August 21, 2015

ALL COUNTY LETTER (ACL) NO. 15-50

TO: ALL COUNTY WELFARE DIRECTORS
    ALL ADOPTION REGIONAL AND FIELD OFFICES
    ALL COUNTY PLACEMENT SUPERVISORS
    ALL ADMINISTRATIVE LAW JUDGES
    ALL COUNTY ADOPTION AGENCIES
    ALL TITLE IV-E AGREEMENT TRIBES

SUBJECT: ADOPTION ASSISTANCE PROGRAM (AAP): ANSWERS TO FREQUENTLY ASKED QUESTIONS

REFERENCE: WELFARE AND INSTITUTIONS CODE SECTIONS (W&IC) 16115 through 16125 AND CALIFORNIA CODE OF REGULATIONS (CCR) TITLE 22 SUBCHAPTER 7 SECTIONS 35325 through 35352.2

The purpose of this ACL is to provide counties with answers to frequently asked questions regarding the administration of AAP, an entitlement program for adopted children. This program is governed by the Social Security Act, Sections 471, 472, 473, and 475, California state law W&IC Sections 16115 through 16125, and CCR Title 22 Subchapter 7 Sections 35325 through 35352.2.

The intent of Public Law (PL) 96-272, The Adoption Assistance and Child Welfare Act of 1980, is that AAP benefits are to follow the child and be used to benefit the child, not to be counted as income for a parent. Adoptive parents are not recipients of adoption assistance benefits; rather, adoption assistance benefits are made on the child’s behalf to meet his or her needs.
REQUEST FOR AAP

1. Q: A Request for Adoption Assistance Program Benefit (AAP 1) form was submitted post adoption finalization of a private adoption via a licensed private adoption agency. Adoptive parents state they were not informed of AAP by the licensed adoption agency prior to the adoption finalization and their child’s care and supervision needs have increased over the years, and they now need financial assistance. How should the request be processed and does an AAP eligibility determination need to be made?

A: It is the duty of the department, county adoption agency, or the licensed private adoption agency, whichever is appropriate, to inform prospective adoptive parents of the availability of AAP benefits, the reimbursement of nonrecurring adoption expenses, and potential federal adoption tax credit, at the time of application and again prior to the finalization of the adoption. Due to the AAP 1 submission post finalization, the request for AAP benefits shall be denied by the responsible public agency because AAP eligibility and an AAP agreement or deferred agreement were not completed prior to the adoption finalization per W&IC Section 16120(g). A Notice of Action (NOA) that states the request is denied and the reason for the denial is to be sent to the adoptive parents. It will be at the adoptive parent’s discretion to request a fair hearing per the instructions stated on the NOA. The fair hearing decision will instruct the responsible public agency on how to proceed with the post adoption finalization request for AAP benefits.

2. Q: A California licensed private adoption agency signed a deferred Adoption Assistance Program Agreement (AD 4320) prior to the adoption finalization. The adoptive parent is requesting benefits post finalization however, the responsible public agency has no record of this child’s AAP eligibility determination or that a deferred AAP agreement was signed between the adoptive parents and the responsible public agency. Is this deferred AAP agreement valid?

A: No, AAP eligibility must be determined and the deferred AAP agreement must be signed by the responsible public agency (California Department of Social Services (CDSS) Adoption Office or county adoption agency). A California licensed private adoption agency does not meet the definition of responsible public agency per CCR Title 22 Section 35325(c). A NOA that states the request is denied and the reason for the denial is to be sent to the adoptive parents. It will be at the adoptive parent’s discretion to request a fair hearing per the instructions stated on the NOA to mediate the circumstances of their child’s specific case. The fair hearing decision will instruct the responsible public agency on how to proceed with the post adoption finalization request for AAP benefits.
AAP ELIGIBILITY

3. Q: At what point in the adoption process should the determination for AAP eligibility be made?

A: AAP eligibility must be determined by the responsible public agency prior to the adoption finalization regardless of the type of adoption. To ensure the claiming for Title IV-E funding is maximized, it is suggested the county and the responsible public agency complete the Federal Eligibility Certification for Adoption Assistance Program (FC 8) form and the Eligibility Certification Adoption Assistance Program (AAP 4) form at the time of adoptive placement for a child adopted via the agency adoption process. For a child who is adopted via the independent adoption process it is suggested the county and the responsible public agency complete the FC 8 and AAP 4 at the time the court report supporting the adoption is filed and prior to the adoption finalization.

