative costs, and maintenance costs is not available for the specific subset of older youth ages 18 to 21 that are the target of this study. Consequently, the average costs for administrative costs and case management costs represent average costs for youth, age's birth to 21. Similarly, the Title IV-E penetration rate (approximately 48 percent) used in estimating the amount of federal revenue that will be received is based on the entire population of children and youth in foster care.

SECTION III: DESIGN PARAMETERS AND BUDGET ASSUMPTIONS

The Fostering Connections Work Group established a set of clear design parameters and budgeting assumptions to guide the fiscal analysis. These included specification of the population of older youth who would be eligible for extended IV-E assistance, placement options, protections (including case management, judicial and administrative oversight) and available services.

Eligibility

For purposes of the fiscal analysis, the Work Group specified the following parameters:

- Eligibility shall be extended for all three categories of Title IV-E eligible youth statewide: foster care support and services, adoption subsidies, and custody assistance.
- Homeless youth shall not be included.
- Youth in a juvenile detention facility when they turn 18, who were in foster care prior to DJJ placement, shall be included. Other youth leaving juvenile detention, who were not previously in the child welfare system, shall not be included.

The analysis examines the fiscal impact of extending eligibility to age 21 and provides a caseload and cost breakdown by year of age (18, 19, 20). It also distinguishes between IV-E eligible and IV-E non-eligible youth, although both groups will continue to receive services.

Housing and placement

For purposes of the fiscal analysis, the Work Group specified that the fiscal analysis would take account of a continuum of placement options that provide a graduated progression of structure and supervision and offer young people greater levels of freedom and independence. It also specified that placement decisions be made in consultation with the young people involved. The analysis assumes that should Virginia opt to extend eligibility to IV-E eligible youth ages 18 to 21; the current array of placements options will continue to be available.

- Family-based foster care, living with an approved foster care family that receives payment for providing room and board, clothing and other basic essentials.
- Transitional placements, which may include community-based apartments or cluster site arrangements in which foster care maintenance payments are paid to licensed providers. They are meant to help youth transition from group care or family-based foster care to settings where youth exercise a higher degree of independence. Transitional placements include a high-level of supervision and intensive independent living skills training. In some cases, youth with mental health needs or other challenges may remain in this placement setting long-term.

- Independent living arrangements, which may include community-based apartments, college dormitories, and host homes in which foster care stipend payments are paid directly to the youth. For a young person who moves from a transitional placement to an independent living arrangement, the transition should focus on who receives the payments and, in many cases, shall not result in a physical move for the youth. Independent living arrangements require neither supplementary services, nor supervision beyond traditional case management.

Protections

For the purposes of the fiscal analysis, the Work Group outlined several basic protections for older youth who receive extended Title IV-E assistance, including case management, transition planning, permanency planning and oversight.

- Case management, transition planning, and permanency planning shall continue for youth ages 18 to 21 including:
 - Monthly face-to-face visits with a caseworker shall continue, as required by FCA.
 - Local departments of social services shall have the option to contract with private providers to offer direct services and employ the same standards currently employed for case management. Specialized contracted staff shall be knowledgeable about youth development, effective at working with young people, and experienced in coordinating with relevant adult service systems.
- Oversight – Status hearings and case reviews shall be held in a youth friendly environment, with the young person having a clear self-advocacy role. The primary focus of oversight shall be on ensuring that young people receive the needed supports and services to help them move toward independence, based on their transition plan. Key elements of oversight shall include:
 - A court review every six months, presuming that the judge or young person can request more frequent contact, if needed;
 - An annual permanency review, which constitutes a formal judicial proceeding in Virginia;
 - Continued legal representation for all young people 18 and older who opt to receive Title IV-E assistance.

Supportive services

For purposes of the fiscal analysis, the Work Group agreed that a continuum of supportive services that address the educational, employment, and physical/mental health needs of young people continue to be available to enable young people to succeed as adults. The current array of services available to eligible youth ages 18 to 21 in Virginia remains the same.

SECTION IV: ANTICIPATED TRENDS IN THE TITLE IV-E ELIGIBLE POPULATION OF OLDER YOUTH, FY 2013 - FY2017

The Finance Project examined five years of historical caseload data to project trends in the older foster care population that area the foundation for this fiscal analysis. Appendix B provides detailed information on the foster care case load along with other historical data that was used to develop projections of the number of youth who will receive benefits past age 18.

Youth who will meet the FCA requirements for extended assistance

In Virginia, the total number of older foster youth (i.e., 17 year olds) in care has declined steadily since 2007, by an average of nine percent per year. During the same period, the number of 18 year olds in care has also declined by 9 percent per year on average. As seen in Figure 2, in 2011, just under 800 youth turned 18 and continued to receive foster care services for at least some period of time.

Figure 2: Number of Youth Who Turn Age 17 and Age 18 in Foster Care¹⁷

	2006	2007	2008	2009	2010	2011	Total 2006 to 2011	Annual Percent Change
Number of youth who turned 17 In foster care	1,109	1,173	1,137	1,002	878	774	6,073	- 9 %
Number of youth who turned 18 in foster care and continued to receive services	965	1,008	1,070	1,042	917	794	5,796	- 9 %

While it seems unlikely that the decline over the next five years will be as steep as it has been since 2007, The Finance Project staff estimates that the population of older youth who continue to receive services after their 18th birthdays will continue to decline between two to seven percent per year.¹⁸ Figure 3 demonstrates the number of youth ages 18 to 21 who continue to receive foster care support and services is expected to decline from approximately 1,300 to 1,500 in FY 2013 to approximately 1,100 to 1250 in FY 2017. We expect that between 5,831 and 6,815 youth will turn 18 in foster care over the five year period from FY 2013 through FY 2017.

Understanding Foster Care Population Estimates Used for the Analysis

For this analysis, the population of youth in foster care that is reported represents the aggregate number of youth who received at least one service at any point during the year, whether it is for one day or 365 days. This number is higher than point in time counts, which typically report the number of youth receiving services in a particular month. It is also important to note that the aggregate numbers do not represent how many youth are in care at one time, but instead represent how many access services at some point during the year; hence, the monthly census numbers are lower than the yearly aggregate.

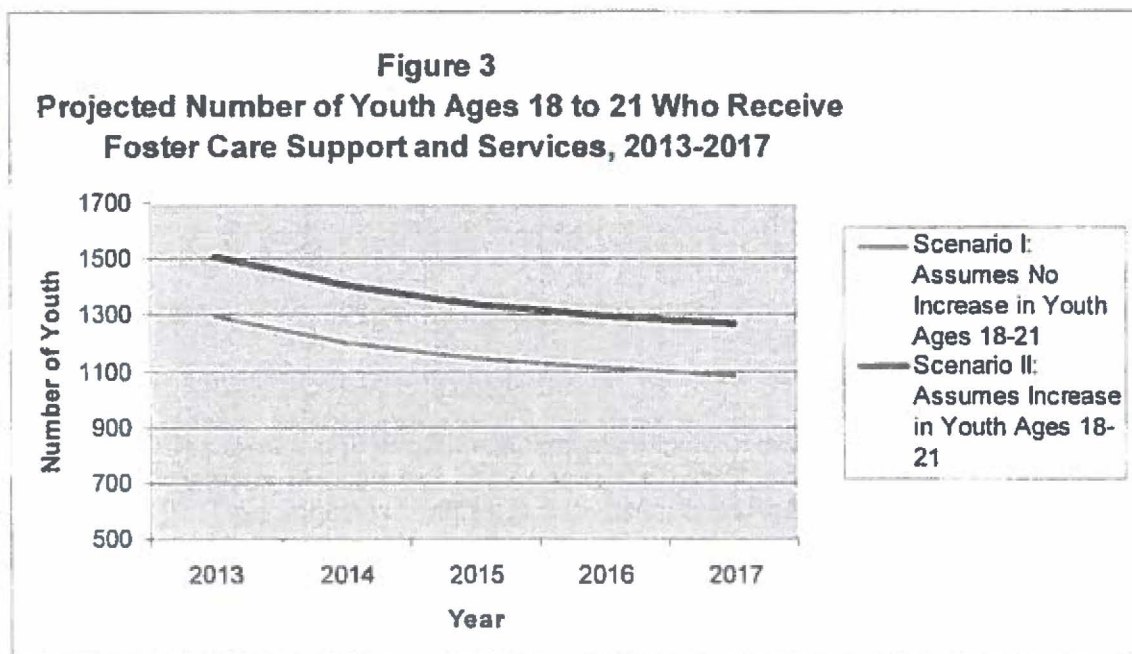
The Finance Project created two scenarios for purposes of analysis¹⁹.

¹⁷ Data provided by Virginia Department of Social Services.

¹⁸ The Finance Project estimates that the percentage of youth who continue to receive services after reaching 18 in care decline by 9 percent in SFY 2013, 7 percent in SFY 2014, 5 percent in SFY 2015, 3 percent in SFY 2016, and 2 percent in SFY 2017.

¹⁹ States have discretion in determining which of the education or employment conditions they will include and how it will determine whether a youth meets the conditions (ACYB-CB-PI-10-11). This analysis assumes in its projections that youth will meet one of these conditions. Additionally, this analysis assumes that the Commonwealth will allow all current supervised Independent Living placements to be included in its IV-E "supervised independent living" criteria should it opt into FCA.

- *Scenario I* assumes the Commonwealth opts in to Fostering Connections, but there is no change in the number of youth who receive extended benefits, the length of their stays/services, or the types of services they access. The primary difference between Scenario I and not opting in to Fostering Connections is that the Commonwealth would take advantage of federal IV-E reimbursements for eligible youth.
- *Scenario II* assumes that Virginia opts in to Fostering Connections, and that the number of youth who elect to receive extended benefits increases at a reasonable rate, as does the number who continue to receive services in each age cohort.



Appendix B presents more detailed information concerning the projected number of youth who will extend foster care services by age.

A high proportion of youth who turn 18 while in foster care, 88 percent, continue to receive assistance as 18 year olds, presumably because they are completing high school or working toward an equivalent educational credential.²⁰ This proportion, which is already quite high, has increased over the past three years. Figure 4 below shows the number of youth who turn 18 and continue to receive services for some period of time after age 18. Figure 4 also shows the percentages of youth 18 year olds who continued to receive services to age 19 and to age 20.²¹

²⁰ Beth Jones. (January 2012). VDSS research brief: Age at exit for 18 year olds in foster care in Virginia. VDSS Office of Research and Planning.

²¹ Data provided by VDSS Division of Family Services.

Figure 4 – Historical Data for Youth Receiving Services, ages 18 to 21

	2006	2007	2008	2009	2010	2011	Percent of youth who continued to receive services after reaching this age
Number of youth who turned 18 each year in foster care	965	1,008	1,070	1,042	917	794	88%
Number of youth who turned 19 each year in foster care	358	354	421	447	485	413	49%
Number of youth who turned 20 each year in foster care	190	185	191	248	270	296	61%

These trends and the availability of extended assistance under FCA are expected to create incentives for older youth to extend foster care support and services. Accordingly, under Scenario II, The Finance Project projects that over the coming five years, from FY 2013 through FY 2017, approximately 90 percent of youth who turn 18 while in foster care will continue to receive extended Title IV-E assistance beyond their 18th birthdays. Additionally, we estimate that under Scenario II:

- The proportion of youth who continue to receive benefits during the year after their 18th birthday will increase from 88 to 90 percent;
- The proportion of 19 year olds who continue to receive services until their 20th birthday will increase from 49 to 60 percent; and
- The proportion of 20 year olds who continue to receive services until their 21st birthday will increase from 61 to 75 percent.

Finally, the Work Group specified that The Finance Project include in the analysis youth who exit DJJ placements and had been in foster care prior to turning 18. The analysis does not include youth leaving DJJ placements who were not in foster care prior to entering the juvenile justice system and who were not Title IV-E eligible. Based on a four-year average, approximately 32 youth (2.7 percent of those leaving a DJJ placement) are expected to be served by DSS between ages 18 and 21. The analysis assumes that these youth would utilize the same mix of services as other youth in DSS.

Figure 5 shows the number of eligible youth exiting the juvenile justice system who are likely to take advantage of foster care supports and services after age 18.

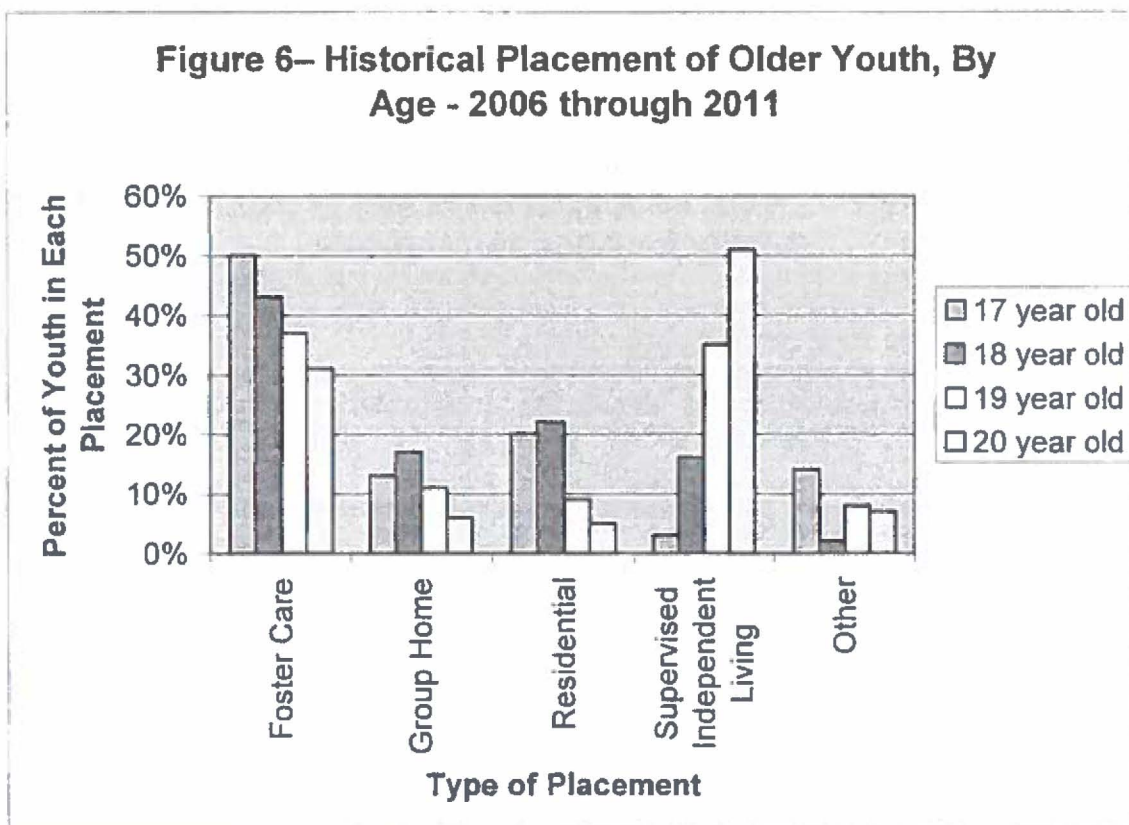
Figure 5: Youth Exiting DJJ Custody by Year

	2009	2010	2011	2012
Number of youth who were in foster care immediately prior to DJJ placement) and were released from the DJJ at age 18	41	27	31	28

Expected placements for Title IV-E eligible older youth

In general, as youth get older, their rate of placement in foster homes or congregate care facilities declines and their rate of placement in some form of supervised independent living arrangement increases as shown in Figure 6, which presents the average percent of placements by year of age over the past five years. The Finance Project used this data to project the types of services youth would receive if Virginia opted in to FCA.

Figure 6– Historical Placement of Older Youth, By Age - 2006 through 2011



Appendix B presents more detailed information on placements for older youth.

Expected population of older youth who will qualify for adoption subsidy

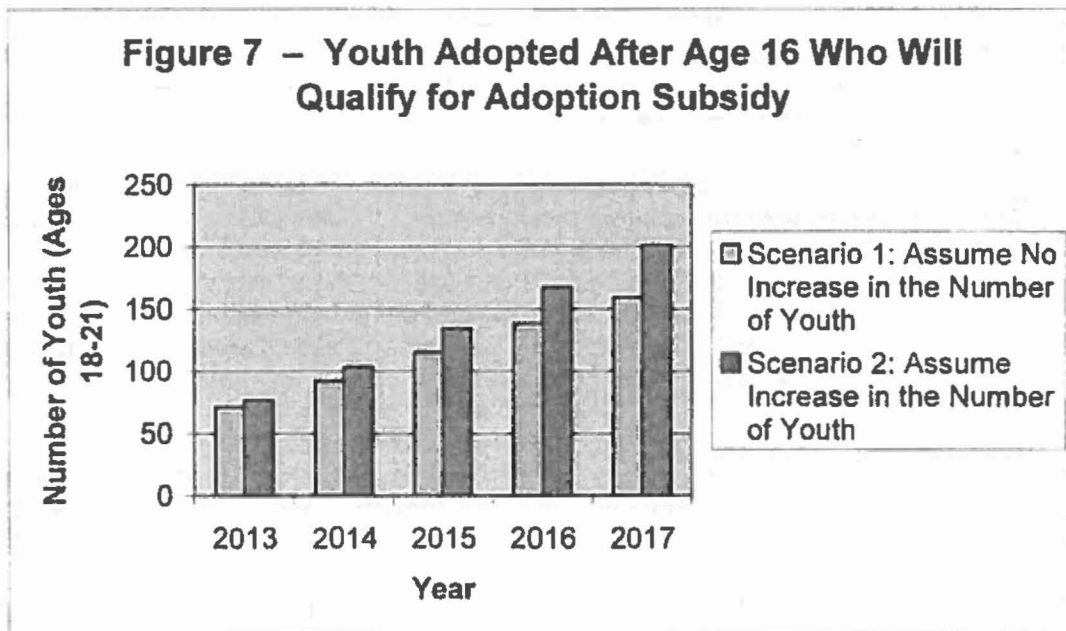
Over the past five years, on average 119 adoptions involving 16 and 17 year olds who exited foster care to adoption and received an adoption subsidy were finalized. In 2010, a state push towards adoption led to a large increase in adoptions. From 2009 to 2010, there was a 75

percent increase in the number of youth aged 16 and 17 who exited to foster care to adoption and received a subsidy. From 2010 to 2011, there was a 60 percent increase. The five-year average annual increase for youth age 16 and 17 who exited foster care to adoption and received the adoption subsidy was 33 percent.

As previously noted, The Finance Project created two scenarios for adoption subsidy. Figure 7 presents the projected number of youth adopted after age 16 who will qualify for adoption subsidy for years 2013 to 2017.

Scenario I assumes no change in the number of adoptions of older youth from what is already projected for the next five years based on recent historical patterns. Accordingly, under this scenario, from FY 2013 through FY 2017, the number of youth who will meet Title IV-E subsidy requirements is expected to increase from approximately 92 to 159. The cost of adoption subsidies for older youth will be shared between Commonwealth funds and federal Title IV-E reimbursement.

Scenario II assumes that extending adoption subsidies for youth beyond age 18 will create greater incentives for adoption of 16 to 18 year old foster youth. It assumes that the initial impact will be an additional five percent increase in the number of youth receiving adoption subsidy in FY 2013, with a declining annual percent increase thereafter to — percent in FY 2017.



Appendix B presents more detailed information on the number of youth adopted after age 16 who qualify for an adoption subsidy.

Expected population of older youth who will qualify for custody assistance

Currently, Virginia does not provide custody assistance for children and youth of any age, though DSS plans to implement a custody assistance program in the future. As such, there is no historical data to inform projections of youth that would be in custody assistance. Consequently, information from several recent DSS analyses was used to estimate the

population of youth who are likely to exit care to guardianship (custody assistance) after age 16. Based on prior research, The Finance Project staff estimate that approximately 40 older youth per year will receive custody assistance and the average monthly subsidy would be approximately \$918.

SECTION V: SUMMARY OF FISCAL IMPACT

Based on the design parameters and budgeting assumptions established by the Work Group, The Finance Project developed cost projections and estimated the net fiscal impact of implementing the FCA older youth provisions in Virginia. This section presents the following analyses:

- **Fiscal impact for extending foster care supports and services to age 21** - examines the impact of extending foster care subsidies to older youth;
- **Fiscal impact of extending adoption subsidies to age 21** - examines the impact of extending subsidies to age 21 for youth adopted after age 16;
- **Fiscal impact of extending custody assistance to age 21²²** - examines the impact of extending custody assistance to age 21 for youth exiting care to custody assistance after age 16.
- **Fiscal impact of DJJ youth option** - examines the impact of allowing youth who turn 18 in a Department of Juvenile Justice custody placement to access extended foster care services through Fostering Connections.
- **Total fiscal impact for state and localities** - summarizes the impact of all three Fostering Connections provisions, including extending foster care services, adoption assistance, and custody assistance.

Based on The Finance Project's fiscal impact analysis, Virginia will benefit financially from adopting and implementing the older youth provisions of FCA. The Commonwealth already makes significant investments in supporting and serving older youth who turn 18 while in foster care, and an estimated 79 percent of localities match state funding at varying levels depending on the assistance they offer and the number of youth they serve. As a consequence, Virginia is eligible to recover Title IV-E reimbursable costs for extending benefits to older youth statewide, thereby freeing up state, local and/or federal Chafee funds for re-investment.

As described in detail in this report, The Finance Project staff worked closely with state program and budget staff to gather and analyze historic data on trends in the child welfare population. This entailed examining the number of older youth who currently continue to receive services after their 18th birthday, and projecting the likely number of older youth who would take advantage of extended assistance if it were available. It also enabled us to analyze and disaggregate the costs of serving older youth and the portion of costs that will be reimbursable under Title-IV-E. These assumptions concerning penetration²³ and costs per youth enabled us to project the fiscal implications of adopting and implementing the three relevant FCA programs for older youth in Virginia -- extending foster care maintenance and support, adoption subsidies and custody assistance.

²² Virginia does not currently provide custody assistance children and youth of any age. However, if policymakers decide to implement custody assistance for younger children, they will also need to extend this benefit to older youth ages 18 and 21 in order to be eligible for Title IV-E reimbursement for any services to older youth.

²³ The Title IV-E Foster Care Penetration Rate represents the percentage of children in out-of-home placements for which a state received Title IV-E reimbursement from the federal government for foster care maintenance payments.

Fiscal impact for extending foster care supports and services to age 21

Data on the actual fiscal impact of implementing the FCA provisions for older youth in other states are still sparse. Accordingly, in order to provide Virginia officials with a reasonable range of possible cost and revenue estimates, The Finance Project analyzed the fiscal impact of extending assistance to youth who turn 18 while in foster care using two alternative scenarios and compared the results to not implementing the FCA provisions.

No Fostering Connections Scenario assumes that Virginia does not adopt or implement any of the FCA older youth provisions. This represents the status quo. Projections are based on an historic analysis of trends in the population of older youth in foster care. It assumes that the pattern of decline in the older youth population will continue over the next five years. It also assumes that current expenditures for support and services for these older youth will continue at current levels, primarily through CSA, using a blend of state and locality funding.

Scenario I assumes that Virginia adopts and implements the older youth provisions of FCA and extends foster care support and services to youth ages 18 to 21 without any change in the number of older youth who are served. It also assumes that the level of services and the amount of time that older youth use these benefits does not change. Essentially, this scenario assumes that the primary impact of Fostering Connections is to enable the Commonwealth to access Title IV-E revenue for older youth whose support and services are currently paid entirely from state and local funding and the Chafee Independent Living Program, primarily through CSA. This scenario is conservative, but quite plausible, because of the high percentage of older youth that Virginia already serves (nearly 88 percent for some period of time after age 18).

Scenario II assumes that Virginia adopts and implements the older youth provisions of FCA and extends foster care support and services to youth ages 18 to 21. It also assumes that because the law creates incentives for youth to take advantage of extended assistance, more older youth will receive benefits. Under this scenario, the Commonwealth will serve more youth and the total costs of providing supports and services will increase over current levels. The portion of total costs for maintenance, support and administration is eligible for Title IV-E reimbursement. Therefore, the Commonwealth will also receive increased Title IV-E revenue to help offset the increased costs.

One of the key tenets of FCA is that it allows states to extend Title IV-E eligibility to youth who opt to receive foster care support and services after age 18 and up to age 21. Over the course of 2011, Virginia provided foster care and independent living services to 1,503 youth over the age of 18 and up to age 21²⁴. Most of these services, with the exception of Chafee funded independent living services, were funded through CSA using a blend of local and state dollars. By adopting and implementing the FCA older youth provisions, Virginia will be able to extend eligibility to approximately 732 of these youth, based on the current IV-E penetration rate of 48.7 percent.

²⁴ This analysis uses the aggregate number of youth who received at least one service during the year, whether it was for one day or 365 days, rather than the monthly point in time census.

Fiscal impact under Scenario I

Figure 8 presents the total costs, population served, and the net costs or savings for the Commonwealth and localities under Scenario I. Costs and savings are presented by year, as well as the net costs and savings across the five years. Additionally, the percent of total costs are presented for the Commonwealth and localities.

Figure 8: Scenario I Total Costs and Net Savings: Foster Care Supports and Services

SCENARIO I	2013	2014	2015	2016	2017	Total	Percent of Total Costs
Foster Care Support and Services							
Total Costs	\$33,868,472	\$31,497,679	\$29,922,795	\$29,025,111	\$28,444,609	\$152,768,667	
Population Served	1,293	1,202	1,142	1,108	1,086		
Net Costs / (Savings)							
State	\$(4,921,155)	\$(4,576,674)	\$(4,347,841)	\$(4,217,405)	\$(4,133,057)	\$(22,196,133)	-25%
Local	\$(1,680,614)	\$(1,562,971)	\$(1,484,823)	\$(1,440,278)	\$(1,411,472)	\$(7,580,158)	-22%
Total	\$(6,601,769)	\$(6,139,646)	\$(5,832,663)	\$(5,657,683)	\$(5,544,530)	\$(29,776,291)	-19%

Percent of state net costs/savings are based on the total state costs. Percent of local net costs/savings are based on the total local costs. See Appendix C for more detail on total state and local costs used to derive these percentages.

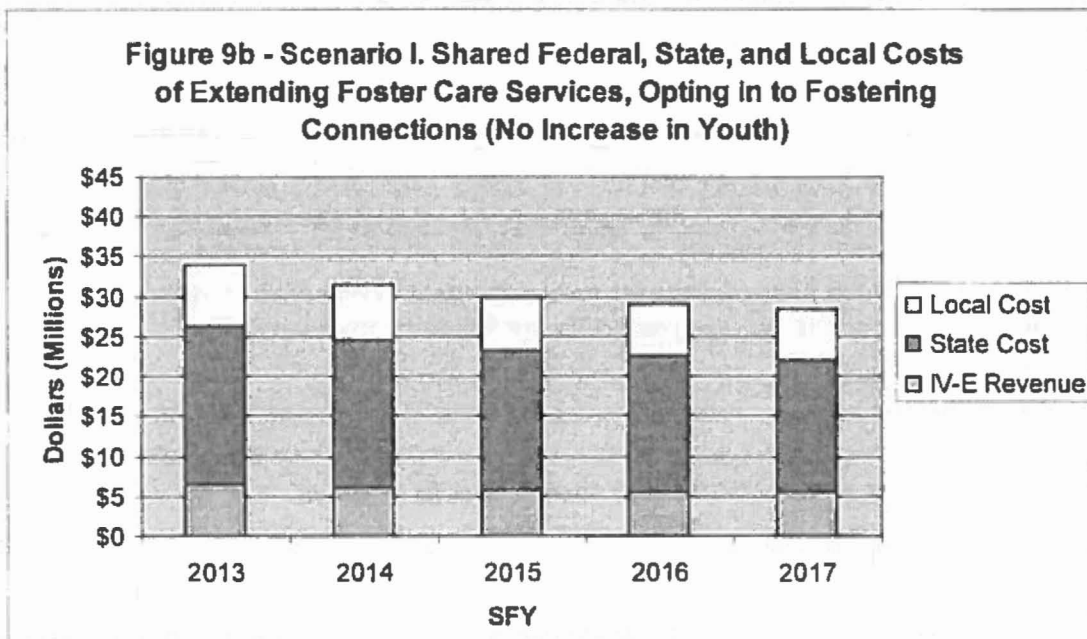
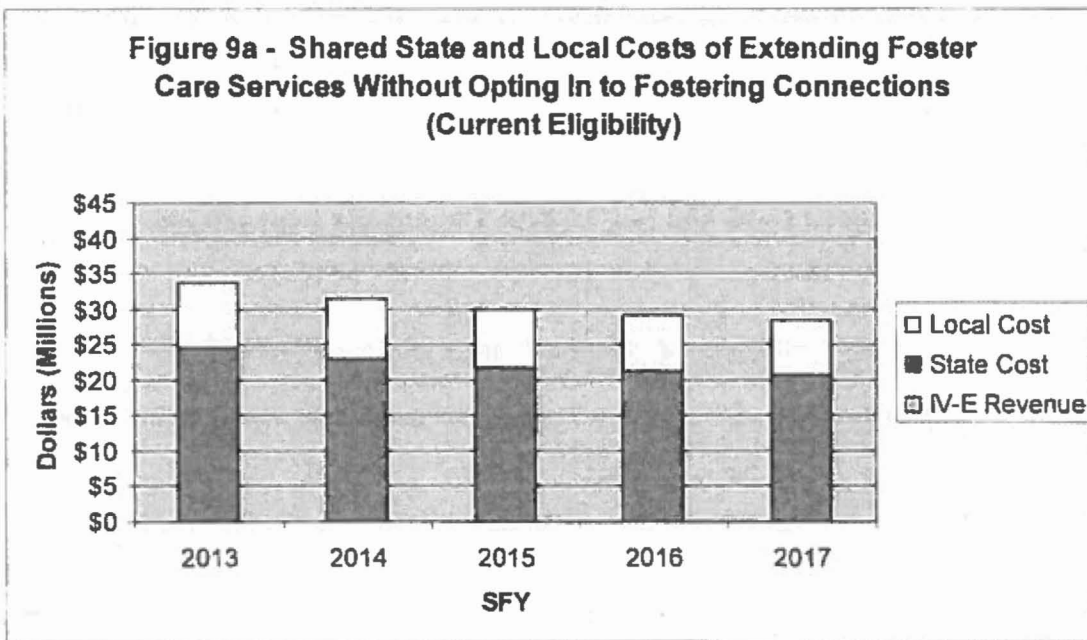
The total costs of extending foster care support and services under Scenario I and the No Opt In scenario are the same -- approximately \$152.8 million over the five year period from FY 2013 through FY 2017²⁵. The key difference is that under Scenario I, the Commonwealth will be able to draw down Title IV-E revenue to help offset these costs. Virginia is projected to be eligible to recoup approximately an additional \$29.8 million in Title IV-E reimbursement for maintenance, support and administrative costs over the five-year period from FY 2013 through FY 2017 -- about \$5.5 to \$6.6 million per year, depending on the number of older youth opting to receive extended assistance (see Appendix C). Currently, Virginia is not able to bill the federal government for these youth, with the exception of a small number of 18 year olds who are completing school or a job training program, or until they reach age 19²⁶.

