

Memo

To: Rob Geen, Director, Policy Reform and Advocacy, Annie E. Casey Foundation
From: Kerry DeVooght, Sharon Vandivere, and Mae Cooper, Child Trends
Date: 5/19/2014
Re: Child Welfare Fiscal Reform Analysis

At the request of the Annie E. Casey Foundation, Child Trends conducted analyses pursuant to a child welfare financing reform proposal, as outlined in *“When Child Welfare Works: A Working Paper—A Proposal to Finance Best Practices.”* This memo provides estimates of the federal cost and savings resulting from the major provisions.

Estimates, by definition, rely on calculations and assumptions. Our calculations were precise and rigorous, but hampered by missing or low-quality data. Our assumptions were informed by our knowledge and understanding of the dynamics of child welfare caseloads. The detailed methodology section attached to this memo describes the limitations of the data in detail, and explains the careful assumptions made to compensate for these limitations. Additionally, it should be noted that our estimates do not account for changes in the composition of the foster care population (including lengths of stay and types of placements) that likely would occur as a result of the recommended policy changes. Given the limitations of the data and the large number of assumptions necessary to derive estimates, we urge caution in interpreting these results.

Below we outline our projections when full, immediate implementation of the provisions is assumed. Projections accompanying a gradual implementation of certain provisions (e.g., phased-in over a 5 year period) are included in the Appendix.

Provision	Projected Cost or Savings to Federal Government (1 year)	Projected Cost or Savings to Federal Government (5 years)
#1: Limit length of federal Title IV-E reimbursement eligibility for foster care for any child under 18 to no more than 36 months (lifetime limit) per child	+\$616,089,484	+\$3,080,447,420
#2: Eliminate federal Title IV-E reimbursement for group homes, shelters, and assessment centers	+\$156,452,056	+\$782,260,282
#3: Eliminate federal Title IV-E reimbursement for children under 13 in residential treatment centers (RTCs)	+\$45,098,635	+\$225,493,173
#4: Limit federal Title IV-E reimbursement for children 13 and older in RTCs to 12 months	+\$30,820,677	+\$154,103,387
#5: Allow foster parents to continue to receive payments (reimbursable under Title IV-E) when children are placed outside the home in RTCs, for up to 90 days	-\$8,364,474	-\$41,822,368

#6: Develop Individual Development Accounts (IDAs) for youth who turn 16 while in foster care, who spent at least 15 months total in care	-\$4,696,368	-\$23,481,841
#7: Require that states place all foster children in licensed homes or facilities as a condition for receiving any Title IV-E funds, allowing different licensing standards for kin/relatives	-\$88,350,574	-\$441,752,870
#8: Enhance reimbursement for foster parent development, recruitment, and support, under the new Title IV-E Child Placement, Monitoring and Support program (at 75% fed share)	Low: - \$108,432,885 Mid: - \$145,967,345 High: - \$208,524,779	Low: - \$542,164,425 Mid: - \$729,836,726 High: - \$1,042,623,894
#9: Increase foster parent tax credit when parents foster children for at least 6 months of the year when children are over 12, siblings, or who have been difficult to place	-\$82,551,148	-\$412,755,739
#10: Reimburse casework time provided by child's worker of record, under the new Title IV-E Child Placement, Monitoring and Support program (at 50% federal share)	Low: -\$274,752,855 Mid: -\$859,856,354 High: -\$1,719,712,708	Low: -\$1,373,764,274 Mid: -\$4,299,281,769 High: -\$8,598,563,538
#11: Amend College Cost Reduction and Access Act of 2007 to reduce length of time that payments are made before educational loan forgiveness for child welfare employees from 10 years to 4 years	Low: -\$29,356,944 Mid: -\$58,713,887 High: -\$146,784,719	Low: -\$146,784,719 Mid: -\$293,569,437 High: -\$733,923,593
#12: Reimburse child protective investigation training through Title IV-E	Low: -\$10,386,428 Mid: -\$20,772,856 High: -\$51,932,140	Low: -\$51,932,140 Mid: -\$103,864,280 High: -\$259,660,700
#13: Eliminate income eligibility requirements from Title IV-E and adjust federal match to maintain federal reimbursement equal to states' current levels	\$0 (cost neutral)	\$0 (cost neutral)
#14: Eliminate Title IV-E Administration and replace it with a new Title IV-E Overhead program, capped at 5% of all other allowable Title IV-E reimbursements, and a new Title IV-E Child Placement, Monitoring and Support Program	+\$163,674,993	\$818,374,963
Projected Total Costs/Savings to Federal Government (rounded)	Low: \$405 million Mid: -\$257 million High: -\$1.3 billion	Low: \$2.0 billion Mid: -\$1.3 billion High: -\$6.5 billion
Excluding Provision #10*: Projected Total Costs/Savings to Federal Government (rounded)	Low: \$680 million Mid: \$603 million High: \$421 million	Low: \$3.4 billion Mid: \$3.0 billion High: \$2.1 billion

*According to our analyses, the majority of the variance in our estimates can be attributed to Provision #10. Due to the degree of uncertainty about the impact of this provision on states, and the wide range of reasonable assumptions that can be made for estimating the resulting costs, Provision #10 appears to have a key impact on the overall findings. Thus, we offer an alternative presentation of the total savings to the federal government excluding this provision.

Appendix: Methodology and Notes

For all provisions, we assumed no change in state foster care populations/composition over the 5-year period; that is, the numbers of children in various subgroups in each of the 5 years are as they existed in FY 2012. This assumption is a major limitation, since the proposed policy changes are intended to change state behavior in how foster care cases are handled. Additionally, we assumed no change in reimbursement rates over time, and we did not adjust dollar amounts for inflation. More detailed analyses could be conducted with anticipated changes in the populations and rates over time.

#1: Time limit federal reimbursement for foster care

Limit Title IV-E reimbursement eligibility for any child under 18 to 36 months (lifetime limit per child).

Approach:

First, we estimated the amount of time that each child has spent beyond 7, 6, 5, 4, and 3 years in care during fiscal year 2012. Time in care beyond the 19th birthday, calculated based on the child's date of birth (DOB), was not counted. If the child had two spells in foster care, then the date of first removal (Rem1Dt), the discharge date of the previous removal (DLstFCDt), the date of the latest removal (LatRemDt), and the date of discharge from foster care (DoDFCDt) were used to determine when the child reached the limit, as well as their total time in care by the end of fiscal year 2012. If the child had more than two spells in foster care, or only one spell in foster care, then only the date of the latest removal and the date of discharge from foster care were used. The rationale for excluding prior spells in care for children with more than two spells is that foster care entry and discharge dates are only available for the first and last spells, for children with two or more spells, so we have no way to estimate time not in care for intervening spells. With this information we arrived at an estimate of the number of months in care in excess of the given limit for FY 2012.

