

1999 DRAFTING REQUEST

Assembly Amendment (AA-AB133)

Received: 06/4/99

Received By: malaigm

Wanted: Soon

Identical to LRB:

For: Legislative Fiscal Bureau 6-8017

By/Representing: Carabell

This file may be shown to any legislator: NO

Drafter: malaigm

May Contact:

Alt. Drafters:

Subject: Children - out-of-home placement

Extra Copies:

Pre Topic:

LFB:.....Carabell -

Topic:

Kinship care benefits (LFB paper #1096)

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	malaigm 06/11/99	jgeller 06/11/99		_____			
/1			jfrantze 06/11/99	_____	lrb_docadmin 06/11/99		

FE Sent For:

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FE Sent For:

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Malaise, Gordon

From: Carabell, Rachel
Sent: Thursday, June 03, 1999 5:58 PM
To: Malaise, Gordon
Subject: TANF Day has arrived!

Hi Gordon. Hurray! TANF day has finally arrived. While there may still be some TANF related items addressed tomorrow, Joint Finance, today, adopted an omnibus motion relating to most TANF-related items (Motion #1112). I am attaching a copy of the motion for your reference.

Included in that motion, the Committee adopted the following items.

46 and 47 - Brighter Futures (LFB paper #1113) They adopted Alternative B2 and D2 relating to Brighter Futures. They adopted other changes, but those are related to the DWD community youth grants. Joanne Simpson in our office will submit those instructions to Tina Yacker

34-36 - Kinship Care. (LFB paper #1096) They adopted Alternative A - modification and D1. Both of these involve appropriation language changes. In addition, the Committee adopted the following:

Delete all of the Governor's recommended statutory changes relating to kinship care benefits. Instead, provide \$500,000 PR in 1999-00 in DHFS and provide a corresponding increase in federal TANF funds budgeted in DWD which would be used by DHFS to supplement kinship care allocations in order to prevent the need to place eligible kinship care relatives on a waiting list if payments for kinship care exceed the amount allocated. Specify that DHFS could carry any of the unused funding from this provision to 2000-01.

46, 57
(3M)
(am)(ntw)
(ap)
(3n)(am)
(ntw)
(ap)
(ar)(ntw)

Specify that a county may request supplemental funding from DHFS if payments for kinship care in that county exceed that county's allocation. Require DHFS to supplement the county's allocation if DHFS verifies the need for the supplemental allocation to eliminate kinship care waiting lists. This motion would not preclude DHFS from reobligating funds from other counties on a voluntary basis in order to address waiting lists. Specify that this same criteria applies to a request for additional funding from the DHFS Bureau of Milwaukee Child Welfare, which is responsible for making kinship care payments in Milwaukee County.

Further, if DHFS exhausts funding from the \$500,000 that would be provided under this provision, require DHFS to submit a request for supplemental funding for kinship care benefits under s. 16.515 of the statutes.

#37 - Kinship Care Administration (LFB paper #1097) - The Committee did not adopt any of the alternatives in the paper. Instead, the Committee adopted the following:

Require DHFS to reallocate 1.0 GPR vacant position and corresponding funding to provide increased oversight of the kinship care program. This position would provide program oversight and monitoring, technical assistance to counties in administering kinship care, serve as the liaison to DWD and the DHFS Bureau of Milwaukee Child Welfare (which administers kinship care in Milwaukee County) and develop policies and procedures related to kinship care. GPR funding used to support this position could be counted towards the state's maintenance-of-effort requirement under TANF.

Call me if you have any questions on this stuff (6.8017). I won't be here for much longer tonight and have more stuff before the Committee tomorrow, but should be around tomorrow afternoon and this weekend. Thanks.



1112.doc

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elimination of this provision has a significant fiscal impact, it could request additional funding under s. 13.10.

34. LFB Paper #1096. Alternative A1 -- Modification. Reduce funding budgeted in DHFS for kinship care benefits by \$2,326,500 PR in 1999-00 and \$502,400 PR in 2000-01 and provide a corresponding reduction in federal TANF funds budgeted in DWD to reflect a reestimate of the cost of kinship care benefits in the next biennium.

35. LFB Paper #1096. Alternative D1. Delete \$1,586,000 GPR and \$2,200,000 FED from base funding for kinship foster care and instead budget these funds in community aids or the DHFS Bureau of Milwaukee Child Welfare, as appropriate, and delete appropriation language regarding kinship foster care to reflect that counties, or DHFS in Milwaukee County, would make payments to foster parents related to the children in their care or providing care to teenage parents from community aids or their out-of-home care budget, rather than a separate kinship foster care allocation.

