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FUNDING SOURCES FOR POST-PERMANENCY SERVICES

Child welfare leaders often want to know the best way to fund their support services for adoptive and guardianship families.

In practice, how states fund post-permanency services is very individualized and there is no one way to do it. This article explores some of the most common options that states can use to fund post-permanency programs, outlining the strengths and challenges inherent in each. It is intended to provide a general overview of the different funding sources that states[1] might consider when looking to fund a post-permanency program.

When considering funding sources, it's important to consider that a well-designed, focused, and well-executed post-permanency program can be largely self-financing as it results in reductions in expensive out-of-home placements or higher levels of care. See the following articles for additional information:

- Building a Strong Case for Funding Enhanced Post-Permanency Services
- Post-Permanency Services: A Worthwhile Investment

Most states fund their post-permanency programs with a combination of federal and state (or state and local) funds. Non-federal funds will need to be a key part of most states' funding structure, and it's best to assume that at least half of funds will come from state or local sources.

1 The Post-Adoption Center has chosen to focus on states here due to the significant variability in funding for tribal nations and territories. Some of the information is relevant to tribal nations and territories and we have noted when those entities are eligible for each funding stream.

Adoption and Guardianship Subsidy Programs

This article addresses funding for post-permanency programs that are offered in addition to the typical monthly payment and Medicaid coverage available to many children adopted or placed in guardianship from foster care. But adoption and guardianship assistance programs are a foundational element of supporting families after permanency. As part of their work to support adoptive and guardianship families who receive adoption/guardianship assistance, state leaders can consider if there are ways to enhance their subsidy programs, including by offering additional financial support for special services or by enhancing their Medicaid coverage.

In some states, for example, adoption and guardianship subsidy programs cover the costs of respite care, counseling, residential treatment, child care, and other special services for children who need these supports. In other states, the availability of such services can be incorporated into the subsidy agreement, which enables an eligibility pathway to other programs that finance the services. Some states also offer higher levels of financial support depending on children's specific diagnoses or other challenges.

Enhancing services available through Medicaid is more complicated because the child welfare agency typically does not control the Medicaid program and

adoption-competent services may not be difficult to find throughout the state. To address this challenge, the state child welfare agency should establish and maintain a strong ongoing working relationship with the state's Medicaid agency(s), and when relevant, with state-contracted managed care organizations. Through such partnerships, the child welfare agency can help to make sure that Medicaid's Early and Periodic Screening, Diagnostic and Treatment (EPSDT) program for children and teens reflects the needs of the children, youth, and families in adoptive and guardianship families.

Adoption and guardianship assistance programs are funded with state and local tax dollars, with federal matching from the Medicaid and Title IV-E Adoption and Guardianship Assistance programs. There is significant federal support for adoption and guardianship assistance—particularly adoption assistance given its higher Title IV-E eligibility rates—which means that the purchasing power of state and local tax dollars is increased.

FUNDING STREAMS

Outlined below are the funding streams that are the most likely options for post-permanency services programs, those that are sometimes part of states' funding plans, and a few that are used less frequently. On pages 6-, charts provide more detailed information about the funding streams most commonly used for post-permanency support.

Best Post-Permanency Funding Options

- **State and local tax dollars** — For most sites, state and local funds will be a foundational part of their post-permanency funding strategy. Once secured, these funds are often flexible and can serve as a match for those federal funding streams that require one.

- **Title IV-B, subparts I and II** — Many states use Title IV-B, subpart 2 funds (Promoting Safe and Stable Families) to fund their post-permanency service programs. Federal guidelines require that at least 20 percent of IV-B2 funds be spent on adoption promotion and support. Post-permanency services are a natural fit in this area. Title IV-B, subpart 1 funds (Child Welfare Services) can be used for a broad array of services, including post-permanency supports.