Secondly, we multiplied the number of months obtained in the previous step by the foster care payments that child received in 2012 (FCMntPay). For those children who had a value of 0 recorded for FCMNTPAY, the foster care payment was estimated by the median payment for children in the same type of placement setting (CURPLSET) and who were the same age at exit or the end of the year. This created an estimate of the amount of foster care payments that were spent on children over each of the limits.

Thirdly, we summed these estimates for each state, including only children who were IV-E eligible (IVEFC=1). Each estimate was multiplied by the 2014 FMAP rate for the given state to produce an estimate of the federal contribution for each state.

Lastly, the state estimates of federal contributions were summed to create a total estimate. The 5-year estimate for a gradual implementation was calculated as the sum of the 7, 6, 5, 4, and 3-year limits.

In the gradual implementation, payments for children in care over 7 years are eliminated in the first year, payments for children in care over 6 years are eliminated in the second year, etc., until payments for children in care over 3 years are eliminated in the fifth year. The results from the calculations presuming a gradual implementation are:

Period	Projected Savings to Federal Government
Implementation Year 1: over 7 Years in Care	\$190,738,973
Implementation Year 2: over 6 Years in Care	\$251,401,751

Implementation Year 3: over 5 Years in Care	\$331,924,891
Implementation Year 4: over 4 Years in Care	\$446,587,950
Implementation Year 5: over 3 Years in Care	\$616,089,484
Total 5-Year	\$1,836,743,048

Limitations/notes:

AECF indicated that the clock would start at the time of implementation—that is, the time limit would disregard how long children had been in care already and begin counting from the time of implementation. In addition, AECF noted that the policy could be implemented in a gradual manner. Our estimates are set up to allow for gradual implementation, but previous time in care does count toward the time limits. We can generate revised estimates that “start the clock ticking” at, say, the beginning of the fiscal year, should the Foundation want.

AFCARS lacks information on the total time in care for children with more than 2 spells in foster care. This was approximately five percent of foster children in FY2012.

Additionally, the quality of the foster care payment variable (FCMNTPAY) is likely very poor, according to communication with staff at ACF’s Children’s Bureau in 2012. We described our analysis of FCMNTPAY based on 2010 AFCARS data in a memo to AECF in 2012. We used a similar imputation procedure in the present analysis for children who had values of 0 for FCMNTPAY. In that earlier memo, we described the following:

We noticed that a large share of children in each of the three groups of concern have 0’s for the value of FCMNTPAY (including 795 of the 4800 children who had spent ≥ 1 year in congregate care at age 12 or older, 5,593 of the 22,074 children who have been in care for ≥ 5 years, and 729 of the 3,845 children who have been in congregate care before age 12; these numbers are restricted to the groups who were indicated as receiving IV-E payments.) ACF staff indicated that children who changed placement settings during the last month in care have \$0 entered for their monthly foster care payment amount. Since all these children with \$0 for FCMNTPY in our analysis have been flagged as receiving IV-E foster care payments, and since two of the groups are identified as being in congregate care, it seems unlikely that the true foster care payment amount for any of these children is \$0, and that most were unlikely to have changed placement settings in the last month of care.

For those children in our analysis who had a value of \$0, we imputed a foster care payment amount. The imputed amount was the median value, by child’s age in years and current (or latest) placement setting, for those children with non-zero amounts for FCMNTPAY. We used the median rather than the mean because of the presence of some extreme outliers in terms of FCMNTPAY (specifically, some children have values of $> \$10,000$ for FCMNTPAY).

Incidentally, we ran a logistic regression to examine correlates of having a foster care payment amount of greater than \$10,000 (since these amounts were surprising to us) and found the following (note: this sample was not limited to the children receiving IV-E foster care payments):

- Children in institutions were 5.4 times more likely than those not in institutions to have such high foster care payment amounts to have foster care payments $> \$10,000$.
- Children in out-of-state care were 2.7 times more likely to have foster care payments $> \$10,000$.

- Children with a physical disability were 2 times more likely to have foster care payments > \$10,000.
- Compared with children age 0-6 at the end of the year, those age 7-12 were 4.9 times more likely, those age 13-14 were 8.9 times more likely, and those age 15 and older were 11.5 times more likely to have foster care payments > \$10,000.
- Older age at latest removal was also related with a higher likelihood of a high foster care payment amount net of the above factors, though to a lesser degree than age at end of the year.

We also ran a logistic regression model to look for correlates of having a foster care payment amount of \$0 (note, this sample was not limited to the children receiving IV-E foster care payments). We found the following:

- Placement setting is associated with a \$0 payment amount. Compared to children in relative family foster care, those in relative placements are 2.2 times more likely to have \$0 recorded for foster care payment amounts, children in preadoptive placements are 2.4 times as likely, children who had run away are 3.8 times more likely, children in trial home visits are 4.9 times more likely, and *children in institutions are 2 times more likely*.
- Children with IV-E foster care payments are 24% as likely as those not receiving IV-E payments to have a value of \$0 for foster care payments.
- There was not a strong association between child age and having a \$0 foster care payment amount.

It is also worth noting that the percent of all children served in foster care during the year for whom a title IV-E foster care payment was made on their behalf, which we calculated using the AFCARS data regarding total number of children served and whether or not that child was receiving a IV-E payment (IVEFC=1), was typically (though not always) lower than the “IV-E foster care penetration rates” states reported to us via the *2008/2010 Casey Child Welfare Financing Survey*. In some cases, the difference between the two percentages was quite marked. Thus, the reliability of the IVEFC variable in AFCARS may be questionable; though it is important to consider that states self-reported the rates in the aforementioned survey, without providing methodology descriptions, and thus it is difficult to know how the rates were calculated.

#2: Eliminate federal reimbursement for group homes/shelters/assessment centers.

Approach:

First we identified all children whose latest placement was a group home (CURPLSET=4). Using the date that they started in that placement (CURSETDT) and the date that they ended that placement (DODFCDT for children discharged from foster care or the date of the end of the fiscal year for children who remained in care through the end of the year, we calculated the number of months that each child spent in a group home setting in FY2012.

