SYNTHESIS OF FINDINGS

Subsidized Guardianship
Child Welfare Waiver Demonstrations

2011
This synthesis report was prepared under the direction of Liliana Hernandez, Children’s Bureau, Administration for Children and Families, by James Bell Associates, Inc. (JBA) under Contract GS10F0204K, Delivery Order HHSP2332004000126U. The Project Director for this contract is Elyse Kaye and the Deputy Project Director is Elliott Graham, Ph.D. Leslie Cohen, M.A., served as a consultant to JBA in the development of this report.

This report is based on findings from evaluation reports submitted by several States that received title IV-E waivers to implement subsidized guardianship demonstrations, including Illinois, Iowa, Minnesota, Montana, Oregon, Tennessee, and Wisconsin. Any conclusions noted in this report reflect the JBA project team’s interpretations of the States’ findings and do not necessarily reflect the viewpoints of the participating States or of the Federal Government.

In addition to reviewing and synthesizing information from States’ evaluations of their title IV-E waiver demonstrations, the JBA project team provides ongoing technical assistance to the States regarding the design and implementation of their evaluations and advises the Children’s Bureau on evaluation issues related to the waivers. For further information on technical assistance, contact the Federal Project Officer at the following address:

Liliana Hernandez, MSW, MPP
Program Specialist
Children’s Bureau, Division of Program Implementation
Administration for Children and Families
U.S. Department of Health and Human Services
1250 Maryland Ave., SW - 8th Floor
Washington, DC 20024
Phone: 202-205-8086
liliana.hernandez@acf.hhs.gov

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Synthesis of Findings from States with Subsidized Guardianship Waiver Demonstrations

Executive Summary

The authority under section 1130 of the Social Security Act (the Act) to conduct child welfare demonstration projects involving the waiver of certain requirements of titles IV-B and IV-E of the Act began in 1994 with the passage of Public Law 103–432 and was later expanded in 1997 through the Adoption and Safe Families Act. Conceived of as a strategy for generating new knowledge about innovative and effective child welfare practices, waivers grant States flexibility in the use of Federal funds for alternative services and supports that promote safety, permanence, and well-being for children in the child protection and foster care systems. Eleven States have implemented subsidized guardianship (SG) waiver demonstrations since the authorization of the waiver authority in 1996: Delaware, Illinois, Iowa, Maryland, Minnesota, Montana, New Mexico, North Carolina, Oregon, Tennessee, and Wisconsin. These demonstrations afforded States an opportunity to explore the extent to which the availability of SG provides a cost-effective permanency alternative that increases exits from foster care among children for whom adoption or reunification are not viable permanency options. Through the demonstrations States may use title IV-E funds to pay subsidies to caregivers who assume physical and legal custody of children in their care.

States considered several factors in determining eligibility for SG, including the caregiver’s relationship with the child and licensing status, the child’s age and IV-E eligibility, whether adoption and reunification had been ruled out, the child’s length of time with a caregiver, and overall length of time in care. While there were many common eligibility criteria across the States, other criteria varied depending on a State’s child welfare laws, policies, and professional culture. In addition, the demonstrations varied with respect to key program characteristics such as subsidy amounts, post-permanency services, and eligibility for independent living and transition services for older youth who exit foster care to permanency. Almost all States offered SG subsidies equal to the child’s monthly foster care or adoption payment. All States provided some array of post-guardianship services that were similar to post-adoption services, such as individual and family counseling, parenting skills training, mental health and medical assessments, referrals to community resources, and crisis intervention services. Illinois, Iowa, Montana, Tennessee, and Wisconsin received permission to use Chafee Foster Care Independence Program funds and Education and Training Vouchers for older children (usually between 14 and 16 years old) who exited to SG.

Key Outcome Findings

Permanency Rates: Several States—including Illinois, Minnesota, Tennessee, and Wisconsin—demonstrated significant boosts in net permanency rates ranging from 6.6 percent in Illinois to 18 percent in Wisconsin for children randomly assigned to an experimental group over those assigned to a control group. Increased rates were not found for Iowa’s demonstration or Illinois’ waiver extension due in part to various implementation problems and inadequate knowledge of SG.
Supplanting of Reunification and Adoption: Findings from Illinois, Minnesota, Tennessee, and Wisconsin suggest that reunification rates were not significantly impacted by the availability of SG. Evidence regarding the supplanting of adoptions is less definitive; for example, findings from Illinois and Tennessee estimated that many children who exited to SG would have been adopted over time had SG not been available. However, a substitution effect was not detected in Wisconsin, where statistically equal percentages of children in the experimental and control groups exited to adoption.

Placement Duration: Evidence from Illinois, Minnesota, Oregon, Tennessee, and Wisconsin suggests that the availability of SG decreased length of time in out-of-home placement, with reductions ranging from 269 days during Illinois’s original SG demonstration to 80 days in Tennessee. No statistically significant changes in placement duration were associated with Iowa’s demonstration or with Illinois’ waiver extension.

Maltreatment Recurrence: Findings from Illinois, Iowa, Minnesota, Oregon, and Wisconsin suggest that children placed with guardians are at least as safe as or safer from repeat maltreatment than children in other permanent settings, particularly reunification.

Placement Stability: Data from Iowa, Tennessee, and Wisconsin indicate that children with access to SG experience comparable rates of placement stability (i.e., number of placement changes) as children in other placement arrangements. Illinois and Tennessee’s demonstrations suggest that stability may be more closely tied to the nature and quality of a child’s relationship to the caregiver than to the legal status of that relationship. For example, children living in the homes of relatives in Tennessee were two to three times more stable than children living with non-biological kin.

Foster Care Re-Entry: Illinois, Iowa, Oregon, Tennessee, and Wisconsin reported no significant differences in the proportion of experimental and control group children that re-entered foster care after exiting to permanency. Reasons commonly reported for guardianship dissolutions include changes in the financial circumstances of the family, the death or incapacitation of the caregiver, inappropriate behavior by the guardian or another adult living in the home, unruly/dangerous behavior by the child, and inadequate material or case management support from the child welfare agency.

Child Well-Being: Findings from Illinois, Minnesota, Montana, Oregon, and Wisconsin suggest that children in SG arrangements fare as well or better than children in foster care or other permanent settings with respect to factors such as school performance and engagement in risky behaviors.

Factors Affecting the Offer, Acceptance, and Exits to Guardianship

States have varied in the extent to which they have extended SG offers to the caregivers of eligible children, while caregivers themselves differ widely in their responses to these offers. The percentage of caregivers offered SG ranged from 60 percent in Wisconsin to 82 percent in
Oregon. The percent of caregivers accepting an SG offer ranged from 33 percent in Illinois to 63 percent in Tennessee. Factors affecting the offer and acceptance of SG are discussed below.

**Permanency Discussions:** Although all States’ practice guidelines require a caregiver’s involvement in the permanency planning process, there is considerable variability in the consistency with which this occurs. In Tennessee, 83 percent of surveyed caregivers indicated that they were involved in on-going permanency discussions with case managers and licensing staff, while that number reached 96 percent in Wisconsin and only 68.2 percent in Illinois.

**Caseworker Attitudes about Guardianship:** In some instances caseworkers expressed reluctance to offer SG due to deep-seated professional beliefs regarding the preferability of adoption. However, workers in several States reported that SG is a positive alternative because it provides emotional and physical stability for children while avoiding termination of parental rights, maintains ongoing contact and/or the potential for reunification with a birth parent, and respects the values and preferences of certain ethnic/cultural groups.

**Caregiver and Youth Attitudes about Subsidized Guardianship and Permanency:** Illinois, Minnesota, and Oregon reported that caregiver and youths’ permanency preferences were one of the most powerful variables affecting whether SG was pursued. Caregivers were more likely to accept SG when it was perceived as not conflicting with deeply rooted beliefs about child-rearing and the definition of family. The advantages of SG mentioned most frequently by youth include shedding the social stigma of foster care, an enhanced sense of stability, and more freedom to engage in normal childhood activities (e.g., sports, summer camp). However, in some States (e.g., Illinois and Oregon) some youth reported not wanting SG because they felt they were too old and wanted to focus on preparing for independent living.

**Attitudes of Judges and Other Key Stakeholders:** Montana, Oregon, Tennessee, and Wisconsin reported that courts and key stakeholders (e.g., guardians ad litem) supported SG because it provides an alternative to adoption when TPR is not possible or in the best interests of the child, and because it maintains existing family relationships. Concerns about SG focused on child safety and its less legally binding nature compared to adoption.

**Caregiver and Youth Needs and Characteristics:** Findings from Illinois, Iowa, Minnesota, Oregon, Tennessee, and Wisconsin indicate that the child’s behavior, age, and existing family ties impact the offer and acceptance of SG. For example, caseworkers in Iowa did not offer SG to 14 percent of experimental group children because they regarded the child’s behavior as too unstable. In Illinois, Iowa, and Oregon, large numbers of workers reported that they did not propose SG because the child was close to aging out of the foster care system.

**Interpretation of Adoption Rule-Out:** Although almost all States had an adoption “rule-out” provision (i.e., a requirement that adoption be ruled out as a permanency option), there was significant variation across States in the interpretation of the rule out. Many differences centered on whether adoption should be ruled out prior to any discussion of SG or whether all permanency options should be presented concurrently. Vague decision-making guidelines (only Illinois had concrete rule-out criteria) often left workers with significant discretion in deciding whether and when adoption was to be excluded as a permanency option.
Subsidy Amounts and Access to Services: A perceived or actual loss of services and subsidies often deterred both the offer and acceptance of SG. For example, among caregivers who had chosen to adopt or assume permanent legal custody in Minnesota, 64.5 percent reported that the subsidy and service component was “essential”, “very important”, or “played a role” in their decision. Findings from Iowa and Oregon, along with earlier findings from Maryland, similarly suggest that smaller subsidies or the loss of services are deterrents to the pursuit of SG.

Training and Information Dissemination: Lack of knowledge and confusion among caseworkers regarding SG eligibility criteria and procedures impacted the pursuit of SG. For example, case managers in Iowa reported difficulties with comparing the features and benefits of SG with other permanency options. In addition, judges, attorneys, and juvenile court workers often did not receive SG training, which could have promoted more buy-in and wider usage.

Cost Analysis

Most States realized cost savings as a result of their SG demonstrations, primarily through reduced lengths of stay in foster care and subsequent reductions in administrative expenses. For example, administrative costs associated with SG were only $49.38 per child in Illinois compared with $1,842.36 per child in foster care. Tennessee estimated that it would have spent more than $1 million more in combined foster care maintenance and administrative overhead in the absence of an SG waiver.

