

**REPORT TO THE  
UTAH LEGISLATURE**

Report No. 2001-03

**A Performance Audit  
of  
Utah's Adoption Assistance Program**

January 2001

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# Digest of Performance Audit of Utah's Adoption Assistance Program

Adoption assistance plays an important role in helping the Division of Child and Family Services (DCFS) find permanent homes for special needs children in state custody. However, a combination of client growth and poor financial controls caused spending to rapidly increase and exceed the program's budget. The lack of financial controls has been most serious in the Salt Lake Valley Region. In fact, if it were not for the Salt Lake Valley Region, the adoption assistance program would have remained within budget during fiscal year 2000 rather than ending with a \$1.4 million deficit.

In recent months, the division has made significant progress in improving its financial management practices that should help control spending. Because of the division's recent efforts to control costs, legislators should exercise caution as they consider the division's funding request for adoption assistance during the 2001 General Session. While we feel the governor's budget request is correct to predict expenditures based on estimated client growth, it needs to be updated to reflect cost savings that have resulted and may yet result from stronger fiscal controls.

The results of our review of the division's treatment of parents were mixed. While most parents report they are satisfied, many are justifiably frustrated with efforts to control program costs because division staff made inappropriate promises about financial support. On the other hand, we found little evidence to support allegations that the division staff intentionally misled adoptive parents about children or unfairly pressured them to adopt. Whether or not the claims by some dissatisfied parents are valid, we believe the division needs to improve the services it provides to adoptive parents.

Following the introduction in Chapter I, this report contains three chapters that are summarized below:

**Spending for Assistance Has Outpaced Funding.** As the following figure shows, spending for adoption assistance has increased rapidly in recent years. The resulting budget deficits have been financed by transfers from other programs and by supplemental appropriations.

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**Governor's budget request does not account for the cost savings that should result from stronger fiscal controls.**

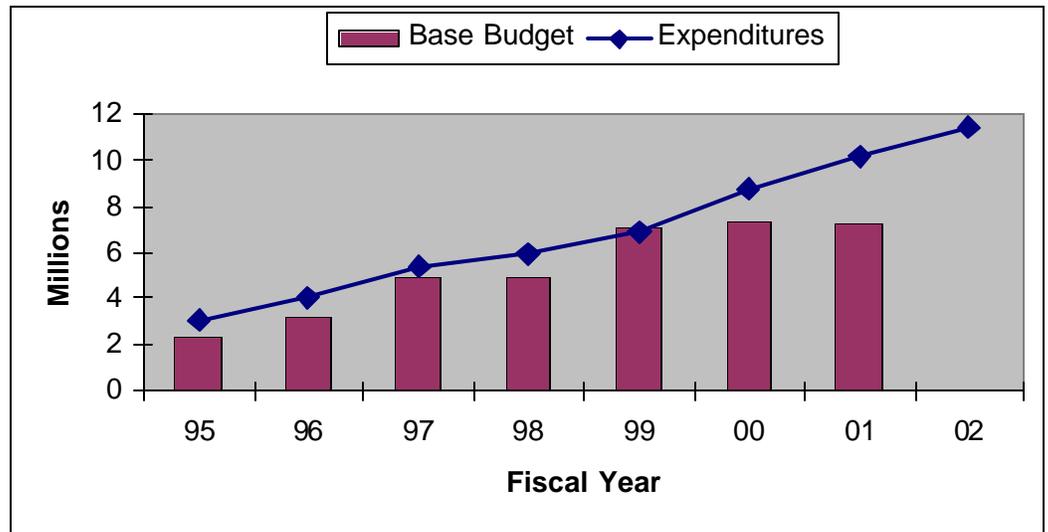
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**Spending for adoption assistance is much higher in some regions than in others.**

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**Figure A. Comparison of Adoption Assistance Base Budget to Expenditures.**



The spending growth has resulted from the state’s increased emphasis on finding a permanent home for children in foster care. Although the state has achieved its goal of increasing the number of special needs adoptions, this achievement has put a great deal of pressure on the budget for adoption assistance. One significant concern is that adoption assistance in some regions is much higher than those offered in other regions.

**Better Fiscal Controls Are Needed.** Until the division improves its fiscal controls, it will be difficult to determine what level of funding is needed for Utah’s adoption assistance program. In the past, DCFS has exercised little control over the spending in each region. In response, Department of Human Services officials have increased oversight of the division’s financial management practices. We found that the Salt Lake Region’s spending practices exceed the other regions in many instances. For example, we found the Salt Lake Region accounted for 88 percent of all supplemental payments made to adoptive parents. Supplemental payments are solely state funded but have often been made for mental health services that could be obtained through Medicaid. Bringing the Salt Lake Region’s spending under control will have a significant impact on program costs.

1. We recommend that the Division of Child and Family Services strengthen its fiscal controls by:
  - a. Requiring regions to obtain division approval before exceeding their budgets

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Improved cost controls in Salt Lake Region will have a significant impact on program costs.

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Chapter III  
Recommendations

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- b. requiring staff to verify, as each child enters state custody, whether the child qualifies for federal adoption assistance under Title IV-E
  - c. clarifying its rules and procedures for determining the amount of monthly subsidies a family should receive and ensuring that regions follow those rules
  - d. directing staff to refrain from including general provisions for supplemental assistance in adoption assistance contracts, and
  - e. clarifying its rules for approving supplemental payments and ensuring that regions follow those rules.
2. We recommend that the Division of Child and Family Services propose to the Legislature statutory language requiring
    - a. that the courts, when considering the termination of parental rights, determine whether or not the child's continuation in the home would be contrary to the welfare of the child, and
    - b. if the court so finds, that the court order include language necessary to qualify the child as eligible for assistance under Title IV-E.
  3. We recommend that the Division of Child and Family Services consider ways to more cost-effectively provide mental health services to special needs adoptees, including:
    - a. requiring clients to receive services within the capitated system except under extraordinary circumstances, and
    - b. providing adoptive children and foster children the same fee-for-service mental health plan.
  4. We recommend that the Legislature consider directing the Division of Child and Family Services to limit the use of supplemental payments to extraordinary circumstances.
  5. We recommend that the Legislature consider the following factors as it determines the adoption assistance budget:
    - a. changes in the number of children receiving assistance
    - b. the expected effect of improved fiscal controls
    - c. possible changes in state policy regarding the payment of supplemental assistance.

**Some Parents Need Better Post-adoptive Support.** While most adoptive parents feel they are treated fairly by DCFS, our survey shows that there are some families who believe that they were not treated fairly

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**Some parents were misled about the division's financial support but little evidence of undue pressure was found.**

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**Chapter IV  
Recommendations**

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because the division broke promises by reducing their monthly subsidy and imposing restrictions on the use of supplemental assistance. Some parents also felt that DCFS did not disclose to them all the information available regarding their child's special needs before the adoption and a few parents reported that they felt undue pressure to adopt.

It appears that division employees did make inappropriate promises about financial support. We found a great deal of confusion about adoption assistance policy among division staff. Thus, it's not surprising that we found inconsistent practices and poor communication with parents. However, we were not able to confirm complaints that DCFS purposely withheld information about children or inappropriately pressured parents. In general, case files did not include the type of information we needed to address the complaints. On the other hand, in some files we found documents signed by the parents stating that they had been given access to the information about their adoptive child even though the parents had claimed otherwise. Whether or not the claims by parents are valid, we believe the division needs to improve the services it provides to adoptive parents.

1. We recommend that DCFS provide the training and supervision necessary to ensure that division staff follow division policies and procedures regarding the disclosure of information to adoptive parents.
2. We recommend that DCFS complete and distribute its booklet outlining details of the adoption assistance services as soon as possible.
3. We recommend that the division assess the need and develop a plan to improve post-adoption services for adoptive children and their families. Some of the services the division should consider are:
  - a. making an inquiry with adoptive parents each year regarding their child's special needs
  - b. identifying any services the families may require to address those needs, and
  - c. helping the families find existing programs within the Department of Human Services or through other community agencies that can help them address those needs.

# Chapter I

## Introduction

Adoption assistance plays an important role in helping children in state custody find permanent homes. Children who have suffered neglect and abuse and who cannot be returned to their parents are taken into state custody until the Division of Child and Family Services (DCFS) can find suitable adoptive homes for them. Because many of the children have serious mental, physical and emotional disabilities, it is often difficult to find parents who are capable and willing to adopt them. Many parents, however, are willing to adopt if the state helps pay for the cost of the child's care. Adoption assistance is usually paid out as a regular monthly subsidy. Under certain circumstances, a supplemental assistance payment can be provided as well. Adoption assistance is generally viewed as an attractive option for both the child and the state. It helps children find permanent homes and helps the state reduce the high cost of foster care.

Despite the benefits of the special needs adoption program, its rapid cost growth has led to problems. In fiscal year 2000, the Division of Child and Family Services overspent its adoption assistance budget by about \$1.4 million or 18 percent. With additional client growth, but no additional budget, the deficit in fiscal year 2001 will be even larger. To address the budget shortfall, the division began reviewing assistance payments in April 2000. Some assistance payments that the division felt were larger than needed were reduced. Many adoptive parents objected to the reductions. Some also complained that the division had misled them about the extent of their children's needs prior to adoption. Legislators asked the Legislative Auditor General to evaluate the financial needs of the state's adoption assistance program and to investigate allegations of unfair treatment to adoptive parents.

### **Special Needs Children Are Eligible for Adoption Assistance**

Adoption assistance is available to adoptive parents of special needs children. DCFS rules define a special needs child as:

*a child who cannot or should not be returned to the home of the parents and who meets one of the following conditions:*

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**Adoption assistance is given to families who adopt children with special needs.**

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- (a) *Five years of age or older.*
- (b) *0-17 years of age with a physical, emotional, or mental disability.*
- (c) *Three years of age or older and a member of a minority, racial, or ethnic group.*
- (d) *Member of a sibling group placed together for adoption.*

Special needs are considered conditions that create barriers to successful adoptions. Thus, a special needs child is at risk of languishing in foster care unless adoption assistance is provided to help an adoptive parent establish and maintain a home for the child.

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**The exact amount of adoption assistance is decided through a negotiation with the adoptive parents.**

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In addition to helping a child obtain a sense of family, security and belonging, the adoption assistance program also helps the state save money. Initially, the division must make a reasonable effort to place a child without financial assistance. If a child cannot be adopted without financial assistance, then a monthly subsidy can be approved as long as it does not exceed the amount the child would receive in foster care. While the division has guidelines on monthly subsidy amounts, actual payments may vary depending on negotiation between the division and the adoptive parent.

### **Federal Funds Pay for Some Types of Adoption Assistance**

The federal government pays a large portion of some types of adoption assistance, but other types require 100 percent state funds. Figure 1 shows a summary of adoption assistance costs for fiscal year 2000.

**Figure 1: Fiscal Year 2000 Adoption Assistance Costs.** Although Utah's federal match rate is 30%, overall the state pays for 60% of the cost of the adoption subsidies.

	Total Cost	State Funding	State Cost
<b>One-time Cost of Adoption:</b>			
IV-E or Non IV-E Child	\$ 219,590	50%	\$ 109,795
<b>Monthly Subsidy:</b>			
Guardianship	783,091	100	783,091
IV-E Eligible Child	4,780,192	30	1,434,058
Non IV-E Child	1,338,476	100	1,338,476
<b>Supplemental Assistance:</b>			
IV-E or Non IV-E Child	1,617,073	100	1,617,073
<b>TOTAL</b>	<b>\$8,738,422</b>	<b>60%*</b>	<b>\$5,282,493</b>

\* Average as calculated.

If a child is IV-E eligible, then federal funds pay for 70 percent of the monthly subsidy.

Figure 1 shows that some adoption assistance is financed through a combination of state and federal funds available through Title IV-E of the federal Social Security Act. If a child is IV-E eligible, federal funds pay for about 70 percent of the monthly subsidy payment made by the division. About four-fifths of the children in the adoption assistance program are IV-E eligible. Federal funds also help pay a small amount for one-time expenses incurred to finalize an adoption whether or not the child is IV-E eligible.

Other types of adoption assistance are paid entirely with state funds because they are not eligible for IV-E funds. Monthly subsidy payments made on behalf of non-IV-E eligible children are entirely state funded. Monthly subsidy payments made in guardianship cases are also made solely with state funds, regardless of whether the child is IV-E eligible. Finally, one-time payments for supplemental assistance to adoptive families are not eligible for matching federal funds even if the child is IV-E eligible.

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Attempts to reduce assistance payments caused controversy.

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## **Effort to Control Costs Led to Audit Request**

During the spring of the year 2000, DCFS experienced a budget shortfall and began to reduce some of the assistance payments it had been making to adoptive families. Many parents objected to the cuts because they felt the division had promised to provide the assistance when the children were adopted. Moreover, legislators were told of many instances in which adoptive parents perceived they had not been treated fairly by DCFS. Some parents said that the division had misled them when they considered adopting the child and that they had not been told about the child's serious mental or emotional problems. Others claimed the division used inappropriate pressure tactics to force them to adopt before they were ready.

In response to adoptive parents' concerns, legislators asked the Legislative Auditor General to evaluate the special needs adoption assistance program and address the following issues:

- Level of funding for special needs—adequacy and history.
- Administration of the program at DCFS—adequate staffing, competency, legal standards, and compliance with legal directives.
- Fair treatment of families in program—background information on children (disclosure), intimidation when parents are in program.
- Foster Care Foundation—review of operations and use of appropriations, effectiveness of program and services.

Legislators also requested that the audit be completed for the 2001 legislative session.

## **Audit Scope and Objectives**

Because only a few months were available to complete the audit, the audit subcommittee decided this report should address only the first three issues that were previously stated. The issues surrounding the Foster Care Foundation were deferred to another audit. Our audit objectives included here are:

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**Our audit took a broad perspective rather than focusing on the complaints of vocal critics.**

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1. Review the historical funding of the special needs adoption program and evaluate the adequacy of current funding.
2. Evaluate the administration of the adoption assistance program.
3. Verify the allegations of unfair treatment to adoptive parents.

In addition to examining some specific cases that were brought to the attention of state legislators by adoptive parents, we also sought to identify the concerns and opinions of all families who receive adoption assistance. The following three tests were performed to identify the concerns of adoptive parents in general:

- A written survey was sent to all 1,124 adoptive parents who received adoption assistance during fiscal year 2000. Five hundred and thirty-five surveys were returned. The survey gave adoptive parents the opportunity to rate their experience with the division, explain their understanding of the adoption assistance, and provide comments. Our goal was to understand the concerns of adopted parents. Some parents made fairly serious allegations in their responses and many of these were investigated by audit staff. The summary of the survey results can be found in Appendix A.
- A sample of 50 case files for adopted children was selected at random. Case files were thoroughly examined and interviews were conducted with as many of the adoptive parents as could be reached. In each case, we examined the adoption contract, the division's evaluation of the child's special needs, and the appropriateness of the monthly subsidy and any supplemental assistance that was provided. For a summary, see Appendix B.
- The case files were examined for each of the five families who received the most assistance from the state for fiscal year 2000. The appropriateness of the assistance paid to each of the families was considered in light of the children's special needs. We also contacted or tried to contact each family in order to obtain additional information. For a summary, see Appendix C.

Besides the information gathered from these tests and interviewing adoptive parents, we also visited each region office and reviewed their adoption procedures. We interviewed caseworkers/other employees and attended subsidy hearings.

The report covers the following: Chapter II describes the history of adoption assistance. Chapter III addresses the adequacy of funding and the administration of the adoption assistance program. Chapter IV describes our findings regarding the alleged unfair treatment of adoptive parents.

## Chapter II

# Spending for Adoption Assistance Has Outpaced Funding

Utah's recent efforts to find permanent homes for foster children has led to an increase in expenditures for adoption assistance. In fact, several times during the past five years, the spending for adoption assistance has exceeded the budgeted amounts, requiring funding transfers and supplemental appropriations. In our review of program expenditures, we found that the Salt Lake Valley Region<sup>1</sup> spends much more for each client than other regions. This raises concerns about the administration of the program that are addressed in more detail in Chapter III.

This chapter summarizes the most reliable client numbers and spending information we could obtain. Some legislators who were concerned about apparent inconsistencies in the Division of Child and Family Services' (DCFS) financial and client data specifically asked the Auditor General to provide an accurate history of the expenditures for the adoption assistance program. We found a number of inconsistencies in the division's financial and client data prior to fiscal year 1999. For this reason, legislators should not rely too heavily on information reported prior to that year. The data presented in this report for fiscal years 1999 and 2000 is much more accurate.

### Reliable Data Difficult to Obtain

Due to the growth in expenditures for adoption assistance, policy makers have asked for more reliable information about the program. Until legislators began to consider requests for the Fiscal Year 2000 budget, the adoption assistance program received little attention in the division's financial reports. Prior to that year the adoption assistance program was hidden within the "restricted services" budget. In addition to listing the program separately in the budget, the 1999 Legislature also passed House Bill 97 requiring the division to report on the funding for adoption assistance, describe the services provided with those funds, and suggest ways to ensure on going funding for adoption assistance.