Second, we multiplied the number of months in group home care during fiscal year 2012 by the foster care payments that child received in 2012 (FCMntPay). For those children who had a value of 0 recorded for FCMNTPAY, the foster care payment was estimated by the median payment for children in group home care who were the same age at exit or the end of the year. This created an estimate of the amount of foster care payments that were spent on children in group home care. In order to estimate costs for a five-year graduated implementation, estimates were also calculated for 20, 40, 60, and 80 percent of this payment.

Third, we summed these estimates for IV-E children (IVEFC=1) separately by state. Each state estimate was multiplied by the state’s 2014 FMAP rate to produce an estimate of the federal contribution for each state.

Lastly, the state estimates of federal contributions were summed to create a total estimate. The 5-year estimate for an immediate implementation was calculated the sum of all the states, multiplied by 5. The 5-year estimate for a gradual implementation was calculated as the sum of the 20%, 40%, 60%, 80%, and total estimates. The results from the calculations presuming a gradual implementation are:

Period	Projected Savings to Federal Government
Implementation Year 1: 20% of Payments	\$31,290,411
Implementation Year 2: 40% of Payments	\$62,580,823
Implementation Year 3: 60% of Payments	\$93,871,234
Implementation Year 4: 80% of Payments	\$125,161,645
Implementation Year 5: 100% of Payments	\$156,452,056
Total 5-Year	\$469,356,169

Limitations/notes:

AFCARS data include many gaps in information that we would need in order to estimate accurately the costs for this provision. AFCARS lacks information on all placement setting types used during the year other than the latest placement settings, as well as the date ranges they were used. AFCARS only includes that information on the latest placement setting used.

Also, there is no information on whether the child spent time in a shelter or assessment center, so these possible placements were not included in the estimates.

The quality of the foster care payment variable (FCMNTPAY) is likely very poor, according to communication with staff at ACF’s Children’s Bureau in 2012. We described our analysis of FCMNTPAY based on 2010 AFCARS data in a memo to AECF in 2012. (See the description of this analysis above in the methodology for Provision #1.)

#3: Eliminate federal reimbursement for residential treatment for children <13 (with exception for children placed in same home with older siblings)

Approach:

First we identified all children under age 9, 10, 11, 12, and 13, respectively, who had a current or final placement that was an institution (CURPLSET=5). Using the date that they started in that placement (CURSETDT) and the end date of that placement (DODFCDT if they had been discharged from foster care; otherwise the date of the end of the fiscal year), and the date that they turned 9, 10, 11, 12, and 13 (calculated from DOB) we calculated the number of months that each child spent in an institution setting in FY2012 while under each of the five respective ages.

Second, we multiplied the number of months obtained in the previous step by the foster care payments that child received in 2012 (FCMntPay). For those children who had a value of 0 recorded for FCMntPay, the foster care payment was estimated by the median payment for children in institutional care who were the same age at exit or the end of the year. This created an estimate of the amount of foster care payments that were spent on children younger than particular ages in institutional care.

Third, we summed all of these estimates for each state for IV-E eligible children (IVEFC=1). Each estimate was multiplied by the 2014 FMAP rate for the given state to produce an estimate of the federal contribution for each state.

Lastly, the state estimates of federal contributions were summed to create a total estimate. The 5-year estimate for an immediate implementation was calculated the sum of payments for children under age 13 in all the states, multiplied by 5. The 5-year estimate for a gradual implementation was calculated as the sum of the payments for children under age 9, 10, 11, 12, and 13. The results from the calculations presuming a gradual implementation are:

Period	Projected Savings to Federal Government
Implementation Year 1: Under Age 9	\$11,002,155
Implementation Year 2: Under Age 10	\$15,824,817
Implementation Year 3: Under Age 11	\$22,672,398
Implementation Year 4: Under Age 12	\$32,098,046
Implementation Year 5: Under Age 13	\$45,098,635
Total 5-Year	\$126,696,050

Limitations/notes:

AFCARS data include many gaps in information that we would need in order to estimate accurately the costs for this provision. AFCARS lacks information on all placement setting types used during the year other than the latest placement settings, as well as the date ranges they were used. AFCARS only includes that information on the latest placement setting used.

Also, not all institutional placement settings are residential treatment centers. There is also no information on whether the child was placed with a sibling, so if that is the reason for institutional care, that cannot be determined from the AFCARS dataset.

The quality of the foster care payment variable (FCMNTPAY) is likely very poor, according to communication with staff at ACF’s Children’s Bureau in 2012. We described our analysis of FCMNTPAY based on 2010 AFCARS data in a memo to AECF in 2012. (See the description of this analysis above in the methodology for Provision #1.

#4: Time limit federal reimbursement for residential treatment for 13+.

Limit to no more than 12 months total for children age 13 or older (exceptions could be made for small number of youth needing longer RTC stays).

Approach:

First we identified all children 13 and older whose latest placement was an institution (CURPLSET=5). Using the date that they started in that placement (CURSETDT), the end date of that placement (DODFCDT if they had been discharged from foster care; otherwise the date of the end of the fiscal year), and the date that they

turned 13 (calculated from DOB) we calculated the numbers of months that each child spent in an institution setting, in FY2012, beyond 5, 4, 3, 2, and 1 year.

Second, we multiplied the number of months in institutional care over each time limit during fiscal year 2012 by the foster care payments that child received in 2012 (FCMntPay). For those children who had a value of 0 recorded for FCMntPay, the foster care payment was estimated by the median payment for children in institutional care who were the same age at exit or the end of the year. This created an estimate of the amount of foster care payments that were spent on children over particular time limits in institutional care.

Third, we summed all of these estimates for each state for IV-E eligible children (IVEFC=1). Each estimate was multiplied by the 2014 FMAP rate for the given state to produce an estimate of the federal contribution for each state.

Lastly, the state estimates of federal contributions were summed to create a total estimate. The 5-year estimate for an immediate implementation was calculated the sum of payments for who had been in institutional care for over a year, multiplied by 5. The 5-year estimate for a gradual implementation was calculated as the sum of the payments for children in institutional care for over 5, 4, 3, 2, and 1 year. The results from the calculations presuming a gradual implementation are:

Period	Projected Savings to Federal Government
Implementation Year 1: Over 5 Years in Care	\$296,881
Implementation Year 2: Over 4 Years in Care	\$1,009,831
Implementation Year 3: Over 3 Years in Care	\$3,074,987
Implementation Year 4: Over 2 Years in Care	\$9,752,381
Implementation Year 5: Over 1 Years in Care	\$30,820,677
Total 5-Year	\$44,954,758

Limitations/notes:

AFCARS data include many gaps in information that we would need in order to estimate accurately the costs for this provision. AFCARS lacks information on all placement setting types used during the year other than the latest placement settings, as well as the date ranges they were used. AFCARS only includes that information on the latest placement setting used.