4. Q: The county is completing an adoptive placement for a child who was not federally eligible for foster care benefits. Now the child is federally eligible because the child is eligible for SSI benefits. Does a new Determination of Federal AFDC-FC Eligibility (FC 3) form need to be completed based on the new information?

A: No, a new FC 3 does not need to be completed. The FC 3 is only applicable to foster care federal eligibility and does not apply to the determination of Title IV-E AAP eligibility. The only forms to be completed for AAP eligibility are the FC 8 and the AAP 4.

5. Q: ACL 12-18 does not mention the Income and Property Checklist for the Federal Eligibility Determination (FC 10) form. Should the use of this form be discontinued?

A: The FC 8 is sufficient documentation to support the completed AAP 4 (Sections II and III A. or B.). A copy of the completed FC 8 is to be filed in the AAP case file maintained by the county eligibility unit and a copy also needs to be filed in the AAP case file maintained by the responsible public agency. ACL 12-18 supersedes the California-DSS-Manual-EAS Section 45-807 1.13 in reference to the FC 10.

The FC 10 is to be used only when determining AFDC eligibility in the home of removal; however, this only applies to one of the non-applicable child Title IV-E eligibility pathways per CCR Title 22 Section 35326(c)(1). This form does not apply to all AAP eligibility pathways.
6. Q: An AAP eligible child was adopted by his/her grandparent who has made the decision to place the child with his/her birth mother who is in the process of adopting the child. Is the birth parent eligible to receive AAP benefits on behalf of the child?

A: No, the purpose of AAP is to provide assistance to adoptive parent(s) who adopt special needs children in need of alternative permanent homes. A child who is adopted by their birth parent(s) will not meet the three part special needs determination, CCR Title 22 Section 35326(a) (1).

**AAP RATE NEGOTIATION and RENEGOTIATION**

7. Q: May the AAP rate be increased to exceed the maximum eligible rate for one year to cover the costs of specialized therapy, tutoring or dental?

A: No, the AAP benefit may not exceed the maximum AAP benefit for which the child is eligible. The AAP benefit does not include payment for any specific good or service per CCR Title 22 Section 35333(a)(5) and can be used as they see fit to meet their child’s needs. The adoptive parent(s) should be made aware of available services through Medi-Cal/Medicaid coverage, schools, and other community resources to their child’s therapeutic, dental, and educational needs. The county may also use county only funds for benefits that exceed the maximum eligible AAP benefits.

**AAP AGREEMENT**

8. Q: What is the effective date for the requested age-related increase?

A: If the child is eligible to receive an age-related increase, the increase is to be requested by the adoptive parent. If the request is made prior to the child’s birthday, the effective date will be the first day of the month the child turns the specific age. If the request is made after the child’s birthday, the effective date will be the first day of the month following the date of the request. An amended AAP agreement will need to be signed and a Payment Instructions Adoptions Assistance Program (AAP 2) form must be completed reflecting the change in rate. The Adoption Assistance Program Negotiated Benefit and Approval (AAP 6) form is not required to be completed unless the adoptive parent has initiated a renegotiation of the rate in addition, to an age related increase request.
9. Q: What documentation is required to process the California Necessities Index (CNI) increase?

A: The CNI increase is to be automatically applied to the AAP basic rate and dual agency rate. The only documentation required is the NOA that is sent to the adoptive parent and the responsible public agency stating the basic rate or dual agency rate was increased due to the CNI increase. It is not necessary to sign an amended AAP agreement or complete an AAP 2.

10. Q: May the AD 4320 be signed for a limited time period for a dual agency child under the age of three and payment for an out of home placement or Wraparound services?

A: Yes, if the agreement is specific to the increase of the AAP rate to cover the costs for an out of home placement or Wraparound services or if the child meets the definition of a dual agency child and is under the age of three receiving services under the California Early Intervention Services Act.

11. Q: Is the ending date of eligibility stated on the AD 4320 the date of the 18th or 21st birthday or the last day of the birthday month?

