

OFFICE OF CHILDREN AND FAMILY SERVICES

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| LOCAL COMMISSIONERS MEMORANDUM |
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OCFS-4616EL (Rev. 11/98)

Transmittal No: 00 OCFS LCM-12

Date: June 1, 2000

Division: Strategic Planning
and Policy
Development

TO: Local District Commissioners

SUBJECT: Allocation of FFY 1999 Federal Adoption Incentive
Payment

ATTACHMENTS: FFY 1999 Adoption Incentive Payment Allocation
by District (available on-line)

The purpose of this memorandum is to advise social services districts of New York State's receipt of and allocation of Federal Adoption Incentive payment funds. This memorandum also provides information on how districts may use these funds, including claiming and reporting instructions.

Federal Adoption Incentive Payment

Section 201 of Federal Public Law 105-89 enacted provisions in Section 473A of the Social Security Act (the Act) that authorize the U.S. Department of Health and Human Services (DHHS) to make payment of adoption incentive funds to states that increase the number of special needs children and children adopted from the foster care system each year over established baselines. To establish the Federal awards for FFY 1999 for adoption placement improvements in FFY 1998 (October 1997 through September 1998), DHHS calculated baseline data based on the average of each State's reported foster care adoptions for FFY 1995, 1996 and 1997.

Section 473A(h) of the Act authorizes an appropriation of \$20 million for each of five years (FFY 1999 through FFY 2003) for these adoption incentive payments. Out of the appropriation, payments are to be made in accordance with the following provisions of the Act:

- \$4000 to be awarded for every child adopted over the baseline;
- \$2000 additional to be awarded for every special needs child adopted over the established Title IV-E baseline;

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- In the event that the total amount of incentive payments earned by States exceeds the amount of funds appropriated for this purpose, payments to States will be prorated accordingly.

In September 1999, DHHS made an allocation of the \$20 million appropriated for the FFY 1999 adoption incentive payment to the eligible States. However, the total amount of incentive payments that could be earned by States exceeded the FFY 1999 appropriation (for payments for FFY 1998 performance). Accordingly, New York State received \$199,423 in adoption incentive payment from this allocation.

Subsequent to this allocation, Congress included in the Foster Care Independence Act (Public Law 106-169) an additional \$23 million for adoption incentive payments to the States for FFY 1999. These funds were allocated to States by DHHS in February 2000. Of these funds, an additional \$224,577 will be received by New York State in adoption incentive payment funds for FFY 1998 performance. New York has not yet been informed about any awards for FFY 1999 performance.

New York State Allocation of Adoption Incentive Payment

Chapter 7 of the Laws of 1999 of New York State added Paragraph 10 to Section 409-a of the Social Services Law to establish the basis on which funds received as Federal adoption incentive payments are to be allocated and utilized:

"All sums received by the state under section 201 of Federal Public Law 105-89 shall be paid to the districts in proportion to the amount earned by the district for federal adoption incentives and shall only be used to provide preventive services to a child and his or her family as defined in paragraph (a) of subdivision five of this section, in addition to those required by the maintenance of effort requirement contained in subdivision six of section one hundred fifty-three i of this chapter, except that up to thirty percent of such sums may be used to provide post adoption services to children and families. Preventive services shall include substance abuse services provided to pregnant women or a caretaker person in an outpatient, residential or in-patient setting. Amounts expended by the state in accordance with this section shall be disregarded for purposes of federal matching payments ..."

As directed by the State statute, the full amount of each of the FFY 1999 Federal adoption incentive payments to New York State is being allocated to the social services districts that increased their adoptions of special needs children and children adopted from foster care in FFY 1998 (October 1997 through September 1998). The State allocation utilizes essentially the same allocation formula and baseline as DHHS has used to allocate Federal funds to the states.

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Because the two Federal adoption incentive payments were made at different times, the time frames in which they may be used by districts varies. Accordingly, the two payments are allocated separately and directions regarding the timing of claims also varies, as set out below. The FFY 1999 allocation must be expended by September 30, 2000. The FFY 2000 allocation must be expended by September 30, 2001.

The attached charts show each district's adoption incentive payment allocation according to district performance relative to the FFY 1995/1996/1997 baseline average. For each placement in excess of the baseline number, each district was given a dollar credit equal to the same incentive payment level as in the Federal formula: \$4000 for each child who is not a special needs child and \$6000 for each special needs child (the \$4000 each child amount plus the \$2000 special needs addition) who has been adopted. As with the Federal allocation, this results in a payment level greater than the Federal funds received. Therefore, the final allocation of the adoption incentive payment funds has been pro-rated according to each district's proportion of the Statewide total.

These allocations are shown in the attached charts. These are the amounts which will be paid to each district for the FFY 1999 adoption incentive payment based on the district's FFY 1998 adoption performance.