- **Medicaid** — As noted in the box above, most children adopted from care and many placed in guardianship from foster care have Medicaid for their primary health insurance through the adoption and guardianship subsidy program. As a result, for these children, Medicaid covered services are a key part of supporting their physical and mental health after permanency. But Medicaid can support post-permanency services in other ways as well, such as if a program's post-permanency counseling services are eligible for Medicaid coverage or if Medicaid managed care organizations offer specialized supports to their adoption and guardianship population.

- **Title IV-E** — *As explained above, Title IV-E Adoption Assistance and Guardianship Assistance are foundational sources of funding for adoption and guardianship assistance programs, including basic monthly subsidies as well as enhanced services and supports for children who are eligible to receive subsidies. But IV-E can provide other supports for post-permanency programs as well. For example, as long as the training is included in the state's IV-B plan and covers allowable topics, states can receive up to* 75 percent reimbursement for their in-service and pre-service training of adoptive parents, guardians, and child welfare professionals. Title IV-E administrative funds may also be able to partially cover costs of in-service support groups, information and referral, family outreach activities, and other elements of a support program.

- **Title IV-E Prevention Program** — Through the Family First Prevention Services Act (FFPSA), states have the opportunity to receive open-ended federal reimbursement of certain services to prevent foster care entry, including services for adoptive and guardianship families. IV-E Prevention can pay for certain case-specific services deemed necessary to prevent disruption and strengthen adoptive and guardianship family stability, as well as some related administrative costs.

- **Adoption savings** — The Preventing Sex Trafficking and Strengthening Families Act of 2014 requires states to spend 20 percent of the funds earned through the 2008 Fostering Connections to Success and Increasing Adoption Act's expansion of IV-E adoption assistance eligibility on supporting adoptive and guardianship families. As a result, these "adoption savings" can be an excellent option for post-permanency programs.

Good Secondary Funding Possibilities

- **Adoption and Guardianship Incentive Program Payments** — Because incentive payments are earned based on increases in the adoption and guardianship rates and they must be spent on child welfare purposes, there is good reason for decision makers to invest them in post-permanency services. Amounts vary year to year, so it can be difficult to use them for ongoing programs. But incentive payments can be a great option to fund a pilot program to prove the efficacy of new or enhanced post-permanency services.
- **Social Service Block Grant (SSBG)** — These funds have broad flexibility and can often be used to fill in gaps for services not covered by Medicaid or other funding streams.
- **Temporary Assistance to Needy Families (TANF)** — Because TANF can be used to "provide assistance to families in need so that children may be cared for in their own homes or in the homes of relatives," it can be part of the array of funding used to help sustain adoptive and guardianship families. Like SSBG, TANF is most often used to fill gaps that other funds can't cover.
- **Foundation and other donated funds** — In general, unless restricted by the donor, foundation grants and other donations have broad flexibility and can usually be used as a match for federal funds that require a non-federal contribution. Using these donated funds can be a great way to create and prove the value of a pilot program.

Other Options

Sites may also want to explore the following funding streams to see if they can play a part in funding some of their post-permanency services. They are not as commonly used, but some states have allocated these funds to support adoptive and guardianship families.

- **Child Care Development Block Grant** — This program provides states, territories, and tribal nations funding support for child care assistance for low-income families. States can choose to create a special pathway to make children in adoptive and guardianship families categorically eligible for this assistance or otherwise prioritize their access.
- Ma**ternal and Child Health Block Grant** — This section of the Social Security Act funds grants to states to address child and maternal health, particularly for mothers, children, and youth in rural areas and who have limited financial resources. Services covered can include health assessments and follow-up treatment and systems of coordinated care for children with special health needs.
- **Maternal, Infant, and Early Childhood Home Visiting Program** — The program provides states, territories, and tribal nations with funds to support select evidence-based in-home services for pregnant people and families with young children up to age 5. Services are to support families at high risk of adverse outcomes, including families of children with developmental delays. One of the program's approved

interventions—Attachment and Biobehavioral Catch-Up Intervention—has specifically been shown to be effective with adopted children and children in kinship care.

