

June 2005

# CHILD WELFARE

## Better Data and Evaluations Could Improve Processes and Programs for Adopting Children with Special Needs



Highlights of [GAO-05-292](#), a report to congressional requesters

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### Why GAO Did This Study

On September 30, 2002, the most recent date for which Department of Health and Human Services (HHS) data were available, about 126,000 foster children were waiting to be adopted. Estimates suggest that a significant portion of these children had one or more special needs, such as a medical condition or membership in a minority group, that may discourage or delay their adoption. Federal support in the form of adoption subsidies and incentive payments to states is available to promote special needs adoption. This report (1) identifies the major challenges to placing and keeping special needs children in adoptive homes, (2) examines what states and HHS have done to facilitate special needs adoptions, and (3) assesses how well the Adoption Assistance Program and the Adoption Incentives Program have worked to facilitate special needs adoptions, and determines if changes might be needed.

### What GAO Recommends

GAO recommends that HHS improve its data collection and evaluation efforts. HHS did not explicitly agree or disagree with the recommendations. It said that changes to address the data collection recommendations were being considered and that while steps to strengthen evaluations have been taken, some project results have sometimes been of limited use because of problems adhering to evaluation protocols.

[www.gao.gov/cgi-bin/getrpt?GAO-05-292](http://www.gao.gov/cgi-bin/getrpt?GAO-05-292).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Cornelia Ashby at (202) 512-8403 or [ashbyc@gao.gov](mailto:ashbyc@gao.gov).

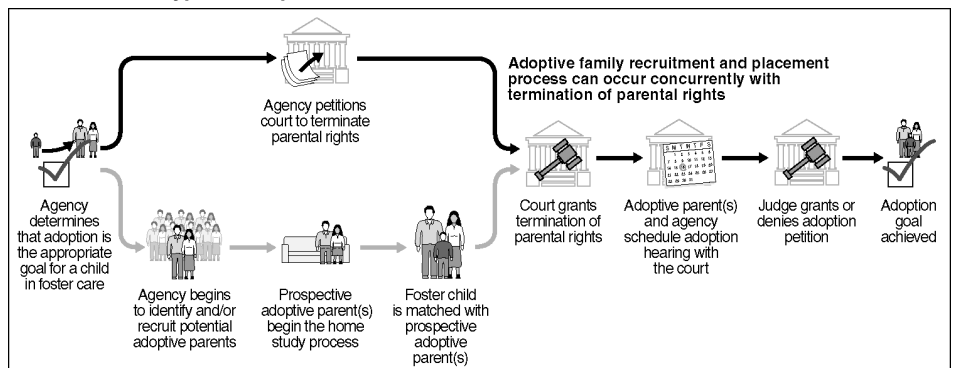
### What GAO Found

According to state child welfare officials, limited resources, court processes, and delays in completing interstate placements challenged the adoption of children with special needs by hindering recruitment of adoptive families and delaying the adoption process. In particular, adoptive parents in many states received lower subsidies and fewer services than foster parents. In addition, child welfare officials, court staff, and judges said that the adoption process can take months to complete because hearings to terminate parents' rights are hard to schedule and may involve appeals. Further, officials said that interstate placements are often hampered by delays in completing home studies of prospective families, although no data exist to assess the timeliness of such placements.

States and HHS have developed and implemented strategies and programs to promote special needs adoptions, but few evaluations measure their effectiveness. Four of the 5 states we visited sponsored post adoption resource centers. However, only 9 of 49 states responding to a relevant question in our survey indicated that they had evaluated the effectiveness of their services. At the federal level, HHS supported and promoted local innovation, provided technical assistance, and disseminated information, but the agency has done little to assess the effectiveness of the programs it has funded. When HHS has taken steps to have states assess funded projects, the agency has not ensured sufficient rigor to assess effectiveness.

The Adoption Assistance and Adoption Incentives Programs have provided support for special needs adoptions, but data are lacking to determine if changes are needed to better facilitate adoption. The former uses an income eligibility threshold that is more restrictive than other cash assistance programs' standards of need and may not include all who might otherwise qualify. Since 1998, the Adoption Incentives Program has provided financial awards to almost all states for increasing adoptions, but does not provide a specific inducement for interstate placements. Data to track and credit states for collaborating on interstate placements are not available.

**Flowchart of a Typical Adoption Process**



Source: GAO.

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## Abbreviations

AFCARS	Adoption and Foster Care Analysis and Reporting System
AFDC	Aid to Families with Dependent Children
APHSA	American Public Human Services Association
ASFA	Adoption and Safe Families Act of 1997
CFSR	Child and Family Services Review
HHS	Department of Health and Human Services
ICPC	Interstate Compact on the Placement of Children
NCANDS	National Child Abuse and Neglect Data System
SSBG	Social Services Block Grant
SSI	Supplemental Security Income
TANF	Temporary Assistance for Needy Families
TPR	Termination of Parental Rights

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United States Government Accountability Office  
Washington, DC 20548

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June 13, 2005

The Honorable Charles E. Grassley  
Chairman  
Committee on Finance  
United States Senate

The Honorable Hillary R. Clinton  
United States Senate

On September 30, 2002, the most recent date for which these data were available, about 126,000 foster children were reported by the Department of Health and Human Services (HHS) to be waiting for adoption. These children, on average, were 8 years old, had been in foster care for nearly half their lives, and 55 percent were living with an unrelated foster care provider. According to federal program officials, a significant portion of these children had at least one special need, such as a medical condition or membership in a minority group that might make adoptive placements challenging. Further, in some cases, the most appropriate adoptive families reside in one state while waiting children reside in another. Therefore, interstate placements, which require child welfare agencies in both states to work together, are critical to finalizing their adoption.

In an effort to promote the adoption of children with special needs, Congress authorized the Adoption Assistance Program in 1980 under Title IV-E of the Social Security Act. Through this program, the federal government partially reimburses states for subsidies they provide to adoptive parents of eligible special needs children to assist them with related caretaking expenses. The act defines children as having special needs if the state has determined that the child should not or could not be returned to the home of his or her parents, and certain factors, such as age; membership in a sibling unit or minority group; or emotional, mental, or physical conditions would make finding an appropriate adoptive home difficult.

In order to qualify for the federal subsidy reimbursement, children must meet the special needs definition and one of several eligibility criteria. These criteria include having been removed from the home pursuant to a judicial determination and being eligible for the Aid to Families with Dependent Children (AFDC) program, as it existed in 1996. In each of the fiscal years 2001 through 2003, the federal adoption assistance subsidy

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reimbursement, including related administrative and training expenses, exceeded \$1 billion. In fiscal year 2002, the latest year for which HHS could provide figures, the federal government partially reimbursed states for adoptive families' subsidies for about 66 percent of foster children adopted.

In addition to the adoption subsidy reimbursement, the Adoption Incentives Program, created by the Adoption and Safe Families Act of 1997 (ASFA) and amended in 2003, provides rewards for states that increase the number of foster care adoptions, special needs adoptions, or adoptions of children age 9 and older. Since the program's inception through 2003, the most recent year for which data are available, the federal government has awarded nearly \$178 million to states in adoption incentive payments.

To better understand the issues related to the placement and adoption of special needs children, we (1) identified the major challenges to placing and keeping special needs children in adoptive homes, (2) examined what states and the Department of Health and Human Services have done to facilitate special needs adoptions, and (3) assessed how well the Adoption Assistance Program and the Adoption Incentives Program have worked to facilitate special needs adoptions and what changes, if any, might be needed to further facilitate adoptions.

To conduct our work, we gathered and analyzed data from several sources. We developed and conducted a nationwide survey of adoption directors in all 50 states, as well as those in Washington, D.C., and Puerto Rico, and we received 50 responses.<sup>1</sup> We visited 5 states—Georgia, Massachusetts, Michigan, New Mexico, and Oregon—where we spoke with child welfare agency officials, caseworkers, parents, court personnel, and private adoption agency officials to better understand states' strategies for placing children with appropriate adoptive families.<sup>2</sup> We selected these states for diversity in the size of their foster care populations, location, and program administration, and for the different degree of success they have had in finalizing adoptions. In addition, we selected and reviewed 10 states' Child and Family Services Plans and Annual Progress and Services Reports—documents that HHS requires as part of its ongoing child welfare oversight—in order to obtain information

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<sup>1</sup>We did not receive responses from Alabama and Nevada.

<sup>2</sup>This report uses the word "states" to refer to the 50 states, the District of Columbia, and Puerto Rico.

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on how states were using the adoption incentive funds. Further, we reviewed federal adoption assistance and adoption incentive laws and regulations, as well as additional adoption-related research and evaluations conducted by HHS, the states, and nongovernmental organizations. We also interviewed HHS officials and staff from independent child welfare organizations, and we conducted discussion groups with adoptive parents and adoption program managers from around the country at two national conferences. We conducted our work between May 2004 and April 2005 in accordance with generally accepted government auditing standards. A more detailed discussion of our scope and methodology appears in appendix I.

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## Results in Brief

According to state officials, limited resources, court processes, and delays in completing interstate placements were the major challenges to successful special needs adoptions. These challenges hindered efforts to recruit families and delayed the adoption process. According to state officials in 4 of the 5 states we visited, budget issues in their states have caused reductions in or elimination of adoption services. In part because of these resource limitations, adoptive parents in many states received lower subsidies and fewer services than foster parents. Our survey asked states about 13 types of services or support. For 9 of the 13 services, fewer states reported providing them to adopted children than to foster children. In addition to reporting limited resources, child welfare officials, court staff, and judges from our site visit states said that the adoption process can take many months to complete because hearings to terminate parental rights are hard to schedule, and appeals by parents and other relatives may add months to the process. Further, although federal law requires states to facilitate the timely adoptive placement of children through the effective use of cross-jurisdictional resources, interstate placements can be delayed, in part, by the slow completion of home studies to determine the qualifications of prospective families. HHS officials said that there are no data to assess the timeliness of such placements. However, they are in the process of updating their central data system and informed us that they are considering many revisions to improve data collection.

States and HHS have developed and implemented both general and targeted strategies to promote special needs adoptions, but few evaluations measure their effectiveness. All 5 of the states we visited partner with adoption exchanges—information and referral services for adoptive families—to operate electronic registries of children awaiting adoption, and all 5 states worked with private agencies to promote adoption. In addition to these general activities, many states used targeted

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recruitment strategies. For example, states hosted adoption promotion events geared toward matching prospective families with certain children, such as those who have been waiting the longest for placements. Four of the 5 states we visited sponsored formal post adoption resource centers. However, only 9 of 49 states responding to a relevant question in our survey indicated that they had evaluated the effectiveness of their post adoption services. At the federal level, HHS has supported and promoted local innovation through its programs, provided technical assistance, and disseminated information to increase public awareness about the need for adoptive families. However, the agency has done little to assess the effectiveness of its programs. Moreover, when HHS has taken steps to have participating states assess specific projects, few of the evaluations produced reliable data. We found that five of the seven evaluations we reviewed lacked sufficient rigor to determine whether the projects had met their intended goals. HHS officials acknowledged the need for more rigorous evaluation. However, they informed us that once they approve the projects, they have very little control over how the evaluations are actually conducted because states manage the evaluations.

While the adoption assistance and adoption incentive programs have supported special needs adoption, data are lacking to determine if changes are needed to better facilitate adoptions. For example, the Adoption Assistance Program uses an income threshold or need standard from the expired Aid to Families with Dependent Children program, which is more restrictive than other cash assistance programs and therefore limits eligibility. HHS does not separately collect data on the characteristics of children who do not meet IV-E eligibility, so the number of children with special needs from low-income families is unknown, and we cannot determine the extent to which this population is being underserved. With regard to the Adoption Incentives Program, all states have received financial awards for adoption achievements at least once since 1998. However, the program is not currently designed to provide a specific inducement for interstate placements. Data to track and give credit to states for collaborating on interstate placements are not available.