Lessons Learned and Policy Implications

The preponderance of evidence suggests that the availability of SG increases the number of children who exit foster care to permanent homes, maintains child safety, and saves money through reductions in out-of-home placement days and subsequent decreases in the administrative costs associated with supervising foster care cases. These findings contributed to the enactment of the title IV-E Guardianship Assistance Program (GAP) option under the Fostering Connections to Success and Increasing Adoptions Act of 2008. States that are weighing whether to participate in the title IV-E GAP may wish to consider several important lessons learned from the SG demonstrations, including the importance of clear and consistent guidelines regarding adoption rule-outs; financial subsidies and supports (e.g., Medicaid eligibility after age 18, day care subsidies) similar to those available to children who are adopted or age out of foster care; buy-in from key stakeholders (especially front-line workers and the courts) through close and early collaboration and coherent messaging regarding the benefits of guardianship; and a robust training program that covers key procedural details such as eligibility criteria, adoption rule-outs, and when and how to integrate guardianship into permanency discussions with families.
History and Legislative Context of Title IV-E Waivers

The story of child welfare waiver demonstrations began in 1994 when Congress passed Public Law 103–432, which introduced the concept of waiving certain requirements of titles IV-B and IV-E of the Social Security Act (the Act) to facilitate States undertaking demonstration projects. Conceived of as a strategy for generating new knowledge about innovative and effective child welfare practices, waivers give States flexibility in the use of Federal funds for alternative services and supports that promote safety and permanency for children in the child protection and foster care systems. The 1994 law originally authorized the U.S. Department of Health and Human Services (HHS) to approve a one-time total of 10 child welfare waiver demonstrations; in 1997, passage of the Adoption and Safe Families Act (ASFA) expanded the authority of the HHS Secretary to approve up to 10 new waiver demonstrations each year. Through the waivers, States may spend Federal funds in ways not normally allowed under current Federal laws and regulations to support the development of innovative child welfare practices that improve service delivery and enhance the achievement of national child welfare priorities. Legislative authority to authorize new waiver demonstrations expired in March 2006.

Federal child welfare waivers primarily affect the use of funds under title IV-E Foster Care Maintenance Program. Available on an unlimited entitlement basis, title IV-E reimburses States for a portion of foster care maintenance expenses paid on behalf of eligible children and related administrative costs. Among the requirements for eligibility is that children must be removed from a family that would have qualified for the former AFDC\(^1\) grant under guidelines in effect in July 1996. Through the waiver legislation, States may apply to use title IV-E funds for services other than foster care maintenance payments that protect children from abuse and neglect, preserve families, and promote permanency. In addition, States with waivers may expend title IV-E funds on non-IV-E eligible children.

When implementing a waiver demonstration, States must comply with all other provisions of title IV-E, including requirements regarding safeguards for children placed in out-of-home care, permanency hearings for children in State custody, and the inclusion of certain information in children’s case plans. In addition, waiver demonstrations must remain cost neutral to the Federal government (i.e., States cannot receive more in title IV-E reimbursement than they would have received in the absence of the waiver) and they must undergo a rigorous evaluation conducted by a third-party evaluator to assess their efficacy and to identify potential areas for improvement.

Although HHS typically approves waivers for up to five years, they may continue at the discretion of the HHS Secretary through short-term extensions of varying lengths or through long-term extensions of an additional five years. Since 1996, 23 States have implemented one or more waiver demonstrations in the following service categories:

- Subsidized guardianship/kinship care;
- Capped IV-E allocations and flexible funding to States and local child welfare agencies;
- Managed care payment systems;
- Services for caregivers with substance use disorders;

\(^1\)Aid to Families with Dependent Children, the predecessor to the current Federal Temporary Assistance to Needy Families (TANF) program.
Intensive service options;
Enhanced training for child welfare staff;
Adoption services; and
Tribal administration of IV-E funds.

Eleven States have implemented subsidized guardianship (SG) waiver demonstrations since the authorization of the waiver authority in 1996: Delaware, Illinois, Iowa, Maryland, Minnesota, Montana, New Mexico, North Carolina, Oregon, Tennessee, and Wisconsin. This paper focuses specifically on key findings from the seven more recent SG demonstrations implemented in Illinois, Iowa, Minnesota, Montana, Oregon, Tennessee, and Wisconsin, and explores key factors affecting project implementation and observed outcomes that may be significant to States considering the new Federal Guardianship Assistance Program (GAP).² Major data sources for this synthesis include interim and final evaluation reports from the above-mentioned States.

Subsidized Guardianship Waiver Demonstrations

The SG demonstrations afforded States an opportunity to explore the extent to which the availability of SG provided a cost effective permanency alternative that increased exits from foster care among children for whom adoption or reunification were not viable permanency options. In two States—North Carolina and Oregon—SG was one component of a larger flexible funding waiver demonstration. Delaware, Maryland, and New Mexico’s demonstrations ended on time following the end of their initial five-year waiver periods. North Carolina completed the first five years of its demonstration and operated under a long-term extension which the State terminated early. Illinois completed its initial five-year demonstration followed by a five-year waiver extension. Oregon also completed its initial five-year demonstration along with one long-term extension; the State’s request for an additional five-year extension does not include an SG component, as the State has now been approved to participate in the title IV-E GAP. Tennessee terminated its demonstration early in order to opt into the GAP, while Montana also opted into GAP after completing its original five-year waiver followed by a series of short-term extensions through December of 2008. Wisconsin has been granted a short-term extension of its waiver through July 2011 to afford the State more time to make necessary legislative and budgetary changes to accommodate the GAP. Iowa terminated its waiver early in September 2010 and is considering the possibility of opting into the GAP.

Among the demonstrations, Minnesota’s project was strictly speaking not a subsidized guardianship program but rather one that offered a “single benefit” to the caregiver of a child who exits foster care to either permanent physical and legal custody (i.e., guardianship) or adoption. The single benefit subsidy was equal to the child’s existing monthly foster care maintenance payment. In general, Minnesota’s subsidy levels for adoption and legal custody are substantially lower than the subsidies available to the caregivers of children in foster care. Minnesota completed its demonstration as scheduled on September 30, 2010 and like Iowa is considering the possibility of opting into the GAP.

² The Guardianship Assistance Program (GAP) is a federally supported guardianship option for States that was made available through the Fostering Connections to Success and Increasing Adoptions Act of 2008. The GAP and the 2008 Federal legislation will be discussed in more detail towards the end of this paper.
The popularity of SG waivers is reflective of burgeoning national interest among child welfare professionals, advocates, and judges in the use of private guardianship as an alternative permanency option for some children in foster care, particularly those placed with relatives who cannot be safely reunified with their birth parents and who cannot or do not wish to be adopted. For a child in foster care, private guardianship means that legal custody has been transferred from a public caregiver (the State) to a private caregiver (a relative or non-relative caregiver) who is given legal authority over the care, control, and supervision of the child. For the guardian and the child this means that there is reduced legal and administrative oversight and intrusion by the child welfare system, and increased decision-making authority for the caregiver regarding the educational, medical, and other needs of the child. In addition, guardianships do not require the termination of the birth parent(s)’ legal rights as parents although they do entail some diminishment of those rights. Although caregivers have typically been able to seek guardianship of related children placed in their care through the court system, caregivers in most States who become guardians do not receive monetary supports or services that equal what they would receive on the child’s behalf if he or she were to remain in the foster care system. Consequently, although a recognized permanency alternative under Federal law, guardianship is not an economically viable option for many families.³ Through the IV-E waiver demonstrations States were able to transfer legal responsibility of the child to his/her caregiver and provide the caregiver with federally reimbursable subsidies.

Despite States’ interest in the concept of a Federal guardianship subsidy, some child welfare professionals, advocates, and judges have voiced concerns about SG as a permanency option. Some of these concerns include the perception that guardianship is less safe and stable than adoption; that children in guardianship would not fare as well as adopted children in well-being domains such as psychological health and school achievement; and that the availability of guardianship would have a negative impact on the number of children exiting foster care to the “preferred” options of reunification and adoption. In addition, some stakeholders expressed concerns about higher costs for State child welfare agencies as a result of increased numbers of families entering the child welfare system for the express purpose of taking advantage of the guardianship option, and of children exiting to guardianship with a subsidy who otherwise would have returned home without financial support. The validity of these and other reservations expressed about SG are explored later in this paper.

Eligibility Criteria for Subsidized Guardianship Demonstrations

In negotiating the Terms and Conditions (T&Cs) governing an SG waiver with the Federal government, participating States had to clearly define the population that would be eligible to participate in the demonstration. While there were some common eligibility factors among the participating States, specific criteria varied in response to each State’s child welfare laws and

³ Guardianship was first recognized under Federal law as a case plan goal in the Adoption Assistance and Child Welfare Act of 1980. Guardianship was also recognized as a permanency alternative in the ASFA. Federal ASFA regulations define a legal guardianship as a judicially created relationship between a child and caretaker which is intended to be permanent and self-sustaining as evidenced by the transfer to the caretaker of parental rights with respect to the child’s protection, education, care, control of the person, custody of the person, and decision-making (45C.F.R. 1355.20(a)).
policies, as well as the philosophy and professional culture of its child welfare agency. Table 1 on the following page summarizes the major characteristics of all SG waiver demonstrations ever implemented, including key program features and eligibility requirements for both children and caregivers.

**Caregiver Relationship and Licensing Status**

Although guardianship was often conceived of as a permanency alternative for relative caregivers, all seven States opened their guardianship demonstrations to both relatives and non-relative caregivers. Four States—Minnesota, Montana, Tennessee, and Wisconsin—limited receipt of guardianship subsidies to licensed or otherwise approved foster care providers, whether relatives or non-relatives. Illinois, Iowa, and Oregon required licensure for non-related caregivers but did not impose licensing requirements for relative caregivers. Iowa had no specific licensure requirement for either relatives or non-relatives, although children had to have been in the care of a licensed foster care provider for 6 out of the 12 previous months and in the continuous care of the prospective guardian for 6 months (an exception to this 6-month requirement was possible if the prospective guardian was a relative and had an existing and demonstrated close bond with the child).

**Child Age**

Three States—Minnesota, Tennessee, and Wisconsin—had no restrictions on the ages of children that were eligible to participate in their waiver demonstrations. Because guardianship was often viewed as a permanency option especially suited to meet the needs of children living with related caregivers, Illinois (standard program), Iowa, and Oregon limited the participation of non-relative caregivers to those caring for older children (generally those aged 12 and higher); no age requirements were applied to children living with relative caregivers. Similarly, Montana initially restricted participation to children 12 and older in all placement settings regardless of relationship, although the State later eliminated this age requirement. Interest among these States in limiting the participation of older children to those in non-relative homes also reflected a belief that adoption is the preferred permanency option for younger children. Later demonstrations in some States (Illinois, Iowa, Tennessee) included features designed to make SG a more attractive option for older children. For example, the five-year extension of Illinois’ SG demonstration created an “enhanced program” that made the same independent living services available to youth who are adopted or age out of foster care accessible to children aged 14 and older who exited foster care through guardianship. Enhanced services for older youth will be discussed in more detail below.