36. LFB paper #1096. Delete all of the Governor's recommended statutory changes relating to kinship care benefits. Instead, provide \$500,000 PR in 1999-00 in DHFS and provide a corresponding increase in federal TANF funds budgeted in DWD which would be used by DHFS to supplement kinship care allocations in order to prevent the need to place eligible kinship care relatives on a waiting list if payments for kinship care exceed the amount allocated. Specify that DHFS could carry any of the unused funding from this provision to 2000-01.

Specify that a county may request supplemental funding from DHFS if payments for kinship care in that county exceed that county's allocation. Require DHFS to supplement the county's allocation if DHFS verifies the need for the supplemental allocation to eliminate kinship care waiting lists. This motion would not preclude DHFS from reobligating funds from other counties on a voluntary basis in order to address waiting lists. Specify that this same criteria applies to a request for additional funding from the DHFS Bureau of Milwaukee Child Welfare, which is responsible for making kinship care payments in Milwaukee County.

Further, if DHFS exhausts funding from the \$500,000 that would be provided under this provision, require DHFS to submit a request for supplemental funding for kinship care benefits under s. 16.515 of the statutes.

37. LFB Paper #1097. Require DHFS to reallocate 1.0 GPR vacant position and corresponding funding to provide increased oversight of the kinship care program. This position would provide program oversight and monitoring, technical assistance to counties in administering kinship care, serve as the liaison to DWD and the DHFS Bureau of Milwaukee Child Welfare (which administers kinship care in Milwaukee County) and develop policies and procedures related to kinship care. GPR funding used to support this position could be counted towards the state's maintenance-of-effort requirement under TANF.

38. LFB Paper #1098. Alternative 2. Modify the Governor's recommendations to provide \$4,559,200 PR in 1999-00 and \$6,838,800 PR in 2000-01 and specify that the monthly SSI caretaker supplement payment for the first child in the home would be \$250, rather than \$150.



Legislative Fiscal Bureau

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jo:acr

June 1, 1999

Joint Committee on Finance

Paper #1096

TANF

Kinship Care Benefits (DHFS -- Children and Family Services)

[LFB 1999-01 Budget Summary: Page 313, #5 and Page 691, #22]

CURRENT LAW

Kinship Care. The Department of Health and Family Services (DHFS) reimburses counties (other than Milwaukee County) for kinship care payments counties make to eligible relatives. In Milwaukee County, DHFS makes these payments directly to eligible relatives. Kinship care relatives who provide care and maintenance for a child may receive a kinship care payment of \$215 per month if:

- The county or DHFS determines that there is a need for the child to be placed with the kinship care relative and that the placement with the relative is in the best interests of the child;
- The county or DHFS determines that the child meets one or more of the criteria for children in need of protection or services or juveniles in need of protection or services, or that the child would be at risk of meeting one or more of these criteria;
- The county or DHFS conducts a background investigation of the kinship care relative, any employe and prospective employe of the kinship care relative who has or would have regular contact with the child for whom kinship care payments would be made and any other adult resident in the kinship care relative's home to determine if the kinship care relative, employe, prospective employe or adult resident has any arrests or convictions that could adversely affect the child or the kinship care relative's ability to care for the child;
- The kinship care relative cooperates with the county or DHFS in the application process, including applying for other forms of assistance for which the kinship care relative may be eligible; and

- The child for whom the kinship care relative is providing care and maintenance is not receiving supplemental security income (SSI) benefits.

At least every twelve months, the county or DHFS reviews the case of a relative receiving kinship care to determine if the conditions under which the case was initially determined eligible still exist. If those conditions no longer exist, the county or DHFS discontinues making the kinship care payments.

In 1998-99, DHFS is budgeted \$22,740,600 (\$188,800 GPR and \$22,551,800 PR) to fund kinship care payments. This funding includes a supplement of approximately \$1.9 million approved by the Joint Committee on Finance in September, 1998, under s. 16.515 of the statutes. Kinship care benefits are primarily funded with federal temporary assistance to needy families (TANF) block grant funds transferred from DWD. As of December, 1998, kinship care payments were made on behalf of approximately 8,000 children statewide.

Kinship Foster Care. In 1998-99, DHFS is budgeted \$1,586,000 GPR and \$2,200,000 FED to allocate to counties for foster care payments and assessments for foster parents who provide care to a related child and to foster parents who provide care to teenage parents. This funding is budgeted as a separate allocation referred to as kinship foster care. Funding for foster care payments and assessments made for other individuals is provided to counties through community aids.

GOVERNOR

Kinship Care. Provide \$3,950,700 (-\$188,800 GPR and \$4,139,500 PR) in 1999-00 and \$4,182,900 (-\$188,800 GPR and \$4,371,700 PR) in 2000-01 to reflect a reestimate of the cost to provide kinship care benefit payments. The bill would provide a total of \$24,791,900 PR in 1999-00 and \$25,024,100 PR in 2000-01 to support kinship care benefits.