Also, not all institutional placement settings are residential treatment centers.

The quality of the foster care payment variable (FCMNTPAY) is likely very poor, according to communication with staff at ACF’s Children’s Bureau in 2012. We described our analysis of FCMNTPAY based on 2010 AFCARS data in a memo to AECF in 2012. (See the description of this analysis above in the methodology for Provision #1.)

AECF indicated that the clock would start at the time of implementation—that is, the time limit would disregard how long children had been in care already and begin counting from the time of implementation. In addition, AECF noted that the policy could be implemented in a gradual manner. Our estimates are set up to

allow for gradual implementation, but previous time in care does count toward the time limits. We can generate revised estimates that “start the clock ticking” at, say, the beginning of the fiscal year, should the Foundation want.

#5: Continue to pay stipend for foster parents when kids need short term residential treatment.

Allow foster parents to continue receiving payments for children who go to residential treatment (reimbursable under Title IV-E) for up to 90 days with certain conditions (remaining active in child’s treatment and plan is for child to return to foster parent’s care).

Approach:

First we estimated the likelihood that children in institutions were previously in a family foster home (either relative or non-relative). To do this, we used information for all children who had information on their latest placement setting during the year (CURPLSET) created a dichotomous variable indicating whether the child’s placement was a family foster home (CURPLSET = 2 or 3). We then created a logistic regression model including covariates for sex (SEX), race, Hispanic origin (HISORGIN), presence of a disability (CLINDIS=1 or CHILDIS=1), ever adopted (EVERADPT), reason for entry into foster care was child’s drug or alcohol use (AACHILD =1 or DACHILD=1), reason for entry into foster care was parent’s drug or alcohol use (AAPARENT =1 or DAPARENT=1), child age (AGEATSTART), number of foster care episodes (TOTALREM), number of placement settings (NUMPLEP), permanency goal (CASEGOAL). Since we wanted to produce a predicted probability for all children of the child’s placement setting being family foster care, we imputed values missing covariates. Dichotomous variables were imputed as 0 (no), and other covariates were set to the non-missing mean. Sex was set to 0.5 if missing (1=male and 0=female). We then estimated a step-wise logistic regression model and saved the predicted probability for each child. Overall, 43.3% of youth with current placement setting of institution and who entered that placement no earlier than 90 days prior to the beginning of the fiscal year were predicted to be in a foster family home).

Secondly, we calculated the mean monthly foster care payment (FCMNTPAY) for all children whose last placement setting was in fact family foster care (i.e., CURPLSET = 2 or 3). We calculated means separately by child age (AGEATSTART) and by state (STATE).

Thirdly, we calculated the length of stay in institution during current year for children who entered that placement setting during the current FY or within 90 days of the beginning of the current FY. We only counted days occurring within the current fiscal year and capped the count at 90 days. The starting point for counting was either 90 days prior to the beginning of the fiscal year or the beginning of the placement setting (CURPLSET), whichever was later. Then end point for counting was either the end of the fiscal year or the date of discharge from foster care (DODFCDT), whichever was earlier. If the discharge date from foster care was missing, we assumed the child remained in the placement setting through the end of the fiscal year, so the end point used for counting was the last day of the fiscal year.

Fourthly, to estimate a cost for each child, we used the family foster care payment calculated in step 2 above and selected the payment amount based on the child’s age and state. To estimate a daily rate, we divided the monthly rate by 30.4375. We multiplied this product by the number of days spent in an institution during the current fiscal year, capped at 90, as calculate in the third step above. To estimate a graduated five-year implementation, we assumed that:

- In year 1, foster families would be paid for the first 18 days a child was in an institution (or the total number of days actually spent in the institution, if less)
- In year 2, foster families would be paid for the first 36 days a child was in an institution (or the total number of days actually spent in the institution, if less)

- In year 3, foster families would be paid for the first 54 days a child was in an institution (or the total number of days actually spent in the institution, if less)
- In year 4, foster families would be paid for the first 72 days a child was in an institution (or the total number of days actually spent in the institution, if less)
- In year 5, foster families would be paid for all 90 days a child was in an institution (or the total number of days actually spent in the institution, if less).

Fifthly and lastly, the total family foster care payment for children was summed across children in each state to come up with state totals. This total was then multiplied by the FMAP rate.

The results from the calculations presuming a gradual implementation are:

Period	Projected Cost to Federal Government
Implementation Year 1: First 18 days in Care	\$2,180,840
Implementation Year 2: First 36 days in Care	\$4,051,121
Implementation Year 3: First 54 days in Care	\$5,676,495
Implementation Year 4: First 72 days in Care	\$7,103,397
Implementation Year 5: First 90 days in Care	\$8,364,474
Total 5-Year	\$27,376,327

Limitations/notes:

AFCARS data include many gaps in information that we would need in order to estimate accurately the costs for this provision. AFCARS lacks information on all placement setting types used during the year and date ranges they were used. AFCARS only includes that information on the latest placement setting used. Additionally, AFCARS lacks information on monthly foster care payment amounts for previous months. Only the current or latest amount is indicated. In particular, we had no data on whether or not children had stayed with a foster family prior to their institutional placement, and on what the foster care payment had been when the child was with a foster family.

Also, not all institutional placement settings are residential treatment centers.

Although another provision eliminates IV-E reimbursement for RTCs for any children under age 13, we assumed children under age 13 would be eligible to have their prior foster family receive payments for up to 90 days after the child entered institutional care.

We did not assume that any child had multiple episodes of residential treatment care (following placement settings with families) lasting up to 90 days each during the fiscal year, although this might have been the case for some children.

The quality of the foster care payment variable (FCMNTPAY) is likely very poor, according to communication with staff at ACF’s Children’s Bureau in 2012. We described our analysis of FCMNTPAY based on 2010 AFCARS data in a memo to AECF in 2012. (See the description of this analysis above in the methodology for Provision #1.)

#6: Develop IDAs for youth in care at or older than age 16.