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4 The age requirement in Illinois could be waived at the discretion of the Illinois Department of Children and Family Services.
5 During its long-term (Phase II) waiver extension Illinois continued its “standard” SG demonstration, which remained open to children of all ages placed with relatives and to children aged 12 and older placed with non-relatives.
Table 1: Key Features of Subsidized Guardianship Demonstrations

<table>
<thead>
<tr>
<th>State Name and Completion/Termination Date</th>
<th>Special Program Features and Services</th>
<th>Payment Amount</th>
<th>Eligibility Requirements</th>
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</thead>
<tbody>
<tr>
<td>Delaware (12/31/02)</td>
<td>▪ Case management, child health care, mental health care, and other post-permanency services.</td>
<td>Equal to monthly foster care payment</td>
<td>1 year</td>
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<td>Illinois Standard Program (Phase I: 12/31/03) (Phase II 10/31/09)</td>
<td>▪ Preliminary screenings and counseling; payment of one-time court costs and legal fees; periodic casework assistance; emergency stabilization; and other special services (e.g., physical therapy). ▪ Youth enrolled in “enhanced program” eligible for independent living and transitional services funded through Chafee Foster Care Independence Program (CFCIP).</td>
<td>Equal to monthly adoption assistance payment</td>
<td>Originally 2 years; changed to 1 year in 7/01</td>
</tr>
<tr>
<td>Iowa (9/1/10)</td>
<td>▪ One-time payment for costs and legal fees associated with establishing the guardianship. ▪ Children 16+ eligible for education and training vouchers (ETVs) funded through CFCIP.</td>
<td>Equal to monthly foster care maintenance payment</td>
<td>6 months</td>
</tr>
</tbody>
</table>

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6 “Kin” may include other persons related to a child by blood, marriage, or adoption, or a non-related individual who is an important family friend or with whom the child has resided or has had significant contact (e.g., a foster caregiver).
<table>
<thead>
<tr>
<th>State Name and Completion/ Termination Date</th>
<th>Special Program Features and Services</th>
<th>Payment Amount</th>
<th>Length of Time with Prospective Guardian</th>
<th>Child Age</th>
<th>Caregiver Relationship</th>
<th>Child’s IV-E Eligibility</th>
<th>Caregiver Licensing Status</th>
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<tr>
<td>Maryland (9/30/04)</td>
<td>▪ Individual and family counseling, parent training, medical support, and mental health assessments.</td>
<td>$300 monthly subsidy (&lt; foster care subsidy but &gt; TANF child-only payment)</td>
<td>6 months</td>
<td>All ages</td>
<td>Relatives or kin only</td>
<td>IV-E and non-IV-E</td>
<td>Licensed and unlicensed</td>
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<td>Minnesota (9/30/10)</td>
<td>▪ Offers a “single benefit”, i.e., an identical financial subsidy to caregivers who adopt or assume permanent legal custody (guardianship) of a child in their care.</td>
<td>Equal to child’s existing monthly foster care payment</td>
<td>6 months</td>
<td>All ages</td>
<td>Relatives, kin, and non-relatives</td>
<td>IV-E only</td>
<td>Licensed foster care providers only</td>
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<td>Montana (12/31/08)</td>
<td>▪ Targets children in both State and Tribal custody. ▪ Families may access social and mental health services typically available to adoptive families.</td>
<td>$10 less than monthly foster care payment</td>
<td>6 months</td>
<td>Originally 12+; age requirement eliminated in year 3.</td>
<td>Relatives, kin, and non-relatives</td>
<td>IV-E only</td>
<td>Licensed foster care providers only</td>
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<td>New Mexico (12/31/05)</td>
<td>▪ Two separate components: (1) Native American children in Tribal custody; and (2) children in State custody.</td>
<td>Equal to monthly adoption assistance payment</td>
<td>No minimum</td>
<td>All ages</td>
<td>Relatives, kin, and non-relatives</td>
<td>IV-E only</td>
<td>Licensed foster care providers only</td>
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<tr>
<td>North Carolina (Phase I: 6/30/04)</td>
<td>▪ No additional services specified.</td>
<td>Originally less than monthly foster care payment; increased 10/02 to equal foster care payment</td>
<td>6 months</td>
<td>All ages</td>
<td>Relatives and non-relatives</td>
<td>IV-E and non-IV-E</td>
<td>Licensed and unlicensed (relatives only)</td>
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<tr>
<td>(Phase II: 2/28/08)</td>
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| **Oregon** *(Phase I: 3/31/04) (Phase II: 12/31/10)* | ▪ One-time payment for costs and legal fees associated with establishing guardianship.  
▪ Access to same post-permanency services as adoptive families. | Equal to basic monthly foster care rate | Length of Time with Prospective Guardian: 6 months  
Child Age: All ages if placed with relative; 12+ if placed with non-relative | Caregiver Relationship: Relatives, kin, and non-relatives  
Child’s IV-E Eligibility: IV-E only | Caregiver Licensing Status: Licensed and unlicensed (relatives only) |
| **Tennessee** *(3/31/09)* | ▪ Pre- and post-permanency services including information and referral, family advocacy, children’s activity groups, respite care, and recreational activities.  
▪ Up to $1,000 to cover legal fees and other non-recurring costs to finalize guardianship.  
▪ Children ages 15+ eligible for education and training vouchers funded through CFCIP. | Equal to the State’s base monthly foster care subsidy | Length of Time with Prospective Guardian: 6 months  
Child Age: All ages | Caregiver Relationship: Relatives and non-relatives  
Child’s IV-E Eligibility: IV-E and non-IV-E | Caregiver Licensing Status: Licensed foster care providers only |
| **Wisconsin** *(9/30/10)* | ▪ Referrals to community services and access to post-guardianship resource centers.  
▪ Children 15+ eligible for ETVs, room and board, and other transitional services funded through CFCIP. | Equal to the child’s monthly foster care maintenance payment | Length of Time with Prospective Guardian: 12 consecutive mos. in foster care; required time in placement with prospective guardian at CWS agency discretion  
Child Age: All ages | Caregiver Relationship: Relatives and kin  
Child’s IV-E Eligibility: IV-E and non-IV-E | Caregiver Licensing Status: Licensed foster care providers only |
Child’s Title IV-E Eligibility

Although the Federal government only reimbursed States for title IV-E eligible children, Illinois, Iowa, Tennessee, and Wisconsin opened their guardianship demonstrations to both IV-E-eligible and non-IV-E-eligible children; in contrast, Minnesota, Montana, and Oregon restricted their demonstrations to IV-E eligible children. States that opted to extend the program to non-IV-E eligible children did so because they believed it would increase the total number of children exiting to permanent homes and would be less costly in the long run due to decreases in the administrative costs associated with supervising children in traditional foster care.

Reunification Rule-Out and Discussion of Adoption and SG

Typically when a child is removed from the home of his or her family of origin, Federal and State laws require reasonable efforts to reunite the family as soon as it is feasible and safe to do so. In an effort to ensure that children and their families were afforded reasonable opportunities for reunification, the T&Cs of all seven States required that reunification be determined unattainable before pursuing guardianship. States varied to some extent in their casework processes for discussing adoption and SG with families, i.e., whether they presented these permanency alternatives concurrently or ruled out adoption before presenting the option of guardianship.

Length of Time in Foster Care

Some States established requirements regarding length of time in care to ensure that adequate opportunities were given to work toward reunification, and to provide children with services and supports that might enhance the likelihood of reunification. Time-in-care requirements varied widely across the States, although they generally ranged between 6 and 12 months. Illinois and Iowa required children to have resided in foster care for at least 12 consecutive months before becoming eligible for SG, while Iowa required that a child be in licensed foster care for any 6 out of the past 12 months. In Tennessee, the requirement was 9 out of the previous 12 months in care. Finally, Wisconsin required that children be in foster care for 9 consecutive months while Oregon required more than 12 months in continuous out-of-home placement.

Length of Time with Caregiver

In an effort to ensure the stability of the placement and the caregiver’s preparedness to become a guardian, some States established minimum lengths of time that a child had to reside with a prospective guardian before becoming eligible for SG. Illinois stipulated a requirement of one full year with a single caregiver as the minimum threshold for participation, whereas Minnesota, Montana, Oregon, and Tennessee set the length of stay with a single caregiver at six consecutive months. Iowa and Wisconsin had no requirement for a minimum length of time with the prospective guardian.
Programmatic Features of Subsidized Guardianship Demonstrations

Although all SG demonstrations were similar in that they provided financial support to guardians for children who were previously in foster care, the demonstrations varied somewhat with respect to key program characteristics, including the specific amount of the guardianship subsidy, post-permanency services, and eligibility for independent living and transition services for older youth who exit foster care to permanency. These features of States’ SG programs are explored in more detail below.

Payment Amount

Families that assume legal guardianship often cannot do so without financial assistance to support additional children in their care. Five States—Iowa, Minnesota, Oregon, Tennessee, and Wisconsin—offered subsidies that were equal to each State’s monthly foster care or adoption assistance payment, while Montana’s subsidy for children exiting the system was $10 less than the foster care payment. For both licensed foster parents and non-licensed relative caregivers, Illinois offered a subsidy for children exiting to either guardianship or adoption that was equal to the payment the child would have received if he or she had been in licensed foster care, regardless of whether the caregiver was a licensed foster care provider. Maryland (one of the earlier waiver States that is not a focus of this paper) took a decidedly different approach by offering a guardianship subsidy that was less than the standard maintenance payment for licensed foster care but more than the TANF-only payment available to unlicensed providers. Under this State’s waiver, relative or kin providers who became guardians received a subsidy of $300 month—$122 more than the TANF-only payment but $300 less than the standard foster care board rate. Maryland’s hypothesis was that relative foster parents would accept a reduced stipend in exchange for less State oversight and more decision-making authority on behalf of the child in their care, although as discussed later in this paper this often proved not to be the case. In addition, all States provided families with one-time only reimbursements for non-recurring expenses associated with the transfer of guardianship, such as court costs, legal fees, and travel.

Support Services

Once a guardianship is legally established, the family is sometimes faced with special challenges that impact the stability of the placement. In response, all States provided some array of post-guardianship services that were similar to post-adoption services, such as individual and family counseling, parenting skills training, mental health and medical assessments, referrals to community resources, assistance with applications for adoption assistance, assistance with the transfer of a guardianship in the event of the death or incapacitation of the original guardian, and emergency stabilization services.

Independent Living and Transitional Support for Older Youth

Early on, the lack of independent living and transitional services for older youth that parallel services available to children who exit to adoption or who age out of foster care was recognized as a barrier to making guardianship a more appealing permanency option. Illinois was one of the first States to recognize this issue, and in response was given permission under its “enhanced” program implemented as part of its long-term waiver extension to make a variety of transitional
youth services available to children who achieved permanence through adoption or guardianship at age 14 or older, including Education and Training Vouchers (ETVs), housing assistance, life skills training, and stipends to attend college or vocational training programs. Several other States, including Iowa, Tennessee, and Wisconsin followed suit by requesting that their demonstration’s T&Cs authorize the use of Chafee Foster Care Independence Program (CFCIP) funds and ETVs for older youth who exited foster care via guardianship. The age at which permanence had to be attained in order to receive these services varied across State, ranging from 14 to 16 years old. In addition, States such as Tennessee and Illinois7 used State dollars to extend subsidies for children still in high school after age 18 or until they turned 19 years old, whichever came first.

Guardianship Planning and Casework Process

Clearly defined processes and procedures assist with the consistent implementation and integration of SG into a State’s permanency planning landscape and casework practices. Although States addressed common procedural elements in establishing guardianships—such as determining eligibility and the appropriateness of guardianship, notifying caregivers of their eligibility, permanency planning with families, completion of subsidy agreements, and finalization of the guardianship arrangement—the extent to which processes and procedures regarding these issues were defined and codified varied across States.

Notification of Assignment

Before guardianship could be presented to a family as a permanency option, caseworkers in States with random assignment evaluation designs needed to be notified of a child’s group assignment; children assigned to the experimental group were eligible for a guardianship subsidy, whereas those assigned to a control group were not eligible.8 In some States (Illinois, Iowa, Minnesota, Tennessee, and Wisconsin) group assignments were tracked in a State database to which the caseworker had access, with a project manager or other designated point person responsible for notifying caseworkers directly or via standardized reports of those children who were eligible for SG. Wisconsin had an added measure of forwarding to caseworkers copies of letters that were sent to caregivers to notify them of their eligibility. States also used e-mails, telephone calls, and organized training sessions to notify staff of client eligibility.