- This projected net savings represents approximately 19 percent of the total estimated cost of extending assistance to older youth statewide -- approximately 25 percent of the Commonwealth's share and 22 percent of localities' share of costs, annually and over the five-year period.
- The *net savings to the Commonwealth* over the five years is approximately \$22.2 million -- ranging from about \$4.9 million in FY 2013 to about \$4.1 million in FY 2017.
- The *net savings to localities* is approximately \$ 7.6 million over the period -- ranging from about \$1.7 million in FY 2013 to about \$1.4 million in FY 2017.

Figure 9a and Figure 9b compare Scenario I with what would happen if Virginia does not implement the FCA older youth provisions, but continues to serve the existing population of older youth.

²⁵ Appendix X presents the net savings and costs of extending foster care support and services.

²⁶ DSS was not able to provide an estimate of the number of youth this group represents. As a result, this study assumes Virginia does not draw down any Title IV-E funding for youth aged 18.



Appendix C presents more detailed information on the shared federal, state, and local costs of extending foster care support and services.

Fiscal impact under Scenario II

Under Scenario II, the number of youth who receive extended foster care assistance is projected to increase at a reasonable rate each year over the five-year period, as shown in Figure 10.

Figure 10: Additional Number of Youth Served Under Scenario II

	2013	2014	2015	2016	2017	Total Number of Youth
18 year olds	14	13	13	12	12	64
19 year olds	88	82	78	76	74	398
20 year olds	116	108	102	99	97	522
Total Youth	218	203	193	187	183	984

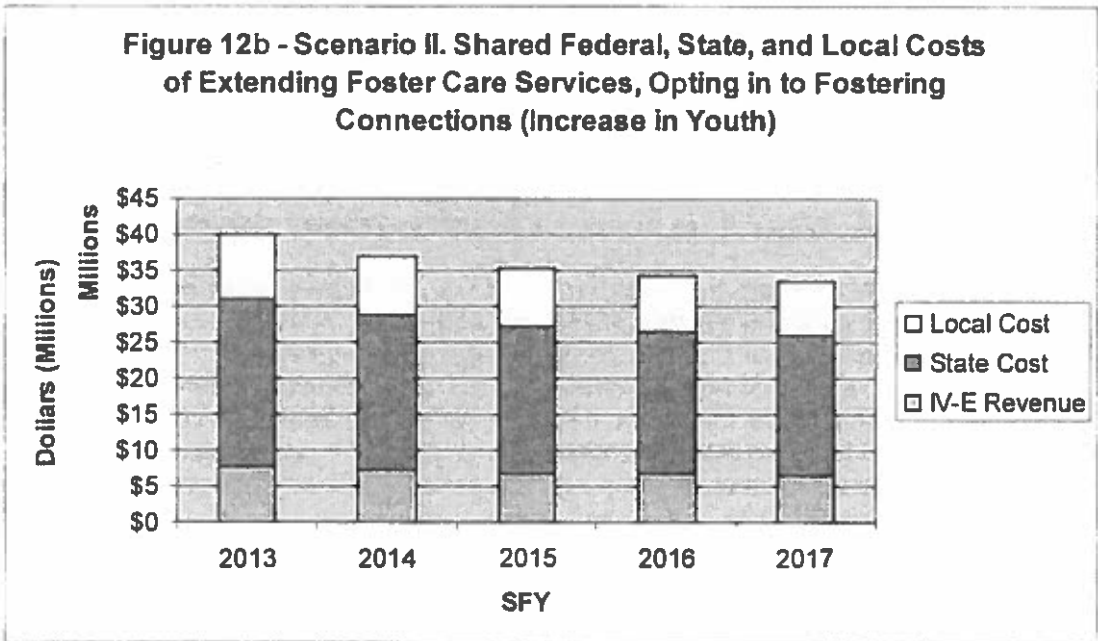
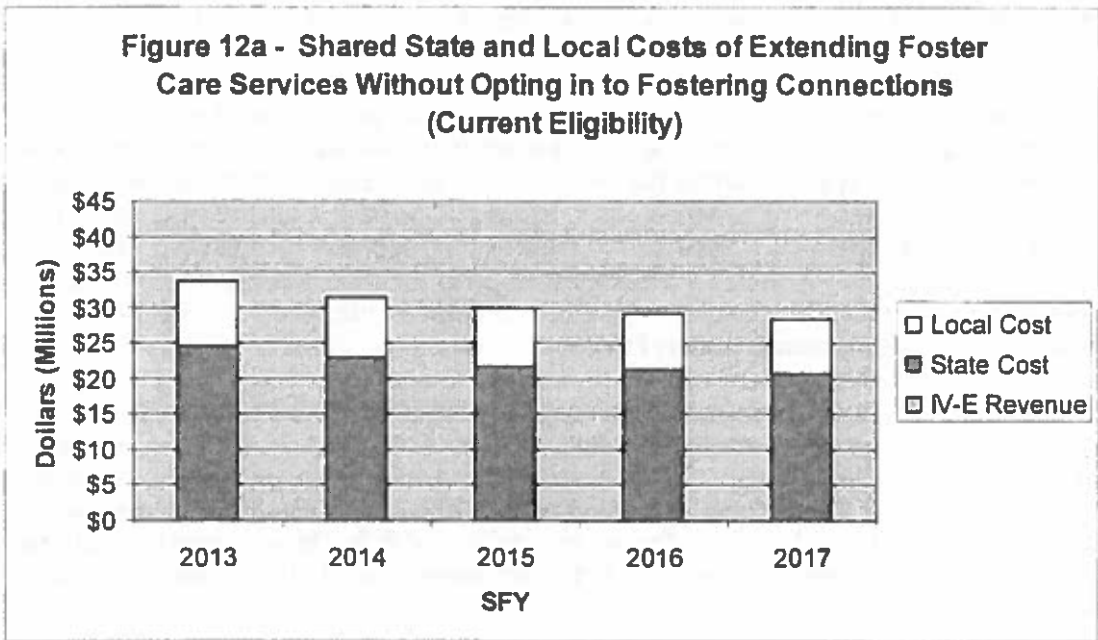
Figure 11 presents the total costs, population served, and the net costs or savings for the Commonwealth and localities under Scenario II. Costs and savings are presented by year, as well as the net costs and savings across the five years. Additionally, the percent of total costs are presented for the Commonwealth and localities.

Figure 11: Scenario II Total Costs and Net Savings, Foster Care Support and Services

SCENARIO II	2013	2014	2015	2016	2017	Total	Percent of Total Costs
Foster Care Support and Services							
Total Costs	\$39,880,725	\$37,089,074	\$35,234,620	\$34,177,582	\$33,494,030	\$179,876,032	
Population Served	1,511	1,406	1,335	1,295	1,269		
Net Costs / (Savings)							
State	\$(1,406,939)	\$(1,308,454)	\$(1,243,031)	\$(1,205,740)	\$(1,181,625)	\$(6,345,789)	-6%
Local	\$(347,657)	\$(323,321)	\$(307,155)	\$(297,940)	\$(291,982)	\$(1,568,055)	-4%
Total	\$(1,754,596)	\$(1,631,775)	\$(1,550,188)	\$(1,503,680)	\$(1,473,607)	\$(7,913,844)	-4%

Figure 12a and Figure 12b compare Scenario II to the No Opt-in Fostering Connections scenario. Because of the additional 984 youth who are expected to receive benefits over five years under Scenario II (an additional 218 in 2013 decreasing to an additional 183 youth in 2017), the total cost compared to not opting in to Fostering Connections increases from \$152.8 million to \$179.9 million from FY 2013 through FY 2017. Under this scenario, Virginia will be eligible to recoup approximately an additional \$35 million in Title IV-E reimbursement for maintenance, support and administrative costs over the period -- ranging from about \$7.7 million in FY 2013 to \$6.5 million in FY 2017.

- This represents approximately 4 percent of the total estimated cost of extending assistance to older youth statewide -- approximately 6 percent of the Commonwealth's share and 4 percent of localities' share of costs annually and over the five years.
- The *net savings to the Commonwealth* is approximately \$ 6.3 million over the five year period -- ranging from about \$ 1.4 million in FY 2013 to about \$1.2 million in FY2017.
- The *net savings to localities* over the five year period is approximately \$ 1.6 million -- ranging from about \$348,000 in FY 2013 to \$292,000 in FY 2017.



Appendix C presents more detailed information on the shared federal, state, and local costs of extending foster care services.

Determining what are allowable Title IV-E costs

This analysis assumes that all youth, ages 18 to 21, will continue to receive foster care services, regardless of whether they are IV-E eligible or not. However, only those youth who were eligible for Title IV-E prior to turning age 18 will be eligible for Title IV-E reimbursement after age 18

under the provisions of FCA. Currently, in Virginia, approximately 48 percent of youth who age out of foster care at 18 are Title IV-E eligible.

Only certain costs are reimbursable by Title IV-E. Fostering Connections does not change the types of costs that are reimbursable for Title IV-E, except that it allows supervised independent living placements to be reimbursed under the program. As such, costs that are allowable under Title IV-E generally include all maintenance costs, and a portion of administrative costs, as well as a portion of case management costs incurred for providing services to youth. Notably, services for youth, which may include counseling, mentoring, tutoring, respite care, education, psychological, educational and medical assessments, are not reimbursable by Title IV-E, and will continue to be non-reimbursable under FCA²⁷.

Figure 13 below provides a breakdown of each scenario and shows the total costs broken out by services, maintenance, case management, and administrative costs. What is notable is that Virginia is expected to continue to provide services to older youth, at an estimated cost between \$6.0 and \$5.0 million in FY 2013, depending on what scenario we consider. While service costs cannot be reimbursed through Title IV-E, the additional Title IV-E that is recouped through billing for maintenance, administrative, and case management costs, is enough to offset nearly all of the costs of providing services to this population.

²⁷ Maintenance means payments made on behalf of a child in foster care to cover the cost of (and the cost of providing) food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable travel for the child to visit with family or other caretakers and to remain in his or her previous school placement. The Enhanced Maintenance Payment is a reimbursement paid to a foster parent over and above the basic foster care maintenance payment or to an adoptive parent. It is based on the needs of the child for additional supervision and support.

Services include counseling, mentoring, tutoring, respite care, education, psychological, educational and medical assessments, costs of child's recreation and other costs that are not covered by maintenance or administrative payment.

Figure 13: Summary Breakdown of Costs for Extending Foster Care Services
 (Shaded portion of costs are allowable under Title IV-E)

	SFY 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017
Existing Eligibility (No Fostering Connections)					
SUMMARY					
Total	\$33,868,472	\$31,497,679	\$29,922,795	\$29,025,111	\$28,444,609
Services	\$6,608,709	\$6,146,099	\$5,838,794	\$5,663,631	\$5,550,358
Maintenance	\$17,534,758	\$16,307,325	\$15,491,959	\$15,027,200	\$14,726,656
Administrative Costs	\$4,548,490	\$4,230,096	\$4,018,591	\$3,898,033	\$3,820,072
Case Management Costs	\$5,176,515	\$4,814,159	\$4,573,451	\$4,436,248	\$4,347,523
Scenario I: Extend Eligibility to 21 (Assume No Increase in Youth)					
SUMMARY					
Total	\$33,868,472	\$31,497,679	\$29,922,795	\$29,025,111	\$28,444,609
Services	\$6,608,709	\$6,146,099	\$5,838,794	\$5,663,631	\$5,550,358
Maintenance	\$17,534,758	\$16,307,325	\$15,491,959	\$15,027,200	\$14,726,656
Administrative Costs	\$4,548,490	\$4,230,096	\$4,018,591	\$3,898,033	\$3,820,072
Case Management Costs	\$5,176,515	\$4,814,159	\$4,573,451	\$4,436,248	\$4,347,523
Scenario II: Extend Eligibility to 21 (Assume Increase in Youth)					
SUMMARY					
Total	\$39,880,725	\$37,089,074	\$35,234,620	\$34,177,582	\$33,494,030
Services	\$7,810,161	\$7,263,450	\$6,900,277	\$6,693,269	\$6,559,404
Maintenance	\$20,495,935	\$19,061,220	\$18,108,159	\$17,564,914	\$17,213,616
Administrative Costs	\$5,316,615	\$4,944,452	\$4,697,229	\$4,556,312	\$4,465,186
Case Management Costs	\$6,258,014	\$5,819,953	\$5,528,955	\$5,363,087	\$5,255,825

Determining fiscal impact by age cohort

DSS also asked The Finance Project to look at the cost of extending foster care services to age 21 for each age cohort – 18, 19, and 20 year olds. Some states have chosen to phase in their

extension of services over time, by first including 18 year olds, and then adding benefits for 19 year olds and 20 year olds in the following years. This analysis provides DSS with information that will allow them to consider the costs of possibly phasing in the extension of foster care services. Appendix C provides the complete analysis of the fiscal impact by each age cohort.

Average cost per youth by cost category

Figure 14 presents an analysis of the cost per youth, broken down by each category of cost that make up the full cost of providing foster care services, including services, maintenance, administration, and case management.

Figure 14: Costs per Youth, by Category of Cost

Total Costs Per Youth	No Fostering Connections Scenario and Scenario I
Total Cost Per Youth	\$ 26,203
Services	\$ 5,113
Maintenance	\$ 13,566
Administrative Costs	\$ 3,519
Case Management Costs	\$ 4,005

Additionally, The Finance Project analyzed the cost per youth served, by *who* would pay the cost: the state, localities, or the federal government through Title IV-E. Figure 15 below is a snapshot of the cost of serving one child for the No Fostering Connections Scenario as compared to Scenarios I and II.

Figure 15: Cost per Youth, by Source of Funds

	No Fostering Connections Scenario	Scenario I
Total Costs Per Youth	\$ 26,203	\$26,203
Federal	\$0	\$ 5,108
State	\$ 19,044	\$ 15,237
Local	\$ 7,158	\$ 5,858

Fiscal impact of extending adoption subsidies to age 21

The availability of federal IV-E reimbursement to offset a portion of extended foster care costs presents a significant financial opportunity for Virginia, given existing state and local investments in extended foster care services. FCA allows states the option to change the definition of "child" in their IV-E plan to include eligible youth.²⁸ Once the definition is amended to include services for eligible older youth, the definition applies to all programs (foster care, adoption subsidy, custody assistance) the state adopts and implements. Thus, in order to leverage the IV-E funds now available for extended foster care services, Virginia will have to extend its adoption subsidy to age 21.²⁹

²⁸ See Program Instruction, ACYF-CB-PI-10-11, issued July 9, 2010. U.S. Department of Health and Human Services, Administration on Children, Youth, and Families, Children's Bureau, Section A, page 2.

²⁹ Virginia does not currently provide custody assistance. However, if Virginia decides to implement custody assistance in the future, custody assistance would also have to be provided to eligible youth ages 18 to 21 should Virginia opt into extending eligibility to older youth ages 18 to 21.

As previously noted, this analysis uses two scenarios for projecting the fiscal impact of extending the adoption subsidy to older youth.

Scenario I assumes no change in the number of adoptions of older youth from what is already projected for the next five years based on recent historical patterns, which show an annual increase in the number of adoptions of older youth. Accordingly, under this scenario, from FY 2013 through FY 2017, the number of youth who will meet Title IV-E subsidy requirements is expected to increase from approximately 92 to 159. The cost of adoption subsidies for older youth will be shared between Commonwealth funds and federal Title IV-E reimbursement.

Scenario II assumes that extending adoption subsidies for youth beyond age 18 will create greater incentives for adoption of 16 to 18 year old foster youth. It assumes that the initial impact will be an additional five percent increase on top of the historical annual increase in the number of youth receiving adoption subsidy in FY 2013 through FY 2017.

The total costs, the projected IV-E revenue, and the state and local spending on extension of adoption subsidies to age 21 are shown in Figures 16 and 18. These costs and revenue estimates are based on the following assumptions: 1) adoption subsidies will be extended to age 21 for youth adopted at age 16 and over; and 2) the extension of adoption assistance to age 21 will only apply to new adoptions finalized in FY 2013 and after (or whenever Fostering Connections is implemented).

Fiscal impact under Scenario I

Under Scenario I, The Finance Project projects that because the Commonwealth does not currently provide adoption subsidies for youth who leave foster care to go to an adoptive family once the young person turns 18, opting to adopt and implement this FCA provision would create a new total cost of approximately \$11.2 million over five years -- ranging from about \$1.5 million in FY 2013 to about \$3.3 million in FY 2017. Virginia will be eligible to receive approximately an additional \$4.3 million in Title IV-E revenues for the maintenance, support and administrative costs related to providing adoption subsidies to older youth who are Title IV-E eligible, which represents about 38 percent of total costs.

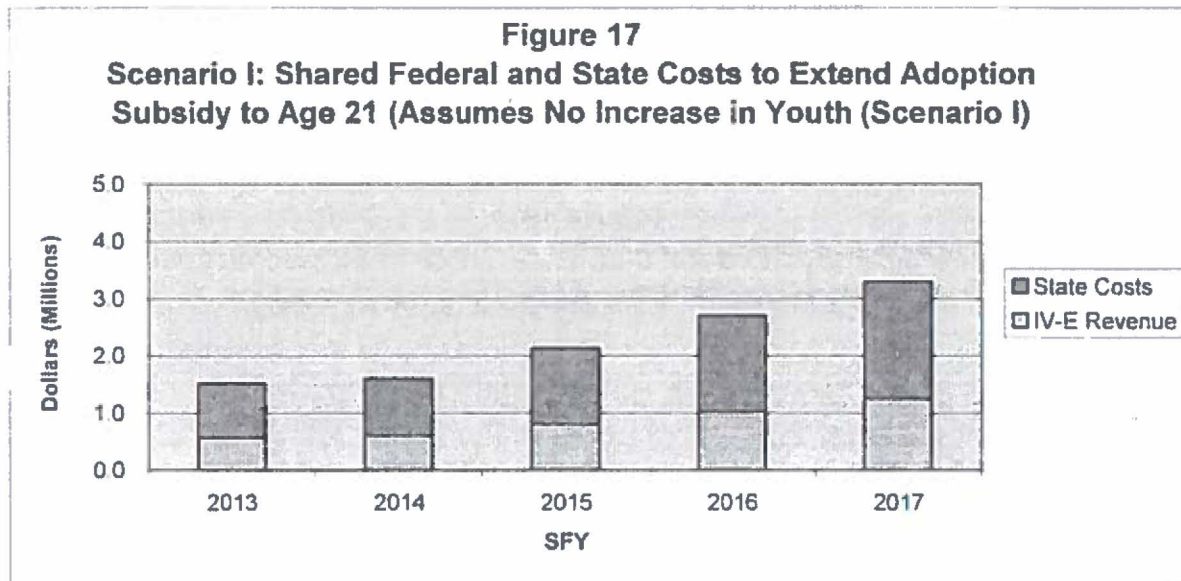
- The *net cost to the Commonwealth* over five years is projected to be approximately \$6.9 million -- ranging from approximately \$930,000 in FY 2013 to approximately \$2 million in FY 2017.
- Because localities do not contribute to adoption subsidies, there is no fiscal impact on localities of this FCA provision.

Figure 16 presents the total costs, population served, and the net costs or savings for the Commonwealth and localities under Scenario I. Costs and savings are presented by year, as well as the net costs and savings across the five years. Additionally, the percent of total costs are presented for the Commonwealth and localities.

Figure 16: Scenario I Net Total Costs and Savings: Adoption Subsidy

SCENARIO I	2013	2014	2015	2016	2017	Total ³⁰	Percent of Total Costs
Adoption Subsidy							
Total Costs	\$1,507,887	\$1,598,361	\$2,117,828	\$2,693,877	\$3,283,836	\$ 11,201,788	
Population Served	92	115	138	159	175		
Net Costs / Savings							
State	\$930,329	986,148	\$1,306,647	\$1,662,055	\$2,026,045	\$6,911,223	62%
Local	\$0	\$0	\$0	\$0	\$0	\$0	0%
Total	\$930,329	\$986,148	\$1,306,647	\$1,662,055	\$2,026,045	\$6,911,223	

Figure 17 presents a breakout of federal and state costs to extend adoption subsidy to age 21.



Fiscal impact under Scenario II

Under Scenario II, The Finance Project projects that the total costs of providing adoption subsidies over five years will increase to about \$13.3 million -- ranging from \$1.7 million in FY 2013 to about \$4.2 million in FY 2017. Virginia will be eligible to receive approximately an additional \$5.1 million in Title IV-E revenues for the maintenance, support and administrative costs related to providing adoption subsidies for older youth who are Title IV-E eligible. As under Scenario I, this represents approximately 38 percent of the total cost of extending adoption subsidies to an increased population of youth who are Title IV-E eligible.

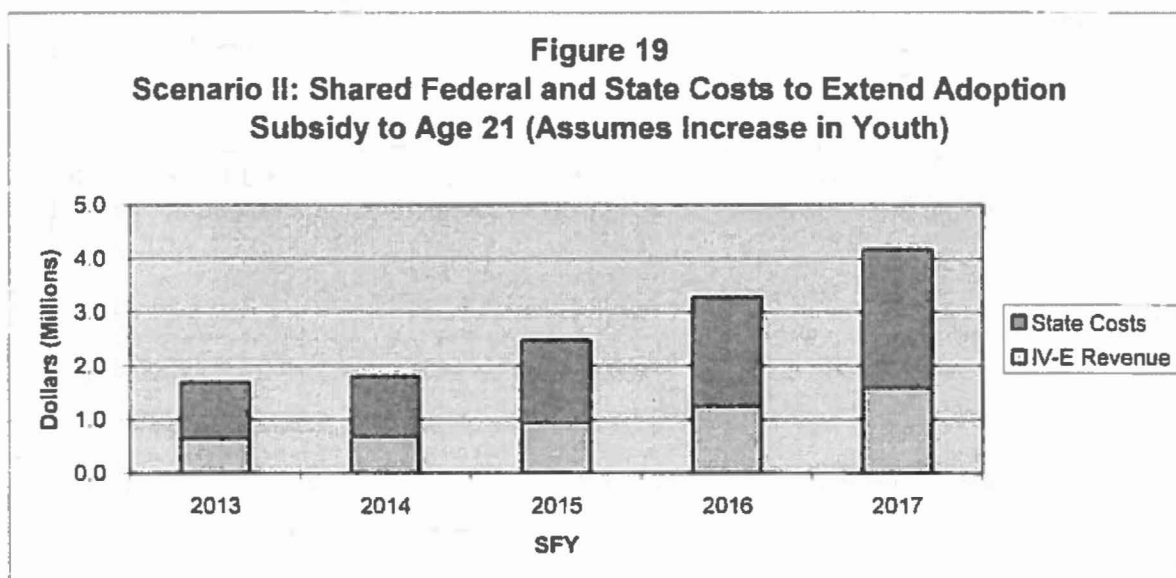
- The net cost to the Commonwealth over five years is projected to be approximately \$8.2 million -- ranging from about \$1 million in FY 2013 to about \$2.6 million in FY 2017.
- As under Scenario I, because localities do not contribute to adoption subsidies, there is no fiscal impact on localities of adopting this FCA provision.

Figure 18 presents the total costs, population served, and the net costs or savings for the Commonwealth and localities under Scenario II. Costs and savings are presented by year, as well as the net costs and savings across the five years. Additionally, the percent of total costs are presented for the Commonwealth and localities.

Figure 18: Scenario II Net Total Costs and Savings: Adoption Subsidy

SCENARIO II	2013	2014	2015	2016	2017	Total	Percent of Total Costs
Adoption Subsidy							
Total Costs	\$1,685,832	\$1,786,982	\$2,462,461	\$3,262,760	\$4,150,231	\$13,348,265	
Population Served	103	134	167	201	231		
Net Costs / Savings							
State	\$1,040,116	\$1,102,523	\$1,519,277	\$2,013,041	\$2,560,589	\$8,235,546	62%
Local	\$0	\$0	\$0	\$0	\$0	\$0	0%
Total	\$1,040,116	\$1,102,523	\$1,519,277	\$2,013,041	\$2,560,589	\$8,235,546	

Figure 19 presents a breakout of federal and state costs to extend adoption subsidy to age 21.



Appendix C presents more detailed information on the shared federal, state, and local costs of extending adoption subsidies.

Fiscal impact of extending custody assistance subsidies to age 21

As previously noted, Virginia currently has no provision for custody assistance for children and youth of any age. However, state officials are considering implementing custody assistance at some time in the near future. Consequently, information from several recent DSS analyses was used to estimate the population of youth who are likely to exit care to a kinship guardianship arrangement and receive custody assistance after age 16.

One DSS study recently analyzed the impact of a proposed Commonwealth policy to expand custody assistance to youth placed with relatives.³¹ This study initially looked at the number of children in relative foster care to estimate the number of children who might exit to a custody assistance placement. However, the authors noted that many of these children would not necessarily move into custody assistance placements. For purposes of developing an initial analysis the authors estimated that approximately 40 youth would exit to guardianship each year, and that 88 percent of those (35) would be between the ages of 12 and 17. The study estimated the maintenance payment would be \$919 per month. The study also found that for children who enter foster care at older ages, in this case after age 12, subsidized custody assistance reduced the overall cost because the administrative savings that resulted from youth moving to less intensive case management compared to foster care services was greater than the cost of the subsidy.

For the purposes of this analysis, the Fostering Connections Work Group and The Finance Project staff also examined DSS data on the number of young people, ages 16 and 17, who were living in relative foster care placements between 2006 and 2011. On average, there were 59 children each year in these placements. Assuming that some percentage of these youth would not move into custody assistance placements for various reasons, 40 youth entering custody assistance each year represents a reasonable estimate. Accordingly, The Finance Project projects that the population of youth who exit foster care for placement with a family guardian will increase approximately five percent each year, with the number of youth accessing these subsidies increasing from 40 in FY 2013 to 61 in FY 2017.

The Finance Project analyzed the fiscal impact of providing custody assistance for Title IV-E eligible using two alternative scenarios:

Scenario I assumes that a total of 270 youth between the ages of 18 and 21 will receive custody assistance over the five year period, ranging from 40 in FY 2013 to 66 in FY 2017, and that the costs will be covered by the Commonwealth and federal Title IV-E funds.

Scenario II assumes that the same number of youth between the ages of 18 and 21 will receive custody assistance annually and over the five year period. It differs from Scenario I in that it also assumes that costs will be shared by the Commonwealth, localities and federal Title IV-E funds.

Fiscal impact under Scenario I

Figure 20 shows the fiscal impact of extending custody assistance for youth who exit foster care between the ages of 16 and 18 under Scenario I, assuming the cost is shared between the Commonwealth and the federal government. Because the Commonwealth does not currently provide custody assistance, opting to adopt and implement this FCA provision creates a new cost of approximately \$3 million to the state over the five year period -- ranging from about \$437,000 in FY 2013 to about \$722,000 in FY 2017. Virginia will be eligible to receive approximately an additional \$715,000 in Title IV-E revenues for the maintenance, support and administrative costs related to providing custody assistance for older youth who are Title IV-E eligible over five years, which represents approximately 24 percent of the total cost of providing custody assistance for older youth.

³¹ Virginia Department of Social Services. (2009). Subsidized custody: A permanency option for youth in Virginia's foster care system.