- **Victims of Crime Act** — The 1984 Victims of Crime Act created a fund that states can use to make grants to support organization that provide direct services to victims of crimes. A few jurisdictions have used these funds to support adopted children who were abused or neglected.
- **Older Americans Act** — The Act's National Family Caregiver Support Program allows states and territories to use the funds meet the needs of a variety of older Americans, including those 55 and older who are caring for children and youth younger than 18. As a result, these funds have been used in some states to support kinship caregivers, including guardians.

BLENDING OF FUNDING STREAMS

Each of the above funding streams may have a different place in a site's funding plan. When sites are seeking to test or pilot a new program to demonstrate the value of investing in post-permanency supports, for example, the best funding options may be state or local funds, foundation grants and other donations, and adoption and guardianship incentive awards.

Once a post-permanency program is up and running, key elements of funding are likely to include state and local funding, Title IV-B2, incentive awards, Title IV-E, and adoption savings. Depending on the programming offered, these funds can be supplemented by the funding streams that only cover case-specific interventions (rather than program operations), such as Medicaid and IV-E Prevention.

And, of course, Title IV-E and Medicaid will be a key part of any supports and services for those children eligible for the adoption and guardianship subsidy programs.

Each site will need to develop its own strategies to fund its new or expanded post-permanency program. Leaders will also want to have a plan in place to ensure responsible stewardship of the funds and to evaluate services to demonstrate why ongoing funding is a worthwhile public or community investment.

For more information about how other sites fund their programs, leaders can review individual state post-permanency profiles in the Post-Adoption Center's resource library.

State and Local Tax Dollars

What It Covers	1. The cost of any post-permanency program, service, or support that a site sees as providing value. Often these funds are used for services for which there is no federal reimbursement pathway or when the site chooses to forgo federal reimbursement for policy reasons. 2. Can be used as the non-federal share (or match) for federal funding streams that require them. 3. In many jurisdictions, but not all, state and local funds are used to fund monthly cash subsidies to families who adopt or take guardianship of eligible children from foster care when those children do not qualify for Title IV-E assistance.
What it Doesn't Cover	Anything prohibited by state law or local ordinance
Why It Works for Post-Permanency	Because they are often not deeply tied to eligibility criteria or other limiting factors beyond the uses they are appropriated for, state and local funds can provide ultimate flexibility. As a result, state and local funds represent the glue that brings all of the pieces together and binds them. It fills in the gaps and can be used to leverage federal matching funds to extend the overall purchasing power of each dollar invested.
Eligibility	None unless there is limiting language in state law or local ordinance
Funding Limits	n/a
Federal Matching Requirement[2]	n/a
Challenges	State and local funds are derived from tax revenues so appropriation levels are finite from year to year, can be highly variable, and are closely correlated to the overall condition of the state and local economy. Because these funds must be appropriated by state legislatures and local policymakers (or even approved by direct vote of local taxpayers), child welfare leaders may have to make the case for funding over time and demonstrate effective use of the funds.

2 Non-federal dollars that need to be spent to access the federal funds

Title IV-B of the Social Security Act, Subpart 1

(Stephanie Tubbs Jones Child Welfare Services Program) and Subpart 2 (Mary Lee Allen Promoting Safe and Stable Families Program/PSSF)