A: For initial AAP agreements signed prior to the 18th birthday, the ending date of eligibility is the date of the 18th birthday. If the child/youth is determined eligible for the extension of benefits to age 21, an amended AD 4320 must be signed to reflect the date of the 21st birthday as the ending date of eligibility. AAP benefits are to be paid through the birthday month and may not be prorated to the actual date of the 18th or 21st birthday.

12. Q: Requests for verification of AAP benefits are submitted on a regular basis from loan entities, housing authorities, rental management companies, and other counties who are working with the adoptive family. Is it required that a letter be sent to the requester verifying the amount of AAP benefits the adoptive parent receives on behalf of their child each month?

A: No, the intent of PL 96-272, The Adoption Assistance and Child Welfare Act of 1980, is that AAP benefits are to follow the child and be used to benefit the child, not to be counted as income for a parent. Adoptive parents are not recipients of adoption assistance benefits; rather, adoption assistance benefits are made on the child’s behalf to meet his or her needs. A copy of the last signed AD 4320 is sufficient documentation to verify the receipt of AAP benefits and it is the adoptive parent’s responsibility to provide a copy of this document to the requester.
REASSESSMENT

13. Q: The adoption finalized 10 years ago and the negotiated AAP benefit included a Specialized Care Increment (SCI) rate. The adoptive parents have not submitted a completed Reassessment Information Adoption Assistance Program (AAP 3) form in many years. Is it permissible to contact the adoptive parent to confirm the child’s needs still warrant the SCI rate?

A: No, the reassessment process and the renegotiation of the AAP rate are initiated by the adoptive parent. The only responsibility the county has is to send the AAP 3 to the adoptive parent every two years; it is the adoptive parent’s responsibility to initiate further contact.

14. Q: At the time of reassessment the post adoption worker will contact the adoptive parent(s) to gather information and assess whether the child’s needs merit an increase or decrease of the AAP rate whether that be the AAP basic rate, eligible SCI rate plus AAP basic rate, the dual agency rate, or eligible supplemental rate plus the dual agency rate. Is this policy consistent with AAP laws and regulations?

A: No, the reassessment process and the renegotiation of the AAP rate are initiated by the adoptive parent and not the county. The only responsibility the county has is to send the AAP 3 to the adoptive parent every two years; it is the adoptive parent’s responsibility to initiate further contact. If the adoptive parent requests an increase/decrease or a change to the negotiated AAP benefit by submitting a completed AAP 3 by phone or email, the following forms will need to be completed: AAP 6, amended AD 4320 and AAP 2.

OUT OF HOME PLACEMENT AND WRAPAROUND

15. Q: The adoptive parent has placed their child with a relative in another state and the total AAP rate includes a SCI rate.

15a. Q: May the AAP benefit be transferred to the relative caregiver or to the child?

A: No, AAP may not be formally transferred to another caregiver or to the adopted child. The adoptive parent who is a party to the AAP agreement remains the recipient of the AAP benefit.
15b. Q: Does the total negotiated AAP rate including the SCI rate per the last signed AAP agreement continue to the adoptive parent?

A: Yes, if the adoptive parent continues to be legally and financially responsible for the adopted child and continues to support the child they may continue to receive AAP benefits on behalf of their child. How the adoptive parent chooses to use the benefits to meet the child’s needs is at their discretion regardless of the child’s residence. Agency approval and oversight is not required nor may the agency request a list of expenditures or an accounting of how the benefits are used to meet the child’s needs.

15c. Q: Is the county required to transfer the child’s medical coverage to the child’s current state of residence?

A: Yes, it is the adoptive parent’s responsibility with assistance from the county to ensure the child receives eligible AAP benefits including Medi-Cal/Medicaid coverage.

16. Q: An adoptive parent has placed their child in an out of home placement and has requested an AAP rate increase for a subsequent 18 months. However, there does not appear to be a new episode or condition to warrant the continued payment and the parent has stated they will not participate in a reunification plan. May the request for the AAP rate increase to cover the costs of an out of home placement be denied for the subsequent 18 months?

A: Yes, AAP benefits for an out of home placement are time-limited; the purpose of the out of home placement is to provide a temporary resolution for a mental or emotional problem with the goal that the child/youth will return to the home. An amended AAP agreement, specifically item #9 of the agreement, will need to be executed reflecting the AAP rate increase to cover the costs of the out of home facility and the end date of placement not to exceed 18 months.

