

Minnesota Department of Human Services Minnesota Permanency Demonstration

Frequently Asked Questions

One of the department's top priorities is to provide safe and permanent homes for children. On November 17, 2005, Children and Family Services, through a federal Title IV-E waiver, launched the Minnesota Permanency Demonstration project. This five-year study will explore the advantages and disadvantages of a new benefit set that will be available to some foster parents who make permanent commitments to children already in their care through adoption or a transfer of permanent legal and physical custody. The new benefit set may also be offered to foster parents who make a permanent commitment to American Indian children through "customary adoption" ordered by judges in tribal courts.

Currently, Minnesota has three programs that offer financial resources to foster parents to help support children who can no longer live safely at home: Adoption Assistance, Relative Custody Assistance and Foster Care Maintenance. Foster parents receive a greater financial benefit for children in their care than adoptive parents and permanent relative custodians. Foster parents who choose a permanency option for children selected for the Minnesota Permanency Demonstration project will receive the same financial resources for children in their care as they received as foster parents.

About 770 children in long term foster care in Carlton, Cass, Dakota, Hennepin, Mille Lacs and Ramsey counties will initially participate in the project. Throughout the five years of the project, an independent evaluator will conduct a research study to assess the impact of the new benefit set on children's safety, permanency and well-being outcomes.

Overview

1. What is the purpose of the Minnesota Permanency Demonstration (MnPD)?

The purpose of the MnPD is to investigate the advantages and disadvantages of offering a continuous benefit set to caregivers of MnPD-eligible children who make a commitment to foster children in their care by adoption or accepting a transfer of permanent legal and physical custody. The differences in current benefits among Minnesota's Foster Care Maintenance, Relative Custody Assistance and Adoption Assistance programs may create barriers to permanency. This demonstration will examine whether that assumption is accurate.

2. Which counties are participating in the MnPD?

Carlton, Cass, Dakota, Hennepin, Ramsey and Mille Lacs counties are currently participating and other counties may participate in the future.

3. How long will the MnPD last?

The federal Title IV-E waiver authority is for five years, Nov. 17, 2005 to November 17, 2010. If the MnPD is successful, it may be extended for another five years.

4. What happens to children's MnPD benefits at the end of the five-year demonstration period?

Permanent caregivers who have accepted the MnPD benefit set will continue to receive it until children reach age 18. Unlike the Adoption Assistance program there are no extensions available past the child's 18th birthday unless the child is going to finish high school by their 19th birthday.

5. Does the MnPD require exceptions to or change any legislation regarding children in foster care, including the Indian Child Welfare Act requirements?

No. All American Indian children who are eligible for the MnPD benefit set must reside in foster homes approved by the child's tribe. All ICWA provisions and protections remain in place for children in the MnPD project.

6. What are the evaluation requirements of the MnPD?

An independent evaluation of the MnPD will be conducted by the Institute of Applied Research (IAR). The IAR research team will conduct a five-year study including outcome, process and cost analyses of the MnPD. The evaluation design of the MnPD has been approved by the federal Children's Bureau, the Minnesota Department of Human Services Institutional Review Board, and the Fond du Lac Reservation Human Services Institutional Review Board.

7. What does "cost neutrality" mean in the context of the MnPD?

Under federal requirements for the Title IV-E waiver, which provides funds for children in foster care, all state child welfare demonstration projects must be cost neutral to the federal government with respect to benefit and administrative costs. Minnesota will receive no more federal Title IV-E dollars than it otherwise would absent the MnPD. Minnesota expects to cover the cost of increased benefits to families in the demonstration group by generating savings under the MnPD. It is expected that the MnPD will increase the number of children leaving foster care, thereby eliminating the associated case management and administrative costs.

The MnPD benefit

8. What is the Minnesota Permanency Demonstration benefit?

Foster parents of MnPD eligible children will be offered the same financial resources or benefit payments they received under the foster care maintenance program if they adopt or accept a transfer of permanent legal and physical custody of children in their care. Eligibility for Medical Assistance will also be part of the child's benefit set. Additional post-permanency benefits such as child care and respite care are not included in the MnPD benefit set.

9. Under the MnPD benefit set, does the foster care maintenance rate and difficulty-of-care rate continue at the same level until the child reaches age 18?

Yes, like the foster care maintenance program, the MnPD benefit includes annual cost of living increases and periodic increases based on the child's age.

10. Will the MnPD benefit provide a mechanism for re-evaluation of the difficulty-of-care (DOC) rate based on a child's changing needs?