What It Covers	1. Subpart 1 may be used for any child welfare service. 2. Subpart 2 must be used for services that support four programmatic themes: • Family support — Prevent child maltreatment among families at risk through the provision of supportive family services • Family preservation — Assure children's safety within the home and preserve intact families in which children have been maltreated, when the family's problems can be addressed effectively • Family reunification — Address the problems of families whose children have been placed in foster care so that reunification may occur in a safe and stable manner in accordance with the Adoption and Safe Families Act of 1997 • Adoption promotion and support — Support adoptive families by providing support services as necessary so that they can make a lifetime commitment to their children 3. HHS guidance requires each state to budget at least 20% of its subpart 2 annual award into each of the four programmatic themes. States can deviate from this if they provide a rationale. 4. Services can be provided on a case-specific or a population unit basis.
What it Doesn't Cover	1. Neither subpart can fund any medical costs. Those must be financed using other sources. 2. There is a 10% cap on administrative costs for each subpart. 3. There are limits on the use of subpart 1 funds for foster care maintenance costs and adoption assistance payments. Those costs are not allowable under subpart 2.
Why It Works for Post-Permanency	Both subparts are useful to finance a wide variety of services with little limitation. Title IV-B's funding flexibility makes it extremely valuable as a finance source to fill in gaps that other federal resources do not reach. Given the 20% spending requirement on adoption promotion and support, many states use subpart 2 to fund post-permanency services.
Eligibility	None (unless the state creates criteria)
Funding Limits	1. Each award is capped. Funds are awarded annually to each state, qualifying territory, and qualifying tribal nation. 2. Each annual award must be spent within two years. 3. Annual award levels are variable and driven by the size of Congressional appropriations and data used to divide the appropriation among the state, territories, and tribal nations.

Federal Matching Requirement	25% of total cost for both subparts; donated funds and fairly valued in-kind services can be used for the match for both subparts
Challenges	Title IV-B awards are capped to a finite amount each year. As a result, each state's award is almost always fully committed even before it is received. It is rare that there is any money available to support new programming.

Medicaid, Title XIX of the Social Security Act

What It Covers	Medically necessary medical services—both physical health care and behavioral health care services; services must be: 1. provided on a case-specific basis, 2. determined to be medically necessary by a party qualified to do so, and 3. provided by a party licensed to do so. EPSDT is specifically designed to ensure comprehensive and preventive health care services for children under age 21.
What it Doesn't Cover	1. Generally does not cover room and board costs associated with even a medically necessary placement. 2. Generally cannot be used to pay for social services. 3. With limited exceptions, it cannot pay for otherwise allowable services that are not included in a state's Medicaid State Plan. 4. Generally does not cover child welfare style case management.
Why It Works for Post-Permanency	Almost all children who receive adoption assistance and most children who receive IV-E guardianship assistance are also eligible for Medicaid. This creates a pathway through which children can receive many physical and behavioral health services. Medicaid can be the first and primary payer for many of the behavioral health services provided to eligible children either in the community or in a specific post-permanency program.
Eligibility	1. A person must be determined to be Medicaid eligible and designated as such. This is true even for persons who have been designated as categorically eligible. When families move, they need to reapply for Medicaid in the new state. 2. Medicaid will only pay for allowable services performed by qualified providers who have agreed to execute a Medicaid provider agreement with the state.
Funding Limits	None. The Medicaid program is funded as an open-ended entitlement. A state may, however, agree to a reimbursement cap as part of Medicaid waiver program.

Federal Matching Requirement	1. Service costs are partially reimbursed to each state at the Federal Medical Assistance Percentage (FMAP) rate. The portion of the cost that is not reimbursed is considered to be the non-federal share or match. 2. State FMAP reimbursement rates vary annually but are never below 50% of allowable cost. 3. Donated funds and in-kind costs cannot be used as the match for service costs except in very limited circumstances.
Challenges	The state's Medicaid plan is typically not in the control of the child welfare agency. In many jurisdictions, control and operation of the Medicaid program has been contracted to managed care organizations. Medicaid may not cover the services a child needs. In addition, families may experience significant challenges finding adoption-competent providers who accept Medicaid. A portion of the adoption and guardianship populations do not have Medicaid coverage.

