

Table of Contents

Subsidized Adoption Policies and Procedures 617-05

Legal Reference 617-05-05

Philosophy 617-05-10

Definition of Terms 617-05-15

- Date of Adoptive Placement 617-05-15-05
- Decree of Adoption 617-05-15-10
- Effective Date of Payment 617-05-15-15
- Finalization 617-05-15-20
- Interlocutory Decree 617-05-15-25
- Interstate Compact on Adoption and Medical Assistance (ICAMA)
617-05-15-30
- IV-E 617-05-15-35
- LCPA or Licensed Child Placement Agency 617-05-15-40
- Legally Free 617-05-15-45
- Monthly Subsidy 617-05-15-50
- Medical/Dental Benefits 617-05-15-55
- Nonrecurring Adoption Expenses 617-05-15-60
- Placement Date 617-05-15-65
- Special Needs 617-05-15-70

Guidelines 617-05-20

- Eligibility Factors 617-05-20-05
- Final Determination for Eligibility 617-05-20-10
- Payments - Amounts and Conditions 617-05-20-15
- Reinstatement of Subsidy 617-05-20-20

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Annual Reviews 617-05-20-25
Termination of Payments 617-05-20-30
Role of Child-Placing Agency 617-05-20-35
Role of Adoptive Family 617-05-20-40
Role of the Adoption Subsidy Worker (County Social Service)
617-05-20-45
Role of Department of Human Services 617-05-20-50

Types of Subsidies and Benefits 617-05-25

Reimbursement of Nonrecurring Expenses 617-05-25-05
Monthly Subsidy 617-05-25-10
Medical and Dental Benefits 617-05-25-15
Title XX Services 617-05-25-20

Procedures 617-05-30

Philosophy of Negotiation 617-05-30-05
Determination of Amount of Nonrecurring Expenses 617-05-30-10
Determination of Amount of Monthly Subsidy 617-05-30-15
Determination of Medical and Dental Needs 617-05-30-20
Annual Review of Adoption Subsidy Agreement 617-05-30-25
Subsidy Recipients/Child Support Issues 617-05-30-30
Subsidy for Recipients over the Age of 18 617-05-30-35

Title IV-E Versus State Subsidized Adoption 617-05-35

General Statement 617-05-35-05
Medicaid 617-05-35-10
Administrative Review 617-05-35-15
Age Exception for State Subsidized Adoption 617-05-35-20
Exception Which Allows applications for State Subsidies After the
Adoption is Finalized 617-05-35-25

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Appeal Procedures 617-05-40

Retroactive Payments 617-05-45

Conflict of Interest 617-05-50

Case Record Set-Up 617-05-55

Transfer of Case Record 617-05-60

Record Retention 617-05-65

Forms 617-05-70

Subsidized Adoption Agreement, SFN 1803 617-05-70-05

Notice to the North Dakota Department of Human Services
Determination of Special Needs, SFN 1084 617-05-70-10

Title IV-E Adoption Subsidy Certification, SFN 854 617-05-70-15

Title IV-E Adoption Subsidy Eligibility Determination, SFN 855
617-05-70-20

Adoption Subsidy Agreement - Annual Review, SFN 856 617-05-70-25

Specialized Family Foster Care/Adoption Assistance Level of Care
Evaluation, SFN 1865 617-05-70-30

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Subsidized Adoption Policies and Procedures 617-05

Legal Reference 617-05-05

(Revised 11/15/06 ML #3031)

[View Archives](#)

North Dakota Century Code [§§ 50-09, 50-28](#), Public Law 96-272, Public Law 105-89, and Title IV-E of the Social Security Act.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Philosophy 617-05-10

(Revised 11/15/06 ML #3031)

[View Archives](#)

The intent of the adoption assistance program is to help secure support safe and permanent families for children with special needs. Adoption assistance is designed to provide adoptive families of any economic stratum with needed social services, medical services, and financial support to care for children considered difficult to place.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Definition of Terms 617-05-15

Date of Adoptive Placement 617-05-15-05

(Revised 11/15/06 ML #3031)

[View Archives](#)

The date the adopted child is placed, for the purposes of adoption, in the home. In most cases, the family and the placing agency sign an adoption placement agreement on this date.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Decree of Adoption 617-05-15-10

(Revised 11/15/06 ML #3031)

[View Archives](#)

A legal order of the court that finalizes an adoption.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Effective Date of Payment 617-05-15-15

(Revised 11/15/06 ML #3031)

[View Archives](#)

The date indicated on the [SFN 1803](#) form, Subsidized Adoption Agreement, signed by the authorized representative of the North Dakota Department of Human Services which denotes that payment may commence at the time of placement in the home, or thereafter if the application process occurs after placement, but before finalization of the adoption.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Finalization 617-05-15-20

(Revised 11/15/06 ML #3031)

[View Archives](#)

The final legal step in the adoption process: involves a court hearing during which the judge orders that the adoptive parents become the child's legal parents.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Interlocutory Decree 617-05-15-25

(Revised 11/15/06 ML #3031)

[View Archives](#)

A decree of adoption granted by the Court, which becomes a final decree after a period of time specified by the Court.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Interstate Compact on Adoption and Medical Assistance (ICAMA) 617-05-15-30

(Revised 11/15/06 ML #3031)

[View Archives](#)

An agreement between member states that governs the interstate delivery of payment for medical services and adoption assistance payments/subsidies for adopted children with special needs (The agreements are established by the laws of the states that are parties to the compact. The Child and Family Services Division of the N.D. Department of Human Services administers the ICAMA.).