The county of financial responsibility may conduct a re-assessment of children's needs and adjust the difficulty-of-care rate accordingly at the request of permanent caregivers. The county may elect to modify the MnPD agreement with the permanent caregiver.

Eligibility for the MnPD benefit

11. Who is eligible to receive the MnPD benefit?

- A. Children must be Title IV-E foster care eligible and the county must be receiving Title IV-E reimbursement for the child.**
- B. Children must reside in a safe and stable fully licensed foster home (Minnesota Rules, part 2960.3000 to 2960.3340) for at least six months. An emergency license for relative foster care (Minnesota Statutes, 245A.035) may substitute for up to 120 days of the six month requirement. (Also see question # 44 regarding exceptions)**
- C. Reunification of children with their biological parents must be ruled out or deemed highly unlikely.**
- D. Children must be the financial responsibility of one of the counties who are participating in the demonstration: Carlton, Cass, Dakota, Hennepin, Mille Lacs or Ramsey.**

The MnPD evaluation plan requires that in Hennepin and Ramsey Counties, children who are eligible for the MnPD will be randomly divided into two categories: a control group

and a demonstration group. In those two counties, only caregivers of children in the demonstration group will be offered the MnPD benefit. In Carlton, Cass, Dakota and Mille Lacs counties, all caregivers of MnPD eligible children will be offered the MnPD benefit. For evaluation purposes, children in those four counties will be matched with children in other counties throughout Minnesota.

12. Why aren't all foster children in the state eligible to receive the MnPD benefit?

The MnPD is a federal child welfare demonstration project with cost neutrality and evaluation requirements. Federal child welfare demonstration projects provide states with the legal and regulatory flexibility to determine if new ways of delivering child welfare services will help children and improve their safety, permanency and well-being outcomes. If positive outcomes for children in foster care can be demonstrated through the MnPD, eligibility for additional children may be expanded to other counties or statewide.

13. Will children in non-relative foster care placements be eligible for the MnPD benefit?

Yes. Both relative and non-relative foster parents could receive the MnPD benefit if they adopt or accept a transfer of permanent legal and physical custody of a MnPD eligible child in their care.

14. If a child who has been determined eligible for the MnPD benefit moves to a new foster home, does the MnPD eligibility follow the child?

Yes. However, the child must reside in the new foster home a minimum of six months before the county can sign the MnPD agreement with the foster parents. Any exceptions to the six month residency requirement with a foster parent must be approved by the Minnesota Department of Human Services.

15. If a child, otherwise eligible for the MnPD, has a temporary absence from the foster home due to runaway, shelter placement, CD/MH treatment, etc., does that child need to complete another six months of continuous placement before being eligible for inclusion into the MnPD?

No. A child who has temporary absence from the foster home and returns to the same foster home does not need to complete another six month's of placement. Example: A child has lived in licensed foster care with the grandparents for one year and enters treatment for mental health needs. After discharge, the child returns to the grandparent's home. The child is eligible for inclusion into the MnPD based on the previous one year of placement in the grandparent's home. Note FAQ #24 regarding suspension of the MnPD payment after a 30 day absence of a child from the home of the permanent caregiver.

Foster parent licensing requirement and the MnPD

16. Do caregivers of MnPD eligible children need to be fully licensed as family foster care providers?

Yes. The relative foster parents may have an emergency license pursuant to Minnesota Statutes, 245A.035 up to 120 days as part of the six months residency requirement. However, at the time the MnPD benefit is offered by the county, the foster parents should be fully licensed pursuant with Minnesota Rules, part 2960.3000 to 2960.3340.

17. Do foster parents who accept the MnPD benefit for children need to continue to meet state foster care licensing requirements *after* adoption or a transfer of permanent legal and physical custody has been ordered by the court?

No. The permanent caregiver does not need to meet ongoing foster care licensing standards after legal permanency has been achieved.

Permanent caregiver reporting requirements and the MnPD benefit

18. Are permanent caregivers who receive the MnPD benefit required to notify the county or the state of changes in circumstances? For instance, if children run away or enter a treatment facility, or the family moves to another county or state?