Specify that, despite meeting the eligibility criteria for kinship care or long-term kinship care, a kinship care relative providing care and maintenance for a child would not be entitled to receive either kinship care payments or long-term kinship care payments. Specify that a county department of human services or social services *may* make kinship care or long-term kinship-care payments to an eligible relative, rather than require DHFS or a county department to provide kinship care or long-term kinship care payments to an eligible relative, as provided under current law.

Kinship Foster Care. The bill maintains base funding for kinship foster care payments and assessments.

DISCUSSION POINTS

1. Kinship care was created under provisions of 1995 Wisconsin Act 289, which

created the Wisconsin Works program to replace the former aid to families with dependent children (AFDC) program. Under AFDC, non-legally responsible relatives who provided care for children were eligible for an AFDC payment based on the income of the child.

2. Kinship care is different from AFDC payments to non-legally responsible relatives in at least two ways. First, there is no financial eligibility requirement for kinship care, other than prohibiting payment on behalf of children who receive SSI payments. Second, the relative and the child placed in the relative's home must meet certain nonfinancial criteria, as described above, in order to be eligible for a kinship care payment. Under AFDC, there were no eligibility requirements other than the financial criteria and the requirement that the child actually reside in the relative's home.

3. It is currently estimated that the costs for kinship care payments in the 1999-01 biennium will total \$22,465,400 PR in 1999-00 and \$24,521,700 PR in 2000-01. This estimate is based on an assumed average caseload of approximately 8,700 in 1999-00 and approximately 9,500 in 2000-01. This estimate represents an increase to base funding of \$1,624,200 in 1999-00 and \$3,680,500 in 2000-01, but a reduction from the amounts provided in the bill of \$2,326,500 in 1999-00 and \$502,400 in 2000-01. This estimate does not include any changes in base funding provided for kinship care assessments or for kinship foster care. Since kinship care benefits would be funded entirely with TANF funds, the bill should be modified to delete references to GPR appropriations for kinship care benefits.

Entitlement and the Use of Waiting Lists

4. The bill would specify that kinship care relatives are not entitled to kinship care payments and that DHFS and counties *may* make kinship care payments to kinship care relatives, rather than requiring them to do so. The administration indicates that this provision is intended to clarify that kinship care is not an entitlement and that they did not intend for kinship care to replace the entitlement available under AFDC.

5. Under the bill, funding for kinship care payments would be limited to the amounts appropriated by the Legislature. This would be consistent with a variety of human service programs, such as the community options program (COP) and the family support programs, for which counties maintain waiting lists if program demand exceeds available funding. While the statutes do not specify that recipients of services under these programs are not entitled to receive services, the effect is the same.

6. Kinship care placements with a relative could prevent the need for more costly placements, such as foster care or other out-of-home care setting. Other human service programs are not funded as entitlements and waiting lists for some of these programs can be lengthy. Programs such as COP, the family support program and the Alzheimer's family and caregiver support program are not entitlements, yet providing services to individuals under these programs would allow the client to remain in his or her home or community-based setting, rather than a nursing home or other high-cost placement.

7. For these same reasons, the Legislature may want to ensure that relatives eligible for kinship care receive a kinship care payment, since providing the kinship care payment could prevent a more costly placement in out-of-home care under either the child welfare system or juvenile justice system. Preventing placement in the child welfare or juvenile justice system benefits the state and the county, as well the child.

8. Further, since relatives placed on waiting lists have been determined eligible for kinship care, the county or DHFS have already determined that it would be in the best interests of that child to be in the relative's home and that the child is at-risk of being in need of protection or services. Such a determination provides an argument for ensuring that the child remains in the relative's home. However, since there is no legal obligation for the relative to provide care and maintenance for that child (unless a court order places the child in the relative's home), if the relative is placed on a waiting list, it is not clear what would happen to the child. The relative could refuse to provide care and maintenance to the child, requiring the child to return home or go elsewhere. Alternatively, the relative could provide care and maintenance for the child without the kinship care payment, which may be a considerable financial burden for the relative.

9. In practice, kinship care has not been administered as an entitlement program and therefore, it could be said that the Governor's recommendations are intended to conform the statutes to current practice. DHFS and counties have placed cases that have been determined eligible for kinship care on waiting lists until funding became available. In September, 1998, the Committee approved the transfer of approximately \$1.9 million in federal TANF funds from DWD to DHFS to address waiting lists in a number of counties and tribes and to provide funding for payments being made with county tax levy or tribal revenue.