In October 1999, a report was presented by the division to the Health

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<sup>1</sup> The Salt Lake Valley Region includes the division's Salt Lake, Granite and Cottonwood offices that until recently were three separate regions.

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**Legislators have doubts about the reliability of information provided by DCFS.**

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and Human Services Interim Committee. However, some doubts remain about the reliability and completeness of the information provided in that report and in other reports provided by the division. For this reason, Legislators have asked the Auditor General to describe the history and adequacy of funding for adoption assistance.

Administrators within the Department of Human Services have also been concerned with the division's ability to manage its budget and provide accurate information on the size and cost of the adoption assistance program. As we began our work, department officials warned us not to expect the division's information to be consistent or comparable.

As predicted, we found it impossible to reconcile much of the available data. The division's management information systems provided inconsistent accounting of the number of children whose families receive assistance and the cost of adoption subsidies. For example, we could not reconcile the differences in the cost of the program reported by the state's financial accounting system (or FINET), the department's former provider payment system (also known as the Unified Social Services Delivery System or USSDS), and the division's new child welfare management information system, known as SAFE. We were told that inconsistencies occur because closeout dates vary between information sources and because overlapping services are sometimes provided. However, in some data reported prior to fiscal year 1999, we found rather large discrepancies that could not be reasonably explained.

The following describes our best estimate of the actual costs and client figures after considering information from each of the division's various information systems.

### **More Families Are Receiving Adoption Assistance**

One fact is clear; the number of families receiving adoption assistance is increasing. In recent years, the division has emphasized that caseworkers must quickly determine whether abused and neglected children can be returned to the homes of their biological parents or whether parental rights should be terminated and the child placed in an adoptive home. In addition, the passage of the Adoption and Safe Families Act by Congress in 1997 encouraged states to increase adoptions of special needs children. This has resulted in a dramatic rise in the

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**The Adoption and Safe Families Act has resulted in an increase in the number of families receiving adoption assistance.**

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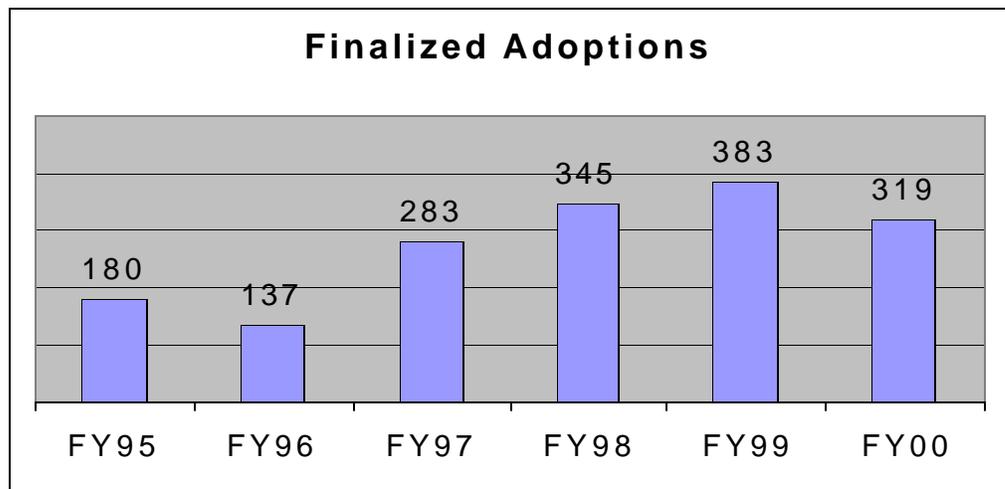
number of children placed in adoptive homes with financial assistance.

### Over 300 Additional Children Receive Adoption Assistance Each Year

In recent years, the division has been quite successful in increasing the number of adoptions of children with special needs. As shown in Figure 2, the number adopted each year has risen to over 300 children. In contrast, only about 100 children left the program last year, either because they turned age 18 and were no longer eligible or because the child was returned to the custody of the state. As a result, the number of children whose families receive adoption assistance has continued to grow. By the end of fiscal year 2000, there were over 2,100 children whose families had received adoption or guardianship assistance.

Annual growth in the number of adoptions has increased the number of families who are paid subsidies.

**Figure 2. Number of Finalized Special Needs Adoptions.** Most of the recently adopted special needs children receive financial assistance.



The number of children receiving adoption assistance will continue to grow for several years.

We believe the number of children whose families receive assistance may continue to grow in the future. In recent years, the adoption assistance program added a large number of relatively young children, many of whom will continue to receive adoption assistance until they are age 18. The majority of the children whose families now receive assistance are from age 6 to 12 years of age; relatively fewer children are turning 18 and leaving the program. We estimate that in six or seven years, the number of children who turn 18 and are leaving the program will start to offset

the numbers entering the program. Until that time, the state will continue to experience significant growth in the adoption assistance program each year.

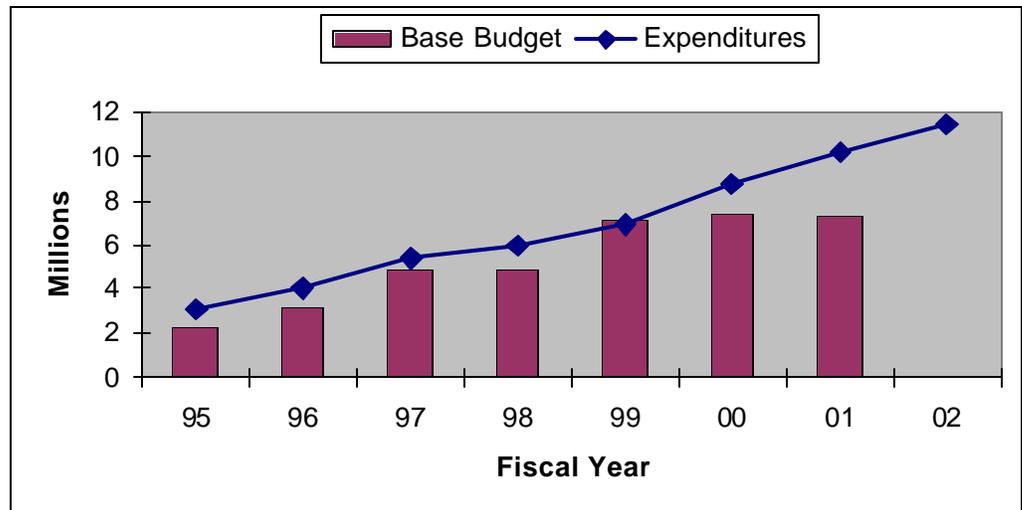
### Spending For Adoption Assistance Has Exceeded the Budget

Because of client growth, program expenditures have risen steadily. In contrast, budgets have increased sporadically, with no increases some years followed by large increases to catch up with spending. Figure 3 shows that in six out of the last seven years, the program has operated at a deficit. As mentioned earlier, the Legislature did not separately budget the adoption assistance program until fiscal year 2000, so base budget amounts are estimated. In addition, the expenditure amounts for fiscal years 2001 and 2002 are forecast by the division, and shown in the governor's budget.

Budgets have increased sporadically, but program expenditures have steadily risen.

In order to cover its budget deficits, the division was required to divert funds from less critical programs.

**Figure 3. Comparison of base budget to actual expenditures.** Program expenditures have grown steadily, but the budget has not.



To finance the deficits shown in Figure 3, the division must get funds from other sources. In some years, the division was able to divert funds from less critical programs to cover the deficits in the adoption assistance program. In addition, during the 1996 and 1998 legislative sessions, the Legislature provided special one-time supplemental appropriations to help cover the deficits during those years. The division is asking for a similar one-time appropriation to cover the deficit expected for fiscal year 2001.

Significant growth has occurred in expenditures for the monthly subsidies paid to adoptive and guardianship families and for the supplemental assistance which is used to pay for extraordinary expenses. The next two sections of this chapter discuss each of these types of assistance separately. A fourth type of assistance is the reimbursement made for the family's adoption expenses. It is not discussed further in this chapter because it has little budgetary impact. A detailed breakdown of the number of children receiving assistance and the expenditures for each type of assistance is provided in Appendix D.

### Monthly Subsidies Are Rapidly Increasing

In fiscal year 2000, \$6.9 million was spent to provide monthly financial assistance for children who were adopted or whose families assumed legal guardianship of the children in their care, an increase of 27 percent over the prior year. Figure 4 shows the increases in each of the three types of monthly subsidies provided by the state.

**Figure 4. Monthly Subsidy Payments Are Increasing.** Total state and federal costs for monthly adoption and guardianship subsidies increased 27 percent last year.

Monthly Subsidy Type	Fiscal Year 1999	Fiscal Year 2000	Percent Increase
Federal IV-E Adoption (30% State Funded)	\$ 3,781,765	\$ 4,780,192	26%
Non IV-E Adoption (100% State Funded)	1,131,394	1,338,476	18
Guardianship (100% State Funded)	536,838	783,091	46
<b>TOTAL</b>	<b>\$ 5,449,997</b>	<b>\$ 6,901,759</b>	<b>27%</b>

As mentioned in Chapter I, Utah provides both the Title IV-E monthly subsidy, which is largely funded by the Federal Government, and the state funded monthly subsidy for children who are not eligible under Title IV-E. In addition, the state may pay the full cost for monthly

subsidies to families who have not adopted but have assumed legal guardianship of the children in their care.

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**About half of the monthly payments are financed using only state general funds.**

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In FY 2000 there were large increases in all three types of monthly subsidy payments. Although Title IV-E payments increased by \$1 million, most of that amount was paid by federal funds. While spending for non IV-E and guardianship subsidies only increased \$450,000, they had a bigger impact on the state budget because all of that amount was state funded. Guardianship expenditures grew especially rapidly last year, increasing by 46 percent. Overall, in fiscal year 2000, about half (52 percent) of the monthly payments were financed using state funds.

**Monthly Subsidy Amounts Are Based on Many Factors.** Figure 4 shows that a majority of monthly subsidies is paid to children who qualify for Title IV-E assistance which is largely paid for by the federal government. The state also pays the entire cost of the remaining children who do not qualify for Title IV-E assistance. The federal rules require the division to first determine if a child can be adopted without a subsidy. Of the special needs adoptions completed during Fiscal Year 2000, about 20 percent were adopted without a monthly subsidy. However, in most cases both the division and the adoptive parents recognize that the child has special needs that impose a significant financial burden on the family.

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**About 20 percent of children were adopted without a monthly subsidy.**

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The amount of the monthly payment is determined after considering the child's needs and the family's ability to meet those needs. Specifically, the child's needs are based on five need levels described in division policy and each level comes with a monthly payment rate. The rates and the percentage of children receiving subsidies at each need level in fiscal year 2000 are described in Figure 5.

**Figure 5. Levels of Monthly Subsidies for Fiscal Year 2000.** Amount of monthly subsidy depends on the level in which the child is classified.

Subsidy Level	Level of Need	Rate	Percent of Children at Subsidy Level
Level I	minimal needs	\$0 to \$133	18%
Level II	moderate needs	\$134 to \$266	27
Level III	multiple, moderate needs	\$267 to \$403	39
Level IV	specialized needs	\$404 to \$428	3
Level V	serious specialized needs	\$429 to maximum foster care rate	13

Figure 5 shows that more children are given a Level III subsidy than in any other category. While the subsidy levels serve as a guideline for the amount of assistance a family is to receive, the actual subsidy rate is based on a negotiation between the division and the adoptive parents. The subsidy amount can vary depending on the child’s needs and the ability of the family to meet those needs. In any case, the monthly subsidies may not exceed the amount the child would have received while in foster care. (See Appendix E for a description of each need level.)

**Monthly Guardianship Subsidies.** Guardianship is an alternative form of custodial care that is entirely state funded. Under a guardianship status, the child’s legal guardian has the legal responsibility to care for the child although the child is not adopted by them. During fiscal year 2000, the division spent \$783,091 for monthly subsidies paid to families who assumed legal guardianship of the children in their care.

Children who are in a guardianship home are typically older children who, for one reason or another, are not likely to become available for adoption. Sometimes older children do not wish to sever their legal relationship with their biological parents. As a result, they may be placed with a relative or foster parents under guardianship status. Others may have been ordered into DCFS custody by a juvenile court judge. These may involve children who demonstrate such ungovernable behavior that their parents can not control them. If the child is sufficiently delinquent, the judge may choose to place the child with the Division of Youth Corrections. Otherwise, the court might award the child to the DCFS

**Some families who have not adopted but assumed legal guardianship receive monthly subsidies.**

which would then find parents to care for the child under guardianship status.

### Supplemental Assistance Payments Are Increasing

In fiscal year 2000, payments for supplemental assistance totaled \$1.6 million—a 27 percent increase over the prior year. As shown in Figure 6, the number of families receiving assistance remained steady, but the average amount paid increased considerably. Supplemental assistance is funded entirely through state general fund appropriations. According to the division’s administrative rules (see R512-43-4), the payments are “for expenses not otherwise covered by the monthly subsidy.”

Supplemental assistance is paid as needs arise and funded only with state general funds.

**Figure 6. Supplemental Assistance Payments Are Increasing.**  
 Spending for supplemental assistance grew by 27 percent in FY 2000.

Supplemental Assistance	Fiscal Year 1999	Fiscal Year 2000	Percent Increase
Amount	\$ 1,271,999	\$ 1,617,073	27%
Recipients	351	343	(2)
<b>Average Amount</b>	<b>\$ 3,624</b>	<b>\$ 4,715</b>	<b>30%</b>

In many cases, supplemental assistance is used to pay for medical services not covered either by a family’s private health insurance or Medicaid. Assistance is provided on a case-by-case basis after approval by one of the regional adoption assistance committees. The committee must determine that other resources, such as private insurance or Social Security assistance, are unavailable. In addition, if the assistance is for professional services, the committee must be presented with documentation of the projected expenses and a recommendation from a professional that the services are needed.

Most supplemental payments are for relatively small amounts, but a few are not. Figure 7 shows the distribution of those receiving supplemental assistance by the size of the assistance.

**Figure 7. Cost Distribution of Supplemental Assistance.** In fiscal year 2000, the payments to most supplemental assistance recipients totaled less than \$5,000.

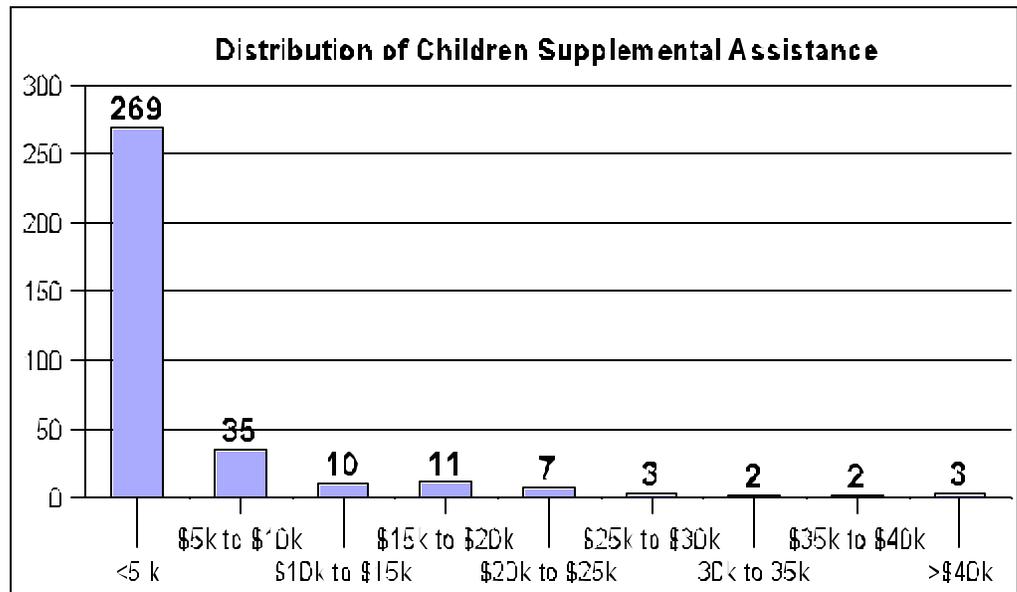


Figure 7 shows that only a few children required supplemental assistance greater than \$5,000. Although these high cost cases represent only 21 percent of the children receiving supplemental assistance, their families received 70 percent of the total outlays for supplemental assistance. The three highest supplemental payments in fiscal year 2000 averaged about \$59,000.

**21 percent of children received 70 percent of supplemental assistance.**

### Large Differences in Assistance Paid by Regions

Average subsidies and the number of children whose families receive subsidies differ by region. We found average monthly subsidies paid in the Salt Lake Valley Region were higher than in other regions. The difference between the supplemental assistance paid by Salt Lake and other regions is extreme. In the Salt Lake Valley Region, supplemental payments are both larger and offered to more children than in other regions. We feel the differences in spending patterns between regions results not from client differences but is due to differences in their administrative practices. The rest of this chapter summarizes the

expenditures by each region; the administrative approaches that led to the differences discussed here are addressed in Chapter III.

