

## Subsidized Guardianship

This IPRO report presents a summary of state subsidized guardianship programs and the differences between their requirements.

### Definition and Program Overview

A subsidized guardianship program is meant to provide assistance to families caring for children who are unable to live with their biological parents (also known as kinship-care families). In many cases the guardians are grandparents of those children, but other relatives and family friends may act as guardians as well.

A subsidized guardianship program typically provides financial assistance to guardians because they had not planned for raising these children. The financial aid is administered through the guardians, but is meant to be used specifically for the needs of the kinship-care children. The amount of assistance is determined by the guardian's income and the needs of the children. A program may also offer low-cost or free health care to the children.

The goals of subsidized guardianship programs are to place children in a stable permanent home, take children out of the foster care system, and prevent children from unnecessarily entering the foster care system. A permanent home is considered a place where the children can live until they become legal adults. Legal guardianship is not the same as adoption; the person becoming the legal guardian assumes all of the legal responsibilities for the child. Since the child is not adopted by the legal guardian, the biological parents can reassume their role in the child's life if they overcome their problems and petition to become the child's legal guardian again. Many guardians hope to reconnect the child with the biological parent in the future, when familial circumstances are better.

Currently, 38 states (including Iowa) and the District of Columbia administer subsidized guardianship programs. In four of these states (Minnesota, Missouri, Montana, New Jersey), there are two separate subsidized guardianship programs that provide different services for children of different ages. Many of these states have enacted guardianship legislation within the last 10 years.

### Eligibility Requirements

Eligibility for subsidized guardianship programs is based on five general categories of stipulations that must be met. General descriptions of these requirements, which vary between programs, are listed below.

*Child must have been in state-foster care*- Thirty-five of the 43 programs require children to have been in state care before they are eligible to receive assistance. Of these programs, 18 require the child to live under state care for a certain length of time, ranging from 2 months to 12 months.<sup>1</sup> Some programs do not include a time frame.

---

<sup>1</sup> Generations United. "Grandfamilies: Subsidized Guardianship Programs." Generations United, June 2006. Web. 10 Oct. 2009. < <http://ipath.gu.org/documents/A0/GU-GeneralFactSheetJune.pdf> >.

Guardian must be a relative- Fifteen out of the 43 programs require the guardian to be a relative. Rhode Island is the only program which stipulates that the guardian cannot be a relative.<sup>2</sup>

Child must be with guardian prior to receiving assistance- Twenty-nine of the 43 programs require the children to live with the guardian prior to receiving assistance. The amount of time differs between the programs; the longest time period is one year, while the shortest is four of the most recent six months.<sup>3</sup>

Child must be of a certain age- The age at which children become eligible varies widely. The most common age requirement mandates the child be over 12 years old. Some programs have no age requirements.<sup>4</sup>

Other permanency options must be ruled out- Besides subsidized guardianship, two other permanent home options are possible for children: returning home (to their parents) and adoption. In 29 programs both options must be ruled out before a child is eligible for subsidized guardianship program assistance, in six programs neither option needs to be ruled out, in five programs only return home must be ruled out, and in three programs only adoption must be ruled out.

## **Funding**

There are several ways that subsidized guardianship programs are funded. States finance the guardian subsidies through federally-provided funds specifically for “foster care,” such as Title IV-E of the Social Security Act and Temporary Assistance for Needy Families (TANF) grants. States may also fund the programs through state and county funds.<sup>5</sup>

- *Title IV-E funding*: Title IV-E funds are not available to all states. To qualify to use Title IV-E funds, states must be granted a special exemption from the federal government. In 2006 the federal government stopped approving state-use of these funds, requiring states to find other ways to fund their program. The states that were originally granted use of Title IV-E funds may continue to use them until the programs either expire or go through a renewal process.
- *TANF*: TANF funds are grants meant to assist low-income families. These are available to all states, though only 12 states fund subsidized guardianship programs with these grants.<sup>6</sup>

Thirty-seven states have a set funding level limits per family, usually in relation to the state Foster Care Rate (FC). Rates are set either on a “per month” or “per day” basis, and they change as the child grows

---

<sup>2</sup> IBID

<sup>3</sup> Children's Defense Fund. "States' Subsidized Guardianship Laws at a Glance." *Children's Defense Fund*. N.p., Oct. 2004. Web. 12 Oct. 2009. <<http://www.childrensdefense.org/child-research-data-publications/data/state-subsidized-guardianship-laws.pdf>>.

<sup>4</sup> Generations United. "Grandfamilies: Subsidized Guardianship Programs." Generations United, June 2006. Web. 10 Oct. 2009. <<http://ipath.gu.org/documents/A0/GU-GeneralFactSheetJune.pdf>>.

<sup>5</sup> IBID

<sup>6</sup> "Financial Assistance for Grandparents and Other Relatives Raising Children." *Children's Defense Fund*. N.p., July 2004. Web. 23 Oct. 2009. <<http://cdf.convio.net/site/DocServer/financialassistance0805.pdf?docID=467>>.

up. These limits vary across states, but the general range is between \$15 and \$28 per day, or \$450 and \$850 per month.<sup>7</sup>

### **Iowa's Subsidized Guardianship Legislation**

In Iowa, the State Department of Human Services, in consultation with the guardian, determines the amount of the assistance based on the needs of the child and the circumstances of the family. If the child is eligible for the subsidy program, the child is automatically entitled to insurance coverage through Iowa's Hawk-i program. Children from Iowa, residing in a kinship-care family in another state, may receive medical assistance if they are not eligible in their current state.<sup>8</sup> Iowa's program is funded through Title IV-E waivers<sup>9</sup> until 2011, when Iowa will need to decide whether or not to renew the program.