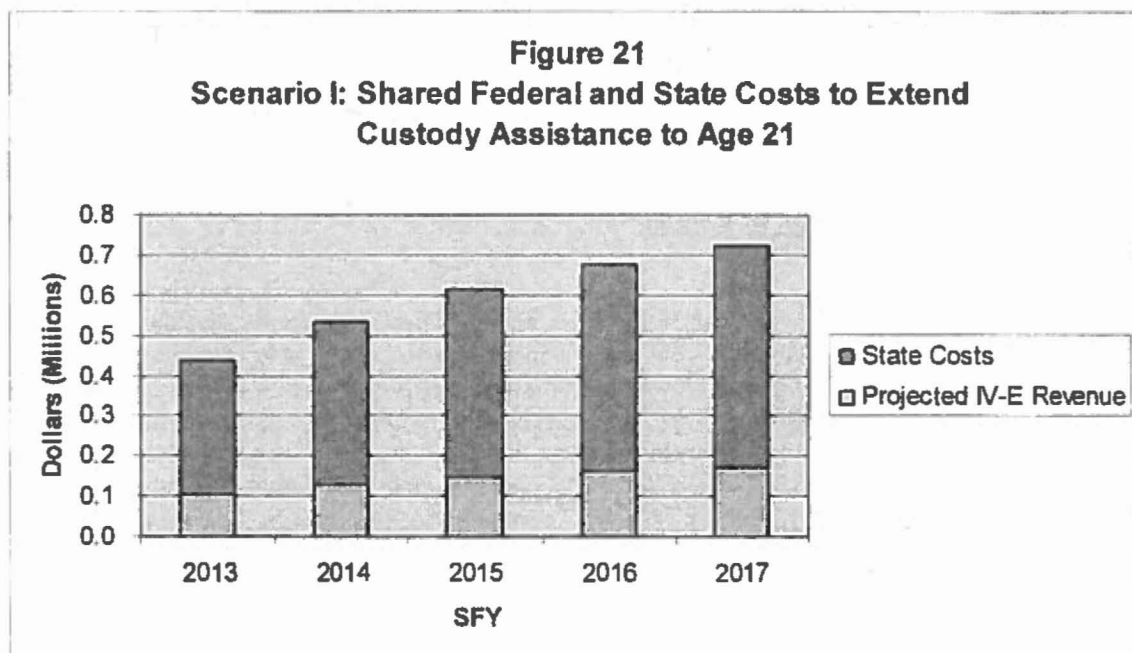
- The *net cost to the Commonwealth* is projected to be approximately \$2.3 million over the five year period – ranging from about \$332,000 in FY 2013 to about \$548,000 in FY 2017.
- Because under this scenario, localities would not contribute to providing custody assistance, there is *no fiscal impact on localities* of adopting this FCA provision.

Figure 20 presents the total costs, population served, and the net costs or savings for the Commonwealth and localities under Scenario I. Costs and savings are presented by year, as well as the net costs and savings across the five years. Additionally, the percent of total costs are presented for the Commonwealth and localities.

Figure 20: Scenario I Net Total Costs and Savings: Custody Assistance

SCENARIO I	2013	2014	2015	2016	2017	Total ²²	Percent of Total Costs
Custody Assistance							
Total Costs	\$436,597	\$534,064	\$612,459	\$674,267	\$721,692	\$2,979,079	
Population Served	40	48	56	61	66		
Net Costs / Savings							
State	\$331,814	\$405,889	\$465,469	\$512,443	\$548,486	\$2,264,100	76%
Local	\$0	\$0	\$0	\$0	\$0	\$0	0%
Total	\$331,814	\$405,889	\$465,469	\$512,443	\$548,486	\$2,264,100	

Figure 21 presents a breakout of federal and state costs to extend custody assistance to age 21.



Fiscal impact under Scenario II

Figure 22 shows the projected fiscal impact under Scenario II, which assumes a shared state, local, and federal cost. Under this scenario, the total costs of providing custody assistance to older youth who exit foster care between ages 16 and 18 and are placed in kinship guardianship will be the same as projected for Scenario I. Virginia will be eligible to receive the same amount of Title IV-E revenues for the maintenance, support and administrative costs related to providing custody assistance for older youth who are Title IV-E eligible as projected in Scenario I.

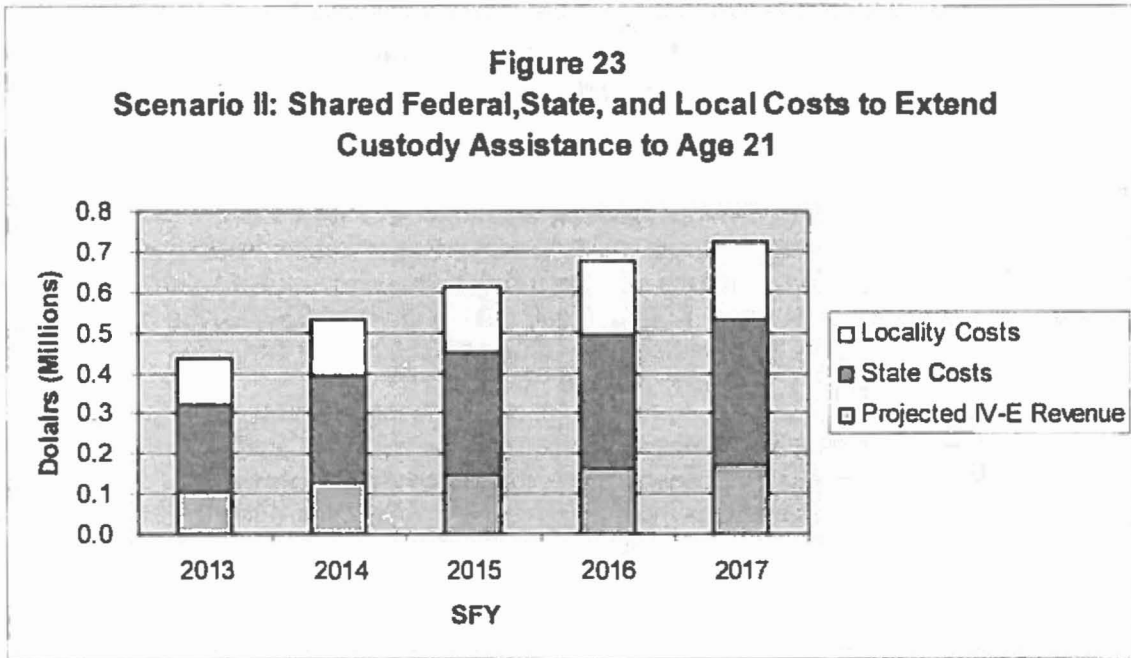
- The net cost to the Commonwealth is projected to be approximately \$1.5 million over five years -- ranging from about \$216,000 in FY 2013 to about \$357,000 in FY 2017.
- The net cost to localities is estimated to be about \$792,000 over five years -- ranging from about \$116,000 in FY 2013 to about \$192,000 in FY 2017.

Figure 22 presents the total costs, population served, and the net costs or savings for the Commonwealth and localities under Scenario II. Costs and savings are presented by year, as well as the net costs and savings across the five years. Additionally, the percent of total costs are presented for the Commonwealth and localities.

Figure 22: Scenario II Net Total Costs and Savings: Custody Assistance

SCENARIO II	2013	2014	2015	2016	2017	Total	Percent of Total Costs
Custody Assistance							
Total Costs	\$436,597	\$534,064	\$612,459	\$674,267	\$721,692	\$2,979,079	
Population Served	40	48	56	61	66		
Net Costs / Savings							
State	\$215,679	\$263,828	\$302,555	\$333,088	\$356,516	\$1,471,665	49%
Local	\$116,135	\$142,061	\$162,914	\$179,355	\$191,970	\$792,435	27%
Total	\$331,814	\$405,889	\$465,469	\$512,443	\$548,486	\$2,264,100	

Figure 23 presents a breakout of federal, state, and local costs to extend custody assistance to age 21. Appendix C presents more detailed information on the shared federal, state, and local costs of extending custody assistance.



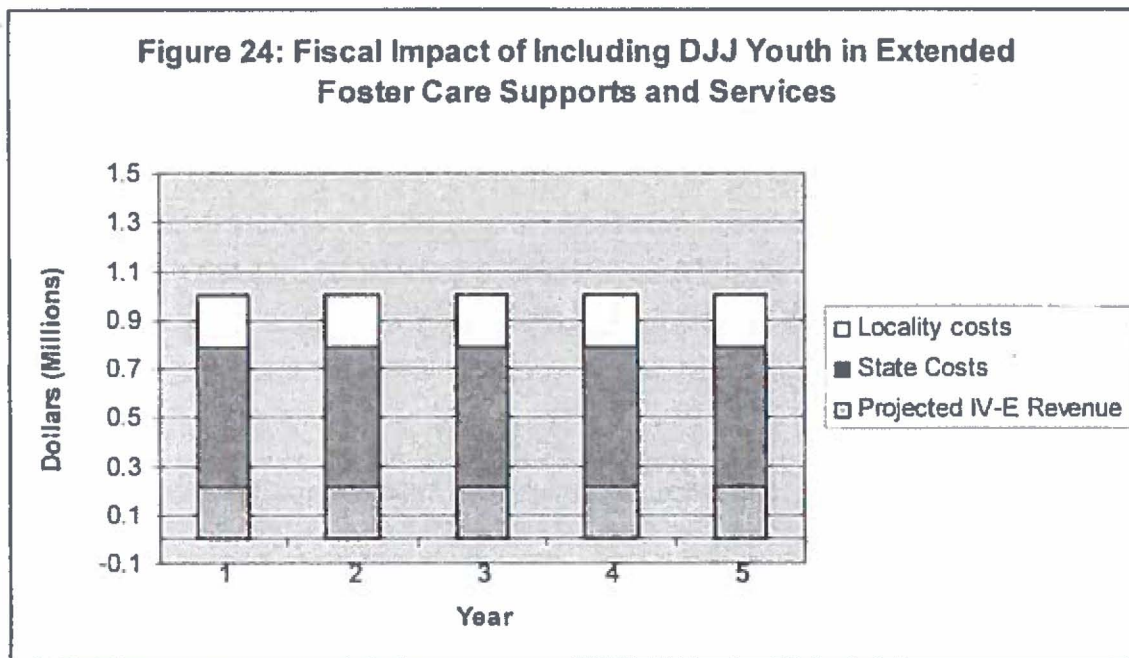
Fiscal impact of extending assistance to youth leaving the juvenile justice system

Under FCA, states have the flexibility to serve a broader population of older foster youth who may need additional support and services after they turn 18, including youth leaving the juvenile justice system. Based on the specifications for analysis determined by the Work Group, The Finance Project analyzed data provided by the Department of Juvenile Justice (DJJ) to look at the number of youth who were in foster care prior to entering the juvenile justice system and were released from a DJJ placement at age 18.

Figure 24 shows the total fiscal impact of allowing Virginia foster youth who were in foster care immediately prior to being moved to DJJ to receive extended IV-E services when they exit DJJ at age 18. Approximately 32 youth a year will be Title IV-E eligible. The total cost for each year would be approximately \$3.6 million over five years -- averaging about \$714,000 per year. Virginia will be eligible to receive Title IV-E reimbursement of approximately \$780,000 over the period -- about \$156,000 per year. The reimbursement will cover approximately 24 percent of the total costs.

- The *net cost to the Commonwealth* is projected to be about \$409,000 per year, totaling about \$2 million over five years.
- The *net cost to localities* is projected to be about \$150,000 per year, totaling about \$750,000 over five years.

Figure 24: Fiscal Impact of Including DJJ Youth in Extended Foster Care Supports and Services



For a detailed table of IV-E revenues, state costs, and local costs by year, see Appendix C.

Total fiscal impact for state and localities

As shown in the analysis of the individual program components, Virginia will realize a cost savings from extending foster care maintenance to older youth ages 18 to 21. If the Commonwealth extends adoption assistance and custody assistance for older youth there will be net costs to the Commonwealth for implementing both provisions and to localities for custody assistance, if the policy makers decide that localities will share the non-reimbursable portion of total costs.

Using the most conservative assumptions, if Virginia adopts the three FCA provisions for older youth and the number of youth who receive assistance does not increase beyond the current population projected to be served, the total cost to the Commonwealth and localities will be \$166.9 million over five years, including Title IV-E revenue. Of that amount, the Commonwealth and localities are projected to save 12 percent of total costs, approximately \$20.6 million. The savings are expected to range from \$5.3 million in FY 2013 to \$3 million in FY 2017.

- The *net savings to the Commonwealth* is projected to be about 13 percent of total costs or \$13 million cost over the five year period -- ranging from of about \$3.7 million in FY 2013 to about \$1.6 million in FY 2017.
- The net savings to localities is expected to be about 22 percent of total costs over the period or about \$7.6 million -- ranging from \$1.7 million in FY 2013 to about \$1.4 million in FY 2017.

Figure 25 presents costs, population served, net costs, and savings by year, as well as net costs and savings. Additionally, the percent of total costs are presented for the Commonwealth and localities.

Figure 25: Scenario I Net Total Costs and Savings

SCENARIO I	2013	2014	2015	2016	2017	Total	Percent of Total Costs
Total for Foster Care Support and Services, Adoption Subsidy, and Custody Assistance							
Total Costs	\$35,812,957	\$33,630,104	\$32,653,082	\$32,393,268	\$32,450,137	\$166,939,634	
Net Costs / (Savings)							
State	\$(3,659,012)	\$(3,184,637)	\$(2,575,725)	\$(2,042,908)	\$(1,558,527)	\$(13,020,809)	-13%
Local	\$(1,680,614)	\$(1,562,971)	\$(1,484,823)	\$(1,440,278)	\$(1,411,472)	\$(7,580,158)	-22%
Total	\$(5,339,627)	\$(4,747,608)	\$(4,060,548)	\$(3,483,186)	\$(2,969,999)	\$(20,600,968)	-12%

Assuming a reasonable level of growth in the population of youth who take advantage of extended assistance under all three programs, the total projected cost to the Commonwealth and localities is \$196.2 million over the five years, including Title IV-E revenue. Of that amount, the Commonwealth and localities are projected to experience a modest net increase in total costs of approximately 1 percent, or \$2.6 million. This ranges from a net savings of about \$383,000 in FY 2013 to a net cost of about \$1.6 million in FY 2017.

- For the Commonwealth, there will be a net cost increase over the five year period of about \$3.4 million or about 3 percent of total costs for all three programs. This ranges from a net savings of about \$151,000 in FY 2013 to a net cost of about \$1.7 million in FY 2017.
- For localities there will be a net savings of about 2 percent of total costs or approximately \$776,000 over the five year period -- ranging from \$232,000 in FY 2013 to about \$100,000 in FY 2017.

Figure 26 presents costs, population served, and net costs and savings by year, as well as net costs and savings. Additionally, the percent of total costs are presented for the Commonwealth and localities.

Figure 26: Scenario II Net Total Costs and Savings

SCENARIO II	2013	2014	2015	2016	2017	Total	Percent of Total Costs
Total for Foster Care Support and Services, Adoption Subsidy, and Custody Assistance							
Total Costs	\$42,003,154	\$39,410,120	\$38,309,540	\$38,114,808	\$38,365,953	\$196,203,376	
Net Costs / (Savings)							
State	\$(151,144)	\$57,897	\$578,800	\$1,140,389	\$1,735,480	\$3,361,422	3%
Local	\$(231,522)	\$(181,260)	\$(144,241)	\$(118,585)	\$(100,011)	\$(775,620)	-2%
Total	\$(382,666)	\$(123,363)	\$434,559	\$1,021,804	\$1,635,468	\$2,585,802	1%

The Finance Project fiscal impact analysis demonstrates that under either scenario, Virginia fares well. Using conservative assumptions about the impact of implementing the FCA older youth provisions, the Commonwealth will recover an additional \$34.8 million in Title IV-E revenue over the five year period to offset approximately 21 percent of total costs (see Figure 30). Applying assumptions that provide for a reasonable level of growth in the population who

take advantage of extended assistance under the three programs, the total projected additional Title IV-E revenue coming to Virginia is expected to be approximately \$40.9 million. Under this scenario the Commonwealth will experience a very modest increase in its total share of costs once the additional revenue is factored in, but the Commonwealth will extend support and services to an additional 985 Title IV-E youth ages 18 to 21. As Virginia policy makers and agency officials consider whether to adopt and implement the older youth provisions of the Fostering Connections Act, The Finance Project staff believes these alternative scenarios represent a realistic range for net cost/savings projections over the five years. Figures 27 through 30 present the summary fiscal impact across scenarios over the five years.

Figure 27: Summary Fiscal Impact Across Scenarios, FY 2013 - 2017³³
Foster Care Support and Services

	No Fostering Connections Scenario	Scenario I: Assume No Increase in Youth	Scenario II: Assume Increase in Youth
Extending Foster Care Support and Services			
Total Costs	\$152,758,667	\$152,758,667	\$179,876,032
Title IV-E Revenues	\$0	\$29,776,291	\$35,031,209
State Costs	\$111,026,322	\$88,830,189	\$104,680,533
Locality Costs	\$41,732,345	\$34,152,186	\$40,164,290
Net Costs/Savings to State	\$0	\$(22,196,133)	\$(6,345,789)
Net Cost/Savings to Locality	\$0	\$(7,580,158)	\$(1,568,055)
Net Cost/Savings to State and Localities Combined	\$0	\$(29,776,291)	\$(7,913,844)
Per Child Costs	\$26,203	\$26,203	\$26,397

³³ Figure 27 highlights the net summary fiscal impact. For summary fiscal impacts by year for FY 2013-2017, please see Appendix F.

**Figure 28: Summary Fiscal Impact Across Scenarios, FY 2013 – 2017
Adoption Subsidy**

	No Fostering Connections Scenario	Scenario I: Assume No Increase in Youth	Scenario II: Assume Increase in Youth
Extending Adoption Subsidy			
Total Costs	\$0	\$11,201,788	\$13,348,265
Title IV-E Revenues	\$0	\$4,290,565	\$5,112,719
State Costs	\$0	\$6,911,223	\$8,235,546
Locality Costs	\$0	\$0	\$0
<i>Net Costs/Savings to State</i>	\$0	\$6,911,223	\$8,235,546
<i>Net Cost/Savings to Locality</i>	\$0	\$0	\$0
<i>Net Cost/Savings to State and Localities Combined</i>	\$0	\$6,911,223	\$8,235,546
Per Child Costs	\$0	\$16,393	\$16,393

**Figure 29: Summary Fiscal Impact Across Scenarios, FY 2013 – 2017
Custody Assistance**

	No Fostering Connections Scenario	Scenario I: Assume No Increase in Youth	Scenario II: Assume Increase in Youth
Extending Custody Assistance			
Total Costs	\$0	\$2,979,079	\$2,979,079
Title IV-E Revenues	\$0	\$714,979	\$714,979
State Costs	\$0	\$2,264,100	\$1,471,665
Locality Costs	\$0	\$0	\$792,435
<i>Net Costs/Savings to State</i>	\$0	\$2,264,100	\$1,471,665
<i>Net Cost/Savings to Locality</i>	\$0	\$0	\$792,435
<i>Net Cost/Savings to State and Localities Combined</i>	\$0	\$2,264,100	\$2,264,100
Per Child Costs	\$0	\$11,016	\$11,016

**Figure 30: Summary Fiscal Impact Across Scenarios, FY 2013 – 2017
Foster Care Support and Services, Adoption Subsidy, and Custody Assistance**

	No Fostering Connections Scenario	Scenario I: Assume No Increase in Youth	Scenario II: Assume Increase in Youth
Total for Foster Care Support and Services, Adoption Subsidy, and Custody Assistance			
Total Costs	\$152,758,667	\$166,939,534	\$196,203,376
Title IV-E Revenues	\$0	\$34,781,835	\$40,858,907
State Costs	\$111,026,322	\$98,005,512	\$114,387,744
Locality Costs	\$41,732,345	\$34,152,186	\$40,956,725
Net Costs/Savings to State	\$0	(\$13,020,810)	\$3,361,422
Net Cost/Savings to Locality	\$0	(\$7,580,158)	(\$775,620)
Net Cost/Savings to State and Localities Combined	\$0	(\$20,600,968)	\$2,585,802

Appendix E presents more detailed information on the fiscal impact across scenarios for FY 2013 to FY 2017.

Additional detail and explanation of the analysis are provided in Appendix F as they relate to Scenarios I and II for extended foster care maintenance, adoption subsidies and custody assistance³⁴.

Other Potential Fiscal Impact

Beyond the fiscal impact that Virginia is projected to realize from Title IV-E reimbursements, there are other potential financial effects on the Commonwealth budget of extending benefits to older youth. These were well beyond the scope of the current analysis, but should be examined in order to gain a complete picture of the fiscal impact of opting into the older youth provisions of Fostering Connections. Three of the most likely potential impacts include:

- **Medicaid** -- According to the Centers for Medicaid and CHIP Services, under Fostering Connections, in states that extend care to 21, young people who opt to receive foster care services will be categorically eligible for Medicaid while they receive foster care services. (ACYF-CB-PI-10-11). Also, in 2014, youth who have aged-out of the foster care system and had previously received Medicaid while in foster care will remain eligible for the full scope of Medicaid benefits until they turn age 26 under the Affordable Care Act.³⁵
- **CSA services costs** --The CSA "community-based services" cost category captures service costs for all CSA youth and families including those who are in foster care, education, juvenile justice and all other youth and families receiving services. Because the cost of services could not be isolated for youth in foster care, they were not included in calculating the average "service" cost used in this study (\$5,113). This suggests that the average cost of services used in this study is likely underestimated but to what

³⁴ Virginia currently does not provide custody assistance.

³⁵ Center for Medicaid and CHIP Services (CMCS). Affordable Care Act provisions: Eligibility. <http://www.medicaid.gov/AffordableCareAct/Provisions/Eligibility.html>

degree is unknown. However, the fiscal impact of the average service cost (even if higher than \$5,113) is non-existent when considering Scenario I due to the fact that scenario I assumes that Virginia will extend foster care support and services to youth ages 18 to 21 without any change in the number of older youth currently served. For Scenario II, an increase of up to 200 youth is projected which could result in a greater fiscal impact for services through CSA if the increased projection of youth receiving services were realized. Any further analysis of the fiscal impact to CSA would require Virginia to be able to extract services data from the CSA “community-based services” category and should consider the fact that the type of placements for youth over age 18 changes to an increased reliance on less expensive independent living situations as opposed to foster family homes, residential placements or group homes (see Figure 6 and Appendix B for more detail).

- Court costs – Should Virginia opt in to extending benefits to older youth, a yearly permanency hearing will be required. Permanency reviews are part of the ongoing routines of the Juvenile and Domestic Relations Court and can likely be absorbed within current resources. Court-appointed counsel will need to be provided to youth for the yearly permanency hearing at an estimated cost of \$120 per review hearing (case).
- Based on the projected number of older youth, the cost of court-appointed counsel for permanency hearings in FY 2013 is estimated to be approximately \$210,000, decreasing to approximately \$173,000 in FY 2017.
- Other costs avoided or saved -- Research shows that youth who achieve permanency, and who receive additional supports and services beyond age 18 have a higher probability of experiencing positive outcomes ranging from increased education levels to higher annual incomes. Additionally, these same youth may avoid outcomes that entail additional social costs, such as incarceration or the need for supplemental income supports, such as those provided through Temporary Assistance for Needy Families (TANF).³⁶ Research shows that foster youth who receive extended services are twice as likely to complete at least one year of college than those who age out at 18. Furthermore, former foster youth with a bachelor's degree earn, on average, nearly half a million dollars more over their lifetime than foster youth who obtain a high school diploma or less education. For every dollar spent on foster care after age 18, a youth receives nearly two dollars in increased earnings as a result of increased obtainment of a bachelor's degree³⁷. The long term economic impact of these outcomes can be

³⁶ Courtney, M. (2005). Youth aging out of foster care. Network on Transitions to Adulthood Policy Brief, 19. Philadelphia, PA: Research Network on Transitions to Adulthood and Public Policy. Retrieved from <http://www.transad.pop.upenn.edu/downloads/courtney--foster%20care.pdf>

Courtney, M.E., Dworsky, A., Gretchen, R., Keller, T. & Havlicek, J. (2005). Midwest evaluation of the adult functioning of former foster youth: Outcomes at age 19. Chicago, IL: Chapin Hall at the University of Chicago. Retrieved from http://wispolitics.com/1006/Chapin_Hall_Executive_Summary.pdf

Courtney, M.E., Dworsky, A., Lee, J.S., & Raap, M. (2010). Midwest evaluation of the adult functioning of former foster youth: Outcomes at ages 23 and 24. Chicago, IL: Chapin Hall at the University of Chicago. Retrieved from http://www.chapinhall.org/sites/default/files/Midwest_Study_Age_23_24.pdf 12

Krinsky, M., & Liebmann, T. (2011). Charting a better future for transitioning foster youth: executive summary of report from a national summit on the Fostering Connections to Success Act. Family Court Review, 49, 292-300.

Peters, C.M., Dworsky, A., Courtney, M.E., & Pollack, H. (2009). Extending foster care to age 21: Weighing the costs to government against the benefits to youth. Chicago, IL: Chapin Hall at the University of Chicago. Retrieved from http://www.chapinhall.org/sites/default/files/publications/Issue_Brief%2006_23_09.pdf

Stein, M. (ed. Ariyakulkan, L.). (June 2012). Information packet. Extending foster care beyond 18: Improving outcomes for older youth. New York, NY: National Resource

³⁷ Peters, C.M., Dworsky, A., Courtney, M.E., & Pollack, H. (2009). Extending foster care to age 21: Weighing the costs to government against the benefits to youth. Chicago, IL: Chapin Hall at the University of Chicago. Retrieved from http://www.chapinhall.org/sites/default/files/publications/Issue_Brief%2006_23_09.pdf

significant. But to clearly and realistically project this type of fiscal impact requires a rigorous social return on investment analysis that was well beyond the scope of this study.

SECTION VI: IMPLICATIONS FOR POLICY REFORM AND ADMINISTRATION

Should state leaders decide to extend Title IV-E assistance to Virginia youth aged 18 to 21, they will need to consider a number of statutory, administrative, and budgetary actions, which are highlighted here. Please note that the following discussion presents key implications of the Commonwealth opting into the older youth provisions of Fostering Connections Act. However these statements do not represent policy or funding recommendations by The Finance Project staff or the Fostering Connections Work Group.

Statutory Review

Federal guidance was issued in 2010 to provide information on the provisions of IV-E as a result of the amendments to FCA. Based on this most recent guidance, state leaders in Virginia will need to take account of the following provisions, if they decide to extend IV-E benefits to older youth.

Definition of a child

State leaders should review statutory language concerning the definition of a child for purposes of extending support and services to youth ages 18 to 21 for IV-E foster care, adoption subsidies and, if applicable, custody assistance programs:

- *A title IV-E agency may exercise the option in section 475(8)(B) of the Act to adopt a definition of "child" for the title IV-E program that will allow it to provide foster care, adoption and, if applicable, guardianship assistance for eligible youth up to 21 years of age³⁸*

To extend IV-E benefits, policymakers will need to define older youth as eligible to receive maintenance support, services and case management, in Virginia's IV-E plan without changing their status as legal adults who are no longer dependents of the Commonwealth of Virginia. State leaders will need to review language in the Code of Virginia and the Virginia Administrative Code to ensure there is no conflict with changing the definition of child in the IV-E plan. Changes to the definition of child for the purpose of extending foster care service to age 21 will also need to address how such changes will impact CSA. Because Virginia has established that youth may be found eligible for foster care services other than through a foster care placement by a LDSS (e.g., youth determined eligible as a "Child in Need of Services" (CHINS) by a local family assessment and planning team), any change to foster care statute must consider the impact upon these other populations.

Several other states have addressed this issue in the following ways:

- *Pennsylvania* – Act 91 amended and expanded the definition of a child in the Juvenile Act at 42 Pa. C.S.A. §6302.

³⁸ ACYF-CB-PI-10-11

- *Washington* – WA SB 5245 (companion bill to HB 1128) (proposed legislation) "Child," ((and)) "juvenile," and "youth" means: (a) Any individual under the age of eighteen years; or (b) Any individual age eighteen to nineteen years who is eligible to receive and who elects to receive the extended foster care services 20 authorized under RCW 74.13.031.
- *North Dakota* – Senate Bill No. 2192 expands the definition of child for the specific statutory section on services to older youth that meet eligibility conditions: "For purposes of this section, 'child' means an individual between the ages of eighteen and twenty-one years who is in the need of continued foster care services."

Rationale for limiting eligibility

Should Virginia decide to extend eligibility for IV-E benefits to ages 19 or 20 only, a programmatic or practice rationale will be required to explain why services are not being extended to age 21.

Eligibility requirements

To be eligible for IV-E reimbursement, older youth are required to meet three key criteria: 1) Title IV-E program participation, 2) age, 3) educational or employment conditions. In particular, state leaders will need to reach agreement on which of the five educational and/or employment conditions they will include in state policy. Likewise, they will need to specify *how* youth will be determined to meet the conditions and how the state will verify or obtain assurance that the youth continues to meet the conditions. The state has discretion in this area as long as its requirements are consistent with federal law. Virginia leaders will need to consider how to reflect in their title IV-E plan that eligible youth will be required to meet the Title IV-E program participation, age, and educational or employment conditions.

