



Overview: Subsidized Guardianship

Subsidized guardianship is an option that allows children to live permanently with grandparents and other relatives when they cannot live with their own parents and when adoption is not a viable option. Although they vary from state to state, in general subsidized guardianship programs are intended either to help children exit the child welfare system into safe and permanent homes with relatives, or to keep children from unnecessarily entering the system in the first place when they are already living safely with grandparents or other relatives. This option is available in some states to children whose caregivers have obtained legal guardianship or permanent custody through existing state laws. Subsidized guardianship provides grandparents and other relative caregivers with the legal authority to make important decisions on behalf of the children in their care without government intervention while providing critical funds to help meet the basic needs of the children when they cannot return home. Subsidized guardianship payments may be equal to the state foster care rate, the TANF rate, or somewhere in between.¹

The states that have implemented subsidized guardianship programs recognize that in certain family situations, guardianship or permanent custody might be the best permanence option available when children cannot return home. Subsidized guardianship arrangements are particularly important for children raised by grandparents or other relatives because they:

- Enable families to maintain bonds with the birth parent(s) who may have a physical or mental disability that makes them unable to care safely for the children in their own home;
- Honor the wishes of many older children who may not wish to be adopted and/or to break ties with their birth parents;
- Allow birth parents who may one day be able to resume caregiving activities to regain custody of the child with the oversight and approval of the courts and/or child welfare agency;
- Respect the cultural norms existent in many cultures where terminating parental rights defies important societal norms of extended family and mutual interdependence;

- Provide the courts with the flexibility to limit or expand the legal guardian's and parents' authority as necessary to best serve the changing needs of individual children, their caregivers, and birth parents;
- Limit state oversight and intervention in the lives of grandparents and other relatives who are ready to care permanently for the children in their homes, for whom adoption and reunification have been ruled out, and who want to minimize the state's ongoing role in their lives.²

Promising Practices: Lessons from Other States

In the late 1990's Congress passed legislation that allowed states to apply for federal waivers to operate demonstration subsidized guardianship programs, using federal foster care funds under Title IV-E of the Social Security Act. One goal of these demonstrations was to determine whether offering these subsidies to families could increase the rate of permanence for children in foster care above levels observed for families not offered guardianship as an option. Since 1997, seven states³ (DE, IL, MD, MT, NM, NC, OR) have implemented demonstration Title IV-E waiver programs that provide subsidies to relative caregivers who become the legal guardians of children in the custody of the state child welfare agency. Initial evaluations of these demonstration programs have been positive. States with guardianship programs funded under federal IV-E waivers totaled a 33 percent decrease in long-term relative foster placements in which neither reunification nor adoption were options.⁴ Further, an evaluation of Illinois' Title IV-E waiver program found that over five years, subsidized guardianship provided permanence for more than 6,800 children who had been in foster care, that discussing all permanency options actually helped to significantly increase the number of adoptions, and that the children involved perceived guardianship as providing as much security as adoption.⁵

Ohio's Kinship Permanency Incentive Program

Legislation has recently been passed in Ohio to establish a Kinship Permanency Incentive Program (KPI). Once implemented, in January 2006, KPI will provide financial support for minor children in the legal and physical custody of grandparents, relatives, or other "kinship caregivers" (defined in Ohio as any relative or non-relative adult who has a long-standing relationship or bond with the child and/or family).

Eligibility requirements for Ohio's Kinship Permanency Incentive Program include:

- Child must be adjudicated by the juvenile court as being abused, neglected, dependent, or unruly and must also be considered "special needs."
- Court has determined that award of legal custody or guardianship of the child to a grandparent, relative or other kinship caregiver is in the best interest of the child.
- Caregiver must have completed the Relative or Non-Relative Substitute Placement Approval Process, inclusive of a criminal background check.
- The gross income of the caregiver's family, including the child, may not exceed 200% of the federal poverty guidelines.

Other Program Specifics:

- Eligible families will receive an initial payment of \$1,000 per child, followed by \$500 per child every six months thereafter for a total of no more than 36 months. There is a \$3,500 maximum for each child.
- Families receiving KPI will be eligible to receive TANF child only grants in addition to the KPI payments.
- KPI cases will be re-determined on an annual basis, which will mainly entail ensuring that the child is still in the home, the caregiver still has custody, and the family income has not exceeded 200% of the federal poverty guidelines.
- Funding will come from Ohio's TANF funds in the amount of \$10 million per year.
- Outcome reports measuring stability and permanency for the children enrolled in KPI, as well as Fiscal reports measuring cost savings must be submitted to the Governor, House of Representatives, and Senate at two-years and again at four-years following the implementation of KPI.

For updates on the status of Ohio's Kinship Permanency Incentive Program or for more information affecting grandfamilies in Ohio,

you can contact the Public Children Services Association of Ohio at (614) 224-5802 or pcsao@sbcglobal.net or go to www.pcsao.org.

Conclusion

The Kinship Permanency Incentive Program is an important first step to help provide families with the resources they need to care for their relative children and keep them out of foster care. KPI, however, is funded by state dollars and is not guaranteed to be available long-term to caregiver families in years to come, especially in times of state budget shortfalls. Allowing federal Title IV-E foster care funding to be used for subsidized guardianship programs would help ensure long-term stability of supportive resources for caregiver families and could free up some state funds to be used to serve additional children in need of support.

For more information about pending legislation affecting subsidized guardianships or about grandparents and other relatives raising children in general, visit Generations United's website at www.gu.org.

This document was sponsored by a grant from The Pew Charitable Trusts. The opinions expressed in this document are those of the authors and do not necessarily reflect the views of The Pew Charitable Trusts.

Generations United (GU) is the only national membership organization focused solely on improving the lives of children, youth, and older people through intergenerational



strategies, programs, and policies. For further information, please contact: Generations United (GU), 1333 H Street, N.W., Suite 500W, Washington, D.C. 20005 (202) 289-3979, Fax: (202) 289-3952; e-mail: gu@gu.org.

- ¹ Children's Defense Fund. "States' Subsidized Guardianship Laws at a Glance." Children's Defense Fund, 2004.
- ² Bissell, Mary and Miller, Jennifer (eds). "Using Subsidized Guardianship to Improve Outcomes for Children: Key Questions to Consider." Children's Defense Fund and Cornerstone Consulting Group, 2004.
- ³ A total of nine Title IV-E waivers have been granted. However, Delaware's and Maryland's programs are no longer operational and, at the time of this printing, both Minnesota and Wisconsin have been granted, but have not yet implemented, Title IV-E waivers. Six additional states (AK, IA, ME, MI, NJ, TN) have submitted applications for Title IV-E waivers, all of which are currently pending.
- ⁴ Fostering Results. *Family Ties: Supporting Permanence for Children in Safe and Stable Foster Care With Relatives and Other Caregivers*. Fostering Results, Children and Family Research Center, School of Social Work, University of Illinois at Urbana-Champaign, 2004.
- ⁵ Children and Family Research Center. *Illinois Subsidized Guardianship Waiver Demonstration: Final Evaluation Report*. Urbana, IL: School of Social Work, University of Illinois at Urbana-Champaign, 2003, in The Pew Commission on Children in Foster Care. "Fostering the Future: Safety, Permanence and Well-Being for Children in Foster Care." The Pew Commission on Children in Foster Care, 2004.