For youth who turn 16 while in care and who spend at least 15 months total in care (includes youth who turn 18 in care and those who achieve permanency after age 16). 100% federally funded, matching youth savings up to Adoption Tax Credit amount (\$12,970 in 2013) or until youth reaches maximum age for foster care in state.

Approach:

First we calculated the date at which each child would be in care for 15 months, counting forward from the most recent removal date (LATREMDT). For those who had experienced two spells in foster care (TOTALREM=2), we added the time from the first removal, using the date of first removal (REM1DT) and the discharge date of the previous removal (DLSTFCDT). If the date the child was discharged from foster care (DODFCDT) was before they reached 15 months in care, the variable storing the date at which the child reached 15 months of care was set to missing.

Second, we identified two different groups of youth. The first group was youth that were already aged 16 or older (calculated from DOB) and had been in care for 15 months as of the beginning of FY2012. The second group was youth who became eligible for IDAs during FY2012, either by turning 16, exceeding 15 months in care, or both.

Third, to estimate the one-year cost of program implementation, we calculated the portion of the year during FY 2012 that a youth would be eligible for the program, carrying this calculation out separately for cut-off ages of 18 years and 21 years. For the first group (those eligible at the beginning FY2012), that would be 1 year minus the proportion of FY2012 spent over the cut-off age. For the second group (those who became eligible for an IDA during FY2012), that would be the percentage of the year spent eligible, minus the percentage spent over the cut-off age.

Fifth, to estimate the five-year cost of program implementation, we calculated the number of years that youth would be eligible for the program in the first five years of the program, carrying out the calculation separately for cut-offs of 18 years and 21 years. For the first group (those eligible at the beginning FY2012), that would be 5 years minus the number of years in FY2012-2016 spent over the cut-off age. The second group represented those who became eligible in each fiscal year, so each youth was counted 5 times, once for each fiscal year. Therefore, the amount of eligible time per youth would be the sum of the following:

- the portion of FY2012 spent eligible, plus 4 more years (to estimate the amount of time eligible for an IDA for those who become eligible in the first year), minus the portion of FY2012 to FY2016 spent after the cut-off age, plus
- the portion of FY2012 spent eligible, plus 3 more years (to estimate the amount of time eligible for an IDA for those who become eligible in the second year), minus the portion of FY2012 to FY2015 spent after the cut-off age, plus
- the portion of FY2012 spent eligible, plus 2 more years (to estimate the amount of time eligible for an IDA for those who become eligible in the third year), minus the portion of FY2012 to FY2014 spent after the cut-off age, plus
- the portion of FY2012 spent eligible, plus 1 more year, minus the portion of FY2012 to FY2013 spent after the cut-off age (to estimate the amount of time eligible for an IDA for those who become eligible in the fourth year), plus
- the portion of FY2012 spent eligible (to estimate the amount of time eligible for an IDA for those who become eligible in the fifth year).

Sixth, we summed all of these estimates for each state. For the 22 states that have a cut-off beyond 18 years for foster care (according to this [map](#), with the addition of Florida) we used the estimates for the 21-year cut-off. Otherwise, we used the estimates for the 18-year cut-off. The number of years was multiplied by 35% (the proportion of the adolescents in the Jim Casey Youth Opportunities Initiative who contributed) and then by \$671, the average yearly contribution. These state estimates were summed to create a 1- and 5-year estimate of costs for the program.

Limitations/notes:

AFCARS lacks information on the total time in care for children with more than 2 spells in foster care. This was approximately five percent of foster children in FY2012.

The estimates also assume that the savings rate will be the same as for the Jim Casey Youth Opportunities Initiative, which was for youth ages 16 to 24 (instead of 16 to 18 or 16 to 21 as it is in our estimates).

#7: License all kin caregivers.

Require that all children are placed in licensed homes or facilities in order for the state to receive any IV-E funds, but allow different licensing standards for relatives or kin to care for a specific child or sibling group.

Approach:

First, we identified children whose latest placement setting was with a relative family foster home (CURPLSET=2) and who were not IV-E eligible (IVEFC=0). We then calculated the number of days during the current fiscal year that these children had stayed in the relative placement. The length of time was calculated as the beginning of the fiscal year or the start date for the current placement setting (CURSETDT), whichever was later, subtracted from the end of the fiscal year or the date of discharge from foster care (DODFCDT), whichever was earlier. We then calculated the mean number of days spent in the placement, separately for each state.

Secondly, we estimated what relative foster care payments should be for children in licensed relative care. To do this, we identified children who were IV-E eligible (IVEFC=1) whose latest placement setting was with a relative (CURPLSET=2). We calculated the mean foster care payment (FCMNTPAY) separately for each state for this subgroup of children. We did not exclude children whose value for FCMNTPAY was 0, although children who were missing on FCMNTPAY were excluded from the calculation of the means. (We found that 22% of children in relative care who were IVE eligible had foster care payments of zero (FCMNTPAY=0)). One state (New Hampshire) had no children in relative placements who were IV-E eligible, so we imputed the national mean foster care payment for IV-E eligible children in relative care (700.81) for that state.

Thirdly, we obtained the number of children in each state who were living with relatives but who were in unlicensed places from SOURCE. For each state, we multiplied this number by the state's 1) average length of stay in the current year for non-IV-E-eligible children in relative placements, 2) average foster care payment rate for IV-E-eligible children in relative placements, 3) the average number of days in each month (30.4375), 4) and the 2014 FMAP rate. To estimate a gradual 5-year implementation, we multiplied each state's product by 1/5 for the first year, 2/5 for the second year, 3/5 for the third year, and 4/5 for the fourth year. The results from the calculations presuming a gradual implementation are:

Period	Projected Cost to Federal Government
Implementation Year 1	\$17,670,115

Implementation Year 2	\$35,340,230
Implementation Year 3	\$53,010,344
Implementation Year 4	\$70,680,459
Implementation Year 5	\$88,350,574
Total 5-Year	\$265,051,722

Limitations/notes:

An analysis of 32 states (Report to Congress, 2011) found that 14 percent of all children in foster care are placed with unlicensed relatives. Nine states report, among the subgroup of children in relative homes, the percentage in unlicensed home; the average across states is 62 percent.

AFCARS data include many gaps in information that we would need in order to estimate accurately the costs for this provision. AFCARS lacks information on all placement setting types used during the year and date ranges they were used. AFCARS only includes that information on the latest placement setting used. Furthermore, AFCARS does not indicate whether foster family placements are licensed or unlicensed.

