



Proposals Affecting

**Foster Care, Adoption Assistance, and Guardianship**

Foster care and permanency programs are open-ended entitlement programs that provide partial reimbursements to states and certain other jurisdictions for the cost of providing foster care, adoption assistance, and kinship guardian assistance to children who meet certain federal eligibility criteria. Each jurisdiction (the 50 states, the District of Columbia, Puerto Rico, Virgin Islands, Guam, American Samoa, and the Indian tribes) is reimbursed for direct financial assistance according to a formula—based on that jurisdiction's federal medical assistance percentage rate—which can range from 50 percent to 83 percent of the cost per child. Those programs' administrative and training costs are reimbursed at 50 percent and 75 percent, respectively, for all jurisdictions. About 60 percent of the amount of those federal payments is for spending associated with support for foster care.



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 Foster Care, Adoption Assistance, and Guardianship**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2025-2034
Millions of dollars, by fiscal year											
	<b>Increases or Decreases (-) in Direct Spending (Outlays)</b>										
Allow Tribes That Do Not Currently Receive Title IV-E Funding to Be Eligible for Title IV-E Prevention Funding	1	1	2	3	4	6	7	9	12	15	<b>60</b>
Expand and Encourage Participation in the Title IV-E Prevention Services and Kinship Navigator Programs	356	410	482	536	385	385	386	386	387	387	<b>4,100</b>
Increase Support for Kinship Foster Care Placements and Guardianships	79	81	85	90	95	102	109	118	128	139	<b>1,026</b>
Provide Comprehensive Tribal Child Welfare Funding	56	56	57	58	60	63	65	68	73	79	<b>635</b>
Reduce Reimbursement Rates for Foster Care Congregate Care Placements	-7	-6	-6	-5	-5	-5	-4	-4	-4	-3	<b>-49</b>
Create New Flexibilities and Support in the Chafee Program for Youth Who Experienced Foster Care, Including a Post-Foster Care Healthy Transition Assistance Demonstration	126	182	197	234	241	245	249	251	252	249	<b>2,226</b>

CBO’s estimates are relative to the June 2024 baseline.