Several other states have addressed this issue in the following ways:

- *Pennsylvania* – Act 91 expanded and clarified criteria for staying in care. Prior to passage of Act 91, youth who were in "treatment" or "instruction" could remain eligible for extended benefits after age 18, however, counties interpreted these terms differently and some eligible youth were denied services. Act 91 clarified who could receive extended services, and added youth working at least 80 hours per month.
- *California* – AB12 four basic eligibility requirements for a youth to continue to receive support after the age of 18 under AB 12. The youth must (1) sign a mutual agreement with the local child welfare or probation agency or tribe that has a IV - E agreement with the state for supervision and support; (2) continue under the supervision of the juvenile court as a dependent or a ward; (3) meet one of the five participation conditions; and (4) agree to live in a supervised placement that is licensed or approved under new standards for 18 to 21 year olds.
- *North Dakota* – Senate Bill No. 2192 states that youth must meet education or work conditions outlined in the Fostering Connections Act.

Meet "removal from home" and "placement and care" criteria

Virginia officials will need to specify mechanisms to meet the "removal from home" and "placement and care" criteria for older youth as specified in ACYF-CB-PI-10-11:

- Removal from home
 - Court-ordered removal prior to age 18
 - Voluntary placement agreement prior to age 18

- Court-ordered removal after attaining age 18
- Voluntary placement agreement after attaining age 18
- Trial independence and breaks in foster care
- Placement and care
 - Written authorization prior to age 18
 - Voluntary placement agreement after attaining age 18
 - Court orders after attaining age 18

Court jurisdiction and welfare supervision

Under the older youth provisions of FCA, all Title IV-E requirements for case management and supervision apply to youth receiving extended benefits who are older than 18. Accordingly, Virginia state leaders will need to ensure court jurisdiction and child welfare supervision for youth receiving extended benefits from ages 18 to 21 and determine if statutory changes are necessary to do so. Current statutory language will need to be reviewed to determine if it permits court involvement and provides discretion for judges to make court orders up to age 21 for older youth who continue to receive foster care services past age 18.

Several other states have addressed this issue in the following ways:

- *California* -- After age 18, AB 12 uses the term "nonminor dependents" to refer to youth who remain under the jurisdiction of the court. Youth have a six-month review hearing in court or through an administrative review process. Under AB 12, youth who elect to participate in extended foster care must sign a mutual agreement with the local child welfare or probation agency or tribe, which has a Title IV-E agreement with the state, to accept supervision and support

Reentry

Virginia may want to review its current re-entry mechanisms for youth over age 18. Fostering Connections does not specify mechanisms for re-entry to foster care services. Currently, Virginia allows youth who discontinue independent livings services after age 18 to resume services, at the youth's request, before age 21. Currently, eligible youth must enter into a written agreement with the child placing agency within sixty days of discontinuation of services (Code of Virginia §63.2-905.1)³⁹ Should Virginia amend its policy for re-entry to allow eligible youth to resume services after more than sixty days after discontinuation of services, potentially greater numbers of eligible youth will receive services.

Child welfare licensing

Virginia officials will need to undertake a child welfare licensing review to ensure that Commonwealth licensing provisions are consistent and compliant with federal guidance, which states:

In order for the title IV-E agency to provide title IV-E foster care maintenance payments, an otherwise eligible child age 18 or older must be placed in a licensed foster family home, child-care institution, or a supervised setting in which the individual is living independently per section 472(c)(2) of the Act. The title IV-E requirements for foster family homes and child care institutions apply if a youth age 18 or older is placed in such a setting, including provisions for licensure or approval, background checks and safety considerations (see sections 471(a)(10) and 471(a)(20)(A) and (B) of the Act and 45 CFR 1355.20 and 1356.30). (ACYF-CB-PI-20-11)

³⁹ Virginia Department of Social Services (2011). Child and Family Services Manual. Section 14: Serving Older Youth.

A title IV-E agency has the discretion to develop a range of supervised independent living settings which can be reasonably interpreted as consistent with the law, including whether or not such settings need to be licensed and any safety protocols that may be needed. (ACYF-CB-PI-20-11)⁴⁰

The Finance Project interviewed staff within the Virginia Department of Social Services to identify implications for current laws and regulations in the Code of Virginia and the Virginia Administrative Code. Licensing and safety protocols for supervised independent living are left to state discretion. However, for youth to continue in settings other than independent living, those settings must adhere to Title IV-E requirements in order to be eligible for federal reimbursement. The following areas warrant particular attention:

- *Code of Virginia*
 - Code of Virginia 63.2-100 -- Definitions
 - Most definitions address only child or children, see "child-placing agency", "Children's residential facility", "foster care placement", "foster home", and "independent living services" "Child-placing agency" would need to be changed to include youth ages 18 to 21 for arrangement other than independent living. "Independent living services" currently specifies that the youth be in foster care prior to his/her 18th birthday.
 - Code of Virginia 62.2-1817. *Acceptance and control over children by licensed child-placing agency, children's residential facility or independent foster home.* This section may need to be revised to include ages 18 to 21. This section addresses only child or children.
 - *Code of Virginia 63.2-1819.* Where child-placing agencies may place children. This section may need to be revised to include 18 to 21 year olds. This section addresses only child or children.
- *Virginia Administrative Code*
 - *22 Virginia Administrative Code 40-15. Standards for Licensed Children's Residential Facilities.* The regulation and guidance would need to be reviewed to make sure each use of the term "child" or "children" is used intentionally and the requirement is only applicable to person less than 18 years of age.
 - *22 VAC 40-131. Standards for Licensed Child-placing Agencies* The regulation and guidance would need to be reviewed to make sure each use of the term "child" or "children" is used intentionally and the requirement is only applicable to persons less than 18 years of age. The definition of youth will need to be evaluated to determine if it is broad enough to include all youth who would be served under FCA.
 - *22VAC 40-211. Local Department of Social Services.* Resource, Foster And Adoptive Family Home Approval Standards would need to be reviewed.
 - *22 VAC 40-191. Background Checks for Child Welfare Agencies.* This regulation currently considers youth ages 18- to 21 residing in foster homes while receiving foster care services as adult household members. These youth must complete background checks. The inability for a home to be approved for foster care or adoption if a household member has a barrier crime may be a barrier to placing youth ages 18 to 21 for arrangements. State leaders may want to discuss

⁴⁰ ACYF-CB-PI-10-11

providing exceptions in licensing requirements for older youth. For example, California considers older youth who remain or return to foster care services to be clients and, therefore, not required to have a criminal background clearance, with some exceptions⁴¹.

Administrative Review

In addition to implications that will affect legislative policy language, FCA contains a number of administrative requirements that may have implications for practice.

Additional permanency plan and case review requirements.

Child welfare agencies with jurisdiction are required to ensure that:

- A judicial determination is made every 12 months to ensure that the agency is making reasonable efforts to finalize a permanency plan for each older youth who continues to receive IV-E benefits;
- A case review must be conducted at least once every six months for all Title IV-E eligible youth receiving supports and services. All case reviews must be developmentally-appropriate.

Complying with these requirements will involve additional administrative time and resources, including time spent by case workers to document and prepare material to show compliance with the requirements and time spent in judicial determinations and case reviews.

Caseworkers will be required to meet monthly face-to-face with youth.

Currently monthly check-ins may be conducted by phone or e-mail and face-to-face visits are required only every three months. This will entail additional hours for caseworkers for travel, preparation, and visit time.

Requirements to cover the costs of the child of a parent receiving foster care services will be extended to include the children of eligible older youth ages 18 to 21 who live in a foster family home, child care institution or supervised independent living setting.

The child of the parent in foster care will also be categorically eligible for Medicaid.

Data and Reporting

If Virginia extends foster care support and services, it must collect and report data to the Adoption and Foster Care Analysis and Reporting System (AFCARS) on all youth age 18 and older receiving Title IV-E foster care maintenance payments. Additionally, youth over 18 who are receiving a title IV-E foster care maintenance payment must be reported in the National Youth in Transition Database. These youth must be considered to be in foster care for reporting purposes.

CONCLUSION

⁴¹ Exceptions include children's residential community care facilities that are dually licensed as a Family Child Care Home and older youth who return to foster care services after a period of trial independence and are placed in a home where a minor dependent resides. For more information, access California Department of Social Services All County Information Notice No. 1-40-11 at http://www.dss.cahwnet.gov/lettersnotices/entres/getinfo/acin/2011/I-40_11.pdf

With the passage of the *Fostering Connections to Success and Increasing Adoptions Act*, Virginia has an important opportunity to improve outcomes for older youth in foster care. As research confirms, permanency pays significant dividends for youth ages 18 to 21. If Virginia policy makers adopt a policy allowing young people to continue to receive assistance until age 21 – an option that will be much less of a financial burden on the Commonwealth and localities because of FCA -- the potential benefits to foster youth and society will likely more than offset the costs to young people and to government. This analysis is intended to assist Virginia leaders as they consider how best to provide supports and services to this particularly vulnerable population and the costs and revenues associated with the programmatic assumptions. Although the Commonwealth faces a challenging fiscal environment, The Finance Project's analysis shows clearly that relatively modest investments in this population of young people have the potential to yield significant and positive long-term benefits.

ACKNOWLEDGEMENTS

The authors would like to express our sincere thanks to Patrick Plourde (VDSS), Letha Moore-Jones (VDSS) and members of the Fostering Connections Work Group for their leadership, commitment, and creative thinking throughout this process. We extend our deepest appreciation to Therese Wolf (VDSS), David Bringman (VDSS), Michael Gump (VDSS), Charles Savage (OCS) and their data teams who responded to countless requests for data and whose diligent efforts made this analysis possible.

Cheryl D. Hayes, President and CEO of The Finance Project, provided overall intellectual guidance for the fiscal impact analysis and took the lead in drafting this report. Torey Silloway, Program Manager for Research and Consulting, managed this project on a day-to-day basis and took the lead on the data analysis. Melissa Dahlin, Program Associate, assisted in all aspects of background research, data collection, analysis, and report drafting.

Appendix A: Work Group Members

The Virginia Senate Committee on Rehabilitation and Social Services requested that officials in the Virginia Department of Social Services (VDSS) commission a fiscal analysis to assess the impact of extending Title IV-E assistance to youth aged 18 to 21 in the Commonwealth. Accordingly, at the request of DSS officials, The Finance Project staff undertook a series of data collection, analysis, and facilitation activities aimed at helping the Virginia DSS project the net fiscal impact of extending Title IV-E services statewide.

A Work Group of state, locality, and community representatives provided input on the initial design parameters and feedback on the draft analysis. In order to complete this work, the Taskforce held several in-person meetings between June 2012 and September 2012. This appendix lists the Work Group Members by organization.

Chesterfield County
Michael Chernau

Chesterfield-Colonial Heights Department of Social Services
Erin Dangerfield

Comprehensive Services for At-Risk Youth and Families (CSA)
Charles Savage

City of Chesapeake Department of Social Services
Gloria Wright

City of Roanoke Department of Social Services
Robin Royer

Fairfax County Department of Family Services
Chauncey Strong

Hanover County Department of Social Services
Judy H. Davis

Tazewell County Department of Social Services
Sheri Hale

Wise County Department of Social Services
Jeannie Mullins

FACES of Virginia Families
Cate Newbanks

Foster Care Alumni of America, Virginia Chapter

Brandy Hudson

National Board of the Foster Family-Based Treatment Association

Marianne Werth

National Counseling Group, Inc.

Christie L. Blaylock

Supreme Court of Virginia

Lelia Baum Hopper

Virginia Coalition of Private Provider Associates

Shaneen Alvarez

Penny Combs

Charles Laslie

Virginia Department of Education

Marianne Moore

Vivian Stith-Williams

Virginia Department of Juvenile Justice

Ashaki McNeil

Deron Phipps

Angela Valentine

Virginia Department of Medical Assistance Services

Cindy Olson

Virginia Department of Social Services

Cynthia Bauer

Erik Beecroft

Jennifer Behrens

David Bringman

Kim Conner

Jerry Davis

Denise Dickerson

Sondra Draper

Robin Ely

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Beth Jones

Alex Kamberis

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Sharon Lindsay

Letha Moore-Jones

Em Parente
Phyl Parrish
Patrick Plourde
Sharyn Robins
Therese Wolf

Virginia Law Poverty Center
Christie Marra

Voices for Virginia's Children
Amy Woolard

UMFS Project LIFE
Jackie Cowan

Wise County DSS
Jeannie Mullins

Youth Representative
Sophia Booker

The Finance Project Staff
Cheryl Hayes
Torey Silloway
Melissa Dahlin

APPENDIX B: COST ASSUMPTIONS

Cost Assumptions: Extension Options Under Fostering Connections

Estimating Total Youth Receiving Services

TFP used data on the total number of youth at ages 18, 19, and 20 during the fiscal year. Youth may have been receiving services any period of time. This data is not the same as monthly census count data, which shows the number of youth who receive services at any given time.

Youth Receiving Services by Age	Historical Data for Youth Receiving Services, ages 18 to 21					
	2006	2007	2008	2009	2010	2011
# of youth who have turned 18 each year and continue to receive services	965	1,008	1,070	1,042	917	794
# of youth who have turned 19 each year and continue to receive services	358	354	421	447	485	413
# of youth who have turned 20 each year and continue to receive services	190	185	191	248	270	296

Estimating the Number of Youth Receiving Services to Age 21

TFP looked at 5 years of trend data on the number of youth who receive services, at each age, 18, 19, and 20 and used that data to project the number of youth who would continue to receive foster care services between 2013 – 2017. In Virginia, the total number of older foster youth (i.e., 17 year olds) in care has declined steadily since 2007, by an average of nine percent per year. During the same period, the number of 18 year olds in care has also declined by 9 percent per year on average. In 2011, just under 800 youth turned 18 and continued to receive foster care services for at least some period of time.

Number of Youth Who Turn Age 17 and Age 18 in Foster Care

	2006	2007	2008	2009	2010	2011	Total 2006 to 2011	Annual Percent Change
Number of youth	1109	1173	1137	1002	878	774	6,073	- 9 %

who turned 17 In foster care								
Number of youth who turned 18 in foster care and continued to receive services	965	1,008	1,070	1,042	917	794	5,796	- 9 %

Project the number of youth turning 18 while receiving foster care services

	2013	2014	2015	2016	2017
Scenario 1: Extend Services to 21 (Assume No Increase in Youth)					
18 year old	723	672	638	619	607
19 year old	354	329	313	303	297
20 year old	216	201	191	185	181
Total 18-21 year old	1,293	1,202	1,142	1,108	1,086
Scenario 2: Extend Services to 21 (Assume Increase in Youth)					
18 year old	737	685	651	632	619
19 year old	442	411	391	379	371
20 year old	332	308	293	284	279
Total 18-21 year old	1,511	1,405	1,335	1,295	1,269

Expected placements for Title IV-E eligible older youth

In general, as youth get older, their rate of placement in foster homes or congregate care facilities declines and their rate of placement in some form of supervised independent living arrangement increases as shown below, which presents the average percent of placements by year of age over the past five years. The Finance Project used this data to project the types of services youth would receive if Virginia opted in to FCA.

Historical Placement of Older Youth, By Age

	17 year old	18 year old	19 year old	20 year old	Notes
Foster Home	50%	43%	37%	31%	Includes Relative Foster Care, Non Relative Foster Care, & Treatment Foster Care
Group Home	13%	17%	11%	6%	--
Residential	20%	22%	9%	5%	--
Supervised Independent Living	3%	16%	35%	51%	Includes all Independent Living settings and services
Other	14%	2%	8%	7%	Includes run aways, trial home visits, & youth where placement data is not available

Estimating the Total Number of Adoptions and Custody Assistance with Extension of Adoption and Custody Assistance to Age 21

- Calculated the historical trend in adoptions in terms of what percent of those served ages 16 - 17 were adopted and received adoption subsidy in 2006 – 2011. The average monthly adoption subsidy payment in 2011 was \$1,147. The five-year annual increase in adoption subsidy payments is 6%. The average IV-E Penetration Rate for adoption subsidy is 77% and the FMAP rate is 50%. VADSS was unable to provide a breakout of between maintenance and enhanced maintenance payments or non-recurring payments.

Youth Adopted After Age 16 Who Will Qualify for Adoption Subsidy

	2013	2014	2015	2016	2017
Scenario 1: Extend Care to 21 (Assume No Impact from Fostering Connections)					
Ages 18-21	92	115	138	159	175
Scenario 2: Extend Care to 21 (Assume Impact from Fostering Connections)					
Ages 18-21	103	134	167	201	231

Estimating Services and Placement Setting Costs

TFP used CSA data on monthly costs of placement settings as follows:

Placements	Age	Average Monthly Costs (Includes Service and Maintenance)
Non-relative Foster Care	18	\$664
	19	\$644
	20	\$644
Therapeutic Foster Care	18	\$3,569
	19	\$3,995
	20	\$3,995
Residential Care / Institutions	18	\$3,468
	19	\$4,127
	20	\$3,468
Group Homes	18	\$3,600
	19	\$4,897
	20	\$3,600
Supervised Independent Living ⁴²	18	\$1,825
	19	\$1,825
	20	\$1,825

Estimating the average maintenance cost

DSS and CSA worked together to develop an average annual maintenance cost, which is adjusted for older youth. This maintenance cost is used throughout all of the calculations as the portion of cost that is reimbursable for Title IV-E maintenance.

- Average Annual Maintenance Cost - \$13,566
- Average Monthly Maintenance Cost - \$1,130

Estimating length of stay to determine the cost of services

To determine the cost of services provided to youth, TFP reviewed 3 years of CSA data on expenditures for youth, ages 18 to 21, by service type. CSA data does not provide a per child

⁴² Supervised Independent Living Placements include:

- *College Dormitory* – Young person resides in a college dormitory.
- *Semi-supervised (scattered-site) apartments* - Young person lives alone or with a roommate in an individual apartment, usually rented from a private landlord, to practice living independently.
- *Supervised apartments (cluster apartments)* - Young people live in their own apartments (or with a roommate) with live-in or overnight staff in the same building.
- *Boarding homes* - Young people have individual rooms in a facility, often with shared bath and kitchen facilities, generally with minimal supervision. Can be run by an organization, such as the YMCA, or be a house opened to one or more boarders.
- *Shared homes* - Young people share a minimally supervised house owned or rented by a child welfare agency and take full responsibility for the house and personal affairs. May or may not have live-in adults. Agency provides structured group activities for learning how to live independently.
- *Host homes* - Young people rent a room in a family or single adult's home, sharing basic facilities and agreeing to rules while being largely responsible for themselves.
- *Adult roommates* - Young people share a house or an apartment with an adult mentor or roommate who provides support and assistance to the young person.
- *Specialized foster homes* - Young people are placed with families that are specially trained to help young people develop independent living skills.

cost for each placement type, and so TFP used the per diem cost for each placement type, and used an average length of stay to determine the average annual cost of services. TFP reviewed CSA data and DSS data on the length of stay for youth, ages 18, 19, and 20, to determine an average length of stay in an arrangement during the year. The data differed slightly, though both showed a shorter length of stay for 18 year olds and longer lengths of stay for 19 year olds and 20 year olds. Based on this data, TFP used an average length of stay of 6 months for 18 year olds, 8 months for 19 year olds, and 10 months for 20 year olds to determine the total service costs for youth.

Estimating the state and local match rate

CSA match rates vary by type of service. Base services have a 64.4% state share and a 35.6% local share. Residential services have a 54% state share and a 45.4% local share. To calculate the state and local rates for CSA services, a weighted average was taken of the percent of youth in each service setting and the match rate for the setting. With the weighted averaged, the state match was 62.1%.

Base services include: family foster care basic maintenance payments, foster care basic maintenance & basic activities payments, specialized foster home, therapeutic foster home, independent living stipend, independent living arrangement, and psychiatric hospital/crisis stabilization unit. Residential services include: temporary care facility and services, group home, and residential treatment facility.

Estimating the Costs of Case Management

DSS provided TFP with average salaries/benefit costs:

Case Worker – \$64,815

Supervisor –\$ 90,619

Assumed the following caseworker/caseload ratios:

1 to12 – Worker to youth

1 to 72 – Supervisors to youth

Estimating Other Administrative Costs

Used state data on monthly administrative costs - \$293

Estimating Attorney Costs

Estimated court-appointed attorney costs are at \$120 per case (permanency review) per youth. A yearly permanency review is required should Virginia opt into extending eligibility.

Appendix C: Estimating the Fiscal Impact of Extending Foster Care Services, Adoption Assistance Subsidies, and Custody Assistance Subsidies to Older Youth

The charts below provide detailed calculations on:

1. Fiscal Impact of Extending foster care services to age 21
2. Fiscal Impact of Extending Adoption Assistance Subsidies to 21
3. Fiscal Impact of Extending Custody Assistance Subsidies to 21
4. Total Fiscal Impact
5. Fiscal Impact of Adding Eligible DJJ Youth

1. Extending Foster Care Services to Age 21:

Fiscal Impact of Extending Foster Care Services (Scenario I) with and without Fostering Connections

	SFY 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017
Existing Eligibility (No Fostering Connections)					
Estimated Total Costs	\$33,868,472	\$31,497,679	\$29,922,795	\$29,025,111	\$28,444,609
IV-E Revenue	\$0	\$0	\$0	\$0	\$0
State Cost	\$24,615,899	\$22,892,786	\$21,748,147	\$21,095,702	\$20,673,788
Locality Cost	\$9,252,573	\$8,604,893	\$8,174,649	\$7,929,409	\$7,770,821
Scenario I: Extend Eligibility to 21 (Assume No Increase in Youth)					
Estimated Total Costs	\$33,868,472	\$31,497,679	\$29,922,795	\$29,025,111	\$28,444,609
IV-E Revenue	\$6,601,769	\$6,139,646	\$5,832,663	\$5,657,683	\$5,544,530
State Cost	\$19,694,744	\$18,316,112	\$17,400,306	\$16,878,297	\$16,540,731
Locality Cost	\$7,571,959	\$7,041,922	\$6,689,826	\$6,489,131	\$6,359,348
	\$33,868,472	\$31,497,679	\$29,922,795	\$29,025,111	\$28,444,609
DIFFERENCE					
Estimated Total Cost Difference					
IV-E Revenue	\$6,601,769	\$6,139,646	\$5,832,663	\$5,657,683	\$5,544,530
State Cost	\$(4,921,155)	\$(4,576,674)	\$(4,347,841)	\$(4,217,405)	\$(4,133,057)
Locality Cost	\$(1,680,614)	\$(1,562,971)	\$(1,484,823)	\$(1,440,278)	\$(1,411,472)
Difference	\$0	\$0	\$0	\$0	\$0

Fiscal Impact of Extending Foster Care Services (Scenario II) with and without Fostering Connections

	SFY 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017
Existing Eligibility (No Fostering Connections)					
Estimated Total Costs	\$33,868,472	\$31,497,679	\$29,922,795	\$29,025,111	\$28,444,609
IV-E Revenue	\$0	\$0	\$0	\$0	\$0
State Cost	\$24,615,899	\$22,892,786	\$21,748,147	\$21,095,702	\$20,673,788
Locality Cost	\$9,252,573	\$8,604,893	\$8,174,649	\$7,929,409	\$7,770,821
Scenario II: Extend Eligibility to 21 (Assume Increase in Youth)					
Estimated Total Costs	\$39,880,725	\$37,089,074	\$35,234,620	\$34,177,582	\$33,494,030
IV-E Revenue	\$7,766,849	\$7,223,170	\$6,862,011	\$6,656,151	\$6,523,028
State Cost	\$23,208,960	\$21,584,332	\$20,505,116	\$19,889,962	\$19,492,163
Locality Cost	\$8,904,916	\$8,281,572	\$7,867,493	\$7,631,469	\$7,478,839
DIFFERENCE					
Estimated Total Costs	\$6,012,253	\$5,591,395	\$5,311,825	\$5,152,471	\$5,049,421
IV-E Revenue	\$7,766,849	\$7,223,170	\$6,862,011	\$6,656,151	\$6,523,028
State Cost	\$(1,406,939)	\$(1,308,454)	\$(1,243,031)	\$(1,205,740)	\$(1,181,625)
Locality Cost	\$(347,657)	\$(323,321)	\$(307,155)	\$(297,940)	\$(291,982)

2. Fiscal Impact of extending adoption subsidy to age 21

Extending Adoption Subsidy to Age 21 for Youth Adopted After Age 16

	SFY 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017
Existing Eligibility (No Fostering Connections)					
Total Costs	\$0	\$0	\$0	\$0	\$0
State Costs	\$0	\$0	\$0	\$0	\$0
Locality Costs	\$0	\$0	\$0	\$0	\$0
Scenario I: Extend Adoption Subsidy to 21 (Assume No Increase in Youth)					
Est. Number of Youth Who Will Meet all Subsidy Requirements to Age 21	92	115	138	159	175
Average Monthly Subsidy Payment	\$1,366	\$1,448	\$1,535	\$1,627	\$1,725
Estimated Total Costs	\$1,507,887	\$1,598,361	\$2,117,828	\$2,693,877	\$3,283,836
IV-E Revenue	\$577,559	\$612,212	\$811,181	\$1,031,822	\$1,257,791

State Costs	\$930,329	\$986,148	\$1,306,647	\$1,662,055	\$2,026,045
Locality Costs	\$0	\$0	\$0	\$0	\$0
Scenario II: Extend Adoption Subsidy to 21 (Assume Increase in Youth)					
Est. Number of Youth Who Will Meet all Subsidy Requirements to Age 21	103	134	167	201	231
Average Monthly Subsidy Payment	\$1,366	\$1,448	\$1,535	\$1,627	\$1,725
Estimated Total Costs	\$1,685,832	\$1,786,982	\$2,462,461	\$3,262,760	\$4,150,231
IV-E Revenue	\$645,716	\$684,459	\$943,184	\$1,249,719	\$1,589,642
State Costs	\$1,040,116	\$1,102,523	\$1,519,277	\$2,013,041	\$2,560,589
Locality Costs	\$0	\$0	\$0	\$0	\$0

3. Fiscal Impact of extending custody assistance to age 21

Extending Custody Assistance to 21 for Youth Who Enter Guardianship After Age 16

	SFY 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017
Existing Eligibility (No Fostering Connections)					
Total Costs	\$0	\$0	\$0	\$0	\$0
Projected State Costs	\$0	\$0	\$0	\$0	\$0
Projected Locality Costs	\$0	\$0	\$0	\$0	\$0
Scenario I: Extend Custody Assistance to 21 (opt in to Fostering Connections)					
Total Number of Youth In Care Ages 16 and 17	1,321	1,212	1,112	1,020	936
Number of Youth Expected to Exit and Receive Custody Assistance After Age 16	40	48	56	61	66
Monthly Subsidy Amount	\$918	\$918	\$918	\$918	\$918
Estimated Total Costs	\$436,597	\$534,064	\$612,459	\$674,267	\$721,692
Projected IV-E Revenue	\$104,783	\$128,175	\$146,990	\$161,824	\$173,206
State Costs	\$331,814	\$405,889	\$465,469	\$512,443	\$548,486
Locality Costs	\$0	\$0	\$0	\$0	\$0
Scenario II: Shared State / Local Cost					
Estimated Total Costs	\$436,597	\$534,064	\$612,459	\$674,267	\$721,692
Projected IV-E Revenue	\$104,783	\$128,175	\$146,990	\$161,824	\$173,206
State Costs	\$215,679	\$263,827	\$302,555	\$333,087	\$356,516
Locality Costs	\$116,135	\$142,062	\$162,914	\$179,356	\$191,970

4. Total Fiscal Impact

Total Impact with and without Fostering Connections Under Scenario 1

	2013	2014	2015	2016	2017	Five Year Total (Net Savings)/ Net Cost
Scenario I Comparison						
Existing Eligibility (No Fostering Connections)						
Estimated Total Costs	\$33,868,472	\$31,497,679	\$29,922,795	\$29,025,111	\$28,444,609	\$152,758,667
IV-E Revenue	\$0	\$0	\$0	\$0	\$0	\$0
State Cost	\$24,615,899	\$22,892,786	\$21,748,147	\$21,095,702	\$20,673,788	\$111,026,322
Locality Cost	\$9,252,573	\$8,604,893	\$8,174,649	\$7,929,409	\$7,770,821	\$41,732,345
Scenario I: Extend Eligibility to 21 (Assume No Increase in Youth)						
Estimated Total Costs	\$35,812,957	\$33,630,104	\$32,653,082	\$32,393,255	\$32,450,137	\$166,939,534
IV-E Revenue	\$7,284,111	\$6,880,033	\$6,790,834	\$6,851,330	\$6,975,527	\$34,781,835
State Cost	\$20,956,886	\$19,708,149	\$19,172,421	\$19,052,794	\$19,115,262	\$98,005,512
Locality Cost	\$7,571,959	\$7,041,922	\$6,689,826	\$6,489,131	\$6,359,348	\$34,152,186
Difference						
Estimated Total Costs	\$1,944,485	\$2,132,425	\$2,730,287	\$3,368,144	\$4,005,528	\$14,180,868
IV-E Revenue	\$7,284,111	\$6,880,033	\$6,790,834	\$6,851,330	\$6,975,527	\$34,781,835
State Cost	\$(3,659,012)	\$(3,184,637)	\$(2,575,725)	\$(2,042,908)	\$(1,558,527)	\$(13,020,809)
Locality Cost	\$(1,680,614)	\$(1,562,971)	\$(1,484,823)	\$(1,440,278)	\$(1,411,472)	\$(7,580,158)