Given the challenges states face with respect to special needs adoptions, the limited assessments available to determine best practices, and the lack of data available to determine if changes to federal adoption programs are needed, we recommend that HHS (1) assist states in collecting and reporting data related to interstate placements and analyze this data to provide a basis for facilitating timelier placements, (2) facilitate the evaluation of federal and state strategies and programs that promote special needs adoption, and (3) gather data on the economic



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circumstances of special needs children who do not currently qualify for the Adoption Assistance Program and assess the impact of expanding eligibility on federal cost.

HHS provided written comments on a draft of this report but did not explicitly agree or disagree with the recommendations. In its comments, HHS stated that changes to address the recommendations designed to improve data collection were being considered in conjunction with efforts to revise its central data system. While HHS said that our recommendation to improve evaluations was unnecessary because the agency has taken steps to strengthen evaluations, it acknowledged that projects have sometimes not yielded useful results, because of problems adhering to evaluation protocols. Also, HHS stated that it will continue to work with states to identify rigorous, administratively feasible evaluation strategies. We continue to recommend that HHS develop additional guidance to improve evaluations. Such guidance is needed to help assess the effectiveness of funded projects.

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## Background

Most children enter foster care when the state's child welfare agency determines that they have been subjected to abuse or neglect and it is not in their best interest to immediately return home. On September 30, 2002—the latest date for which HHS figures were available for our review, 532,000 children were in foster care in the United States.<sup>3</sup> Generally, after investigating the circumstances that contributed to the abuse or neglect, state child welfare agency staff develop a plan to help the parent make improvements and create a safe and stable family environment. ASFA requires that states hold a permanency planning hearing at least once every 12 months to determine, among other things, when and if reunification with the child's family is a safe and practical option. HHS estimated that just over 50 percent of the 281,000 children who exited foster care during fiscal year 2002 were reunified with a parent or principal caretaker.

If the parent has not followed child welfare agency plans or has failed to change behaviors to make reunification safe, the state may identify an alternative goal to establish a permanent home for the child. These goals include adoption, independence, or legal guardianship. Independent living arrangements may be attained once children reach the age of 18—or 21 in

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<sup>3</sup>Data were preliminary fiscal year 2002 estimates as of August 2004.

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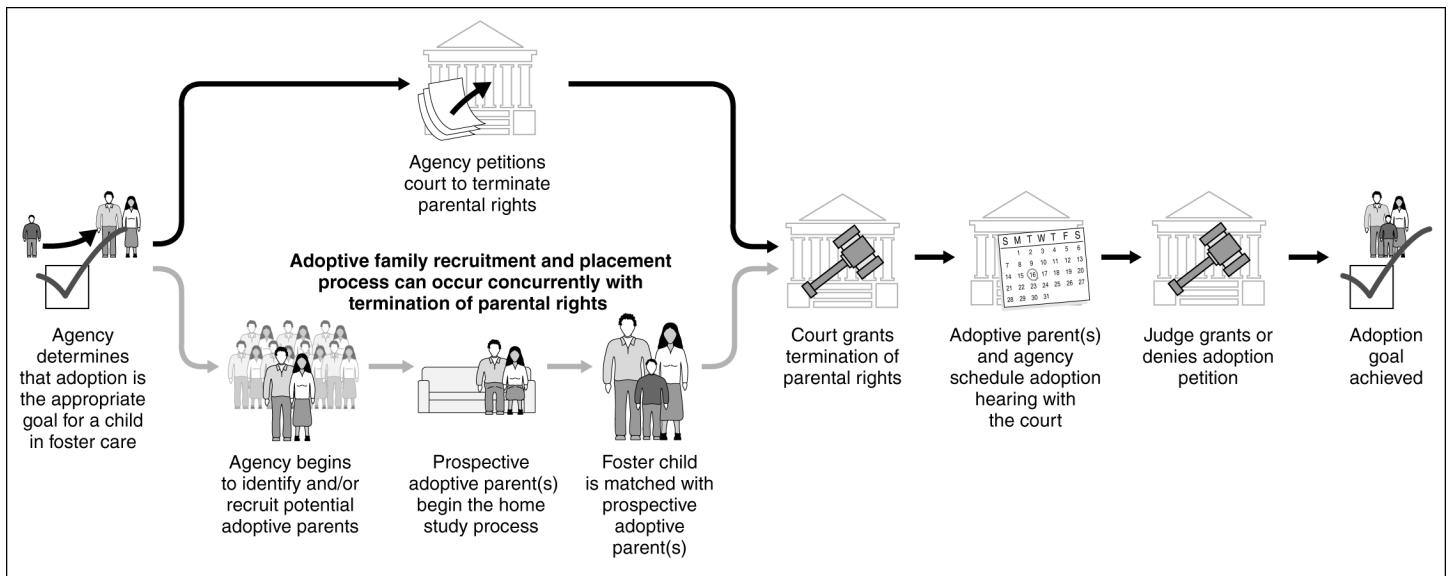
some jurisdictions—and have not been reunified with their families or adopted and for whom federal reimbursement for foster care expenditures is no longer available. Legal guardianship is a judicially created relationship between a child and a caretaker whereby the caretaker is awarded custody and decision-making rights with respect to the child. An October 2004 report indicated that 35 states and the District of Columbia had established subsidized guardianship programs to help ensure permanent families for children.<sup>4</sup> The federal government typically does not reimburse states for costs associated with subsidized guardianship. However, 7 states have operated or are currently operating federally funded guardianship projects through their participation in the Title IV-E waiver program. HHS data show that 4 percent of children exited foster care through guardianship in fiscal year 2002.

HHS reports that in fiscal year 2002, 17 percent of children exited foster care through adoption. Unless a parent voluntarily relinquishes his or her rights, states must petition the court for a termination of parental rights (TPR) before a foster child can be adopted. ASFA requires, with few exceptions, that states file a TPR petition when a child has been in foster care for 15 of the most recent 22 months, but ASFA does not address the length of time needed to grant the petition to terminate. Before the termination is completed, states can begin to recruit for an adoptive family and even place a child in a pre-adoptive home with an interested family after this family has been approved. The adoptive family approval process generally involves background checks and a home study—a detailed examination of a family’s circumstances, including its employment and finances and family medical history—to ensure that the family will provide a safe and suitable placement. The key steps in the process for adopting children from state child welfare agencies are summarized in figure 1.

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<sup>4</sup>Children’s Defense Fund. “States’ Subsidized Guardianship Laws at a Glance.” Washington, D.C., October 2004.

**Figure 1: Flowchart of a Typical Adoption Process**



Source: GAO.

In order to be eligible to receive federal funding, ASFA requires that states do not delay or deny the placement of a child for adoption when an approved family is available outside the jurisdiction that currently handles the child's case<sup>5</sup> and requires states to facilitate the timely adoptive placement of children through the effective use of cross jurisdictional resources.<sup>6</sup> States govern the placement of children across state lines through a compact known as the Interstate Compact on the Placement of Children (ICPC). At the time of publication, the compact was being rewritten to improve the process of placing children across state lines.

Families who adopt children with special needs can receive monthly subsidies. The Adoption Assistance Program, under Title IV-E of the Social Security Act, authorizes the federal government to partially reimburse the states for the subsidies they provide to families who adopt special needs children. Payments to the parents of an eligible child with special needs can include both one-time adoption assistance for expenses such as attorney fees and ongoing monthly assistance, which is used for any

<sup>5</sup>42 U.S.C. §671(a)(23)(A).

<sup>6</sup>42 U.S.C. §622(b)(12).

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identifiable needs of the child. Special needs children must meet at least one criterion from the following list: (1) the child is a dependent child who would have been eligible for AFDC, as it existed in 1996;<sup>7</sup> (2) the child is eligible for Supplemental Security Income (SSI);<sup>8</sup> (3) the child is a child of a minor parent who is in foster care already and receiving foster care maintenance payments under Title IV-E; or (4) the child received adoption assistance previously, but the adoption dissolved or the adoptive parents died. If the child does not meet these eligibility criteria, but still meets the state's definition of special needs, the state can provide a subsidy to the child's adoptive family, but cannot claim federal reimbursement.

The amount of the subsidy is determined through negotiations between the adoptive parents and a representative of the state agency based on the needs of the child and circumstances of the adoptive family. The subsidies are intended to help adoptive families manage the cost of caring for their special needs children. Adopted children often have difficulties with issues of loss, attachment, and identity formation that can lead to behavioral and developmental problems and require professional treatment. In addition, special needs children with physical and other mental disabilities may require specialized care and treatment. Adoption subsidies are available to families until children reach age 18 but may be extended to age 21 if a mental or physical disability necessitates continuation.

In addition to reimbursing states for the adoption subsidies, the federal government pays adoption incentive funds to qualifying states. Under the Adoption Promotion Act of 2003, (Pub. L. No. 108-145), which amended the Adoption Incentives Program, a state is eligible for an award if the number of adoptions from the foster care system for the fiscal year under review exceeds the state's baseline year, the highest number of adoptions in any previous year, beginning with fiscal year 2002. States may also receive an incentive payment based on the adoptions of children having

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<sup>7</sup>To be eligible for AFDC, a child (defined as a dependent child under the AFDC statute) has to be a needy child who (1) has been deprived of parental support due to the death or absence, or physical or mental incapacity, of a parent; or (2) has been deprived of parental support due to the unemployment of the parent who is the principal earner; and (3) is living with one of a number of specified relatives; and (4) is generally under the age of 18.

<sup>8</sup>To be eligible for SSI benefits, a child must be either blind or have other impairments. An individual is eligible if he or she has a medically determinable physical or mental impairment, which results in marked and severe functional limitations and can be expected to result in death, or has lasted or can be expected to last for a continuous period of not less than 12 months. In addition, the child or his or her family must have limited income and resources.

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special needs or children older than age 9. Specifically, when a state exceeds its baseline year in each category, it will receive an incentive payment of \$4,000 for each child adopted from foster care, \$2,000 for the adoption of each special needs child younger than age 9, and \$4,000 for the adoption of each child aged 9 or older. Thus, the program encourages adoption generally while emphasizing the adoption of children with special needs. In fiscal year 2003, the federal government paid states more than \$17 million in incentive payments through this program.

Title IV-E adoption subsidies and adoption incentive awards are not the only federal assistance available to support adoption. Funds authorized under Title IV-B of the Social Security Act, the Temporary Assistance for Needy Families program (TANF), and the Social Services Block Grant (SSBG) have also been used to facilitate and sustain adoptions.<sup>9</sup> We reported that in fiscal year 2002 states used more than \$5 million in Title IV-B funds on adoption subsidy payments, more than \$9 million on recruitment and training for foster and adoptive parents, and nearly \$29 million on adoption support and preservation services.<sup>10</sup> A recent survey on states' fiscal year 2002 allocations of federal funds for child welfare found that states reported spending \$56 million in TANF funds, \$44 million in Title IV-B funds, and \$22 million in SSBG funds on adoption and support services for adopted children.<sup>11</sup>

HHS's Children's Bureau administers and oversees federal funding to states for child welfare services under Titles IV-B and IV-E of the Social Security Act, and states provide these child welfare services, either directly or indirectly through contracts with private agencies. Among other activities, HHS staff are responsible for developing appropriate

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<sup>9</sup>Title IV-B of the Social Security Act, consisting of two subparts, is the primary source of federal funding for services to help families address problems that lead to child abuse and neglect and to prevent the unnecessary separation of children from their families. TANF was created by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide assistance and work opportunities for a limited time to individuals and families. SSBG is authorized under Title XX of the Social Security Act as a block grant to states for the provision of social services for adults and children.

<sup>10</sup>See GAO, *Child Welfare: Enhanced Federal Oversight of Title IV-B Could Provide States Additional Information to Improve Services*, [GAO-03-956](#) (Washington, D.C.: September 12, 2003).

<sup>11</sup>The Urban Institute received survey responses from 50 states, including the District of Columbia, but some states were unable to provide all of the information requested so spending amounts may underestimate true spending. The Urban Institute. *The Cost of Protecting Vulnerable Children, IV*. December 2004.