10. In determining whether the use of waiting lists is acceptable under the kinship care program, the Committee could consider what effect the Governor's recommendations would have on the ability to supplement kinship care allocations in the future if waiting lists developed.

In September, 1998, under s. 16.515 of the statutes, the Committee approved an increase of approximately \$1.9 million in 1998-99 in DHFS PR (TANF) expenditure authority in order to eliminate waiting lists for the kinship care program. Under s. 16.515, with the approval of the Committee, the DOA Secretary may supplement any sum certain PR appropriation which is determined insufficient because of unforeseen emergencies or insufficient to accomplish the purpose for which made, if it is found that an emergency exists. If the statutes specify that kinship care is not an entitlement, as recommended by the Governor, or that waiting lists are allowable, it would be more difficult to argue that development of kinship care waiting lists constitutes an emergency and grounds for supplementation under s. 16.515.

11. The issue of whether current statutes create an entitlement for kinship care remains the subject of debate and is currently being challenged in circuit court in Milwaukee County. Current statutes specify that DHFS and counties "shall make payments in the amount of \$215 per month to a kinship care relative who is providing care and maintenance for a child [s. 48.57 (3m) (am)]..." if the relative and child meet the kinship care eligibility requirements. Therefore, current

statutes could be interpreted as providing an entitlement for a kinship care relative. This interpretation however, would be contrary to current practice.

12. An alternative interpretation of current statutes, which has been adopted in current practice, would argue that counties' and DHFS' liability for kinship care payments is limited to the amounts appropriated by the Legislature. This argument is based on the same paragraph of the statutes that requires DHFS to make payments to eligible relatives [s. 48.57 (3m)(am)], which refers to the appropriation from which DHFS funds kinship care payments in Milwaukee County and reimburses counties for kinship care payments. Since this appropriation is not a sum sufficient appropriation, DHFS, the administration and others have argued that kinship care is not an entitlement and therefore, DHFS and the counties are free to establish waiting lists if appropriated funding is not sufficient to address demand.

13. Under proposed administrative rules submitted to the Legislative Rules Clearinghouse on April 9, 1999, DHFS would specify that an agency may place an approved applicant for kinship care on a waiting list if the agency has expended its kinship care benefit allocation. However, a Legislative Council staff review of the proposed rule questioned the statutory authority for DHFS to propose a rule that would authorize waiting lists. Specifically, the Legislative Council staff review states "the statutes are ambiguous as to whether kinship care or long-term kinship care are entitlement programs and waiting lists are not allowed or whether they are not entitlements and waiting lists are allowed. The issue of whether a county department must make a payment when the state appropriation to reimburse counties has been depleted has not been resolved."

14. The basis for the Legislative Council staff statement regarding authority to establish waiting lists is based on the Finance Committee's action to maintain current law when this issue was discussed during the Committee's 1997-99 biennial budget deliberations. At that time, the Committee considered the issue that the kinship care statutes were ambiguous regarding the issue of entitlement. Two separate alternatives were discussed, one which would have clarified that kinship care was an entitlement, the other would have clarified that kinship care was not an entitlement. Neither alternative was adopted.

15. Without clarification by the Legislature as to whether kinship care creates an entitlement or not, it is expected that DHFS and counties would continue to operate kinship care as though relatives are not entitled to a kinship care payment and continue to use waiting lists when demand exceeds available funding. However, without such clarification, it is expected that the status of kinship care would remain ambiguous and continue to be subject to court challenges.

16. Even if the Committee supports the intent of the Governor's recommendations to clarify that kinship care is not an entitlement, the Committee could modify the Governor's recommendations for the following reasons:

- The Governor's language does not specifically address the issue of waiting lists. Instead, it specifies that a kinship care relative is not entitled to a kinship care payment. The

Governor's recommendations are based on the assumption that if the statutes specify that kinship care is not an entitlement, then waiting lists are authorized. However, under other human services programs, which are clearly not entitlement programs and waiting lists are authorized, such as COP and the family support program, the statutes specify that counties' liability to provide services under those programs is limited the amount of funding available for those programs. To be consistent with other human service programs that are not entitlements, a similar provision could be adopted for kinship care which would limit DHFS' and counties' liability for kinship care payments to the appropriation amounts, rather than addressing the issue of entitlement specifically.

- The Governor's language would specify that counties' and DHFS' authority to make kinship care payments would be permissive. The Governor's language states that a county department and in Milwaukee County, DHFS *may* make payments in the amount of \$215 per month to a kinship care relative who is providing care and maintenance for a child if the kinship care eligibility requirements are met. Therefore, a county or DHFS could opt not to provide kinship care payments at all, regardless of whether funding is available. While it is unlikely that many counties or DHFS would refuse to administer kinship care, the opportunity to refuse to administer kinship care would exist under the language in the bill.