Total Impact with and without Fostering Connections Under Scenario II

	2013	2014	2015	2016	2017	Five Year Total (Net Savings)/ Net Cost
Scenario II Comparison						
Existing Eligibility (No Fostering Connections)						
Estimated Total Costs	\$33,868,472	\$31,497,679	\$29,922,795	\$29,025,111	\$28,444,609	\$152,758,667
IV-E Revenue	\$0	\$0	\$0	\$0	\$0	\$0
State Cost						

	\$24,615,899	\$22,892,786	\$21,748,147	\$21,095,702	\$20,673,788	\$111,026,322
Locality Cost	\$9,252,573	\$8,604,893	\$8,174,649	\$7,929,409	\$7,770,821	\$41,732,345
Scenario II: Extend Eligibility to 21 (Assume Increase in Youth)						
Estimated Total Costs	\$42,003,154	\$39,410,120	\$38,309,540	\$38,114,609	\$38,365,953	\$196,203,376
IV-E Revenue	\$8,517,348	\$8,035,804	\$7,952,185	\$8,067,694	\$8,285,876	\$40,858,907
State Cost	\$24,464,755	\$22,950,683	\$22,326,947	\$22,236,091	\$22,409,268	\$114,387,744
Locality Cost	\$9,021,051	\$8,423,633	\$8,030,408	\$7,810,824	\$7,670,809	\$40,956,725
Difference						
Estimated Total Costs	\$8,134,682	\$7,912,441	\$8,386,745	\$9,089,497	\$9,921,344	\$43,444,709
IV-E Revenue	\$8,517,348	\$8,035,804	\$7,952,185	\$8,067,694	\$8,285,876	\$40,858,907
State Cost	\$(151,144)	\$57,897	\$578,800	\$1,140,389	\$1,735,480	\$3,361,422
Locality Cost	\$(231,522)	\$(181,260)	\$(144,241)	\$(118,585)	\$(100,011)	\$(775,620)

5. Fiscal Impact of Including DJJ Youth in Extended Foster Care Services

	SFY 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017
Allow Youth from DJJ to Extend Foster Care Services to 21					
Youth who were in foster care immediately prior to entering DJJ, and were released from DJJ after age 18	32	32	32	32	32
Estimated Total Costs	\$713,929	\$713,929	\$713,929	\$713,929	\$713,929
Projected IV-E Revenue	\$156,108	\$156,108	\$156,108	\$156,108	\$156,108
State Costs	\$408,198	\$408,198	\$408,198	\$408,198	\$408,198
Locality Costs	\$149,623	\$149,623	\$149,623	\$149,623	\$149,623

Appendix D- Fiscal Impact of Extending Foster Care Services to age 21, by Age Cohort, with and without Fostering Connections

	2013	2014	2015	2016	2017
Existing Eligibility (No Fostering Connections)					
18 Year Olds					
Estimated Total Costs	\$16,303,583	\$15,162,332	\$14,404,216	\$13,972,089	\$13,692,647
IV-E Revenue	\$0	\$0	\$0	\$0	\$0
State Cost	\$11,956,416	\$11,119,467	\$10,563,493	\$10,246,589	\$10,041,657
Locality Cost	\$4,347,167	\$4,042,865	\$3,840,722	\$3,725,500	\$3,650,990
19 Year Olds					
Estimated Total Costs	\$10,835,204	\$10,076,740	\$9,572,903	\$9,285,716	\$9,100,001
IV-E Revenue	\$0	\$0	\$0	\$0	\$0
State Cost	\$7,785,466	\$7,240,484	\$6,878,460	\$6,672,106	\$6,538,664
Locality Cost	\$3,049,738	\$2,836,256	\$2,694,443	\$2,613,610	\$2,561,338
20 Year Olds					
Estimated Total Costs	\$6,729,685	\$6,258,607	\$5,945,677	\$5,767,307	\$5,651,960
IV-E Revenue	\$0	\$0	\$0	\$0	\$0
State Cost	\$4,874,017	\$4,532,835	\$4,306,194	\$4,177,008	\$4,093,468
Locality Cost	\$1,855,669	\$1,725,772	\$1,639,483	\$1,590,299	\$1,558,493
Scenario I: Extend Services to 21 (Assume No Increase in Youth)					
18 Year Olds					
Estimated Total Costs	\$16,303,583	\$15,162,332	\$14,404,216	\$13,972,089	\$13,692,647
IV-E Revenue	\$3,572,300	\$3,322,239	\$3,156,127	\$3,061,443	\$3,000,214
State Cost	\$9,305,277	\$8,653,908	\$8,221,212	\$7,974,576	\$7,815,085
Locality Cost	\$3,426,006	\$3,186,185	\$3,026,876	\$2,936,070	\$2,877,348
19 Year Olds					
Estimated Total Costs	\$10,835,204	\$10,076,740	\$9,572,903	\$9,285,716	\$9,100,001
IV-E Revenue	\$1,845,599	\$1,716,407	\$1,630,587	\$1,581,669	\$1,550,036
State Cost	\$6,405,988	\$5,957,569	\$5,659,690	\$5,489,900	\$5,380,102

	2013	2014	2015	2016	2017
Locality Cost	\$2,583,617	\$2,402,764	\$2,282,625	\$2,214,147	\$2,169,864
20 Year Olds					
Estimated Total Costs	\$6,729,685	\$6,258,607	\$5,945,677	\$5,767,307	\$5,651,960
IV-E Revenue	\$1,183,870	\$1,100,999	\$1,045,949	\$1,014,571	\$994,280
State Cost	\$3,983,478	\$3,704,635	\$3,519,403	\$3,413,821	\$3,345,545
Locality Cost	\$1,562,337	\$1,452,973	\$1,380,324	\$1,338,915	\$1,312,136
Scenario II: Extend Services to 21 (Assume Increase in Youth)					
18 Year Olds					
Estimated Total Costs	\$16,339,133	\$15,195,394	\$14,435,624	\$14,002,555	\$13,722,504
IV-E Revenue	\$3,643,746	\$3,388,684	\$3,219,250	\$3,122,672	\$3,060,219
State Cost	\$9,302,544	\$8,651,366	\$8,218,797	\$7,972,233	\$7,812,789
Locality Cost	\$3,392,843	\$3,155,344	\$2,997,577	\$2,907,650	\$2,849,497
19 Year Olds					
Estimated Total Costs	\$13,207,281	\$12,282,771	\$11,668,633	\$11,318,574	\$11,092,202
IV-E Revenue	\$2,305,116	\$2,143,757	\$2,036,570	\$1,975,472	\$1,935,963
State Cost	\$7,789,264	\$7,244,016	\$6,881,815	\$6,675,361	\$6,541,854
Locality Cost	\$3,112,901	\$2,894,998	\$2,750,248	\$2,667,741	\$2,614,386
20 Year Olds					
Estimated Total Costs	\$10,334,311	\$9,610,909	\$9,130,364	\$8,856,453	\$8,679,324
IV-E Revenue	\$1,817,988	\$1,690,728	\$1,606,192	\$1,558,006	\$1,526,846
State Cost	\$6,117,151	\$5,688,951	\$5,404,503	\$5,242,368	\$5,137,521
Locality Cost	\$2,399,172	\$2,231,230	\$2,119,668	\$2,056,078	\$2,014,957

Appendix E – Summary Fiscal Impact Across Scenarios, FY 2013-2017

SFY 2013			
	No Fostering Connections Scenario	Scenario I: Assume No Increase in Youth	Scenario II: Assume Increase in Youth
Extending Foster Care Services			
Total Costs	\$33,868,472	\$33,868,472	\$39,880,725
Title IV-E Revenues	\$0	\$6,601,769	\$7,766,849
State Costs	\$24,615,899	\$19,694,744	\$23,208,960
Locality Costs	\$9,252,573	\$7,571,959	\$8,904,916
Net Costs/Savings to State	\$0	\$(4,921,155)	\$(1,406,939)
Net Cost/Savings to Locality	\$0	\$(1,680,614)	\$(347,657)
Total Net Cost/Savings	\$0	\$(6,601,769)	\$(1,754,596)
Extending Adoption Subsidies			
Total Costs	\$0	\$1,507,887	\$1,685,832
Title IV-E Revenues	\$0	\$577,559	\$645,716
State Costs	\$0	\$930,329	\$1,040,116
Locality Costs	\$0	\$0	\$0
Net Costs/Savings to State	\$0	\$930,329	\$1,040,116
Net Cost/Savings to Locality	\$0	\$0	\$0
Total Net Cost/Savings	\$0	\$930,329	\$1,040,116
Extending Custody Assistance			
Total Costs	\$0	\$436,597	\$436,597
Title IV-E Revenues	\$0	\$104,783	\$104,783
State Costs	\$0	\$331,814	\$215,679
Locality Costs	\$0	\$0	\$116,135
Net Costs/Savings to State	\$0	\$331,814	\$215,679
Net Cost/Savings to Locality	\$0	\$0	\$116,135
Total Net Cost/Savings	\$0	\$331,814	\$331,814

Summary Fiscal Impact Across Scenarios			
SFY 2014			
	No Fostering Connections Scenario	Scenario I: Assume No Increase in Youth	Scenario II: Assume Increase in Youth
Extending Foster Care Services			
Total Costs	\$31,497,679	\$31,497,679	\$37,089,074
Title IV-E Revenues	\$0	\$6,139,646	\$7,223,170
State Costs	\$22,892,786	\$18,316,112	\$21,584,332
Locality Costs	\$8,604,893	\$7,041,922	\$8,281,572
Net Cost/Savings to State	\$0	\$(4,576,674)	\$(1,308,454)
Net Cost/Savings to Localities	\$0	\$(1,562,971)	\$(323,321)
Total Net Cost/Savings	\$0	\$(6,139,646)	\$(1,631,775)
Extending Adoption Assistance			
Total Costs	\$0	\$1,598,361	\$1,786,982
Title IV-E Revenues	\$0	\$612,212	\$684,459
State Costs	\$0	\$986,148	\$1,102,523
Locality Costs	\$0	\$0	\$0
Net Cost/Savings to State	\$0	\$986,148	\$1,102,523
Net Cost/Savings to Localities	\$0	\$0	\$0
Total Net Cost/Savings	\$0	\$986,148	\$1,102,523
Extending Custody Assistance			
Total Costs	\$0	\$534,064	\$534,064
Title IV-E Revenues	\$0	\$128,175	\$128,175
State Costs	\$0	\$405,889	\$263,828
Locality Costs	\$0	\$0	\$142,061
Net Cost/Savings to State	\$0	\$405,889	\$263,828
Net Cost/Savings to Localities	\$0	\$0	\$142,061
Total Net Cost/Savings	\$0	\$405,889	\$405,889

Summary Fiscal Impact Across Scenarios			
SFY 2015			
	No Fostering Connections Scenario	Scenario I: Assume No Increase in Youth	Scenario II: Assume Increase in Youth
Extending Foster Care Services			
Total Costs	\$29,922,795	\$29,922,795	\$35,234,620
Title IV-E Revenues	\$0	\$5,832,663	\$6,862,011
State Costs	\$21,748,147	\$17,400,306	\$20,505,116
Locality Costs	\$8,174,649	\$6,689,826	\$7,867,493
Net Cost/Savings to State	\$0	\$(4,347,841)	\$(1,243,031)
Net Cost/Savings to Localities	\$0	\$(1,484,823)	\$(307,155)
Total Net Cost/Savings	\$0	\$(5,832,663)	\$(1,550,186)
Extending Adoption Assistance			
Total Costs	\$0	\$2,117,828	\$2,462,461
Title IV-E Revenues	\$0	\$811,181	\$943,184
State Costs	\$0	\$1,306,647	\$1,519,277
Locality Costs	\$0	\$0	\$0
Net Cost/Savings to State	\$0	\$1,306,647	\$1,519,277
Net Cost/Savings to Localities	\$0	\$0	\$0
Total Net Cost/Savings	\$0	\$1,306,647	\$1,519,277
Extending Custody Assistance			
Total Costs	\$0	\$612,459	\$612,459
Title IV-E Revenues	\$0	\$146,990	\$146,990
State Costs	\$0	\$465,469	\$302,555
Locality Costs	\$0	\$0	\$162,914
Net Cost/Savings to State	\$0	\$465,469	\$302,555
Net Cost/Savings to Localities	\$0	\$0	\$162,914
Total Net Cost/Savings	\$0	\$465,469	\$465,469

Summary Fiscal Impact Across Scenarios			
SFY 2016			
	No Fostering Connections Scenario	Scenario I: Assume No Increase in Youth	Scenario II: Assume Increase in Youth
Extending Foster Care Services			
Total Costs	\$29,025,111	\$29,025,111	\$34,177,582
Title IV-E Revenues	\$0	\$5,657,683	\$6,656,151
State Costs	\$21,095,702	\$16,878,297	\$19,889,962
Locality Costs	\$7,929,409	\$6,489,131	\$7,631,469
Net Cost/Savings to State	\$0	\$(4,217,405)	\$(1,205,740)
Net Cost/Savings to Localities	\$0	\$(1,440,278)	\$(297,940)
Total Net Cost/Savings	\$0	\$(5,657,683)	\$(1,503,680)
Extending Adoption Assistance			
Total Costs	\$0	\$2,693,877	\$3,262,760
Title IV-E Revenues	\$0	\$1,031,822	\$1,249,719
State Costs	\$0	\$1,662,055	\$2,013,042
Locality Costs	\$0	\$0	\$0
Net Cost/Savings to State	\$0	\$1,662,055	\$2,013,041
Net Cost/Savings to Localities	\$0	\$0	\$0
Total Net Cost/Savings	\$0	\$1,662,055	\$2,013,041
Extending Custody Assistance			
Total Costs	\$0	\$674,267	\$674,267
Title IV-E Revenues	\$0	\$161,824	\$161,824
State Costs	\$0	\$512,443	\$333,088
Locality Costs	\$0	\$0	\$179,355
Net Cost/Savings to State	\$0	\$512,443	\$333,088
Net Cost/Savings to Localities	\$0	\$0	\$179,355
Total Net Cost/Savings	\$0	\$512,443	\$512,443

Summary Fiscal Impact Across Scenarios			
SFY 2017			
	No Fostering Connections Scenario	Scenario I: Assume No Increase in Youth	Scenario II: Assume Increase in Youth
Extending Foster Care Services			
Total Costs	\$28,444,609	\$28,444,609	\$33,494,030
Title IV-E Revenues	\$0	\$5,544,530	\$6,523,028
State Costs	\$20,673,788	\$16,540,731	\$19,492,163
Locality Costs	\$7,770,821	\$6,359,348	\$7,478,839
Net Costs/Savings to State	\$0	(\$4,133,057)	(\$1,181,625)
Net Cost/Savings to Locality	\$0	(\$1,411,472)	(\$291,982)
Net Cost/Savings to State and Localities Combined	\$0	(\$5,544,530)	(\$1,473,607)
Extending Adoption Subsidies			
Total Costs	\$0	\$3,283,836	\$4,150,231
Title IV-E Revenues	\$0	\$1,257,791	\$1,589,642
State Costs	\$0	\$2,026,045	\$2,560,589
Locality Costs	\$0	\$0	\$0
Net Costs/Savings to State	\$0	\$2,026,045	\$2,560,589
Net Cost/Savings to Locality	\$0	\$0	\$0
Net Cost/Savings to State and Localities Combined	\$0	\$2,026,045	\$2,560,589
Extending Custody Assistance Subsidies			
Total Costs	\$0	\$721,692	\$721,692
Title IV-E Revenues	\$0	\$173,206	\$173,206
State Costs	\$0	\$548,486	\$356,516
Locality Costs	\$0	\$0	\$191,970
Net Costs/Savings to State	\$0	\$548,486	\$356,516
Net Cost/Savings to Locality	\$0	\$0	\$191,970
Net Cost/Savings to State and Localities Combined	\$0	\$548,486	\$548,486

Appendix F – Local Department of Social Services Survey

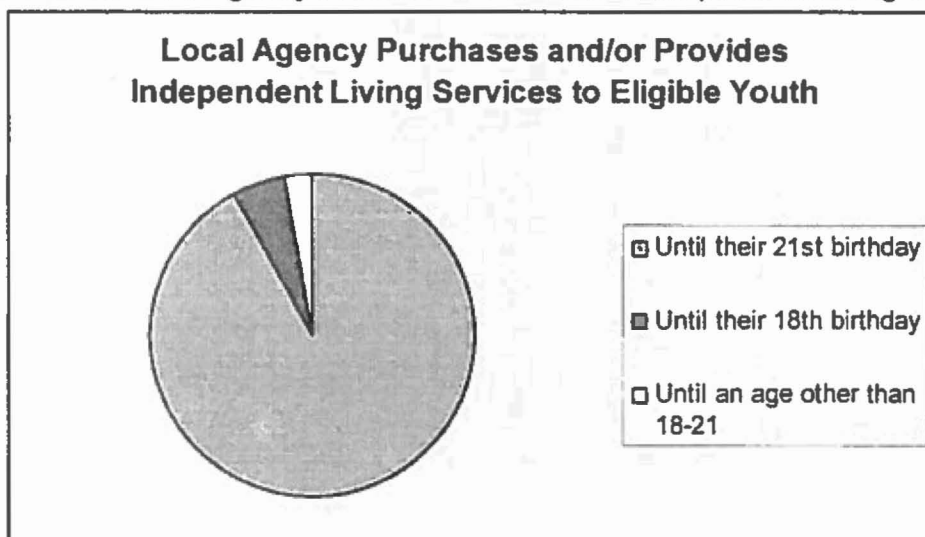
The Finance Project and Virginia Department of Social Services (VDSS) staffs developed and distributed a survey to all local DSS agencies that asked for:

- 1) basic data on eligibility criteria for independent living services based on age,
- 2) the numbers and types of placements for older youth who have aged out (at age 18) of foster care,
- 3) certain costs, basic case management info, judicial considerations, and infrastructure.

All 120 local DSS departments were contacted via a Virginia DSS broadcast with a response rate of 63 percent (76 respondents). Results indicated that:

- The majority (92%) of local DSS agencies who responded already purchase or provide Independent Living services to youth ages 18 -21 (Figure 1)
- Of those who do not, 90 percent said they would like to provide Independent Living services to youth ages 18-21 who have aged out of foster care if federal title IV-E funds were available.
- Fewer agencies purchase or provide IL services to youth adopted after age 16 – only 53 percent reported doing so.
- Of those that did not, 90% were interested in doing so should federal title IV-E funds become available.

Figure 1: Local DSS Agency Provides or Purchases Independent Living Services

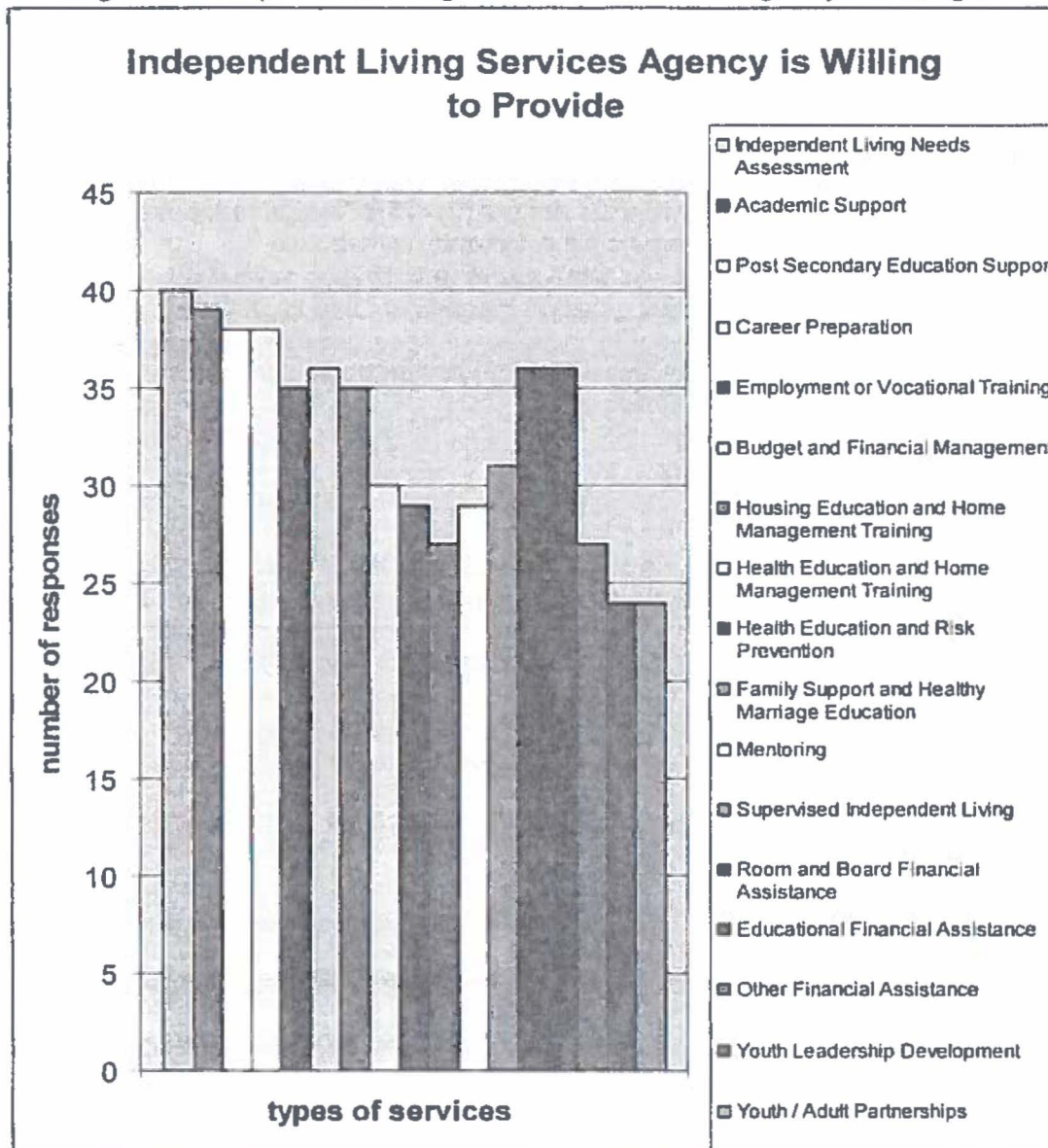


Respondents expressed interest in a wide array of Independent Living services should IV-E federal reimbursements be available for ages 18 -21 (Figure 2). These include:

- Independent Living Needs Assessment
- Academic Support
- Post Secondary Education Support
- Career Preparation
- Room and Board Financial Assistance
- Educational Financial Assistance
- Employment and Vocational Training

- Budget and Financial Management
- Housing Education and Home Management Training.

Figure 2: Independent Living Services Local DSS Agency is Willing to Provide



A large majority (82%) of local DSS agencies that responded said they pay for or provide placements for youth who aged out of foster care at age 18. Ten percent said they do not and eight percent did not provide a response. These placements include:

- Independent Living Arrangements
- Supervised Independent Living⁴³

⁴³ Supervised Independent Living consisted of many types of arrangements – a college dormitory, semi-supervised (scattered-site) apartments, supervised (clustered) apartments, boarding homes, shared homes, host homes, adult's roommates, and specialized foster homes.

- Non-Relative Foster Care
- Relative Foster Care
- Residential Care
- Group Home Care
- Trial Home Visit
- Child-Care Institution

The **average annual cost (per youth)** for supervised Independent Living placements **varied greatly**, from \$876 to \$77,146. The **median was \$28,200.**⁴⁴

Nearly **82 percent** said that youth ages 18 to 21 receive the **CSA-funded Independent Living stipend**, ten percent do not and eight percent did not provide a response.⁴⁵

- The average amount per stipend was **\$644 per month**, though several agencies provided \$666 per month and a few provided stipends of up to \$1,000 per month.⁴⁶

Local DSS agencies used an array of funding sources to pay for or provide placements:

- **98 percent** reported using **CSA funds**
- **25 percent** used title IV-E funds
- **27 percent** accessed **state funds**
- **20 percent** used **local funds.**⁴⁷

Local DSS agencies responded that **71 percent of caseworkers met with youth at least once a month** and 16 percent met at least once every three months. Independent Living coordinators met less frequently with youth.⁴⁸ Case Management responses varied among agencies about whether the foster care worker, IL coordinator or a combination of these two professionals worked with older youth:

- In small agencies, foster care workers are dually assigned as the IL coordinator.
- In a few agencies, youth are assigned a foster care worker whom they primarily work with. But these older youth may also have contact with their IL workers, or case manager and support staff.
- In one agency, the IL Coordinator is available for consultation for all youth eligible for IL & ETV Services. In this agency, the IL Coordinator is the only worker assigned to cases with older youth.
- One agency has an entire team that specifically provides IL services to older youth.

There was not a lot of variance among Independent Living **services**, which **tended to be concentrated on preparing older youth for independence** in their personal and professional lives.⁴⁹ The most frequently provided types of services identified by local DSS agencies that responded were:

- Case management (63%)
- Life skills classes or coaching (46%)

⁴⁴ Note: 23 of the 76 respondents provided the average annual cost (per youth) for supervised Independent Living placements.

⁴⁵ Note: 60 local DSS agencies provided responses to this question.

⁴⁶ Note: 60 local DSS agencies provided responses to this question.

⁴⁷ Note: 60 local DSS agencies provided responses to this question.

⁴⁸ Note: 70 local DSS agencies provided responses to this question.

⁴⁹ Note: 46 local DSS agencies provided open response answers as to the types of IL services they provide or pay for.

- Transportation (39%)
- Mentoring (15%).

Less frequently, agencies provided the following services:

- IL group activities, child support for children of youth, mental health support and/or therapy, parenting skills classes, graduation fees, college books, substance abuse services, emergency support services, employment and educational schedule oversight, vocational and/or educational programs, and living support such as: monitoring bill payments, grocery shopping, financial literacy training, and checking/savings account maintenance.

Private Providers most commonly provided **IL Services** to youth, especially if the youth was also receiving therapeutic foster care.

Some local DSS agencies (43%) provide oversight for youth over age 18 and receiving services. These include **permanency review hearings and case plan reviews**. Most oversight was conducted out of court by **Administrative Panel reviews**. Forty-nine percent of local DSS agencies do not provide oversight and eight percent did not provide a response.

When asked about the potential impact of extending IV-E eligibility to Age 21 in Virginia, **60 percent** of local DSS agencies cited the **need for additional staff**, thirty percent said they would not require additional staff, and ten percent did not provide a response. On average, respondents indicated that an **increase of one staff** for all of the following types of staff would be required: **support staff, eligibility staff, and supervisory staff**.

Appendix C: Report on Options for Implementing the Extension of Foster Care Maintenance and Adoption Assistance Payments for Individuals up to 21 Years of Age, November 2013

**REPORT OF THE VIRGINIA
DEPARTMENT OF SOCIAL SERVICES**

**Options for Implementing the
Extension of Foster Care
Maintenance and Adoption
Assistance Payments for
Individuals Up to 21 Years of Age
(SJR 282, 2013)**

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**



SENATE DOCUMENT NO. 7

**COMMONWEALTH OF VIRGINIA
RICHMOND
2014**



COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

January 3, 2014

Honorable Robert F. McDonnell
Governor of Virginia

Members of the Virginia General Assembly
General Assembly Building
Richmond, Virginia 23219

Dear Governor McDonnell and Members of the Virginia General Assembly:

Enclosed please find the report required by Senate Joint Resolution No. 282 (2013) in which the General Assembly requested the Department of Social Services to develop and present options for implementing the extension of foster care maintenance and adoption assistance payments for individuals up to 21 years of age. Please do not hesitate to contact me with questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Margaret Ross Schultze".

Margaret Ross Schultze
Commissioner

MRS:kc

Attachment

**REPORT ON
OPTIONS FOR IMPLEMENTING THE EXTENSION OF FOSTER CARE MAINTENANCE AND
ADOPTION ASSISTANCE PAYMENTS FOR INDIVIDUALS UP TO 21 YEARS OF AGE**

PREFACE

In Senate Joint Resolution No. 282 (2013), the General Assembly requests the Department of Social Services to develop and present options for implementing the extension of foster care maintenance and adoption assistance payments for individuals up to 21 years of age. DSS is to complete its work by November 30, 2013, and the report is due to the Governor and the General Assembly for the 2014 session. Staff from the Department of Social Services' Division of Family Services prepared this report.

**REPORT ON
OPTIONS FOR IMPLEMENTING THE EXTENSION OF FOSTER CARE MAINTENANCE AND
ADOPTION ASSISTANCE PAYMENTS FOR INDIVIDUALS UP TO 21 YEARS OF AGE**

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**REPORT ON
OPTIONS FOR IMPLEMENTING THE EXTENSION OF FOSTER CARE MAINTENANCE AND
ADOPTION ASSISTANCE PAYMENTS FOR INDIVIDUALS UP TO 21 YEARS OF AGE**

Executive Summary

This report was required by Senate Joint Resolution No. 282 (2013), in which the General Assembly requested the Department of Social Services (DSS) to develop and present options for implementing the extension of foster care maintenance and adoption assistance payments for individuals up to 21 years of age.

