

ACF

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**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration for Children, Youth and Families**

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INFORMATION MEMORANDUM

To: State Agencies and Territories Administering Title IV-E of the Social Security Act

Subject: Health Insurance Coverage and Receipt of Adoption Incentive Payments

Legal and Related References: Section 473A of the Social Security Act (the Act) and [ACYF-CB-PI-99-04](#)

Purpose: The purpose of this information memorandum (IM) is to remind States of the health insurance coverage requirement for receipt of adoption incentive payments for Federal fiscal years (FFY) 2001 and 2002.

Information:

Section 473A of the Social Security Act authorizes payment of adoption incentive funds to States if they meet the requirements of an "incentive-eligible state", as defined in section 473A(b) of the Act, during a fiscal year. Under section 473A(b)(4) of the Act, to be incentive-eligible for FFY 2001 and 2002, a State must provide health insurance coverage to any child with specialneeds [as determined under section 473(c) of the Act] for whom there is in effect an adoptionassistance agreement between a State and an adoptive parent or parents. A State will not be eligible for adoption incentive payments unless it provides health insurance coverage in accordance with this Federal statutory provision.

States that wish to participate in the adoption incentive payment program will be required to certify compliance with section 473A of the Act through the title IV-E state plan pre-print approval process. The newly revised state plan pre-print will be issued by ACF soon and will provide States an opportunity to certify compliance with this Federal statutory provision.

Inquiries: Direct inquiries to ACF Regional Administrators.

/s/

James A. Harrell
Acting Commissioner
Administration on Children, Youth, and Families