17. If the Committee wants to ensure that kinship care payments are provided to eligible kinship care relatives, the Committee could delete the references in current law to the sum certain appropriation in order to eliminate the argument that DHFS' and counties' liability for kinship care payments are limited to the amounts appropriated by the Legislature. The practical effect of such a change would require that if demand for kinship care exceeds the amounts appropriated by the Legislature, the county would be required to fund any additional need unless the Legislature approves additional funding to address waiting lists in those counties. Since DHFS is responsible for making kinship care payments in Milwaukee County, if that additional need developed in Milwaukee County, DHFS would be required to seek additional expenditure authority from the Legislature. Similarly, DHFS medical assistance is an entitlement under provisions of federal law, but is budgeted in a sum certain appropriation. If projected expenditures for medical assistance exceed available funding, DHFS must seek additional funding from the Legislature.

If the Committee chooses to support an alternative which would clarify that kinship care is an entitlement, the Committee may want to consider implementing financial eligibility criteria for kinship care, as discussed below.

18. Alternatively, if the Legislature supports the Governor's recommendations or similar provisions, but wants to minimize the use of waiting lists when demand exceeds funding, the Committee could establish a reserve of funding available to supplement a DHFS or county kinship care allocation when DHFS' or a county's expenditures for kinship care exceed the amounts allocated. This reserve could be established by providing \$500,000 PR (TANF) in 1999-00. Since the funding would be provided in an annual appropriation, the Committee could specify that DHFS could carry any unused amounts of the reserve into 2000-01 to address waiting lists in that fiscal year.

Eligibility Criteria

19. In December, 1998, the Legislative Audit Bureau released a report on the kinship care program. In that report, the Audit Bureau suggested that the Legislature review the financial and nonfinancial eligibility criteria for kinship care. Specifically, the report identified inconsistent practices among counties in assessing whether a relative was eligible for kinship care on the nonfinancial eligibility criteria in cases where the kinship care placement has been informally arranged by the family. The report indicates that "neither statutes, administrative rules, nor written program guidance developed by the Department provide much guidance to local agencies regarding the circumstances under which a child may be considered at risk of needing protection or services."

20. The Legislature is expected to have the opportunity to review the nonfinancial eligibility criteria in response to rules promulgated by DHFS and currently in the administrative rules process. These proposed rules, as required under provisions of 1997 Wisconsin Act 237, address assessment criteria for determining eligibility for kinship care payments.

21. The Audit Bureau report identifies instances of counties exceeding statutory authority regarding the financial eligibility criteria and recommends that DHFS instruct counties not to implement any financial eligibility criteria other than that established in statute. DHFS has complied with the recommendation. However, the report suggests that the Legislature may want to "consider refinement of the provision in the kinship care statutes relating to the income of the children and caretaker relatives." Concern has been raised, in particular, about the lack of financial eligibility criteria for the relatives.

22. The Audit Bureau report notes that it would be possible to limit the availability of kinship care payments to only those relatives with low or moderate incomes. "Doing so would provide public funds to only those families for whom the costs of caring for a relative's child would be prohibitive or burdensome. The adverse effect of such regulations on more affluent families might not be significant..."

23. The Committee could require that kinship care relatives have incomes at or below a percentage of the federal poverty level (FPL). The Committee could specify that the income determination would be based on the relative's family including the relative child. The following table identifies certain percentages of the FPL the Committee could consider and what that would translate to in terms of 1999 annual income for a family of four.

Percentage of The FPL	Annual Income
200%	\$33,400
250	41,750
300	50,100
350	58,450
400	66,800

24. If the Committee chooses to impose financial eligibility criteria for kinship care, it is likely that there would be a decrease in kinship care payments. However, since no data is available that indicates the income level of relatives who currently receive kinship care, it is not possible to project the effect of establishing income limits on kinship care payments. If the Committee chooses this alternative, the effective date of the provision should be delayed until January, 2000, in order to allow DHFS and counties to develop alternative procedures to implement the change. Further, the change should specify that the new financial eligibility criteria would first apply to relatives currently receiving kinship care at their first twelve-month review following the effective date of the provision.

25. Establishing financial eligibility criteria for relatives receiving kinship care could impose a significant administrative burden on DHFS and counties assessing families for kinship care eligibility. Currently, counties are not required to document the relative's financial resources. Further, such a change in the kinship care eligibility criteria would require programming changes to the client assistance for reemployment and economic support (CARES) system, the state's system for determining financial eligibility for a variety of human service programs including W-2, food stamps and medical assistance.