In 2008 Congress passed the Fostering Connections to Success and Increasing Adoptions Act of 2008 (the Act). The Act addressed new provisions in a number of areas in Titles IV-B and IV-E of the Social Security Act (P.L. 110-351) including the option to access federal funding to extend foster care, adoption assistance and, if the state has one, guardianship programs, up to age 21. Virginia does not have a guardianship program at this time, so the provisions would only apply to Virginia's foster care and adoption programs.

While it is difficult for most states, including Virginia, to track youth leaving foster care, there are national studies which have focused on the topic and confirm what most people and organizations suspect – most youth are still in need of services and support after age 18. In their paper *Cost Avoidance: The Business Case for Investing in Youth Aging Out of Foster Care*, the Jim Casey Youth Opportunities Initiative states that every year, nearly 26,000 young people age out of foster care without permanent families or support. The outcomes associated with this include homelessness, lack of education and criminal involvement. The paper states the estimated lifetime cost to taxpayers to be \$8 billion. For each state, that is \$300,000 per youth for each cohort year.

Seventeen states and the District of Columbia have implemented the provisions of the Act to extend foster care and adoption assistance to age 21. There are three more state's pending approval with the Administration for Children and Families (ACF) and two states have extended foster care services and adoption assistance agreements using state money.

In 2012, the DSS contracted with the Finance Project, an organization that had been providing cost/benefit analysis for multiple states, to produce a report for DSS to be submitted to the Senate Rehabilitation and Social Services Committee. The Executive Summary for that report is included here and the entire report is posted on DSS's public website. Appendix 1 has information on accessing this report.

http://www.dss.virginia.gov/files/about/reports/children/foster_care/2012/studies/FINAL_Extending_FC_Adop_Assistance.pdf

If the General Assembly determines that Virginia should extend foster care and adoption assistance to age 21, there are decisions that need to be made including:

- What parameters to put around the educational or employment efforts needed to be eligible;

- What range of supervised independent living arrangements will be acceptable;
- Will youth be allowed to leave and opt back in to the program- how many times; and,
- What is the role of legal counsel for youth over age 18 and what is the role of the court.

What Virginia is learning from states that have already implemented is the importance of careful planning. Making sure that local departments of social services, the court system, providers and other state agencies are all on the same page with a clear understanding of how the provision of services to older youth will work is critical. If legislation is proposed for the 2014 General Assembly to implement the Act, DSS recommends a delayed implementation.

Other considerations that support delaying the implementation for at least a year include upgrades that must be made to the child welfare information system as well as all reports that are produced from this system. In addition, Virginia may not draw down federal funds to support this program until an approvable plan has been presented to the Administration for Children and Families.

REPORT ON OPTIONS FOR IMPLEMENTING THE EXTENSION OF FOSTER CARE MAINTENANCE AND ADOPTION ASSISTANCE PAYMENTS FOR INDIVIDUALS UP TO 21 YEARS OF AGE

PROGRAM BACKGROUND

In 2008 Congress passed the Fostering Connections to Success and Increasing Adoptions Act of 2008 (the Act). The Act addressed new provisions in a number of areas in Titles IV-B and IV-E of the Social Security Act (P.L. 110-351) including:

- Transition plans for emancipating youth;
- School enrollment and stability;
- Healthcare oversight;
- Waivers for relatives on non-safety approval standards;
- The option for guardianship assistance; and,
- The option for extending foster care to age 21.

This report addresses the options the Act provides for extending foster care and adoption assistance to individuals up to age 21 (Appendix I). While Virginia has been working to address the mandates in the Act, there has not been movement on the optional provisions; guardianship assistance and extending foster care for individuals up to 21. Last year, in response to a request from the Senate Committee on Rehabilitation and Social Services, the Department of Social Services (DSS) submitted a report detailing a cost benefits analysis of extending foster care to age 21. DSS contracted with the Finance Project, an organization that had been providing this type of analysis for multiple states. Summary information from the report submitted in 2012 is included in this report. The 2012 report is posted on the Department of Social Services' public website.

http://www.dss.virginia.gov/files/about/reports/children/foster_care/2012/studies/FINAL_Extending_FC_Adop_Assistance.pdf Information on accessing the 2012 report is in Appendix II.

In order to draw down Title IV-E funding to support the provisions of the Act, states must submit amendments to their Title IV-E state plans with documentation of their intention to implement the provisions. This includes changes to state code, regulation and guidance to support implementation. Virginia submits their Title IV-E plan and its revisions to the U.S. Department of Health and Human Services through the Region III Office of the Administration for Children and Families (ACF).

Federal Eligibility Requirements for Extending Foster Care and Adoption Assistance

While discussions in the community and among advocates generally use the language "extending foster care," the Act requires that foster care, adoption assistance and, if the state has one, the guardianship program, are included in the extended assistance. Virginia does not currently have a guardianship program.

The Act provides for extending foster care to age 21 (or to age 19 or 20 if the state makes that determination). If a state decides to extend to age 19 or 20 rather than 21 the state must

provide a written programmatic or practice rationale for deciding on a lower age. If Virginia chooses to extend foster care beyond 18, the definition of "child" must be changed to allow for the state to provide foster care, adoption and, if applicable, guardianship assistance to eligible youth up to the age selected. DSS does not have a programmatic or practice rationale to support extending foster care and adoption to age 19 or 20 as opposed to 21, if the General Assembly chooses to support extending this assistance.

Title IV-E provides that a youth may continue receiving IV-E maintenance payments past age 18 if they are a full-time student expected to complete secondary education or training by age 19. This is true whether or not a state extends foster care under the Act and it is a provision that Virginia currently uses for its youth.

Title IV-E also currently provides in Section 473 that states may continue adoption assistance until age 21 if the child has a mental or physical handicap which warrants the continuation of assistance. Virginia uses this provision currently. Federal criteria include:

1. To be eligible for participation in the extension of foster care and adoption assistance benefits under the Act a youth must:
 - Be in foster care under the care and placement of the Title IV-E agency (DSS); or
 - Be part of an adoption assistance agreement in effect under Title IV-E and signed after the youth turned 16; or
 - Be part of a kinship guardianship agreement signed prior to the youth turning 16 (Virginia does not have a kinship guardianship program); AND
2. Have attained the age of 18 or older, up to age 21 (as elected by the state);
AND
3. Meet at least one of the below listed conditions (as determined by the state):
 - Be completing secondary education or a program leading to an equivalent credential;
 - Is enrolled in an institution which provides post-secondary or vocational education;
 - Is participating in a program or activity designed to promote, or remove barriers to employment;
 - Is employed for at least 80 hours per month; or
 - Is incapable of doing any of the previously described education or employment activities due to a medical condition.

Virginia can choose to allow youth to continue foster care services beyond age 18 or to leave for a period and return to foster care at some point after age 18. If the youth remains continuously in foster care, Title IV-E eligibility does not need to be reestablished. However, if Virginia chooses to allow youth to leave foster care and return after age 18 (similar to current practice with Independent Living services), Title IV-E eligibility for both the removal from home criteria of section 472(a)(2)(A) of the Social Security Act and the placement and care responsibility of 472(a)(2)(B) must be reestablished.

Removal from home criteria for a youth 18 or over returning to foster care may be met by:

- Court-ordered removal – to the extent there is jurisdiction by the juvenile court, or
- Voluntary placement agreement entered into between the youth age 18 or older and the Title IV-E agency. This option is available only if the state determines it will accept these agreements with youth.

Placement and care responsibility can be obtained for a youth 18 or over returning to foster care through:

- The youth may written authorization for the continuation of responsibility prior to turning age 18 and ending court jurisdiction or agency care and placement responsibility, or
- Voluntary placement agreement entered into between youth age 18 or older and the Title IV-E agency (if the state determines it will accept voluntary placement agreements with youth), or
- Court orders to the extent the juvenile court maintains jurisdiction.

Assistance to Families with Dependent Children (AFDC) program criteria:

For a youth re-entering foster care after age 18, AFDC eligibility is based on the youth without regard to parents or others in the assistance unit. However, because a youth over 18 would not be able to meet redetermination standards, in order to be consistent with the intent of the Act, ACF states in its Program Instruction dated July 9, 2010 (ACYF-CB-PI-10-11), that they will not review whether annual reviews are conducted on these youth.

Other Federal Requirements

In addition to the eligibility requirements above, there are requirements for areas including: supervised independent living settings; maintenance payments; permanency plans; case reviews; caseworker visits; and data collection.

Supervised independent living settings

Placements for youth over 18 in licensed or approved foster family homes or in child-care institutions must meet the requirements for approval and backgrounds checks. More discretion is allowed in determining supervised independent living arrangements. The state may determine a range of housing options as independent living arrangements that will meet the needs of youth and may determine which must be licensed and what safety protocols may be appropriate. This can include semi-supervised arrangements, college dorms or family settings. The states' determinations as to types and requirements for supervised independent living settings must be included in the approved IV-E state plan.

Foster care maintenance payments

Maintenance payments for youth over 18 and the amounts are consistent with payments for youth of any age. When a youth over 18 is living in a supervised living setting, there may not be

a provider involved and the IV-E agency may determine that all or part of the foster care maintenance payment be paid directly to the youth.

Permanency plan and judicial oversight

Requirements for a permanency plan continue to apply to a youth over 18 who was removed from the home due to a contrary to the welfare judicial finding. These requirements do not apply to a youth who came into care under a voluntary placement agreement. It is expected that youth over age 18 will have plans that address preparing the youth for independence. While judicial review of the plan is required, it does not have to be at a court hearing if there is another process that can meet the requirement. Case review requirements that apply to youth under age 18 also apply to those over 18.

Caseworker visits

The same standards that apply to the monthly visits for youth under age 18 apply to those over 18. In addition, caseworker visit data must be collected and entered into the case management system. Monthly worker visit data is reported to ACF.

Data collection and federal reviews

Youth over the age of 18 must be included in the OASIS and National Youth in Transition (NYTD) databases. They must be included in the Adoption and Foster Care Analysis and Reporting System reports and will be included in child and family services and Title IV-E reviews conducted by ACF. If a decision is made to extend foster care and adoption assistance to those age 18 and over in Virginia, there will need to be changes to the information systems.

Comprehensive Services Act (CSA) and State Funded Children

The Office of Comprehensive Services provides foster care funding and services through their processes for children eligible under the CSA. Under § 2.2-5211(3) of the Code of Virginia, this includes "3. Children and youth for whom foster care services, as defined by § 63.2-905, are being provided." Some children and youth are eligible for Title-IV-E funding of their maintenance costs. If foster care services are extended to youth up to age 21, they will still fall under § 63.2-905 and CSA will determine eligibility for those youth in the same way services and state maintenance are currently determined.

Costs to Implement

As shown on the summary table below, during the first year of implementation, Virginia's general fund will see an estimated cost savings in foster care and an increase in adoption assistance expenditures, for an estimated net increase of \$1.5 million dollars. It is estimated that the second year will also result in similar savings/increases for a net increase to Virginia's general fund of \$2.2 million dollars.

Extended Program	FY 2015			
	Federal	State GF	Local	Total
Foster Care	\$7,144,04	\$(400,169)	\$16,237	\$ 6,760,141
Adoption Assistance	\$1,168,933	\$1,907,207	\$0	\$3,076,140
	\$8,313,007	\$1,507,038	\$16,237	\$9,836,281

Extended Program	FY2016			
	Federal	State GF	Local	Total
Foster Care	\$6,970,575	\$(266,176)	\$62,556	\$ 6,766,955
Adoption Assistance	\$1,491,014	\$2,432,707	\$0	\$3,923,721
	\$8,461,589	\$2,166,531	\$62,556	\$10,690,676

For youth in foster care, an estimated 79 percent of localities match state funding at varying levels depending on the assistance they offer and the number of youth they serve. Virginia, extending foster care to age 21, will be eligible to recover Title IV-E reimbursable costs for extending benefits to older youth statewide, thereby freeing up state and local funds for re-investment. For adoption assistance, the Act would allow Virginia to extend adoption assistance to youth adopted at 16 years of age or older to 21 without the mental or physical restriction. In the first and second fiscal years, DSS would be able to offer adoption assistance to an additional 167 and 201 youth, respectively, until the age of 21.

Implementation in Other States

As of October 1, 2013, 17 states and the District of Columbia have approved Title IV-E plan amendments, two states have plan amendments pending and three states have extended foster care to 21 using state funds rather than opting into the provisions in the Act.

The following table shows the states implementing the extension of foster care:

Alabama	Arkansas
California	Washington D.C.
Illinois	Indiana
Maine	Maryland
Michigan	Minnesota
Nebraska	New York
North Dakota	Oregon
Tennessee	Texas
Washington	West Virginia

Massachusetts and Pennsylvania have pending Title IV-E plan approvals. Florida, Delaware and Vermont have extended foster care to 21 using state funds as opposed to opting into the provisions of the Act.

California and Indiana presented their implementation of the Act at the October 2013 National Governor's Association's Human Services Policy Advisors Institute. Both states emphasized the planning and training that needs to occur prior to implementation. Alishea Hawkins of the Indiana Department of Child Services indicated that Indiana began planning in 2009 and implemented in 2012. Because of the collaborative effort between the older youth and the state, their program is called "Collaborative Care." Lindsay Elliott of the Children's Law Center in California discussed the need for training and some of the issues California is facing as they move into phase II of their implementation. To access handouts from their presentations, contact information for Ms. Hawkins and Ms. Elliott are available in Appendix II.

One issue raised is problems with youth residing out of state. There is confusion as to how to approve homes and provide services when the requesting state has foster care to age 21 and the receiving state does not. In addition, the Interstate Compact on the Placement of Children (ICPC) does not address older youth. The terminology used by the ICPC is child and ICPC address children moving across state lines for purposes other than foster care.

Howard Davidson, Director of the American Bar Association's Center on Children and the Law raised some issues that were published in the Nation Resource Center for Youth Development's Summer 2013 eUpdate. Some of those issues, which Virginia also needs to consider if it chooses to extend services to age 21, are:

- The court's role in post 18 cases;
- The role of the youth's lawyer;
- Specific post-18 services must be provided; and,
- The right of a youth who has left foster care to re-enter care.

Mr. Davidson surveyed states that have opted to extend to 21 and found that many did not clearly address these issues, particularly the role of the youth's attorney. If Virginia decides to move forward with extending foster care and adoption assistance, there are now many states with experience that Virginia can learn from in moving forward. Access to Mr. Davidson's eUpdate and contact information are available in Appendix II.

Code of Virginia Changes

The Act requires that states have a definition of "child" that includes an individual up to age 21, or another age selected by the state. The best way for Virginia to do that would be to expand the definition of in § 63.2-100 of the Code of Virginia in a way that limits the expansion to the purposes of providing extended foster care and adoption assistance. In addition to the definition of "child," the sections in Title 63.2 that will require changes are those in Chapter 9 addressing independent living services. These sections have been amended in recent years to extend independent living services for youth until age 21 and will require careful revision or replacement to ensure clarity in the provision of services to youth to age 18.

It does not appear from initial reviews that changes would be needed to Title 16.1, Courts Not of Record, as the juvenile and domestic court currently has the authority under § 16.1-242 to retain jurisdiction over youth already before the court until the age of 21.

It also does not appear that Code sections related to the Comprehensive Services Act would need to be changed, as current law provides authority for youth receiving services under § 63.2-905 of the Code. This is the section setting out foster care services.

There may need to be a change to § 63.2-1302 of the Code to allow adoption assistance agreements for youth who meet the requirements of the Act to extend until age 21.

APPENDIX I

SENATE JOINT RESOLUTION NO. 282

Requesting the Department of Social Services to develop and present options for implementing the extension of foster care maintenance and adoption assistance payments for individuals up to 21 years of age. Report.

Agreed to by the Senate, February 5, 2013

Agreed to by the House of Delegates, February 19, 2013

WHEREAS, foster care maintenance payments provide financial assistance to foster families providing care for children placed in foster homes by a local department of social services or licensed child-placing agency following removal of a child from his or her own home; and

WHEREAS, adoption assistance payments facilitate adoptive placements and ensure permanency for children with special needs by providing financial assistance to families who adopt a qualifying child; and

WHEREAS, foster care maintenance ends when a child reaches the age of 18, or the age of 19 if the child is completing secondary education, and adoption assistance also ends when a child reaches the age of 18, unless the child has a disability warranting continuation of assistance, in which case assistance may be provided until the individual reaches the age of 21; and

WHEREAS, federal law permits states to extend foster care maintenance and adoption assistance payments funded through federal programs until the qualifying former foster child or adopted person reaches the age of 21; and

WHEREAS, extending foster care maintenance and adoption assistance payments to allow payments to be made until the former foster child or adopted person reaches the age of 21 may improve placement rates, provide greater permanency, and lead to better outcomes for foster children and children with special needs who are adopted; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Department of Social Services be requested to develop and present options for implementing the extension of foster care maintenance and adoption assistance payments for individuals up to 21 years of age.

In developing options for the extension of foster care maintenance and adoption assistance payments for individuals up to 21 years of age, the Department of Social Services shall review state and federal law and regulations governing foster care maintenance and adoption subsidy payments, meet with stakeholders to identify and evaluate options, and develop a plan for implementation of a program of foster care maintenance and adoption subsidy payments to age 21, which shall include specific proposals for legislative, regulatory, and budgetary actions necessary to implement such program.

All agencies of the Commonwealth shall provide assistance to the Department of Social Services, upon request.

The Department of Social Services shall complete its work by November 30, 2013, and shall submit to the Governor and the General Assembly an executive summary and a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports no later than the first day of the 2014 Regular Session of the General Assembly and shall be posted on the General Assembly's website.

APPENDIX II

- *Extending Foster Care and Adoption Assistance to Age Twenty-One*, a report by the Department of Social Services to the Senate Rehabilitation and Social Services Committee is posted on the Virginia Department of Social Services website. The link to that report is:

http://www.dss.virginia.gov/files/about/reports/children/foster_care/2012/studies/FINAL_Extending_FC_Adop_Assistance.pdf

- Presenters at the October 2013 National Governor's Association's Human Services Policy Advisors Institute:
 - Lindsay Elliott, JD, MSW, Children's Law Center of California
elliottl@clccal.org
 - Alishea Hawkins, M.A. Assistant Deputy, Services & Outcomes
Indiana Department of Child Services
Alishea.hawkins@dcs.in.gov
- Howard Davidson, J.D., Director, American Bar Association Center on Children and the Law
howard.davidson@americanbar.org
<http://www.nrcyd.ou.edu/eupdate-summer-2013-feature>

**Appendix D: Draft Legislation
For Expansion of Foster Care and Adoption Assistance
Up to 21 Years of Age**

1 **Be it enacted by the General Assembly of Virginia:**

2 **That §§ 16.1-241 and 63.2-1302 of the Code of Virginia are amended and reenacted and**
3 **that the Code of Virginia is amended by adding in Title 16.1 a new § 16.1-283.3 and in**
4 **Chapter 9 of Title 63.2 an Article 2 which includes §§ 63.2-916 through 63.2-922 as follows:**

5 **Article 2**

6 **Extended Foster Care Services and Support**

7 **§ 63.2-916 Purpose of the Extended Foster Care Services and Support program.**

8 The purpose of the Extended Foster Care Services and Support program is to provide services
9 and support to a child aged eighteen to twenty-one who was formerly in foster care in the care
10 and custody of a local board or licensed child-placing agency. Such services and support shall
11 be designed to assist the program participant in transitioning to full adulthood, becoming self-
12 sufficient, and creating permanent positive relationships. The program is voluntary and shall at
13 all times recognize and respect the autonomy of the participant. Nothing in this program or the
14 provisions herein shall be construed to abrogate any other rights that a person who has attained
15 the age of eighteen years of age may have as an adult under state law.

16 **§ 63.2-917 Definitions.**

17 For purposes of the Extended Foster Care Services and Support program, the following terms
18 shall be defined as follows:

19 "Case plan" means the plan developed by the local department for every participant in the
20 Extended Foster Care Services and Support program, which plan shall be consistent with the
21 provisions of 42 U.S.C. 675(1);

22 "Child" means an individual who has not yet attained twenty-one years of age;

23 "Extended foster care services and support program" means the services and supports available

24 to individuals between 18 and 21 years of age who are participating in the program;

25 "Local department " means the local department of social services under the local board having

26 care and custody of the program participant when he or she obtained 18 years of age;

27 "Program participant" means an individual who has attained 18 years of age while in the custody

28 of the local department, but who has not attained 21 years of age and who meets the

29 requirements to participate in the Extended Foster Care Services and Support program. Program

30 participants may also include an individual between 18 and 21 who was in the custody of a local

31 department of social services immediately prior to his commitment to the Department of Juvenile

32 Justice who is transitioning from commitment to the Department of Juvenile Justice to self-

33 sufficiency;

34 "Voluntary services and support agreement" means a voluntary placement agreement as defined

35 in 42 U.S.C. § 672(f) between the local department and the program participant.

36 **§ 63.2-918 Extended Foster Care Services and Support program; eligibility.**

37 The Extended Foster Care Services and Support program is available, on a voluntary basis, to a

38 program participant:

39 1. who was adjudicated abused or neglected, as a child in need of services, or entrusted to a local

40 board by a parent and entered foster care prior to attaining eighteen years of age and remained in

41 foster care upon attaining 18 years of age;

42 2. who resides in Virginia or a state that borders Virginia and, is:

43 a. completing secondary education or an equivalent credential;

44 b. enrolled in an institution which provides postsecondary or vocational education;

45 c. employed for at least eighty hours per month;

46 d. participating in a program or activity designed to promote employment or remove barriers to
47 employment; or

48 e. incapable of doing any of the activities described in subparagraphs (2)(a) through (d) of this
49 section due to a medical condition, which incapacity is supported by regularly updated
50 information in the case plan of the program participant.

51 **§ 63.2-919 Continuing services and support; services enumerated.**

52 Continuing services and support provided under the Extended Foster Care Services and Support
53 program shall include, but not be limited to, the following, where appropriate:

54 1. Medical care under the Virginia Medicaid medical assistance program;

55 2. Housing, placement, and support in the form of continued foster care maintenance payments
56 which shall remain at least at the rate set immediately prior to the program participant's exit from
57 foster care. Program participants who have enrolled in the Extended Foster Care Services and
58 Support program may reside in a foster family home, a supervised independent living setting, or
59 a foster care facility. For program participants who reside in supervised independent living
60 settings:

61 a. The local department may send all or part of the foster care maintenance payments directly to
62 the program participant, as agreed upon by the local department and the program participant,
63 taking into consideration the needs of the program participant and respecting his or her
64 independence; and

65 b. Rules and restrictions regarding housing options shall be respectful of the program
66 participant's autonomy and developmental maturity. Safety assessments of the living
67 arrangements shall be age-appropriate and consistent with federal guidance on a supervised
68 setting in which the program participant lives independently; and

69 3. Case management services. Such services shall include a case plan, developed jointly by the
70 local department and the program participant. The case plan shall describe (i) the identified
71 housing situation or living arrangement and (ii) the resources available to assist the program
72 participant in the transition from the continued services and support program to adulthood, and
73 the assistance that is offered and provided to the program participant to meet his or her individual
74 goals, if such assistance is appropriate and if the program participant is eligible and consents to
75 receive such assistance.

76 **§ 63.2-920 Voluntary continuing services and support agreement; services provided;**
77 **service worker; duties.**

78 A. To participate in the Extended Foster Care Services and Support program, the program
79 participant must be determined eligible under the provisions of § 63.2-918 and shall enter into
80 voluntary continuing services and support agreement with the local department. Such written
81 agreement shall include, at a minimum, the following provisions:

82 1. The requirement that the program participant continues to be eligible under § 63.2-918 for the
83 duration of the voluntary continuing services and support agreement;

84 2. The services and support the program participant shall receive through the Extended Foster
85 Care Services and Support program;

86 3. An explanation to the program participant of the voluntary nature of his or her participation in
87 the Extended Foster Care Services and Support program and the program participant's right to
88 terminate the voluntary continuing services and support agreement at any time; and

89 4. The specific conditions that may result in the termination of the voluntary continuing services
90 and support agreement and the program participant's early discharge from the Extended Foster
91 Care Services and Support program.

92 5. The program participant's right to appeal the denial or delay of a service required in the case
93 plan.

94 B. The services and support to be provided the program participant pursuant to the voluntary
95 continuing services and support agreement shall begin to be provided no later than thirty days
96 after both the program participant and the local department sign the voluntary continuing
97 services and support agreement.

98 C. The local department shall assign a service worker for each program participant in the
99 Extended Foster Care Services and Support program to provide case management services for
100 the program participant. Every service worker assigned herein shall have specialized training in
101 providing transition services and support for program participants and knowledge of resources
102 available in the community.

103 D. The local department shall provide continuing efforts at achieving permanency and creating
104 permanent connections for a program participant in the Extended Foster Care Services and
105 Support program.

106 E. The local department shall fulfill all case plan obligations consistent with 42 U.S.C. 675(1).

107 F. Upon signing of the voluntary continuing services and support agreement by the program
108 participant and the local department, the local department shall conduct a redetermination of
109 income eligibility for purposes of Title IV-E of the federal Social Security Act, 42 U.S.C. 672.

110 **§ 63.2-921 Termination of voluntary continuing services and support agreement; notice;**
111 **appeal; procedure.**

112 A. The program participant may terminate the voluntary continuing services and support
113 agreement and stop receiving services and support at any time. Upon such termination, the local
114 department shall provide the program participant with a clear written notice informing the
115 program participant of the potential negative effects resulting from such a termination, the option

116 to reenter the Extended Foster Care Services and Support program at any time before attaining
117 the age of 21 years and the procedures for reentering.

118 B. If the local department determines that the program participant is no longer eligible under §
119 63.2-918, the local department may terminate the voluntary continuing services and support
120 agreement and cease the provision of all services and support to the program participant.

121 Academic breaks in postsecondary education attendance, such as semester and seasonal breaks,
122 and other transitions between eligibility requirements under § 63.2-918, including education and
123 employment transitions of no longer than thirty days, shall not be a basis for termination. Upon
124 determining that the program participant is no longer eligible under § 63.2-918, the local
125 department shall give thirty days advance written notice to the program participant that the
126 voluntary continuing services and support agreement will be terminated and an appropriate
127 explanation of the basis for the termination. The written notice shall also include information
128 about the process for appealing the termination, information about the option to enter into
129 another voluntary continuing services and support agreement once the program participant
130 reestablishes eligibility under § 63.2-918, and information about and contact information for
131 community resources that may benefit the program participant, specifically information
132 regarding state programs established pursuant to 42 U.S.C. 677. Appeals of termination of
133 voluntary continuing services and support agreements or of denial or delay of the provision of
134 services specified in the agreement, shall be in accordance with § 63.2-915 and 22VAC40-201-
135 115.

136 **§ 63.2-922 Court proceedings; administrative reviews.**

137 A local department which enters into a voluntary continuing services and support agreement
138 with a former foster child shall file a petition for review of the agreement in accordance with
139 §16.1-283.3 with the juvenile and domestic relations district court having proper jurisdiction

140 over the program participant's foster care case when the program participant, who is the subject
141 of the agreement, was last in foster care as a minor. At such time as the court finalizes its
142 reviews of the program participant's agreement with the local department, the local department
143 shall conduct administrative reviews of the case for the remaining term of the voluntary
144 continuing services and support agreement as provided for in §16.1-283.3D.

145 **§ 63.2-1302. Adoption assistance payments; maintenance; special needs; payment**
146 **agreements; continuation of payments when adoptive parents move to another jurisdiction;**
147 **procedural requirements.**

148 A. Adoption assistance payments may include:

149 1. Title IV-E or state-funded maintenance payments that shall be payable monthly to provide for
150 the support and care of the child; however, Title IV-E or state-funded maintenance payments

151 shall not exceed the foster care payment that would otherwise be made for the child; and

152 2. State special services payments to provide special services to the child that the adoptive
153 parents cannot afford and that are not covered by insurance or otherwise, including, but not

154 limited to:

155 a. Medical, surgical and dental care;

156 b. Hospitalization;

157 c. Individual remedial educational services;

158 d. Psychological and psychiatric treatment;

159 e. Speech and physical therapy; and

160 f. Special services, equipment, treatment and training for physical and mental handicaps.

161 State special services payments may be paid to the vendor of the goods or services directly or to
162 the adoptive parents.

163 B. Adoption assistance payments shall cease when the child with special needs reaches the age of
164 18 years. If it is determined that the child has a mental or physical handicap, or an educational
165 delay resulting from such handicap, warranting the continuation of assistance, adoption
166 assistance payments may be made until the child reaches the age of 21 years. The local
167 department shall provide continued adoption assistance up to age 21 when a child who was
168 adopted at age 16 or older and for whom adoption assistance payments are being made, meets
169 the eligibility conditions in § 63.2-918(2).

170 C. Adoption assistance payments shall be made on the basis of an adoption assistance agreement
171 entered into by the local board and the adoptive parents or, in cases in which the child is in the
172 custody of a licensed child-placing agency, an agreement between the local board, the licensed
173 child-placing agency and the adoptive parents.

174 Prior to entering into an adoption assistance agreement, the local board or licensed child-placing
175 agency shall ensure that adoptive parents have received information about their child's eligibility
176 for adoption assistance; about their child's special needs and, to the extent possible, the current
177 and potential impact of those special needs. The local board or licensed child-placing agency
178 shall also ensure that adoptive parents receive information about the process for appeal in the
179 event of a disagreement between the adoptive parent and the local board or the adoptive parent
180 and the child-placing agency and information about the procedures for revising the adoption
181 assistance agreement.