Notification of Caregivers, Family Assessment, and Permanency Planning

In most States, caseworkers and permanency staff were responsible for notifying families about their eligibility for SG. In Illinois, there was concern that children eligible for SG might exit to permanence without knowing that they were potentially eligible for transitional living services under the State’s enhanced SG program for older youth. To avoid this situation, the caregivers

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7 Subsidies in Illinois include more than monetary support. Subsidies include medical cards, work related day care for children under two years of age, therapeutic day care, and payment for physical, emotional, and mental health needs not payable through other resources.
8 More detailed information regarding the States’ evaluation designs will be presented later in this paper.
of potentially eligible children were asked to sign a form by which they acknowledged having been notified of the possible future eligibility of children in their care for enhanced services.

Along with notification, assessment of a family’s appropriateness for guardianship was a critical step in the process. States assessed several important factors to determine if guardianship was an appropriate permanency option, including the stability of the child’s placement with the caregiver; whether adoption was still a viable option; the child’s and family’s readiness for permanence; family interactions and dynamics; the age and maturity level of the target child; the criminal background of the potential guardian and other adults in the home; and the level and quality of the birth parent’s involvement in the child’s life. In most States this assessment process occurred as part of regular permanency planning meetings held with the family or through face-to-face contacts with caregivers that were documented in accordance with the State’s casework and record-keeping policies. Face-to-face contacts were the norm in Minnesota, where all permanency options were presented to families early on as soon as the stability of the child’s placement and the likelihood of reunification with the birth parent had been assessed. Illinois standardized documentation of the SG permanency planning process by requiring the completion of a permanency planning checklist. Most States—including Illinois, Iowa, Minnesota, Montana, Oregon, Tennessee, and Wisconsin—developed materials that could be used to facilitate permanency discussions between caregivers and professionals, such as brochures, frequently asked questions (FAQs) summaries, permanency decision making guides, and visual aids such as summary charts that highlighted the pros and cons of various permanency options.9

Guardianship Subsidy Agreement

The guardianship subsidy agreement is the contract between the caregiver and the State that governs the guardianship arrangement. Most subsidy agreements address the responsibilities of both the caregiver and the State with respect to the arrangement and specify the subsidy amount, ancillary services, and additional monetary support to which the child is entitled. In all States, the guardianship subsidy agreement had to be completed and signed prior to the legal transfer of guardianship to the caregiver. In Illinois, the caseworker works with a permanency specialist to complete the necessary paperwork and encourages caregivers to have an attorney review the agreement before signing it. In Tennessee, a permanency specialist is responsible for working with the family to complete the subsidy agreement; the costs of attorney review are considered to be a non-recurring expense and are therefore reimbursable to the caregiver.

Finalization of Guardianship and the Role of the Courts

In all States, a family or civil court is usually responsible for transferring guardianship to a caregiver. In Montana, guardianship is finalized through a State or Tribal court order upon a finding by a judge that the appointment is in the best interests of the child. The court also retains jurisdiction to modify or terminate the guardianship order as needed. In many States the involvement of the courts extended beyond the legal transfer of guardianship to include collaboration with State and local child welfare agencies in policy and procedure development, the filing of guardianship petitions, and educating caregivers about SG. In some instances the

9See Appendix A for online links to examples of State SG resource materials.
court provided an additional layer of oversight to ensure that the rights and interests of children and caregivers were protected. For example, attorneys from the Milwaukee Children’s Court reviewed various components of an SG package prior to the transfer of guardianship (including the court report, the subsidy agreement, information from the foster care licensing agency, and the out-of-home support plan) and ensured that caregivers were informed about available scholarship options for their new wards. In Wisconsin, the role of the courts was particularly significant because the District Attorney’s Office is responsible for filing the guardianship petition; this represents a significant departure from States like Illinois and Tennessee in which the State child welfare agency files the guardianship petition.

Judges must make the ultimate decision regarding whether it is in the best interests of the child to enter into a guardianship arrangement. Judges in some States received assistance from persons other than court personnel and social workers in the decision-making process. In Tennessee, for example, regional Foster Care Review Boards comprised of judge-appointed citizens make non-binding permanency recommendations to the judge. In Illinois, a Subsidized Guardianship Specialist advised the court on the particulars of each family’s circumstances that have a bearing on the decision to transfer guardianship.

Courts typically maintain jurisdiction over guardianship orders; consequently, caregivers and biological parents wishing to modify the order for reasons such as visitation by a biological parent, out-of-state moves, and vacating and/or transferring a guardianship must petition the court regarding these matters. In Iowa the ongoing involvement of the courts is more significant, with judges completing an annual review of the guardianship arrangement to assess whether the child continues to reside in the home of the guardian and whether necessary services are in place to support the arrangement.

Training and Communication

States’ SG training programs varied in scope, depth, and intensity, although most included modules that explained title IV-E waivers, the purpose of SG, evaluation methodologies, SG eligibility criteria, and procedures for establishing guardianships. Following introductory training sessions States used a variety of techniques to provide on-going technical assistance and support to caseworkers and other stakeholders, such as designating child welfare managers to serve as SG liaisons and offering refresher training through conference calls and Web-based courses. In Tennessee initial one-day training sessions were followed by half-day refresher courses and monthly communication forums to facilitate information exchange and answer caseworkers’ questions. Several States—including Iowa, Minnesota, Montana, Oregon, and Tennessee—used training sessions as a forum for promoting buy-in and understanding of SG among key stakeholders such as court personnel, Tribal leaders, contracted service providers, community partners, child welfare advocates, and State legislators. For example, Oregon facilitated community buy-in to SG by establishing “community involvement teams” that included representatives from child welfare advocacy groups, State agencies, service providers, and parents’ groups. These teams provided updates to the community about SG and imparted feedback about SG from various stakeholder groups to the State child welfare agency.
Program Monitoring

Several States (Illinois, Minnesota, Montana, Tennessee, and Wisconsin) appointed a designated person or persons to ensure quality implementation and to maximize the utilization of their SG programs. In Montana, Tennessee, and Wisconsin, the State’s SG program coordinator was a representative from the State child welfare agency’s central office who was charged with supporting and educating a network of regional experts about the SG demonstration. Although generally charged with ensuring the success of their SG programs, the specific responsibilities of these “point people” varied widely and included activities such as overseeing the random assignment process (for States with this evaluation design); staff training; eligibility determination and review; and the development, clarification, and enforcement of SG policies and procedures.

Evaluation Methodologies

As with all waiver demonstrations, States operating SG demonstrations were required to conduct process and outcome evaluations, as well as a cost analysis. States’ research designs, sample sizes, and case assignment procedures varied considerably, although most (Iowa, Illinois, Montana, Tennessee, and Wisconsin) implemented experimental designs with random assignment; of these, Illinois had by far the largest sample size. To facilitate the generalizability of findings across States, Tennessee and Wisconsin attempted to follow Illinois’ evaluation design as closely as possible. Although most potentially eligible children in their States underwent random assignment, both Tennessee and Wisconsin offered SG to a group of children who were exempt from the random assignment process. In addition, Minnesota implemented a two-part evaluation design that included a random assignment component in the two large metropolitan areas (Hennepin and Ramsey Counties) and a quasi-experimental matched-case comparison design in three rural/suburban counties; this bifurcated approach was adopted due to the small number of potentially eligible children in suburban and rural communities. Oregon, which implemented guardianship as part of its larger flexible funding waiver demonstration, conducted only descriptive analyses of its SG program by deriving basic statistics such as the number of families that were offered and accepted SG, and by examining youth, caregiver, and caseworkers’ perspectives and attitudes about SG. Table 2 on the following page briefly summarizes the States’ approaches to evaluating their SG demonstrations. Maintaining the integrity of the evaluation proved challenging for many States. Specifically, several States struggled with the eligibility determination process (i.e., assessing exactly who was eligible for SG) and ongoing concerns and misperceptions about random assignment. In Montana, objections to random assignment caused some caseworkers to withhold the names of children who were otherwise eligible for SG. In Minnesota, the random assignment process was hindered and in some instances halted completely due to counties’ concerns about the fiscal implications of their ongoing participation in the State’s demonstration.

10 Children in Wisconsin were assigned to the “exempt” group if they had a previous guardianship order in place but remained in foster care for the purposes of maintaining the foster care payment. In Tennessee the special study group consisted of 315 children with a permanency goal of Another Planned Permanent Living Arrangement (APPLA) as of October 1, 2007 who lived outside of the State’s original SG demonstration sites.
Table 2: Evaluation Designs of Subsidized Guardianship Demonstrations

<table>
<thead>
<tr>
<th>State</th>
<th>Research Design</th>
<th>Assignment Ratio</th>
<th>Sample Size</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Experimental Group</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Enhanced Program: Original study regions: 497 children</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Remainder of State: 1,472 children(^{12})</td>
</tr>
<tr>
<td>Minnesota</td>
<td>Random assignment in metro areas; matched case design in rural and suburban counties</td>
<td>1:1</td>
<td>641 children(^{13})</td>
</tr>
<tr>
<td>Iowa</td>
<td>Random assignment</td>
<td>2:1</td>
<td>1,381 children</td>
</tr>
<tr>
<td>Montana</td>
<td>Random assignment</td>
<td>3:1</td>
<td>232 children</td>
</tr>
<tr>
<td>Oregon</td>
<td>Descriptive analysis only</td>
<td>N/A</td>
<td>N/A (986 children exiting to SG from a sample of 18,876 children in care)</td>
</tr>
<tr>
<td>Tennessee</td>
<td>Random assignment</td>
<td>2:1</td>
<td>649 children</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>Random assignment</td>
<td>1:1</td>
<td>245 children</td>
</tr>
</tbody>
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In some instances, assignment procedures inadvertently skewed the evaluation samples, which could have compromised the quality and accuracy of subsequent evaluation findings. This was the case in Iowa and Tennessee, where the States’ evaluation teams realized that they had been assigning children who were too old to be offered and undergo the SG process before they aged out of care. Tennessee’s evaluators addressed this issue by modifying the assignment procedures to limit eligibility to children aged 17.75 years and younger. In Tennessee and Wisconsin, stringent assignment monitoring procedures were put into place to ensure that assignment violations were minimized. Evaluators in some States also reported that the quality of waiver implementation impacted the integrity of evaluation findings. For example, limited implementation of Illinois’ enhanced SG demonstration (due in part to problems with training caseworkers and informing eligible families about the program) diminished the size and power

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\(^{11}\) Outside of the original demonstration sites (Peoria, East St. Louis, and Cook County) children were eligible for the standard SG program without having to undergo random assignment.

\(^{12}\) Illinois implemented the enhanced component of its SG demonstration in the three original demonstration sites in June 2005. The enhanced component was expanded to the rest of the State in April 2006.

\(^{13}\) Numbers for Minnesota include children in the random assignment evaluation component (experimental group = 488 children, control group = 456 children) and the matched case comparison component (experimental group = 153 children, matched comparison group = 153 children).
of subsequent outcome data. Implementation was also an issue in Montana, where “slow start-up” resulted in the referral and enrollment of a large number of youth who aged out of foster care before guardianship could be established or who turned 18 and lost the guardianship subsidy shortly thereafter.

State Outcome Evaluations – Summary of Key Findings

The ultimate goal of the SG demonstrations was to understand their effects on key child welfare outcomes, namely, keeping children in safe and legally permanent home environments that provide for their physical, emotional, and developmental needs. In this regard, specific research questions that were explored by the States’ evaluations include:

- Does the availability of SG result in a greater number of children achieving permanency?
- Does the availability of SG supplant reunifications or adoptions?
- Does the availability of SG reduce the length of time children spend in out-of-home care?
- Are children in guardianship as safe from abuse and neglect as children in other permanency arrangements?
- Does the availability of SG increase placement stability, i.e., does it reduce the number of placement episodes a child experiences over time?
- Are children in guardianship less likely to re-enter foster care than children who are reunified or adopted?
- Is guardianship as effective as other permanency arrangements in providing for the physical, emotional, and developmental well-being of children?