26. In his response to the 1998 Audit Report, DHFS Secretary Leean indicated that implementing financial eligibility for kinship care would be contrary to the intent of the program. "This is a child-only grant which can assist families to resolve problems internally, thus assuring safety for a child and reducing the need for further intervention by the legal and child protective services system..."

27. The Audit Bureau report states, "it could be argued that those who care for children for whom a court has ordered out-of-home placement deserve some payment regardless of their financial need, in recognition that the service they are providing eliminates the need for even larger payments to licensed foster homes. Moreover, relatives who are caring for children whose out-of-home placement has not yet been court-ordered may be eliminating the need for both the legal proceedings to obtain a court order and foster care placements." If the Committee supports this view and Secretary Leean's view as reflected in his response to the Audit Bureau report, it could take no action to impose financial eligibility criteria.

28. Alternatively, if the Committee wants to ensure that kinship care is an entitlement as discussed above, the Committee could provide an entitlement only to relatives that meet certain financial eligibility criteria. In adopting such an alternative, the Committee could provide counties and DHFS the option to provide kinship care payments to individuals above the financial eligibility criteria.

Kinship Foster Care

29. The kinship foster care allocation was created in order to address concerns that, in converting cases from the AFDC program to kinship care, counties would provide kinship care payments to relatives that could be licensed foster parents in order to avoid having to pay foster care

payments from their community aids allocations. The intent in creating the separate allocation was to remove any incentive to do so.

However, with the conversion from AFDC to kinship care complete as of January, 1998, this separate allocation is no longer necessary. The separate allocation creates a greater administrative burden to keep track of the additional allocation, at the state and local level. Therefore, the Committee could delete funding and appropriation language related to kinship foster care and instead budget these funds directly in community aids in order to eliminate the administrative burden of tracking the allocation separately at the state and local level.

ALTERNATIVES TO BASE

A. Modification - Kinship Care Benefits Funding Level

delete GPR
appr.
(3) ((2))

Modify base funding for kinship care benefits by \$1,624,200 (-\$188,800 GPR and \$1,813,000 PR) in 1999-00 and \$3,680,500 (-\$188,800 GPR and \$3,869,300 PR) in 2000-01 to reflect current estimates of kinship care payments made by DHFS and the counties. Further, delete references to GPR appropriations for kinship care benefits to reflect that no GPR funds would be budgeted for kinship care benefits.

<u>Modification</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Base)	-\$377,600	\$5,682,300	\$5,304,700
[Change to Bill]	\$0	-\$2,828,900	-\$2,828,900]

B. Entitlement and the Use of Waiting Lists

1. Specify that, despite meeting the eligibility criteria for kinship care or long-term kinship care, a kinship care relative providing care and maintenance for a child would not be entitled to receive either kinship care payments or long-term kinship care payments. Specify that a county department of human services or social services *may* make kinship care or long-term kinship-care payments to an eligible relative, as recommended by the Governor.

2. Specify that DHFS' responsibility relating to kinship care funding is limited to the funds appropriated for this purpose.

3. Delete references to the current appropriations to clarify that DHFS and counties responsibility for kinship care payments is not limited to the amounts appropriated by the Legislature.

4. Provide \$500,000 PR in 1999-00 for a supplemental kinship care fund budgeted in DHFS and a corresponding increase in TANF funds budgeted in DWD and specify that DHFS could only make expenditures from this fund to supplement a county's kinship care allocation or the DHFS allocation for kinship care payments in Milwaukee County in order to prevent the need to

place eligible kinship care relatives on a waiting list if payments for kinship care exceed the amount allocated. Further, specify that DHFS could carry any unused funding from this provision to 2000-01.

<u>Alternative B4</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Base)	\$500,000	\$500,000	\$1,000,000
[Change to Bill]	\$500,000	\$500,000	\$1,000,000]

C. Financial Eligibility Criteria

1. Specify that, effective January 1, 2000, kinship care relatives with incomes at or below one of the following percentages of the federal poverty level would be eligible for kinship care. Specify that the kinship care relative's income would be based on the family size including the kinship care child. Further, specify that this provision would first apply to current kinship care recipients at their first twelve-month eligibility review following the effective date of the provision.

- a. 200%
- b. 250
- c. 300
- d. 350
- e. 400

2. Take no action.

D. Foster Kinship Care

1. Delete \$1,586,000 GPR and \$2,200,000 FED from base funding for kinship foster care and instead budget these funds in community aids and delete appropriation language regarding kinship foster care to reflect that counties would make payments to foster parents related to the children in their care or providing care to teenage parents from community aids rather than a separate kinship foster care allocation.

Prepared by: Rachel Carabell



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb05277
GMM.....