182 Adoptive parents shall submit annually to the local board within thirty days of the anniversary
183 date of the approved agreement an affidavit which certifies that (i) the child on whose behalf
184 they are receiving adoption assistance payments remains in their care, (ii) the child's condition
185 requiring adoption assistance continues to exist, and (iii) whether or not changes to the adoption
186 assistance agreement are requested.

187 Title IV-E and state-funded maintenance payments made pursuant to this section shall be
188 changed only in accordance with the provisions of § 473 of Title IV-E of the Social Security Act
189 (42 U.S.C. § 673).

190 D. Responsibility for adoption assistance payments for a child placed for adoption shall be
191 continued by the local board that initiated the agreement in the event that the adoptive parents
192 live in or move to another jurisdiction.

193 E. Payments may be made under this chapter from appropriations for foster care services for the
194 maintenance and medical or other services for children who have special needs in accordance
195 with § 63.2-1301. Within the limitations of the appropriations to the Department, the
196 Commissioner shall reimburse any agency making payments under this chapter. Any such
197 agency may seek and accept funds from other sources, including federal, state, local, and private
198 sources, to carry out the purposes of this chapter.

199 **§ 16.1-241. Jurisdiction; consent for abortion.**

200 The judges of the juvenile and domestic relations district court elected or appointed under this
201 law shall be conservators of the peace within the corporate limits of the cities and the boundaries
202 of the counties for which they are respectively chosen and within one mile beyond the limits of
203 such cities and counties. Except as hereinafter provided, each juvenile and domestic relations
204 district court shall have, within the limits of the territory for which it is created, exclusive
205 original jurisdiction, and within one mile beyond the limits of said city or county, concurrent
206 jurisdiction with the juvenile court or courts of the adjoining city or county, over all cases,
207 matters and proceedings involving:

208 A. The custody, visitation, support, control or disposition of a child:

209 1. Who is alleged to be abused, neglected, in need of services, in need of supervision, a status
210 offender, or delinquent except where the jurisdiction of the juvenile court has been terminated or
211 divested;

212 2. Who is abandoned by his parent or other custodian or who by reason of the absence or
213 physical or mental incapacity of his parents is without parental care and guardianship;

214 2a. Who is at risk of being abused or neglected by a parent or custodian who has been
215 adjudicated as having abused or neglected another child in the care of the parent or custodian;

216 3. Whose custody, visitation or support is a subject of controversy or requires determination. In
217 such cases jurisdiction shall be concurrent with and not exclusive of courts having equity
218 jurisdiction, except as provided in § 16.1-244;

219 4. Who is the subject of an entrustment agreement entered into pursuant to § 63.2-903 or 63.2-
220 1817 or whose parent or parents for good cause desire to be relieved of his care and custody;

221 5. Where the termination of residual parental rights and responsibilities is sought. In such cases
222 jurisdiction shall be concurrent with and not exclusive of courts having equity jurisdiction, as
223 provided in § 16.1-244; and

224 6. Who is charged with a traffic infraction as defined in § 46.2-100.

225 In any case in which the juvenile is alleged to have committed a violent juvenile felony
226 enumerated in subsection B of § 16.1-269.1, and for any charges ancillary thereto, the
227 jurisdiction of the juvenile court shall be limited to conducting a preliminary hearing to
228 determine if there is probable cause to believe that the juvenile committed the act alleged and
229 that the juvenile was 14 years of age or older at the time of the commission of the alleged
230 offense, and any matters related thereto. In any case in which the juvenile is alleged to have

231 committed a violent juvenile felony enumerated in subsection C of § 16.1-269.1, and for all
232 charges ancillary thereto, if the attorney for the Commonwealth has given notice as provided in
233 subsection C of § 16.1-269.1, the jurisdiction of the juvenile court shall be limited to conducting
234 a preliminary hearing to determine if there is probable cause to believe that the juvenile
235 committed the act alleged and that the juvenile was 14 years of age or older at the time of the
236 commission of the alleged offense, and any matters related thereto. A determination by the
237 juvenile court following a preliminary hearing pursuant to subsection B or C of § 16.1-269.1 to
238 certify a charge to the grand jury shall divest the juvenile court of jurisdiction over the charge
239 and any ancillary charge. In any case in which a transfer hearing is held pursuant to subsection A
240 of § 16.1-269.1, if the juvenile court determines to transfer the case, jurisdiction of the juvenile
241 court over the case shall be divested as provided in § 16.1-269.6.

242 In all other cases involving delinquent acts, and in cases in which an ancillary charge remains
243 after a violent juvenile felony charge has been dismissed or a violent juvenile felony has been
244 reduced to a lesser offense not constituting a violent juvenile felony, the jurisdiction of the
245 juvenile court shall not be divested unless there is a transfer pursuant to subsection A of § 16.1-
246 269.1.

247 The authority of the juvenile court to adjudicate matters involving the custody, visitation,
248 support, control or disposition of a child shall not be limited to the consideration of petitions
249 filed by a mother, father or legal guardian but shall include petitions filed at any time by any
250 party with a legitimate interest therein. A party with a legitimate interest shall be broadly
251 construed and shall include, but not be limited to, grandparents, step-grandparents, stepparents,
252 former stepparents, blood relatives and family members. A party with a legitimate interest shall
253 not include any person (i) whose parental rights have been terminated by court order, either

254 voluntarily or involuntarily, (ii) whose interest in the child derives from or through a person
255 whose parental rights have been terminated by court order, either voluntarily or involuntarily,
256 including, but not limited to, grandparents, stepparents, former stepparents, blood relatives and
257 family members, if the child subsequently has been legally adopted, except where a final order of
258 adoption is entered pursuant to § 63.2-1241, or (iii) who has been convicted of a violation of
259 subsection A of § 18.2-61, § 18.2-63, subsection B of § 18.2-366, or an equivalent offense of
260 another state, the United States, or any foreign jurisdiction, when the child who is the subject of
261 the petition was conceived as a result of such violation. The authority of the juvenile court to
262 consider a petition involving the custody of a child shall not be proscribed or limited where the
263 child has previously been awarded to the custody of a local board of social services.

264 B. The admission of minors for inpatient treatment in a mental health facility in accordance with
265 the provisions of Article 16 (§ 16.1-335 et seq.) and the involuntary admission of a person with
266 mental illness or judicial certification of eligibility for admission to a training center for persons
267 with intellectual disability in accordance with the provisions of Chapter 8 (§ 37.2-800 et seq.) of
268 Title 37.2. Jurisdiction of the involuntary admission and certification of adults shall be
269 concurrent with the general district court.

270 C. Except as provided in subsections D and H, judicial consent to such activities as may require
271 parental consent may be given for a child who has been separated from his parents, guardian,
272 legal custodian or other person standing in loco parentis and is in the custody of the court when
273 such consent is required by law.

274 D. Judicial consent for emergency surgical or medical treatment for a child who is neither
275 married nor has ever been married, when the consent of his parent, guardian, legal custodian or
276 other person standing in loco parentis is unobtainable because such parent, guardian, legal

277 custodian or other person standing in loco parentis (i) is not a resident of the Commonwealth, (ii)
278 has his whereabouts unknown, (iii) cannot be consulted with promptness, reasonable under the
279 circumstances, or (iv) fails to give such consent or provide such treatment when requested by the
280 judge to do so.

281 E. Any person charged with deserting, abandoning or failing to provide support for any person in
282 violation of law.

283 F. Any parent, guardian, legal custodian or other person standing in loco parentis of a child:

284 1. Who has been abused or neglected;

285 2. Who is the subject of an entrustment agreement entered into pursuant to § 63.2-903 or 63.2-
286 1817 or is otherwise before the court pursuant to subdivision A 4; or

287 3. Who has been adjudicated in need of services, in need of supervision, or delinquent, if the
288 court finds that such person has by overt act or omission induced, caused, encouraged or
289 contributed to the conduct of the child complained of in the petition.

290 G. Petitions filed by or on behalf of a child or such child's parent, guardian, legal custodian or
291 other person standing in loco parentis for the purpose of obtaining treatment, rehabilitation or
292 other services that are required by law to be provided for that child or such child's parent,
293 guardian, legal custodian or other person standing in loco parentis. Jurisdiction in such cases
294 shall be concurrent with and not exclusive of that of courts having equity jurisdiction as provided
295 in § 16.1-244.

296 H. Judicial consent to apply for a work permit for a child when such child is separated from his
297 parents, legal guardian or other person standing in loco parentis.

298 I. The prosecution and punishment of persons charged with ill-treatment, abuse, abandonment or
299 neglect of children or with any violation of law that causes or tends to cause a child to come
300 within the purview of this law, or with any other offense against the person of a child. In
301 prosecution for felonies over which the court has jurisdiction, jurisdiction shall be limited to
302 determining whether or not there is probable cause.

303 J. All offenses in which one family or household member is charged with an offense in which
304 another family or household member is the victim and all offenses under § 18.2-49.1.

305 In prosecution for felonies over which the court has jurisdiction, jurisdiction shall be limited to
306 determining whether or not there is probable cause. Any objection based on jurisdiction under
307 this subsection shall be made before a jury is impaneled and sworn in a jury trial or, in a nonjury
308 trial, before the earlier of when the court begins to hear or receive evidence or the first witness is
309 sworn, or it shall be conclusively waived for all purposes. Any such objection shall not affect or
310 be grounds for challenging directly or collaterally the jurisdiction of the court in which the case
311 is tried.

312 K. Petitions filed by a natural parent, whose parental rights to a child have been voluntarily
313 relinquished pursuant to a court proceeding, to seek a reversal of the court order terminating such
314 parental rights. No such petition shall be accepted, however, after the child has been placed in
315 the home of adoptive parents.

316 L. Any person who seeks spousal support after having separated from his spouse. A decision
317 under this subdivision shall not be res judicata in any subsequent action for spousal support in a
318 circuit court. A circuit court shall have concurrent original jurisdiction in all causes of action
319 under this subdivision.

320 M. Petitions filed for the purpose of obtaining an order of protection pursuant to § 16.1-253.1,
321 16.1-253.4, or 16.1-279.1, and all petitions filed for the purpose of obtaining an order of
322 protection pursuant to § 19.2-152.8, 19.2-152.9, or 19.2-152.10 if either the alleged victim or the
323 respondent is a juvenile.

324 N. Any person who escapes or remains away without proper authority from a residential care
325 facility in which he had been placed by the court or as a result of his commitment to the Virginia
326 Department of Juvenile Justice.

327 O. Petitions for emancipation of a minor pursuant to Article 15 (§ 16.1-331 et seq.).

328 P. Petitions for enforcement of administrative support orders entered pursuant to Chapter 19 (§
329 63.2-1900 et seq.) of Title 63.2, or by another state in the same manner as if the orders were
330 entered by a juvenile and domestic relations district court upon the filing of a certified copy of
331 such order in the juvenile and domestic relations district court.

332 Q. Petitions for a determination of parentage pursuant to Chapter 3.1 (§ 20-49.1 et seq.) of Title
333 20. A circuit court shall have concurrent original jurisdiction to the extent provided for in § 20-
334 49.2.

335 R. [Repealed.]

336 S. Petitions filed by school boards against parents pursuant to §§ 16.1-241.2 and 22.1-279.3.

337 T. Petitions to enforce any request for information or subpoena that is not complied with or to
338 review any refusal to issue a subpoena in an administrative appeal regarding child abuse and
339 neglect pursuant to § 63.2-1526.

340 U. Petitions filed in connection with parental placement adoption consent hearings pursuant to §
341 63.2-1233. Such proceedings shall be advanced on the docket so as to be heard by the court
342 within 10 days of filing of the petition, or as soon thereafter as practicable so as to provide the
343 earliest possible disposition.

344 V. Petitions filed for the purpose of obtaining the court's assistance with the execution of consent
345 to an adoption when the consent to an adoption is executed pursuant to the laws of another state
346 and the laws of that state provide for the execution of consent to an adoption in the court of the
347 Commonwealth.

348 W. Petitions filed by a juvenile seeking judicial authorization for a physician to perform an
349 abortion if a minor elects not to seek consent of an authorized person.

350 After a hearing, a judge shall issue an order authorizing a physician to perform an abortion,
351 without the consent of any authorized person, if he finds that (i) the minor is mature enough and
352 well enough informed to make her abortion decision, in consultation with her physician,
353 independent of the wishes of any authorized person, or (ii) the minor is not mature enough or
354 well enough informed to make such decision, but the desired abortion would be in her best
355 interest.

356 If the judge authorizes an abortion based on the best interests of the minor, such order shall
357 expressly state that such authorization is subject to the physician or his agent giving notice of
358 intent to perform the abortion; however, no such notice shall be required if the judge finds that
359 such notice would not be in the best interest of the minor. In determining whether notice is in the
360 best interest of the minor, the judge shall consider the totality of the circumstances; however, he
361 shall find that notice is not in the best interest of the minor if he finds that (i) one or more
362 authorized persons with whom the minor regularly and customarily resides is abusive or

363 neglectful, and (ii) every other authorized person, if any, is either abusive or neglectful or has
364 refused to accept responsibility as parent, legal guardian, custodian or person standing in loco
365 parentis.

366 The minor may participate in the court proceedings on her own behalf, and the court may appoint
367 a guardian ad litem for the minor. The court shall advise the minor that she has a right to counsel
368 and shall, upon her request, appoint counsel for her.

369 Notwithstanding any other provision of law, the provisions of this subsection shall govern
370 proceedings relating to consent for a minor's abortion. Court proceedings under this subsection
371 and records of such proceedings shall be confidential. Such proceedings shall be given
372 precedence over other pending matters so that the court may reach a decision promptly and
373 without delay in order to serve the best interests of the minor. Court proceedings under this
374 subsection shall be heard and decided as soon as practicable but in no event later than four days
375 after the petition is filed.

376 An expedited confidential appeal to the circuit court shall be available to any minor for whom
377 the court denies an order authorizing an abortion without consent or without notice. Any such
378 appeal shall be heard and decided no later than five days after the appeal is filed. The time
379 periods required by this subsection shall be subject to subsection B of § 1-210. An order
380 authorizing an abortion without consent or without notice shall not be subject to appeal.

381 No filing fees shall be required of the minor at trial or upon appeal.

382 If either the original court or the circuit court fails to act within the time periods required by this
383 subsection, the court before which the proceeding is pending shall immediately authorize a
384 physician to perform the abortion without consent of or notice to an authorized person.

385 Nothing contained in this subsection shall be construed to authorize a physician to perform an
386 abortion on a minor in circumstances or in a manner that would be unlawful if performed on an
387 adult woman.

388 A physician shall not knowingly perform an abortion upon an unemancipated minor unless
389 consent has been obtained or the minor delivers to the physician a court order entered pursuant to
390 this section and the physician or his agent provides such notice as such order may require.

391 However, neither consent nor judicial authorization nor notice shall be required if the minor
392 declares that she is abused or neglected and the attending physician has reason to suspect that the
393 minor may be an abused or neglected child as defined in § 63.2-100 and reports the suspected
394 abuse or neglect in accordance with § 63.2-1509; or if there is a medical emergency, in which
395 case the attending physician shall certify the facts justifying the exception in the minor's medical
396 record.

397 For purposes of this subsection:

398 "Authorization" means the minor has delivered to the physician a notarized, written statement
399 signed by an authorized person that the authorized person knows of the minor's intent to have an
400 abortion and consents to such abortion being performed on the minor.

401 "Authorized person" means (i) a parent or duly appointed legal guardian or custodian of the
402 minor or (ii) a person standing in loco parentis, including, but not limited to, a grandparent or
403 adult sibling with whom the minor regularly and customarily resides and who has care and
404 control of the minor. Any person who knows he is not an authorized person and who knowingly
405 and willfully signs an authorization statement consenting to an abortion for a minor is guilty of a
406 Class 3 misdemeanor.

407 "Consent" means that (i) the physician has given notice of intent to perform the abortion and has
408 received authorization from an authorized person, or (ii) at least one authorized person is present
409 with the minor seeking the abortion and provides written authorization to the physician, which
410 shall be witnessed by the physician or an agent thereof. In either case, the written authorization
411 shall be incorporated into the minor's medical record and maintained as a part thereof.

412 "Medical emergency" means any condition which, on the basis of the physician's good faith
413 clinical judgment, so complicates the medical condition of the pregnant minor as to necessitate
414 the immediate abortion of her pregnancy to avert her death or for which a delay will create a
415 serious risk of substantial and irreversible impairment of a major bodily function.

416 "Notice of intent to perform the abortion" means that (i) the physician or his agent has given
417 actual notice of his intention to perform such abortion to an authorized person, either in person or
418 by telephone, at least 24 hours previous to the performance of the abortion; or (ii) the physician
419 or his agent, after a reasonable effort to notify an authorized person, has mailed notice to an
420 authorized person by certified mail, addressed to such person at his usual place of abode, with
421 return receipt requested, at least 72 hours prior to the performance of the abortion.

422 "Perform an abortion" means to interrupt or terminate a pregnancy by any surgical or nonsurgical
423 procedure or to induce a miscarriage as provided in § 18.2-72, 18.2-73, or 18.2-74.

424 "Unemancipated minor" means a minor who has not been emancipated by (i) entry into a valid
425 marriage, even though the marriage may have been terminated by dissolution; (ii) active duty
426 with any of the Armed Forces of the United States; (iii) willingly living separate and apart from
427 his or her parents or guardian, with the consent or acquiescence of the parents or guardian; or (iv)
428 entry of an order of emancipation pursuant to Article 15 (§ 16.1-331 et seq.).

429 X. Petitions filed pursuant to Article 17 (§ 16.1-349 et seq.) relating to standby guardians for
430 minor children.

431 Y. Petitions filed pursuant to § 16.1-283.3 for review of voluntary continuing services and
432 support agreements, as authorized by § 63.2-918, for young adults who have attained the age of
433 18 years but who have not attained 21 years of age and who were formerly in foster care in the
434 care and custody of a local board of social services and were in such custody at the time they
435 attained 18 years of age.

436 The ages specified in this law refer to the age of the child at the time of the acts complained of in
437 the petition.

438 Notwithstanding any other provision of law, no fees shall be charged by a sheriff for the service
439 of any process in a proceeding pursuant to subdivision A 3, except as provided in subdivision A
440 6 of § 17.1-272, or subsection B, D, M, or R.

441 Notwithstanding the provisions of § 18.2-71, any physician who performs an abortion in
442 violation of subsection W shall be guilty of a Class 3 misdemeanor.

443
444 § 16.1-283.3 Review of voluntary continuing services and support agreements for former
445 foster youth.

446 A. A petition for review and approval of a voluntary continuing services and support agreement
447 as authorized by § 63.2-918 shall be filed by the local department of social services with the
448 juvenile and domestic relations district court having proper jurisdiction over the Extended Foster
449 Care Services and Support program participant's foster care case when the young adult who is
450 the subject of the agreement, was last in foster care as a minor. Such petition shall be filed no

451 more than thirty days after the agreement is signed by the program participant and local agency.
452 The petition shall include documentation of the program participant's last foster care placement
453 as a minor and the responsible local department of social services and be accompanied by the
454 signed voluntary continuing services and support agreement, a copy of the local agency's case
455 plan, and any other information the local agency or the program participant wishes the court to
456 consider.

457 B. Upon receiving a petition for review of the voluntary continuing services and support
458 agreement, the court shall schedule a hearing as soon as practicable to determine whether the
459 terms of such agreement are in the best interests of the program participant. The court shall
460 appoint for the program participant legal counsel, who may be the guardian ad litem who
461 represented the program participant as a minor while in foster care and who shall be
462 compensated as legal counsel pursuant to § 16.1-267. The program participant may waive the
463 appointment of legal counsel for the purpose of this hearing. The court may, with the consent of
464 the program participant, re-appoint or continue the appointment of the court appointed special
465 advocate volunteer who served the program participant as a minor, or appoint another court
466 appointed special advocate volunteer, if the previous volunteer is unavailable.

467 The court shall provide notice of the hearing and a copy of the agreement and the agency's case
468 plan to the program participant who is the subject of the agreement, the program participant's
469 legal counsel, the petitioning local department of social services and such other persons having a
470 legitimate interest in the hearing.

471 C. At the conclusion of the hearing and upon presentation or proffering of evidence or
472 information by the local department of social services, the program participant and the program
473 participant's legal counsel or the Court Appointed Special Advocate, if appointed, the court may:

474 I. approve the agreement and the case plan as presented;

- 475 2. approve the agreement with revisions, as agreed to by the parties;
- 476 3. approve the case plan with revisions, having determined, in agreement with the parties, that
477 the program participant requires additional services or support, to achieve the goals documented in
478 the case plan; or
- 479 4. disapprove the agreement or the case plan or both and order the agency to submit a revised
480 agreement or plan or both, as appropriate, to the court within 30 days. The court may order the
481 local department of social services to provide additional services or support, as authorized by
482 law, in the revised plan. The local department of social services shall file a petition for a review
483 hearing to be set by the court in accordance with paragraph B hereof.
- 484 D. The court shall schedule a subsequent review hearing no later than six months after the initial
485 hearing to review the program participant's progress and the provision of services and support by
486 the local department of social services. Unless the court determines that it is in the best interests
487 of the program participant to continue judicial review of the agreement and case plan, the six
488 month review hearing shall be the final hearing in the case and the case shall be closed. If
489 judicial review is continued, review hearings shall be held every six months unless otherwise
490 ordered by the court at earlier dates. If judicial review is finalized by the court, the local agency
491 shall conduct administrative reviews of the case for the remaining term of the voluntary
492 continuing services and support agreement. All reviews, whether by the court or by the local
493 agency, shall be consistent with 42 U.S.C. 675(5)(C) as described in subsection E of this section
494 and shall be conducted at least once every six months and at additional times at the request of the
495 program participant, the local agency, or any other party to the proceeding.
- 496 E. Reviews of the voluntary continuing services and support agreement, whether conducted by
497 the court or by the local agency, shall ensure that the program participant is receiving the
498 necessary services and support to facilitate his or her transition to permanency and self-

499 sufficiency. Procedural safeguards, as described in 42 U.S.C. 675(5)(C), shall be provided the
500 program participant, including that, in all reviews or hearings regarding the transition of the
501 program participant from foster care to independent living, the court or local agency shall
502 consult, in an age-appropriate manner, with the program participant regarding the proposed
503 permanency or transition plan for the program participant, and any other procedural safeguards
504 that apply to children under eighteen years of age under existing state and federal law. The
505 program participant shall have a clear self-advocacy role in the reviews and the reviews shall
506 support the active engagement of the program participant in key decisions.

507

**Appendix E: Draft Regulation
For Expansion of Foster Care and Adoption Assistance
Up to 21 Years of Age**

22VAC40-201-35. Extended Foster Care Services and Support. (NEW Section)

A The Extended Foster Care Services and Support Program as set out in Title 63.2 , Chapter 9, Article 2, of the Code of Virginia provides services and support to an eligible child in transitioning to adulthood.

B Definitions specific to this program include:

"Case plan" means the plan developed by the local department for every Program Participant that participates in the Extended Foster Care Services and Support program, such plan shall be consistent with the provisions of 42 U.S.C. 675(1);

"Child" means an individual who has not yet attained twenty-one years of age;

"Extended continuing services and support program" means the services and supports available to a Program Participant under the Extended Foster Care Services and Support program;

"Local department" means the local department of social services under the local board having care and custody of the Program Participant when he or she obtained 18 years of age;

"Program Participant" means an individual who has attained eighteen years of age but who has not attained twenty-one years of age and who meets the requirements to participate in the Extended Foster Care Services and Support program. Program Participant may also include an individual between 18 and 21 who was in the custody of a local department of social services immediately prior to his commitment to the Department of Juvenile Justice who is transitioning from commitment to the Department of Juvenile Justice to self-sufficiency;

"Voluntary services and support agreement" means a voluntary placement agreement as defined in 42 U.S.C. § 672(f) between the local department and the Program Participant.

C Eligibility for participating in the Extended Foster Care Services and Support Program is available to a

Program Participant:

1. who was adjudicated dependent and entered foster care prior to attaining eighteen years of age;

2. who is:

a. completing secondary education or an equivalent credential;

b. enrolled in an institution which provides postsecondary or vocational education;

c. employed for at least eighty hours per month;

d. participating in a program or activity designed to promote employment or remove barriers to employment; or

e. incapable of doing any of the activities described in subparagraphs (2)(a) through (d) of this section due to a medical condition, which incapacity is supported by regularly updated information in the case plan of the Program Participant, and

f. resides in Virginia or a state bordering Virginia.

D. Youth age 18 to 21 who were in the custody of a local board immediately prior to their commitment to the Department of Juvenile Justice who complete a voluntary service agreement and meet the eligibility requirements in subsection C may participate in the Extended Foster Care Services and Support Program.

E. Upon signing the voluntary continuing services and support agreement the local department shall conduct a redetermination of income eligibility for the purposes of Title IV-E of the federal Social Security Act, 42 U.S.C. 672.

22 VAC40-201-40. Foster Care Placements.

J. Participants in the Extended Foster Care Services and Support Program may reside in a foster family home or a supervised independent living setting facility in accordance with their voluntary continuing services and support agreement.

22 VAC 40-201-80. Service Plans.

D. Participants in the Extended Foster Care Services and Support Program shall complete a voluntary continuing services and support agreement with the local department in accordance with §63.2-920 of the Code of Virginia that shall include, at a minimum, the following:

1. The requirement that the Program Participant continue to be eligible under § 63.2-918 for the duration of the voluntary continuing services and support agreement;
2. The specified services and support the Program Participant shall receive through the Foster Care Services and Support program;
3. A written explanation to the Program Participant of the voluntary nature of his or her participation in the Extended Foster Care Services and Support program and the Program Participant's right to terminate the voluntary continuing services and support agreement at any time; and
4. The specific conditions that may result in the termination of the voluntary continuing services and support agreement and the Program Participant's early discharge from the Extended Foster Care Services and Support program.

22 VAC40-110. Court hearings and case reviews

A. For all court hearings, except those for Extended Foster Care Services and Support Program Participants, local departments shall:

1. File petitions in accordance with the requirements for the type of hearing.

2. Obtain and consider the child's input as to who should be included in the court hearing. If persons identified by the child will not be included in the court hearing, the child-placing agency shall explain the reasons to the child for such a decision consistent with the child's developmental and psychological status.

3. Inform the court of reasonable efforts made to achieve concurrent permanency goals in those cases where a concurrent goal has been identified.

B. An administrative panel review shall be held six months after a permanency planning hearing when the goals of adoption, permanent foster care, or independent living have been approved by the court unless the court requires more frequent hearings. The child will continue to have Administrative Panel Reviews or review hearings every six months until a final order of adoption is issued or the child reaches age 18.

C. The local department shall invite the child; the birth parents or prior custodians when appropriate; the child's foster, adoptive, or resource parents; placement providers; guardian ad litem; court appointed special advocate (CASA); and other interested individuals to participate in the administrative panel reviews.

D. The local department shall consider all recommendations made during the administrative panel review in planning services for the child and birth parents or prior custodians and document the recommendations on the department approved form. All interested individuals, including those not in attendance, shall be given a copy of the results of the administrative panel review as documented on the department approved form.

E. A supervisory review is required every six months for youth ages 18 to 21. For participants in the Extended Foster Care Services and Support Program, reviews are held in accordance with §63.2-922.

F. When a case is on appeal for termination of parental rights, the juvenile and domestic relations district court retains jurisdiction on all matters not on appeal. The circuit court appeal hearing may substitute for a review hearing if the circuit court addresses the future status of the child.

22VAC40-201-130. Closing the foster care case.

A. Foster care cases are closed or transferred to another service category under the following circumstances:

1. When the foster care child turns 18 years of age and the child does not choose to participate in the Extended Foster Care Services and Support Program;
2. When the court releases the child from the local department's custody prior to the age of 18;
3. When a voluntary placement agreement has expired, been revoked, or been terminated by the court;
4. When the foster care child is committed to DJJ; or
5. When the final order of adoption is issued.

B. When the foster care case is closed for services, the case record shall be maintained according to the record retention schedules of the Library of Virginia.

C. Any foster care youth who has reached age 18 has the right to request information from his records in accordance with state law.

22VAC40-160 Adoption assistance

J. Adoption assistance shall be terminated when the child reaches the age of 18 unless the child has a physical or mental disability or an educational delay resulting from the child's disability which warrants continuation of the adoption assistance. If a child has one of these conditions, the adoption assistance may continue until the child reaches the age of 21. The local department shall provide continued adoption assistance up to age 21 when a child who was adopted at age 16 or older and for whom adoption assistance payments are being made, meets the eligibility conditions in §63.2 – 918 (2).

