

Summary of the Foster Care Independence Act of 1999

Congress Approves Independent Living Program Expansion

The Foster Care Independence Act of 1999 (P.L. 106-169) was enacted into law in December of 1999. The bill includes a new requirement regarding state services to Indian youth.

The primary purpose of the Foster Care Independence Act of 1999 is to reform and expand the Independent Living program. Under this new legislation, named in honor of the late Senator John H. Chafee, the federal allotment for Title IV-E independent living programs has doubled from \$70 million per year to \$140 million (although currently only appropriated at \$105 million). This program is authorized under Title IV-E of the Social Security Act and is designed to help children in foster care prepare to become independent once they transition out of foster care at age 18.

The National Foster Care Awareness Project (NFCAP) has just published Frequently Asked Questions About the Foster Care Independence Act of 1999 and the John H. Chafee Foster Care Independence Program, a fairly exhaustive list of questions and answers about the new law. The Act substantially changes the landscape of the federally funded independent living programs that states may now offer young people transitioning from foster care into adulthood. The new legislation offers the most important catalyst in over 10 years for states and communities to develop sustained advocacy on behalf of youth in foster care transitioning into adulthood. The Act provides a broad framework for reforming services and systems to more effectively meet the needs of young people, broadens the scope of "independent living" by eliminating the minimum age of 16 and expands supports to young people until age 21, promotes broader engagement of stakeholders in the planning of state program and the coordination of existing programs and resources, and strengthens the outcome focus for policies and practices. We encourage you to share the FAQs booklet with others in your state.

Key provisions of the Act include:

- States have flexible funding to provide those children who are identified as likely to remain in foster care until age 18 with a plan and services to: (a) receive the education, training and services necessary to obtain employment; (b) prepare for post-secondary education; and (c) to be mentored.
- The minimum eligibility age of 16, as adopted in the Independent Living Initiative of 1986, has been removed.
- All states are now eligible for a minimum of \$500,000 but states must provide a 20% match for the entire amount.
- States must use a portion of these funds for olderyouths who have left foster care but who have not reached age 21. States also may use up to 30% of their Independent Living Program funds for room and board for these youths ages 18 to 21 who have left foster care. States are given the option of extending Medicaid to youths 18 to 21 who have left foster care.
- The asset limit under which youths in foster care remain eligible for Aid to Families with Dependent Children (AFDC) and thereby maintain eligibility for Title IV-E Foster Care Assistance increases from \$1,000 to \$10,000.
- Independent living activities are not to be seen as an alternative to adoption for children, and can occur concurrently with efforts to find adoptive families for these children.
- Requires HHS, in consultation with federal, state, and local officials, advocates, youth service providers, and researchers to develop outcome measures to assess state performance. Outcomes include educational attainment, employment, avoidance of dependency, homelessness, non-marital childbirth, high-risk behaviors, and incarceration. HHS must report to Congress and propose state accountability procedures and penalties

for non-compliance.

- States must seek wide private and public sector input into the development of their 5 year IL plan, and interested public members must have at least 30 days to comment on the plan.
- Each Indian Tribe in the state shall be consulted about the state's IL programs and the programs must be equally as available for Indian children in the state as they are for other children in the state.
- States must attempt to coordinate their IL programs with other state and federally funded programs for youth (especially JJDPAs transitional living funds) and with abstinence education programs, local housing programs, programs for disabled youth (especially sheltered youth workshops), and school-to-work programs offered through high schools or local workforce agencies.
- All political subdivisions of the state must be served and must serve children of various ages and stages of completing independence.
- Adolescents participating in IL programs shall directly participate in the design of their own program activities.
- The public and private sectors must both be involved in the plan to assist youth in achieving independence.
- States are required to use Title IV-E training funds to train adoptive and foster parents, workers in group homes, and case managers to help them address the issues confronting adolescents preparing for independent living.
- Authorize additional funds for adoption incentive payments to states that increase the number of children adopted from foster care.