1
JLg

LFB:.....Carabell – Kinship care benefits (LFB paper #1096)

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1 At the locations indicated, amend the bill as follows:

2 1. Page 422, line 21: after that line insert:

3 “SECTION 390m. 20.435 (3) (cz) ^X of the statutes is repealed.”.

4 2. Page 652, line 5: delete lines 5 to 25. [✓]

5 3. Page 653, line 1: delete lines 1 to 11 [✓] and substitute:

6 “SECTION 1141d. [✓] 48.57 (3m) (am) (intro.) ^X of the statutes is amended to read:

7 48.57 (3m) (am) (intro.) From the ~~appropriations~~ appropriation under s. 20.435
8 (3) ~~(cz)~~ [✓] and [✓] (kc), the department shall reimburse counties having populations of less
9 than 500,000 for payments made under this subsection and shall make payments
10 under this subsection in a county having a population of 500,000 or more. A county
11 department and, in a county having a population of 500,000 or more, the department

1 shall make payments in the amount of \$215 per month to a kinship care relative who
2 is providing care and maintenance for a child if all of the following conditions are met:

History: 1977 c. 29; 1977 c. 83 s. 26; 1977 c. 271, 354, 418, 447, 449; 1979 c. 34, 221; 1981 c. 329; 1983 a. 189 s. 329 (17); 1983 a. 447; 1985 a. 176; 1987 a. 339; 1993 a. 385, 395, 446, 491; 1995 a. 27 ss. 2575 to 2579m, 9126 (19); 1995 a. 77, 289, 443; 1997 a. 3, 27, 36, 41, 105, 237, 252, 292.

3 **SECTION 1143d.** 48.57 (3n) (am) (intro.) of the statutes is amended to read:

4 48.57 (3n) (am) (intro.) From the appropriations appropriation under s. 20.435
5 (3) ~~(ez)~~ and (kc), the department shall reimburse counties having populations of less
6 than 500,000 for payments made under this subsection and shall make payments
7 under this subsection in a county having a population of 500,000 or more. A county
8 department and, in a county having a population of 500,000 or more, the department
9 shall make monthly payments for each child in the amount specified in sub. (3m)
10 (am) (intro.) to a long-term kinship care relative who is providing care and
11 maintenance for that child if all of the following conditions are met:” ✓

History: 1977 c. 29; 1977 c. 83 s. 26; 1977 c. 271, 354, 418, 447, 449; 1979 c. 34, 221; 1981 c. 329; 1983 a. 189 s. 329 (17); 1983 a. 447; 1985 a. 176; 1987 a. 339; 1993 a. 385, 395, 446, 491; 1995 a. 27 ss. 2575 to 2579m, 9126 (19); 1995 a. 77, 289, 443; 1997 a. 3, 27, 35, 36, 41, 105, 237, 252, 292.

12 4. Page 700, line 4: delete “\$26,322,200” and substitute “\$26,822,200”. ✓

13 5. Page 1408, line 15: after that line insert:

14 *nonstat* ^e “(8) KINSHIP CARE SUPPLEMENT. From the appropriation under section 20.435
15 (3) (kc) of the statutes, the department of health and family services shall allocate
16 \$500,000 in fiscal year 1999–2000 to supplement the allocations to counties and, in
17 a county having a population of 500,000 or more, that department under section
18 48.57 (3m) (am) (intro.) and (3n) (am) (intro.) ✓ of the statutes in order to prevent the
19 need to place a kinship care relative, as defined in section ✓ 48.57 (3m) (a) of the
20 statutes, or a long-term kinship care relative, as defined in section ✓ 48.57 (3n) (a) of
21 the statutes, who is eligible for the receipt of payments under section 48.57 (3m) (am)
22 (intro.) or (3n) (am) (intro.) of the statutes on a waiting list for those payments if
23 payments under section 48.57 (3m) (am) (intro.) or (3n) (am) (intro.) ^{of the statutes} by a county or,

1 in a county having a population of 500,000 or more, by that department exceed the
2 amount allocated to that county or that department. If payments under section 48.57
3 (3m) (am) (intro.) or (3n) (am) (intro.) of the statutes by a county or, in a county having
4 a population of 500,000 or more, by the department of health and family services
5 exceed the amount allocated to that county or that department, the county or
6 department may request supplemental funding under this subsection. ✓ If the
7 department of health and family services determines that supplemental funding is
8 necessary to eliminate a waiting list for payments under section 48.57 (3m) (am)
9 (intro.) or (3n) (am) (intro.) of the statutes in a county, the department shall
10 supplement the amount allocated to the requesting county or department.
11 Notwithstanding sections 20.001 (3) (c) and 20.435 (3) (kc) ✓ of the statutes, the
12 department of health and family services may carry forward to fiscal year 2000–01
13 the unencumbered balance of the amount allocated under this ✓ subsection on June
14 30, 2000. If the entire amount allocated under this subsection is encumbered before
15 July 1, 2001, the department of health and family services shall request a
16 supplemental appropriation under section 16.515 ✓ of the statutes. This subsection
17 does not preclude the department of health and family services from reallocating
18 moneys allocated to a county or, in a county having a population of 500,000 or more,
19 that department under section 48.57 ✓ (3m) (am) (intro.) or (3n) (am) (intro.) of the
20 statutes in order to address a waiting list in another county.” ✓