**Monthly Subsidy Payments  
Are Highest in Salt Lake Valley Region**

In fiscal year 2000, the Salt Lake Valley Region paid the highest average monthly subsidy. Figure 8 shows the average annual cost by region for monthly subsidies. The figure combines IV-E and non IV-E monthly payments because region staff apparently do not consider funding sources when determining payments. Average payments do not differ significantly depending on federal funding eligibility.

Average monthly payments were highest in Salt Lake Valley Region.

**Figure 8. Fiscal Year 2000 Monthly Subsidies by Region.** The Salt Lake Valley Region accounts for over half of all monthly IV-E and non IV-E subsidy payments and has the highest average payment.

Region	Total Expenditures	Recipient Children	Average Amount
Eastern	\$ 330,485	110	\$ 3,004
Northern	1,409,141	492	2,864
Salt Lake	3,345,001	926	3,612
Southwestern*	179,748	74	2,429
Western*	854,294	264	3,236
<b>TOTAL:</b>	<b>\$6,118,669</b>	<b>1,866</b>	<b>\$ 3,279</b>

\* Southwestern and Western regions were slightly adjusted because five clients received payments from both regions.

Figure 8 shows that in fiscal year 2000, the highest average annual cost for monthly subsidies was paid by the Salt Lake Valley Region at \$3,612 per child. In contrast, the average of the other four regions was \$2,951 per child. Thus, Salt Lake spends \$661 (22 percent) more per child than the average for the rest of the state. That Salt Lake Valley Region paid more than other regions is especially important because there are significantly more children whose families receive monthly subsidies.

**Guardianship Subsidies Vary by Region**

Two regions are more likely to have monthly guardianship payments than others. Monthly subsidy payments may be for either adoption

Eastern and Western Regions have the highest guardianship subsidies.

(shown in Figure 8) or guardianship (shown in Figure 9). In the Eastern and Western regions, guardianship accounts for about 20 percent of all monthly subsidy payments; in the Salt Lake Valley Region, guardianship accounts for only 4 percent. While the Southwestern Region spent more on average than other regions, only six children are included. Figure 9 shows fiscal year 2000 data for monthly guardianship subsidies for each of the division's five regions.

**Figure 9. Fiscal Year 2000 Monthly Guardianship Subsidies by Region.** The Eastern and Western regions have a much higher proportion of guardianship subsidies than other regions.

Region	Total Expenditures	Recipient Children	Percent Guardianship	Average Amount
Eastern	\$ 143,569	31	22%	\$ 4,631
Northern	117,636	24	5	4,902
Salt Lake	199,891	41	4	4,875
Southwestern	31,617	6	7	5,270
Western	290,378	69	20	4,208
<b>TOTAL</b>	<b>\$ 783,091</b>	<b>171</b>	<b>8%</b>	<b>\$ 4,579</b>

Monthly guardianship payments were more common in Eastern and Western Regions than in other areas of the state. Western Region on average spent the least, but spent the most for total guardianship subsidies because more families received monthly guardianship subsidies than in other regions.

### **Supplemental Assistance Payments Are Highest in Salt Lake Valley Region**

In fiscal year 2000, the Salt Lake Valley Region also spent far more than any other region for supplemental assistance. Supplemental assistance may be provided to families for expenses not otherwise covered by the monthly subsidy or other financial resources such as Social Security Income or the family's health insurance. Figure 10 shows the annual cost per child that received supplemental assistance for each of the division's five regions.

**Average supplemental payments were highest in Salt Lake Valley Region.**

**Figure 10. Average Supplemental Assistance by Region.** The Salt Lake Valley Region accounts for most of the supplemental assistance payments.

Region	Total Expenditures	Recipient Children	Average Amount
Eastern	\$ 13,495	5	\$ 2,699
Northern	76,808	19	4,043
Salt Lake	1,386,928	275	5,043
Southwestern	6,205	2	3,102
Western	91,637*	41	2235
<b>TOTAL:</b>	<b>\$1,575,073</b>	<b>342</b>	<b>\$ 4,605</b>

\* Western Regions excludes \$42,000 paid as a legal settlement.

Figure 10 shows the average child receiving supplemental assistance from the Salt Lake Valley Region was paid \$5,043 in fiscal year 2000. The next highest was the Northern Region which received \$1,000 less, or \$4,043. The statewide average, excluding Salt Lake Valley and the legal settlement paid for Western Region, was only \$2,808 or over \$2,200 less per child than in the Salt Lake Valley Region.

Even more striking than payment amounts is the much greater likelihood that families in the Salt Lake Valley Region will receive supplemental assistance. A higher percentage of children in the Salt Lake Valley Region received supplemental assistance than in other regions. Figure 11 shows the number of adoptive children who receive some form of adoption assistance and the percent of those who also received supplemental assistance.

**Figure 11. Percent Children Receiving Supplemental Assistance by Region.** Families in the Salt Lake Valley Region are the most likely to receive supplemental assistance payments.

Region	Children Receiving Monthly or Supplemental Assistance	Children Receiving Supplemental Assistance	Percent Receiving Supplemental Assistance
Eastern	110	5	5%
Northern	493	19	4
Salt Lake	960	275	29
Southwestern	73	2	3
Western	265	41	15
<b>TOTAL:</b>	<b>1,901</b>	<b>342</b>	<b>18%</b>

Figure 11 shows that 29 percent of the children adopted by the Salt Lake Valley Region receive supplemental assistance. Whereas, the region with the next highest percentage is the Western Region with 15 percent. At the opposite extreme is the Southwest Region, which tends to be the most restrictive in the approval of adoption assistance. In the Southwestern Region the average annual cost per child for monthly subsidies is the lowest in the state and very rarely do they provide supplemental assistance.

In conclusion, though there are data limitations, we found that the significant spending growth in the adoption assistance program has been accompanied by quite different regional expenditure patterns. The next chapter discusses some of the different administrative practices that contribute to the regional spending differences.

**Highest ratio of children received a supplemental payment in Salt Lake Valley Region.**

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## **Chapter III**

### **Better Fiscal Controls Needed**

Until the Division of Child and Family Services (DCFS) improves its fiscal controls, it will be difficult to determine what level of funding is needed for Utah’s adoption assistance program. In the past, DCFS has exercised little control over the spending in each region. In fact, early last year the division’s financial management practices were found to be so ineffective that the Department of Human Services had to revoke the division’s authority to manage its own finances. The department has developed a plan whereby regions are earning the right to independently manage their finances. The division also developed a plan to strengthen the adoption assistance program. However, until these plans are fully carried out, it will be difficult to determine the extent to which these improvements will reduce the cost of the adoption assistance program.

The budget proposal recently developed by DCFS (which is the basis for the Governor’s budget recommendation) is based on the assumption that the past spending practice will continue into the future. The proposal does not account for the lower costs that should result from the department’s recent efforts to strengthen the division’s financial controls.

#### **Fiscal Controls Have Been Inadequate**

DCFS has not maintained adequate control over the spending practices within each region. For example, the budget has not been used as a tool for planning and controlling the division’s spending. As a result, last year’s spending for adoption assistance by the Salt Lake Valley Region was \$1.5 million over budget. In addition, the rules that staff use to decide how much monthly subsidy to give adoptive parents are not well understood. This accounts for some of the differences in the regions’ average spending reported in Chapter II. We also found that DCFS has had difficulty controlling the use of supplemental assistance—especially in the Salt Lake Valley Region, which accounts for 88 percent of the division’s spending for supplemental assistance. Finally, the division needs to make sure that every child who qualifies is properly classified as being eligible for federal assistance under Title IV-E.

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**Salt Lake Valley  
Region spent \$1.5  
million over budget  
last year.**

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The budget has not been used as an effective management tool.

### Spending for Adoption Assistance Not Within Budget

One reason the division has had difficulty controlling its spending for adoption assistance is that the budget has not been used as an effective management tool. The Salt Lake Valley Region, in particular, has not been held to a budget. As shown in Figure 12, the Salt Lake Valley Region spent over \$1.5 million more for adoption assistance in fiscal year 2000 than the budgeted amount.

**Figure 12. FY 2000 Total Expenditures for Adoption Assistance Compared to Budget by Region.**

Region	Authorized Budget	Total Expenditures	Under (Over) Budget	Percent of Budget
Eastern	\$ 426,100	\$ 503,208	\$ (77,108)	118%
Northern	1,457,000	1,651,785	(194,785)	113
Salt Lake	3,538,100	5,061,302	(1,523,202)	143
Southwestern	486,900	227,510	259,390	47
Western	1,472,000	1,294,618	177,382	88
<b>TOTAL</b>	<b>\$7,380,100</b>	<b>\$8,738,423</b>	<b>\$(1,358,323)</b>	<b>118%</b>

Lack of controls in the Salt Lake Valley are so serious that they deserve special attention.

Figure 12 compares the amount budgeted for adoption assistance in each region with the amount that was actually spent. Although we have concerns about other regions as well, the lack of controls over spending in the Salt Lake Valley Region are so serious that they deserve special attention. In fact, if the Salt Lake Valley Region had kept its spending within the budgeted amount, the division’s total spending for adoption assistance would have remained within the \$7,380,100 budget approved by the Legislature for fiscal year 2000.

#### **DCFS Has Not Used the Budget to Control Region Spending.**

We found that the division’s administration has not used its budgets as a tool for planning expenditures in the regions or for keeping spending under control. Although each region is required to prepare a report each month comparing a region’s expenditures to the budgeted amount, division officials told us that they have had little confidence in those

reports because they were full of inaccuracies. In addition, the division was under significant pressure from a court settlement agreement, the press, and outside critics to increase the number of adoptions. As a result, staff felt they could not be concerned about the budget.

The disregard that agency staff had towards budgets also made it difficult for financial officers to carrying out their oversight responsibilities. For example, each adoption assistance contract must be reviewed and “approved for availability of funds” by one of the division’s finance and budget officers before it is finalized. We asked a former finance officer why he would sign contracts even though he knew that there were insufficient funds available. He said he was pressured to approve the contracts because to do otherwise would hold up a family’s adoption. He said the feeling among regional staff was that they could not afford to hold up adoptions simply because the division wasn’t sure how to pay for them.

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Some staff didn’t realize that they were spending more for adoption assistance than their budget allowed.

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**The Budget Has Not Been Taken Seriously by Some Region Staff.** Inasmuch as the division administration did not use the budget to hold regions accountable for their spending, it is not surprising that region staff did not take the budget seriously either. For example, the supervisor over the adoption unit in one of the Salt Lake Valley offices said that they didn’t even know that they had a budget for adoption assistance. They operated under the assumption that if they were spending too much, someone in the region’s administration would tell them. They didn’t realize that they were actually spending far more for adoption assistance than their budget would allow. As a result, they continued to approve additional adoption subsidies, assuming funds were available.

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Some staff believed it was their job to help children. It was someone else’s job to figure out how to pay for it.

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The prevailing attitude among many staff in the Salt Lake Valley was that spending beyond the budget was a fact of life and that there would always be extra funds from other budget categories and other regions to cover shortfalls. There was an unspoken rule that budgetary concerns were not to take precedence over adoptions. If offering a larger monthly subsidy would help encourage a families to adopt, then staff felt obliged to approve them. This attitude was described best by a staff person who said, *“No one ever gets in trouble for spending too much. If kids were not protected or not given services that they needed, then staff would get in big trouble.”* Other staff seemed to believe that it was their job to help families and children; someone else was responsible to figure out how to

pay for the services. One regional administrator in the Salt Lake Valley told us that the underlying cause for the division's budget deficit is that the Legislature is not willing to pay what the program costs.

### **Regions Are Inconsistent in the Amount of Monthly Subsidies They Award**

In addition to properly monitoring the budget, the division's policies for adoption assistance are a tool that can be used to control spending. DCFS staff should have a clear understanding of what types of adoption assistance should be approved and the amounts that should be awarded. Instead, we found that division staff do not have a clear and consistent understanding of how to apply the division's administrative rules for adoption assistance. As a result, it is difficult for staff to know whether they are providing families with too much or too little monthly subsidy payments. A consistently applied policy is not only necessary for managing adoption assistance spending, but also for ensuring that families from different regions are treated fairly.

In fiscal year 2000, the average monthly subsidy provided by the Southwest Region was \$2,429, while the average in the Salt Lake Valley Region was almost 50 percent higher at \$3,612 per month. This difference is explained, in part, by the philosophies that different regions have toward adoption assistance. We found that the Southwest Region follows a fairly restrictive policy when awarding monthly subsidies. We are told that they prefer to give families a relatively low subsidy at first and then increase the amount if the family has additional needs.

In contrast, some staff in the Salt Lake Valley Region seemed to be more concerned about providing their adoptive families with as much assistance as the rules would allow. In one Salt Lake case, we asked the adoptive parent about the child's many problems that had been described by the adoption worker to justify the child's large monthly subsidy. The mother said that the child did not have any of the conditions described in the files, but the adoption worker was "grasping for labels" by attributing several serious mental health syndromes to her child.

### **Staff Are Inconsistent in Applying Adoption Assistance Rules.**

After observing adoption assistance committees, reviewing 50 cases files and interviewing dozens of staff, we found many inconsistencies in how

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**Staff do not consistently apply the division's administrative rules for monthly subsidies.**

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**Guidelines for giving assistance to families should be consistent.**

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the adoption assistance is awarded. The following situations illustrate this point.

- We reviewed several cases in which siblings were adopted to the same home. Even though the sibling children may have had very few needs, some staff assumed the children must receive a “Level III” subsidy of from \$267 to \$403 a month because the rules list sibling groups as a condition that may justify a Level III subsidy. Other staff interpreted the rules differently, suggesting that sibling groups could receive up to a Level III subsidy, but that they often paid less depending on the child’s special needs.
- Some staff give any child diagnosed with Attention Deficit Hyperactivity Disorder (ADHD) a “Level IV” subsidy of \$404 to \$428 a month, even if the child demonstrates rather mild behavioral problems. They point out that ADHD is listed in the rules as a condition that justifies a Level IV subsidy. They said this means every child with ADHD must receive at least \$404 a month. Other staff do not award every child with ADHD a Level IV subsidy, depending on the child’s behavioral problems and how easy it is to manage the child’s condition.
- Staff disagreed whether subsidies can be reexamined each year upon renewal. Some regions reassess the monthly subsidy each year, while others haven’t reviewed the subsidy amount since the child was adopted. We found cases in which the child’s needs were much more severe than they were when the child was adopted, yet the monthly subsidy had not been increased. On the other hand, other children received rather high subsidies even though they had few, if any, needs.
- Some staff consider the adoptive family’s own income and other resources when deciding how large the family’s monthly subsidy should be. Other staff do not consider the family’s income and base the subsidy amount solely on the behavioral and physical needs of the child.

The way that staff interpret the rules can have a significant effect on the amount of assistance a family receives. The inconsistencies are not only unfair to families, but also show why some regions spend much more for assistance than others.

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The strategies for controlling the monthly subsidy amount vary by region.

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**Different Regional Strategies Exist for Keeping Control over Monthly Subsidy Amounts.** Some regions have developed procedures to help control the amount of assistance offered to families. For example, several regions require that the region's fiscal officer serve on the adoption assistance committee which gives final approval to the adoption assistance contracts. As a member of that committee, the fiscal officer can ensure that the committee approves no more assistance than the region has funds to pay. Toward the end of the year 2000 the department began requiring that each region's fiscal officer serve as a member of the adoption assistance committees.

A few regions also require that a single staff person make the initial determination of how much assistance an adoptive family should receive. Rather than having several different staff each making their own interpretation, they have a single person perform this task. That person can then recommend to the adoption assistance committee a monthly subsidy for each adopted child.

The Western Region has several strategies for ensuring that staff are objective when they establish the monthly subsidy. For example, they prohibit adoption workers, who are responsible for making the placement in the home, from sitting on the adoption assistance committee. They consider it to be a conflict of interest for adoption workers to sit on the adoption assistance committee. The Department's Bureau of Internal Review agrees. They report adoption workers' participation on the adoption assistance committee "may be a conflict of interest in that the post-adoptive workers become advocates for the adoptive parents and adoptive kids." We found that the adoption assistance committees in the Salt Lake Valley Region consist primarily of adoption workers. In our view, they seemed to be very sympathetic to the interests of the adoptive family.

### **Different Approaches in the Use of Supplemental Assistance**

DCFS, and the Salt Lake Valley Region in particular, has also had poor control over the use of supplemental assistance. Supplemental assistance is entirely funded by the state and is supposed to pay for services not covered by other types of assistance. In the Salt Lake Valley Region recipients of supplemental assistance receives \$5,043 on average each year. This is a thousand dollars more than the next highest region

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The Salt Lake Valley Region accounts for 88 percent of all expenditures for supplemental assistance.