The following section addresses these questions by presenting the latest findings available from the States’ evaluations.

Permanency Rates

Permanency constitutes an outcome area in which some of the most conclusive findings regarding the positive impact of SG have emerged since the first SG demonstrations were implemented in the 1990s. As illustrated in Figure 1 below, several States (Illinois-Phase I, Minnesota, Tennessee, and Wisconsin) that implemented experimental evaluation designs have demonstrated significantly higher net permanency\textsuperscript{14} rates among experimental group children (those with access to SG) than among control group children. Research that examined children assigned to Illinois’ first waiver demonstration through June 2007 found a 6 percent boost in net permanency, with 80.3 percent of children assigned to the experimental group exiting to permanency compared with 74.3 percent of children assigned to the control group (Testa, 2008). No statistically significant differences in net permanency rates were observed among youth participating in Iowa’s demonstration or in Illinois’ five-year waiver extension; the absence of significant findings in these States may have been due in part to training and implementation problems that limited caseworkers’ knowledge and understanding of the SG programs. Illinois’ experience with its enhanced SG program for older youth speaks to the importance of ensuring that workers understand SG and discuss it with caregivers and potentially eligible children; in its

\textsuperscript{14} Net permanency is defined as combined exits to reunification with family of origin, adoption, and guardianship.
final evaluation report, Illinois observed that caregivers who reported being fully aware of the transitional services available through the State’s enhanced SG program were significantly more likely to report that the youths in their care had exited to SG.

**Figure 1 – Net Permanency Rates by State**

As with Illinois’ original demonstration, final findings from Tennessee’s project revealed a positive and statistically significant correlation between the availability of SG and net permanency, with 75 percent of children assigned to the project’s experimental group exiting to permanency compared with 66 percent of children in the control group, a difference of 9 percent. Final findings from Wisconsin also revealed a statistically significant effect from the availability of SG on net permanency rates, with 69 percent of children assigned to the experimental group exiting to guardianship, reunification, or adoption as of September 2009 compared with 50 percent of control group children, a difference of 19 percent. Findings from Minnesota suggest similar positive trends, with nearly 72 percent of children in the State’s experimental group moving to permanency through adoption, permanent legal custody, or reunification compared with about 64 percent of children in the control/matched comparison group, a difference of 8 percent that was largely attributable to increased exits to permanent legal custody.\(^{15}\)

Although not a primary focus of the SG demonstrations, some States examined differences in permanency among children placed with relatives versus those placed with non-relatives. Findings which demonstrate that relatives are viable permanency resources are significant because they help to dispel a long-held assumption among some child welfare professionals that relatives are not interested in being permanency resources for related children in their care. For example, research from Phase I of Illinois’ demonstration found that when SG was offered as a supplementary permanency option to relatives who were opposed to termination of parental rights (TPR) or changing their extended family identities, net permanency rates among children in the care of relatives exceeded the rate observed among non-relatives. Specifically, when

\(^{15}\) Of children achieving permanence in the experimental group, 48.4 percent were adopted, 21.2 percent exited to permanent legal custody, and 2.2 percent were reunified. Of children achieving permanency in the control/matched comparison group, 7.81 percent were adopted, 7.9 percent exited to permanent legal custody, and 7.9 percent were reunified.
examining permanent placements established between 2000 and 2008, children living with relatives were 20 percent more likely to attain permanence than children placed with non-relatives (Rolock & Testa, 2008). These findings were replicated in Tennessee, where permanency rates for children living with relatives exceeded those of children living with non-relatives in both the experimental group (79.5 percent versus 54 percent) and the control group (72 percent versus 31 percent). Less consistent findings emerged in Minnesota, where the demonstration appeared to contribute to more adoptions by non-relatives than relatives. However, the State’s demonstration had a significant positive impact on the assumption of permanent legal custody by relatives, with children living in Hennepin and Ramsey Counties exiting to permanent legal custody more often with relatives than non-relatives in both the experimental group (31.6 percent versus 15.5 percent) and the control group (6.5 percent versus 2.1 percent).

**Supplanting of Reunification and Adoption**

Although an increase in net permanence is regarded as a positive outcome, some child welfare professionals, legislators, advocates, and judges have expressed concerns that the increased use of guardianships could have a negative impact on exits from care via reunification or adoption (despite the fact that the waiver T&Cs of most States required the rule-out of both of these permanency options). Whereas most child welfare professionals agree that reunification is the preferred permanency outcome whenever possible, concerns about supplanting adoptions are grounded in a debate over the superiority of adoption over guardianship with respect to safety, stability, permanency, and child well-being. Findings from Illinois, Minnesota, Tennessee, and Wisconsin illustrate that reunification rates were not significantly impacted by the availability of SG. In Wisconsin the rate of reunification in the experimental group was 5.7 percent compared with 9.5 percent in the control group, a small but insignificant difference. Similarly insignificant differences in reunification rates between the experimental and control groups were reported by Tennessee (13 percent versus 12 percent) and Illinois (5 percent versus 7.7 percent) (Testa, 2008). A significant difference in reunification rates was observed between the experimental and control/matched comparison groups in Minnesota (2.2 percent versus 7.9 percent), although reunified children represented a relatively small proportion of the total sample of children assigned to the State’s demonstration (approximately 5 percent).

Evidence regarding the supplanting of adoptions is less definitive. Illinois’ evaluation team estimated that up to two-thirds of the children who exited to guardianship would have been adopted over time had SG not been an available permanency alternative. In Tennessee, researchers estimated that one-half of the children who exited to SG would have been adopted over time (Testa, 2008). Interestingly, the substitution effect in Tennessee is strictly attributable to relative caregivers; there is no substitution effect among non-biological kin. However, a substitution effect was not detected in Wisconsin, where statistically equivalent percentages of children in the experimental and control groups exited care to adoption (39 percent and 36.6 percent, respectively). The reasons behind these differences in substitution effects in Illinois and Tennessee compared with Wisconsin are unclear; however, in general it can probably be assumed that in most States a certain proportion of children would likely have returned home or been adopted if SG had not been available.
Placement Duration

Another dimension of permanency explored by some States is whether SG facilitates timely exits from out-of-home care. Among States that tracked time in foster care, the available evidence suggests that the availability of SG decreases the length of time in out-of-home placements. Evaluation findings from Wisconsin indicate that the availability of SG was associated with a significant decrease in placement duration, with the mean time to permanence among experimental group children measuring 490 days compared to 631 days among control group children. A similar trend was evident in Minnesota, where the average length of foster care placements was 625 days among children assigned to the experimental group compared to 758 days for children assigned to the control or matched comparison groups, a statistically significant difference. In Illinois, children assigned to the experimental group in the standard SG program spent 22 percent less time (269 days) in care than their counterparts in the control group (Testa, 2008). Oregon also reported significant differences in placement duration across permanency types, with the average time before exiting to SG significantly shorter (25.5 months) than the average time to adoption (35 months). In Tennessee, children assigned to the experimental group spent an average of 11.5 fewer weeks in foster care (about 80 days) than those assigned to the control group. No statistically significant changes in placement duration were associated with Iowa’s SG demonstration or with Illinois’ long-term waiver extension; as with net permanency rates, the lack of statistically significant findings in these States may be due to low rates of SG awareness among caseworkers and subsequently low rates of SG offers.

Maltreatment Recurrence

Some child welfare professionals have raised concerns about guardianship putting children at greater risk of maltreatment due to the withdrawal of administrative oversight and casework services, coupled with the greater potential access of biological parents to the guardian’s home (especially if the guardian is a relative). Findings from the States’ evaluations suggest that children who exit foster care through SG are generally as safe as those who exit through other permanency alternatives. In Wisconsin, for example, both the experimental and control groups had rates of new maltreatment reports of 3 percent following permanency, none of which were substantiated. This finding parallels those from Illinois, Iowa, Minnesota, and Oregon, which also found no significant differences in rates of subsequent maltreatment reports. Moreover, data in some States suggest that children in SG arrangements may be safer than those who are reunified. During Illinois’ long-term waiver extension, for instance, only 7 percent of youth who exited to SG had a substantiated maltreatment recurrence compared to 20 percent of reunified youth. Oregon found that maltreatment recurrence rates among children who exited to SG were only 2 percent compared with 16 percent among children who were reunified with their birthparents.

Placement Stability

Placement stability is defined as the degree to which children experience multiple placement changes while in foster care. Available data from State evaluations suggest that children with access to a guardianship subsidy experienced comparable rates of placement stability as children in other placement arrangements. As of September 2009, Wisconsin found that 87 percent of
experimental group children and 83 percent of control group children resided in the same household that they resided in at the time of assignment. In Iowa and Tennessee, rates of placement stability were also statistically equivalent in the experimental and control groups. In Iowa, 53 percent of children in both groups experienced no placement changes after assignment while 20 percent in both groups experienced one placement change. In Tennessee, only 17 percent of children in the experimental group had moved from the home of their original caregivers compared with 23 percent of children in the control group. Phase I of Illinois’ waiver demonstration produced evidence that stability may be more closely tied to a child’s relationship to the caregiver than to the legal status of their relationship. This finding was supported by research from Tennessee’s waiver demonstration, which suggested that children living in the homes of relatives were two to three times more stable than their counterparts living with non-biological kin regardless of group assignment.

Guardianship Disruptions and Foster Care Re-Entry

Children who experience maltreatment recurrence or another personal or family crisis may need to return to the custody of a public child welfare agency and subsequently to foster care. Again, the available evidence suggests that foster care re-entry rates are generally no higher among children exiting to SG than to other permanency options. During its original SG demonstration, Illinois observed no differences between the experimental and control groups in the proportion of permanent placements in which the child was no longer living in the home of the original guardian or adoptive parent (1.2 percent versus 1.1 percent, respectively). In Tennessee, approximately three percent of children in the experimental group re-entered foster care after permanence compared to half that rate (1.5 percent) in the comparison group; however, this difference was not statistically significant and is likely overstated because adoption re-entries could not be tracked through the State’s child welfare information system. Similarly, both Iowa and Wisconsin reported no significant differences in foster care re-entries, with Wisconsin reporting only one re-entry of a child who had exited to SG from the experimental group. Although no comparison group was available, Oregon reported a very low overall incidence of foster care re-entry among children exiting to SG, with only two percent of children re-entering care during the first 24 months following their exit from foster care. When foster care re-entry did occur, some of the most common reasons reported by States included changes in the financial circumstances of the family; the death or incapacitation of the guardian; inappropriate behavior of the guardian or of another adult living in the home; unruly or dangerous behavior by the child; and the need for more casework support or services from the child welfare agency.

Along with foster care re-entries, the related concepts of permanency “displacements” and “dissolutions” were explored by several States. “Displacements” refer to situations in which a child has left the home of the guardian or adoptive parent but the legal relationship remains intact. This is in contrast to “dissolutions”, in which the guardianship arrangement has been legally vacated or the adoptive parent’s rights have been terminated. An assumption shared by many child welfare professionals was that the comparative ease with which a guardianship can be vacated would contribute to higher rates of placement disruptions (displacements and dissolutions combined) among children exiting to SG than among adopted children. This was the case in Illinois, where a 2009 study of the State’s entire substitute care population found that permanency disruptions were somewhat higher among children exiting to guardianship after five
years (11 percent) than among children exiting to adoption (5 percent) (Rolock, in press). However, a more in-depth analysis indicates that this apparent difference in disruption rates disappears when differences in the age of the child and other factors are controlled for (Testa, 2010).