Title IV-E Adoption Assistance

What It Covers	1. Monthly cash subsidies to families who adopt eligible children from foster care. Subsidy is interstate portable. 2. Partially reimburses adopting families for out-of-pocket costs incurred to adopt an eligible child. 3. Each eligible child receives automatic eligibility for Medicaid health care. 4. Partially reimburses states, participating territories, and eligible tribal nations for certain administrative costs associated with program operations and case management, and outreach. 5. Partially reimburses sites for pre-service and in-service costs for staff and adoptive family training.
What it Doesn't Cover	The subpart cannot fund any medical or social service costs. Those must be financed using other sources.
Why It Works for Post-Permanency	The adoption assistance subpart is foundational and core to post-permanency and supports via its cash assistance subsidy and medical coverage. Almost all children adopted from foster care are now IV-E eligible. IV-E administrative and training can also cover such soft supports as training, support groups, child and family activities, information and referral, newsletters and web sites, provider development costs, and program infrastructure costs. (Direct services such one-on-one respite care or counseling for adoptive families cannot typically be funded through IV-E.) IV-E Foster Care administrative funds can be used to provide supportive services to adopted children who have been identified as a candidate for foster care re-entry.

Eligibility	1. Child must be determined to meet the state's or tribal nation's "special needs" criteria. Each state and approved tribal nation defines its own criteria, but it must, at a minimum include children who meet child disability eligibility criteria under the Supplemental Security Income (SSI) program. 2. Subsidy is payable up to age 18. At state or tribal nation option, the subsidy can continue up to age 21 if the child has a mental or physical disability (defined by the state or tribal nation). The state or approval tribal nation can choose continue benefits up to age 21 for all/most recipients if they exercise the option to generally extend Title IV-E foster care maintenance coverage to 21.
Funding Limits	None
Federal Matching Requirement	1. Subsidy cost is reimbursed to sites at the same rate as medical costs under Medicaid. The amount varies from year to year and site to site. The portion of the cost not reimbursed constitutes the non-federal share or match. 2. Allowable administrative costs are reimbursed at a theoretical rate of 50% of total cost. 3. Allowable training costs are reimbursed at a theoretical rate of 75% of total cost. 4. Subject to certain conditions, donated funds may be used as the non-federal share for administrative costs, but not training or subsidy costs.
Challenges	Although the theoretical federal reimbursement rate for allowable administrative costs is 50% and for training costs is 75%, the application of federal cost allocation principles often results in lower functional reimbursement rates. That means the site almost always bears a greater percentage of the actual cost.

Title IV-E Guardianship Assistance

What It Covers	1. Monthly cash subsidies to families who take guardianship of eligible children from foster care. Subsidy is interstate portable. 2. Partially reimburses adopting families for out-of-pocket costs incurred to take guardianship an eligible child. 3. Each eligible child receives automatic eligibility for Medicaid health care. 4. Partially reimburses states, territories, and eligible tribal nations for certain administrative costs associated with program operations and case management, and outreach. 5. Partially reimburses states, territories, and eligible tribal nations for pre-service and in-service costs for staff and guardianship family training.
What it Doesn't Cover	The subpart cannot fund any medical or social service costs. Those must be financed using other sources.
Why It Works for Post-Permanency	The guardianship assistance subpart is foundational and core to post-permanency and supports via its cash assistance subsidy and medical coverage.

Eligibility	Children must have been eligible for Title IV-E Foster Care maintenance payments during at least a six consecutive month period during which the child resided in the home of the prospective relative guardian who was licensed or approved as meeting the licensure requirements as a foster family home. In addition, the state or tribal agency must determine: 1. that return home or adoption are not appropriate permanency options for the child; 2. the child demonstrates a strong attachment to the prospective relative guardian; 3. the relative guardian has a strong commitment to caring permanently for the child; and 4. for children who have attained the age of 14, the child has been consulted regarding the kinship guardianship arrangement. Beneficiaries may also be siblings of eligible children placed in the same kinship guardianship arrangement. Subsidy is payable up to age 18. At state or tribal nation option, the subsidy can continue up to age 21 if the child has a mental or physical disability (defined by the state or tribal nation). The state or approval tribal nation can choose continue benefits up to age 21 for all/most recipients if they exercise the option to generally extend Title IV-E foster care maintenance coverage to 21.
Funding Limits	None
Federal Matching Requirement	1. Subsidy cost is reimbursed to states, territories, and tribal nations at the same rate as medical costs under Medicaid. The amount varies from year to year and site to site. The portion of the cost not reimbursed constitutes the non-federal share or match. 2. Allowable administrative costs are reimbursed at a theoretical rate of 50% of total cost. 3. Allowable training costs are reimbursed at a theoretical rate of 75% of total cost. 4. Subject to certain conditions, donated funds may be used as the non-federal share for administrative costs, but not training or subsidy costs.
Challenges	In most sites, fewer than half of children are IV-E eligible. Subsidies are not interstate portable. Although the theoretical federal reimbursement rate for allowable administrative costs is 50% and for training costs is 75%, the application of federal cost allocation principles often results in lower functional reimbursement rates. That means the site almost always bears a greater percentage of the actual cost.