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**Salt Lake approves the use of supplemental assistance for purposes that would not be approved by the other regions.**

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and over twice the amount offered by the Western Region, which offers the lowest average supplemental assistance. In addition, adoptive children in the Salt Lake Valley area are far more likely to receive adoption assistance than children in other regions. As a result, 88 percent of all division expenditures for supplemental assistance during fiscal year 2000 was spent by the Salt Lake Valley Region.

**Salt Lake Valley Approves Supplemental Assistance for Uses Not Approved by Other Regions.** The administrative rules are not very clear, but it appears the Salt Lake Valley Region may not be complying with the intent of the rules governing the award of supplemental assistance. Section R-512-43-4 (4) requires that supplemental assistance be used for “expenses not otherwise covered by the monthly subsidy.” However, the rules don’t clearly define what expenses are covered by the monthly subsidy. Instead, they state that the “monthly subsidy may be used according to the parent’s discretion.”

The Salt Lake Valley Region allows families to use supplemental assistance for services that would not be permitted in other regions. One of the most common is the payment for therapy that is already covered by Medicaid. Mental health services for adopted children are supposed to be provided through the community mental health centers which act as a Health Maintenance Organization for mental health care. Although the division pays a flat fee for each child covered by the mental health centers, the Salt Lake Valley Region also allows parents who do not wish to take their children to the community mental health center to go to other providers outside that system. As a result, the state ends up paying twice for the services. They pay the capitated rate to the community mental health center and the fee for service to other mental health care providers.

The different practices we observed in the regions raise questions about the fairness of the division’s use of supplemental assistance. Some services that are regularly approved by the Salt Lake Valley staff are usually denied by the Western Region. For example, the Salt Lake Valley has given families supplemental assistance so they can pay for services offered by a certain provider in Utah County, which is located in the Western Region. Some of these families have been given thousands of dollars in supplemental assistance for the therapy offered by this provider. Yet, families who live in Utah County where the provider is located have been denied requests to take their children to that same provider. It’s the

policy of the Western Region to deny the use of supplemental assistance for therapy that is already covered by Medicaid.

**The Salt Lake Valley Region Has Approved Supplemental Assistance Without Specific Authorization by the Adoption Committee.**

The administrative rules require that adoption assistance be approved by the adoption committee. They state that supplemental assistance may be paid “upon prior approval from the regional adoption committee... .” The rule also states that “if the purpose of the request is to obtain professional services for the child, the documentation of projected expenses and the recommendation of the professional shall be provided to the committee.”

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Regions that require supplemental assistance to be reviewed by the adoption assistance committee, have better control over spending.

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Those regions which tend to have better control over their spending require that each request for supplemental assistance be reviewed by the adoption committee. In some cases, even when the adoption assistance committee decides that the family is not eligible for the requested assistance, the committee is able to find other ways to address the child’s needs through existing community programs and resources. They are able to meet the family’s needs without drawing large sums from the supplemental assistance account.

On the other hand, staff in the Salt Lake Valley Region sometimes do not even ask the adoption committee to approve requests for supplemental assistance. Instead, if an adoption contract has been signed approving the use of supplemental assistance, they assume that the post-adoption workers can issue those funds without further approval by the adoption assistance committee. In our view, there is no reason for the supplemental assistance to be included in the contracts in the first place. If special approval must be obtained on a case-by-case basis, there is no reason to specify an amount for supplemental assistance in the contract. We recommend that in the future the division not include any amount for supplemental assistance in the adoption assistance agreement.

**Division, Courts must Do More To Increase Federal Funding**

DCFS could also improve its controls over spending for adoption assistance by making sure that staff recognize the importance of properly classifying children as eligible for Title IV-E if they meet the requirements. There are specific conditions in which the federal

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It is crucial for children to be properly classified by courts in order to qualify for the federally supported IV-E.

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**The adoption of a six year old could cost the state \$43,000 by the time she is 18 years old, but only \$13,000 if she qualifies for federal assistance.**

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government will participate in the cost of adoption assistance. For example, if a child meets certain criteria described under Title IV-E of the Federal Adoption Assistance and Child Welfare Act of 1980, they can qualify for a monthly subsidy in which the federal government pays about 70 percent of the cost. It is crucial for children to be properly classified if the division is to maximize the federal participation in the adoption assistance program. For example, the state's cost to provide a \$300 monthly subsidy for a six-year-old adoptive child until she is 18 years old would be \$43,200, assuming no increases for inflation. If that child qualifies for Title IV-E assistance, the state only pays for 30 percent of that cost, or \$12,960.

We found that some division staff (and the courts) are not sufficiently aware of the need to verify whether children qualify under Title IV-E. Currently about 75 percent of Utah's adoptive children have qualified for assistance under Title IV-E. We do not know how many of the remaining 25 percent might have qualified. However, in the sample of 50 cases that we reviewed, there were 11 cases in which the children were not covered by Title IV-E funding. After investigating the cases, we found that three were probably eligible.

In some cases, children are not qualified for Title IV-E funding merely because of an oversight by the courts. In order to establish deprivation, the federal law requires that the court issues specific language that it would be "contrary to the welfare" of the child to remain in the home. If this language is contained in the court order removing parental rights, then the child qualifies under Title IV-E. In two of the cases we reviewed, the court failed to include the required language even though they probably were cases in which the children were removed from the home for their own protection.

One way to ensure that children who are eligible for Title IV-E assistance are properly classified as such would be for the Legislature to require, in statute, that the court state in their findings whether the child's welfare was considered in their decision. If the court revokes parental rights because it would be "contrary to the welfare" of the child to remain in the home, then the court could be required to state that finding in the court order, using the language required by the Child Welfare Act.

In another case we reviewed, the child could have become IV-E eligible if the division's eligibility worker had demonstrated that the child

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**In two cases an omission from the court order prevented the child from being eligible for federal adoption assistance.**

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**The division should ensure that children who qualify for federal assistance should be classified under Title IV-E.**

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came from a home that met the requirements for AFDC. However, the eligibility worker neglected to make the inquiries necessary to establish the child's AFDC eligibility. In other words, instead of doing the required paperwork, the eligibility worker processed the case under a non-IV-E status.

The division has hired an outside consultant to examine its practices and suggest ways it might maximize federal participation in its programs. This report is expected to be released soon. We recommend that the division take whatever steps are recommended by its consultant to ensure that each child that qualifies becomes eligible for Title IV-E assistance.

### **Funding Needs Will Depend on Growth and Improved Fiscal Controls**

Many factors affect the future funding needs of the adoption assistance program. These include growth in the number receiving assistance, amounts paid to recipients, and the extent of federal cost sharing. As discussed in Chapter II, the number of special needs adoptees is expected to continue increasing and will require new funding. Less clear is how the division's efforts to better control spending practices, especially in the Salt Lake Valley Region, will effect costs.

During the 2001 general session, the Legislature will be asked both to provide a supplemental appropriation for the adoption assistance program's deficit during the current fiscal year and to fund a building block increase for fiscal year 2002. The governor's budget proposal is based on estimated client growth and assumes that each region's spending practices for adoption assistance will continue at the same rate as in prior years. Figure 13 shows predicted costs and current base budget amounts.

**Figure 13. Comparison of Adoption Assistance Expenditures to Base Budget.** DCFS is requesting large funding increases for adoption assistance.

	FY2000 Actual	FY2001 Predicted	FY2002 Predicted
Estimated Expenditures	\$ 8,738,400	\$10,288,300	\$11,468,400
Base Budget	7,380,800	7,360,700	7,302,000
Deficit or Requested Increase	(1,357,600)	(2,927,600)*	(4,166,400)

\* Actual supplemental appropriation request was reduced to \$2,591,900 by combining adoption assistance with other department adjustments.

Recent budget requests fail to account for the cost savings due to improved fiscal controls.

While we feel the budget request is correct to predict expenditures based on estimated client growth, it fails to account for the cost savings that should result from efforts to strengthen the division's fiscal controls. In addition, a policy change to limit supplemental payments could significantly reduce state expenditures and lead to increased federal funding.

#### Client Growth Is an Important Budget Driver

As Figure 13 shows, DCFS is expecting the budget for adoption assistance to increase significantly during the coming years. Figure 14 shows the predicted number of full-year equivalent clients the division used to determine its funding request. Most clients who receive supplemental assistance also receive a monthly subsidy.

**Figure 14. Actual and Predicted Assistance Clients.** The division's budget requests are based on expected increases in the number of full-year equivalent clients receiving adoption assistance.

Full-year Equivalent Clients	FY2000 Actual	FY2001 Predicted	FY2002 Predicted
Monthly Subsidy Clients	1,901	2,125	2,395
Monthly Client Increase	---	224	270
Supplemental Clients	313	345	384
Supplemental Client Increase	---	32	39

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The division wants the Legislature to fund client growth and continue past spending practices.

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The division's approach of basing its budget request on the predicted number of clients is appropriate. When determining appropriations, the Legislature should recognize client growth as an important influence on funding needs.

While we agree with the division's approach to client growth, we question the cost projections because they assume that past administrative practices will continue. In other words, the projections assume improved fiscal controls will not affect the cost of assistance. Instead, the budget request assumes the average monthly subsidy and the average supplemental assistance paid by the Salt Lake Valley Region will continue to be much higher than the other regions. As discussed in the next section, the department's efforts to improve fiscal controls, especially in the Salt Lake Valley Region, should bring down the rate of spending there and statewide.

### **Improved Fiscal Controls Should Reduce Adoption Assistance Costs**

During the past year, Department of Human Services officials have worked closely with the administrative staff at both the division and regional level to improve their financial management practices. In the fall of 1999, the department learned that DCFS was heading for a budget deficit as high as \$8 million in fiscal year 2000, including a \$1.3 million shortfall in the adoption assistance program. In response, a team of the department's top financial officers began to oversee the division's finances. In fact, for several months, a former director of finance in the department assumed day-to-day responsibility for managing the finances in the Salt Lake Valley Region. The improved financial controls are expected to help reduce the cost of the adoption assistance program in the future.

**The Department Has Improved the Fiscal Oversight of the Division.** Ever since the division learned it would have a significant budget shortfall during fiscal year 2000 and fiscal year 2001, the department has provided close supervision of the division's finances. Today, the department still closely supervises the finances in the Salt Lake Valley Region. The department also reorganized the management of the Salt Lake Valley Region, consolidating what once were three separate regional administrations into a single administrative and financial management staff. In addition, the department has replaced the key budget and finance officers at the division level.

DCFS's director has also provided new guidelines for the review and management of assistance and for the preparation of adoption assistance agreements. For example, the division has imposed tighter restrictions on the use of supplemental assistance. Staff are required to obtain the approval of the division director before supplemental assistance can be used for behavioral treatments costing over \$2,500. Behavior treatments costing less than \$2,500 required the approval of the Regional Director. In addition, the division reports that payments for physician services are no longer made directly to adoptive parents.

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**Region can receive certification for demonstrating the capability of managing their finances.**

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The department has also imposed a certification program on the regions, whereby each region must demonstrate it is capable of managing its own finances. Regions may receive a certification of either bronze, silver, gold, or platinum, which offer progressively increasing independence from the department's oversight. Currently, four regions have received a silver certification, while the Salt Lake Valley Region remains at the bronze level. Pending internal audits, which are near to completion, some regions may soon be awarded gold certification.

**Reducing Salt Lake Valley Region Costs Will Have Large Effect.**

Eventually, the improved fiscal controls implemented by the department (and those we recommend at the end of this chapter) will significantly reduce spending by the Salt Lake Valley Region. If the Salt Lake Valley Region's spending practices were in line with the amount spent by the other regions, the cost of the adoption assistance program could be reduced by \$2 million. Although it's doubtful that the Salt Lake Valley Region will be able to make such changes quickly, the following analysis offers some insight into the potential costs savings that could result.

As an alternative to DCFS's fiscal year 2002 cost estimates, we recalculated the cost of the adoption assistance program using the same assumptions used by the division, with one exception. We excluded the Salt Lake Valley Region data when estimating average spending amounts. In theory, our calculation shows how much funding would be needed if the Salt Lake Valley Region's spending per client was the same as the average of the other four regions. For fiscal year 2002, we determined the adoption assistance program would require a total budget of only \$9,143,000 rather than the \$11,468,400 as shown in Figure 13. While this indicates over a \$2 million reduction is possible, because of existing contracts and promises made to adoptive families, this savings could not

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**Adoption assistance budget would have been \$2 million lower if the Salt Lake Valley Region's spending rate was as low as other regions.**

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be immediately realized. However, it does indicate the long term effect of bringing Salt Lake Valley Region's spending under control.

**Tighter Fiscal Controls Are Already Helping to Reduce Program Costs.** It is difficult to predict how soon the division will experience the benefits of its efforts to control costs. There is some evidence, however, that the division is already experiencing a decline in its expenditures for adoption assistance. For example, information based on the first half of the fiscal year 2001 shows the division will be spending about \$500,000 less for supplemental assistance than it did during fiscal year 2000. Local staff from the Salt Lake Valley Region also report that the adoption assistance committees in their region have changed their attitude towards the need to control costs. This suggests the division may require a smaller supplemental appropriation for fiscal year 2001 and a smaller building block for its 2002 budget than the amounts requested in the governor's budget recommendation.

### **State Needs a Plan for Addressing Mental Health Needs**

One issue that needs to be addressed either by the Legislature or the Department is how to ensure that families receive adequate mental health care for their adoptive children. Currently, the state contracts with local mental health centers to provide services to Medicaid clients under a capitated system. Mental health centers receive a set amount for each Medicaid client to provide services as needed. Because the special needs children have Medicaid coverage, their mental health services should be provided without the use of supplemental payments.

As reported, the main reason the division has had difficulty controlling its spending for supplemental assistance was that these funds have been used to pay for mental health therapies that were not covered by the capitated Medicaid system. The reason was that some parents claimed the local mental health center is unable to provide adequate services. In addition, the parents did not seek or else did not receive a referral from the center to another provider. Instead, they obtained special approval from DCFS for services outside the capitated system and supplemental assistance was used to pay for those services. The treatment is not eligible for Medicaid reimbursement because it is provided outside of the capitated system.

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**Families need adequate mental health care for their adoptive children.**

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The Legislature or Department needs to determine whether to continue to provide mental health services through the capitated system.

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In response to the budget shortfall, the division has cut back significantly on the use of supplemental assistance for therapy. As a result, some families are taking their children to Medicaid providers. A few, at their own expense, have taken their adoptive children to private providers. Some parents are also asking the Legislature to overhaul the system for funding mental health care for adopted children, asserting this is necessary so they can obtain the services they believe are best suited to their children's needs.

During our work, we heard claims that local mental health centers cannot provide needed services and that parents were spending state supplemental payment funds on therapy of little value. It was beyond the scope of this audit to evaluate the adequacy of local mental health centers or the effectiveness of other providers. However, at this point, it would be appropriate for the Legislature or the Department to evaluate whether to continue to provide mental health services through its capitated system and or in what circumstances parents might be allowed to go outside of it.

We believe there are two options.

- 1. Provide Mental Health Services Within the Capitated System Except Under Extraordinary Circumstances.** One option would be for the state to require that adoptive parents receive services through the Medicaid coverage they have been provided. All parents would be required to obtain services through the existing system of community mental health centers. However, in rare circumstances, approved on a case-by-case basis, DCFS still could allow children to go to therapists outside of the Medicaid system. The division would be limited in its ability to approve such treatments by the availability of funds.
- 2. Provide Adoptive Children and Foster Children the Same Fee-for-Service Mental Health Plan.** Rather than requiring clients to go to community mental health centers, policymakers could eliminate the capitated system. Instead, the state could allow adopted children to receive the same fee-for-service coverage that they had as foster children. Prior to being adopted, most special needs children are covered on a fee-for-service basis as foster children. If mental health therapy is going to be provided using supplemental assistance anyway, it

may be less costly to leave special needs adoptees in the fee-for-service system.

Another advantage of providing the same plan for adopted children as adopted children is that it would help maintain the continuity of care. Some adoptive parents have complained that their children suffered a setback in behavior when they were required to go to a different therapist after they were adopted.

Regardless as to which option is selected, the Legislature and the division need to agree on a clear policy regarding when supplemental assistance may be used and the procedures which will be used when approving the use of those funds.

**Recommendations:**

1. We recommend that the Division of Child and Family Services strengthen its fiscal controls by:
  - a. Requiring regions to obtain division approval before exceeding their budgets
  - b. requiring staff to verify, as each child enters state custody, whether the child qualifies for federal adoption assistance under Title IV-E
  - c. clarifying its rules and procedures for determining the amount of monthly subsidies a family should receive and ensuring that regions follow those rules
  - d. directing staff to refrain from including general provisions for supplemental assistance in adoption assistance contracts
  - e. clarifying its rules for approving supplemental payments and ensuring that regions follow those rules
  
2. We recommend that the Division of Child and Family Services propose to the Legislature statutory language requiring:
  - a. that the courts, when considering the termination of parental rights, determine whether or not the child's continuation in the home would be contrary to the welfare of the child
  - b. if the court so finds, that the court order include language necessary to qualify the child as eligible for assistance under Title IV-E.