District Utilization of Adoption Incentive Payments

As noted in the statute [SSL 409-a(10)], adoption incentive payment awards allocated to local districts must be used to provide preventive services to children and families as defined in paragraph 5(a) of Section 409-a of the SSL, with a provision that up to 30 percent of an award may be used to provide post-adoption services to children or families. Paragraph 5(a) of Section 409-a of the SSL does not actually define preventive services but authorizes the promulgation of regulations for the provision of Preventive Services. These regulations are found in Part 423 of Title 18 New York Codes, Rules and Regulations (18 NYCRR). Those services which are defined as preventive services (which may be provided as mandated preventive services, non-mandated preventive services, or community preventive services in accordance with SSL 409-a) and the purposes for which these services may be provided as contained in Part 423 of 18 NYCRR are applicable to the district's utilization of the allocated incentive payment funds contained in this memorandum. The statute also provides that preventive services for this purpose can include substance abuse services provided to a pregnant woman or to a child's caretaker in an outpatient, residential or in-patient setting.

OCFS will monitor and review local district use of adoption incentive payment funds to see that the general purposes for these funds are met but will not direct or specify local district usage.

Adoption incentive payment awards are "additional" funds, that is, they are being paid out of Federal funds and are in addition to the local district's State Family and Children's Services Block Grant allocation. Therefore, services paid from adoption incentive payment funds are neither counted against a local district's Block Grant allocation nor may they be counted

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toward a local district's Preventive Services Maintenance of Effort (MOE) requirement. In addition, the adoption incentive payment allocations are a direct pass-through of Federal funds awarded to the State. As such, they require no local match fund contribution. Also since these are Federal funds, they may not be used toward meeting any other Federal or State matching funds requirement.

Claim and Expenditure Reporting Requirement(s)

Claims for reimbursement from Federal Adoption Incentive funds should be filed on form LDSS-3922 Financial Summary of Special Projects. The "Project Name" for Federal Fiscal Year 1999 claims (for expenditures through September 30, 2000) is "ADPT INC 1999". The "Project Name" for Federal Fiscal Year 2000 claims (for expenditures made from October 1, 2000 through September 30, 2001) will be "ADPT INC 2000".

Amounts claimed for Preventive Services should be reported on Line C.11 of the LDSS-3922. Amounts claimed for Post Adoption Services are to be reported on Line C.12 of the LDSS-3922.

Reimbursement for Adoption Incentive payments will be available up to the amount of the district's allocation as shown in the chart attached to this memorandum.

Contact Persons

General questions regarding this memorandum and/or how adoption incentive payment allocation funds may be utilized should be addressed to the OCFS Regional Office serving the local district.

Questions regarding financial and claiming aspects of this memorandum should be addressed to Mr. Roland Levie (Regions I-IV) at 1-800-343-8859, extension 4-7549 (USERID FMS001) or Mr. Marvin Gold (Region V) at 212-383-1733 (USERID OFM270).

William F. Baccalgini
Director
Strategic Planning
and Policy Development

ADOPTION INCENTIVE AWARDS
(Based on FFY 1998 Performance)

District	1999 Award	2000 Award	Total
ALBANY	4,349	4,898	9,247
ALLEGANY	644	726	1,370
BROOME	3,061	3,447	6,508
CATTARAUGUS	1,772	1,995	3,767
CAYUGA	483	544	1,027
CHAUTAUQUA	1,450	1,633	3,083
CHEMUNG	2,900	3,265	6,165
CHENANGO	1,611	1,814	3,425
DUTCHESS	1,289	1,451	2,740
ERIE	16,753	18,866	35,619
ESSEX	1,289	1,451	2,740
FULTON	483	544	1,027
GENESEE	805	907	1,712
GREENE	322	363	685
HERKIMER	1,289	1,451	2,740
JEFFERSON	967	1,089	2,056
LEWIS	967	1,089	2,056
LIVINGSTON	644	726	1,370
MONROE	4,510	5,079	9,589
MONTGOMERY	1,933	2,177	4,110
NASSAU	1,289	1,451	2,740
NIAGARA	8,537	9,614	18,151
ONEIDA	1,289	1,451	2,740
ONONDAGA	644	726	1,370
ONTARIO	644	726	1,370
ORANGE	5,155	5,805	10,960
ORLEANS	322	363	685
OSWEGO	2,416	2,721	5,137
OTSEGO	322	363	685
RENSSELAER	644	726	1,370
ROCKLAND	322	363	685
ST. LAWRENCE	1,611	1,814	3,425
SCHENECTADY	322	363	685
SCHUYLER	644	726	1,370
STEUBEN	967	1,089	2,056
SUFFOLK	3,222	3,628	6,165
TIOGA	322	363	685
TOMPKINS	644	726	1,370
ULSTER	2,900	3,265	6,165
WASHINGTON	322	363	685
WAYNE	322	363	685
WESTCHESTER	1,289	1,451	2,740
WYOMING	805	907	1,712
NEW YORK CITY	116,948	131,695	248,643
TOTALS	199,423	224,577	424,000