Yes, the MnPD Parent-County Agreement stipulates the reporting requirements of the permanent caregivers which include:

- **Permanent caregivers must inform the county of financial responsibility within 30 days of any significant absence of children from their care.**
- **Permanent caregivers must submit an annual affidavit to the county of financial responsibility in order for children to remain eligible for the MnPD benefit.**
- **Permanent caregivers must submit an annual recertification to the county where the child resides so that the child may continue to be eligible for Medical Assistance.**

County administrative responsibilities and the MnPD benefit

19. When should the MnPD Parent-County Benefit Agreement be signed by the foster parent?

It is necessary that the child reside in the foster home a minimum of six months. The child should not be entered into the project and the MnPD Agreement should not be signed prior to the six month foster care residency requirement.

The MnPD Parent-County Benefit Agreement may be signed after the child has been deemed eligible for the MNPD benefit at anytime *prior* to the court hearing finalizing either adoption or transfer of permanent legal and physical custody. It is recommended that the MnPD Agreement be signed *before* the adoption petition is filed or the legal motion is drafted for a transfer of permanent legal and physical custody.

Once a child is determined to be eligible, the MnPD Parent-County Benefit Agreement can be offered to foster parents at multiple points over the five year term of the demonstration. If the child is American Indian, the county social worker and tribal social worker should meet together with the child's foster parent to discuss and offer the MnPD benefit prior to signing the Agreement.

20. Who will manage the ongoing payments and administration of the MnPD benefit for permanent caregivers who participate in the program?

The county of financial responsibility which entered into the MnPD Parent-County Benefit Agreement. The Agreement, sections A through M, stipulates the legal obligations and commitments that the parents and the county make to each other.

21. Who will manage the Medical Assistance eligibility process for children who receive the MnPD benefit?

The county where the child resides.

22. If permanent caregivers receiving the MnPD benefit for children moves from county A to county B, does county A continue to administer the MnPD benefit?

Yes. The county with financial responsibility will continue to administer the MnPD benefit until children reach age 18, regardless of where children reside.

23. What happens if children receiving the MnPD benefit need foster care, residential treatment or other services in a county other than the county of financial responsibility?

After legal permanency has been achieved, the county where children reside is financially responsible for placement services and any other county social services that children may need.

24. If children who receive the MnPD benefit leave their permanent caregiver's home and enter foster care, does the MnPD benefit stop until children return home?

Yes. The MnPD benefit payments to the permanent caregivers will stop 30 days after the child re-enters a foster care placement. The benefit will be reinstated when the child returns to the home of the permanent caregivers.

25. If permanent caregivers receiving the MnPD benefit move out of state, does the MnPD benefit follow the child?

Yes, both the financial and medical benefits follow the child. Medical benefits as provided under Title XIX of the Social Security Act (Medical Assistance/Medicaid) will be continue to be available to the child in accordance with the procedures of the state in which the child resides. The permanent caregiver(s) must apply for Medicaid for the child in the child's state of residence immediately after adoption or a transfer of permanent legal and physical custody. If the state of residence determines that the child is not eligible for Medicaid, Minnesota will provide Medical Assistance coverage, limited to providers authorized by Minnesota's Medical Assistance Program.

The permanent caregiver(s) must follow the Medicaid program rules and procedures in the state in which the child resides, which may require coverage of the child by the family health insurance plan, if any, and prior authorization for certain medical services. Coverage of medical services will be limited to items provided for by Medicaid program rules in the child's state of residence. Items covered by Medicaid may vary from state to state.

26. How does the county of financial responsibility address accounting and payment procedures for a foster caregiver who is participating in the MnPD after adoption or a transfer of permanent legal and physical custody (TPLPC) has occurred?

After an adoption or TPLPC has been finalized, the child's foster care placement ends and the county should close the foster care file. If the foster parent has chosen the MnPD benefit set, the county will continue to make the same payment to the former foster parent (now a permanent caregiver) using Budgeting, Reporting and Accounting for Social Services (BRASS) code 158x and report this payment to the Minnesota Department of Human Services via the manual submission of the DHS-2895. Do not use BRASS code 181x, as the new payment is not considered a foster care payment. The new MnPD benefit payment is considered a "special approved" project, BRASS code 158x.

Children aging out of the MnPD benefit

27. At what age do children become ineligible for the MnPD benefit?

Children are no longer eligible to receive the MnPD benefit when they reach the age of 18, unless they are enrolled full-time in high school or an equivalent course of study and can be reasonably expected to graduate before their 19th birthday. If children meet this exception, the MnPD benefit may continue until they graduate or reach age 19, whichever comes first.

Chafee Foster Care Independence Program and the MnPD benefit

28. Will children who receive the MnPD benefit be eligible for Chafee Foster Care Independence Program services and funds, including Education and Training Vouchers, for post-secondary education?