It is also important to assess differences between SG and adoption with respect to the nature of those placement disruptions that do occur. Whereas guardianships are more likely to be legally vacated, failed adoptions are more likely to be classified as “displacements” due to the relative difficulty of terminating adoptive parental rights. In addition, not all guardianship disruptions result in a child’s return to foster care. At the end of Illinois’ first SG demonstration, for example, only 49 percent of children in disrupted guardianship arrangements actually re-entered foster care, with most children who did not return to care appointed a new guardian. Moreover, it is important to note that not all guardianship disruptions are the result of failed guardianships. For instance, Oregon found that some guardianship arrangements ended because the child was “planfully” returned to the biological parent. Therefore, to fully understand differences in disruption rates between guardianships and adoptions it is important to enumerate all incidents in which children no longer live in the home of the guardian or adoptive parent regardless of whether the legal relationship has been terminated.

**Child Well-Being**

Child welfare professionals have questioned whether guardianship promotes the physical, emotional, and developmental well-being of children as well as other permanency options, and have asked whether special-needs children are better off with the supports and resources available through the traditional foster care system. Evaluation findings from Illinois, Minnesota, Montana, Oregon, and Wisconsin suggest that children in guardianship arrangements fare just as well as children in other permanent settings or who remain in foster care with respect to well-being factors such as school performance and engagement in risky behaviors. An analysis of data from standardized assessments administered to youth, caregivers, and child welfare workers in Montana, for example, revealed no statistically significant differences between the experimental and control groups in perceptions of stability and well-being, school performance, safety, engagement in risky behaviors, access to and satisfaction with services and supports, and overall quality of life. However, caregivers and youth in SG arrangements verbally reported many benefits from SG, including enhanced well-being due to a greater sense of autonomy, permanence, and stability; and greater involvement in recreational activities, sports, and religious or cultural events.

Some research suggests that attaining permanence may be more critical to well-being than the type of permanence achieved. For example, findings from caregiver surveys conducted in Minnesota indicate more positive trends in well-being outcomes for children who exited to permanency through adoption or SG than for children who did not achieve permanency, particularly in the areas of emotional wellness, caregiver-child relationships, school participation, and health. Specifically, 45.7 percent of surveyed caregivers who adopted or assumed guardianship of a child reported that the child’s well-being was “excellent”; in contrast, only 21.1 percent of the caregivers of children who had not attained permanence rated the child’s well-being as excellent.
Factors Affecting the Offer, Acceptance, and Exits to Guardianship

The permanency findings presented above must be viewed in the context of casework practices and attitudes that in turn affect decisions regarding the offer of SG. Evaluations of some earlier SG demonstrations found that while results were generally positive, much smaller percentages of children than originally expected actually exited foster care to guardianship. Consequently, States with more recent waiver demonstrations have attempted to measure variables that clarify the decision-making process around SG, such as the proportion of caregivers who are offered and accept SG; caseworkers’ attitudes towards SG in relation to other permanency outcomes (reunification and adoption); families’ reasons for accepting or rejecting SG; and the impact of rule-out requirements, subsidy amounts, service availability, training, and information dissemination on exits to SG. As evidenced in Table 3 below, States have varied in the extent to which they have extended SG offers to the caregivers of eligible children, while caregivers themselves differ widely in their responses to these offers.

Table 3 - Guardianship Subsidy Offers and Acceptances

<table>
<thead>
<tr>
<th>State</th>
<th>Total Sample Size¹⁶</th>
<th>#/% Offered SG (of total sample)</th>
<th>#/% Accepting (of those offered)</th>
<th>#/% Declining (of those offered)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minnesota</td>
<td>641 (children)</td>
<td>524 (82%)</td>
<td>≈445 (85%)¹⁷</td>
<td>79 (15%)</td>
</tr>
<tr>
<td>Oregon</td>
<td>72 (cases)</td>
<td>59 (82%)</td>
<td>29 (49%)</td>
<td>30 (51%)</td>
</tr>
<tr>
<td>Tennessee</td>
<td>338 (children)</td>
<td>231 (68%)</td>
<td>146 (63%)</td>
<td>85 (37%)</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>245 (children)</td>
<td>148 (60%)</td>
<td>59 (40%)</td>
<td>89 (60%)</td>
</tr>
<tr>
<td>Illinois</td>
<td>1197 (children)</td>
<td>930 (78%)</td>
<td>308 (33%)</td>
<td>622 (67%)</td>
</tr>
</tbody>
</table>

Among the States represented in the table, Illinois had a considerably lower acceptance rate than most other States, which was attributed in part to being an “early implementer” at a time when States were still primarily focused on adoption and less aware of or open to guardianship.¹⁸ Interestingly, evaluation findings from Tennessee and Wisconsin suggest that whether or not SG was offered did not impact whether the caregiver planned to achieve permanence as much as it did the type of permanency they chose to pursue. In Tennessee, for example, only 32 percent of caregivers who were informed about SG indicated that they planned to adopt, compared with 85 percent of uninformed caregivers. These findings were replicated in Wisconsin, where only 53 percent of informed caregivers planned to adopt compared with 92 percent of uninformed caregivers. In lieu of adoption, 63 percent and 48 percent of informed caregivers in Tennessee and Wisconsin planned to pursue SG, respectively.

¹⁶This number is based either on the total number of children assigned to the State’s experimental group at the time the analysis was conducted (Minnesota), or on a sample of caregivers or case managers that responded to a request for an interview regarding the offer of guardianship (Oregon, Tennessee, Wisconsin, Illinois).

¹⁷This number represents the total number of children whose caregivers accepted the single benefit option under Minnesota’s permanency demonstration, which includes separate tracks for exiting to permanent legal custody (guardianship) or adoption. Of those caregivers that accepted the single benefit, 70 percent chose to adopt while the remaining 30 percent chose a transfer of permanent legal custody.

¹⁸Minnesota’s high rates of offers and acceptances (82 and 85 percent, respectively) are not directly comparable to results from other States since they included caregivers who chose both adoption and permanent legal custody under the State’s demonstration.
States found that a caregiver’s plan to adopt does not always result in the finalization of the plan. For example, Wisconsin found very little difference between the percent of finalized adoptions in the experimental and control groups but did find a significant difference in the number of finalized guardianships. Specifically, only 3 of 36 children (8 percent) in the comparison group whose caregivers indicated that they planned to pursue unsubsidized legal guardianship had realized this goal by September 30, 2009; on the other hand, 50 of the 59 children (85 percent) whose caregivers were offered SG and indicated they planned to pursue this option had realized the goal. States identified several factors that negatively impacted the finalization of guardianships, including youth who aged out before the guardianship could be finalized, delays in the court process, concerns about the loss of services for youth with special needs, and placement disruptions.

**Permanency Discussions with Families**

The acceptance of SG is of course predicated on a discussion between a caseworker and the caregiver and child about this permanency option. Although State practice guidelines require a caregiver’s involvement in the permanency planning process, there is variability in the consistency with which this occurs. In Tennessee, 83 percent of surveyed caregivers indicated that they were involved in ongoing permanency discussions with case managers and licensing staff, while that number reached 96 percent in Wisconsin. In Illinois there were fewer reports of participation, with only 68 percent of caregivers indicating that they had had ongoing permanency discussions and 66 percent indicating that they had discussed permanency within the last year. Data from Illinois, Iowa, and Minnesota indicate a fair amount of variability with respect to the inclusion of youth in permanency discussions. In Illinois about one-half of surveyed youth reported being present for or directly involved in permanency discussions, while in Minnesota a similar proportion of caseworkers reported the youth’s presence during these discussions. In contrast, over 80 percent of children enrolled in Iowa’s waiver demonstration reported engaging in permanency discussions with the caregiver. It is important to note that States’ laws typically require older children to consent to the guardianship or adoption. Research from Illinois, Tennessee, and Wisconsin suggests that several issues beyond permanence were commonly discussed during case planning meetings, such as the service needs of the child, the service needs of the family as a whole, and visitation between children and birthparents. These topics are significant because, as will be discussed later in this paper, they impact the permanency decision-making process.

**Caseworker Attitudes about Subsidized Guardianship and Permanency**

Data from surveys, interviews, and case record reviews indicate that caseworkers have considerable discretion as to whether they discuss SG with a family, and that a caseworker’s attitude about guardianship is a major factor that influences whether that discussion takes place. Strong evidence from many States suggests that caseworkers have generally positive attitudes about SG. For instance, 65 percent of caseworkers in Tennessee reported that they regard guardianship to be just as permanent as adoption. Overall, workers in several States—including Illinois, Iowa, Minnesota, Oregon, Tennessee, and Wisconsin—reported that guardianship is positive because it provides emotional and physical stability; maintains the potential for ongoing
contact or reunification with a birth parent; avoids difficult and acrimonious TPR proceedings; and respects the cultural identity of children and their communities.

In Montana, child welfare workers expressed mixed feelings about SG as a permanency option; on the one hand, some workers reported liking guardianship because it gives caregivers an opportunity to make decisions regarding children’s education, welfare, and health care while providing them with greater stability; on the other hand, some workers voiced concerns that the less legally binding nature of guardianship could impact a caregiver’s willingness to preserve a difficult relationship with a child, while others raised the possibility of biological parents who were not ready for reunification petitioning the court to regain custody of their children. Similarly, 59 percent of surveyed case managers in Wisconsin reported that they do not believe that guardianship is as permanent as adoption.

Research from several States suggests that caseworkers generally regard guardianship as a more appropriate option for relatives than for non-relative caregivers. This was the case in Tennessee, where 83 percent of relative caregivers in the experimental group recalled being informed about SG compared with only 59 percent of non-relative caregivers. Illinois also found a significant difference in the proportion of relative versus non-relative caregivers who were offered guardianship (39 percent and 27 percent, respectively). The specific characteristics of the child and caregiver also affect decisions regarding the offer of SG.

Caseworkers concerned about the stability and suitability of the placement often examined the needs of the child and the capacity of the caregiver to address those needs before offering SG. For example, caseworkers in Iowa did not offer SG to 14 percent of children assigned to the experimental group because they regarded the child’s behavior as too unstable. Concerns about the suitability of the caregiver were a concern of 21.7 percent of workers in Minnesota, who questioned the financial viability of the caregiver as well as factors such as the caregiver’s intelligence and the safety of the caregiver’s neighborhood. The age of the child was also a significant factor when considering the appropriateness of SG, for example, if there were concerns that the guardianship process could not be completed before the child turned 18 or that the child would turn 18 and subsequently lose his SG benefits. In Illinois, 42 percent of workers reported in administrative case reviews that they did not propose permanence (either through SG or adoption) because the child was close to aging out of the foster care system; this practice was also common among caseworkers Iowa and Oregon.

**Caregiver and Youth Attitudes about Subsidized Guardianship and Permanency**

Caregiver and youth attitudes and preferences regarding permanence constituted another critical factor affecting the offer of SG. Evaluators in Illinois, Minnesota, and Oregon reported that caregiver and youth preferences were one of the most powerful predictors of whether caseworkers made an offer of SG. In Illinois, 69 percent of caseworkers reported that they were much more likely to discuss permanence with a family when they believed that the caregiver was committed to providing long-term care, while 46 percent indicated that they would not present either adoption or guardianship if the child was opposed to these permanency options. Research from several States reveals that youth and caregivers generally have positive attitudes about guardianship. In Wisconsin, caregivers reported in focus groups that guardianship affords them
a feeling of relief and a sense that their families can be “normal” again. Furthermore, guardianship removed the stigma of foster care from the children and freed the family from disruptions in their day-to-day lives by eliminating court dates, case management meetings, and visits by the social worker to the home and school. This sentiment was shared by caregivers in Illinois, where 46 percent of interviewed caregivers who were thinking about permanence considered the liberating aspects of being able to make decisions for the child without State involvement. One Oregon caregiver who became a guardian reported that “it was actually nice not to have a caseworker because that is when the kids knew they were foster kids and they did not want to be foster kids. They felt they were singled out, and they really did not belong anywhere. They got teased at times. Even though there was no name change, they no longer feel that they are foster children and they feel that we are really their mom and dad.”