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policies and procedures for states to follow and conducting administrative reviews to ensure that states are in compliance with established policies. HHS staff from its 10 regional offices provide technical assistance to states, review state planning documents, assist with state data system reviews, and assess states' use of funds for foster care maintenance payments. Between 2001 and 2004, HHS completed its first round of Child and Family Services Reviews (CFSR), which assessed child welfare outcomes in all 50 states, the District of Columbia, and Puerto Rico. These reviews assessed states' progress and achievement in many areas and found weaknesses related to adoption. For example, HHS reported that at least 27 states experienced challenges seeking terminations of parental rights in accordance with ASFA. In addition, HHS also reported that 37 of the 52 states failed to meet the national standard of finalizing adoptions within 24 months of the child's most recent entry into foster care.

To evaluate states' performance on child welfare indicators, such as timely adoptions, HHS relies, in part, on its Adoption and Foster Care Analysis and Reporting System (AFCARS) to capture, report, and analyze information collected by the states. In addition, AFCARS is used to generate annual reports on foster care and adoption programs nationwide, and it is the primary source of data for the Adoption Incentives Program. We reported that the AFCARS data were not reliable and recommended that HHS make improvements. HHS officials agreed with our findings and stated that several data definitions in AFCARS would be updated and revised.<sup>12</sup> In June 2004, HHS officials stated that the regulations related to making these changes were being drafted. As of April 2005, the regulations had not been issued, and HHS officials said they did not have a specific planned release date.

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<sup>12</sup>See GAO, *Child Welfare: Most States Are Developing Statewide Information Systems, but the Reliability of Child Welfare Data Could Be Improved*, [GAO-03-809](#). (Washington, D.C.: July 31, 2003).

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## States Reported That Limited Resources, Court-Related Processes, and Interstate Placement Delays Impede the Adoption of Special Needs Children

States we visited reported that limited resources, court-related processes, and delays in completing interstate placements were the major challenges to special needs adoption. The limited resources impeded state agencies' efforts to recruit adoptive families. Additionally, officials said that difficulties scheduling cases and the time involved with other court proceedings delayed finalizing adoptions. Officials also reported that delays in completing home studies hindered adoptions that involved interstate placements.

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## State Adoption Officials Report That Limited Resources Impede Adoptions

In part because of resource limitations, adoptive parents in many states received lower subsidies and fewer services than foster parents. Officials in 4 of the 5 states we visited told us that budget issues in their states have caused reductions in or eliminations of adoption services. States are prohibited by statute from providing monthly adoption assistance payments that exceed the foster care maintenance payments that would have been paid if the child had been in a foster home. Officials in 4 of the states we visited said that most special needs children are adopted by their foster parents, and a 2002 report found that nearly two-thirds of children adopted from the child welfare system are adopted by their foster parents.<sup>13</sup> In responding to a question in our survey, 31 of 49 states reported that adoption assistance payments were lower than foster care maintenance payments in those states, and more than half of the 31 states viewed lower adoption payments as a moderate to very great hindrance to the adoption of special needs children. According to an official in one of the states we visited, adoption subsidies are critical to helping families who adopt special needs children pay for the care and services these children need. Families adopting special needs children may face substantial costs for medical care and mental health services, and several of the experts we interviewed explained that prospective adoptive families may hesitate to adopt special needs children because they are concerned about the costs of providing services to meet their needs. In addition, services, such as respite care, provided by the state for foster children may be provided to a lesser degree or not at all to adopted children or to

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<sup>13</sup>American Public Human Services Association. "Understanding Delays in the Interstate Home Study Process." September 2002.

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children being cared for by legal guardians. Our survey asked states about 13 types of services. For 9 of the 13 services, fewer states reported providing the services to adopted children than to foster children; for every service, the fewest number of states extended these services to children in guardianship arrangements. (See fig. 2.) Further, officials in 4 of the 5 states we visited confirmed that subsidies and services declined when foster parents became adoptive parents.

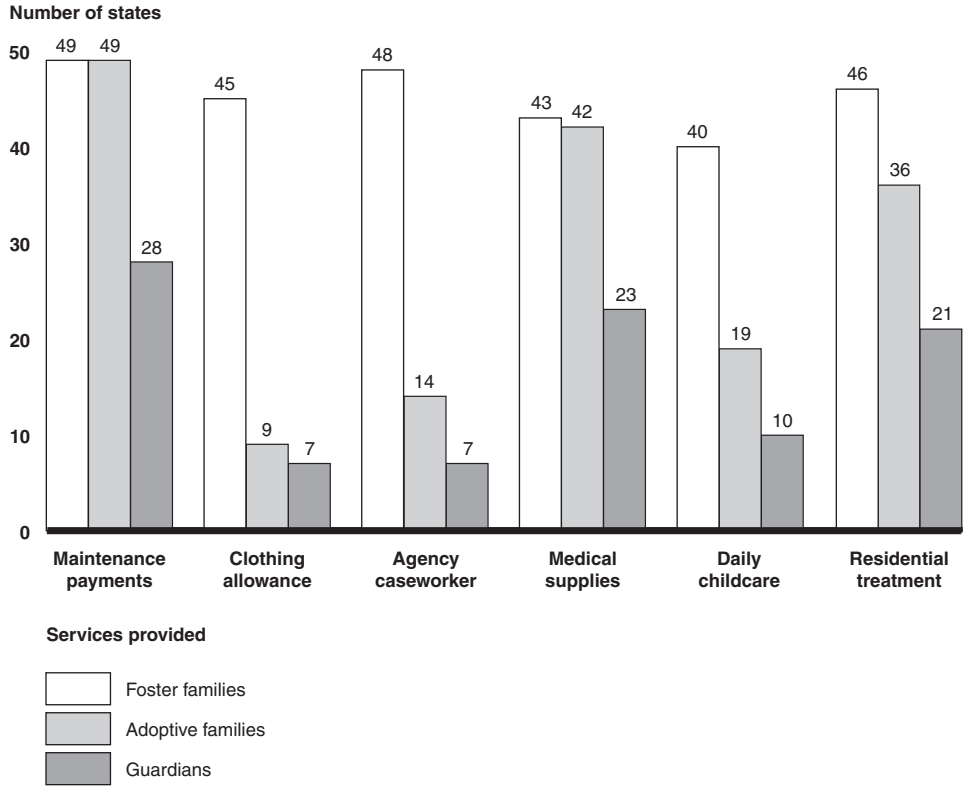


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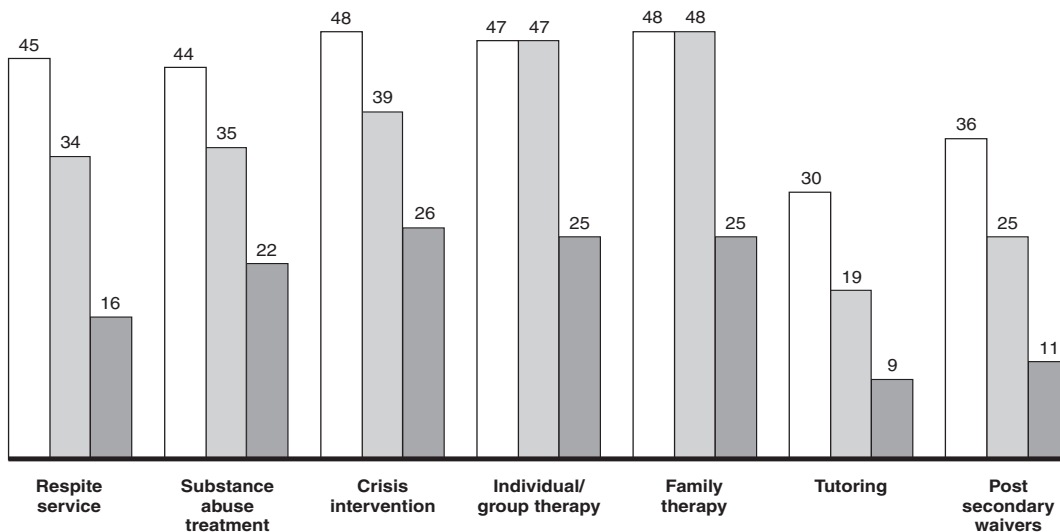
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**Figure 2: Types of Support Provided to Families Caring for Children with Special Needs**



Source: GAO survey.



Notes: Data based on survey responses from 47 states, the District of Columbia, and Puerto Rico.

Maintenance payments are payments to foster parents to reimburse them for the costs associated with caring for foster children. Analogous payments can be made to adoptive parents in the form of adoption subsidies.

Agency caseworker services are ongoing case management services, provided by trained agency staff that can include, among other things, information and referral services that adoptive or foster families might need.

Medical supplies can include reimbursement for physical therapy or medical equipment, such as wheelchairs.

Residential treatment is a therapeutic intervention process for children who cannot or do not function satisfactorily in their own home environments.

Respite service is temporary care for foster or adoptive children so that foster or adoptive parents can be relieved of the responsibility for the children's daily care for a period of time (several hours or several days).

Crisis intervention is provided on an emergency basis and can include mental health treatment or family counseling in response to severe emotional or health issues that threaten the stability of a foster care or adoptive placement.

Individual/group therapy and family therapy include psychological and emotional counseling for children in the care or their adoptive or foster parents.

Post secondary waivers provide free or reduced tuition for adoptive or foster children in state-supported post secondary educational programs.

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In addition, many states reported that it was difficult to recruit families and limited resources affected their efforts. Nearly half of the 49 states responding to a relevant question in our survey indicated that difficulty recruiting families was a great or very great challenge to the adoption of special needs children. In 4 of the 5 states we visited, child welfare staff we interviewed told us that high caseloads limited the time caseworkers could spend recruiting families and placing children. In some cases, tight budgets led officials to make personnel decisions that made fewer experienced staff available to recruit adoptive parents. In Georgia, officials explained that because of budget and staffing constraints, instead of having workers who could specialize in various processes, such as recruiting adoptive parents, child welfare workers had to handle multiple aspects of each case. Further, in Michigan, officials explained that a budget saving plan to encourage early retirement led many experienced child welfare staff to retire. While the child welfare agency hired new workers, nearly all of them were inexperienced and needed both formal and on-the-job training. As a result, according to the foster and adoptive parents we interviewed in that state, these inexperienced workers were less effective than experienced workers at meeting families' needs.

Additionally, in part because of staffing and resource constraints, there are concerns about how long it takes to place children with families. Both a home study and a background check are required for adoptive families, but according to adoptive and waiting parents in one state, high caseloads limited the time caseworkers could spend completing these studies, and frequently it was several months from the time families indicated interest in adopting until their home studies were completed. In addition, states typically provide adoptive families with an orientation to the adoption process and relevant training, but caseworkers in one of the states we visited told us that because of resource constraints, training of prospective adoptive parents is limited, particularly in the rural areas.

After home studies are completed and the families have been approved, families often wait for suitable placements. One study found that the matching and placement phase involved more uncertainty and misunderstanding for prospective adoptive families than any other step in the adoption process.<sup>14</sup> The same study also found that one-quarter of potential adoptive parents felt that they were not given an accurate

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<sup>14</sup>Geen, Rob, Karin Malm, and Jeff Katz, "A Study to Inform the Recruitment and Retention of General Applicant Adoptive Parents." *Adoption Quarterly*, 7 (4).

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estimate of the time it would take for a placement. Another report noted that infrequent contact between caregivers—foster parents and guardians—and case managers resulted in caregivers leaving the foster care system and not pursuing adoption.<sup>15</sup> In 3 of the states we visited, foster, adoptive, and pre-adoptive parents told us that because of staff shortages, high caseloads, and other duties, caseworkers did not give them the attention they needed. As a result, some adoptive and pre-adoptive parents who were trained lost interest or sought children through other means, such as private placements. In New Mexico, almost all of the potential adoptive families we talked with in one rural area had been waiting for more than a year to adopt. They expressed frustration over the lack of contact from the child welfare agency while they knew that there were many children waiting for placements. Correspondingly, 20 of 46 states responding to an open-ended question in our survey reported that high caseloads or insufficient staff were among the three greatest challenges to facilitating or finalizing the adoption of special needs children.