The MnPD benefit does not affect children’s eligibility for the Chafee Foster Care Independence Program and Educational and Training Vouchers. However, children who move from foster care to legal permanency before reaching age 14 may not be eligible for Chafee services and funds. In Minnesota, the criteria for eligibility for Chafee-funded services include children who have experienced a “county approved placement” *after* the age of 14. They remain eligible for Chafee- funded services up to age 21. The Chafee Act states that youth who are adopted at age 16 or older may apply for Education and Training Vouchers.

Medical Assistance and the MnPD benefit

29. What are the requirements for children who receive the MnPD benefit to continue their Medical Assistance (MA) eligibility?

Children who receive the MnPD benefit will continue to be eligible for MA. Permanent caregivers will need to apply for MA for children in their county of residence and submit annual MA re-certifications in their county of residence. Permanent caregivers will need to have a copy of the MnPD Parent County Agreement with them during the MA application process.

The county of financial responsibility should assist the permanent caregiver in applying for Medical Assistance after an adoption or a transfer of permanent legal and physical custody. The MnPD Parent-County Benefit Agreement stipulates the duties of the county of financial responsibility when assisting foster parents in applying for Medical Assistance for the child.

30. Do permanent caregivers who receive the MnPD financial benefit and Medical Assistance for children need to apply their own private health insurance first to meet children’s medical needs before using MA coverage?

Yes. The Medical Assistance program requires that permanent caregivers must apply their own private insurance first to meet children's medical needs. An MA program cost effectiveness study may result in some reimbursement of the cost of the premiums to the family. Medical Assistance can then be used for medical needs not covered by private insurance.

Other child benefit eligibility and the MnPD

31. How will children's MnPD benefit affect their eligibility for other programs such as: Supplemental Security Income (SSI), Food Support, and Temporary Assistance for Needy Families (TANF child-only grant)?

The MnPD benefit is considered child income. Child income from other sources, such as Old Age, Survivors and Disability Insurance (OASDI), Veterans' benefits, SSI and child support, will offset the amount of the MnPD benefit. Children receiving the MnPD benefit are not eligible for a TANF child-only grant.

Child eligibility for county social services

32. Will children who receive the MnPD benefit be eligible for county social services?

County child protection case management services will generally close when children's permanency goals are achieved. However, permanent caregivers who accept the MnPD benefit for children will continue to have access to other county social service programs for children, including services for their mental health needs (Rule 79) or developmental disability needs (Rule 185) and Community Alternatives for Disabled Individuals (CADI) services.

33. Does the collection of child support continue after a transfer of permanent legal and physical custody (TPLPC) to a relative? If yes, who receives the child support for children who receive the MnPD Benefit?

Yes, child support payments continue after a TPLPC. Child support payments will continue to be collected by the county of financial responsibility and offset the MnPD benefit. Biological parents will continue to make child support payments to the agency in the same way as when their children were in foster care. When children are adopted, child support ends.

Siblings and the MnPD project

34. How will the MnPD project support cases involving siblings?

The project goal is to keep siblings together and achieve permanency together whenever possible. If one sibling enters the MnPD demonstration group, all siblings who meet MnPD eligibility criteria will enter the demonstration group. The same will be true for children who enter the control group.

35. Do siblings who are eligible for the MnPD financial benefit need to be living in the same foster home?

No.

Transfers of permanent legal and physical Custody (TPLPC) and the MnPD benefit

36. Can foster parents of children under state guardianship (state wards) choose a transfer of permanent legal and physical custody to create permanency for children?

No. However, foster parents may adopt children under state guardianship.

37. How will the MnPD benefit differ from the Relative Custody Assistance (RCA) program after a transfer of permanent legal and physical custody (TPLPC)?

The MnPD benefit level will be equal to the foster care maintenance benefit that caregivers were receiving when children were in foster care. In addition:

- Unlike the RCA program, caregivers who choose the MnPD benefit after a TPLPC will have no financial “means test” based on family income.**
- The MnPD benefit will be higher than the RCA program’s basic and supplemental benefit, and will include an annual cost-of-living increase.**

38. After a transfer of permanent legal and physical custody to a relative, what happens if permanent caregivers die or become incapacitated and can no longer care for children who receive the MnPD benefit?

The MnPD benefit follows children to new permanent caregivers. It is the responsibility of permanent caregivers to provide for who would care for children in the event of death or incapacity. Permanent caregivers may do this in a will or through a power of attorney. If there is no designated caregiver, children could re-enter the foster care system.