3. We recommend that the Division of Child and Family Services consider ways to more cost-effectively provide mental health services to special needs adoptees including:
  - a. requiring clients to receive services within the capitated system except under extraordinary circumstances
  - b. provide adoptive children and foster children the same fee-for-service mental health plan
4. We recommend that the Legislature consider directing the Division of Child and Family Services to limit use of supplemental payments to extraordinary circumstances.
5. We recommend that the Legislature consider the following factors as it determines the adoption assistance budget:
  - a. changes in the number of children receiving assistance
  - b. the expected effect of improved fiscal controls
  - c. policies regarding the payment of supplemental assistance.

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## **Chapter IV Some Parents Need Better Post-Adoptive Support**

While most adoptive parents feel they were treated fairly by the Division of Child and Family Services (DCFS), our survey shows that there are some families who believe that they were not treated fairly because the division broke promises by reducing their monthly subsidy and imposing restrictions on the use of supplemental assistance. Some parents also felt that the division did not disclose to them all the information available regarding their child's special needs before the adoption and a few parents reported that they received undue pressure to adopt.

It appears that division employees did make inappropriate promises about financial support. As discussed in Chapter III, there is confusion about assistance policy even among staff. Thus, inconsistent practices and poor communication with parents are not surprising. However, we did not confirm complaints that the division purposely withheld information about children or inappropriately pressured parents. In general, case files did not include the type of information we needed to verify the complaints. On the other hand, in some files we found documents signed by the parents stating that they had been given access to the information about their adoptive child even though the parents claimed otherwise. Whether or not the claims by parents are valid, we believe the division needs to improve the services it provides to parents once the adoption is finalized.

### **Survey Results Shows Most Adoptive Parents Are Satisfied**

Most adoptive parents report that their experience with DCFS has been a fairly positive one. This view was expressed to us through the written surveys sent to all adoptive parents and through our interviews of adoptive families selected at random. Most parents told us that they received the help they needed from division staff and that the financial support has been sufficient. But some parents are dissatisfied with the services they have received. Figure 15 shows the results to our request

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**Most adoptive  
parents report their  
experience with  
Division was positive.**

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that parents rate their overall experience with the division before, during, and after the adoption.

**Figure 15. Most Parents Gave the Division High Ratings.** Most parents gave DCFS high ratings, but post-adoption ratings were lowest.

**Survey Question:** Rate your overall experience with DCFS before, during, and after the adoption in terms of how well DCFS kept you informed about the status of your adoption, listened to your concerns and responded quickly to those concerns.

Responses	Poor		Fair		Very Good
	1	2	3	4	5
Before (n=516)	9%	8%	20%	27%	36%
During (n=513)	8%	7%	19%	29%	38%
After (n=504)	18%	10%	21%	21%	30%

Most of the parents who responded to our survey gave the division fairly good ratings. A majority rated their experience before, during and after the adoption as a 4 or 5 on our scale. More parents gave a “poor” rating to their experience after the adoption than they did before the adoption. This indicates a need for the division to provide better post-adoption services.

The results of our written survey suggest that the complaints reported to legislators do not reflect the experience of most adoptive families. Nevertheless, legislators should not disregard the concerns of those who feel they have not been served well by the division.

### **Some Parents Felt They Were Misled About Adoption Assistance**

In both our written survey and our interviews with adoptive parents, the most common complaint was they had not received the financial support they had been promised. Many adoptive parents were frustrated because they thought DCFS had promised to cover the cost of all medical care that their child would need. Instead, they said the division had denied their children access to some medical services that they needed. However, in many cases the concern was that the division would not

**Some parents felt misled about promised financial support.**

allow them to go to the specific provider that the parent thought was most capable of meeting their child’s needs. The following comment is typical of those made by some parents:

*Our biggest concern had been what the financial impact [that adopting] would have on our family. Promises were made that were not kept. Our adoption contract said in writing that funds were available for orthodontics, psychological and medical expenses that weren’t covered – they lied.*

We found that parents have many different ideas regarding how much monthly and supplemental assistance a family is supposed to receive. In fact, we found even division staff do not have a clear understanding of division policy.

### **Parents Interpret Monthly Subsidies Differently**

We found that most adoptive parents are confused about the division’s monthly subsidy policy. In particular, many parents are uncertain about how and why monthly subsidy payments might be changed. Some parents also report a lack of information about their ability to appeal a reduction in their monthly payment.

**Many Parents Assumed Their Monthly Subsidy Could Not Be Reduced.** Over half of those who responded to our written survey said they expected the monthly subsidy payments would continue unchanged until the child reached age 18. In fact, the division policy states otherwise—that the subsidy can be reevaluated each year when the assistance contract is renewed. Figure 16 summarizes the parents responses.

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**Most parents expected monthly subsidy payments to continue unchanged until the child was 18.**

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**Figure 16. DCFS Can Increase or Decrease the Monthly Subsidy.**  
 Many parents did not realize DCFS could periodically make adjustments to the monthly subsidy amounts.

**Survey Question:** Did you realize that DCFS might periodically reevaluate the monthly subsidy and make adjustments if needed or did you assume it would remain unchanged until the child reached 18?

**Responses:**

Reevaluated Each Year:	217	(44%)
Remain Unchanged Until Age 18:	276	(56%)

Because many parents expected the monthly subsidy to remain unchanged until their child was eighteen, it’s not surprising that some were upset and confused when their subsidies were reduced during the last year. In fact, the division’s policies state they can be “increased or decreased as the child’s level of need or the family’s ability to meet those needs changes.” (See Administrative Rule R512-43-4(3))

Parents were also asked if their subsidies had ever been increased or decreased and, if there had been a decrease, were they told they could appeal. Figure 17 summarizes their responses.

Parents report few monthly subsidy amounts were increased or decreased.

**Figure 17. Few Monthly Subsidies Were Increased or Decreased.**  
 Many parents said they did not realize they could appeal the division’s decision to reduce their monthly subsidy.

Survey Questions	Responses		
Has your monthly subsidy ever been increased?	Yes	72	(14%)
	No	449	(86%)
Has your monthly subsidy ever been decreased?	Yes	74	(14%)
	No	443	(86%)
If the monthly subsidy was reduced, were you informed that you could appeal that decision?	Yes	35	(53%)
	No	31	(47%)

Figure 17 shows that relatively few adoptive parents have had their monthly subsidy increased or decreased. About half of those who said their monthly subsidy had been decreased said they did not realize they

could appeal that decision. However, in the cases we reviewed, a letter was sent to all parents notifying them of the reduction and informing them that they could appeal the decision.

### **The Purpose of Supplemental Assistance Is Not Well Understood**

Several parents report that they were promised that supplemental assistance would be provided to cover the cost of all special medical care required for their adopted child. In recent years, some parents have received supplemental assistance to pay for mental health treatments even though the child's Medicaid plan may have covered such treatments. Due to the last year's budget shortfall, the division began scrutinizing supplemental assistance requests more closely. As a result, some parents believe DCFS has failed to provide the services promised to them.

Division rules allow supplemental assistance only "as state funding permits" (Administrative Rule 512-43-4(4)). However, statements contained in several of the adoption assistance contracts we reviewed could have led parents to believe that the division would provide supplemental assistance for services regardless of whether funds are available.

**Supplemental Assistance Has Been Used for Expensive Mental Health Care.** As mentioned in the previous chapter, one region used supplemental assistance to pay for expensive residential and day treatment facilities. The cost of such care, depending on the provider, can be as high as several thousand dollars a month per child. Parents felt the treatments were effective and are now concerned that the division no longer will approve using supplemental funds for such treatment. Instead, parents are being asked to take their children to the community mental health centers where the treatment is covered by Medicaid.

While some parents report they have received good care from their community mental health centers, others believe that the mental health centers are not capable of addressing their child's unique needs. Some children suffer from illnesses that result in behavior that is very difficult to control. Parents have reported that their children have become so destructive and violent that they pose a threat to themselves, their families and their neighborhoods. In desperation, some parents report using their family savings to pay the cost of the treatments they think are more

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**Contrary to division rules, parents believed supplemental assistance would be provided regardless of available funds.**

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Some parents believe the mental health centers are not capable of addressing their child's needs.

effective. A few surveyed parents insist they were promised that the division would cover the cost of any medical care and feel that the division should not limit the use of supplemental assistance.

**Contract Language Is Confusing.** It is difficult to document the claims by adoptive parents that they were told DCFS would cover the cost of all medical care their adopted children need. However, we reviewed contracts that contained language that may have led parents to believe that more financial support would be available than was actually intended. For example, contracts we reviewed often included language stating supplemental assistance was available for a wide range of expenses such as “dental care, orthodontia, and psychological treatment costs not covered by Title XIX.” Appendix F includes a contract example. Contracts for infants also included provisions for a wide range of dental, orthodontia and mental health care even when there was no evidence that the infant would ever require such care. Some division staff told us that such language was provided in the contracts just in case the funds were needed when the child grew older.

Confusing contract language may have misled parents about future financial support.

Because these contracts included provisions for a wide range of unspecified medical care, along with adoption workers' general assurances that the division would help them care for the child's medical needs, some parents may have been led to believe that the division was actually making a commitment to pay those funds when and if the parent decided they were needed.

On the other hand, the adoption assistance contracts also state in several sections that financial assistance is not guaranteed. Most contracts we reviewed included statements that “*the amount of the payment may be adjusted at the yearly renewal.*” and that subsidies “*may be reduced by the STATE as appropriate when there is a significant underutilization of available services and monies or when available federal or state funds are insufficient....*” Even though parents may have felt reassured by adoption workers and by the tone of certain sections, the contract does not guarantee that supplemental assistance will be provided.

### **Staff May Not Effectively Communicate Adoption Assistance Rules**

Interviews with DCFS employees showed that many did not have a clear understanding of the division's policies and did not consistently

communicate policies about monthly subsidies to parents. Some adoption workers report they currently tell parents that they will receive assistance until the child turns 18. They tell parents that the contract will be renewed annually but don't point out that the monthly subsidy amount may also be increased or decreased annually. Other workers report they are careful to inform parents that subsidies can change and are subject to available funds.

In our opinion, because division staff have not had a clear and consistent understanding of adoption assistance policies, adoptive parents were probably misled. Written guidance specifically designed for parents would more effectively communicate state policy.

Prospective adoptive parents' understanding of adoption assistance may be improved when DCFS completes a planned booklet with detailed information. In July 2000, the division published a handbook titled *Utah Guide to Adopting Children With Special Needs* for distribution by child placing agencies. This handbook, which includes general information about financial assistance, states that "your local DCFS office has a booklet outlining details of the adoption assistance services." Unfortunately, the detailed booklet has not yet been completed. Division staff report they hope to complete and distribute the booklet soon.

### **Evidence Insufficient to Show Information Withheld from Parents**

Some adoptive parents are frustrated because they feel DCFS did not adequately inform them of their child's history of abuse and medical background before they decided to adopt. A brief review of case files did not produce any evidence to confirm complaints that the division purposefully withheld information. We did learn that staff do not follow a consistent policy regarding the disclosure of information to adoptive parents.

#### **Most Parents Said the Disclosure of Information Was Adequate.**

Through our written survey and our interviews with adoptive parents, we found that most parents believe they received sufficient information about their child before adopting. Figure 18 shows the responses to the survey question.

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**Division needs to more effectively communicate adoption assistance rules.**

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**Most parents report they received adequate disclosure about the adopted child.**

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**Figure 18. Most Parents Were Satisfied with Information.** Although two-thirds of survey respondents reported they received adequate information and were permitted to review files, one-third reported they did not.

Survey Questions	Responses		
Do you feel you received adequate information about your child prior to adopting?	Yes	340	(66%)
	No	177	(34%)
Before adopting, were you permitted to review the files maintained by DCFS for this child	Yes	347	(68%)
	No	167	(32%)

Figure 18 indicates that most parents felt they received sufficient information about their child before the adoption. About one-third said there was some information about their child’s background they would like to have known but did not find out until after the adoption.

**Evidence Supporting Non-disclosure Is Difficult to Obtain.** A few adoptive parents told us they were frustrated by the lack of information regarding their adopted child because they had informed the division they did not want to adopt a child with serious emotional or mental problems. Years after adopting, they found the child had more serious problems than expected. However, in the cases that we reviewed, we could not find evidence that the division withheld information. Caseworkers told us that when the state takes custody of a child the division does not always have complete background information. Problems may show up later in the child’s life, often as adolescents.

In several of the cases in which parents stated they were not permitted to review the child’s case file, we found that the case file contained a form signed by the adoptive parents stating they had read the child’s file prior to adopting.

**Some Parents May Have Unrealistic Expectations.** Adoption workers told us that in some instances adoptive parents don’t want to believe what they hear about their children’s problems. The parents are so focused on the adoption that they don’t “hear” the child’s problems, even when information about the problems is stated again and again. For example, in one of the cases we reviewed, a relative who was a foster parent to a child and intended to adopt would not believe the adoption

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**When the state takes custody of a child, the division doesn’t always know the child’s complete background.**

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**Some parents may not believe the child’s problems until the child has been in their home for awhile.**

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worker when told about the child’s behavioral problems related to prior sexual abuse. Once the adoption was finalized, the adoptive parent contends the division had not provided adequate information about the child.

**DCFS Doesn’t Follow a Consistent Practice When Disclosing Information.** We found that division staff do not follow a consistent policy regarding information disclosure.

The division’s policy states:

*The caseworker shall provide detailed information about the child to the prospective adoptive parents, allowing sufficient time for the prospective adoptive parents to make an informed decision regarding placement of the child in their home. The information given to the adoptive parents must be a full disclosure of all information available and committed to writing.*

Furthermore, the division also states in a brochure that is given to prospective adoptive parents:

*Utah Law and rules require full disclosure to you of all of the information the state has about the child’s background, including all medical and psychological information. A worker should go through the record with you and share all information relevant to placement of the child with you. The Division cannot release third party reports, such as from doctors and psychologists, but can help you obtain that information from these professionals.*

Although these policies state that all written information should be provided to adoptive parents, we found that division workers do not consistently follow the policy.

We learned that two regions allow parents to review any information about the child’s biological parents, including both medical and mental health history. Other regions will not allow adoptive parents to read the biological parents’ medical and mental health histories. Instead, case-workers only provide general information about the biological family, explaining such things as possible genetic problems.

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**Regions were inconsistent in what information parents receive about their child’s background.**

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Even within regions, we found that inconsistencies occur. Different case workers within the same regional office sometimes have different opinions about what documents parents should be allowed to review and whether or not parents can make copies or take notes of the information found in the child's case file. Some adoption workers told us they sit down with the parent and discuss the case file information with them without actually letting them review some of the documents. Others reportedly give the parents copies of all of the information in the case files.

Adoptive parents may be confused or frustrated when they find out that another adoptive parent was allowed to review their child's case files but they were not given the same opportunity.

We believe much of the criticism about DCFS has resulted from inconsistent communication with adoptive parents. Part of the problem may be that the division staff, themselves, have had different views regarding the divisions policies. The division can improve its service to adoptive parents by requiring staff to use a consistent approach for explaining the adoption rules and for providing written information to adoptive parents. This, we believe, would help ensure that parents make an informed decision regarding the adoption of a special needs child.

**A Timely Disclosure Is Necessary.** Some parents are also concerned about the time at which they are allowed to review the child's case files. Some families report that they were allowed to review their child's case file, but only shortly before the adoption was to be finalized. By that time the parents and child had become very attached to one another. If the purpose of the disclosure is to help parents decide if they should go through with the adoption, disclosure needs to happen much earlier in the adoption process.

The information on the child could be very important for the child's proper development. One adoptive parent told us that the division had information regarding their child's disabilities but it was not disclosed to them. He said it would have been extremely valuable to them as they tried to address the child's problems when she was growing up. Division officials confirmed to us that the child's clinical information had been in the case file but had not been disclosed to the parents. This adoption, which occurred ten years ago, was the only case in which we found evidence that the parents had not been given all the background information the division had regarding the child.

Some parents said division did not make full disclosure about the child's background until a few days before the adoption was to be finalized.

## Little Evidence Found That Staff Used Pressure Tactics

Some parents contend that division staff place undue pressure on them to adopt before they are ready. We found that most parents did not feel pressured. In the few cases we reviewed, it was very difficult to prove or disprove. Adoption workers were required to find a permanent home for the child if the family was not prepared to adopt.

### Most Parents Said There Was No Undue Pressure to Adopt

Few parents reported adoption workers pressured them to adopt. Twelve percent of the parents who responded to our written survey and two of the fifty cases we reviewed in depth reported they felt undue pressure to adopt. Figure 19 summarizes the results of our survey question.