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Foster Care Independence Act of 1999 - **Title I: Improved Independent Living Program - Subtitle A: Improved Independent Living Program** - Amends title IV part E (Foster Care and Adoption Assistance) of the Social Security Act (SSA) to revise the program of grants to States for independent living programs providing education, training, employment services, and financial support for individuals between ages 16 and 18 leaving foster care for independent living. Requires the Secretary of Health and Human Services to: (1) develop outcome measures to assess State performance in operating such programs; (2) identify data elements needed to track such performance, services, and the individuals served; and (3) develop and implement a plan to collect such data.

(Sec. 101) Authorizes appropriations.

Expresses the sense of Congress that States should provide medical assistance under the State plan approved under (SSA) title XIX (Medicaid) to 18-, 19-, and 20-year-olds who have been emancipated from foster care.

Subtitle B: Related Foster Care Provision - Increases the amount of assets allowable for children in foster care.

(Sec. 112) Mandates that State plans for foster care and adoption assistance include a certification that before foster care placement the prospective parents will be adequately prepared to provide for the needs of the child, and that such preparation will continue, as necessary, after placement of the child.

Subtitle C: Medicaid Amendments - Amends SSA title XIX (Medicaid) to authorize a State to limit the eligibility of independent foster care adolescents to individuals for whom foster care maintenance payments or independent living services were furnished under the Improved Independent Living Program.

(Sec. 121) Sets forth contingency provisions for coordination of this Act with the Ticket to Work and Work Incentives Improvement Act of 1999.

Subtitle D: Adoption Incentive Payments - Instructs the Secretary of Health and Human Services to make supplemental grants to adoption incentive-eligible States. Increases the appropriations authorized for FY 1999 through 2003.

Title II: SSI Fraud Prevention - Subtitle A: Fraud Prevention and Related Provisions - Amends SSA title II (Old Age, Survivors, and Disability Insurance) (OASDI) and title XVI (Supplemental Security Income) (SSI) to subject a representative payee to liability for overpayments made after the death of the individual on whose behalf the payments were made. Instructs the Commissioner of Social Security (the Commissioner) to establish an overpayment control record under the social security account number of the representative payee.

(Sec. 202) Provides for recovery of overpayments of SSI benefits from lump sum SSI benefit payments.

(Sec. 203) Authorizes the Commissioner to employ certain statutory debt collection practices to collect delinquent accounts.

(Sec. 204) Requires (currently, merely authorizes) States to provide State prisoner information to Federal and federally assisted benefit programs.

(Sec. 205) Sets forth a statutory mechanism for the treatment of assets held in trust for an individual in connection with eligibility for SSI benefits.

(Sec. 206) Revamps guidelines governing eligibility criteria in connection with disposal of resources for less than fair market value under the SSI program.

(Sec. 207) Prescribes administrative procedures for: (1) imposing penalties for false or misleading statements; and (2) excluding representatives and health care providers convicted of violations from participation in social security programs.

(Sec. 210) Directs the Commissioner to: (1) study and report to certain congressional committees on possible measures to improve fraud prevention and administrative processing; (2) include in the annual budget an itemization of the amount of funds required to support efforts to combat fraud committed by applicants and beneficiaries; and (3) conduct periodic computer matches with Medicare and Medicaid institutionalization data.

(Sec. 213) Authorizes the Commissioner to require applicants or beneficiaries to authorize access to information held by their financial institutions in order to ascertain benefits eligibility.

Subtitle B: Benefits for Certain World War II Veterans - Amends the Social Security Act to add a new title VIII (Special Benefits for Certain World War II Veterans) to provide monthly benefits for each month certain qualified World War II veterans reside outside the United States. Delineates procedural guidelines. Authorizes appropriations.

Subtitle C: Study - Directs the Commissioner to: (1) study and report to certain congressional committees on the reasons why family farmers with resources of less than \$100,000 are denied SSI benefits, including whether the deeming process unduly burdens and discriminates against family farmers who do not institutionalize a disabled

dependent; and (2) determine the number of such farmers who have been denied such benefits during each of the preceding ten years.

Title III: Child Support - Cites circumstances under which the State share of distribution of collected child support shall be increased by statutory formula. Repeals the current statutory formula.

Title IV: Technical Corrections - Sets forth technical corrections relating to amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.