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### Officials Cited Court Delays as a Challenge to the Adoption of Special Needs Children

Court-related delays were also cited as a challenge to the adoption of special needs children. Twenty-two of the 46 states responding to a relevant question in our survey indicated that court-related delays were among the three greatest challenges to the adoption of special needs children. In 3 of the states we visited, judges told us that it was hard to schedule termination of parental rights hearings because court dockets were full and because of the many parties involved in some hearings. In some cases, the participants include the judge, biological parents, foster parents, the caseworker, and multiple attorneys—one for each child in a sibling group, one for each biological parent, and one for the caseworker or child welfare department. Scheduling a hearing date that fits everyone's schedule and allows all parties to attend can be difficult.

In addition to difficulties in scheduling hearings, termination proceedings can last months. Many judges want to be sure that the biological parents have had sufficient opportunity to remedy the problems that led to their children being removed. If a parent seems to be making progress, even if the parent is not yet ready to resume custody of his or her child, the judge

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<sup>15</sup>Lutz, Lorrie, "Achieving Permanency for Children in the Child Welfare System: Pioneering Possibilities Amidst Daunting Challenges." National Resource Center for Foster Care and Permanency Planning. New York. November 2003.

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may postpone a decision. Even in cases in which the likelihood for reunification is low, attorneys in 3 of the 5 states we visited told us that some courts hesitate to terminate parental rights until adoptive families are found for children. According to HHS's analysis of its Child and Family Services Reviews, in over half of the states reviewed between 2002 and 2004, many judges were reluctant to terminate parental rights either because adequate services had not been provided to parents or because an adoptive family had not been identified.<sup>16</sup> Yet while some judges may not want to create a legal orphan before an adoptive placement is identified, judges we spoke with in 3 of the 5 states we visited said that the identification of prospective adoptive families did not play a role in their decision to terminate parental rights. Furthermore, the termination process can be delayed if an appeal is filed by a biological parent or a relative raises an objection. In Michigan, court officials told us that children's relatives may come forward to protest when such a decision is imminent. Relatives' objections can create delays because the child welfare agency must determine whether the relatives can be involved in the children's care, and the court may also schedule further hearings concerning the details of their objections.

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### Delays Completing Home Studies Have Hindered Some Interstate Adoptive Placements

Delays in completing home studies impeded the interstate placement of children and therefore delayed the adoption process. Of the 49 states responding to our survey, 26 cited the lengthy process to place children across state lines as a moderate to very great hindrance to the adoption of special needs children. In the course of seeking an adoptive placement, sometimes a child welfare agency in the state where the child resides finds a suitable family in another state. The agency in the state with the child, known as the sending state, seeks a placement in the state where a potential adoptive family lives—the receiving state. Generally, caseworkers from the sending state request that a receiving state complete a home study of the prospective family. However, caseworkers in the receiving state may assign this request a low priority because conducting the home study would take time away from their own caseloads. According to a survey of state officials conducted by the American Public Human Services Association (APHSA), 32 of the 45 respondents cited staffing and workload issues as the leading cause for delay in completing home studies requested by other states. Another frequently cited cause of

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<sup>16</sup>U.S. Department of Health and Human Services. "General Findings from the Federal Child and Family Services Review." No date.

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delay was the low priority assigned to interstate placements by local workers.<sup>17</sup> According to current interstate compact guidelines, 6 weeks or 30 working days is the recommended processing time from the date the receiving state gets notice from the sending state until the placement request is approved or denied. However, APHSA notes that sometimes the receiving state does not complete home studies for many months. In some cases, therefore, children linger in foster care when interstate placements are delayed.

While the Adoption and Safe Families Act includes a provision that directs states to develop plans to facilitate the timely adoptive placement of children through the effective use of cross-jurisdictional resources, there are no national data to assess the timeliness of these placements. Data from AFCARS can show whether or not children were adopted outside their home state, and they also can be used to track the length of time from entry into foster care to termination of parental rights and adoption. However the system does not capture which states were involved or when placement requests were made or completed. Without such specific data, HHS does not know the extent to which states are cooperating, which states may need to improve their processes, or whether certain states are burdened by high numbers of requests for home studies in support of interstate placement. APHSA has developed a database for tracking interstate adoptions. Unlike HHS's system, this database tracks the total number of children any participating state sent out of state or received for adoption and the total number of finalized adoptions a state made after receiving requests from other states. Participation in the association's database is voluntary, and as of November 2004, 16 state agencies had provided their information.

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<sup>17</sup>American Public Human Services Association. *Understanding Delays in the Interstate Home Study Process*. September 2002

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## States and HHS Have Promoted Special Needs Adoption, but Few Evaluations Measure Program Effectiveness

States and HHS have developed strategies and implemented programs to promote special needs adoptions, but few evaluations measure their effectiveness. States used both general and targeted recruitment efforts to help identify adoptive homes for special needs children. States have also provided special services and programs to help sustain adoptions. To assist states in their adoption efforts, HHS has supported many demonstration programs over the years. Although HHS has disseminated information and summaries about some of the programs and services, little has been done to assess the effectiveness of such programs, and as a result, neither HHS nor the states know which approaches have been most successful.

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## States Used General and Targeted Approaches to Identify Adoptive Families and Promote Adoption

States have used various methods to recruit adoptive families. They have placed ads on billboards; distributed or posted flyers and posters at booths during public events or in special locations, such as shopping malls, libraries, churches, and businesses; sent caseworkers to community fairs and parades; and used special public service announcements and media campaigns to generally recruit adoptive families. Many states have observed and participated in National Adoption Awareness Month each November, and some states have promoted adoptions by designating other special days.<sup>18</sup> For example, officials in Massachusetts told us that they finalized 32 adoptions on a single day in May 2004. According to the National Adoption Day organization, more than 3,100 adoptions were finalized during National Adoption Awareness Month in 2003.

To help facilitate adoption, states have contracted with private adoption agencies to recruit and train prospective families, developed Web sites, and partnered with adoption exchanges. Of the 49 states responding to our survey, 40 indicated that contracts with private agencies were an essential or very important recruitment method. In addition, all 5 of our site visit states, as well as others, operated Web sites that include photo listings of children awaiting adoption as well as information on adoption procedures and resources for prospective adoptive families. Also, 4 of the 5 states we visited, as well as other states, partnered with adoption exchanges—information and referral services for prospective adoptive families—to operate electronic registries of waiting children. For example, Michigan’s

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<sup>18</sup>November was proclaimed National Adoption Month in 1990. Its purpose is to promote adoption, support adoptive families, and increase the awareness of children in foster care nationwide who need permanent families.



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adoption resource exchange operates a Web site containing a calendar of training opportunities and events, a searchable database of children awaiting adoptive families, and general information on the adoption process.

In addition, most states used targeted recruitment strategies that focused on a specific group of children. Of the 49 states responding to a question in our survey on methods for recruiting adoptive families for special needs children, 37 reported that television advertisements and stories were essential or very important, 35 states reported that advertisements in magazines and other periodicals were essential or very important, and 22 responded similarly regarding mass mailings or flyer distribution. For example, Kentucky officials noted in our survey that they created a special television public service announcement to recruit adoptive families for special needs children. The advertisement was filmed at the Governor's home and included children with special needs. Another state, Georgia, issued a photo listing book, entitled "My Turn Now," that includes those children who have been awaiting adoption for the longest period of time.

Many states also hosted adoption promotion events throughout the year that targeted certain children, such as minorities or those in sibling groups. In Massachusetts, for example, the state agency has partnered with a local furniture store to host several adoption parties. The goal of the event is to help match prospective families with those children in attendance. State officials credit this business partnership with a number of successful adoptive matches. Another targeted strategy, known as the Heart Gallery, has been under way in New Mexico since 2001 and has also been implemented by a number of other states. This event has showcased professional photographs of children waiting to be adopted. Though the organizers in New Mexico have not collected data to track matches resulting from participation in the gallery event, one organizing official told us that several children who were showcased at the events have been adopted. Further, a Massachusetts official stated that within 2 months of implementing the Heart Gallery in that state, placements were found for half of the children showcased. In addition, some states are working with local community organizations and churches to help recruit and place particular children in adoptive homes. According to a National Governor's Association report, 30 states and the District of Columbia have participated in an adoption program called One Church One Child, since 1980. The program seeks to recruit one family from each African-American church to adopt an African-American child.

## States Provided Some Services and Resources to Help Sustain Adoptions

As indicated earlier in figure 2, states are providing some post-adoption services and resources, which many experts have said are critical to helping families sustain adoptions. Generally, post-adoption services are provided with the recognition that parents adopting children often face challenges they did not anticipate and for which they are not fully prepared, especially when the children have special needs. These services are intended to help reduce the number of adoptions that are dissolved.<sup>19</sup> As previously noted, states generally provide fewer services to adoptive families than to foster families. However, 4 of the 5 states we visited have established centers to assist families after their adoptions were finalized—see table 1.

**Table 1: Characteristics of Post Adoption Resources Available in Five States**

State resource	Key features of post adoption service	Eligibility regulations
<p><b>Georgia</b></p> <p>Georgia Center for Adoption Resources and Support—a statewide service center located in Atlanta, Georgia. The center became operational in 2002 and is part of Georgia’s Office of Adoptions. Resource Advisors are located in each of the regions of the Department of Human Resources throughout the state.</p>	<p><b>Toll-free number</b> Connects families with the resource center, lending library, and Resource Advisors</p> <p><b>Post adoption advisors</b> Assist families in locating resources</p> <p><b>Newsletter</b> Provides articles of interest to adoptive families</p> <p><b>Adoptive Family Network</b> Matches adoptive families with “buddy” families who adopted children with similar needs</p> <p><b>Web site</b> Provides current information on resources and special events</p> <p><b>Lending library</b> Contains a collection of books, magazines, and videotapes covering a variety of adoption, parenting, and child development issues</p>	<p>Services provided through the Georgia Center for Adoption Resources and Support are available to all adoptive families residing in Georgia.</p>

<sup>19</sup>Dissolutions occur when a child is returned to foster care after the adoption has been finalized.

State resource	Key features of post adoption service	Eligibility regulations
<p>Georgia’s Office of Adoptions—created to develop, promote, and support quality adoptive placements and services.</p>	<p><b>A TEAM mentoring program</b>  Provides mentoring for adopted teens in grades 6-12</p> <p><b>Intervention team</b>  Provides early intervention to improve the family’s well being, and to decrease adoption disruption and dissolution</p> <p><b>Tutorial services</b>  Provides educational support services for children who need tutorial intervention</p> <p><b>Camp Promise</b>  Provides an opportunity for adopted children to attend a summer camp program with other adopted children</p> <p><b>Respite care</b>  Provides short-term, time-limited care for adopted children</p>	<p>With the exception of services provided by the Georgia Center for Adoption Resources and Support, services provided by the Office of Adoptions are available only to families who have adopted children from the state’s public child welfare agency.</p>

State resource	Key features of post adoption service	Eligibility regulations
<p><b>Massachusetts</b></p> <p>Adoption Journeys (formerly known as Adoption Crossroads)—a statewide program founded in 1997. Services are administered and coordinated by the Child and Family Services Agency for the state, and are provided through a network of five affiliate agencies located in different geographic regions of the state.</p>	<p><b>Toll-free number</b> Connects families and professionals to a 24-hour toll-free phone line that offers information, joint problem solving, and immediate emotional support</p> <p><b>Family support groups</b> Meet on a weekly basis in all regions of the state</p> <p><b>Regional response teams</b> Work with families to address a range of problems that could jeopardize the long-term success of the adoption</p> <p><b>Advocacy and coordination</b> Empowers families and enhances their self-advocacy skills</p> <p><b>Training for mental health and social service professionals</b> Provides consultation and training</p> <p><b>Respite care</b> Provides short-term, time-limited care for adopted children</p>	<p>Services are available to all state residents who have adopted children or legalized guardianships, including those originating from state, private, or international sources.</p>

State resource	Key features of post adoption service	Eligibility regulations
<b>Michigan</b>	<p data-bbox="764 501 951 525"><b>Toll-free number</b></p> <p data-bbox="764 539 1179 642">Connects families to a toll-free line to obtain information on free and low-cost services that are available around the state</p> <p data-bbox="764 657 1019 680"><b>Parent support groups</b></p> <p data-bbox="764 695 1179 743">Allow parents to meet and connect with others facing similar situations</p> <p data-bbox="764 758 1016 781"><b>Family support events</b></p> <p data-bbox="764 795 1179 869">Allow adoptive families to connect while taking the time to relax and enjoy activities</p> <p data-bbox="764 884 932 907"><b>Parent training</b></p> <p data-bbox="764 921 1179 995">Provides training for adoptive parents to become educated on issues that affect their families</p>	<p data-bbox="1211 501 1516 737">Services are available to families who have adopted children from the state's foster care system. The child must be under 18 years of age, receive an adoption subsidy, and reside in the county in which the center provides services.</p>

<sup>20</sup>In commenting on a draft of this report, a Michigan official noted that the state had discontinued contracts with the regional post adoption service providers due to budget constraints. Six of the contracts expired on March 31, 2005, and were not renewed, and the seventh contract will expire on September 30, 2005, and will not be renewed.