Under Iowa code, the following circumstances must be met for a child to be eligible for the state's subsidized guardianship program:<sup>10</sup>

- The child must have lived in state care for at least six of the last 12 months.
- The legal guardian is not required to be a relative.
- If not a relative, the child must have resided with the guardian for the past six months.
- If the guardian is a non-relative the child must be 12 or older.
- Other permanency options must have been ruled out.<sup>11</sup>

### **Table 1- State by State Funding Options<sup>12</sup>**

Table 1 displays the state funding source, funding level, and whether or not the program covers medical services. "AA" refers to Adoption Assistance, which is financial assistance provided in every state on behalf of children who are adopted from the child welfare system.

---

<sup>7</sup> "Hitting the M.A.R.C. :Establishing the Minimum Adequate Rate for Children." *Children's Rights*. N.p., Apr. 2007. Web. 27 Oct. 2009. <<http://www.childrensrights.org/wp-content/uploads/2008/08/wy.pdf>>.

<sup>8</sup> <http://www.legis.state.ia.us/asp/ACODocs/DOCS/7-15-2009.441.204.9.pdf>

<sup>9</sup> Generations United. "Grandfamilies: Subsidized Guardianship Programs." Generations United, June 2006. Web. 10 Oct. 2009. <<http://ipath.gu.org/documents/A0/GU-GeneralFactSheetJune.pdf>>.

<sup>10</sup> Generations United. "Iowa: Subsidized Guardianship." Generations United, 2006. Web. 09 Oct. 2009. <[http://www.gu.org/documents/A0/GU\\_IA.pdf](http://www.gu.org/documents/A0/GU_IA.pdf)>.

<sup>11</sup> Iowa. Department of Human Services. *Introducing the Iowa Subsidized Guardianship Waiver Program*. Des Moines Iowa: n.p., 2006. Web. 10 Oct. 2009. <[http://www.dhs.state.ia.us/policyanalysis/PolicyManualPages/Manual\\_Documents/Letters/Circular/56Z-472-CFS.pdf](http://www.dhs.state.ia.us/policyanalysis/PolicyManualPages/Manual_Documents/Letters/Circular/56Z-472-CFS.pdf)>.

<sup>12</sup> Generations United. "Grandfamilies: Subsidized Guardianship Programs." Generations United, June 2006. Web. 10 Oct. 2009. <<http://ipath.gu.org/documents/A0/GU-GeneralFactSheetJune.pdf>>.

State	Funding Source	Funding Level	Medical Services
Arkansas	State	Below or equal to FC	No
Arizona	TANF	Below FC	No
California	TANF	Equal to FC	Yes
Colorado	TANF	Equal to FC	Yes
Connecticut	State	Equal to FC	Yes
Delaware	State	Equal to FC and AA	Yes
DC	Local	Equal to FC	Yes
Florida	TANF	Below FC	Yes
Georgia	TANF	Below FC, but above TANF	No
Hawaii	State	Below or equal to FC	Yes
Idaho	State	Equal to FC	Yes
Illinois	Title IV-E waiver	Equal to FC and AA	Yes
Indiana	TANF	Varies by county	No
Iowa	Title IV-E waiver	Equal to FC**	Yes
Kansas	State	Below FC	Yes
Kentucky	TANF	Below FC	Yes
Louisiana	TANF	Below FC	No
Maryland	Title IV-E waiver	Below FC, but above TANF	Yes
Massachusetts	State	Equal FC	Yes
Minnesota Program 1	State	Below FC, Equal to AA	No
Minnesota Program 2	Title IV-E waiver	Equal to FC	Yes
Missouri Program 1	State	Below or equal to FC	Yes
Missouri Program 2	State	Below FC	Yes
Montana Program 1	State	Below FC	Yes
Montana Program 2	Title IV-E waiver	Below FC	Yes

---

\*\* The funding level is based on the daily foster care rate for Iowa, which is: \$16.36 for children ages 0-5, \$17.01 for children 6-11, \$18.62 for children 12-15, and \$18.87 for children 16-18.

<b>State</b>	<b>Funding Source</b>	<b>Funding Level</b>	<b>Medical Services</b>
<b>New England</b>	State	Below or Equal to FC	Yes
<b>Nevada</b>	TANF	Below FC	Yes
<b>New Jersey Program 1</b>	TANF	Equal to FC	No
<b>New Jersey Program 2</b>	TANF	Below FC	No
<b>New Mexico</b>	Title IV-E waiver	Equal AA	Yes
<b>North Carolina</b>	Title IV-E waiver	Equal AA	Yes
<b>North Dakota</b>	State	Below FC	Yes
<b>Oklahoma</b>	TANF	Equal to FC	Yes
<b>Oregon</b>	Title IV-E waiver	Equal to FC	Yes
<b>Pennsylvania</b>	State	Below or equal to FC	Yes
<b>Rhode Island</b>	State	Below FC or equal to TANF	Yes
<b>South Dakota</b>	Social Services Block Grant	Below or equal to FC	No
<b>Tennessee</b>	Title IV-E waiver	Equal to FC	Yes
<b>Utah</b>	State	Below or equal to FC	Yes
<b>Virginia</b>	Title IV-E waiver	Equal to FC	Yes
<b>West Virginia</b>	State	Below or equal to FC	Yes
<b>Wisconsin</b>	Title IV-E waiver	Equal to FC	Yes
<b>Wyoming</b>	State	\$1 less than FC per day	No