



Renegotiating and Modifying Adoption Subsidy Agreements

WHAT IS ADOPTION ASSISTANCE OR ADOPTION SUBSIDY?

Adoption assistance is intended to help defray some of the costs for medical coverage, mental health care, and other services necessary to meet the special and ordinary needs of a child who has been adopted from the foster care system. Adoption assistance is an important benefit that helps sustain the health and welfare of a child while providing necessary services to promote stability and strength of the adoptive family. Children adopted from foster care often need time to heal from traumas suffered in their early lives and adoptive families need support services as they help their children grow and thrive.

Shortly before an adoption is finalized, the state or local agency administering the adoption and the parents agree upon the amount of adoption assistance needed to care for the child's special needs. Each state's adoption assistance payment schedule varies. Some states require adoptive parents to recertify their adoption subsidy agreement annually. Adoptive parents can ask to modify or renegotiate their child's current adoption assistance rate **at any time** if there are any changes in the family's circumstances or in their child's special needs that significantly affect the cost of caring for their child. (To learn more about specific state adoption policies, go to www.nacac.org and click on "Adoption Subsidy," then click on "state profiles" to review state-specific information. Profile question 21 offers state-specific guidance on how to renegotiate or modify an adoption subsidy agreement in each state.)

WHY DO PARENTS SOMETIMES RE-NEGOTIATE OR MODIFY THEIR CHILD'S SUBSIDY AGREEMENT?

Generally, most parents try to re-negotiate or modify their child's subsidy agreement when their child needs more medical, mental health, or special services because their child has:

- ◆ developed new behavioral issues as a result of known or unknown traumas the child suffered before the adoption,
- ◆ received a new medical or mental health diagnosis that was not evident at the time of the adoption, or
- ◆ issues or behaviors that now affect their child's physical, mental, or emotional health and the parents' ability to care for the child.

Families may also renegotiate when their circumstances have changed due to job loss or relocation to another state, or when other life-changing events occur.

Before starting, parents need to know the rate their child would receive in foster care, because many states negotiate adoption assistance rates **equal to** foster care rates. In any event, parents cannot negotiate an adoption assistance monthly rate in excess of the rate the child would have received in foster care. The only way an adoption assistance rate can be raised above the child's foster care rate is when the severity of the child's current

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Adoption Subsidy
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diagnoses has increased so much that *if* the child went back into the foster care system today, a higher difficulty of care or specialized rate would be applied. Even in this situation, parents are going to have to work hard to negotiate the higher rate on the child's behalf.

Special allowances that may have been available to the child in foster care, such as child care costs or clothing allowances, are often not reimbursed in the adoption assistance program. Parents can, however, try to access state and local services such as therapy, respite care, etc., as a way to

modify their child's adoption assistance agreement. (See the *Sample Case For Renegotiating a Subsidy Agreement* below.)

HOW DO PARENTS PREPARE TO MODIFY OR RENEGOTIATE THEIR CHILD'S SUBSIDY AGREEMENT?

Parents should gather together all pertinent current documentation regarding their child's special needs at the time they decide to initiate a request to modify or renegotiate. They should obtain letters from the child's doctors; speech,

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Sample Case for Renegotiating a Subsidy Agreement

Below is a sample case illustrating how one family successfully renegotiated their children's adoption assistance agreements. For more state-specific subsidy rate information, go to NACAC's Adoption Subsidy Resource Center online at www.nacac.org or call 800-470-6665 / 651-644-3036.

Marion and George Brown adopted a sibling group of three children: Nora, age 11; James, age 7; and Robert, age 5. At the time of adoption, Nora was diagnosed with ADHD and the Browns knew she had missed a lot of school in her early life. Testing revealed she was two grade levels behind her peers and she needed a specialized after-school program to help her catch up to grade level. Robert and James seemed to be developing normally even though they had both suffered extreme neglect.

At the time of their adoption, Nora received the adoption subsidy basic rate plus a low supplemental maintenance rate and funding for the specialized after-school program. The boys were given the basic rate for adoption subsidy. (See the Adoption Assistance Rate Schedule below.) The supplemental maintenance rates range from low to high

based on the severity of the child's disability.

Two years later, Nora was diagnosed with bipolar disorder. She exhibits behavior problems at school, is destructive both at home and in school, steals from her classmates, and frequently lies to adults. Robert, now 7, has been diagnosed with ADHD. Nine-year-old James experiences severe night terrors and requires weekly therapy sessions to deal with his anxiety. James also soils his clothes regularly at school and has difficulty managing his toileting needs.