State resource	Key features of post adoption service Eligibility regulations	
<b>New Mexico</b>		
According to state officials, no formal post adoption program exists in the state. Families needing assistance can call their caseworkers for information and referral and may be linked to training and support groups that private agencies provide.		
<b>Oregon</b>		
Oregon Post Adoption Resource Center—a statewide service founded in 1999. The center, a program of the Oregon Department of Human Services, is federally funded.	<p><b>Parent support groups</b> Provide on-site assistance, training, and technical support for adoptive parent support groups</p> <p><b>Parent training</b> Provides formal on-site training twice a year in each of the state’s four regions</p> <p><b>Directory</b> Lists local, regional, and statewide resources for parents in need of therapists, respite care, support groups, camps, public school programs, special educational facilities, and other services</p> <p><b>Lending library</b> Includes videos, books, self-study courses, and information packets</p> <p><b>Respite care</b> Develops and maintains systems that help families connect with respite resources</p>	Services are available to families who have adopted children from the state’s foster care system.

Source: GAO summary of resources, as described by state resource centers.

However, according to state adoption officials, caseworkers, and adoptive parents we met during our site visits, better post adoptive mental health services are needed. In addition, several of the experts we interviewed expressed the opinion that many mental health providers needed to develop and improve their competencies in adoption-related topics such as trust, abandonment, and attachment. Some states have established programs to do just this. For example, New Jersey’s Adoption Certificate Program, in coordination with Rutgers University School of Social Work and Continuing Education Department, developed a 45-hour postgraduate training program leading to an adoption certificate for mental health clinicians. The certificate program is intended to increase the knowledge of mental health practitioners regarding the core issues facing adoptive families, and to expand their clinical skills in attachment-based, family-focused therapeutic interventions. Oregon’s efforts present another example. Portland State University, in collaboration with Oregon’s Department of Human Services and Oregon’s Post Adoption Resource Center, has also developed a postgraduate training certificate program for

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mental health providers working with adoptive families. The training program includes hands-on strategies for coaching and working with adoptive parents to address their children's challenging behaviors. According to program officials, the program has trained 27 therapists, and 15 more are expected to complete the program by June of 2005. The names of these therapists have been or will be forwarded to Oregon's adoptions resource center to be included in referral information sent to adoptive families in need of mental health therapists.

Most states have not conducted evaluations of their post adoption services. In responding to our survey, 9 states indicated that they have completed evaluations of post adoption services; 8 states said that they had evaluations under way, and 30 informed us that they had not conducted any evaluations prior to their completion of our survey. Evaluations play an important role in improving program operations. They can identify which services are most important to families, as well as help managers determine whether the services are achieving desired goals and if they can be provided more efficiently. Evaluation results can help individual states improve their programs and, if shared, can provide other states with valuable information to help avoid costly mistakes.

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## HHS Has Administered Many Programs to Help States' Adoption Efforts

Various HHS activities have helped states' adoption efforts. Over the years, HHS has administered programs, sponsored campaigns, funded a resource center, and taken steps to disseminate information about adoptions. According to HHS officials, special needs children constitute the majority of children waiting for adoptive homes, and as such, they are the beneficiaries of the agency's efforts to support adoption.

HHS has promoted innovation for many years through the Adoption Opportunities Program and the Title IV-E Child Welfare Demonstration Program. The Adoption Opportunities Program, authorized by the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, as amended, generally provides 3-to 5-year grants and contracts to public and private adoption agencies. These grants and contracts have been used to support states' efforts, such as increasing placement of minority children, recruiting minority adoptive families, and providing post adoption services for families with special needs children. Since the program's inception, Congress has obligated more than \$300 million for the Adoption Opportunities Program. In 2003, HHS administered about \$7.3 million in first-year funding for 20 projects and in 2004 awarded \$4.4 million in first-year funding for 13 projects. Also, to promote innovation, HHS has administered the Title IV-E Child Welfare Demonstration Program since

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1994. Among other things, this program allows states to waive certain restrictions on the use of Title IV-E funds that heretofore have prevented states from providing support to guardians. Since 1996, 7 states have operated or are currently operating waiver projects that have provided monthly payments to relatives and other caregivers who agree to become a child's legal guardian. The objective is to test whether providing monthly support to guardians, which is generally less than payments made to foster parents, can help reduce a state's overall foster care costs and improve permanency outcomes for children.

Since 2002, HHS has supported local efforts to recruit and support adoptive families and increase public awareness about adoption by sponsoring AdoptUSKids—a national initiative promoting adoption that is operated by a coalition under contract with HHS. AdoptUSKids has partnered with the Ad Council—a provider of public service announcements to raise awareness about social issues—to develop a national campaign to recruit adoptive families, and HHS has contributed more than \$4.1 million to the effort. The campaign is expected to run for 3 years and feature a variety of public service announcements on television and radio, and in print media. Of this amount, AdoptUSKids has allocated \$2 million to support state recruitment response teams to handle the anticipated interest the campaign is designed to generate. Members of these state-based teams are expected to respond to calls and e-mails from prospective parents, link them with the appropriate state agencies, keep prospective parents engaged in the adoption process by providing a point of contact, and help parents overcome the barriers they may face in pursuing adoption. Response teams are also expected to encourage local media stations to run AdoptUSKids ads and to network with local politicians and community leaders.

The AdoptUSKids initiative also helps fund adoptive parent organizations around the country to recruit prospective adoptive families and support existing ones. As of October 2004, AdoptUSKids had awarded a total of \$420,000 to 105 parent groups in 44 states. To recruit prospective adoptive parents, AdoptUSKids operates a national database of children waiting to be adopted and has established a Web site that includes photos; demographic profiles; and brief descriptions of interests, special needs, and the types of adoptive families that would be the most appropriate for the children. The site is available to the public, although prospective adoptive families can inquire about specific children only after their state has approved them for adoption. According to AdoptUSKids, as of April 2005, about 41 percent of the children featured on the Web site had been placed with families in pre-adoptive homes.



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Further, HHS has also dedicated the resources of one of its seven federally funded national resource centers to specifically address special needs adoption.<sup>21</sup> Based in Michigan, the National Child Welfare Resource Center for Adoption provides training and technical assistance to states to help them achieve timely adoptions and develop program improvement plans to correct weaknesses identified through federal reviews. HHS has provided about \$1 million annually to support this resource center.

HHS also has acknowledged the work of others to promote adoption and has disseminated adoption-related information. HHS established the Adoption Excellence Awards in 1997 and since then has presented the award to public and private organizations, courts, and individuals. In 2004, HHS acknowledged the efforts of 17 groups and individuals who had a role in increasing the number of foster children placed in permanent homes. According to agency officials, the nonmonetary awards aim to raise awareness about adoption and publicly acknowledge best practices. To disseminate information about its programs and other activities concerning adoption, HHS has sponsored conferences devoted to adoption issues and sends a monthly electronic newsletter, the *Children's Bureau Express*, to more than 9,700 readers. This newsletter highlights new developments in the adoption field, as well as provides readers information on conferences and funding opportunities. The agency also maintains an e-mail distribution list of states' adoption and foster care program managers to help disseminate information on policies, procedures, and practices to the states and also maintains a Web site, operated by the National Adoption Information Clearinghouse, which collects and disseminates information concerning all aspects of adoption.

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## HHS Has Done Little to Assess the Effectiveness of Its Programs

Although HHS has administered demonstration programs for many years, the agency has done little to evaluate the projects funded through these programs and therefore does not know which ones have been most successful. For example, the Adoption Opportunities Program has been under way since the late 1970s, but HHS did not require evaluations from the grantees until 2002. In the absence of evaluations, the agency has published summaries of grantees' final reports. For example, a document provided by HHS staff in 2002 and disseminated by the Clearinghouse

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<sup>21</sup>HHS's other resource centers also provide some technical assistance to states regarding adoption matters, but they primarily focus on other topics, such as organizational improvement and data and technology.

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synthesized the findings from 8 of 19 projects funded under this program. The document contains some information on the projects' challenges, lessons learned, and accomplishments, as well as recommendations from the grantees. However, HHS has prefaced this material with a disclaimer, noting that it does not represent the official views of the agency. Although evaluations have been required for the last several years, HHS's program staff told us they were still in the early stages of identifying criteria to help ensure that future evaluations from grantees will be done with sufficient rigor to help assess effectiveness.

HHS has also required evaluations from Title IV-E waiver recipients, but little is known about the effectiveness of these projects, even though HHS has provided staff and technical assistance to help state grantees design, implement, and evaluate their projects. Rigorous design is an essential component to incorporate when evaluations are intended to develop conclusions about the effectiveness of a project. Such design could include random assignment or controlled quasi-experimental design.<sup>22</sup> Of the seven state evaluations submitted between 2002 and 2004 that addressed guardianship, two were designed in a manner that allowed for comparisons between experimental and control groups. For example, the evaluation in selected regions of Illinois was the most methodologically rigorous of the seven, and its design incorporated random assignment, which allowed for reliable comparison between the control and experimental groups. The Illinois evaluation's findings suggest that children for whom subsidized guardianship was an option experienced a 6 percent higher permanency rate than those in the control group and guardianship was also comparable with adoption in terms of safety and ensuring a child's well being. The evaluations from the other 5 states were less rigorous in their design or implementation. For example, comparison groups used to evaluate guardianships in Oregon and New Mexico were not necessarily comparable in composition or makeup with the guardianship population supported by the project. Consequently, the difference in outcomes for those in guardianships could be due to internal differences or characteristics, rather than to the treatment (i.e., guardianship) itself. Other project evaluations were limited by reliance on

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<sup>22</sup>Experimental evaluations involve random assignment of participants to one group or the other in order to increase the likelihood that the two groups are roughly equivalent on all characteristics that could affect outcomes. In a quasi-experimental design, a comparison group is composed of individuals who share characteristics with program participants but who have not been randomly assigned. With this design, statistical controls are needed to isolate the program from other factors that could influence outcomes.

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group numbers too small for generalization and by poor response rates to assessment surveys and interviews. While the size of the project and the costs associated with measuring outcomes and collecting data should be considered in conducting evaluations, HHS officials acknowledged the weaknesses of the current work conducted by grantees and said they have learned more about the need for greater rigor as evaluations have been submitted. They also indicated that evaluations are managed by the states and HHS has very little control over how they are completed. Meanwhile, HHS has posted summaries of projects undertaken through the waiver program, and according to agency officials, they have drafted a synthesis of findings reported by grantees.

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### The Adoption Promotion Programs Have Supported Special Needs Adoption, but Data Are Lacking to Determine if Changes Are Needed

The adoption assistance and adoption incentive programs have supported the adoption of special needs children, but data are lacking to determine if changes are needed to better facilitate adoption. The Title IV-E Adoption Assistance Program uses an income threshold for eligibility that is outdated and more restrictive than other cash assistance programs' standards of needs and therefore limits eligibility. With regard to adoption incentives, all states have increased their annual number of adoptions enough to receive financial awards for doing so at least once but data are lacking to assess interstate placement challenges and credit states for collaborating.