17. Q: The adoptive parent(s) have placed their child in an out of state facility but the facility is not on the CDSS certified list. May AAP cover the costs of this facility?

A: Yes, the adoptive parent(s) are making the placement and signing the placement papers; the out-of-state placement does not have to be certified by CDSS. The requirement that the out-of-state facility be certified by CDSS is only applicable to an AAP eligible child when the county or probation department is responsible for the adopted child’s placement and care. For AAP to cover the costs of the out of home placement, the requirements stated in W&IC Section 16121(b) must be met. Although Health and Safety Code Section 1502 defines a variety of types of
community care facilities, the listed facilities may or may not be applicable to AAP via W&IC section 16121(b). W&IC section 11402 lists the type of AFDC-FC funded placements.

18. Q: May AAP be used to cover the costs for Wraparound services or for an out of home placement for an AAP eligible nonminor?

A: Yes, if the Wraparound provider is authorized to provide services and does offer services to children/youth over the age of 18, then AAP may cover the costs for this service. AAP may cover the AAP eligible nonminor’s out of home placement costs, if the requirements stated in W&IC Section 16121(b) are met. AAP may not cover the costs of an adult facility.

19. Q: The county does not offer Wraparound services and the adoptive family resides in another county. The parent has identified a Wraparound provider in their county of residence and has requested the AAP rate be increased to cover this cost. Does the county have to pay the AAP rate for this service, if all other requirements are met?

A: Yes, the AAP payment specific for Wraparound services is a benefit AAP eligible children/youth are entitled to receive in lieu of a payment for an out home placement. For AAP purposes, any type of Wraparound contract is to be between the adoptive parent and the Wraparound provider. The legal and financial responsibility of the child is with the adoptive parent not the county. The responsible public agency’s role is to confirm the Wraparound services are necessary and will appropriately meet the child’s needs, and to facilitate the AAP funding per the adoptive parent’s request.

20. Q: The county requires the adoptive parents to participate in a Team Decision Making (TDM) meeting prior to approving the AAP benefit increase request to cover the costs for an out of home placement and/or Wraparound services. Is this requirement consistent with AAP federal and state laws and regulations?

A: No, the adoptive parent is legally and financially responsible for the support of their adoptive child; therefore they make the decisions regarding their adoptive child’s care and supervision needs which include services, providers, out of home placements, and other management related tasks. The responsible public agency’s role is to facilitate the AAP funding requested by the adoptive parent, confirm that the out of home placement or Wraparound services are necessary and appropriately meet the child’s needs, and the rate classification level is appropriate to the child’s needs. The approval for the AAP benefit is solely based on consultations with the adoptive parent and documentation provided by the adoptive parent.
21. Q: A child/youth is placed in an out of home placement paid by probation. The parent is stating their share of cost is greater than the AAP basic rate. How is the share of cost determined?

A: The determination of the share of cost is case specific and typically the adoptive parent receives a share of cost bill from the entity paying for their child’s out of home placement. The share of cost may include child support bills, replacement clothing, food items, personal incidentals, school supplies (not furnished by the out-of-home care provider) upkeep of the child’s room, the child’s visitation to the home, transportation, and other expenses associated with the child’s specific care and supervision needs. The AAP rate to cover the adoptive parent’s share of cost may not exceed the rate the child would have received had they remained in the adoptive home.

22. Q: Why is the AAP rate for Wraparound services the Non-Federal Wraparound rate regardless of the child’s Federal/Non-Federal AAP eligibility determination?

A: The funding source for Wraparound for a child in foster care is funded with non-federal Aid to Families with Dependent Children (AFDC)-Foster Care (FC), and Federal AFDC-FC may not be used to pay Wraparound services which have resulted in a non-federal and federal rate chart. However, this does not apply to AAP eligible children receiving Wraparound services funded with AAP benefits. The AAP payment for Wraparound services is authorized through W&IC Section 16121(b) and the AAP payment covers the total Rate Classification Level (RCL) rate (Wraparound non-fed rate) regardless of the child’s AAP eligibility determination (Title IV-E or non-fed).

For further questions regarding Wraparound services contact the Integrated Services Unit at (916) 651-6600.

23. Q: An AAP eligible child has returned to dependency and the parents do not plan to reunify with the child. May the parents continue to receive AAP benefits on behalf of their child who is to remain in long term foster care?