Title IV-E Prevention Services

What It Covers	1. Services provided to children and their families that are designed to prevent children from entering foster care, and services designed to support children who have been placed with kin. Services can be for up to 12 months, but may be extended on a case-by-case determination of continued need for services. Services must be: a. in one of two categories—mental health and substance abuse prevention and treatment services or in-home parent skill-based programs; b. ranked as promising, supported, or well-supported by the nationalbranking body created for that purpose; and c. executed to the fidelity required by their practice model, and be provided under an organizational structure and treatment framework that involves understanding, recognizing, and responding to the effects of all types of trauma and also in accordance with recognized principles of a trauma-informed approach and trauma-specific interventions to address trauma's consequences and facilitate healing be trauma informed. 2. Child-specific case management costs of a prevention services plan 3. Administrative and training costs incurred to operate the plan option
What it Doesn't Cover	1. Physical health care 2. Services and programming that are not ranked by the ranking body or that receive conditional approval from HHS 3. Services provided beyond the amount, duration, and scope for such delineated in the child's case plan 4. Any service or operating cost if a state fails to meet its annual maintenance of effort requirement, if any 5. Except in limited circumstances, otherwise allowable services that can be paid for by other public or private funding programs (e.g., Medicaid)—FFPSA is required to be payer of last resort 6. The total cost of services a state may claim for reimbursement in any given federal fiscal year claiming period is limited to double the amount it spends on services ranked as well-supported for that same period. Allowable service costs in excess of that amount will be reimbursed.
Why It Works for Post-Permanency	IV-E Prevention can be a funding resource for key evidence-based services that effectively serve adoptive and guardianship families. It can pay for case-specific services deemed necessary to prevent disruption and strengthen family stability in an individual family's case. As a result, IV-E Prevention can work well to complement and supplement the array of service and program costs that can be financed under other funding streams.

Eligibility	1. A child must be determined to be a "candidate for foster care." Each state has the ability to define what constitutes such candidacy. Candidacy determinations must be made on a case-by-case basis. There is no presumptive or automatic qualification of candidacy. 2. Each child/family must have a written case plan that expressly delineates the amount, duration, and scope of services that are going to be provided. A child welfare agency may contract with other governmental and non-governmental parties concerning the development and execution of a case plan. When doing so the child welfare agency must oversee and supervise the party to whom performance has been delegated or contracted. 3. Although eligibility is determined on a child-specific basis, all members of a child's family may be service recipients when the purpose of those services is to mitigate the basis for the child's eligibility determination.
Funding Limits	None
Federal Matching Requirement	1. 50% for allowable service costs through September 30, 2026. After that, allowable service costs are partially reimbursed to each State at its applicable Federal Medical Assistance Percentage (FMAP) rate (and 70% for the District of Columbia). The portion of the cost that is not reimbursed is considered to be the match. State FMAP reimbursement rates vary annually but are never below 50% of allowable cost 2. 50% for child-specific case management costs 3. 50% for training costs 4. 50% for administrative costs required to operate the plan option 5. Donated funds and in-kind costs cannot be used as the match
Challenges	Designing and operating the infrastructure to coordinate IV-E Prevention services, Title IV-E, and Medicaid can be challenging. To comply with the payor of last resort requirement, the child welfare agency is almost always required to closely coordinate services and benefits with multiple state agencies.