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### Adoption Assistance Income Criteria Are Outdated, and Eligibility Determinations Are Difficult to Make

The Title IV-E Adoption Assistance Program was designed to help support the adoption of economically disadvantaged children with special needs. However, the income measure used to assess the standards of need in the AFDC program, as it existed in 1996, is outdated and in many states more restrictive than other programs' standards of need, such as the measure used for TANF cash assistance eligibility.<sup>23</sup> For example, in Massachusetts, a family of three could earn up to \$633 per month and qualify for TANF, but this family would not qualify for AFDC unless the earnings were no

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<sup>23</sup>Under the AFDC program, states set eligibility criteria within federal guidelines and the federal government and states shared the costs of providing benefits to eligible families. Under TANF, the federal government provides states a fixed amount of funds each year—through a block grant—and the states have much more flexibility in determining eligibility criteria and services provided. With this increased flexibility and in keeping with the TANF program goals of promoting work, many states have increased the amount of earnings a parent may make while still receiving cash benefits. However, states also have the flexibility to impose a less generous standard of need for TANF.

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more than \$579—a difference of \$54 per month. According to an HHS official, eligibility for AFDC and TANF is governed by complex rules, which therefore complicate comparison. Nonetheless, more than one-third of the 39 states responding to an open-ended question in our survey, as well as officials in 4 of the 5 states we visited, expressed the view that Title IV-E income eligibility criteria—based on AFDC eligibility—should be less restrictive.

Further, making the income determinations has presented problems for some states. We asked officials in each of our 5 site visit states to comment on the administrative burden associated with the income eligibility criteria. Officials in 4 states said that determining whether children met the income requirements, by virtue of the parents' income, was time-consuming and challenging, particularly if their incomes were not readily available through a state-maintained database. Between fiscal years 2000 and 2004, HHS found that nearly all states had made errors in applying the income criteria and determining the income eligibility for foster care maintenance determinations. Since states must also base adoption assistance income eligibility on parents' income, similar mistakes are likely. HHS fined 50 of the 52 states it reviewed between 2000 and 2004 more than \$14 million for claiming foster care maintenance payments for ineligible cases, and one of the most frequent reasons for fines, according to HHS officials, was the inappropriate application of the AFDC income criteria.<sup>24</sup>

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### Data Are Lacking to Estimate the Cost of Changing or Eliminating the Income Requirement

While members of Congress, the Administration, and others have proposed changing or eliminating income requirements, HHS lacks data to assess the likely cost to the federal government of doing so. Nevertheless, state officials and adoption subsidy managers from 4 of the 5 states we visited recommended that Title IV-E not be tied to criteria once used for the old AFDC program. The Pew Commission on Children in Foster Care—a national nonpartisan group formed in 2003 and composed of legislators, judges, child welfare administrators, and others—has estimated that eliminating the AFDC criteria from the foster care and adoption programs would cost the federal government \$1.6 billion annually. The commission based its figure on fiscal year 2002 expenditure

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<sup>24</sup>Other reasons were complications associated with obtaining required judicial determinations, lapsed foster family licenses, and limited resources to adequately monitor and relicense families whose licenses had expired.

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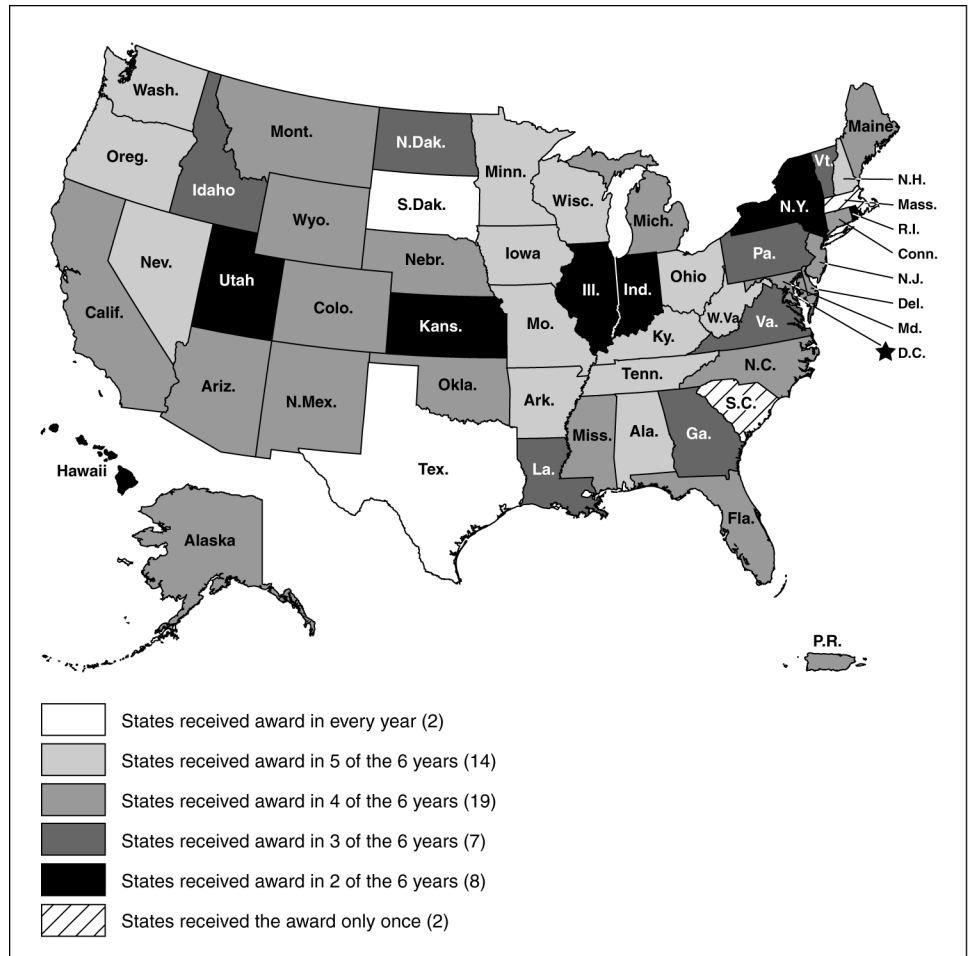
data as well as estimated projections of the percentage of children who qualify under current regulations. A more reliable estimate cannot be made because HHS does not maintain critical data on those children and their families who are not eligible. Specifically, for those children deemed ineligible, HHS does not maintain family income data or data on the presence or absence of special needs. As a result, no one can determine how many families just missed the eligibility criteria and how many of these children had special needs. According to an HHS official, the agency has not done a formal cost estimate of expanding Title IV-E eligibility criteria, but it has been developing an approach in support of proposals that the administration has made since 2004. According to one agency official, these proposals would eliminate income eligibility determinations for foster care. However, without critical data and a cost estimate, the extent to which expanding eligibility for the Adoption Assistance Program would contribute to the nation's growing fiscal imbalance is unknown.

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**All States Have Claimed  
Adoption Incentive Funds  
at Least Once**

With regard to the Adoption Incentives Program, as figure 3 indicates, all states have been able to increase their annual number of adoptions enough to receive financial awards at least once since 1998.

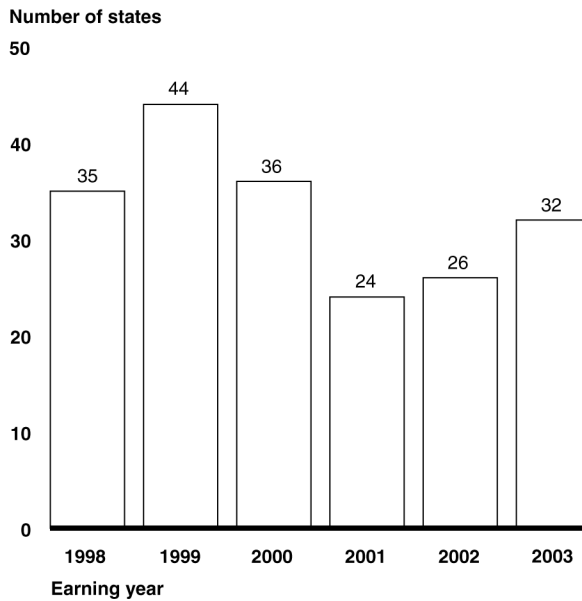
**Figure 3: Frequency of States' Attainment of the Adoption Incentive Award, 1998-2003**



Source: GAO analysis based on HHS data.

From 1998 to 2003, only South Dakota and Texas claimed the award each year, and 42 states earned it at least three times. The number of states receiving the award has fluctuated from year to year, however, as figure 4 illustrates. In 1999, 44 states earned the award—a reflection, perhaps, of states' implementation of ASFA and their pursuit of permanency through adoption. By 2001, though, the number of states receiving the award dropped to 24, which may have been due to states' inability to sustain high levels of adoptions. Since 2001, the number of states receiving the award has been on the rise. However, fewer states received the award in 2003 than in 1998, when the program began.

**Figure 4: Number of States Claiming Award, by Earning Year**



Source: GAO analysis based on HHS data.

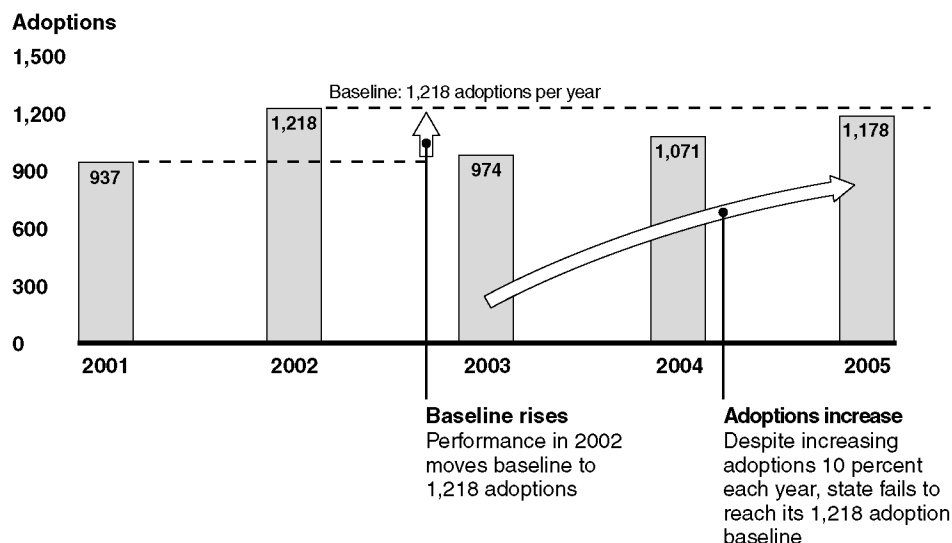
Adoption incentive award amounts have varied, and states have used the funds to support an array of activities. For example, award amounts Texas earned ranged from \$68,000 to nearly \$3 million. States participating in a 2000 study reported using these awards to fund a variety of onetime activities, such as investing in post adoption services and making performance-based awards to local offices or counties.<sup>25</sup> Our review of Child and Family Services Plans and Annual Progress and Services Reports from 5 states that received the award in 2002, found that these states used the funds to develop ad campaigns to recruit adoptive families, provide free legal services for adoption, and support child care for adoptive families.

The Adoption Incentives Program rewards states for exceeding baselines. Some states reported that they focused on adoption prior to the implementation of the program but have since seen declines in the rate at which children enter foster care, and thus have been unable to finalize enough adoptions to claim the reward. According to officials from

<sup>25</sup>Cornerstone Consulting Group, Inc. *A Carrot among the Sticks: The Adoption Incentive Bonus*. 2001.

Massachusetts, while the state has continued to focus on adoption, it does not perceive the program to be an appropriate incentive because it simply rewards states for exceeding baselines rather than for other improvements such as placing children who have been in care the longest. As figure 5 indicates, a state theoretically could increase adoptions in the years subsequent to the establishment of its baseline and still not be in a position to claim the reward, especially if its baseline had been calibrated at a level it might not reach again.

**Figure 5: Illustration of the Difficulty in Claiming an Award under the Adoption Incentives Program**



Source: GAO.