The Browns successfully renegotiated their subsidy agreements for Nora and James. Nora's subsidy was raised to a medium supplemental maintenance to help cover the costs to treat her bipolar disorder and behavioral issues. James now receives a low supplemental rate and has access to individual therapy as part of his subsidy.

Although Robert has been diagnosed with ADHD, he is doing well in school with the help of his teachers and medication. His needs have not changed enough to affect his adoption assistant agreement.

Adoption Assistance Rate Schedule

Basic Rates		Supplemental Maintenance	
<i>Age</i>	<i>Rate</i>	<i>Level</i>	<i>Rate</i>
0-5	\$350	low	\$150
6-14	\$400	medium	\$275
15-18	\$450	high	\$400

Family Budget Worksheet

Typical Family Expenses <small>(divide by the number of family members)</small>	Monthly Estimates	Costs Per Family Member	Expenses Related to the Child's Special Needs	Monthly Estimates
Monthly housing expenses Mortgage/rent Maintenance			Transportation to appointments <small>(number of miles times the current state or federal mileage rate)</small>	
Utilities Heat Electric Phone Other			Co-pays and other medical/mental health expenses not covered by Medicaid or private insurance Medications Occupational therapy Physical therapy Speech therapy Mental health therapy <small>(individual/family/play therapy)</small> Other therapy Occupational therapy equipment Medical equipment	
Vehicle expenses Car payment(s) Insurance Maintenance Gas				
Subtotal				
Child Only Expenses	Monthly Estimates		Special Education Needs Computer software Adaptive learning equipment Tutors	
Clothing expenses			Time away from work to deal with extraordinary behaviors <small>(hours missed times the hourly rate)</small>	
Personal items			Respite care	
Education expenses Uniform School fees Books Field trips Other			Socialization and behavioral activities to meet the child's needs Swimming (muscular development) Ballet (motor skills/coordination) Martial arts (anger management/discipline) Other activities	
Other expenses			Other expenses	
Subtotal			Subtotal	
Total costs per month				

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occupational, or physical therapists; psychiatrists; psychologists; teachers and other professionals. These letters should include the child's diagnoses and the recommended services the child needs to function in the home, school, and community. It can take months to receive letters from each professional, so be sure to allow enough time. Next, parents should create a family budget to determine the costs associated with raising the child. (See the *Family Budget Worksheet on page 3*.) This information will help build a case to negotiate with agency personnel during the modification/review meeting.

Parents should document the resources that are going directly to address the child's special needs, such as:

- ◆ transportation to scheduled appointments,
- ◆ copays for medical and mental health appointments not covered by Medicaid or private insurance,
- ◆ other therapy or medical expenses not covered by Medicaid or private insurance,
- ◆ time away from work to deal with school issues and extraordinary behaviors,
- ◆ specialized schooling to meet educational needs, and
- ◆ socialization and behavioral activities to meet the child's special needs.

Keep in mind, that in many cases, a monthly subsidy is not going to cover all the child's needs.

To begin the process to modify or renegotiate a child's adoption subsidy agreement, parents need to arrange a meeting with the worker or the adoption agency that completed the child's adoption. The worker or agency will explain the process and the steps needed to have the case reviewed.

CONCLUSION

The only way a child's subsidy agreement can be modified or renegotiated is if parents take the necessary steps to do it. Remember, just because parents decide to move forward to try to renegotiate or modify a child's subsidy agreement does not mean the child will be granted a new, higher rate or additional services. The success of the negotiation will depend on: (1) whether or not par-

States Can Renegotiate Rates

States also have the ability to renegotiate rates:

- ◆ that automatically allow for adjustments to the adoption assistance payment when there is an increase in the foster care board rate;
- ◆ for services that would have been paid on behalf of the child if the child were still in foster care;
- ◆ that include higher level-of-care rates paid across-the-board for certain children, if the state's foster care payment schedule includes these rates and the child would have received the higher level-of-care rate while in foster care; and
- ◆ that includes across-the-board higher foster care rates for working foster parents to pay for child care, or includes provisions for periodic across-the-board increases for such items as seasonal clothing, if the state's foster care payment schedule includes these higher rates.

ents provide proper documentation showing that the child has received a new medical or mental health diagnosis since the adoption, or is now exhibiting behavioral issues as a result of known or unknown traumas suffered before the adoption; (2) whether they have clear evidence that the family's circumstances have changed; (3) and whether the documentation meets the guidelines for qualifying for a higher subsidy rate in the state.

NACAC's Adoption Subsidy Resource Center is funded in part by the Dave Thomas Foundation for Adoption. The Center was created by NACAC to help educate parents and professionals throughout the U.S. and Canada on adoption subsidy issues.

Feel free to share this fact sheet with others.



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