

Senate, March 30, 1998. The Committee on Human Services reported through SEN. HANDLEY, 4th DIST., Chairman of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT PROVIDING FINANCIAL SUPPORT FOR GRANDPARENTS WHO RAISE GRANDCHILDREN.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 7 of
2 public act 97-272 is repealed and the following is
3 substituted in lieu thereof:

4 (b) The Commissioner of Children and Families
5 shall establish a program of subsidized
6 guardianship for the benefit of children in the
7 care or custody of the commissioner who are living
8 with relative caregivers and who have been in
9 foster care or certified relative care for not
10 less than [eighteen] TWELVE months, OR WHO ARE
11 LIVING WITH RELATIVE CAREGIVERS WHO HAVE BEEN
12 APPOINTED GUARDIANS OR COGUARDIANS OF THE CHILD BY
13 ANY COURT OF COMPETENT JURISDICTION. A relative
14 caregiver may request a guardianship subsidy from
15 the commissioner. If adoption of the child by the
16 relative caregiver is an option, the commissioner
17 shall counsel the caregiver about the advantages
18 and disadvantages of adoption and subsidized
19 guardianship so that the decision by the relative
20 caregiver to request a subsidized guardianship may
21 be a fully informed one.

22 Sec. 2. This act shall take effect from its
23 passage.

24	AGE	COMMITTEE VOTE:	YEA 12	NAY 0	JFS	C/R	HS
25	HS	COMMITTEE VOTE:	YEA 16	NAY 0	JFS		

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"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF MEMBERS OF THE GENERAL ASSEMBLY, SOLELY FOR PURPOSES OF INFORMATION, SUMMARIZATION AND EXPLANATION AND DO NOT REPRESENT THE INTENT OF THE GENERAL ASSEMBLY OR EITHER HOUSE THEREOF FOR ANY PURPOSE."

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FISCAL IMPACT STATEMENT - BILL NUMBER sSB 258

STATE IMPACT	Significant Indeterminate Cost, Indeterminate Revenue Loss, Significant Indeterminate Savings, see explanation below
MUNICIPAL IMPACT	None
STATE AGENCY(S)	Departments of Children and Families, Social Services, Judicial Department, Office of the Attorney General

EXPLANATION OF ESTIMATES:

Passage of this bill will result in a significant net cost to the State. First, it requires the Department of Children and Families (DCF) to expand eligibility for its subsidized guardianship program to children in certain foster care arrangements sooner. Second, it expands eligibility for the program to any child living with a relative guardian appointed by either the Probate or Superior Court.

Per statute, guardian subsidy payments are defined to be equivalent to the prevailing foster care rates, which vary by age as follows: \$7,460 annually (0-5 years), \$7,700 annually (6-11 years), \$8,495 annually (12 years and over). (These rates are adjusted biennially according to changes in the United State's Department of Agriculture's cost of raising a child in the Northeast, pursuant to the Juan F. vs. Rowland Consent Decree.)

The DCF anticipates that its subsidized guardianship program will begin operation during May, 1998. As of

February, 1998 a total of 1,338 children were in certified relative foster homes. Under the bill's parameters, it is estimated that 426 of these children will move from foster care into subsidized guardianship placements when the program is operational. As a projected 170 would have alternatively been placed in subsidized adoption, the anticipated net caseload reduction during SFY 1998-99 is 256.

Net savings, in the amount of \$276,365, have been included under the DCF's budget within sHB 5021 (the Revised SFY 1998-99 Appropriations Act, as favorably reported by the Appropriations Committee) to reflect the elimination of six children's protective services workers, effective July 1, 1998. This is made possible by the anticipated caseload reduction of 256. The agency's staffing is contingent upon caseload-per-worker guidelines set forth pursuant to the Consent Decree.

Reducing the required foster care length of stay from eighteen to twelve months will allow some of the 426 children estimated to take advantage of the guardianship subsidy to do so earlier during SFY 1998-99. This will result in an indeterminate revenue loss to the State, as Title IV-E reimbursement for the maintenance costs of eligible children will cease sooner than under current law. Federal financial participation of fifty percent is collected by the State for IV-E eligible children in foster care and special needs adoptive settings. (To date the Department of Health and Human Services has not granted a waiver to Connecticut to provide similar reimbursement for children in subsidized guardianship arrangements. The possibility of a waiver being granted in the future is uncertain at this time.)