Adoption Savings

In 2008, the Fostering Connections to Success and Increasing Adoptions Act phased out the income requirements related to eligibility for Title IV-E Adoption Assistance. This represented a financial gain (or savings) for states since they could now receive partial federal reimbursement for adoption assistance payments for children who otherwise would not have been IV-E eligible. To ensure that those savings remain invested in child welfare programming, the Act requires States to annually calculate these "adoption savings" and provide a statement of such amount to HHS. In 2014, the Preventing Sex Trafficking and Strengthening Family Act required states to spend a portion of these savings on post-permanency services.

What It Covers	1. At least 30% of the adoption savings must be spent on post-adoption services, post-guardianship services, and services to support and sustain positive permanency outcomes for children who otherwise might enter into foster care, with at least 20% of the savings spent on supports for post-adoption and post-guardianship services. 2. Other than as noted in 1 above, funds can be used for any child welfare service allowed under Titles IV-B and IV-E. 3. Funds must be used to supplement, not supplant, any federal or non-federal funds used to provide any services.
What it Doesn't Cover	1. The funds cannot be used for medical costs. 2. The funds cannot generally be used for the non-federal share for other federal funds.
Why It Works for Post-Permanency	Federal law requires 20 percent of the savings funds to be spent to support adoptive and guardianship families. Savings have almost the same flexibility that state and local funds have.
Eligibility	n/a
Funding Limits	Availability is subject to Congressional appropriation and each state's specific savings calculation
Federal Matching Requirement	None
Challenges	The Act does not require states to discretely appropriate or escrow the adoption savings or give a timeline by which funds must be spent. The funds are comingled with other IV-E reimbursements, and become state and local funds upon payment. As a result, legislative action is typically needed to designate how the funds will be spent. The amount of savings varies from year to year based on the state's number of adoptions and the amount of adoption assistance that would otherwise have been non-IV-E eligible.

Adoption and Guardianship Incentive Program Payments

What It Covers	Any Title IV-B or IV-E allowable child welfare service
What it Doesn't Cover	1. The funds cannot be used for any medical costs. 2. A state may not use the funds to supplant any other federal or state, local, or tribal spending.
Why It Works for Post-Permanency	Because these funds have maximum flexibility, require no matching funds, and have a three-year spending window, they represent an excellent source of seed capital to demonstrate the effectiveness of new programming. These funds are also extremely valuable to fill in gaps that other federal and state resources cannot cover.
Eligibility	n/a
Funding Limits	1. Each award is capped. 2. Funds are awarded annually and not every state receives an award. Award levels are directly correlated to a state's success in increasing their adoption and guardianship rate from year to year. 3. The total amount of money that can be awarded each year is subject to Congressional appropriation. 4. Each annual award must be spent within three years.
Federal Matching Requirement	None
Challenges	The combination of the need for ongoing Congressional appropriations and the variability of each year's award do not make incentive awards a stable source of funds for ongoing programming.

Social Services Block Grant, Title XX of the Social Security Act

What It Covers	1. Services must be directed at one or more of five broad statutory goals: • Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency • Achieving or maintaining self-sufficiency, including reduction or prevention of dependency • Preventing or remedying neglect, abuse, or exploitations of children and adults unable to protect their own interest or preserving, rehabilitating, or reuniting families • Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care • Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions "purposes" 2. Case management costs 3. Administrative and training costs incurred to operate the program
What it Doesn't Cover	1. Most physical health care costs 2. Most foster care placement costs 3. Most economic assistance costs
Why It Works for Post-Permanency	Given the broad flexibility states and territories have in defining services to fund, SSBG can be used to support a broad array of post-permanency service costs that Medicaid and IV-E Prevention cannot cover. As a result, SSBG can be used to fill gaps in a service array. Moreover, SSBG expenditures do not require any match.
Eligibility	Each state and territory defines who is eligible and what services will be offered.
Funding Limits	SSBG is funded as a capped entitlement block grant. Each state and territory receives approximately the same amount of money each year unless Congress authorizes additional funds.
Federal Matching Requirement	None