According to our survey, respondents had mixed opinions about the extent to which the program served as an incentive to promote special needs adoption. Twenty-two of the 49 states responding to a relevant survey question said the program was a great or very great incentive, while 24 responded that the program was a moderate or weak motivator. In addition, several of these respondents suggested that HHS further modify its baseline calculations. For example, states suggested adding a category to reward states for the adoption of children who have been in foster care for long periods of time, or altering the baseline to reflect increases year-to-year rather than rewarding states for exceeding historic baselines.



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## Data Are Lacking to Assess Interstate Placement Challenges and Credit States for Collaborating

In addition, the program does not provide a specific inducement for interstate placements. Under the program's authorizing statute, the sending state can count the finalized adoption in its totals, but the receiving state does not get any credit for facilitating a placement, even though the receiving state must conduct the home study—a critical step in the adoption process. We do not have estimates of the costs incurred by states for conducting a home study, but officials in 1 state told us that prospective adoptive families who adopt through private agencies may pay as much as \$3,000 to complete home studies. HHS officials noted that it would be difficult to track which states should be receiving the credit for facilitating interstate placements, given the limitations in the data collected in AFCARS. Furthermore, officials informed us that they do not have the authority to split the incentive award. Nevertheless, they acknowledged the challenges states face with regard to interstate placement and expressed the view that changes that would provide an incentive to facilitate interstate adoptions could help.

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## Conclusions

While many states have increased the adoption of children with special needs, data and evaluations are lacking to assess the degree to which federal and state programs have promoted special needs adoptions. Interstate placements have delayed adoptions, but data to assess the timeliness of these placements are not available. Without such data, HHS cannot identify those states that may need to improve their processes or those burdened by requests for assistance. As a result, delays associated with interstate placements will likely persist, and some special needs children may linger in foster care. Although states and HHS have developed strategies and innovative programs to promote and support special needs adoptions, HHS has done little to assess the effectiveness of its programs and funded projects. As a consequence, HHS does not know which projects have been most successful and cannot be assured that federal funds used to support state projects have been used wisely. While Title IV-E Adoption Assistance has supported special needs adoption, it is unclear how many more children would qualify for the program if income standards were adjusted to today's income standards of need. Further, without critical data and a cost estimate of expanding eligibility, the extent to which increasing the number of qualified children would contribute to the nation's growing fiscal imbalance is unclear. As for the Adoption Incentives Program, it does not encourage states to collaborate on interstate placements, therefore failing to support an area that already presents barriers.

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## Recommendations for Executive Action

We are making three recommendations to further improve the process and programs related to special needs adoption.

- To better understand delays associated with interstate placements, the Secretary of HHS should assist states in collecting and reporting data related to the interstate placement processes, especially the time needed to complete home studies and the sending and receiving state for each child placed across state lines. Such assistance could include modifying HHS's central data system, AFCARS, in conjunction with the agency's ongoing efforts to update and revise this system. HHS should analyze the data to assess the extent to which home studies cause delays or impede interstate adoptions and to identify which states are facilitating timely interstate placements. If supported by its findings, HHS should consider proposing legislation to amend existing law so that both sending and receiving states could claim an interstate adoption for purposes of determining award eligibility.
- To improve HHS's ability to assess the effectiveness of its funded projects, the Secretary of HHS should develop guidance to ensure that rigorous design elements are incorporated into projects and related evaluations. Such guidance could consider the nature and structure of the projects and include measures to control costs.
- To assess the extent to which Title IV-E adoption assistance eligibility criteria exclude some economically disadvantaged children with special needs, the Secretary of HHS should (1) gather data on the economic circumstances of special needs children who do not currently qualify for IV-E and (2) develop a model to estimate the federal cost of expanding eligibility.

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## Agency Comments

We received written comments on a draft of this report from HHS. These comments are reproduced in appendix II. HHS also provided technical comments, which we incorporated when appropriate.

HHS did not explicitly agree or disagree with the recommendations, but stated that two of our recommendations were being considered as part of a process to determine what, if any, revisions would be made to the agency's central data system, AFCARS. Specifically, HHS stated that the recommendation to collect data related to interstate placements and the recommendation to gather data on disadvantaged children with special needs would be considered as part of its AFCARS review.

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With regard to our recommendation that HHS develop guidance to improve project evaluations and help assess the effectiveness of funded projects, HHS stated that such actions were unnecessary and noted that it had taken steps to strengthen evaluation requirements and provided technical assistance. Nevertheless, HHS acknowledged that a number of demonstration projects have sometimes yielded results of limited utility because of problems adhering to negotiated evaluation protocols. Also, HHS stated that it is committed to continuing to improve the quality of information generated by funded projects and it will continue to work with states to identify rigorous, administratively feasible evaluation strategies. We continue to recommend that HHS develop additional guidance to improve evaluations. Such guidance is needed to improve the quality of the results from funded projects which will enable managers to assess their effectiveness.

HHS also commented on our findings related to the evaluations conducted under the Title IV-E waiver program. HHS stated that our summary of these evaluations was somewhat misleading. It noted that several states in which guardianship is a focus of the demonstration have used experimental design. Also HHS said that the Oregon demonstration was focused primarily on testing the use of flexible funding, and therefore the evaluation of the guardianship components used other methods and focused on descriptive data. We modified the report to clarify the aspects of rigorous design. However, we did not change our description of the Oregon evaluation because it accurately portrayed the evaluation, which included information on the impact and effectiveness of the guardianship component of the project.

We also provided a copy of our draft report to child welfare officials in the 5 states we visited and received technical comments from Georgia, Massachusetts, Michigan, and Oregon. We incorporated these comments when appropriate.

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As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from its issue date. At that time we will send copies of this report to the Secretary of Health and Human Services, state child welfare directors, and other interested parties. In addition, we will make copies available to others on request. Also, this report will be available at no charge on GAO's Web site at <http://www.gao.gov>. If you or your staff have any questions about this report, please contact me at (202) 512-8403 or [AshbyC@gao.gov](mailto:AshbyC@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may

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be found on the last page of this report. GAO staff who made major contributions to this report are listed in appendix III.

*Cornelia M. Ashby*

Cornelia M. Ashby, Director  
Education, Workforce, and  
Income Security Issues

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# Appendix I: Objectives, Scope, and Methodology

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## Objectives

The objectives of our study were to (1) identify the major challenges to placing and keeping special needs children in adoptive homes, (2) examine what states and the Department of Health and Human Services (HHS) have done to facilitate special needs adoptions, and (3) assess how well the Adoption Assistance Program and the Adoption Incentives Program have worked to facilitate special needs adoptions and what changes, if any might be needed to further facilitate adoptions.

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## Scope and Methodology

To gather information about these objectives, we utilized multiple methodologies: (1) a Web-based survey to state child welfare agencies; (2) site visits to 5 states; (3) interviews with HHS officials, staff from key National Resource Centers, and child welfare researchers and practitioners, as well as discussion groups with adoptive parents and state adoption program managers; (4) a review of 10 selected states' 5-year reports and 5-year plans that HHS requires as part of its ongoing child welfare oversight, as well as a review of federal adoption assistance and promotion laws and HHS regulations; and (5) a review of adoption-related studies and evaluations conducted by HHS, the states, and nongovernmental organizations. We conducted our work between May 2004 and April 2005 in accordance with generally accepted government auditing standards.

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## Survey

To gather information about states' experiences with special needs adoption, we distributed a Web-based survey to the adoption program managers in all 50 states, the District of Columbia, and Puerto Rico on September 17, 2004. The survey contained a number of both closed- and open-ended questions. To determine whether the survey questions were clear, unbiased, and used appropriate language, we pretested the survey instrument with officials in Delaware, Pennsylvania, Maryland, New York, Virginia, Ohio, and the District of Columbia prior to distribution. After an appropriate period of time had passed after initial survey distribution, we conducted an extensive follow-up process that included e-mails and phone calls to states that had not yet completed the survey. At the culmination of this process, we received and analyzed responses from 50 states.<sup>1</sup>

Because this was not a sample survey, there are no sampling errors. However, the practical difficulties of conducting any survey may introduce

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<sup>1</sup>We did not receive responses from Alabama and Nevada.

errors, commonly referred to as nonsampling errors. For example, difficulties in how a particular question is interpreted, in the sources of information that are available to respondents, or in how the data are entered into a database or were analyzed can introduce unwanted variability into the survey results. We took steps in the development of the questionnaire, the data collection, and the data analysis to minimize these nonsampling errors. For example, social science survey specialists designed the questionnaire in collaboration with GAO staff with subject matter expertise. Then, the draft questionnaire was pretested with a number of state officials to ensure that the questions were relevant, clearly stated, and easy to comprehend. When the data were analyzed, a second, independent analyst checked all computer programs. Since this was a Web-based survey, respondents entered their answers directly into the electronic questionnaire. This eliminated the need to have the data keyed into a database, thus removing an additional source of error.

We took several steps to assess the reliability of the data obtained through our survey. During our pretests, we asked state officials questions to determine the reliability of the data they could provide, such as how accurate their data entry systems were and how confident they would be estimating the data we requested. On the basis of these responses, we decided to include an open-ended question in the survey instrument that would give states an opportunity to discuss any limitations in the data they sent us. After receiving final surveys from 50 states, we examined the responses to that particular open-ended question, along with all the closed-ended data questions, and made decisions about which to report on. We then examined the output to test for inconsistencies, took steps to resolve these inconsistencies with the relevant states, and determined that the data were sufficient and reliable for the purposes of our report.

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## Site Visits

To gather more detailed information about the challenges states face promoting and sustaining adoption, as well as some of the practices they've implemented to overcome challenges, we selected 5 states to visit—Georgia, Massachusetts, Michigan, New Mexico, and Oregon—based on differences in their success achieving adoption incentive awards, along with their differences in location, size of child welfare population, degree of privatization of services, and whether they had state or locally administered systems. In preparation for the visits and to understand the unique circumstances in each state, we talked with HHS's regional office staff and field experts and obtained and reviewed relevant literature from each of the 5 states, such as studies of adoption efforts and promising practices. During our visits to each state, we talked with officials from the

state child welfare agency, along with officials and staff from at least one local agency office. Specifically, in each state we spoke with the adoption program manager; caseworkers and supervisors; foster and adoptive parents; judges, attorneys, and other court personnel, such as guardians and advocates; and private agency officials under contract with the state.

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## Interviews and Discussion Groups

To gather information about HHS's role in promoting special needs adoption and generating related research and evaluation, we interviewed HHS officials from Central Office and all the Regional Offices. We also spoke with staff from National Resource Centers involved in special needs adoption and permanency issues and interviewed nearly 20 child welfare experts and researchers to learn additional information about challenges confronting states' promotion and maintenance of special needs adoption.

We also conducted separate discussion groups with adoptive parents and state adoption program managers. We conducted a discussion with 11 adoptive parents from 8 states who were attending the annual conference of the North American Council on Adoptable Children to learn their perspectives on the adoption process, subsidy rates, and post-adoption services. We also held a discussion group with adoption program managers from 18 states during the annual meeting of the National Association of State Adoption Programs. During this discussion, we learned more about the federal role in promoting and sustaining adoption and obtained managers' perspectives on Title IV-E funding and the provision of subsidies to adoptive parents.

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## Review of States' Reports, Federal Laws, and HHS Regulations

To learn more about how states were spending the adoption incentives funds they had received and what their plans were to recruit and retain adoptive families using federal funds, we reviewed 10 states' 2005-2009 Child and Family Services Plans and 2004 Annual Progress and Services Reports—documents required by HHS as part of federal funding participation. We selected 10 states—half of which received an adoption incentive award in 2002—the latest date for which figures were available at the time of our selection and analysis—and half of which did not. Since we wanted to include documents from our 5 site visit states in the sample, we collected the plans and reports from another 5 states, selected randomly based on their receipt or nonreceipt of the award. Among the 10 states whose documents we reviewed, Georgia, Kentucky, New Hampshire, Oregon, and Pennsylvania received an award in 2002, and Alaska, Massachusetts, Michigan, Mississippi, and New Mexico did not. We summarized the plans and reports that HHS's regional offices provided to

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us for these states, including excerpts from unapproved plans, and included this information where appropriate. We also reviewed relevant laws and regulations describing the Adoption Assistance and Adoption Incentives Programs.