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

IV-E 617-05-15-35

(Revised 11/15/06 ML #3031)

[View Archives](#)

IV-E is a federal funding source for foster care and adoption assistance. Title IV-E Adoption Assistance Program eligibility is determined pursuant to Subsidized Adoption Service Manual Chapter 447-10 and this manual.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

LCPA or Licensed Child Placement Agency 617-05-15-40 (Revised 11/15/06 ML #3031)

[View Archives](#)

As governed by N.D. Century Code [§ 50-12](#), those agencies licensed by the state to make foster or adoptive placements, but do not include county social service offices. For the purposes of adoption, these agencies are the only entities authorized by law to do adoption assessments (home studies) or to provide adoption services.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Legally Free 617-05-15-45

(Revised 11/15/06 ML #3031)

[View Archives](#)

A child whose birth parents' rights have been legally terminated so that the child is "free" to be adopted by relatives or another family.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Monthly Subsidy 617-05-15-50

(Revised 11/15/06 ML #3031)

[View Archives](#)

A supportive payment to adoptive parents to meet the ordinary and special needs of the adopted child.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Medical/Dental Benefits 617-05-15-55

(Revised 11/15/06 ML #3031)

[View Archives](#)

Medical and/or dental benefits provided under Title XIX (Medicaid) in accordance with the scope of Medicaid coverage of the Division of Medical Assistance, North Dakota Department of Human Services, or in accordance with the scope of Medicaid coverage of the state of adoptive child's physical residence.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Nonrecurring Adoption Expenses 617-05-15-60 (Revised 11/15/06 ML #3031)

[View Archives](#)

Reimbursement made to the adoptive family for nonrecurring (one-time) expenses incurred in connection with the adoption of a child with special needs (e.g. reasonable and necessary agency fees, court costs, fees for physical and psychological evaluations, travel expenses to visit the child prior to placement and to attend required training and attorney fees) to a maximum of \$2000/ child.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Placement Date 617-05-15-65

(Revised 11/15/06 ML #3031)

[View Archives](#)

The placement date is the date that an adoption placement agreement is signed by the prospective adoptive parent. This is generally the date the child comes to live with the adopting parents, or in the case of "foster adoption," the point at which the formal status of the placement changes to adoption.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Special Needs 617-05-15-70

(Revised 11/15/06 ML #3031)

[View Archives](#)

A child with special needs is any child in the custody of the North Dakota Department of Human Services, a county social service board, a North Dakota Indian tribe, or a licensed child-placing agency at the time of adoptive placement and has at least one of the following characteristics:

1. 7 years of age or older.
2. 0-18 years of age with a physical, emotional, or mental disability or has been diagnosed by a licensed physician to be a high risk for such a disability.
3. Member of a minority race.
4. Member of a sibling group being placed together for adoption.

A request for determination of special needs is made by completing the [SFN 1084](#) – Notice to NDDHS Determination of Special Needs and submitting to the Department along with required documentation. This request is generally made by the licensed child-placing agency that is providing adoption services to the child and family. The adoptions administrator at the NDDHS approves this form.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Guidelines 617-05-20

Eligibility Factors 617-05-20-05

(Revised 11/15/06 ML #3031)

[View Archives](#)

1. Subsidized adoption payments will be made to parents who adopt a North Dakota child with special needs. A child shall not be considered a child with special needs for adoption subsidy unless:
 - a. A determination has been made that he cannot or should not be returned to the home of his birth parents;
 - b. A determination has been made that a specific factor or condition exists with respect to the child because of which it is reasonable to conclude that such a child cannot be placed for adoption without providing a subsidy. The factors or conditions include age, (7 years or older), membership in a minority or sibling group, or the presence of factors such as potential high risk at birth (as diagnosed by a licensed physician), or physical, mental and emotional disabilities; and
 - c. A reasonable, but unsuccessful, effort has been made to place the special needs child without providing assistance except where it would be against the best interest of the child because of such factors as the existence of significant emotional ties with prospective adoptive parents who have cared for him as foster parents and now wish to adopt the child, as well as adoption by a relative.

2. Determinations of special needs for the purpose of adoption subsidy is made on [SFN 1084](#) and approved by the DHS Central Office Adoption Administrator.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Final Determination for Eligibility 617-05-20-10 (Revised 11/15/06 ML #3031)

[View Archives](#)

1. There must be a signed Subsidized Adoption Agreement, [SFN 1803](#).
2. Subsidized adoption payments are made with respect to an adoptive child who:
 - a. Has been determined to be eligible. Eligibility for IV-E subsidized adoption payments is determined through the completion of SFN 855. State funded subsidized adoption is appropriate for those special needs adoptive children who are not eligible for IV-E subsidized adoption.
 - b. Is legally free for adoptive placement; and
 - c. Is in the custody of a county social service board, a North Dakota Indian Tribe or the North Dakota Department of Human Services.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Payments - Amounts and Conditions 617-05-20-15

(Revised 11/15/06 ML #3031)

[View Archives](#)