21 (END) ✓



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0527/1
GMM:jlg:jf

LFB:.....Carabell – Kinship care benefits (LFB paper #1096)

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 422, line 21: after that line insert:

3 “**SECTION 390m.** 20.435 (3) (cz) of the statutes is repealed.”

4 **2.** Page 652, line 5: delete lines 5 to 25.

5 **3.** Page 653, line 1: delete lines 1 to 11 and substitute:

6 “**SECTION 1141d.** 48.57 (3m) (am) (intro.) of the statutes is amended to read:

7 48.57 (3m) (am) (intro.) From the ~~appropriations~~ appropriation under s. 20.435
8 (3) (~~ez~~) and (kc), the department shall reimburse counties having populations of less
9 than 500,000 for payments made under this subsection and shall make payments
10 under this subsection in a county having a population of 500,000 or more. A county
11 department and, in a county having a population of 500,000 or more, the department

1 shall make payments in the amount of \$215 per month to a kinship care relative who
2 is providing care and maintenance for a child if all of the following conditions are met:

3 **SECTION 1143d.** 48.57 (3n) (am) (intro.) of the statutes is amended to read:

4 48.57 (3n) (am) (intro.) From the ~~appropriations~~ appropriation under s. 20.435
5 (3) ~~(ez)~~ and (kc), the department shall reimburse counties having populations of less
6 than 500,000 for payments made under this subsection and shall make payments
7 under this subsection in a county having a population of 500,000 or more. A county
8 department and, in a county having a population of 500,000 or more, the department
9 shall make monthly payments for each child in the amount specified in sub. (3m)
10 (am) (intro.) to a long-term kinship care relative who is providing care and
11 maintenance for that child if all of the following conditions are met:”

12 **4.** Page 700, line 4: delete “\$26,322,200” and substitute “\$26,822,200”.

13 **5.** Page 1408, line 15: after that line insert:

14 “(8e) KINSHIP CARE SUPPLEMENT. From the appropriation under section 20.435
15 (3) (kc) of the statutes, the department of health and family services shall allocate
16 \$500,000 in fiscal year 1999–2000 to supplement the allocations to counties and, in
17 a county having a population of 500,000 or more, that department under section
18 48.57 (3m) (am) (intro.) and (3n) (am) (intro.) of the statutes in order to prevent the
19 need to place a kinship care relative, as defined in section 48.57 (3m) (a) of the
20 statutes, or a long-term kinship care relative, as defined in section 48.57 (3n) (a) of
21 the statutes, who is eligible for the receipt of payments under section 48.57 (3m) (am)
22 (intro.) or (3n) (am) (intro.) of the statutes on a waiting list for those payments if
23 payments under section 48.57 (3m) (am) (intro.) or (3n) (am) (intro.) of the statutes
24 by a county or, in a county having a population of 500,000 or more, by that

1 department exceed the amount allocated to that county or that department. If
2 payments under section 48.57 (3m) (am) (intro.) or (3n) (am) (intro.) of the statutes
3 by a county or, in a county having a population of 500,000 or more, by the department
4 of health and family services exceed the amount allocated to that county or that
5 department, the county or department may request supplemental funding under
6 this subsection. If the department of health and family services determines that
7 supplemental funding is necessary to eliminate a waiting list for payments under
8 section 48.57 (3m) (am) (intro.) or (3n) (am) (intro.) of the statutes in a county, the
9 department shall supplement the amount allocated to the requesting county or
10 department. Notwithstanding sections 20.001 (3) (c) and 20.435 (3) (kc) of the
11 statutes, the department of health and family services may carry forward to fiscal
12 year 2000–01 the unencumbered balance of the amount allocated under this
13 subsection on June 30, 2000. If the entire amount allocated under this subsection
14 is encumbered before July 1, 2001, the department of health and family services shall
15 request a supplemental appropriation under section 16.515 of the statutes. This
16 subsection does not preclude the department of health and family services from
17 reallocating moneys allocated to a county or, in a county having a population of
18 500,000 or more, that department under section 48.57 (3m) (am) (intro.) or (3n) (am)
19 (intro.) of the statutes in order to address a waiting list in another county.”

20

(END)