An indeterminate number of additional children who would not have met the eighteen month time limit at any time during SFY 1998-99 may become newly eligible for the subsidy because they will instead exceed the twelve month requirement. The agency will experience a corresponding further caseload reduction which may impact upon required staffing levels. A corresponding reduction in federal Title IV-E revenues would also occur. The implied staffing reduction cannot be quantified at this time, however it is anticipated that any reduction will equate to no more than 1 - 2 social

work staff on an annualized basis, at a savings of \$40,000 to \$90,000. Additionally, a corresponding reduction in workload to the Judicial Department and the Office of the Attorney General will result as mandatory court reviews of these cases would be avoided. It is anticipated that any workload decrease to the Attorney General would be minor and resources would be reallocated as needed.

An estimated 11,700 children and youth are currently living with court appointed relative guardians and are not involved with the children's protection system. An annual State cost of up to \$84 million will be incurred to provide an average monthly subsidy of \$599 per child to these families, based on an average payment standard of \$635 adjusted downward for estimated income available to the child from child support and/or federal benefit programs. This sum includes administrative costs of \$400,000 needed to oversee program operations. Actual program costs would be dependent upon the number of guardians applying for the subsidy, which cannot be determined at this time. (It should be noted that eligibility for the benefit would not be limited by a recipient's income.)

To the extent that provision of the guardianship subsidy may result in the diversion of some children from foster placements, the total cost of the program will be reduced. However it is anticipated that the number of affected children would not be significant.

Program costs would be partially offset by indeterminate significant savings under the Temporary Family Assistance (TFA) program operated by the Department of Social Services (DSS). A relative who assumes the care of a child may receive TFA benefits as the child's supervising relative if the child is income eligible. A monthly subsidy of approximately \$333 per child is paid by the DSS, regardless of the financial status of the relative. These benefits continue until the child is age eighteen, or until the nineteenth birthday if attending high school or a vocational-technical program. An estimated 4,600 to 5,100 TFA assistance units are headed by non-parent supervising caretakers (each assistance unit has an average of one to two children). An unknown percentage of these relatives may have been granted guardianship by a court.

It is assumed that a majority of supervising relatives who are already court appointed guardians will disenroll from the TFA program and instead apply for subsidized guardianship benefits given passage of this bill. Those who are not will now have a financial incentive to seek legal guardianship, as it will allow them to access up to an additional \$302 per month on average.

Finally, some children currently residing with biological parents may be moved into guardianship arrangements so as to access the benefit. This will result in an indeterminate state cost which has not been reflected in estimates above.

These actions may result in an increase in petitions filed with the court. It is anticipated that the Superior and Probate Court systems can handle any increases within anticipated caseload and budgetary structures.

An additional indeterminate cost will be incurred to provide a subsidy to cover medical costs of those children in court appointed relative guardian placements who are not otherwise eligible for the Health Care for Uninsured Kids and Youth (HUSKY) program. These costs would be associated with partial or full payment of health insurance premiums and could be significant in magnitude.

It should be noted that the Department of Social Services is attempting to clarify whether subsidized guardianship payments can be construed to be "foster care" payments. If so, the subsidy would be excluded from income when determining Medicaid eligibility. If not, it must be counted and could potentially make affected children ineligible for Medicaid. If it is determined that the payments cannot be considered as foster care payments, the agency would need to pursue a regulation change to add them to the list of excluded income sources. It cannot be determined at this time whether this is permissible under federal Health Care Financing Administration regulations.

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OLR BILL ANALYSIS

sSB 258

AN ACT PROVIDING FINANCIAL SUPPORT FOR GRANDPARENTS WHO RAISE GRANDCHILDREN

SUMMARY: This bill expands the Department of Children and Families' (DCF) subsidized guardianship program to include court-appointed guardians or co-guardians regardless of whether the child they care for has been in DCF care or custody before the guardianship was granted. For children in DCF custody, the bill reduces from 18 to 12 the number of months a child must be in either foster care or certified relative care before a relative caregiver can receive a subsidized guardianship. By law, relative caregivers of children in DCF custody must be appointed guardians by a court before they can receive a subsidy.

An eligible caretaker can receive three different subsidies: (1) a lump-sum payment to cover an expense associated with assuming the child's care, (2) a medical subsidy for a child who is not covered by private health insurance, and (3) a monthly payment equal to the prevailing foster care rate.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Select Committee on Aging

Joint Favorable Substitute Change of Reference
Yea 12 Nay 0

Human Services Committee

Joint Favorable Substitute
Yea 16 Nay 0