Most parents reported they did not feel pressured to adopt.

**Figure 19. Most Parents Did Not Feel Unduly Pressured to Adopt.**  
Twelve percent report that DCFS placed undue pressure on them.

Survey Question	Responses		
In your opinion, did DCFS staff put undue pressure on your family to adopt this child before you were ready or before your concerns had been addressed?	Yes	62	(12%)
	No	455	(88%)

Of the few parents that reported undue pressure, those parents fostered the child for 12 months or more.

We followed up on some of the undue pressure concerns but could not confirm the claims. Most of the adoptive parents who reported undue pressure had been foster parents to the child for 12 months or more. Because the division is required to find a permanent placement for a child, it is understandable that foster parents are asked to decide whether they are going to adopt. Perhaps what adoptive parents perceive as undue pressure is adoption workers trying to meet a legal mandate to have a child placed in a home within the required time period.

One example of an adoptive family who felt case workers exerted undue pressure was identified through our written survey of adoptive parents. The parents reported they had three days to decide to adopt or the division would remove the child from their home. In reviewing this

case, we learned that the parents had experienced difficulties when the child was a foster child. After about six months, the division placed the child in a residential care facility. After three months in residential care, the child was scheduled for release and the division worker needed to place the child in a potential adoptive home. Division workers then told the adoptive parents they needed to make a final adoption decision—if they didn't want to adopt the child, the division would find a different home for the child.

The above case describes the dilemma that adoption workers sometimes face. They must try to balance the needs of parents to have time to decide whether they want to adopt a child and the statutory requirement to quickly find a permanent placement for the child.

### **Establishing Permanency Is the Division's Goal**

Adoption workers are required to find a permanent home for children as quickly as possible. Utah law requires the division to make intensive efforts to place the child in an adoptive home within 30 days of establishing adoption as the goal for the child (**Utah Code** 62A-4a-205.6).

Parents may sometimes feel undue pressure from the division because prospective adoptive parents may not be sensitive to the time requirements. Adoption workers must do what they can to encourage parents to make a decision as to whether they plan to adopt the child or whether the child should be placed with another family. Understandably, if parents are reluctant to decide, the adoption worker faces a tough decision. They could wait a few more weeks to see if the parents can decide whether or not to adopt, or they may need to pull the child out of the home and place him or her with another family that is ready to adopt a child.

Adoption workers we interviewed told us that some adoption workers may not have been sufficiently patient with some families and may have applied pressure on families to decide if they want to adopt. Adoption workers vary in their approach. One adoption worker believed that after a child is in a home for six months, the family should make a decision. Another adoption worker said that by the end of three months a family will know whether they are going to adopt. A third worker said that the goal is to try to avoid moving children from home to home and so the

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**The Division is required to quickly find a permanent for a child.**

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child could stay in the foster home up to a year unless another potential adoptive family became available. We realize that the division's options are sometimes limited when they search for families who are willing to adopt and that they must meet certain time requirements.

## DCFS Needs To Provide Better Post-adoption Services

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Post-adoption support is critical to achieving a permanent family.

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Our survey and case file review showed that many parents are frustrated and feel they need post-adoption support services. Post-adoption support is critical to achieving the goal of finding permanent, stable, loving families for children. Professionals report that a lack of supportive services after the adoption is a critical contributor to adoptive placement disruption.

The written comments made by adoptive parents show that their frustration is due in part to the inadequate post-adoption support. Parents told us:

- there was no place for them turn for help after adopting,
- the division would not listen to their needs, and
- they had to initiate all communication with the division after the adoption because the division never checked back with them.

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The division's job does not end after the adoption takes place.

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The division's job does not end after the adoption take place. Instead, families need continued support and services to address the child's ongoing needs.

According to the **Field Guide to Child Welfare**, several objectives can be accomplished with post-adoptive support.

- Issues that were identified before/during the adoption process will continue to be addressed. Many adopted children have severe problems. Both families and children must continually address the negative influence of unrealistic expectations. The adoptive family may not be fully aware of the scope of the changes they are experiencing until weeks or months after the placement. Families often need services that promote realistic expectations, that help families fully understand and deal with change, that increase the parents' understanding of the child's earlier experiences and their

effects on current behavior, and that strengthen parenting strategies.

- Help the child adjust to a new family and environment. Providing the child with guidance and support in adjusting to change can be very helpful during the initial post-placement phase.
- Help the family adapt to changes in the family system and facilitate the development of healthy family relationships. Parents and children who are improperly prepared often assume that adoption will be “love at first sight,” or they greatly underestimate the effort needed to integrate the child into the family. Even well-prepared families may be surprised by the scope and intensity of the changes brought about by the adoption.
- Educate and empower the parents to use therapeutic behavior management techniques. New adoptive parents may lack the experience or confidence to parent a child with special needs.
- Provide crisis intervention as needed. The post-placement adjustment phase can be extremely stressful for both the family and the child. Workers can help families identify potential crisis situations, provide services to prevent crisis, and help families who are experiencing crisis.

There is always a period of adjustment for the adoptive family following placement. The family’s equilibrium is disrupted by a new family member. An emphasis on post-adoption services helps families meet their needs and lowers the risk of placement disruption.

### **Other States Programs Serve as Models**

Some states have innovative and comprehensive post-adoption service programs that can serve as models to DCFS. Massachusetts has a post-adoption program called Adoption Crossroads. The services that they offer include:

- information and referrals for services
- regional response teams, which consist of a social worker, clinician, and parent liaison who offer brief home-based supportive services
- adoptive family support networks

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**Post-adoption support needed to help families address their child’s special needs after adoption.**

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- family support and planned respite services
- adoption competency training to mental health professionals
- advocacy and coordination

The program works continuously to increase awareness of the needs of adoptive families, expand services to meet those needs, and ensure that policy and legislation reflect those needs.

Oregon's states post-adoptive services provide:

- information and referrals for services
- lending library of books, tapes, videos, self-study courses and information packets
- training to adoptive parents and parent support groups on-site, through teleconferences and self-study courses
- referrals to support groups or help in starting groups where none exist
- referrals and assessment of respite providers and their ability to meet the needs of the child.

State services are available to families who live in Oregon and have adopted through the state's system or for families who have adopted in another state and are residing in Oregon.

The Western Region feels their effort to provide post adoptive services are effective without being costly to the division. In fact, the regional director reports that the post adoptive efforts in his region actually save the division money by reducing families' need for supplemental assistance. Each year the post-adoption staff make contact with the adoptive parents and ask how the child and family are doing. Any problems reported by the parents are discussed by the adoption assistance committee. Often this committee, which is comprised of division therapists and representatives from community groups are able to identify a solution to the problem raised by the adoptive parent. In some cases, they refer the family to a community organization that can help them address their particular need.

A former supervisor in the Western Region is now the Director of the Salt Lake Valley Region and has begun to provide the same type of post-adoptive services in that region that was provided in the Western Region. We have told that the Salt Lake Valley Region now has six staff assigned

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**DCFS needs to assess what post-adoption services are needed and develop a plan of action.**

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to provide post-adoption services to parents. We anticipate that this approach will improve the support and services to adoptive parents and will eventually reduce that region's reliance on supplemental assistance. We recommend that the division develop a plan to provide post-adoptive services state-wide and incorporate in that plan some of the techniques developed by the Western Region.

**Recommendations:**

1. We recommend that DCFS provide the training and supervision necessary to ensure that staff follow division policies and procedures regarding the disclosure of information to adoptive parents.
2. We recommend that DCFS complete and distribute its booklet outlining details of the adoption assistance services as soon as possible.
3. We recommend that the division assess the need and develop a plan to improve post-adoption services for adoptive children and their families. Some of the services the division should consider are:
  - a. making an inquiry with adoptive parents each year regarding their child's special needs
  - b. identifying any services the families may require to address those needs, and
  - c. helping the families find existing programs within the Department of Human Services or through other community agencies that can help them address those needs.

## **Appendices**

**Appendix A**  
**Confidential Survey of Adoptive Parents**

# Confidential Survey of Adoptive Parents

## Treatment of Adoptive Parents

### Question 1

Using the scale and definitions below, rate the severity of your child’s special need now and at adoption.

**mild:** children who are hard to place because of age, race, etc. but have no physical or mental disability.

**moderate:** children needing some enrichment and therapy for social or educational delays or physical disability.

**severe:** children with serious mental and physical disabilities that require intense therapy and close supervision.

<b>Special needs at adoption:</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Special needs today:</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<b>mild</b>		<b>moderate</b>		<b>severe</b>

### Summary of the Answers:

Distribution of Scores of Children’s Special Needs				
Score	At Adoption		Today	
<b>1</b>	75	15%	79	16%
<b>2</b>	49	9%	66	13%
<b>3</b>	185	36%	160	32%
<b>4</b>	100	19%	114	23%
<b>5</b>	107	21%	84	17%

### Question 2

Do you feel you received adequate information about your child prior to adopting? ..... **Yes**  **No**

**If no**, what other information about the child do you feel would have been most helpful to you?

### Summary of the Answers:

Of the 517 responses,

- **Yes** 340 (66%)
- **No** 177 (34%)

### Selected Comments of Question 2:

- “There was suspicion of sexual abuse which turned out to be true. If we had known earlier we would have began treatment earlier. It is VERY critical to know these things.”
- “We were not told about the circumstances from which the children...were coming from. They came from a foster home where there was serious problems. We were not alerted of these problems and it caused a lot of undue stress that we didn’t know about or planed for. We had to move and unlist our number so that previous foster parents and birth family would not know of our whereabouts.”
- “I feel it would have been helpful if we could have reviewed the mental health records or at least a summarization of the records. To this day I am unable to obtain a copy of these records and my child is still

struggling with some very complex issues. His providers here have indicated that I should go over these records but when I request them I am told they can only be released to another health care provider (who cannot release them to me).”

- “We feel the DCFS didn’t release the birth mothers information to us because if we had been informed of the birth mothers behavioral difficulties, abuse of drugs and alcohol, and the death of the maternal grandmother by an overdose of cocaine, we would have reconsidered accepting life-long responsibility for this child. As well we would have if we’d known all the history. The history came to us by a former foster parent who recognized our child while we were out shopping. She phoned us later, at our request, to give us all the information she had.”
- “We were told that the [children] we adopted were just ‘normal’ children and seem to do fine in various situations. NOT! Their needs were many from the start and their mental capacities are certainly not ‘normal.’”
- “We were told no sexual abuse was involved when in fact there was substantiated abuse in the life.”

**Question 3**

Before adopting, were you permitted to review the files maintained by DCFS for this child?.....**Yes**  **No**

**Summary of the Answers:**

Of the 514 answers,

- **Yes** 347 (68%)
- **No** 167 (32%)

**Question 4**

Were you foster parents to this child before adopting?.....**Yes**  **No**   
**If yes, for how long?**.....

**Summary of the Answers:**

Of the 529 answers,

- **Yes** 450 (85%)
- **No** 79 (15%)
- **Average length** for foster parenting 13.3 months

**Question 5**

In your opinion, did DCFS staff put undue pressure on your family to adopt this child before you were ready or before your concerns had been addressed? .....**Yes**  **No**   
**If yes, explain:**\_\_\_\_\_

**Summary of the Answers:**

Of the 517 responses,

- **Yes** 62 (12%)
- **No** 455 (88%)

*Selected Comments of Question 5:*

- “We just felt as though they (DCFS) were over anxious—we planned on adoption them for sure. We just felt hurried.
- “We were told we had 3 days to decide to adopt or they would remove him from our home. This was while

he was not even in our home, but in a residential group home for severe behavioral problems.”

- “I pushed and pushed to get more evaluating done with [child’s name], our worker just wanted him placed and adopted. We are happy that we have [child’s name] but the transition could have been easier and we been able to understand his attachment problems and ADHD.”
- “We were asked to commit to adoption at 6 mos. of the fostering or the children would be moved to a legal risk foster placement. At that point the children were too insecure to be moved, so we consented to adopt.”
- “They kept threatening to take the children and place them with an aunt in the same abusive family which they had been taken from twice. They had done no research on this aunt at all. They simply said that ‘she did not care how much trouble they were.’ The whole family seemed dysfunctional. The [children] had spent two years in foster care and no one came forth to claim them. They didn’t seem to care for them at all.”

**Question 6**

Rate your overall experience with DCFS before, during, and after the adoption in terms of how well DCFS kept you informed about the status of your adoption, listened to your concerns, and responded quickly to those concerns.

	<b>Poor</b>		<b>Fair</b>		<b>Very Good</b>
<b>Before:</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>During:</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>After:</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

**Summary of the Answers:**

Averages:

- 3.7 Before
- 3.8 During
- 3.3 After

<b>Distribution of Scores of Parents’ Overall Experiences with DCFS</b>						
<b>Score</b>	<b>Before</b>		<b>During</b>		<b>After</b>	
<b>1</b>	49	9%	39	8%	89	18%
<b>2</b>	40	8%	34	7%	50	10%
<b>3</b>	102	20%	97	19%	107	21%
<b>4</b>	140	27%	150	29%	107	21%
<b>5</b>	185	36%	193	38%	151	30%

**Question 7**

Provide any comments you have regarding your experience with DCFS:

\_\_\_\_\_

*Selected Comments of Question 7:*

- “We had had our [child] in our home for about 2 years and she had started school. Her social and mental disabilities became a much bigger problem. I called DCFS and asked for some help, money for a tutor, etc. and they said—‘You adopted her, now she’s your problem.’ 6 months before she turned 18, they called and asked what they could to help!”
- “Post adoption support need to be better. The financial help is great, but with many of these kids we need more support than just money. Mental health services need to be much better. The therapists at Valley Mental Health, many times are not equipped to do family and in home therapy that special needs children really need.”
- “I would never do it again. I love my children, but we would never go through DCFS again. The people that work for the state are over worked as far as cases go.”
- “The adoption case worker tried to make me feel like the reason I asked for subsidy was for the money. It could not have been more opposite from that. . . . The whole subsidy issue comes up year after year. If those troubled by subsidy want to see the changes in these children they are welcome to come over. My experience with my adaption case worker was terrible.”
- “We feel that we will be honest, but can lose what lever of help that now get” [The family chose to stay anonymous and did not want to be contacted by us].
- “Overall, it was very positive.”
- “We had an excellent caseworker who kept us constantly informed of changes or progress in our case.”
- “I have been treated very good and have really appreciated the help I have received.”
- “All of the case workers have been very helpful and care a great deal about the children.”
- “We had wonderful case workers & adoption worker...The only problem we had was turn over in caseworkers. We have however kept an ongoing relationship with these workers.”
- “I am deeply grateful to DCFS for the sensitivity, thoroughness, and professionalism with which my child’s needs were addressed.”

### ***The Adoption Subsidy***

#### **Question 8**

When you adopted, did you realize that the monthly subsidy might be reevaluated form time to time and that adjustments might be made, or did you assume it could remain unchanged until the child reached 18? **Reevaluated each year:**  **or** **Remain unchanged until age 18:**

#### ***Summary of the Answers:***

Of the 493 responses,

- **“Reevaluate each year”** 217 (44%)
- **“Remain unchanged until age 18”** 276 (56%)

#### **Question 9**

For how many years have you been receiving a monthly subsidy?.....

#### ***Summary of the Answers:***

For the 519 answers the average length for receiving the subsidy was **3.6 years**.

**Question 10**

Has your monthly subsidy ever been increased?.....**Yes**   
**No**

**Summary of the Answers:**

Of the 521 responses,

- **Yes** 72 (14%)
- **No** 449 (86%)

**Question 11**

Has your monthly subsidy ever been decreased?.....**Yes**   
**No**

**Summary of the Answers:**

Of the 517 responses,

- **Yes** 74 (14%)
- **No** 443 (86%)

**Question [11a]**

If the monthly subsidy was reduced, were you informed that you could appeal that decision?  
.....**Yes**  **No**

**Summary of the Answers:**

Of the 66 responses,

- **Yes** 35 (53%)
- **No** 31 (47%)

**Question 12**

Which best describes the purpose of the monthly subsidy as you understand it:

- A.** The monthly subsidy helps adoptive parents address a child’s **pre-existing physical, mental and emotional disabilities**. Examples include costs above and beyond the basic needs of the child such as therapy, special equipment, respite care, minor home renovations to meet the child’s special needs, damage and repairs, speech therapy, and special education. However, the cost for the child’s basic upkeep such as food, clothing and shelter is the responsibility of the adoptive parents.
- B.** The monthly subsidy should be sufficient to pay for **the basic upkeep** of the child, including normal expenditures for food, clothing and shelter, in addition to addressing the child’s special needs.

**Summary of the Answers:**

Of the 496 answers,

- **A** 302 (61%)
- **B** 194 (39%)

**Question 13**

How much is your current monthly subsidy? \$ \_\_\_\_\_/month. [If you have more than one child, give the amount for that child most recently adopted.]