Additionally, AFCARS lacks information on monthly foster care payment amounts for previous months. Only the current or latest amount is indicated. In particular, we had no data on whether or not children had stayed with a foster family prior to their institutional placement, and on what the foster care payment had been when the child was with a foster family.

For those children who had more than one placement setting in the current fiscal year, we did not assume that any of the prior placement settings were with relatives, although this very likely may have been the case for many children.

As noted previously, the quality of the foster care payment variable (FCMNTPAY) is likely very poor, according to communication with staff at ACF’s Children’s Bureau in 2012.

#8: Enhance reimbursement for foster parent development, recruitment, support.

Reimbursement rate for these expenditures (which would be reimbursed under the new Title IV-E Child Placement, Monitoring and Support program) would be increased from 50% to 75%.

Approach:

Foster parent recruitment and licensing activities are already covered by Title IV-E foster care administration under the “Provider Management” reporting category.

- Used FY2012 claims from HHS (total computable) for the “In-Placement Provider Management” category under Title IV-E foster care administration (*NOTE: FY2012 claims data from HHS includes the Port Gamble S’Klallam Tribe; our calculations using FY2012 claims data throughout this effort, therefore, included this Tribe.*)
 - Total for FY2012: \$333,639,646
 - FY 2012 federal reimbursement for these dollars (at 50% rate): \$166,819,823
- **Low estimate of new cost to federal government:**
 - Assume additional 10% of these “Provider Management” dollars (\$333,639,646) would now be claimed for “foster parent support” activities by states

- \$33,363,965
 - New total claims from states
 - \$367,003,611
 - Cost to federal government (new 75% reimbursement)
 - \$275,252,708
 - *NEW* cost to federal government (subtracting current reimbursement (\$166,819,823) from amount above)
 - **1 year: \$108,432,885**
 - **5 years (1yr*5): \$542,164,425**
- **Middle estimate of new cost to federal government:**
 - Assume additional 25% of these “Provider Management” dollars (\$333,639,646) would now be claimed for “foster parent support” activities by states
 - \$83,409,912
 - New total claims from states
 - \$417,049,558
 - Cost to federal government (new 75% reimbursement)
 - \$312,787,168
 - *NEW* cost to federal government (subtracting current reimbursement (\$166,819,823) from amount above)
 - **1 year: \$145,967,345**
 - **5 years (1yr*5): \$729,836,726**
- **High estimate of new cost to federal government:**
 - Assume additional 50% of these “Provider Management” dollars (\$333,639,646) would now be claimed for “foster parent support” activities by states
 - \$166,819,823
 - New total claims from states
 - \$500,459,469
 - Cost to federal government (new 75% reimbursement)
 - \$375,344,602
 - *NEW* cost to federal government (subtracting current reimbursement (\$166,819,823) from amount above)
 - **1 year: \$208,524,779**
 - **5 years (1yr*5): \$1,042,623,894**

Limitations/notes:

Missing data that would have otherwise informed the estimates include:

- Number of foster parents in the US
- Average “caseload” of foster parent support worker
- Number of foster parent support workers currently in the US
- Number of foster parent support workers likely hired by states as a result of this provision
- Salaries of these workers

#9: Increase foster parent tax credits for teens, sibling groups, special needs.

Increase tax credit foster parents may claim from \$1,000 to \$5,000 per child, when foster children are in the home for at least 6 months during the tax year when the children are over age 12, are siblings, or have been difficult to place.

Approach:

First, using the 2013 March Current Population survey (CPS), we counted the number of children in each household, and the total amount of the credit Child Tax Credit that each household received (CTC_CRD, ACTC_CRD). We estimated the highest possible credit as the number of children in the household multiplied by \$1,000, and then estimated the number of households that had a high enough tax liability to get that entire credit. We then estimated the number of foster children (A_EXPRRP=11) who lived in such households (weight=MARSUPWT).

Second, using the FY2012 AFCARS, using the date that they started in that placement (CURSETDT) and the date that they ended that placement (DODFCDT for children discharged from foster care or the date of the end of the fiscal year for children who remained in care through the end of the year), we calculated how many days each child had spent in their latest placement setting in FY2012. Their age at the end of the year or at the time they were discharged was also calculated (using DOB and DODFCDT or the date of the end of the fiscal year).

Third, we estimated the percentage of foster children who were in family foster care (CURPLSET=2 or 3) for more than half the year and who were either:

- Older than age 12 at the end of their time in care or the end of the year,
- Had a diagnosed disability (CLINDIS),
- Had a diagnosis of mental retardation (MR),
- Was visually or hearing impaired (VISHEAR),
- Was physically disabled (PHYDIS),
- Was diagnosed as emotionally disturbed (DSMIII), or
- Had some other diagnosed condition (OTHERMED).

Fourth, this proportion of the residential care population that met these conditions was multiplied by the estimated number of foster children that lived in a household that claimed the Child Tax Credit. This estimate of children who would have caretakers who utilize the credit and would be eligible for the additional credit, was multiplied by \$4,000, the additional money proposed.

Limitations/notes:

Most notably, we lack information on whether foster children are in the same placement settings with any of their siblings. However, there are other caveats.

AFCARS lacks information on all placement setting types used during the year other than the latest placement settings, as well as the date ranges they were used. AFCARS only includes that information on the latest placement setting used.

Additionally, while CPS includes information on foster children, those foster children who are relatives to the householder may have been listed as relatives, rather than as foster children.

Also, the Child Tax Credit is not a refundable tax. Therefore, many foster parents may not use the full amount, if their tax liability is less than \$5,000, even if they claimed the full credit. On the other hand, our estimate of the households that received a full credit in 2012 is likely an undercount, as some of the children that were living in the household may not have been eligible children.

#10: Reimburse casework time provided by child's worker of record.

Replace Title IV-E Administration with (1) new Title IV-E Overhead program and (2) new Title IV-E Child Placement, Monitoring, and Support program. The Child Placement, Monitoring, and Support program will reimburse expenses previously allowable under Title IV-E Admin and not covered under Title IV-E Overhead. All "...work-related activities of the case unit carrying the cases..." (per "When Child Welfare Works") will be

allowable under IV-E through this program, reimbursed at 50% matching rate (except foster parent-related activities from Provision #8, reimbursed at 75%).

Approach:

Assumptions: Approximately 40-42% of ongoing caseworker time is currently IV-E reimbursable (based on personal communication with former child welfare agency budget and fiscal officer; Used 40% for these calculations for a conservative estimate).