1. Payments shall be made for reimbursement of nonrecurring adoption expenses incurred by or on behalf of adoptive parents in connection with the adoption of a child with special needs in amounts determined through the [SFN 1803](#), Subsidized Adoption Agreement, which indicates the nature and amount of expenses. Payment to providers is made directly by the adoptive parents, who may then claim reimbursement within two years of the date of the final decree. Total reimbursement for nonrecurring expenses may not exceed \$2,000.00 per child. The state of origin is responsible for the reimbursement of nonrecurring expenses if the child with special needs resides in another state.
2. Title XIX benefits must be provided for an eligible child.
3. Subsidized adoption monthly payments are made directly to the adoptive parents in amounts specified in the Agreement.
4. Payments may begin effective the date of adoptive placement in the home, if the agreement ([SFN 1803](#)) has been signed by the adoptive parent(s), a representative of the county, and the representative of the Department of Human Services, and is in effect prior to placement. The adoptive family may also make application after placement but before finalization of the placement.
5. The amount of such payment shall take into consideration the circumstances of the adopting parents and the special needs of the child being adopted. However, in determining eligibility for monthly subsidized adoption payments, Title XIX benefits, Title XX services and/or nonrecurring payments, there can be no income eligibility requirement (means test) for the adoptive parents.
6. Once the adoption assistance agreement is signed and payments are being made, the adoptive parents are free to make decisions about expenditures on behalf of the child without further agency approval or oversight.
7. Once a child has been determined eligible for adoption subsidy payment, the payment may not be reduced or changed without the

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

concurrence of the adoptive parents. Termination or suspension of payment may occur only as outlined in section [05-20-30](#) or in the agreement.

8. The adoptive family may appeal an agency decision to reduce, change or terminate subsidized adoption in accordance with the rules and procedures of the North Dakota Department of Human Services fair hearing and appeal process.
9. The monthly subsidy payment and payment of nonrecurring expenses will remain the responsibility of the state of origin should the adoptive family move to another state.
10. The Adoption Agreement and Conditions listed are binding on the parties of the agreement.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Reinstatement of Subsidy 617-05-20-20

(Revised 11/15/06 ML #3031)

[View Archives](#)

There will be times when the adoptive parents decide that they no longer need adoption subsidy payments or Medicaid to assist them in supporting their child. If at a later date, changes in the child's situation indicate that the adoption subsidy or Medicaid benefits should begin again, the adoptive parent may request the reinstatement of their subsidy. When this occurs the subsidy may be renegotiated and reinstated, if the appropriate state representative approves the request.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Annual Reviews 617-05-20-25

(Revised 11/15/06 ML #3031)

[View Archives](#)

Adoptive parents will be required to sign an Adoption Subsidy Annual Review form on a yearly basis. Changes in the subsidy payment can be renegotiated at this time, if the needs of the child or the circumstances of the family warrant a change in the amount of the payment. A monthly amount may not be reduced without the concurrence of the adoptive parent.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Termination of Payments 617-05-20-30 **(Revised 11/15/06 ML #3031)**

[View Archives](#)

1. Termination will occur in any of the following circumstances:
 - a. The child has attained the age of 18 or, age 21, if the Department of Human Services has determined that a child has a mental, emotional or physical disability that warrants the continuation of subsidized adoption. For state subsidized adoption, assistance may continue until age 21, if the child is in school. See section [05-35-20](#) for additional information.
 - b. The child's death.
 - c. The death of the parent(s) of the child (one in a single parent family, both in a two-parent family).
 - d. The parents are no longer legally responsible for the support of the child.
 - e. The child is no longer receiving support from the adoptive parents.
 - f. The adoptive parents request the termination of the agreement.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Role of Child-Placing Agency 617-05-20-35 (Revised 11/15/06 ML #3031)

[View Archives](#)

The role of the child –placing agency is to:

1. Compile a packet of information to support the adoptive families application for subsidy and forward to the county social service office in the adoptive parents county of residence when the family is ready to make application. This packet will include the adoption assessment (home study), termination of parental rights order, medical/ social history of birth parents, medical/ social history of the child that verifies the special needs of the child, copies of any [SFN 1865](#) – Specialized Family Foster Care/ Adoption Assistance Level of Care Evaluation Forms that have been completed on behalf of the child, copy of the child’s birth certificate, completed [SFN 1084](#) and any other information that would assist in the negotiation;
2. Request the county that made foster care payments to complete [SFN 854](#), attach required documentation detailed on the form and include in the subsidy packet;
3. Assist the adoptive family in obtaining required medical and/or dental reports from providers;
4. Submit with the subsidy packet, a statement concerning reasonable but unsuccessful efforts that were made to place the child without providing financial assistance (except where the child is being adopted by someone with whom they have a significant relationship, such as a foster parent or relative) or a statement regarding a preexisting significant relationship between the child and family;
5. Provide an evaluation of the needs of the child, at the request of the county negotiating the subsidy;
6. Review with the adoptive family their responsibilities to the child, within the scope of the adoption subsidy program;
7. Inform the adoptive family of the necessity for long-term planning for a child with special needs;
8. Provide the county social service adoption subsidy worker the date of adoptive placement for payment purposes, and submit copies of the petition to adopt and the decree of adoption for auditing purposes;

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

9. Inform the adoptive parents that they may receive reimbursement of nonrecurring expenses related to the adoption of a child with special needs, and include verification of those expenses with the subsidy packet;
10. Inform the adoptive family of their right to appeal an agency decision to reduce, change or terminate subsidized adoption in accordance with the rules and procedures of the North Dakota Department of Human Services fair hearing and appeal process; and
11. Participate in periodic reviews (Child and Family Team Meetings) concerning adoptive placements prior to finalization of the adoption (even if subsidized adoption payments are being made).