**Summary of the Answers:**

The average monthly subsidy is **\$307**

**Question 14**

In your view, is this amount sufficient to cover:

- A.** the costs associated with the child’s special needs,
- B.** the child’s basic upkeep as well as his or her special needs, or
- C.** neither?

**Summary of the Answers:**

Of the 491 answers,

- **A** 181 (37%)
- **B** 133 (27%)
- **C** 177 (36%)

**Question 15**

In addition to the monthly subsidy, have you ever been eligible for a supplemental subsidy? .....**Yes**   
**No**

**If yes,** for what types of expenses does you family use the supplemental subsidy? \_\_\_\_\_

**Summary of the Answers:**

Of the 515 responses,

- **Yes** 139 (27%)
- **No** 376 (73%)

*Selected Comments of Question 15:*

- “But DCFS told us they won’t grant those anymore. Used them in the past for structured summer program, respite care, tutoring, therapy. DCFS increased our monthly subsidies to compensate for losing the supplemental.”
- “We were not given a subsidy to pay for psychological therapy. This did not include the damage to our home.”
- “Ones for glasses.”
- “When my son was young they paid for a portable nebular so we could take him camping. Also when he was in about the first or second grade he was having some difficulties with his eyes and we had to buy 6 pairs of glasses in about 8 months and they helped us out with the last part.”
- “When we had it we used it to purchase special equipment for our physically disabled child.”

**Question 16**

Has DCFS ever declined to provide subsidy monies for treatments or services recommended for your child by a physician or mental health provider? .....**Yes**   
**No**

**If yes,** describe: \_\_\_\_\_

**Summary of the Answers:**

Of the 499 answers,

- **Yes** 86 (17%)
- **No** 413 (83%)

*Selected Comments of Question 16:*

- “We pay for mental health. The mental health program from the state told us the boys will most likely burn the house down and be gay. We felt that they needed real help. So we pay \$75 a hour for therapy.”
- “The children needed special therapy for attachment disorder and we had to go to Mental Health (Weber) because that is all we were told the state would pay for. No one there was qualified to treat attachment disorder.”

**Question 17**

If we have followup questions, would you be willing to be contacted by legislative staff?

**Yes**

**No**

**If yes**, please provide your name and phone number in the space below:

***Summary of the Answers:***

Of the 483 responses,

- **Yes** 412 (85%)
- **No** 71 (15%)

**Appendix B  
Summary of Test Results  
Fifty Randomly Selected Cases**

**Financial Assistance  
50 Random Cases**

Assigned Case Number	Region	Monthly Assistance Non IVE	Monthly Assistance Title IVE	One Time Supplemental Assistance	One Time Adoption Assistance Title IVE	Total
1	Central	\$ 1,547			\$ 566	\$ 2,113
2	Central		\$ 5,580			\$ 5,580
3	Central		\$ 3,600			\$ 3,600
4	Central		\$ 1,200			\$ 1,200
5	Central	2399.99		\$ 305		\$ 3,595
6	Central		\$ 3,600	\$ 2,116		\$ 5,716
7	Central		\$ 1,200			\$ 1,200
8	Central		\$ 3,600			\$ 3,600
9	Central	\$ 1,800				\$ 1,800
10	Central				\$ 545	\$ 545
11	Central		\$ 3,600			\$ 3,600
12	Central		\$ 2,100			\$ 2,100
13	Central		\$ 3,600			\$ 3,600
14	Central		\$ 5,028			\$ 5,028
15	Central	\$ 3,000				\$ 3,000
16	Central	\$ 3,900				\$ 3,900
17	Central			\$ 10,591		\$ 10,591
18	Central				\$ 462	\$ 462
19	Central		\$ 5,580	\$ 96		\$ 5,676
20	Central		\$ 1,200	\$ 2,300		\$ 3,500
21	Central		\$ 5,028			\$ 5,028
22	Central		\$ 2,400			\$ 2,400
23	Central		\$ 5,100			\$ 5,100
24	Central		\$ 1,750		\$ 496	\$ 2,246
25	Central				\$ 40	\$ 40
26	Central			\$ 203		\$ 203
27	Central				\$ 1,164	\$ 1,164
28	Central		\$ 5,100	\$ 2,259		\$ 7,359
29	Central	\$ 3,000				\$ 3,000
30	Eastern		\$ 1,800			\$ 1,800
31	Eastern	\$ 3,533			\$ 400	\$ 3,933
32	Northern	\$ 2,604			\$ 1,000	\$ 3,604
33	Northern		\$ 3,887			\$ 3,887
34	Northern		\$ 2,700			\$ 2,700
35	Northern		\$ 990			\$ 990
36	Northern		\$ 4,500			\$ 4,500
37	Northern		\$ 3,588			\$ 3,588
38	Northern		\$ 3,375			\$ 3,375
39	Northern		\$ 3,588			\$ 3,588
40	Northern		\$ 4,800	\$ 1,412		\$ 6,212
41	Southwestern		\$ 2,072		\$ 520	\$ 2,592
42	Southwestern		\$ 500		\$ 821	\$ 1,321
43	Southwestern	\$ 1,500		\$ 205		\$ 1,705
44	Southwestern		\$ 1,100			\$ 1,100
45	Western	\$ 3,850				\$ 3,850
46	Western		\$ 400			\$ 400
47	Western		\$ 64		\$ 500	\$ 564
48	Western	\$ 2,400				\$ 2,400
49	Western		\$ 3,575			\$ 3,575
50	Western		\$ 2,370			\$ 2,370
<b>Totals</b>		<b>\$ 27,930</b>	<b>\$ 98,575</b>	<b>\$ 10,775</b>	<b>\$ 5,513</b>	<b>\$ 155,801</b>

**Summary of the 50 Random Cases**

Region	Monthly Assistance Non IVE	Monthly Assistance Title IVE	One Time Supplemental Assistance	One Time Adoption Assistance Title IVE	Total
Statewide Average	\$ 2,794	\$ 2,667	\$ 2,197	\$ 592	\$ 3,116
Statewide Count	11	33	9	11	50
Percent	20%	66%	18%	22%	100%
Northern	1	0	1	1	3
Central	3	17	7	6	29
Western	2	4	0	1	6
Eastern	1	1	0	1	2
Southwestern	1	3	1	2	4

If the need for subsidy is not immediately evident, was it given in anticipation that a young child might eventually develop an actual need?

yes	9	18%
no	32	64%
blank	9	18%
<b>Total</b>	<b>50</b>	<b>100%</b>

Was undue pressure placed on the parents to adopt rather than to continue as foster parents?

yes	2	4%
no	42	84%
blank	6	12%
<b>Total</b>	<b>50</b>	<b>100%</b>

Any evidence that the parents were properly informed about the child's special needs at the time of the adoption?

yes	40	80%
no	6	12%
blank	4	8%
<b>Total</b>	<b>50</b>	<b>100%</b>

Was information found in the contract describing the child's special needs?

yes	24	48%
no	11	22%
blank	15	30%
<b>Total</b>	<b>50</b>	<b>100%</b>

If special needs exist, is there an independent professional diagnosis to support treatment?

yes	23	52%
no	22	44%
blank	2	4%
<b>Total</b>	<b>50</b>	<b>100%</b>

**Appendix C  
Summary of Test Results  
Families With Highest Cost**

## Families With Highest Costs

Fiscal Year 2000

Family	Child	Subsidy	Supplement	Total	Supplemental Use
<b>A</b>	1	\$ 9,000	\$ 2,115	\$ 11,115	Respite and therapy for behavior problems
	2	5,400	1,953	7,353	Respite and therapy for behavior problems
	3	5,500	2,615	8,115	Respite and therapy for behavior problems
	4	9,000	2,375	11,375	Respite and therapy for behavior problems
	5	9,000	26,150	35,150	Respite, therapy for behavior problems and residential treatment
<b>Family A Total</b>				<b>\$ 73,191</b>	
<b>B</b>	1	3,600	11,934	15,534	Psychotherapy and residential treatment for physical and sexual abuse
	2		55,621	55,621	Residential sex offender program
	3	2,700		2,700	
<b>Family B Total</b>				<b>\$ 73,855</b>	
<b>C</b>	1	3,600	7,512	11,112	Therapy for speech, emotional, sexual abuse issues
	2		37,873	37,873	Residential sex offender programs
	3	3,600	8,049	9,549	Speech and sex abuse therapy, hearing aid, and dental expenses
	4	6,028	7,197	12,226	Specialized day care, respite, and music therapy
	5	3,900	6,631	10,501	Specialized day care, respite, and music therapy
<b>Family C Total</b>				<b>\$ 91,960</b>	
<b>D</b>	1	5,866	16,525	22,491	Non traditional therapy for reactive attachment disorder
	2	5,866	16,090	22,316	Non traditional therapy for reactive attachment disorder
	3	5,586	15,913	21,499	Non-traditional therapy for reactive attachment disorder
<b>Family D Total</b>				<b>\$ 56,766</b>	
<b>E</b>	1	3,600	6,070	9,670	Speech and psychotherapy
	2	5,400	130	5,500	Therapy for physical disabilities
	3	3,600	55,770	60,370	Speech and behavior therapy and residential treatment
<b>Family E Total</b>				<b>\$ 34,540</b>	
<b>Totals For FY 2000</b>				<b>\$ 369,627</b>	

**Appendix D**  
**Average Expenditures per Child by Region**

### AVERAGE EXPENDITURES PER CHILD BY REGION

FY2000							
	Monthly IVE	Monthly Non IVE	Supplemental	One Time	Guardianship	TOTAL	
<b>Eastern Region</b>							
Expenditures	\$ 273,381	\$ 57,104	\$ 13,495	\$ 15,659	\$ 143,569	\$ 503,207	
# Clients	89	22	5	17	31	145	
Average/Client	\$ 3,072	\$ 2,596	\$ 2,639	\$ 921	\$ 4,631	\$ 3,470	
<b>Salt Lake Valley Regions (H,M,T)</b>							
Expenditures	\$ 2,622,422	\$ 722,579	\$ 1,386,928	\$ 129,482	\$ 199,891	\$ 5,061,302	
# Clients	727	201	275	198	41	1,057	
Average/Client	\$ 3,607	\$ 3,595	\$ 5,043	\$ 654	\$ 4,875	\$ 4,788	
<b>Northern Region</b>							
Expenditures	\$ 1,088,803	\$ 320,341	\$ 76,818	\$ 44,200	\$ 117,636	\$ 1,651,785	
# Clients	383	116	19	86	24	527	
Average/Client	\$ 2,843	\$ 2,762	\$ 4,043	\$ 546	\$ 4,902	\$ 3,134	
<b>Southwestern Region</b>							
Expenditures	\$ 125,593	\$ 54,618	\$ 6,205	\$ 9,480	\$ 31,817	\$ 227,510	
# Clients	51	24	2	10	0	79	
Average/Client	\$ 2,463	\$ 2,276	\$ 3,102	\$ 593	\$ 5,270	\$ 2,680	
<b>Western Region</b>							
Expenditures	\$ 670,003	\$ 183,834	\$ 91,637*	\$ 16,766	\$ 290,378	\$ 1,294,618	
# Clients	215	65	41	24	69	336	
Average/Client	\$ 3,102	\$ 2,826	\$ 2,235	\$ 696	\$ 4,206	\$ 3,653	
*Excludes 42,000 legal settlement							
<b>FY 2000 Average All Regions by Unique Client*</b>							
Expenditures	\$ 4,780,102	\$ 1,338,476	\$ 1,017,073	\$ 219,590	\$ 703,091	\$ 6,700,422	
# Unique Clients	1,464	425	343	343	171	2,139	
Unduplicated	\$ 3,265	\$ 3,149	\$ 4,714	\$ 640	\$ 4,579	\$ 4,085	
FY1999							
	Monthly IVE	Monthly Non IVE	Supplemental	One Time	Guardianship	TOTAL	
<b>Eastern Region</b>							
Expenditures	\$ 231,911	\$ 44,808	\$ 4,840	\$ 15,330	\$ 129,876	\$ 426,764	
# Clients	77	19	2	23	33	130	
Average/Client	\$ 3,012	\$ 2,368	\$ 2,420	\$ 667	\$ 3,936	\$ 3,283	
<b>Salt Lake Valley Regions (H,M,T)</b>							
Expenditures	\$ 2,122,776	\$ 638,123	\$ 1,107,633	\$ 128,855	\$ 172,740	\$ 4,170,126	
# Clients	631	180	269	200	48	929	
Average/Client	\$ 3,361	\$ 3,545	\$ 4,118	\$ 644	\$ 3,755	\$ 4,480	
<b>Northern Region</b>							
Expenditures	\$ 911,980	\$ 250,114	\$ 45,103	\$ 29,667	\$ 74,313	\$ 1,311,176	
# Clients	325	93	24	74	24	464	
Average/Client	\$ 2,806	\$ 2,689	\$ 1,879	\$ 401	\$ 3,096	\$ 2,888	
<b>Southwestern Region</b>							
Expenditures	\$ 57,231	\$ 29,810	\$ 8,998	\$ 4,100	\$ 13,550	\$ 113,689	
# Clients	28	10	3	8	6	55	
Average/Client	\$ 2,044	\$ 1,568	\$ 2,999	\$ 513	\$ 2,258	\$ 2,067	
<b>Western Region</b>							
Expenditures	\$ 157,866	\$ 168,540	\$ 105,425	\$ 25,343	\$ 146,350	\$ 603,534	
# Clients	196	71	54	34	55	325	
Average/Client	\$ 2,348	\$ 2,374	\$ 1,952	\$ 745	\$ 2,661	\$ 2,780	
<b>FY 1999 Average All Regions by Unique Client*</b>							
Expenditures	\$ 3,701,705	\$ 1,151,394	\$ 1,271,999	\$ 203,294	\$ 536,838	\$ 5,925,290	
# Unique Clients	1,233	365	351	339	164	1,854	
Unduplicated	\$ 3,067	\$ 3,091	\$ 3,624	\$ 600	\$ 3,273	\$ 3,735	
*Payments are made for the same child for more than one service or in more than one region so the unique clients is less than by region							

**Appendix E**  
**Rule R512-43. Adoption Assistance**

## **Rule R512-43. Adoption Assistance.**

### **R512-43-1. Definitions.**

(1) **Adoption Assistance.** Adoption Assistance is financial support to adoptive parents of a child with special needs whose needs or conditions have created barriers which would prevent successful adoption. Adoption assistance may include state medical assistance, reimbursement of non-recurring adoption expenses, a monthly subsidy, and/or supplemental adoption assistance.

(2) **Child with Special Needs.** For the purpose of adoption assistance, a child with special needs is a child who cannot or should not be returned to the home of the parents and who meets one of the following conditions:

- (a) Five years of age or older.
- (b) 0-17 years of age with a physical, emotional, or mental disability.
- (c) Three years of age or older and a member of a minority, racial, or ethnic group.
- (d) Member of a sibling group placed together for adoption.

(3) **Specified Relative.** A specified relative includes father, mother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, first cousin once removed, nephew, niece, people of prior generations as designated by the prefix grand or great, parents and brothers and sisters by legal adoption, the spouse of any person in this list, or the former spouse of any person in this list.

### **R512-43-2. Purpose and Authority.**

The purpose of Adoption Assistance is to provide financial support to adoptive parents of a child with special needs whose needs or conditions have created barriers which would prevent successful adoption. The basis for granting adoption assistance shall be to assist eligible adoptive families to establish and maintain a permanent adoptive placement for the child.

Section 62A-4a-106 authorizes the Division to provide adoption services. Section 62A-4a-108 authorize state Adoption Assistance and Section 473, Social Security Act, authorizes federal adoption assistance. Section 473, Social Security Act, and 45 CFR 1356.40 (1995) and 45 CFR 1356.41 (1995) are incorporated by reference.

### **R512-43-3. General Requirements for Adoption Assistance.**

(1) Eligibility determination for adoption assistance shall be based upon the eligibility of the child.

(2) The child shall meet the criteria of a child with special needs as defined in Section R512-43-1.

(3) The child shall be adopted through a licensed child placing agency. The child need not be adopted through a licensed child placing agency if either of the following applies:

- (a) The child meets the eligibility requirements for Supplemental Security Income (SSI) prior to the finalization of the adoption.
- (b) At the time the adoption petition is filed, the child is eligible for Aid for Families with Dependent Children (AFDC) while living with a specified relative and a specified relative adopts.

(4) Reasonable efforts shall be made to place the child without providing adoption assistance. An exception applies when the child has emotional ties with the prospective adoptive parents and it would not be in the child's best interest to seek other adoptive homes.

(5) Adoption assistance shall be agreed upon and approved by the regional adoption committee prior to finalization of the adoption.

(6) Adoption assistance may be initiated at the time of placement if the child is legally free for adoption, the adoptive home has met all of the requirements for an approved adoptive home, an adoption assistance agreement is fully executed prior to placement, and foster care maintenance payments are not being provided for the child.