Challenges	SSBG is often already fully obligated and spent in most jurisdictions. There is no surplus available to redeploy. Currently, in most jurisdictions, a significant majority of each year's SSBG award is spent for information and referral services, child protective services and investigations, and adult protective services and senior services. In some jurisdictions, child day care and institutional foster care may also be significant program costs. In addition, budgetary control of SSBG is often vested in a governmental unit other than the child welfare unit—requiring either inter- or intra-departmental cooperation to access it as a funding source. Finally, because SSBG has been appropriated by Congress at the same amount since its creation in the 1980s, its purchasing power has been eroded over time.

Temporary Assistance to Needy Families (TANF), Title IV-A of the Social Security Act

What It Covers	1. Services designed to meet one or more of the following purposes: • Purpose 1 — Provide assistance to families in need so that children may be cared for in their own homes or in the homes of relatives • Purpose 2 — End the dependence of parents in need on government benefits by promoting job preparation work and marriage • Purpose 3 — Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies • Purpose 4 — Encourage the formation and maintenance of two-parent families 2. Case management costs 3. Administrative and training costs incurred to operate the TANF program
What it Doesn't Cover	1. Most physical and behavioral health care costs 2. Most foster care placement costs and most adoption assistance payments
Why It Works for Post-Permanency	Under purpose 1 and 4, TANF can support post-permanency service costs that Medicaid and IV-E Prevention funds cannot cover.
Eligibility	1. Each jurisdiction defines who is eligible and what services will be offered. 2. Purposes 1 and 2 require the application of means testing to establish eligibility. Purposes 3 and 4 do not (unless a state or territory chooses to apply its own means test). Each site is permitted to establish its own standard of need criteria. HHS guidance strongly urges states and territories to cap means testing at 200% of the federal poverty level or less.

Funding Limits	TANF is funded as a capped entitlement block grant. Each state receives about the same amount of money each year unless Congress authorizes additional funds, or the state or territory qualifies for any incentive payments that may be offered.
Federal Matching Requirement	None
Challenges	TANF is often already fully obligated and spent in most jurisdictions. There is no surplus available to redeploy. Currently, in most jurisdictions, between 80 to 85% of each year's TANF award is spent for cash assistance payments (including child-only payments made to unlicensed relative caregivers) and employment and training and child care benefits. Budgetary control of TANF is often vested in a state or territorial governmental unit other than the child welfare unit, requiring either inter- or intra-departmental cooperation to access it as a funding source. Finally, TANF is historically appropriated by Congress at a static amount each year. Since its creation in 1997, the purchasing power of the grant has been eroded by cost inflation over time.

Foundation and Other Donated Funds

What It Covers	1. In those instances where the funds are provided in an unrestricted manner, they may be used for any purpose not prohibited by state law or local ordinance. 2. In those instances where the funds are provided in a restricted manner, they may be used to finance only those costs that are specified in the granting agreement. 3. In some circumstances, these funds can be used for the non-federal share for federal funding sources.
What it Doesn't Cover	Anything prohibited by state, territorial, or tribal law or local ordinance or prohibited by the funder
Why It Works for Post-Permanency	Like state and local funds, these funds can be used to fill in gaps left by the other funding sources. These funds are also an excellent source of seed capital to demonstrate a project's worth—with a goal of then securing ongoing financing through state or federal funding streams.
Eligibility	None unless the funder imposes limits
Funding Limits	n/a
Federal Matching Requirement	n/a
Challenges	The availability of these funds is highly variable and dependent on funders' current interests.

To delve further into this topic, check out the Post-Adoption Center Resource Library:
www.postadoptioncenter.org/resource-library

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