Youth in many States echoed these sentiments by noting that guardianship allowed them to shed the social stigma of foster care; experience an enhanced sense of stability; and gain more freedom to engage in normal childhood activities like spending time with friends, having sleepovers, getting a driver’s license, or playing sports. In Oregon, some youth liked guardianship because it felt more “normal,” did not require a name change or the severance of ties with their biological parents, and provided financial benefits. One youth from Montana expressed her satisfaction with the greater stability possible through SG in this way:

\[
I \text{ used to have nightmares before every court hearing and I could not concentrate in school for a month before each hearing. I was afraid I would have to move. Now I don’t have to do that anymore.}
\]

Because guardianship does not require TPR it was regarded as a particularly desirable permanency alternative for caregivers and youth in American Indian communities in Minnesota, Montana, and Oregon where deeply rooted cultural norms with respect to child-rearing practices and the definition of “family” conflicted with the TPR requirement of adoptions. The maintenance of ties with biological family members was another important consideration for many caregivers and youth. For example, in Illinois 17 percent of caregivers who assumed guardianship did so because they felt that a child should be with family. Furthermore, Illinois youth placed with relatives were more likely to want permanence than those placed with non-relatives (44 percent and 32 percent, respectively) and were more likely to achieve it (29 percent versus 15 percent, respectively).

Like caregivers, youth often favored guardianship because it does not sever legal ties to the birth parent and leaves the door open for returning home. Evaluation findings from several States indicate that a child’s relationship with his or her biological parent(s) impacts whether the child wants to achieve permanence through either SG or adoption. In Illinois, youth who maintained contact with biological parents were significantly less likely to want adoption or guardianship than those that had no contact with their biological parents (35 percent versus 44 percent, respectively). Through interviews, many youth in Oregon also reported not wanting guardianship because they wanted to return home to their biological parents.
Research conducted in Illinois, Tennessee, and Wisconsin suggests that as was often true for caseworkers, the permanency decisions of caregivers and youth are determined in part by the specific needs and characteristics of the child and family. Caregivers considered the behavior of the child and considered issues such as potential legal liability for the child’s truant or criminal actions. For youth, their own age is a significant factor when considering their permanency options, with some evidence indicating that children’s interest in SG or permanency in general diminishes as they get older. For example, although older children (ages 16–19) participating in Illinois’ enhanced SG program were more likely to know about the availability of enhanced SG services, they were much less likely to want guardianship or adoption (49 percent) than younger youth aged 14–15 (19 percent). The impact of age on permanency decision-making speaks to the need to work quickly because youths’ interest in both SG and adoption tends to wane as they get older. Several youth interviewed as part of Oregon’s evaluation reported not wanting SG because they felt they were too old and wanted to live on their own.

Attitudes of Judges and Other Key Stakeholders

The opinions of judges and other key stakeholders such a guardians ad litem, public defenders, attorneys, and Tribal representatives can greatly impact the success of a guardianship program. Overall the opinions of judges and other stakeholder groups about SG were positive and echoed many of the same sentiments expressed by caseworkers, caregivers, and children. Montana, Oregon, Tennessee, and Wisconsin reported that court staff and other key stakeholders like guardianship because it respects family ties by not altering exiting family relationships and can be achieved without contentious TPR hearings. Court personnel from Tennessee and Wisconsin also noted that having a viable alternative to adoption positively impacts child well-being by reducing anxiety associated with remaining in foster care and by increasing a child’s sense of belonging to a family. Some court personnel liked guardianship because of the perceived benefits to judicial operations and staff workloads. Judges in Milwaukee, for example, felt that SG freed up significant court resources of time and money that could be used to help children in foster care who are in greater need. This sentiment was supported by an attorney in Iowa who reported that the availability of guardianship takes the burden off of the juvenile court to maintain and supervise children who no longer require the degree of oversight usually required for children in foster care.

The overall positive views of the courts regarding SG were not without reservations. In Illinois, Oregon, Tennessee, and Wisconsin judges and other key stakeholder groups generally preferred adoption over guardianship because of its more legally binding nature. They feared that guardianship orders could be easily vacated and that “difficult” children would be returned to the child welfare system. Furthermore, they were concerned that the dissolution of the guardianship arrangement at age 18 would result in the weakening of emotional ties between the caregiver and the youth. Other concerns voiced by the court and key stakeholders involved perceptions of the appropriateness of guardianship for younger children, as well as concerns about biological parents’ access to their children without the additional oversight and supervision of a child welfare agency.
Interpretation of the Adoption Rule-Out

Another factor impacting the offer and acceptance of SG involves caseworkers’ interpretation of the adoption rule-out. Most States’ waiver T&Cs specifically required that reunification and adoption be ruled out before pursuing SG; however, there was significant variation in practice in implementing the rule-out provision, especially with respect to adoption. In Illinois there was much debate early on over the correct interpretation and application of the rule-out provision. The debate pitted the dichotomous philosophies of those who have been called “adoption hawks” against “guardianship doves” (Testa, 2005). Adoption “hawks” felt that adoption should be ruled out prior to any discussion of guardianship while guardianship “doves” promoted the full disclosure of all permanency options concurrently. This debate also raged in Oregon, where some felt that adoption should always be the priority while others contended that caseworkers should be given latitude to weigh other alternatives, and that the quality of the relationship between the caregiver and child is more important than the legal status of that relationship. The philosophy to which a State ascribes is often reflected in its guardianship procedures; for example, Minnesota and Tennessee both embraced the “dove” philosophy by promoting the full disclosure of all permanency options (including guardianship) during case planning meetings with the caregiver and child. In some instances the philosophy to which a State ascribes is not explicitly stipulated in written policies and procedures but is reflected in an agency’s professional culture and philosophy. This was the case in Wisconsin, where caseworkers were more likely to categorically rule out adoption despite the fact that neither the State’s T&Cs nor its written policies required an adoption rule-out for children residing in the homes of relatives. Caseworkers’ behavior in this regard revealed that a strong preference for adoption was simply a part of normal casework practice.

For some States achieving consistency between rule-out philosophy, policy, procedures, and best practices was a challenge. Consistency for States ascribing to a “hawkish” philosophy was particularly challenging in light of the inherent tension between efforts to advance concurrent planning as a case management best practice and the preference for ruling out adoption before discussing SG with families. Regardless of a State’s official policy, caseworkers exercised a fair amount of control over the rule-out process; research from Illinois, Oregon, Tennessee, and Wisconsin indicates that caseworkers often ruled out guardianship without input from the family when adoption seemed to be a viable goal or when steps towards adoption had already been taken. Workers in these States reported that they were reluctant to derail progress towards adoption by offering SG as an alternative. The difficulty that some States faced in operationalizing rule-out criteria reinforced the influence of caseworker discretion on the rule-out process. With the exception of Illinois, few States had structured and concrete rule-out criteria. The discrete components of Illinois’ rule-out protocol included (1) no grounds for TPR, (2) the child has been listed with an adoption listing service for a year with no activity, and (3) a child 14 years of age or older will not consent to adoption. A less concrete criterion was that the caregiver was not “comfortable” altering family relationships.

Subsidy Amounts and Access to Services

For both caregivers and caseworkers the amount of the subsidy and access to services greatly influenced decisions regarding the offer and acceptance of SG. A central question that arose was
whether prospective guardians would be willing or able to accept lower subsidy payments in return for expanded decision-making authority and reduced government oversight. Five early SG States—Delaware, Illinois, Montana, New Mexico, and Oregon—began with the assumption that foster care providers would not consider guardianship without a subsidy at least equal to that available to foster or adoptive families. Other States hoped that a lower payment would be sufficient when coupled with the increased autonomy and freedom from child welfare agency oversight offered by guardianship. As noted earlier in this report, Maryland offered guardians a $300 monthly stipend, which was greater than the $188 monthly TANF child-only payment for kinship care providers but much less than the $600 monthly payment available to licensed relative foster care providers. North Carolina initially took a similar approach, providing guardians with a $250 monthly stipend that left caregivers with between $65 and $165 less per month (depending on the child’s age) than they would have received in foster care payments. The experiences of Maryland and North Carolina suggest that for many caregivers financial considerations ultimately outweigh other benefits of guardianship. During the first three years of North Carolina’s demonstration, no counties established a single SG; county child welfare agency staff reported that many licensed relative foster care providers were hesitant to absorb the financial loss that would result from assuming guardianship. In Maryland, only 20 percent of caregivers assigned to the experimental group who were offered SG chose to pursue this permanency option; child welfare administrators in the State noted that this low level of interest was likely due to caregivers’ reluctance to accept a permanency arrangement that entailed a substantial net loss in family income.

Findings from States with more recent waivers such as Minnesota confirm that the availability and size of the subsidy is often a critical factor for caregivers contemplating guardianship. In that State, over 21 percent of children ever assigned to the experimental group reached permanency through a transfer of legal and physical custody (SG) compared with just under 8 percent of children assigned to the control/matched comparison group. Data from caregiver surveys suggest that the availability of the continuous benefit subsidy played a significant role in increasing exits to SG among experimental group children. Specifically, among interviewed caregivers in Minnesota’s study population who chose SG, nearly 86 percent reported that the financial support available through the subsidy played an important role in their decision, with about 55 percent describing its role as “very important.” The significance of financial support was also supported by results from Wisconsin’s evaluation, which concluded that the availability of a subsidy especially influenced the decision of caregivers with “low exchange capital” (i.e., financial means) to accept guardianship.

Other States—including Iowa, Oregon, Tennessee, and Wisconsin—concluded that the subsidy amount itself does not fully explain the financial impact of assuming guardianship. Although the guardianship subsidy appeared to be equal to the foster care or adoption board rate in several States, some families moving to guardianship would still experience a net reduction in income due to the potential loss of “difficulty of care” and aged-based subsidy adjustments. This was the case in Oregon, where workers reported that the loss of the personal care rate available to children in foster care became a deterrent to considering guardianship in some instances. In fact, Oregon’s evaluation team reported that the economic disadvantages of SG could actually
encourage some children to remain in foster care or to revert back to foster care as the child approached age 18.

The potential loss of social and other human services was also a deterrent to the offer and acceptance of SG in some States. The caseworkers of over 15 percent of cases eligible for Iowa’s SG demonstration cited concerns about the loss of services and financial benefits—such as college tuition waivers, day care subsidies, continued Medicaid enrollment, and clothing allowances—as one reason for not considering SG. Illinois’ experience with its enhanced SG program speaks to the importance of transitional living services in youth and caregivers’ decision-making. Although all youth assigned to the experimental group of the State’s enhanced program were eligible for enhanced services, those who knew about these services were much more interested in achieving permanency through SG. Specifically, nearly 40 percent of youth who knew about the availability of enhanced services reported wanting SG compared with 19 percent of youth who did not know about the availability of these services. Similarly, 39 percent of experimental group caregivers who knew about the availability of enhanced services chose SG compared with only 11 percent of caregivers who did not know about enhanced services.