Appendix F: Fiscal Analysis

Summary

	State	Federal	Local
CSA:	\$ (5,960,504)		\$ (3,209,502)
VDSS			
VDSS FC Maintenance	\$ 7,122,150	\$ 7,122,150	
VDSS Foster Care CM	\$ 1,449,583	\$ 1,748,250	\$ (437,262)
VDSS Adoptions	\$ 2,010,229	\$ 1,232,076	
VDSS Totals	\$ 10,581,962	\$ 10,102,476	\$ (437,262)
Totals	\$ 4,621,458	\$ 10,102,476	\$ (3,646,764)

	Baseline	Under FC to 21	Net Change
Extending Foster Care Services			
Costs Assumptions:			
Services Cost per Case	\$ 5,977	\$ 6,000	-
Maintenance Cost per Case	\$ 13,566	\$ 13,566	-
Local Case Management	\$ 1,665	\$ 3,330	-
Total Cost Per Case	\$ 21,208	\$ 22,896	-
Total Clients	1142	1400	258
Total Costs	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864
Funding Sources:			
Title IV-E	\$ 0	\$ 8,870,400	\$ 8,870,400
State GF	\$ 15,248,327	\$ 17,859,555	\$ 2,611,228
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864

Extending Adoption Assistance to federal guideline			
Services Cost per Case	\$ -	\$ 4,850	-
Maintenance Cost per Case	\$ -	\$ 13,566	-
Local Case Management	\$ -	\$ 999	-
Total Cost Per Case	\$ -	\$ 19,415	-
Total Clients	0	167	167
Total Costs	\$ -	\$ 3,242,305	\$ 3,242,305
Funding Sources:			
Title IV-E	\$ 0	\$ 1,232,076	\$ 1,232,076
State GF	\$ 0	\$ 2,010,229	\$ 2,010,229
Locality Costs	\$ 0	\$ -	\$ -
Total Funds	\$ 0	\$ 3,242,305	\$ 3,242,305

Totals for FY 16			
Services Cost per Case	\$ -	\$ -	-
Maintenance Cost per Case	\$ -	\$ -	-
Local Case Management	\$ -	\$ -	-
Total Cost Per Case	\$ 21,208	\$ 22,525	\$ 26,064
Total Clients	1142	1567	425
Total Costs	\$ 24,219,536	\$ 35,296,705	\$ 11,077,169
Funding Sources:			
Title IV-E	\$ 0	\$ 10,102,476	\$ 10,102,476
State GF	\$ 15,248,327	\$ 19,869,784	\$ 4,621,457
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 35,296,705	\$ 11,077,169

FC to 21 Assumed Penetration Rate 75.0000%

	Total Clients	IV-E Clients	CSA Clients	Cost per SVC	Total Cost	State	Federal	Local	Chk Total
CSA Assumptions									
Existing Services Costs	1142		1142	\$ (5,977)	\$ (6,825,734)	\$ (4,436,727)	\$ -	\$ (2,389,007)	\$ (6,825,734)
FC to 21 Services Costs	1400		1400	\$ 6,000	\$ 8,400,000	\$ 5,460,000	\$ -	\$ 2,940,000	\$ 8,400,000
Existing Maintenance	1142		1142	\$ (13,566)	\$ (15,492,372)	\$ (10,070,042)	\$ -	\$ (5,422,330)	\$ (15,492,372)
FC to 21 Maintenance	1400	1050	350	\$ 13,566	\$ 4,748,100	\$ 3,086,265	\$ -	\$ 1,661,835	\$ 4,748,100
CSA Net Totals					\$ (9,170,006)	\$ (5,960,504)	\$ -	\$ (3,209,502)	\$ (9,170,006)
VDSS Costs									
VDSS Maintenance Assumptions									
VDSS Foster Care Maintenance	1400	1050	350	\$ 13,566	\$ 14,244,300	\$ 7,122,150	\$ 7,122,150	\$ -	\$ 14,244,300
VDSS Case Mgmt Assumptions									
Existing Case Mgmt Costs	1142		1142	\$ (1,665)	\$ (1,901,430)	\$ (741,558)	\$ -	\$ (1,159,872)	\$ (1,901,430)
FC to 21 Case Mgmt Costs	1400	1050	350	\$ 3,330	\$ 4,662,000	\$ 2,191,140	\$ 1,748,250	\$ 722,610	\$ 4,662,000
Net Change FC Case Mgmt					\$ 2,760,570	\$ 1,449,583	\$ 1,748,250	\$ (437,262)	\$ 2,760,570
Total Net Changes FC to 21					\$ 7,834,864	\$ 2,611,229	\$ 8,870,400	\$ (3,646,764)	\$ 7,834,864

Cost Comparison FY 2016				
	State	Federal	Local	Total
Current Policy	15,248,327	-	8,971,209	24,219,536
Under FC to 21	19,869,784	10,102,476	5,324,445	35,296,705
Net Change	4,621,457	10,102,476	(3,646,764)	11,077,169
Previous (Chapter 2)	1,901,403	8,382,412	(249,216)	10,034,599
Net Cost Change from Budget	2,720,055	1,720,064	(3,397,549)	1,042,570

0.318518519

Summary

	State	Federal	Local
CSA:	\$ (5,960,504)		\$ (3,209,502)
VDSS			
VDSS FC Maintenance	\$ 7,122,150	\$ 7,122,150	
VDSS Foster Care CM	\$ 1,449,583	\$ 1,748,250	\$ (437,262)
VDSS Adoptions	\$ 2,106,528	\$ 1,291,098	
VDSS Totals	\$ 10,678,261	\$ 10,161,498	\$ (437,262)
Totals	\$ 4,717,757	\$ 10,161,498	\$ (3,646,764)

	Baseline	Under FC to 21	Net Change
Extending Foster Care Services			
Costs Assumptions:			
Services Cost per Case	\$ 5,977	\$ 6,000	-
Maintenance Cost per Case	\$ 13,566	\$ 13,566	-
Local Case Management	\$ 1,665	\$ 3,330	-
Total Cost Per Case	\$ 21,208	\$ 22,896	-
Total Clients	1142	1400	258
Total Costs	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864
Funding Sources:			
Title IV-E	\$ 0	\$ 8,870,400	\$ 8,870,400
State GF	\$ 15,248,327	\$ 17,859,555	\$ 2,611,228
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864

Extending Adoption Assistance to federal guideline			
Services Cost per Case	\$ -	\$ 4,850	-
Maintenance Cost per Case	\$ -	\$ 13,566	-
Local Case Management	\$ -	\$ 999	-
Total Cost Per Case	\$ -	\$ 19,415	-
Total Clients	0	175	175
Total Costs	\$ -	\$ 3,397,625	\$ 3,397,625
Funding Sources:			
Title IV-E	\$ 0	\$ 1,291,098	\$ 1,291,098
State GF	\$ 0	\$ 2,106,528	\$ 2,106,528
Locality Costs	\$ 0	\$ -	\$ -
Total Funds	\$ 0	\$ 3,397,626	\$ 3,397,626

Totals for FY 16			
Services Cost per Case	\$ -	\$ -	-
Maintenance Cost per Case	\$ -	\$ -	-
Local Case Management	\$ -	\$ -	-
Total Cost Per Case	\$ 21,208	\$ 22,509	\$ 25,941
Total Clients	1142	1575	433
Total Costs	\$ 24,219,536	\$ 35,452,025	\$ 11,232,489
Funding Sources:			
Title IV-E	\$ 0	\$ 10,161,498	\$ 10,161,498
State GF	\$ 15,248,327	\$ 19,966,083	\$ 4,717,756
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 35,452,026	\$ 11,232,490

FC to 21 Assumed Penetration Rate 75.0000%

	Total Clients	IV-E Clients	CSA Clients	Cost per SVC	Total Cost	State	Federal	Local	Chk Total
CSA Assumptions									
Existing Services Costs	1142		1142	\$ (5,977)	\$ (6,825,734)	65.0%	\$ (4,436,727)	\$ 0.0%	\$ (2,389,007) \$ (6,825,734)
FC to 21 Services Costs	1400		1400	\$ 6,000	\$ 8,400,000		\$ 5,460,000	\$ -	\$ 2,940,000 \$ 8,400,000
Existing Maintenance	1142		1142	\$ (13,566)	\$ (15,492,372)		\$ (10,070,042)	\$ -	\$ (5,422,330) \$ (15,492,372)
FC to 21 Maintenance	1400	1050	350	\$ 13,566	\$ 4,748,100		\$ 3,086,265	\$ -	\$ 1,661,835 \$ 4,748,100
CSA Net Totals					\$ (9,170,006)	\$ (5,960,504)	\$ -	\$ (3,209,502)	\$ (9,170,006)
VDSS Costs									
VDSS Maintenance Assumptions									
VDSS Foster Care Maintenance	1400	1050	350	\$ 13,566	\$ 14,244,300	50%	\$ 7,122,150	\$ 50%	\$ - \$ 14,244,300
VDSS Case Mgmt Assumptions									
Existing Case Mgmt Costs	1142		1142	\$ (1,665)	\$ (1,901,430)	39% GF Share Base			
FC to 21 Case Mgmt Costs	1400	1050	350	\$ 3,330	\$ 4,662,000		\$ 2,191,140	\$ 1,748,250	\$ (1,159,872) \$ (1,901,430)
Net Change FC Case Mgmt					\$ 2,760,570	\$ 1,449,583	\$ 1,748,250	\$ (437,262)	\$ 2,760,570
Total Net Changes FC to 21					\$ 7,834,864	\$ 2,611,229	\$ 8,870,400	\$ (3,646,764)	\$ 7,834,864

Cost Comparison FY 2016				
	State	Federal	Local	Total
Current Policy	15,248,327	-	8,971,209	24,219,536
Under FC to 21	19,966,083	10,161,498	5,324,445	35,452,026
Net Change	4,717,756	10,161,498	(3,646,764)	11,232,490
Previous (Chapter 2)	1,901,403	8,382,412	(249,216)	10,034,599
Net Cost Change from Budget	2,816,354	1,779,086	(3,397,549)	1,197,891

0.318518519

Summary

	State	Federal	Local
CSA:	\$ (5,960,504)		\$ (3,209,502)
VDSS			
VDSS FC Maintenance	\$ 7,122,150	\$ 7,122,150	
VDSS Foster Care CM	\$ 1,449,583	\$ 1,748,250	\$ (437,262)
VDSS Adoptions	\$ 2,214,863	\$ 1,357,497	
VDSS Totals	\$ 10,786,596	\$ 10,227,897	\$ (437,262)
Totals	\$ 4,826,092	\$ 10,227,897	\$ (3,646,764)

	Baseline	Under FC to 21	Net Change
Extending Foster Care Services			
Costs Assumptions:			
Services Cost per Case	\$ 5,977	\$ 6,000	-
Maintenance Cost per Case	\$ 13,566	\$ 13,566	-
Local Case Management	\$ 1,665	\$ 3,330	-
Total Cost Per Case	\$ 21,208	\$ 22,896	-
Total Clients	1142	1400	258
Total Costs	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864
Funding Sources:			
Title IV-E	\$0	\$ 8,870,400	\$ 8,870,400
State GF	\$ 15,248,327	\$ 17,859,555	\$ 2,611,228
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864

Extending Adoption Assistance to federal guideline			
Services Cost per Case	\$ -	\$ 4,850	-
Maintenance Cost per Case	\$ -	\$ 13,566	-
Local Case Management	\$ -	\$ 999	-
Total Cost Per Case	\$ -	\$ 19,415	-
Total Clients	0	184	184
Total Costs	\$ -	\$ 3,572,360	\$ 3,572,360
Funding Sources:			
Title IV-E	\$0	\$ 1,357,497	\$ 1,357,497
State GF	\$0	\$ 2,214,863	\$ 2,214,863
Locality Costs	\$0	\$ -	\$ -
Total Funds	\$0	\$ 3,572,360	\$ 3,572,360

Totals for FY 16			
Services Cost per Case	\$ -	\$ -	-
Maintenance Cost per Case	\$ -	\$ -	-
Local Case Management	\$ -	\$ -	-
Total Cost Per Case	\$ 21,208	\$ 22,492	\$ 25,808
Total Clients	1142	1584	442
Total Costs	\$ 24,219,536	\$ 35,626,760	\$ 11,407,224
Funding Sources:			
Title IV-E	\$0	\$ 10,227,897	\$ 10,227,897
State GF	\$ 15,248,327	\$ 20,074,418	\$ 4,826,091
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 35,626,760	\$ 11,407,224

FC to 21 Assumed Penetration Rate 75.0000%

	Total Clients	IV-E Clients	CSA Clients	Cost per SVC	Total Cost	State	Federal	Local	Chk Total
CSA Assumptions									
Existing Services Costs	1142		1142	\$ (5,977)	\$ (6,825,734)	\$ 65.0%	\$ (4,436,727)	\$ 0.0%	\$ (2,389,007)
FC to 21 Services Costs	1400		1400	\$ 6,000	\$ 8,400,000	\$ 50.0%	\$ 5,460,000	\$ 0.0%	\$ 2,940,000
Existing Maintenance	1142		1142	\$ (13,566)	\$ (15,492,372)	\$ 65.0%	\$ (10,070,042)	\$ 0.0%	\$ (5,422,330)
FC to 21 Maintenance	1400	1050	350	\$ 13,566	\$ 4,748,100	\$ 50.0%	\$ 3,086,265	\$ 0.0%	\$ 1,661,835
CSA Net Totals					\$ (9,170,006)	\$ (5,960,504)	\$ -	\$ (3,209,502)	\$ (9,170,006)
VDSS Costs									
VDSS Maintenance Assumptions									
VDSS Foster Care Maintenance	1400	1050	350	\$ 13,566	\$ 14,244,300	\$ 50.0%	\$ 7,122,150	\$ 50.0%	\$ -
VDSS Case Mgmt Assumptions									
Existing Case Mgmt Costs	1142		1142	\$ (1,665)	\$ (1,901,430)	\$ 39% GF Share Base	\$ (741,558)	\$ -	\$ (1,159,872)
FC to 21 Case Mgmt Costs	1400	1050	350	\$ 3,330	\$ 4,662,000	\$ 39% GF Share Base	\$ 2,191,140	\$ 1,748,250	\$ 722,610
Net Change FC Case Mgmt					\$ 2,760,570	\$ 1,449,583	\$ 1,748,250	\$ (437,262)	\$ 2,760,570
Total Net Changes FC to 21					\$ 7,834,864	\$ 2,611,229	\$ 8,870,400	\$ (3,646,764)	\$ 7,834,864

Cost Comparison FY 2016	State	Federal	Local	Total
Current Policy	15,248,327	-	8,971,209	24,219,536
Under FC to 21	20,074,418	10,227,897	5,324,445	35,626,760
Net Change	4,826,091	10,227,897	(3,646,764)	11,407,224
Previous (Chapter 2)	1,901,403	8,382,412	(249,216)	10,034,599
Net Cost Change from Budget	2,924,689	1,845,485	(3,397,549)	1,372,625

0.318518519

Summary

	State	Federal	Local
CSA:	\$ (5,960,504)		\$ (3,209,502)
VDSS			
VDSS FC Maintenance	\$ 7,122,150	\$ 7,122,150	
VDSS Foster Care CM	\$ 1,449,583	\$ 1,748,250	\$ (437,262)
VDSS Adoptions	\$ 2,214,863	\$ 1,357,497	
VDSS Totals	\$ 10,786,596	\$ 10,227,897	\$ (437,262)
Totals	\$ 4,826,092	\$ 10,227,897	\$ (3,646,764)

	Baseline	Under FC to 21	Net Change
Extending Foster Care Services			
Costs Assumptions:			
Services Cost per Case	\$ 5,977	\$ 6,000	-
Maintenance Cost per Case	\$ 13,566	\$ 13,566	-
Local Case Management	\$ 1,665	\$ 3,330	-
Total Cost Per Case	\$ 21,208	\$ 22,896	-
Total Clients	1142	1400	258
Total Costs	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864
Funding Sources:			
Title IV-E	\$0	\$ 8,870,400	\$ 8,870,400
State GF	\$ 15,248,327	\$ 17,859,555	\$ 2,611,228
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864

Extending Adoption Assistance to federal guideline			
Services Cost per Case	\$ -	\$ 4,850	-
Maintenance Cost per Case	\$ -	\$ 13,566	-
Local Case Management	\$ -	\$ 999	-
Total Cost Per Case	\$ -	\$ 19,415	-
Total Clients	0	184	184
Total Costs	\$ -	\$ 3,572,360	\$ 3,572,360
Funding Sources:			
Title IV-E	\$0	\$ 1,357,497	\$ 1,357,497
State GF	\$0	\$ 2,214,863	\$ 2,214,863
Locality Costs	\$0	\$ -	\$ -
Total Funds	\$0	\$ 3,572,360	\$ 3,572,360

Totals for FY 16			
Services Cost per Case	\$ -	\$ -	-
Maintenance Cost per Case	\$ -	\$ -	-
Local Case Management	\$ -	\$ -	-
Total Cost Per Case	\$ 21,208	\$ 22,492	\$ 25,808
Total Clients	1142	1584	442
Total Costs	\$ 24,219,536	\$ 35,626,760	\$ 11,407,224
Funding Sources:			
Title IV-E	\$0	\$ 10,227,897	\$ 10,227,897
State GF	\$ 15,248,327	\$ 20,074,418	\$ 4,826,091
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 35,626,760	\$ 11,407,224

FC to 21 Assumed Penetration Rate 75.0000%

	Total Clients	IV-E Clients	CSA Clients	Cost per SVC	Total Cost	State	Federal	Local	Chk Total
CSA Assumptions									
Existing Services Costs	1142		1142	\$ (5,977)	\$ (6,825,734)	65.0%	\$ (4,436,727)	\$ 0.0%	\$ (2,389,007)
FC to 21 Services Costs	1400		1400	\$ 6,000	\$ 8,400,000		\$ 5,460,000	\$ -	\$ 2,940,000
Existing Maintenance	1142		1142	\$ (13,566)	\$ (15,492,372)		\$ (10,070,042)	\$ -	\$ (5,422,330)
FC to 21 Maintenance	1400	1050	350	\$ 13,566	\$ 4,748,100		\$ 3,086,265	\$ -	\$ 1,661,835
CSA Net Totals					\$ (9,170,006)		\$ (5,960,504)	\$ -	\$ (3,209,502)
VDSS Costs									
VDSS Maintenance Assumptions									
VDSS Foster Care Maintenance	1400	1050	350	\$ 13,566	\$ 14,244,300	50%	\$ 7,122,150	\$ 50%	\$ 7,122,150
VDSS Case Mgmt Assumptions									
39% GF Share Base									
Existing Case Mgmt Costs	1142		1142	\$ (1,665)	\$ (1,901,430)		\$ (741,558)	\$ -	\$ (1,159,872)
FC to 21 Case Mgmt Costs	1400	1050	350	\$ 3,330	\$ 4,662,000		\$ 2,191,140	\$ 1,748,250	\$ 722,610
Net Change FC Case Mgmt					\$ 2,760,570		\$ 1,449,583	\$ 1,748,250	\$ (437,262)
Total Net Changes FC to 21					\$ 7,834,864		\$ 2,611,229	\$ 8,870,400	\$ (3,646,764)

Cost Comparison FY 2016				
	State	Federal	Local	Total
Current Policy	15,248,327	-	8,971,209	24,219,536
Under FC to 21	20,074,418	10,227,897	5,324,445	35,626,760
Net Change	4,826,091	10,227,897	(3,646,764)	11,407,224
Previous (Chapter 2)	1,901,403	8,382,412	(249,216)	10,034,599
Net Cost Change from Budget	2,924,689	1,845,485	(3,397,549)	1,372,625

0.318518519

Summary

	State	Federal	Local
CSA:	\$ (5,960,504)		\$ (3,209,502)
VDSS			
VDSS FC Maintenance	\$ 7,122,150	\$ 7,122,150	
VDSS Foster Care CM	\$ 1,449,583	\$ 1,748,250	\$ (437,262)
VDSS Adoptions	\$ 2,214,863	\$ 1,357,497	
VDSS Totals	\$ 10,786,596	\$ 10,227,897	\$ (437,262)
Totals	\$ 4,826,092	\$ 10,227,897	\$ (3,646,764)

	Baseline	Under FC to 21	Net Change
Extending Foster Care Services			
Costs Assumptions:			
Services Cost per Case	\$ 5,977	\$ 6,000	-
Maintenance Cost per Case	\$ 13,566	\$ 13,566	-
Local Case Management	\$ 1,665	\$ 3,330	-
Total Cost Per Case	\$ 21,208	\$ 22,896	-
Total Clients	1142	1400	258
Total Costs	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864
Funding Sources:			
Title IV-E	\$ 0	\$ 8,870,400	\$ 8,870,400
State GF	\$ 15,248,327	\$ 17,859,555	\$ 2,611,228
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864

Extending Adoption Assistance to federal guideline			
Services Cost per Case	\$ -	\$ 4,850	-
Maintenance Cost per Case	\$ -	\$ 13,566	-
Local Case Management	\$ -	\$ 999	-
Total Cost Per Case	\$ -	\$ 19,415	-
Total Clients	0	184	184
Total Costs	\$ -	\$ 3,572,360	\$ 3,572,360
Funding Sources:			
Title IV-E	\$ 0	\$ 1,357,497	\$ 1,357,497
State GF	\$ 0	\$ 2,214,863	\$ 2,214,863
Locality Costs	\$ 0	\$ -	\$ -
Total Funds	\$ 0	\$ 3,572,360	\$ 3,572,360

Totals for FY 16			
Services Cost per Case	\$ -	\$ -	-
Maintenance Cost per Case	\$ -	\$ -	-
Local Case Management	\$ -	\$ -	-
Total Cost Per Case	\$ 21,208	\$ 22,492	\$ 25,808
Total Clients	1142	1584	442
Total Costs	\$ 24,219,536	\$ 35,626,760	\$ 11,407,224
Funding Sources:			
Title IV-E	\$ 0	\$ 10,227,897	\$ 10,227,897
State GF	\$ 15,248,327	\$ 20,074,418	\$ 4,826,091
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 35,626,760	\$ 11,407,224

FC to 21 Assumed Penetration Rate 75.0000%

	Total Clients	IV-E Clients	CSA Clients	Cost per SvC	Total Cost	State	Federal	Local	Chk Total
CSA Assumptions									
Existing Services Costs	1142		1142	\$ (5,977)	\$ (6,825,734)	\$ (4,436,727)	\$ -	\$ (2,389,007)	\$ (6,825,734)
FC to 21 Services Costs	1400		1400	\$ 6,000	\$ 8,400,000	\$ 5,460,000	\$ -	\$ 2,940,000	\$ 8,400,000
Existing Maintenance	1142		1142	\$ (13,566)	\$ (15,492,372)	\$ (10,070,042)	\$ -	\$ (5,422,330)	\$ (15,492,372)
FC to 21 Maintenance	1400	1050	350	\$ 13,566	\$ 4,748,100	\$ 3,086,265	\$ -	\$ 1,661,835	\$ 4,748,100
CSA Net Totals					\$ (9,170,006)	\$ (5,960,504)	\$ -	\$ (3,209,502)	\$ (9,170,006)
VDSS Costs									
VDSS Maintenance Assumptions									
VDSS Foster Care Maintenance	1400	1050	350	\$ 13,566	\$ 14,244,300	\$ 7,122,150	\$ 7,122,150	\$ -	\$ 14,244,300
VDSS Case Mgmt Assumptions									
Existing Case Mgmt Costs	1142		1142	\$ (1,665)	\$ (1,901,430)	\$ (741,558)	\$ -	\$ (1,159,872)	\$ (1,901,430)
FC to 21 Case Mgmt Costs	1400	1050	350	\$ 3,330	\$ 4,662,000	\$ 2,191,140	\$ 1,748,250	\$ 722,610	\$ 4,662,000
Net Change FC Case Mgmt					\$ 2,760,570	\$ 1,449,583	\$ 1,748,250	\$ (437,262)	\$ 2,760,570
Total Net Changes FC to 21					\$ 7,834,864	\$ 2,611,229	\$ 8,870,400	\$ (3,646,764)	\$ 7,834,864

Cost Comparison FY 2015				
	State	Federal	Local	Total
Current Policy	15,248,327	-	8,971,209	24,219,536
Under FC to 21	20,074,418	10,227,897	5,324,445	35,626,760
Net Change	4,826,091	10,227,897	(3,646,764)	11,407,224
Previous (Chapter 2)	1,901,403	8,382,412	(249,216)	10,034,599
Net Cost Change from Budget	2,924,689	1,845,485	(3,397,549)	1,372,625

0.318518519

Summary

	State	Federal	Local
CSA:	\$ (5,960,504)		\$ (3,209,502)
VDSS			
VDSS FC Maintenance	\$ 7,122,150	\$ 7,122,150	
VDSS Foster Care CM	\$ 1,449,583	\$ 1,748,250	\$ (437,262)
VDSS Adoptions	\$ 2,214,863	\$ 1,357,497	
VDSS Totals	\$ 10,786,596	\$ 10,227,897	\$ (437,262)
Totals	\$ 4,826,092	\$ 10,227,897	\$ (3,646,764)

	Baseline	Under FC to 21	Net Change
Extending Foster Care Services			
Costs Assumptions:			
Services Cost per Case	\$ 5,977	\$ 6,000	-
Maintenance Cost per Case	\$ 13,566	\$ 13,566	-
Local Case Management	\$ 1,665	\$ 3,330	-
Total Cost Per Case	\$ 21,208	\$ 22,896	-
Total Clients	1142	1400	258
Total Costs	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864
Funding Sources:			
Title IV-E	\$ 0	\$ 8,870,400	\$ 8,870,400
State GF	\$ 15,248,327	\$ 17,859,555	\$ 2,611,228
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 32,054,400	\$ 7,834,864

Extending Adoption Assistance to federal guideline			
Services Cost per Case	\$ -	\$ 4,850	-
Maintenance Cost per Case	\$ -	\$ 13,566	-
Local Case Management	\$ -	\$ 999	-
Total Cost Per Case	\$ -	\$ 19,415	-
Total Clients	0	184	184
Total Costs	\$ -	\$ 3,572,360	\$ 3,572,360
Funding Sources:			
Title IV-E	\$ 0	\$ 1,357,497	\$ 1,357,497
State GF	\$ 0	\$ 2,214,863	\$ 2,214,863
Locality Costs	\$ 0	\$ -	\$ -
Total Funds	\$ 0	\$ 3,572,360	\$ 3,572,360

Totals for FY 16			
Services Cost per Case	\$ -	\$ -	-
Maintenance Cost per Case	\$ -	\$ -	-
Local Case Management	\$ -	\$ -	-
Total Cost Per Case	\$ 21,208	\$ 22,492	\$ 25,808
Total Clients	1142	1584	442
Total Costs	\$ 24,219,536	\$ 35,626,760	\$ 11,407,224
Funding Sources:			
Title IV-E	\$ 0	\$ 10,227,897	\$ 10,227,897
State GF	\$ 15,248,327	\$ 20,074,418	\$ 4,826,091
Locality Costs	\$ 8,971,209	\$ 5,324,445	\$ (3,646,764)
Total Funds	\$ 24,219,536	\$ 35,626,760	\$ 11,407,224

FC to 21 Assumed Penetration Rate 75.0000%

	Total Clients	IV-E Clients	CSA Clients	Cost per Svc	Total Cost	State	Federal	Local	Chk Total
CSA Assumptions									
Existing Services Costs	1142		1142	\$ (5,977)	\$ (6,825,734)	\$ (4,436,727)	\$ -	\$ (2,389,007)	\$ (6,825,734)
FC to 21 Services Costs	1400		1400	\$ 6,000	\$ 8,400,000	\$ 5,460,000	\$ -	\$ 2,940,000	\$ 8,400,000
Existing Maintenance	1142		1142	\$ (13,566)	\$ (15,492,372)	\$ (10,070,042)	\$ -	\$ (5,422,330)	\$ (15,492,372)
FC to 21 Maintenance	1400	1050	350	\$ 13,566	\$ 4,748,100	\$ 3,086,265	\$ -	\$ 1,661,835	\$ 4,748,100
CSA Net Totals					\$ (9,170,006)	\$ (5,960,504)	\$ -	\$ (3,209,502)	\$ (9,170,006)
VDSS Costs									
VDSS Maintenance Assumptions									
VDSS Foster Care Maintenance	1400	1050	350	\$ 13,566	\$ 14,244,300	\$ 7,122,150	\$ 7,122,150	\$ -	\$ 14,244,300
VDSS Case Mgmt Assumptions									
39% GF Share Base									
Existing Case Mgmt Costs	1142		1142	\$ (1,665)	\$ (1,901,430)	\$ (741,558)	\$ -	\$ (1,159,872)	\$ (1,901,430)
FC to 21 Case Mgmt Costs	1400	1050	350	\$ 3,330	\$ 4,662,000	\$ 2,191,140	\$ 1,748,250	\$ 722,610	\$ 4,662,000
Net Change FC Case Mgmt					\$ 2,760,570	\$ 1,449,583	\$ 1,748,250	\$ (437,262)	\$ 2,760,570
Total Net Changes FC to 21					\$ 7,834,864	\$ 2,611,229	\$ 8,870,400	\$ (3,646,764)	\$ 7,834,864

Cost Comparison FY 2016				
	State	Federal	Local	Total
Current Policy	15,248,327	-	8,971,209	24,219,536
Under FC to 21	20,074,418	10,227,897	5,324,445	35,626,760
Net Change	4,826,091	10,227,897	(3,646,764)	11,407,224
Previous [Chapter 2]	1,901,403	8,382,412	(249,216)	10,034,599
Net Cost Change from Budget	2,924,688	1,845,485	(3,397,549)	1,372,625

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