(7) Under extenuating circumstances, adoptive parents may request adoption assistance after an adoption is finalized by requesting a fair hearing through the Office of Administrative Hearings.

(8) Adoption assistance may continue until a child reaches age 18. Assistance may be extended until a child reaches age 21 when the regional adoption committee has determined that the child has a mental or physical disability which warrants continuing assistance.

**R512-43-4. Types of Adoption Assistance and Specific Eligibility Criteria.**

Adoption Assistance may consist of one or any combination of the following four basic types of adoption assistance.

(1) State medical assistance. A child with special needs may receive state medical assistance to assist with costs of medical care not covered by private insurance. The family shall use the child's private insurance, when available, and state medical assistance before supplemental adoption assistance may be requested for medical needs.

(2) Reimbursement of non-recurring adoption expenses.

(a) Parents may be reimbursed up to \$2,000 for non-recurring expenses which are not reimbursed from another source. These expenses must be directly related to the legal adoption of a child with special needs. Reimbursement shall be limited to costs incurred prior to finalization and shall be approved by the regional adoption committee.

(b) Expenses may include adoption fees, court costs, attorney fees, adoption home study, health and psychological examinations, supervision of the placement prior to adoption, and transportation and reasonable costs of lodging and food for the child and/or adoptive parents during the placement or adoption process.

(c) Non-recurring adoption expenses shall be reimbursed through Title IVE Adoption Assistance, a federal funding source. The child does not have to be determined Title IVE eligible for the parents to receive this reimbursement. The adoptive parents are responsible to provide necessary receipts. The case worker verifies that the child is a child with special needs.

(3) Monthly subsidy. Parents may receive a monthly subsidy to assist with the costs of adopting a child with special needs.

(a) Determination of Level and Amount of Subsidy.

(i) The amount of subsidy is based on the child's present and long-term treatment and care needs and available resources, including the family's ability to meet the needs of the child.

(ii) The monthly subsidy may increase or decrease when the child's level of need or the family's ability to meet those needs changes. The family or the case worker may initiate a change in the amount of subsidy when needs or resources change.

(iii) The rates specified below shall be used to determine the level of need of the child and the amount of monthly subsidy appropriate for the need. The descriptions of need are not exhaustive, but serve as examples. The regional adoption committee may approve amounts above those described for each level when determined appropriate.

(iv) The amount shall be determined by the needs of the child and based upon the

relevant foster care payment that would be paid at the point in time at which the agreement amount is being initiated or revised. Title IVE funds shall be limited to the maximum foster care rate that would be paid on behalf of the child if in state custody and placed in a foster family home. Additional state funds may be granted when warranted by exceptional circumstances, not to exceed the amount the state would pay on behalf of the child if in custody.

(v) Rates.

(A) Level I. Up to 33% of the basic foster care rate. Child with minimal specialized needs such as child needing identified orthodontia work; infant without numerous placements and no identifiable physical, mental, or emotional disabilities.

(B) Level II. From 34% to 66% of the basic foster care rate. Child with moderate specialized needs such as child requiring outpatient therapy; child having special needs due to past emotional and social trauma; child expected to be mainstreamed after placement adjustments.

(C) Level III. From 67% to the maximum basic foster care rate. Child with multiple, moderate specialized needs such as child having a cluster of mild or moderate disabilities; child who can be mainstreamed with additional educational programs and therapy; sibling groups; child requiring speech therapy and specialized preschool; child requiring enrichment programs to compensate for social and emotional delays.

(D) Level IV. From 67% to 85% of the specialized payment rate for foster care. Child with serious specialized needs such as child with prior residential placements; learning disabilities; DSM IV diagnoses such as attention deficit hyperactivity disorder, posttraumatic stress disorder, dysthymic, oppositional, attachment disorder; child with identified physical disabilities, learning problems including low IQ; child receiving specialized payment for foster care.

(E) Level V. From 86% of the specialized payment rate to the maximum payment rate for care in a foster home. Child with severe specialized needs such as child with severe physical disability; child with prior hospitalization for psychiatric diagnosis; prior adoption disruption, or dissolution of adoptive placement.

(b) Funding Sources and Eligibility for Monthly Subsidy. The two funding sources for the monthly subsidy are Title IVE adoption assistance and state adoption assistance funds. The child's eligibility determines which funding source is used for payment.

(i) Title IVE Adoption Assistance shall be considered first for the monthly subsidy. To receive Title IVE Adoption Assistance, a child with special needs shall meet at least one of the following:

(A) A child is determined eligible for SSI by the Social Security Administration prior to finalization of the adoption.

(B) The child's birth family received, or would have been eligible to receive, AFDC prior to removal, and the child was removed from the home as a result of a judicial determination that remaining in the home would be contrary to the child's welfare.

(C) The child was voluntarily placed for foster care with the state and:

(I) was or would have been AFDC eligible at the time of removal if application had been made,

(II) the child lived with a specified relative within the six months prior to the voluntary placement,

(III) Title IVE foster care maintenance payments were made on behalf of the child, and

(IV) a judicial determination was made within 180 days of removal that continued placement was in the best interest of the child.

(D) The child was voluntarily placed for foster care with a private non-profit agency and:

- (I) was or would have been AFDC eligible at the time of removal if application had been made,
- (II) the child lived with a specified relative within the six months prior to the voluntary placement, and
- (III) a judicial determination was made within 180 days of removal that continued placement was in the best interest of the child.

(E) At the time the adoption petition is filed, the child is or would have been eligible for AFDC while living with a specified relative, and a specified relative, other than father or mother, adopts.

(F) The child's needs were met through foster care maintenance payments made to and for the child's minor parents as provided by Subsection 475(4)(B) of the Social Security Act.

(2) State Adoption Assistance funds may be used for the monthly subsidy if the child is not eligible for Title IVE adoption assistance. State funds may also be used to supplement the federal monthly subsidy in exceptional circumstances. State funds are contingent upon legislative appropriation.

(c) Use of the monthly subsidy.

The monthly subsidy may be used according to the parents' discretion. Some examples of the use of the monthly subsidy payment are therapy not paid for by the state medical assistance or family insurance, special equipment for physically or mentally challenged children, respite, day care, therapeutic equipment, minor renovation of the home to meet special needs of the child, damage and repairs, speech therapy, tutoring, specialized preschool based on needs of the child, private school, exceptional basic needs such as special food, clothing, and/or shelter, visitations with biological relatives, cultural and heritage activities and information.

(4) Supplemental adoption assistance.

Supplemental adoption assistance may be available for expenses not otherwise covered by the monthly subsidy upon prior approval from the regional adoption committee, if state funding permits. The funds may be utilized after other resources have been determined unavailable such as insurance, Supplemental Security Income, and Social Security Assistance for parent disability or death. If the purpose of the request is to obtain professional services for the child, the documentation of projected expenses and the recommendation of the professional shall be provided to the committee. Approval may be given retroactively in an emergency.

Examples of the use of supplemental adoption assistance include residential treatment, other out-of-home placements, day treatment, respite care requiring a specially-trained care giver, extensive therapy and therapeutic equipment, non-covered dental/orthodontia/medical expenses, and other extraordinary, infrequent, or uncommon documented needs.

#### **R512-43-5. Application and Approval of Adoption Assistance.**

(1) An application for adoption assistance shall be submitted to the regional adoption committee on forms provided by DCFS.

(2) Families adopting through a private adoption agency shall follow the same requirements

as families adopting through the Division of Child and Family Services regarding adoption assistance.

(3) If adoption assistance is approved, the adoption committee shall determine the amount, type, and duration of adoption assistance.

(4) An adoption assistance agreement shall be established in order to implement adoption assistance.

**R512-43-6. Renewal and Review of Adoption Assistance.**

The adoption assistance agreement shall be renewed annually and reviewed periodically by regional staff.

**R512-43-7. Termination of Adoption Assistance.**

(1) Adoption assistance shall not be terminated unless the Division has given the adoptive parents adequate notice of the potential termination. Adequate notice means that a letter shall be sent to the adoptive parents notifying them of the need to renew the adoption assistance agreement, specifying a date by which the adoptive parents shall respond. If the adoptive parents do not respond to the original request, the Division shall send a certified letter to the family explaining the importance of renewing the adoption assistance agreement and the potential consequences of failing to renew the agreement. If the certified letter is returned unclaimed, additional efforts shall be pursued to locate the family such as a phone call or home visit before the assistance may be terminated. If the certified letter is returned unknown, the adoption assistance may be terminated.

(2) Adoption assistance shall be terminated if any of the following occur:

- (a) The terms of the adoption assistance agreement are concluded.
- (b) The adoptive parents request termination.
- (c) The child reaches age 18, unless approval has been given by the adoption committee to continue until age 21 due to mental or physical disability.
- (d) The child dies.
- (e) The adoptive parents die.
- (f) The adoptive parents' legal responsibility for the child ceases.
- (g) The state determines that the child is no longer receiving support from the adoptive parents.

**R512-43-8. Fair Hearings.**

(1) Fair Hearing Request.

A written request for a fair hearing may be submitted to the Department of Human Services if:

- (a) The adoption assistance application is denied;
- (b) The adoption assistance application is not acted upon with reasonable promptness;
- (c) Adoption assistance is reduced, terminated, or changed;
- (d) Adoption assistance was not requested prior to finalization of the adoption and one of the criteria in R512-43-8-2a applies.

(2) Post Finalization Request Fair Hearing.

(a) The fair hearing officer may approve appropriate state or federal adoption assistance for post finalization requests if one of the following criteria are met:

- (i) Relevant facts regarding the child, the biological family, or child's background were known but not presented to adoptive parents prior to finalization.
- (ii) A denial of assistance was based upon a means test of the adoptive family.
- (iii) An erroneous state determination was utilized to find a child ineligible for assistance.
- (iv) The state or adoption agency failed to advise adoptive parents of the availability of assistance.

(b) The adoptive parents bear the burden of documenting that the child meets the special needs criteria and that one of the criteria in R512-43-8-2a applies. The state may provide corroborating facts to the family or the fair hearing officer.

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## **Agency Response**

DIVISION OF  
**Child & Family Services**  
January 23, 2001

Mr. Wayne Welsh, CPA  
Auditor General  
Office of the Legislative Auditor General  
130 State Capitol  
P.O. Box 140151  
Salt Lake City, Utah 84114-0151

Re: Report No. 2001-03

Dear Mr. Welsh,

Thank you for the opportunity to provide the agency response to A Performance Audit of Utah's Adoption Assistance Program. Once again we found your staff to be professional and diligent in working toward understanding the complexities of Child Welfare services and their connection to adoption assistance. We experienced open communication during the audit process. Your staff created and utilized survey and interview tools that helped explore and answer key questions. The results of the audit and in particular the survey will assist DCFS in improving our practices.

The Division acknowledges the audit findings that suggest improved fiscal controls and improved consistency in pre-adoption disclosure and post-adoption assistance determination. The Division's support of Senate Bills 97 and 33, now under legislative consideration, signify our commitment to provide additional structure and guidance to adoption assistance in Utah.

The Division also welcomes the audit recommendation to establish a system of post-adoption supports. Current post adoption supports are minimal and vary from region to region. The Governor has again recommended funding a program of post adoption supports for the state fiscal year 2002 budget.

We offer these additional observations and comments on the report.

Survey Results Significant

When the Division of Child and Family Services reached a fiscal impasse regarding the future funding of adoption assistance in the spring of 2000, we first informed all legislators and then adoptive parents via letter. Calls to legislators from worried adoptive parents were the primary catalyst for this audit. The survey initiated by the auditors sought to find the true nature of several

fairness questions. The survey was sent to 1,124 families who received adoption assistance during state fiscal year 2000. About 47% responded. It is widely assumed that those families with the strongest concerns were more likely to respond.

The survey found that more than 60% of respondents rated their adoption experience with DCFS as "good" or "very good" while 11% rated the experience as "poor". The survey also found that adoption assistance was just as likely to be increased as it was to be decreased, with the vast majority (86%) reporting that their assistance had remained unchanged. Additionally, two-thirds reported that they were given adequate information prior to adopting and did have the opportunity to review the child's file.

In many ways the adoptive parents responding to the survey were quite knowledgeable about the child they were adopting. Eighty-five per cent indicated that they had fostered the child they adopted. Their pre-adoption fostering averaged 13.3 months. Legislators also wanted to know if families had been pressured to adopt. The survey found that 88% reported no pressure and the auditors could not confirm agency pressure from the remainder of the survey sample.

The Division of Child and Family Services believes that the survey confirms viability of the adoption services we provide.

#### National Comparative Data Shows Utah Does Adoptions Faster

The U.S. Department of Human Services is required by the 1997 Adoption and Safe Families Act to issue comparative data on how states perform on a variety of adoption and child welfare practices. One key measure is how long it takes public child welfare agencies to complete adoption, if the child cannot be returned to parents or relatives. The measurement is the number of months a child is in custody from the time they are removed from their home until the adoption is legally finalized.

The federal report, issued in August of 2000, finds that Utah DCFS completes 82% of its adoptions in 35 months or less, while nationally only 32% of adoptions are completed in 35 months or less. Nationally, half of all adoptions take four years or longer to complete. In Utah only 6% of all adoptions take more than four years.

The "permanency hearing" provisions of Utah's Child Welfare Reform Act of 1994 and DCFS social worker performance clearly cause this process to move more rapidly than is the national norm, thus contributing to the rapid program growth. This performance has also caused the number of children in foster care to remain level and even decline slightly in the past year.

### Changes in Administration in Salt Lake

The audit accurately portrays that costs for both monthly adoption assistance and supplemental adoption assistance have been higher in Salt Lake County. In January of 2000 the regional director responsible for adoption assistance was replaced. In October of 2000 the three administrative regions for the Salt Lake area, established in 1996, were merged into a single region and renamed the Salt Lake Valley Region. The new regional director instituted several fiscal and adoption assistance review policies that have had a direct and immediate effect. Authorization to negotiate and approve both monthly and supplemental assistance has been organizationally located separate from staff who approve the adoptive placements.

The Salt Lake Valley Region has completed 99 adoptions since July of 2000. Seventy of those adoptive families have received monthly adoption assistance. The average of the monthly subsidies is \$245. This rate compares to the FY 2000 average of \$301 per month for Salt Lake and \$273 statewide.

In the Supplemental Assistance category the Salt Lake Valley region has taken significant steps toward assisting adoptive parents in using their Medicaid eligibility to pay for behavioral health services. Consequently only one supplemental needs payment in excess of \$2,000 has been made by the region on the adoptions made after July 1, 2000.

### Title IV-E Eligibility Rate Dramatically Improved

The audit places some focus on the importance of determining eligibility for Title IV-E funding early and accurately. IV-E eligibility must be determined based on the factors that exist at the time the child is removed from his home. Court findings and the specific language used in the court order are important. From 1994 to 1997 DCFS preoccupation with the "David C." lawsuit caused inattention to IV-E eligibility processes. Subsequently the number of children found eligible dropped to around 30%. In 1998 the DCFS state office initiated a project to retrain eligibility staff and focus on the documentation that supports eligibility determination. Today 55% of the children in foster care are now IV-E eligible.

Many of the children who are now in adoptive homes came into care during the mid 90's and subsequently a lower portion of them are IV-E eligible. It can be anticipated that the foster children who may be adopted in the future will have a higher IV-E eligibility rate, thus slightly shifting the financing of adoption assistance from state general funds to federal participation.

### Chapter III Recommendations

The Division accepts the recommendations of chapter III of the audit and observes that the content of Senate Bill 97 and Senate Bill 33 will provide much of the basis for the program improvements and clarifications suggested.

In May and June of last year the Division Director issued written instructions to Regional Directors regarding overall budget management and specific controls of adoption assistance payments. Those instructions remain in place pending the outcome of both legislation and adoption assistance funding from the 2001 legislature. It should be noted that these fiscal oversights initiated by the Division created a balanced budget for DCFS at the close of state fiscal year 2000.

### The Need for a Post Adoption Support Program

The audit report states, "the Division's job does not end after the adoption takes place". We agree. Chapter IV, page 51 outlines the case for improved post adoption supports. The Division has recognized this as a gap in its adoption services for several years, however previous building block requests have not been successful. In some ways, the high spending on supplemental assistance in the Salt Lake area may be attributed to social workers trying to create support systems through payments, when adoptive parents were actually seeking for more contact with understanding people.

The National Council of Juvenile and Family Court Judges has recently issued its "best practices" analysis on adoption. They recommend a broad range of post adoption supports that are similar to the services discussed on page 52 and 53. It can be anticipated that the Juvenile Court Judges in Utah will expect contemporary practices from DCFS or other agencies that provide post adoption services. We urge legislative support of the Governor's recommended building block as a starting point for post adoption supports.

Thank you for the opportunity to comment on this important work.

Yours truly,

Ken Patterson, M.S.W.  
Director

cc: Robin Arnold-Williams, Executive Director  
Utah Department of Human Services