

# MISSISSIPPI DIVISION OF MEDICAID

## Eligibility Policy and Procedures Manual

### **200.07.14 FOSTER CARE AND ADOPTION ASSISTANCE**

#### **Foster Care**

An individual (adult or child) is considered to be in foster care when:

- A public or private nonprofit agency places the individual under a specific placement program; and
- The placement is in a home or facility which is licensed or otherwise approved by the state to provide care; and
- The placing agency retains responsibility for continuing supervision of the need for such placement and the care provided.

A foster care payment is a payment made to the foster care provider for meeting the needs of the individual in care. An agency may make an additional payment to the foster care provider, which is not intended to support the individual in care, for the provider's own use. While these two payments may be combined and termed "foster care" payment by the issuing agency, only the part that is intended to meet the needs of the individual in care is the foster care payment. Treatment of foster care payments depends on the funding source of the payment, the purpose of the payment and whether the Medicaid recipient is the provider or beneficiary of the care.

#### **Adoption Assistance**

Adoption assistance programs provide payments and/or services for the child for whom unassisted adoption is unlikely because of age, ethnic background, disability, etc. The income of the adoptive parent, the adopted child or both may be considered in determining the payment. Usually adoption assistance will be formalized by a written agreement between the adopting parents and the agency involved. Adoption assistance may be provided by public or private agencies and may be based on need.

### **200.07.14A FOSTER CARE PAYMENTS UNDER TITLE IV-E**

Title IV-E foster care payments are income based on need (IBON) to the individual in care. This income is not subject to the \$50/\$20 general income exclusion. Amounts paid to the provider in excess of the foster care payment, e.g., incentive or service payments, which are not intended to support the child, and are in addition to the foster care payment are counted as income to the provider.

**NOTE:** Payments made under Section 477 of Title IV-E, Independent Living Initiatives, are cash assistance from a governmental social services program and do not count as income.

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**200.07.14B ADOPTION ASSISTANCE UNDER TITLE IV-E**

Adoption assistance provided by states under Title IV-E involves federal funds and is needs based. Under IV-E, there is no income test for the adopting parents, but the children must be those who are, or could be, eligible for AFDC or SSI prior to adoption. Therefore, there is an income test for children who receive IV-E adoption assistance. Concurrent receipt of IV-E adoption assistance and SSI is permissible.

Adoption assistance cash payments made to adoptive parents under Title IV-E are federally-funded income based on need (IBON) to the adopted child. This income is not subject to the \$50/\$20 general income exclusion. The total payment is considered cash income to the adopted child and is counted dollar for dollar. Social services may be provided to the adoptive parents under Title IV-E, but they are not counted as income.

**200.07.14C OTHER TYPES OF ASSISTANCE**

The following chart lists other types of foster care and adoption assistance and their treatment.

INCOME	TYPE	TREATMENT
Foster Care Payments Under Title IV-B or Title XX	Not Income	Payments are social services.
Adoption Assistance through Title IV-B or Title XX	Not Income	Payments are social services.
Other Foster Care Payments	Unearned	These payments are subject to general policy pertaining to income and income exclusions.
Other Adoption Assistance Payments	Unearned	These payments are subject to general policy pertaining to income and income exclusions and may be income to the parent of child depending on the type of assistance.