A: Yes, if the adoptive parent continues to be legally and financially responsible for the adopted child and/or continues to support their child they may continue to receive AAP benefits on behalf of their child. For AAP eligible youth over the age of 18, the adoptive parent may no longer be legally responsible for the youth’s placement and care due to age, if the adoptive parent continues to remain financially responsible and continues to support the youth, they may continue to receive AAP benefits on behalf the youth. It is the adoptive parent’s responsibility to ensure the child/youth receives eligible AAP benefits including Medi-Cal/Medicaid coverage.
How the adoptive parent chooses to use the funds to meet their child/youth’s needs is at their discretion regardless of the child/youth’s residence or connection to Child Protective Services. Agency approval and oversight is not required nor may the agency request a list of expenditures or an accounting of how the benefits are used to meet the child/youth’s needs.

Typically when a child has returned to the dependency system, the adoptive parent is billed for child support and the adoptive parent uses the AAP funds to cover this bill. There also may be situations where the adoptive parent continues to pay for the child’s private health insurance or other costs specifically related to the child which may be considered a form of support.

**AAP PAYMENT**

24. Q: The initial AAP agreement was signed for a dual agency child with a rate of $2025 prior to July 1, 2007 which was greater than the dual agency rate of $2006 that was effective July 1, 2007. The child is not eligible to receive the supplement to the rate. Due to the CNI increases to the dual agency rates effective July 1, 2011, 2012, 2013 and 2014. The rate of $2025 is now less than the current dual agency rate of $2209. Does the $2025 rate remain the same or should the annual CNI increase for 2011, 2012, 2013 and 2014 be applied?

A: No, if the annual CNI increase for fiscal years 2011, 2012, 2013 and 2014 were applied to the rate of $2025, the rate would exceed the maximum eligible dual agency rate for each fiscal year. However, effective July 1, 2011, the dual agency rate may be increased to $2045 because the rate of $2025 is less than the eligible dual agency rate of $2045. Effective July 1, 2012, 2013 and 2014 the respective CNI increases for those fiscal years may be automatically applied to the dual agency rate of $2045 (ACLs 12-45, 13-63 and 14-45). An amended AAP agreement will need to be signed reflecting the change in rate with the start date of payments effective July 1, 2011.

25. Q: A single parent adopted an AAP eligible child. The parent has married and their spouse adopted the child through the stepparent adoption process. The single adoptive parent has since died. May the payee of the AAP benefits be changed to the stepparent?

A: No, due to the adoptive parent’s death, the initial AAP case is to be terminated. The stepparent was not a party to the initial adoption and AAP case therefore the AAP benefit may not be transferred to them. In order for the stepparent to receive AAP benefits on behalf of the child, the stepparent would have to adopt the child via the agency or independent adoption process. Stepparent adoptions do not follow
the same regulations/laws as an agency or independent adoption (such as fingerprint clearances and homestudy requirements); therefore, stepparents are not eligible to receive AAP benefits.

NONRECURRING ADOPTION EXPENSES

26. Q: The signed Adoption Assistance Program Nonrecurring Adoption Expenses Agreement (AAP 8) form is submitted to the county fiscal department for payment. This department will approve reimbursements and deny requests due to limited county funds. Is the reimbursement of nonrecurring adoption expenses to be paid from the county’s general fund or may counties include this expense in their Title IV-E claim?

A: The reimbursement of nonrecurring adoption expenses is reimbursed via federal financial participation funding (Title IV-E funds); therefore counties may claim for reimbursement of this one-time expense, unless the reimbursement request is inconsistent with W&IC Section 16120.1 and CCR Title 22 Section 35352-35352.2. The county may not deny this request for reimbursement due to limited county funds.

27. Q: The county received a completed AAP 8 for a child who is not eligible for AAP benefits and is adopted through the independent adoption process. Are the adoptive parents eligible to receive the reimbursement for nonrecurring adoption expenses for this child?

A: Yes, the only eligibility criterion to be applied is that the child meet the three part special needs determination and citizenship requirements. A child does not have to meet one of the paths to eligibility, and the public agency does not have responsibility for placement and care of the child. The adoptive parent(s) have two years from the date of finalization to request reimbursement of nonrecurring adoption expenses.