*Training and Information Dissemination about Subsidized Guardianship*

The quality and consistency of training, “messaging”, and information dissemination about SG was another significant variable that influenced whether and how caseworkers discussed SG with families. Training is critical for ensuring that caseworkers have the knowledge and skills needed to engage families in the process of permanency decision–making, which includes discussions about SG. Although occasionally attributed to worker turnover and confusing SG policies, gaps in workers’ knowledge were often the consequence of poorly attended and timed training, as well as inconsistent messaging and the lack of on-going technical assistance for child welfare staff and other stakeholder groups. Lack of training was cited as an issue in Illinois, whose evaluators suggested that it may have contributed to the high proportion of caregivers of youth assigned to the experimental group (28 percent) who reported that they had not been informed about the availability of enhanced SG services. Similarly, Iowa reported that inadequate training may have been a factor in the especially low utilization of SG by the caseworkers of eligible children who were under juvenile court supervision.

Administrative ambivalence about the virtues of SG often translated into inconsistent training messages that impacted both knowledge and buy-in. Evaluators in North Carolina and Oregon found that there was considerable tension at both the management and caseworker levels regarding the relative merits of guardianship, which ultimately weakened the effectiveness of these States’ training efforts. Oregon’s evaluators reported that buy-in to SG was diminished by a widely held perception that guardianship is a “step-child” to adoption, an ideology that was advanced though staff trainings that consistently emphasized adoption over guardianship. This was also the case in North Carolina, where conflicting perceptions among caseworkers regarding the State’s support for SG contributed to the belief that finding adoptive homes for children was always the priority and that SG had little applicability to good casework practice.

States employed several strategies to assist with the training of casework professionals, including the development of policy and procedural guides and resource tools; the provision of on-going
educational opportunities through Web-based training and conference calls; and the designation of child welfare managers to serve as SG experts and technical assistance liaisons. Tennessee’s evaluation concluded that training which covered specific details of the SG program, such as eligibility determination procedures and the completion of SG subsidy forms, helped improve staff’s working knowledge about SG. Who provides the training also impacts worker knowledge and buy-in. In Oregon, front-line caseworkers reported that training delivered by staff from the State Department of Human Services’ (DHS) Central Office, as opposed to those conducted by DHS regional office staff, made more of an impact because of Central Office staff’s superior knowledge of and investment in the SG demonstration.

**Cost Analysis**

While most States successfully completed the process and outcome components of their evaluations, analyzing the costs of the SG demonstrations proved more challenging. Most States did not attempt to conduct a true cost effectiveness analysis (i.e., estimating costs per effective outcome), but rather limited their cost studies to the analysis of cost savings, changes in title IV-E expenditure patterns, and the demonstrations’ cost neutrality status. Among States with experimental research designs, the available data suggest that SG was on balance less expensive than retaining a child in foster care, particularly with respect to administrative costs. Specifically, findings from Illinois, Tennessee, and Wisconsin demonstrated that SG decreased the average number of days spent in foster care, which in turn reduced the administrative expenses associated with providing ongoing case management and supervision. The money that had been used for foster care maintenance was generally converted into the SG subsidy payment, which tended to limit savings in direct maintenance subsidies.

In Wisconsin, the higher rate of permanence in the experimental group translated into an average savings of 143 placement days per case as of September 30, 2009; this translated into an average of $4,749 in foster care maintenance savings per case. However, the State ended up in excess of the Federal cost neutrality limit (CNL) by $219,862 at the end of its demonstration although total spending from both State and Federal sources was $401,624 less for the experimental group than total spending for the control group. The State concluded that the process it used to randomize cases failed to equalize title IV-E eligibility rates in the experimental and control groups; if eligibility rates in both groups had been more equal, Wisconsin estimates that it would have realized savings of $162,000 in foster maintenance costs and substantially more administrative cost savings. For a State with a large foster care population like Illinois, the administrative cost savings of an SG waiver can be substantial; during the first five years of its SG demonstration, the Illinois’ Department of Children and Family Services realized administrative savings of over $54 million. Tennessee concluded that without its title IV-E waiver it would have likely spent more than $1 million on unnecessary foster care maintenance and administrative costs.
Lessons Learned from the Subsidized Guardianship Demonstrations

In summary, the preponderance of evidence from States’ evaluations of their demonstrations suggests that the availability of SG:

- Increases permanency by broadening the array of options available to children to exit foster care for a stable and long-term home.

- Does not impede reunifications although it may supplant some adoptions. This finding should be considered in light of other data which demonstrate that SG and adoption are comparable with respect to safety, stability, and child well-being. Findings that indicate the increased stability of placements with relative caregivers are of particular note since they demonstrate that relatives are committed to the care and welfare of related children regardless of the legal status of the relationship. In other words, stability and well-being can be achieved through relative guardianships as well as through adoptions by relatives or non-relatives.

- Saves money, primarily through reductions in foster care placement days and the subsequent decrease in administrative expenses associated with managing and supervising foster care cases.

As intended, knowledge gained through the SG waiver demonstrations provided valuable information to inform changes in Federal and State child welfare policy that improve service delivery and permanency outcomes for children in the foster care system. On October 10, 2008, the Fostering Connection to Success and Increasing Adoptions Act of 2008 was signed into law as Public Law (P.L.) 110–351. Among the provisions of this significant child welfare reform legislation is one that affords States or Tribes operating title IV-E Foster Care and Adoption Assistance Programs the option to operate a Guardianship Assistance Program (GAP). Under the law, title IV-E agencies that exercise this option may receive Federal reimbursement for a portion of the costs of providing monthly kinship guardianship subsidies to relatives who assume legal guardianship of eligible children whom they cared for as foster parents.

As States across the country consider opting into the GAP, several lessons learned from States that pioneered the concept of SG through their title IV-E waivers may assist them in implementing a State SG program while ensuring compliance with Federal laws and polices:

- Develop Clear Guidelines for Reviewing Permanency Options. The Federal law requires States to determine that adoption and reunification are not appropriate for a child prior to pursuing SG. The law also requires that the child’s case plan address a number of specific factors relating to the decision to pursue guardianship as the permanency option for the child. For instance, the case plan must provide specific information on the steps the agency has taken to determine that reunification or adoption is not appropriate; the efforts the agency has made to discuss adoption with the child’s relative foster parent and the reasons why adoption is not an option; and the reason(s) why a permanent placement with a prospective relative guardian and receipt of a kinship guardian assistance payment is in the child’s best interests. The experiences of States with SG demonstrations suggest that the criteria for deciding who
should make this determination (i.e., the caseworker, the court, or the family) were not always clear or were not applied consistently. As such, it is imperative that States craft clear and consistent guidelines for working with families to discuss and decide on the appropriate permanency option for a child, including specific criteria that may be relevant to the decision on whether adoption is an appropriate option.

- **Provide Subsidies and Services that Parallel Foster Care and Adoption.** The title IV-E GAP requires that the subsidy available to relative guardians not exceed the amount that would have been available to the child if s/he had remained in foster care, and that children who exit to guardianship maintain their Medicaid eligibility. Although Federal law does not preclude States from setting the maximum guardianship subsidy lower than their foster care or adoption subsidies, findings from the SG demonstrations suggest that many caregivers will remain foster care providers if guardianship means absorbing a financial loss or foregoing other important support services. States can make guardianship a more attractive option if they negotiate assistance packages with caregivers that comply with Federal law while offering financial and service supports that meet families’ identified needs.

- **Prepare Youth for Permanence and Adulthood Concurrently.** For older youth, the attainment of permanence and transitioning to independent living should not be mutually exclusive. P.L. 110-351 amended the Chafee Foster Care Independence Program to allow States and Tribes to use Chafee funding to provide independent living services and ETVs for postsecondary education to youth who exit foster care to adoption or kinship guardianship after attaining age 16. In addition, States and Tribes operating a title IV-E Program may also opt to extend eligibility for title IV-E programs (including GAP) to youth older than 18. States and Tribes that exercise this option may receive title IV-E reimbursement for GAP subsidies paid to support youth in guardianship arrangements until age 19, 20, or 21 if the youth exited to guardianship after turning 16 and is completing high school or is enrolled in a high school equivalency program, post-secondary or vocational school, an employment training program, is employed no less than 80 hours per month, or is incapable of meeting such requirements because of a medical condition. Under the GAP, States can, therefore, develop programs that assist youth in finding permanent homes while also helping them prepare for adult life.

- **Develop a Consistent and Positive Message.** The successful implementation of a new child welfare program often hinges on obtaining buy-in from those parties that will be engaged in the implementation and utilization of the program, including caregivers, caseworkers, judges, other court personnel, and the youth themselves. Therefore, prior to implementation of an SG program it is critical to consider what the program’s “message” will be, who will need to hear the message, and the extent to which they will need to understand the intricacies of the policies and procedures guiding the use of the program. To prevent confusion and doubts about SG’s merits as a permanency option, the experiences of several waiver States highlight the importance of ensuring that messages regarding the benefits of an SG program are clear, positive, and consistent.

- **Engage the Courts Early On.** The relationship among the child, the caregiver, and the court begins at entry into foster care when the court makes a determination that a child cannot remain safely in his or her home; this relationship continues over the life of the case through
the signing of a guardianship order and beyond. Given the powerful role played by the courts in facilitating the guardianship arrangement, close and early collaboration with judges and other court personnel is essential to promoting buy-in to SG, along with the development and integration of streamlined procedures into judicial proceedings to promote the efficient establishment of guardianships.

- **Develop Robust Training and Technical Assistance Programs.** Early and high-quality training is critical to ensuring that caseworkers have the knowledge and skills needed to engage families in and complete the permanency planning process. In addition, ongoing technical assistance is essential to helping caseworkers integrate SG into everyday casework practice; as such, the content of training curricula and resource materials should be designed to address both the theoretical and technical aspects of guardianship implementation. Training on SG should be institutionalized so that it is available to newly hired case workers as well as to existing staff on an ongoing basis through refresher courses and distance learning tools such as Webinars.

- **Expect Possible Increases in Disruptions.** As more children exit foster care to guardianships it is likely that States will see an increase in the number of cases in which guardianships disrupt and children return to foster care. This phenomenon should not be regarded as a failure of guardianship but rather as a natural consequence of expanding permanency options for children. In tracking guardianship disruptions child welfare agencies should examine re-entry rates rather than raw numbers to assess system performance. The stability of guardianships can be assessed most effectively by comparing guardianship disruptions with adoption disruptions, whereby all incidents in which children no longer live in the home of the guardian or adoptive parent are enumerated regardless of whether the legal relationship has been officially terminated. In this way child welfare researchers and policymakers can make an “apples to apples” comparison of the stability of guardianship versus adoption.
References


Appendix A: List of Online State SG Resources

Illinois


Iowa


Minnesota

“Paths to Permanency” Handbook: http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4906-ENG.

Frequently Asked Questions about the Minnesota Permanency Demonstration Project: http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4630-ENG

Benefit Comparison Chart (Page 2): http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4906a-ENG

Oregon

Information Memorandum on Guardianship Assistance Program: http://www.dhs.state.or.us/policy/childwelfare/im/2009/cw_im_09_021.pdf

Tennessee

Links to several online SG sources, including a comparison chart of permanency alternatives and administrative policies and procedures governing SG, are available through the following link:

http://www.state.tn.us/youth/fostercare/spg.htm

Wisconsin

Wisconsin Subsidized Guardianship Fact Sheet:


Guide for Creating SG Cases in the Wisconsin SACWIS: