

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Children, Families, and Elder Affairs Committee

BILL: SPB 7088

INTRODUCER: For Consideration by Children, Families, and Elder Affairs Committee

SUBJECT: Department of Children and Family Services

DATE: February 12, 2007

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Goltry	Jameson		Pre-meeting
2.				
3.				
4.				
5.				
6.				

I. Summary:

Proposed Senate Bill 7088 modifies provisions relating to adoption of special needs children to make Florida law consistent with Title IV-E of the Social Security Act, which is required for the state to receive federal funds. The proposed bill also eliminates requirements that food stamp recipients cooperate with the child support enforcement program and allows waiver of Medicaid overpayments that are the result of error by the Department of Children and Family Services (DCF or “the department”).

This bill substantially amends s. 110.152, s. 409.166, s. 409.2572, and s.414.32, F.S., and repeals s. 414.41, F.S.

II. Present Situation:

Section 409.166, F.S., describes the subsidized adoption program for special needs children. This program provides financial aid to prospective adoptive parents to enable them to adopt children in foster care who, because of their special needs, have proven difficult to place in permanent homes. For the purpose of this program a “special needs child” is a child in the permanent custody of the department or a licensed child placing agency and who:

1. Has established significant emotional ties with his or her foster parents; or
2. Is not likely to be adopted because he or she is:
 - a. Eight years of age or older;
 - b. Mentally retarded;
 - c. Physically or emotionally handicapped;
 - d. Of black or racially mixed parentage; or

- e. A member of a sibling group of any age provided two or more members of a sibling group remain together for purposes of adoption.¹

Families who adopt these children are eligible for financial assistance, including maintenance adoption subsidies. The primary source of funding for maintenance adoption subsidies is Title IV-E, Section 473 of the Social Security Act. Currently, adoptive parents must file a sworn statement with the department at least once a year including any changes in their social or financial condition in order to continue to receive a subsidy.²

Section 110.153, F.S., provides a one-time monetary benefit to state employees who adopt a special needs child or child in the custody of DCF. Employees who adopt a special needs child receive a \$10,000 one-time benefit paid over one year or \$5,000 paid over one year if they adopt a foster child.

Section 414.32, F.S., requires food stamp recipients who are custodial parents, caretaker relatives, or non-custodial parents of children under age 18 to cooperate with the Child Support Enforcement (CSE) agency. This section further provides that a putative or noncustodial parent of a child under age 18 is also ineligible for food stamps if the parent fails to cooperate with the CSE agency in establishing paternity or fails to pay child support. The exception to both of these requirements is if the state agency that administers the CSE program determines that the parent has good cause for refusing to cooperate. According to DCF, the majority (93.5 percent) of children in single or no parent households receiving food stamps also receive Medicaid and their parents or caretakers are subject to the CSE cooperation requirements of that program. Those who are not Medicaid recipients can access child support enforcement services directly from the Department of Revenue. According to DCF, as of October 2006, this policy has been responsible for approximately 2 percent of the department's food stamp error rate. The error rate increases the potential for federal financial penalties for failure to achieve food stamp quality control targets for payment accuracy.

The Department of Children and Families determines eligibility for public assistance programs including food stamps, temporary cash assistance, and Medicaid. Section 414.41, F.S., requires the department to pursue repayment of all public assistance benefits paid in error, including those errors created by the department. The department collected a total of \$654,321 from cases that were a result of a DCF error in FY 2005-2006. This amount represents 0.002 percent of the Agency for Health Care Administration's Medicaid service budget. For every dollar in administrative cost spent in the recovery process 43 cents is collected. Because this process costs more than it recovers, the department recommends that it be discontinued.

III. Effect of Proposed Changes:

The proposed bill amends language in s. 409.166, F.S., to conform Florida law with requirements in federal law related to Title IV-E funding for maintenance adoption subsidies. These changes are necessary to ensure compliance with federal Title IV-E, which reimburses the state for the care and maintenance of children in foster care as well as maintenance adoption subsidies. It

¹ s. 409.166(2)(a), F.S.

² s. 409.166(5), F.S.

defines “adoption assistance” to include financial assistance, medical assistance, reimbursement of legal expenses associated with the adoption. It also includes in the definition, tuition exemption at postsecondary career programs, community colleges, or state universities and state employee adoption benefits. The bill clarifies the definition of a “maintenance” subsidy as a monthly payment that is an element of adoption assistance, and corrects references to these terms throughout this section. The bill also requires that as a condition of receiving adoption assistance, adoptive parents must enter into an agreement with the department that specifies the financial assistance and services that will be provided to them.

The proposed bill eliminates the requirement that recipients of food stamps cooperate with the state agency that administers the child support enforcement program. The proposed change will allow the department to exercise a federal option to remove the requirement that food stamp recipients must cooperate with the child support enforcement program as a condition of eligibility. The bill also allows DCF to waive the requirement that the department pursue recovery of Medicaid payments from recipients for errors caused by the department.

The bill takes effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

According to DCF, because food stamp benefits are 100 percent federally funded there will be no increased costs to the state if this option is adopted and this change will help streamline the application process under Florida’s initiative to modernize the delivery of services.

The department reports that the collection of Medicaid overpayments costs more than it is recovering; therefore eliminating this requirement should result in net savings.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

VIII. Summary of Amendments:

None.

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