AAP BENEFITS EXTENSION

28. Q: What is the definition of a mental or physical disability?

A: The state and federal regulations are silent on a definition of a mental or physical disability. To assess the child/youth’s eligibility for the extension of benefits, the responsible public agency must consider all available information and documentation requested from and provided by the adoptive parents. Documentation may include written information from medical, therapeutic, and/or educational professionals in the community who currently work with the child/youth. A mental or physical disability
should be interpreted broadly to ensure all AAP eligible children/youth have the potential for the extension of benefits to age 21. In addition to other factors, consider whether either or both elements below exist when making the determination:

1. Is continued parental care and support necessary due to the child/youth’s mental or physical disability?
2. Does the mental or physical disability hinder the child/youth’s progress towards self-sufficiency and emancipation?

29. Q: If the initial AAP agreement is signed on or after the child/youth’s 16th birthday but prior to their 18th birthday, and they meet one of the five participation criteria below, is the ending date of eligibility the 21st birthday?

   1. Completing high school or an equivalency program.
   2. Enrolling in post-secondary or vocational school.
   3. Participating in a program or activity that promotes or removes barriers to employment.
   4. Employed at least 80 hours per month.
   5. Is incapable of participating in 1 through 4 above, due to a documented physical or mental condition.

A: No, AAP benefits terminate at the age of 18 unless the adoptive parent requests the extension of benefits to age 21. Although the request for the extension of benefits must be made prior to the 18th birthday, the determination for the extension is sometimes made following the 18th birthday.

30. Q: May the eligibility for the extension of benefits be limited to the age of 19 or to age 20?

A: No, the eligibility may not be time limited to a specific time period between ages 18 and 21. Once the eligibility determination is made for the extension of benefits the child/youth remains eligible to the age of 21. If circumstances change and one of the three ways to terminate AAP is met or the child/youth is eligible for benefits in a different amount, benefits may be terminated or renegotiated between the ages of 18 and 21.
31. Q: If the eligibility for the extension of benefits is based on the child/youth meeting one of the five participation criteria stated in question #29, is there a requirement to reassess every year to ensure the child/youth still meets one of the participation criteria?

A: No, the reassessment process stated in CCR Title 22 Section 35343 and Section V. of this ACL also applies to this population.

**AAP CASE TERMINATION**

32. Q: An AAP child was removed from the adoptive parent and now lives with a probate legal guardian. The adoptive parent does not plan to reunify with the child. May the AAP case be terminated?

A: No, the AAP case may be terminated, if one of the three reasons is met:

1. The child has attained the age of 18 or 21;
2. The adoptive parents are no longer legally responsible for the support of the child. Includes: Termination of parental rights, child becomes an emancipated minor, marries, or enlists in the military;
3. The responsible public agency determines the adoptive parents are no longer providing any type of support to the child. Support may include any type of financial contributions, maintaining a room for the child, covering the costs for clothing, personal incidentals, tuition, therapy, or other expenses related to the child’s care.

The action of guardianship does not terminate a parent’s parental rights. If the adoptive parent continues to support the child, they may continue to receive AAP benefits on behalf of their child. Agency approval and oversight is not required nor may the agency request a list of expenditures or an accounting of how the benefits are used to meet the child’s needs.

33. Q: Adoptive parents have requested the extension of Medi-Cal benefits to age 21 for their child who was adopted at age five. The child/youth does not have a physical or mental disability. May Medi-Cal only benefits be extended to age 21?

A: No, unless the child/youth has a mental or physical disability to warrant the continuation of benefits to age 21, AAP benefits including Medi-Cal coverage will terminate at age 18.
34. Q: The child/youth is eligible for the extension of benefits to age 21. At the age of 19, the adoptive parents contact the agency to terminate the AAP case because they are no longer supporting the child/youth. May the AAP case be terminated as requested by the adoptive parent?

A: Yes, the agency may terminate the AAP case as requested by the adoptive parent. However, it would be in the child/youth’s best interest to encourage the adoptive parent(s) to sign a deferred AAP agreement to retain the child/youth’s AAP eligibility should benefits be needed at a later date prior to the age of 21.

INQUIRIES

If you have any inquiries, please direct all AAP questions to the Adoptions Services Bureau, at (916) 651-8089.

Sincerely,

Original Document Signed By:

GREGORY E. ROSE
Deputy Director
Children and Family Services Division