Role of Adoptive Family 617-05-20-40
(Revised 11/15/06 ML #3031)

[View Archives](#)

The role of the adoptive family is to:

1. In good faith, enter into negotiation with the county regarding the adoption subsidy request.
2. Fairly assess the ordinary and special needs of the child and the circumstances of their family prior to making a request for a specific amount of adoption assistance.
3. Inform the subsidy worker of circumstances that would make them ineligible for payments, or eligible for subsidy payments in a different amount;
4. Notify the subsidy worker of change of address;
5. Arrange for the subsidy worker to receive medical or dental reports concerning the adoptive child if such are indicated;
6. Notify the subsidy worker of the names and addresses of medical and dental providers if such is indicated; and
7. Provide the subsidy worker with mandated information as required under Title XIX regulations (e.g. Social Security numbers, new birth certificate, adoption decree, assignment of health insurance benefits).

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Role of the Adoption Subsidy Worker (County Social Service) 617-05-20-45

(Revised 11/15/06 ML #3031)

[View Archives](#)

Upon receipt of the adoption subsidy packet from the LCPA adoption specialist and within 15 days of receipt, the role of the adoption subsidy worker at the county social service office in the county where the family resides, or other designated county staff is to:

1. Complete [SFN 854](#), if not already in packet, or have it completed by the county that made the foster care payment;
2. Verify the amount the child receives in foster care payment, including any specialized payments due to the needs of the child (EMP payments), or child care paid for working parents;
3. Contact adoptive parents to initiate, review, and negotiate subsidy amount, if necessary.
4. Complete, or assist the family in completing, an [SFN 1865](#) - Specialized Family Foster Care/ Adoption Assistance Level of Care Evaluation Form, if necessary to assess the needs of the child;
5. Assist in completion of [SFN 1803](#) - Subsidized Adoption Agreement and obtain signature of adoptive parents and appropriate county representative.
6. To assure that appropriate verification is in the case file for auditing purposes; and
7. To submit, within 15 days of the receipt of the subsidy packet, the [SFN 1803](#) and supporting documents to the DHS Central Office Adoption Manager for final approval.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Role of Department of Human Services 617-05-20-50 (Revised 11/15/06 ML #3031)

[View Archives](#)

The role of the adoption administrator at the Department of Human Services or their designee is to:

1. Complete SFN 855 – Title IV-E Adoption Subsidy Eligibility Determination;
2. Review and take final action on the [SFN 1803](#), Subsidized Adoption Agreement within 15 days of receipt. Send copies of the agreement to those who are parties to the Agreement;
3. Initiate payment based on the terms of SFN 1803, Subsidized Adoption Agreement and upon notification of adoptive placement;
4. Provide technical assistance to the licensed child-placing agencies, human service centers and county social service boards regarding adoption assistance.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Types of Subsidies and Benefits 617-05-25

Reimbursement of Nonrecurring Expenses 617-05-25-05 (Revised 11/15/06 ML #3031)

[View Archives](#)

Reimbursement of nonrecurring expenses is a payment to adoptive parents for out-of-pocket costs for reasonable and necessary adoption fees associated with adoption of a child with special needs (e.g. reasonable and necessary agency fees, court costs, fees for physical and psychological evaluations, travel expenses to visit the child prior to placement and to attend required training and attorney fees) to a maximum of \$2000/ child.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Monthly Subsidy 617-05-25-10

(Revised 11/15/06 ML #3031)

[View Archives](#)

A monthly subsidy is an on-going payment that may not exceed the amount of foster care payment that would have been paid for that specific child if the child had been in a foster family home. The amount of such payment shall take into consideration the circumstances of the adopting parents and the special needs of the child being adopted. However, in determining eligibility for monthly-subsidized adoption payments, there can be no income eligibility requirement (means test) for the adoptive parents. The subsidy can be negotiated at a lower amount in accordance with the needs of the child.

When an adoptive family is requesting a monthly subsidy amount that exceeds a regular family foster care rate for the age of the child, the needs of the child shall be evaluated in order to negotiate the payment rate. This also applies to a child in therapeutic foster care, where the adopting parent is requesting a monthly amount that is more than a regular family foster care rate. The needs of the child may be evaluated using the [SFN 1865](#) – Family Foster Care/ Adoption Assistance Level of Care Evaluation Form. The family may also be asked to submit additional documentation as would assist in the negotiation, that details the specific needs of the child and the cost to meet those needs.

On behalf of a disabled child, and prior to the finalization of the adoptive placement, the adoptive family may choose to apply for either or both SSI and subsidized adoption. Concurrent receipts of benefits from both programs are not prohibited under Adoption Assistance regulations. SSI is however, a need-based program that is based in part on income and resources of the adoptive parents. This means that if parental resources and income exceed a maximum level, the special needs adoptive child is not eligible for benefits. Additionally, adoption subsidy benefits will be considered income to the child by SSI and should be reported to the Social Security Administration by the parent. New adoptive parents should be advised to alert the Social Security Administration as soon as their

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

adoption is finalized so that appropriate consideration is taken of family income in determining the amount of any SSI payment. If SSI payment continues, the Social Security Administration may make a later determination of overpayment when adoptive parent income is considered.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Medical and Dental Benefits 617-05-25-15

(Revised 11/15/06 ML #3031)

[View Archives](#)

Medical and dental benefits are provided to the child -with special needs who is deemed to be eligible to receive Subsidized Adoption benefits.

State Subsidized Adoption. Medical benefits are available to adopted children in accordance with the scope of Medicaid coverage of the Division of Medical Services, North Dakota Department of Human Services or by the resident state of the parents if the state is a member of the Interstate Compact on Adoption and Medical Assistance (ICAMA) and offers reciprocity to other states' state funded subsidy recipients. If the latter is the case, DHS will inform the resident state of the child's eligibility for MA in the resident state through the procedures of the ICAMA. If the resident state does not offer reciprocity, the sub adopt state (North Dakota for a ND child for whom there is a subsidized adoption agreement) will maintain ND Medicaid coverage for the child, in accordance with it's scope of services. The adoptive parents are responsible to locate providers in the resident state that will accept ND Medicaid for payment.

IV-E Subsidized Adoption. Medical benefits are available to the adopted child in accordance with the scope of Medicaid coverage of the state in which the child resides. The Department of Human Services will make the resident state aware of the child's eligibility for Medicaid in the resident state through the procedures of the Interstate Compact on Adoption and Medical Assistance (ICAMA). If the state of physical residence does not provide for treatment of a specific disabling condition, the sub adopt state (North Dakota for a ND child for whom there is a subsidized adoption agreement) will be responsible for payment if the treatment is specified in the subsidy agreement.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Title XX Services 617-05-25-20

(Revised 11/15/06 ML #3031)

[View Archives](#)

Title XX services shall be available to the adoptive child and parents in accordance with the provision of benefits of the state in which the child resides. These services may include post-adoption services provided at the request of the adoptive family.

Procedures 617-05-30

Philosophy of Negotiation 617-05-30-05

(Revised 11/15/06 ML #3031)

[View Archives](#)

The goal of negotiation for adoption assistance is to come to an agreement on the amount of the monthly adoption assistance payment and to identify the types of services the family will need to maintain the permanency of the adoption. Unlike the foster care program, adoptive parents are primarily responsible for the child's support. As such, services provided through the adoption assistance program are designed to supplement the resources of the adoptive family. As the child's needs and the family's circumstances change, flexibility in reevaluating the levels and types of assistance which may be required should be an integral part of the program to ensure the ongoing needs of the child are met and to promote the stability of the adoption. Negotiation should take into consideration the needs of the child and the circumstances of the family.

In addition to an agreement regarding an amount of a monthly subsidy payment, the negotiation process is an opportunity to:

- Engage the parent(s) in discussing and understanding the needs of the child.
- Identify and prepare families for the behaviors that can be expected when a child transitions from foster care to adoption.
- Explain the potential impact of adoption on the development of the child and the family.
- Identify appropriate community resources and supports.
- Connect parents with community resources and supports.
- Provide parents with another opportunity to ask questions and raise concerns.
- Enhance the agency's relationship with the adoptive parents.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Determination of Amount of Nonrecurring Expenses 617-05-30-10

(Revised 11/15/06 ML #3031)

[View Archives](#)

For reimbursement purposes, the family shall provide the child-placing agency with the itemized receipts of nonrecurring adoption fees to be included in the Subsidized Adoption Agreement ([SFN 1803](#)). The Agreement for these expenses may be a separate document or a part of an Agreement for on-going payments. These one-time expenses may include attorney fees, court costs, cost associated with physical and psychological exams required for the adoption assessment, travel, meals and lodging related to pre placement visits with the child, travel for group preparation, or any cost directly related to the finalization of the adoptive placement of the child with special needs. The Agreement must indicate the nature and amount of the nonrecurring expenses. The total of the nonrecurring fees may not exceed \$2,000.00.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Determination of Amount of Monthly Subsidy 617-05-30-15

(Revised 11/15/06 ML #3031)

[View Archives](#)

The adoption subsidy worker (or other county representative so designated by the county) and the adoptive parents shall discuss the child's special needs, and negotiate the amount of the monthly subsidy required to meet these needs. The LCPA adoption specialist may assist the county and the family, if requested, in this process. This assistance may be particularly helpful when the child is being placed for adoption into a county other than the county that provided the foster care payment (and therefore the county negotiating the subsidy does not have first hand knowledge of the needs of the child).

The negotiated amount shall be included in the Subsidized Agreement, and may not exceed the amount the child would have received if s/he had been in a foster family home. The amount may include the amount of any EMP (excess maintenance payment) level of payment made (or that would be made) on behalf of a child who has special needs (as assessed on [SFN 1865](#) or other assessment). The monthly payment may also include an amount for childcare for working parents if this was paid for while the child was in foster care or would have been paid for if the child was in foster care. An amount for child care should be time limited on the agreement to a period for which child care may reasonably be expected to be incurred on behalf of the child.

A monthly payment may be deferred if agreed upon by the adoptive family and the county. In that case, a \$0 amount shall be entered on the [SFN 1803](#). Payment for nonrecurring expenses may be made and Medicaid offered for a family who defers the monthly subsidy. A monthly amount may be negotiated at any point the child's needs warrant reconsideration.

Rate changes to family foster care rates are not automatically given to adoption subsidy recipients. Requests for increases in subsidy due to an

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

increase in foster care rates may be considered on a case-by-case basis since subsidy rates are to be negotiated with the specific child's needs in mind.

The amount of such payment shall take into consideration the circumstances of the adopting parents and the special needs of the child being adopted. However, in determining eligibility for monthly-subsidized adoption payments, Title XIX benefits, Title XX services and/or nonrecurring payments, there can be no income eligibility requirement (means test) for the adoptive parents.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Determination of Medical and Dental Needs 617-05-30-20 (Revised 11/15/06 ML #3031)

[View Archives](#)

If the adopted child has a physical, emotional or mental disability, the child-placing agency shall secure a current report from the appropriate provider. The report shall accompany the subsidy packet submitted to the county adoption subsidy worker. Any child with special needs who has been found to be eligible for subsidized adoption is automatically eligible for Medicaid.

If the child will reside out of state and the new resident state does not cover a medical condition previously detailed in an adoption subsidy agreement under its scope of services, North Dakota must provide for that need through the monthly subsidy amount, provided that the service has been detailed in the subsidy agreement.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Annual Review of Adoption Subsidy Agreement 617-05-30-25

(Revised 11/15/06 ML #3031)

[View Archives](#)

The adoption subsidy agreement shall be reviewed annually. The county adoption subsidy worker, prior to the annual recertification date noted on the previous years award letter, shall initiate the [SFN 856](#). The county shall verify that there have been no changes for the family that would warrant a discontinuance of the subsidy (the parents are no longer legally responsible for the child, the child is no longer receiving support from the parent, etc.). Private health insurance information should be reviewed and accurately reflected on the SFN 856, so that an assignment of benefits can be obtained for utilization of such benefits. Annual review materials shall be forwarded to the Central Office prior to the annual recertification date noted on the previous year's award letter.

Should the needs of the child or the circumstances of the family change, the subsidy amount may be renegotiated at the time of the annual review or at any time the family requests a renegotiated amount. The adoption subsidy worker shall request the parent to detail, in writing, the reason for the request and specific information that documents the need for an increased subsidy amount. If the parent is requesting an amount that exceeds the regular foster care rate for the child's age, the adoption subsidy worker shall document the special needs of the child that warrant the higher amount. The special needs of the child may be documented on the [SFN 1865](#) – Specialized Family Foster care/ Adoption Assistance Level of Care Evaluation form. The negotiated amount cannot exceed what the child would receive if the child were in foster care on that date, including any difficulty of care amount as determined through completion of the SFN 1865. The subsidy amount cannot be reduced or discontinued without the concurrence of the adoptive parent, except where the reasons for termination ([05-20-30](#)) apply.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Subsidy Recipients/Child Support Issues 617-05-30-30 (Revised 11/15/06 ML #3031)

[View Archives](#)

Occasionally, a child who is receiving North Dakota adoption assistance benefits is placed in out of home care (i.e. family foster care, group care or a residential facility) for treatment. Adoptive families with children in out of home care may be, or become, subject to a child support enforcement obligation and the amount of their obligation may differ from the monthly subsidy amount.

After consultation with the DHS Child Support Enforcement Program and review of applicable federal and state regulation and policy, the Department's guidance in these situations is as follows:

- Adoptive parents are eligible to continue to receive adoption subsidy payments while their children are in out of home care, because they remain legally responsible to support the child, as long as they can document that they are continuing to provide financial support to the child. Financial support can include a child support obligation, payments for therapy, tuition, clothing, maintenance of special equipment in the home, or services for the child's special needs. The county administering the subsidy may request the family provide documentation that they are providing financial support for the child in out of home care. If the family is unable to document their financial support of the child, the county may request the subsidy payment be suspended. Such a decision would be subject to a fair hearing, should the family request a hearing.
- The amount of adoption assistance can be adjusted periodically, if the family or child's circumstances change, but only with the concurrence of the parent(s). A child's placement in out of home care and subsequent support obligation would constitute a change in circumstance, as would the child's return to home. Adjustments to the monthly subsidy amount may be time limited, in individual cases, with the concurrence of the parent, depending on the needs of the child and the circumstances of the family.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

- If a child's subsidy amount exceeds the family's financial expenses for the child while in out of home care, the county may, with the concurrence of the family, reduce the subsidy for the period of time that the child is in care. Adjustments however, should not be made until any applicable child support obligation has been determined.
- If the family's child support obligation exceeds the amount of the subsidy and the family is requesting an increase to meet the obligation, the county may increase the amount of the subsidy for the period of time that the child is in care and the family is subject to the child support obligation. In this case, the specific time frame agreed to should be reflected in the [SFN 856](#) – Adoption Subsidy Agreement – Annual Review.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Subsidy for Recipients over the Age of 18 617-05-30-35 (Revised 11/15/06 ML #3031)

[View Archives](#)

In order to receive sub-adopt payments and/or Medicaid related to the subsidy after reaching age 18, the adopted individual must be residing in the parental home or in school and supported by the parent receiving the subsidy.

If the child is over the age of 18 and a recipient of a federally funded adoption subsidy, documentation of a continuing physical mental or emotional disability must be obtained to continue IV-E funding. To continue state funded subsidy beyond age 18, the agency must determine that the adopted child is a student regularly attending a secondary, postsecondary, or vocational school in pursuance of a course of study leading to a diploma, degree or gainful employment. Documentation of school attendance must be obtained and a recommendation for continued subsidy must be made to the Central Office.

The county shall continue to provide documentation as to school attendance as long as the subsidy is to continue. Authorization for payment will only be made for periods of school attendance that is verified.

Title IV-E Versus State Subsidized Adoption 617-05-35

General Statement 617-05-35-05

(Revised 11/15/06 ML #3031)

[View Archives](#)

There are certain policies that apply only to children who are entitled to State subsidized adoption, or to children who are entitled to IV-E subsidized adoption. Each of these policies is discussed below.

For the child to be eligible for IV-E Adoption Assistance, the child must have: 1) a relationship to the former AFDC program, or 2) be eligible for the Supplemental Security Income program (SSI), or 3) have been eligible for Title IV-E adoption assistance in a prior adoption, or 4) be a child of a minor parent in foster care who received increased title IV-E maintenance payment to cover the cost of the child's care. See Economic Assistance Subsidized Adoption Eligibility manual, Service 447, Chapter 05 for more detail.

IV-E adoption assistance may continue until the child reaches the age of twenty-one if the child has a documented physical, mental or emotional disability that continues beyond age 18. Verification of the disability must be obtained and kept in the file.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Medicaid 617-05-35-10

(Revised 11/15/06 ML #3031)

[View Archives](#)

All children eligible for subsidized adoption are entitled to Medicaid. If the child, who was found eligible for IV-E subsidized adoption, moves out-of-state, he is entitled to medical and dental services in accordance with the scope of Medicaid coverage of the state in which he resides.

Children who are eligible for State subsidized adoption are entitled to Medicaid in accordance with the scope of Medicaid coverage of the Division of Medical Assistance, North Dakota Department of Human Services or the scope of the Medicaid coverage of the state in which he resides. The latter will apply if the new resident state is a state that offers reciprocity to other states' state funded subsidized adoption recipients.

For a child residing out of state, the DHS Central Office ICAMA specialist will notify the new resident state of the child's eligibility to receive Medicaid in the resident state.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Administrative Review 617-05-35-15

(Revised 11/15/06 ML #3031)

[View Archives](#)

The Title IV-E Subsidized Adoption Eligibility Determination Form (SFN 855) is to be used to determine if the child is entitled to IV-E funds and is completed during the final review by the DHS central office.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Age Exception for State Subsidized Adoption 617-05-35-20

(Revised 11/15/06 ML #3031)

[View Archives](#)

State subsidies may be continued until the child reaches twenty-one years of age, if the agency determines that the adoptive child is a student regularly attending a secondary, postsecondary, or vocational school in pursuance of a course of study leading to a diploma, degree, or gainful employment.

**Exception Which Allows applications for State Subsidies
After the Adoption is Finalized 617-05-35-25**

(Revised 11/15/06 ML #3031)

[View Archives](#)

In some instances, an adopted child may have a congenital, genetic, or predisposed condition, which may not be evident or diagnosed at the time the adoption is finalized, and subsequently the family is faced with exorbitant costs for treatment or care. In these **limited** situations, consideration under the state program standards may be given to waiving the regulation which provides that the application be completed before finalization.

In this type of adoption assistance only, the adoptive parent's income and resources may be considered both in determining the child's eligibility for and the amount of the adoption subsidy payment.

The North Dakota licensed child placement agency that facilitated the adoption may assist the family in making application for a subsidy exception as discussed in this section. Documentation must be provided as discussed below.

The need for a subsidy exception may be determined and application may be taken when the following requirements are met:

1. Application is taken on behalf of an adopted child whose adoption has been finalized.
2. The child's congenital, genetic, or predisposed condition is diagnosed by qualified diagnosticians appropriate to the child's condition. Qualified diagnosticians could include medical specialists such as a geneticist, neurologist, urologist, cardiologist (or others); and for mental health specialists such as a child psychiatrist, child psychologist and may include documentation from other supporting qualified professional specialists who provide care for the child's specific condition.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

3. In cases of predisposed conditions that there is a social history of birth parents indicating that the child may be susceptible or inclined to a mental, physical, or emotional disability that manifests after the adoption. Documentation of birth parent medical/ social history must be included.
4. The congenital, genetic, or predisposed condition will require long-term treatment that will entail exorbitant costs to the specific family situation. This may be documented through a listing of the expenses incurred or expected to be incurred as compared to the family's income and assets.
5. Eligibility for other financial resources must be ruled out. Appropriate resources to explore include (but are not limited to) Supplemental Social Security benefits and the family's medical insurance coverage. Community programs and resources must also be explored and availability or non-availability of financial resources must be documented. Documentation of other resources applied for and denied must be received.
6. The child may be found eligible for payment beginning with the date the application is signed by the adoptive parents.
7. Cases for review under this exception may be scrutinized by qualified professionals (in addition to the Division of Children and Family Services staff) who may provide expert recommendations regarding eligibility or necessary additional documentation.
8. This exception does not apply to all children adopted who after their adoption experience problems, but applies in the limited circumstances outline above. Review of the application and determination of eligibility will be at the discretion of the Department of Human Services and the decision of the Department may not be appealed. Payments may only be made retroactive to the date the adoptive parents signed the Subsidy Agreement.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Appeal Procedures 617-05-40 **(Revised 11/15/06 ML #3031)**

[View Archives](#)

Adoptive parents may appeal an agency's decision to reduce, change or terminate subsidized adoption or where they feel they have been wrongly denied a subsidy, in accordance with rules and procedures of the North Dakota Department of Human Services fair hearing and appeal process. Adoptive parent appealing an agency's decision must do so within 30 days of the decision and must submit their request in writing. Inquiries may be sent to the Appeal Supervisor, North Dakota Department of Human Services.

In situations where the adoptive parents apply for a subsidy after the adoption is finalized, the review of the application and determination of eligibility will be at the discretion of the Department of Human Services. The decision of the Department may not be appealed.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Retroactive Payments 617-05-45

(Revised 11/15/06 ML #3031)

[View Archives](#)

In the event that an adoptive parent is successful in an appeal of an agency's decision, and the child meets the eligibility requirements for adoption assistance, payments may be made retroactive to the date of the adoptive parents' appeal of the decision.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Conflict of Interest 617-05-50

(Revised 11/15/06 ML #3031)

[View Archives](#)

A conflict of interest may arise for a county in managing a specific adoption assistance case, i.e. the adoptive parent is a county employee. In this event, the county director may request a nearby county manage the adoption assistance case for the resident county of the adoptive parent.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Case Record Set-Up 617-05-55

(Revised 11/15/06 ML #3031)

[View Archives](#)

Two adoption case records will be maintained - one by the adoption subsidy worker, the other at the state office (this record will be imaged when the adoption is finalized and kept permanently). The case record maintained by the adoption subsidy worker (at the county):