- Used FY2012 claims from HHS (total computable) for the “In-placement Case Planning & Management” and “Pre-Placement Candidates” category under Title IV-E foster care administration
 - \$2,751,540,332
- Assume this amount represents 40% of true costs to the states for ongoing caseworker time, and true costs to the states for caseworker time are:
 - \$6,878,850,830
- **Low estimate of new cost to federal government:**
 - Assume states that use Targeted Case Management (TCM) for foster care case management would be more likely to claim Medicaid for these additional costs rather than IV-E, due to higher reimbursement rates with Medicaid; Exclude these 17 states (per data collected from 49 states through the SFY2012 Casey Child Welfare Financing Survey) from the calculation. New true costs to states excluding this group is: \$5,495,057,095
 - Assume 10% of this amount used for caseworker time that will now be reimbursable through IV-E (e.g., non-clinical counseling activities):
 - \$549,505,710
 - Cost to federal government (50% reimbursement)
 - **1 year: \$274,752,855**
 - **5 years (1yr*5): \$1,373,764,274**
- **Middle estimate of new cost to federal government:**
 - Assume TCM states claim IV-E; therefore, true costs to states for caseworker time is \$6,878,850,830
 - Assume 25% of this amount used for caseworker time that will now be reimbursable through IV-E (e.g., non-clinical counseling activities):
 - \$1,719,712,708
 - Cost to federal government (50% reimbursement)
 - **1 year: \$859,856,354**
 - **5 years (1yr *5): \$4,299,281,769**
- **High estimate of new cost to federal government:**
 - Assume TCM states claim IV-E; therefore, true costs to states for caseworker time is \$6,878,850,830
 - Assume 50% of this amount used for caseworker time that will now be reimbursable through IV-E (e.g., non-clinical counseling activities):
 - \$3,439,425,415
 - Cost to federal government (50% reimbursement)
 - **1 year: \$1,719,712,708**
 - **5 years (1yr*5): \$8,598,563,538**

Limitations/notes:

Missing data that would have otherwise informed the estimates include:

- Number of case-carrying workers in the US (public agency staff as well as applicable private agency staff)
- Salaries of these workers
- % time spent on non-clinical counseling and other activities that would now become IV-E reimbursable
- Behavior of TCM states: would they claim IV-E for any of these newly allowable expenses, or claim Medicaid? Also, we identified TCM states through data submitted thus far from the SFY 2012 Casey Child Welfare Financing Survey, which not all states have responded to at the time of this memo. Thus, there may be additional states that use TCM who should otherwise be included in this group.

#11: Forgive caseworker student loans after 4 years.

Amend the College Cost Reduction and Access Act of 2007 to reduce time to initiate loan forgiveness from 10 years to 4 years for employees of public child welfare agencies (or private agencies under contract with public agency).

Note: These projections are particularly limited by a lack of data on the child welfare workforce with regards to size and tenure, as well as characteristics regarding the education loans held by staff. Further, the loan debt and repayment plan characteristics of individuals with federal direct loans may be highly variable. Within the constraints of these limitations, below we propose a sample methodology for approximating potential costs to the federal government, informed by data whenever possible.

Approach:

To calculate the number of workers eligible for loan forgiveness:

- Used BLS data on number of “child, family, and school social workers” who worked in “State and local government, excluding education and hospitals” in 2012
 - **118,100 workers**
 - Of these workers, assume 50% stay for at least 4 years (conservative estimate, informed by variety of estimate in tenure research): **59,050 workers**
 - Of these workers, assume 50% have eligible (i.e., direct federal loans) student loan debt (informed by NASW workforce study [2008; <http://workforce.socialworkers.org/whatsnew/swanddebt.pdf>] finding that 69% of members surveyed had debt due to social work education; assume not all have direct federal loans: **29,525 workers**
 - **For Low estimate of new cost to federal government:**
 - Of these workers, assume 5% of group per year reaches the 4 year mark: **1,476 workers per year eligible for loan forgiveness each year**
 - **For Middle estimate of new cost to federal government:**
 - Of these workers, assume 10% of group per year reaches the 4 year mark: **2,953 workers per year eligible for loan forgiveness each year**
 - **For High estimate of new cost to federal government:**
 - Of these workers, assume 25% of group per year reaches the 4 year mark: **7,381 workers per year eligible for loan forgiveness each year**

To calculate the total amount owed on their applicable loans after 4 years

- Assume employment started at child welfare agency in Month 1 of their repayment period (i.e., that they have only made 48 payments on their loan by the end of 4 years)
- Used FY 2014 data from U.S. Department of Education (Q2) to approximate the average amount of “direct federal loans” owed by people in “repayment status”:

- ~\$24,000 (see: “Direct Loan and Federal Family Education Loan Portfolio by Loan Status” file: <https://studentaid.ed.gov/about/data-center/student/portfolio>; calculated average based on “Dollars outstanding” and “Recipients” columns under “Repayment”)
 - Assume 6.8% interest (conservative estimate using historical interest rate data from U.S. Dept of Education: <http://www.direct.ed.gov/calc.html>)
 - Assume a 10 year payment plan (According to U.S. Department of Education, most borrowers use the standard repayment plan for these loans; <http://www.direct.ed.gov/inrepayment.html>)
- Used an online loan repayment calculator (<http://www.finaid.org/calculators/scripts/loanpayments.cgi>) to determine that:
 - Monthly payment for this type of loan would be: \$276.19
 - Total amount paid at the end of the repayment period (incl. interest) would be: \$33,143.28
- After 48 months (4 years), amount paid towards loan balance is $\$276.19 * 48$:
 - \$13,257.12
- Amount remaining on loan after 48 months is $\$33,143.28 - \$13,257.12$:
 - **\$19,886.16**

To calculate the cost to the federal government

Assumption: In absence of this provision, with a 10 yr repayment plan, the amount the federal government would otherwise be paying for these workers would be \$0 (i.e., loans would be fully paid back after 10 years). Therefore, any costs calculated here are all “new” costs to the federal government.