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## Review of Studies and Evaluations

During the course of the work, we reviewed more than 20 adoption studies that had been conducted by states, university professors, and independent child welfare researchers. We also reviewed 14 evaluations, including those required under the federal Title IV-E waiver program, that were designed to assess the effectiveness of adoption, permanency, and post adoption projects. For each of the selected studies that are used in this report, we determined whether the study's findings were generally reliable. To do so, two GAO social science analysts evaluated the methodological soundness of the studies using common social science and statistical practices. For example, they examined each study's methodology, including its limitations, data sources, analyses, and conclusions.



# Appendix II: Comments from the Department of Health and Human Services



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Inspector General

Washington, D.C. 20201

MAY 18 2005

Ms. Cornelia M. Ashby  
Director, Education, Workforce,  
and Income Security Issues  
U.S. Government Accountability Office  
Washington, DC 20548

Dear Ms. Ashby:

Enclosed are the Department's comments on the U.S. Government Accountability Office's (GAO's) draft report entitled, "CHILD WELFARE — Better Data and Evaluations Could Improve Processes and Programs for Adopting Children with Special Needs" (GAO-05-292). The comments represent the tentative position of the Department and are subject to reevaluation when the final version of this report is received.

The Department provided several technical comments directly to your staff.

The Department appreciates the opportunity to comment on this draft report before its publication.

Sincerely,

A handwritten signature in cursive script that reads "Daniel R. Levinson".

Daniel R. Levinson  
Acting Inspector General

Enclosure

The Office of Inspector General (OIG) is transmitting the Department's response to this draft report in our capacity as the Department's designated focal point and coordinator for U.S. Government Accountability Office reports. OIG has not conducted an independent assessment of these comments and therefore expresses no opinion on them.

COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES ON THE U.S. GOVERNMENT ACCOUNTABILITY OFFICE'S DRAFT REPORT ENTITLED, "CHILD WELFARE — BETTER DATA AND EVALUATIONS COULD IMPROVE PROCESSES AND PROGRAMS FOR ADOPTING CHILDREN WITH SPECIAL NEEDS" (GAO-05-292)

The Department of Health and Human Services (HHS) appreciates the opportunity to comment on the U.S. Government Accountability Office's (GAO's) draft report.

GAO Recommendation:

*We are making three recommendations to further improve the processes and programs related to special needs adoption.*

- *To better understand delays associated with interstate placements, the Secretary of the Department of Health and Human Services (HHS) should assist States in collecting and reporting data related to the interstate placement processes, especially the time needed to complete home studies and the sending and receiving State for each child placed across State lines. Such assistance could include modifying HHS's reporting system (Adoption and Foster Care Analysis and Report System) (AFCARS) in conjunction with the agency's ongoing efforts to update and revise this system. HHS should analyze the data to assess the extent to which home studies cause delays or impede interstate adoptions and to identify which States are facilitating timely interstate placements. If supported by its findings, HHS should consider proposing legislation to amend existing law so that both sending and receiving States could claim an interstate adoption for purposes of determining award eligibility.*
- *To improve HHS's ability to assess the effectiveness of its funded projects, the Secretary of HHS should develop guidance to ensure that rigorous design elements are incorporated into projects and related evaluations. Such guidance could consider the nature and structure of the projects and include measures to control costs.*
- *To assess the extent to which Title IV-E adoption assistance eligibility criteria exclude some economically disadvantaged children with special needs, the Secretary of HHS should (1) gather data on economic circumstances of special needs children who do not currently qualify for IV-E and (2) develop a model to estimate the federal cost of expanding eligibility.*

HHS Response:

Given that AFCARS is a decade old, the Administration for Children and Families (ACF) is evaluating AFCARS to ascertain what revisions, if any, are in order. The recommendations identified in the first and third bullets above are being considered as

part of that process. This comprehensive review of AFCARS began in 2003. Input from the field was obtained through notice and comment published in the Federal Register and a series of focus groups. Input from comments received as a result of the Federal Register notice, focus groups, recommendations from GAO and the Office of Inspector General, as well as new legislative requirements, have been consolidated into an internal working document. The document will be used to set forth recommendations and further steps.

IHHS views the second bullet above as unnecessary. As the report notes, ACF has already taken steps to strengthen evaluation requirements in discretionary grants. Discretionary funding announcements require applicants to describe an evaluation plan as part of their program approach, to provide for an independent project evaluation, and to utilize a specific percentage of grant funds to be devoted to evaluation. Review criteria for funding applications direct review panels to evaluate the strength of applicants' evaluation plans. Once discretionary grants have been funded, the Children's Bureau provides technical assistance on evaluations to individual grant programs. At the conclusion of the demonstration projects, ACF reviews evaluations and, in recent years, has begun producing a synthesis of evaluation findings from specific grant clusters or topic areas. In addition, ACF continues to take the steps necessary to improve the quality of evaluations through contractor support.

The report's depiction of evaluations conducted under the Title IV-E waiver demonstrations is somewhat misleading. A key requirement of the waiver demonstrations is that they be evaluated by an independent evaluator, using a rigorous methodology. Since the inception of these projects, ACF has encouraged States to conduct demonstrations employing a true experimental design using random assignment of cases to experimental and control groups. In fact, every applicant for a waiver demonstration receives a technical assistance kit that explains the reasons for using random assignment and answers questions about this approach.

Since 1996, 17 States have implemented 25 child welfare waiver demonstration project components through 20 Title IV-E waiver agreements. Only five of the 17 States that have been approved to conduct waiver demonstrations were approved to use quasi-experimental methodologies for one or more of their project components. The most frequent reason for employing an alternative design (such as the use of comparison counties) has been to assess the impact of flexible funding demonstrations in which a capped amount of Title IV-E funds is provided to localities to use for a range of purposes. In these instances, random assignment of cases is not generally feasible.

With respect to the demonstrations testing subsidized guardianship, all four States in which guardianship is the primary focus of the demonstration have used experimental designs. (This includes the State custody guardianship component of the New Mexico guardianship waiver demonstration mentioned in the report, although the Tribal components of that waiver demonstration are being evaluated using quasi-experimental methods.) In two States, including the State of Oregon referenced in the GAO report, guardianship was a strategy included in the context of a demonstration focused primarily

on testing the use of flexible funding. Therefore, the evaluation of the guardianship component used other methods and focused primarily on descriptive data.

While rigorous evaluation methodologies have been required, ACF acknowledges that a number of demonstration projects have yielded results of limited utility due to problems in the implementation of programmatic elements of the demonstrations and sometimes problems in adhering to negotiated evaluation protocols. Ultimately, as noted in the report, it is the responsibility of the State to implement the project as designed and to oversee the conduct of the evaluation. However, ACF does provide technical assistance to both State officials and their independent evaluators and is committed to continuing to improve the quality of information generated by the projects.

Moving forward, ACF will continue to work with States to identify rigorous, administratively feasible and ethical evaluation strategies. For instance, in fiscal year 2004, HHS approved two new waiver projects (including a new guardianship demonstration) both of which will employ random assignment. ACF is also working with States to better coordinate collection of consistent data elements across States conducting similar demonstrations to facilitate future cross-site comparisons. Finally, as referenced in the report, ACF will be issuing several papers synthesizing the findings generated by demonstration projects begun during the 1990's and will disseminate these findings broadly.

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# Appendix III: GAO Contact and Acknowledgments

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## GAO Contact

Cornelia M. Ashby (202) 512-8403

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## Staff Acknowledgments

In addition to those named above, Joy Gambino, Joah Iannotta, Kopp Michelotti, Vernetta Shaw, and Carolyn M. Taylor made key contributions to this report. Susan Bernstein, Karen Burke, Michele Fejfar, Catherine Hurley, Kevin Jackson, Stuart Kaufman, Jason Kelly, Luann Moy, and Jay Smale also provided key technical assistance.

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# Related GAO Products

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*Indian Child Welfare Act: Existing Information on Implementation Issues Could Be Used to Target Guidance and Assistance to States.* [GAO-05-290](#). Washington, D.C.: April 4, 2005.

*Foster Youth: HHS Actions Could Improve Coordination of Services and Monitoring of States' Independent Living Programs.* [GAO-05-25](#). Washington, D.C.: November 18, 2004.

*D.C. Child and Family Services Agency: More Focus Needed on Human Capital Management Issues for Caseworkers and Foster Parent Recruitment and Retention.* [GAO-04-1017](#). Washington, D.C.: September 24, 2004.

*Child and Family Services Reviews: States and HHS Face Challenges in Assessing and Improving State Performance.* [GAO-04-781T](#). Washington, D.C.: May 13, 2004.

*Child and Family Services Reviews: Better Use of Data and Improved Guidance Could Enhance HHS's Oversight of State Performance.* [GAO-04-333](#). Washington, D.C.: April 20, 2004.

*D.C. Family Court: Operations and Case Management Have Improved, but Critical Issues Remain.* [GAO-04-685T](#). Washington, D.C.: April 23, 2004.

*Child Welfare: Improved Federal Oversight Could Assist States in Overcoming Key Challenges.* [GAO-04-418T](#). Washington, D.C.: January 28, 2004.

*D.C. Family Court: Progress Has Been Made in Implementing Its Transition.* [GAO-04-234](#). Washington, D.C.: January 6, 2004.

*Child Welfare: States Face Challenges in Developing Information Systems and Reporting Reliable Child Welfare Data.* [GAO-04-267T](#). Washington, D.C.: November 19, 2003.

*Child Welfare: Enhanced Federal Oversight of Title IV-B Could Provide States Additional Information to Improve Services.* [GAO-03-956](#). Washington, D.C.: September 12, 2003.

*Child Welfare: Most States Are Developing Statewide Information Systems, but the Reliability of Child Welfare Data Could Be Improved.* [GAO-03-809](#). Washington, D.C.: July 31, 2003.

*D.C. Child and Family Services: Better Policy Implementation and Documentation of Related Activities Would Help Improve Performance.* [GAO-03-646](#). Washington, D.C.: May 27, 2003.

*Child Welfare and Juvenile Justice: Federal Agencies Could Play a Stronger Role in Helping States Reduce the Number of Children Placed Solely to Obtain Mental Health Services.* [GAO-03-397](#). Washington, D.C.: April 21, 2003.

*Foster Care: States Focusing on Finding Permanent Homes for Children, but Long-Standing Barriers Remain.* [GAO-03-626T](#). Washington, D.C.: April 8, 2003.

*Child Welfare: HHS Could Play a Greater Role in Helping Child Welfare Agencies Recruit and Retain Staff.* [GAO-03-357](#). Washington, D.C.: March 31, 2003.

*Foster Care: Recent Legislation Helps States Focus on Finding Permanent Homes for Children, but Long-Standing Barriers Remain.* [GAO-02-585](#). Washington, D.C.: June 28, 2002.

*District of Columbia Child Welfare: Long-Term Challenges to Ensuring Children's Well-Being.* [GAO-01-191](#). Washington, D.C.: December 29, 2000.

*Child Welfare: New Financing and Service Strategies Hold Promise, but Effects Unknown.* [GAO/T-HEHS-00-158](#). Washington, D.C.: July 20, 2000.

*Foster Care: States' Early Experiences Implementing the Adoption and Safe Families Act.* [GAO/HEHS-00-1](#). Washington, D.C.: December 22, 1999.

*Foster Care: HHS Could Better Facilitate the Interjurisdictional Adoption Process.* [GAO/HEHS-00-12](#). Washington, D.C.: November 19, 1999.

*Foster Care: Kinship Care Quality and Permanency Issues.* [GAO/HEHS-99-32](#). Washington, D.C.: May 6, 1999.

*Foster Care: Agencies Face Challenges Securing Stable Homes for Children of Substance Abusers.* [GAO/HEHS-98-182](#). Washington, D.C.: September 30, 1998.



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