- Adoption Assistance Agreement - [SFN 1803](#)
- Adoption Subsidy packet sent by the LCPA to the county
- Summary regarding any negotiation of payment amount
- Title IV-E Adoption Subsidy Certification- [SFN 854](#)
- Eligibility determination worksheet - SFN 855
- Adoption Subsidy Agreement - Annual Review - [SFN 856](#)
- Award letters
- Correspondence with the adoptive family
- Social study updates until finalization/not required after finalization
- Notices regarding recertifications
- Recertification approval letters
- Copy of Notice to the NDDHS Determination of Special Needs - [SFN 1084](#) and accompanying documentation
- Documentation of non-recurring expenses claimed on SFN 1803
- Documentation of child's IV-E eligibility or non-eligibility at the time of the initial removal from the home ([SFN 869](#)), and copy of the initial removal order used for IV-E
- Copies of Termination of Parental Rights, Final Decree of Adoption

The record at the state office will contain:

- Notice of Placement - [SFN 939](#)
- Notice to the NDDHS Determination of Special Needs - SFN 1084
- Pre-placement study/home study
- Social History of birth parents and child
- Termination of Parental Rights
- Psychological/medical information

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

- Adoption Assistance Agreement - SFN 1803
- Documentation of child's IV-E eligibility or non-eligibility
- Title IV-E Adoption Subsidy Certification- SFN 854
- Eligibility determination worksheet - SFN 855
- Adoption Subsidy Agreement - Annual Review - SFN 856
- Award letters
- Legal documents including Petition for Adoption
- Final Decree

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Transfer of Case Record 617-05-60

(Revised 11/15/06 ML #3031)

[View Archives](#)

When an adoptive family moves to another county within the state of North Dakota, the case record and responsibility for payment and Medicaid will be transferred to the new county of residence. Thereafter the new resident county will initiate the annual review process. The DHS – Central Office shall be informed of the family's new address and Resident County.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Record Retention 617-05-65

(Revised 11/15/06 ML #3031)

[View Archives](#)

Adoption assistance files at the state office are kept permanently and are imaged after case closure for permanent record retention. Retention of adoption subsidy files at the county are to follow county record retention policy, except that if initial foster care IV-E eligibility information and initial subsidy negotiation/approval information is kept separate from the on-going subsidy file, the initial file must be kept for the same time period as the on-going file.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Forms 617-05-70

Subsidized Adoption Agreement, SFN 1803 617-05-70-05 (Revised 11/15/06 ML #3031)

[View Archives](#)

This form is available electronically via E-Forms.

Subsidized Adoption Agreement, [SFN 1803](#)

1. The agreement form shall be completed according to the instructions on the back of the form. It is essential that the child's social security number and the adoptive family's health insurance coverage (if the child will be added to the policy) and policy number be identified on the agreement form so that an assignment of benefits can be obtained for utilization of such benefits.
2. The SFN 1803 is completed by the adoption subsidy worker in collaboration with the family after the county has received the subsidy packet from the LCPA adoption specialist and has been notified that the family is ready to proceed with subsidy negotiation.
3. The adoption subsidy worker shall review, sign and forward the Agreement (both pages) and documents to the Department of Human Services for final approval and designation of approved benefits.
4. The effective date of payment is the date indicated on the Subsidized Adoption Agreement by the Department of Human Services, or the date indicated on the Agreement form to become effective the date the child is placed in the adoptive home.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Notice to the North Dakota Department of Human Services Determination of Special Needs, SFN 1084 617-05-70-10

(Revised 11/15/06 ML #3031)

[View Archives](#)

This form is available electronically via E-Forms.

[SFN 1084](#) determines whether the child meets the federal and state criteria for special needs for the purposes of adoption assistance. This form is completed by the licensed child placing agency adoption specialist and approved by the adoptions administrator at DHS. A copy of this form will be contained in the subsidy packet forwarded to the county.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Title IV-E Adoption Subsidy Certification, SFN 854 617-05-70-15

(Revised 11/15/06 ML #3031)

[View Archives](#)

This form is available electronically via E-Forms.

[SFN 854](#) asks a series of questions related to the child's IV-E eligibility in foster care and is completed by the foster care county eligibility worker. It is forwarded to the adoption assistance county, along with required documentation.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Title IV-E Adoption Subsidy Eligibility Determination, SFN 855 617-05-70-20

(Revised 11/15/06 ML #3031)

[View Archives](#)

Since this form is used exclusively by the state office, it is not available on E-forms.

SFN 855 is a final review of IV-E eligibility and completed by the state office during the final review of the subsidy agreement and supporting documentation.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Adoption Subsidy Agreement - Annual Review, SFN 856 617-05-70-25

(Revised 11/15/06 ML #3031)

[View Archives](#)

This form is available electronically via E-Forms.

This is the form that is completed for the annual review of adoption assistance and is a legal agreement between the adoptive parent, county and state.

Subsidized Adoption Policies and Procedures

Division 20
Program 600

Service 617
Chapter 05

Specialized Family Foster Care/Adoption Assistance Level of Care Evaluation, SFN 1865 617-05-70-30

(Revised 11/15/06 ML #3031)

[View Archives](#)

This form is available electronically via E-Forms.

[SFN 1865](#) is used to evaluate a child's physical and behavioral needs and associate a level of payment for the purposes of foster care and adoption assistance. For adoption assistance, this form is used whenever a parent is requesting an amount that is larger than the regular foster care rate for the child's age. This form may be used for initial negotiation or for subsequent negotiations when an increase is requested.