- Multiplied the estimate for the amount remaining on the loan (\$19,886.16) by the number of workers eligible for forgiveness (estimated above) to approximate a total cost of “forgiving” these loans at 4 years:
- **LOW estimate:**
 - 1,476 workers * \$19,886.16 = \$29,356,944
 - Cost to federal government:
 - **1 year: \$29,356,944**
 - **5 years (1yr*5): \$146,784,719**
- **MID estimate:**
 - 2,953 workers * \$19,886.16 = \$58,713,887
 - Cost to federal government:
 - **1 year: \$58,713,887**
 - **5 years (1yr*5): \$293,569,437**
- **HIGH estimate:**
 - 7,381 workers * \$19,886.16 = \$146,784,719
 - Cost to federal government:
 - **1 year: \$146,784,719**
 - **5 years (1yr*5): \$733,923,593**

Limitations/notes:

Missing data that would have otherwise informed the estimates include:

- Number of individuals employed by public child welfare agencies or private agencies under contract with public agencies
- Of these individuals
 - Number who will stay at the child welfare agency for at least 4 years
 - Number who have stayed at the child welfare agency for at least 4 years but less than 10 (and who therefore would immediately become newly eligible for forgiveness)
 - Of these individuals:
 - Number who have federal direct student loans (i.e., those loans eligible for loan forgiveness per the College Cost Reduction and Access Act of 2007)
- Of the applicable loans:
 - Average amounts owed
 - Interest rates
 - Repayment plan (e.g., Standard, Extended, Graduated, Income Contingent)
- Of the applicable individuals with applicable loans:
 - How far into loan repayment did employment with public child welfare agency service begin (i.e., how many months remaining in repayment plan after 48th payment (4 yrs)

#12: Reimburse child protective investigation training.

Make competency-based training of CPS workers Title IV-E reimbursable.

Approach:

- Used FY2012 claims from HHS (total computable) for Title IV-E training
 - Foster care: \$248,816,664
 - Adoption Assistance: \$28,096,123
 - Guardianship Assistance: \$58,626
 - **Total IV-E training claims: \$276,971,413**
- **LOW:**
 - Assume additional 5% of FY 2012 total claims would be claimed by states for CPS training:
 - \$13,848,571
 - Cost to federal government (75% reimbursement):
 - **1 year: \$10,386,428**
 - **5 years (1yr*5): \$51,932,140**
- **MID:**
 - Assume additional 10% of FY 2012 total claims would be claimed by states for CPS training:
 - \$27,697,141
 - Cost to federal government (75% reimbursement):
 - **1 year: \$20,772,856**
 - **5 years (1yr*5): \$103,864,280**
- **HIGH:**
 - Assume additional 25% of FY 2012 total claims would be claimed by states for CPS training:
 - \$69,242,853
 - Cost to federal government (75% reimbursement):
 - **1 year: \$51,932,140**
 - **5 years (1yr*5): \$259,660,700**

Limitations/notes:

Missing data that would have otherwise informed the estimates include:

- CPS training costs currently incurred by states

#13: Eliminate eligibility determination from Title IV-E.

Eliminate income eligibility requirement from Title IV-E, and adjust federal matching rates to maintain current federal reimbursement levels.

Cost neutral, presuming appropriate adjustments to IV-E programs that use cost allocation methods.

#14: Eliminate Title IV-E Administration and replace it with a new Title IV-E Overhead program and new Title IV-E Child Placement, Monitoring and Support program

Replace Title IV-E Administration with (1) new Title IV-E Overhead program and (2) new Title IV-E Child Placement, Monitoring, and Support program. Overhead expenses limited to 5% of all other allowable IV-E reimbursement, and reimbursed at 50% matching rate.

Approach:

Used FY 2012 Title IV-E claims from HHS and Chafee Foster Care Independence Program and Chafee ETV Program dollars (*per the Catalog of Federal Domestic Assistance*)

(1) Create new Title IV-E Child Placement, Monitoring and Support Program

- Total Federal share of FY 2012 Title IV-E Administration (1 yr savings to fed government): **\$2,386,184,565**
- Eliminate federal share of “In-placement Eligibility Determinations” (due to provision #13 eliminating income eligibility): **\$79,670,180**
- Eliminate federal share of “In-placement Agency Management” (due to overlap with new Title IV-E Overhead program): **\$264,295,942**
 - Resulting savings to federal government (eligibility determination + agency mgmt):
 - **1 year: \$343,966,122**
 - **5 years (1yr*5): \$1,719,830,610**

Expected Federal share for new Title IV-E Child Placement, Monitoring and Support Program, excluding newly eligible casework activities and foster parent support activities (per other provisions): **\$2,042,218,443**

Sum of:

- Foster Care Administration (In-placement & pre-placement candidates; (minus agency management and eligibility determinations): **\$1,542,589,989**
- SACWIS: **\$112,953,751**
- Adoption Administration (Agency & Non-recurring): **\$379,917,745**
- Guardianship Administration (Agency & Non-recurring): **\$6,756,958**

(2) Create new IV-E Overhead Category, capped at 5% of all other IV-E dollars

- Total Federal share of FY 2012 other Title IV-E costs: **\$7,211,645,176**

Sum of:

- Foster care maintenance payments (less child support): **\$1,354,142,486**
- Foster care demonstrations: **\$667,942,255**
- Adoption assistance payments: **\$1,876,838,750**
- Adoption demonstrations: **\$8,683**
- Guardianship assistance payments: **\$54,510,387**
- Post-demonstration guardianship assistance: **\$6,907,713**
- Chafee Foster Care Independence Program (incl. ETVs): **\$182,479,904**

- *NEW: Federal share of IV-E CPS training; selecting mid-range estimate: **\$20,772,856***
- *NEW: Federal share of IV-E Child Placement, Monitoring and Support program (\$2,042,218,443 + mid-range estimate for additional casework from Provision #10 + mid-range estimate for foster parent support activities from Provision #8): **\$3,048,042,142***
- 5% of total other IV-E costs (federal share): **\$360,582,259**
- Reimbursed at 50% match rate: **\$180,291,129**
 - Resulting costs to federal government:
 - **1 year: \$180,291,129**
 - **5 years (1yr*5): \$901,455,647**

Net savings to federal government:

- Savings from eliminating Title IV-E Admin “Eligibility Determination” & “Agency Management” categories – Costs to creating new Title IV-E Overhead program
 - **1 year: \$163,674,993**
 - **5 years (1yr*5): \$818,374,963**

Limitations/notes:

The overall changes to the IV-E program as a result of these provisions will subsequently change the “all other allowable IV-E reimbursement” amounts, and therefore the resulting 5% of “all other allowable IV-E reimbursement” is likely to look different from what is presented here. Additionally, the Federal Guardianship Assistance program can be expected to grow in subsequent years as more states take up the KinGAP option per the Fostering Connections Act and/or increase claims to this program.