Adoption and the MnPD benefit

39. How will the MnPD benefit differ from the benefits available through the Adoption Assistance Program?

The MnPD benefit, after an adoption, will be equal to the foster care maintenance benefit that caregivers were receiving when children were in foster care. In addition:

- **The MnPD benefit will be higher than the Adoption Assistance Program’s basic and supplemental benefit, and will include annual cost-of-living increases.**
- **The MnPD benefit will not include financial assistance for “special benefits” such as child care, respite care or specialized camps that are currently available through the Adoption Assistance Program.**

40. How should county social workers obtain the Commissioner’s Consent for Adoption of a child from the Minnesota Department of Human Services (DHS) when the family has accepted the MnPD benefit?

County social workers should send a cover letter for each child, indicating that the family has chosen the MnPD benefit instead of Adoption Assistance, and a copy of the MnPD Parent-County Agreement for each child, to Lynne Maurer, 444 Lafayette Road North, St. Paul, Minnesota, 55155-3831. This is a form letter available through DHS.

The letter has check boxes which indicate whether the county previously sent the child’s Adoption Assistance application to DHS for approval. Once DHS receives the cover letter and the MnPD Parent-County Agreement, DHS will issue the Commissioner’s Consent for Adoption, provided that all necessary information is in the DHS adoption record.

41. Are adoptive parents, who sign MnPD Parent-County Agreements, eligible for the state’s Nonrecurring Adoption Expense Reimbursement Program?

Yes. The Nonrecurring Adoption Expense Reimbursement Program was created under Title IV-E of the Social Security Act and is funded by federal and state dollars. The Minnesota Department of Human Services (DHS) administers this program for families who are not enrolled in the Adoption Assistance Program pursuant to Minnesota Statutes, Section 259.73. Adoptive parent(s) who receive the Minnesota Permanency Demonstration benefit may apply for reimbursement of expenses that are reasonable and necessary for the adoption to occur, subject to a maximum of \$2,000.00 per child, under Minnesota Statutes, Section 259.73. The required Certification and Agreement forms listed below must be submitted to DHS and a decision on eligibility must be made by DHS prior to the date the adoption is finalized. Expenses that may be reimbursed include agency adoption fees, travel, meals, attorney fees, court filing fees, and replacement birth record fee. The request

for reimbursement must be made within 21 months of the date of the child's adoption decree.

Adoptive parent(s) may apply for non-recurring adoption expense reimbursement by completing the following forms:

- a. Certification of Eligibility for Non-recurring Adoption Expense Reimbursement (DHS-4426A-ENG); and
- b. Agreement for Non-recurring Adoption Expense Reimbursement (DHS-4426B-ENG).

These forms are available through the local agency or the Minnesota Department of Human Services. To access the forms on-line go to: www.DHS.state.mn.us at the top of the Home Page, select the grey tab "Children". On the left side column, select "Adoption". Find and select the words "DHS forms" at the bottom of the middle column. Select "N" for Non-Recurring Adoption Expense Reimbursement.

The MnPD evaluation

42. When should the county enter eligible children's names and information into the Institute of Applied Research (IAR) data base?

Enter information into the data base *as soon as* children are determined eligible for the MnPD benefit set. Determination of eligibility should be a careful process to ensure that children meet the criteria stated in FAQ # 11. Once the names are entered into the data base, IAR will begin studying how many of those children's foster parents were offered the MnPD benefit, how many were accepted, how quickly the families accepted, and how long they took to finalize the permanency plan.

The MnPD, state and federal tax reporting

43. How is the MnPD benefit defined for state and federal tax purposes?

In all matters related to the payment of state or federal income tax, foster parents and permanent caregivers must be referred to their tax preparer.

Exceptions to the MnPD eligibility requirements

44. Can a child who has been in the care of a foster provider/prospective permanent caregiver for less than 6 months ever be entered into the MnPD project?

Yes. In February 2006, the federal terms and conditions of the MnPD Title IV-E waiver were amended. Now, under limited circumstances, the eligibility requirement of the child residing at least six months in placement with the prospective permanent caregiver may be put aside. The county or tribal social worker must apply to the State (DHS) MnPD project manager in writing for approval of an exception. An exception to the six month requirement may be appropriate if the prospective permanent caregiver has a demonstrated and existing close bond with the child and an expedited move to permanency is deemed to be in the child's best interests. A form letter and written procedures for requesting an exception are available from DHS.

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