A Decade of Success

Since May of 1997, over 81,000 children in Illinois have moved from foster care to permanent families: 32,000 children have been reunified with their birth parents, 39,000 have been adopted, and 10,000 have been placed under the permanent guardianship of relatives and former foster parents. These accomplishments have brought national attention to Illinois’ leadership in bringing family permanence to the lives of thousands of children who otherwise would have spent their childhood in foster care.

Subsidized Guardianship in Illinois

The movement of 10,000 children to the permanent guardianship of relatives and foster parents is made possible by a waiver from the U.S. Department of Health and Human Services, which enables Illinois to spend federal IV-E (foster care) dollars flexibly to extend financial subsidies to families that the courts deem suitable to become permanent legal guardians. The implementation of the subsidized guardianship waiver demonstration in May of 1997 offered families another permanency option in addition to subsidized adoption. It also renewed agency and court interest in encouraging adoptions by kin. Most relatives still choose adoption, but subsidized guardianship fills an important niche in facilitating family permanence after a court has determined that reunification and adoption are not in the best interests of the child. Subsidized guardianship builds on the strengths of extended family traditions and respects existing family ties by transferring legal responsibility without first requiring the termination of parental rights as is necessary for adoption.

From Kinship Foster Care to Family Permanence

The availability of subsidized guardianship gives children in kinship foster care in Illinois another means of exiting the child welfare system besides reunification or subsidized adoption. As a result, the per capita rate of children in kinship foster homes fell from 9 per 1,000 children in 1996 to 2.1 per 1,000 children in 2004 (most recently available federal data). Although there was some concern that guardianship subsidies might inadvertently attract into the child protective system families seeking a more generous source of governmental support, this has not been the experience in Illinois and in the other states that operate subsidized guardianship programs. Kinship foster care caseloads have declined nationally and state per-capita rates have stayed approximately level since child welfare waivers were first granted in 1996.
Cost-Effective Permanency Options

In addition to creating stable living arrangements for foster youth, the availability of adoption and guardianship subsidies makes economic sense. In a nutshell, administrative costs are lower for subsidized adoption and guardianship than maintaining children in public foster care because there are very little child placement expenses and overhead costs associated with these permanent living arrangements. Cost studies completed in Illinois estimated that an average of $4,778 in IV-E administrative expenses are saved over an eight-year period for every child discharged to subsidized guardianship as compared to a matched control group that was not offered this option. Extrapolating to all 10,000 children discharged to guardianship under the Illinois waiver, the projected IV-E administrative savings amount to $48 million.

Challenges of Child Welfare Financing in a Post-Permanency World

In July of 2000, the number of children in publicly-assisted permanent homes surpassed for the first time the number of children in state-funded foster care in Illinois. Currently, there are two and one-half times as many children in publicly-assisted permanent homes as there are children in publicly-funded foster care. The shift from foster care to family permanence, however, does not mean that the work of supporting and strengthening these new families necessarily ends. Even though regular casework and judicial oversight are no longer required, these homes will still need occasional support to ensure child well-being and sometimes more intensive interventions to preserve family stability. A major roadblock to fulfilling these new responsibilities is the inheritance of a 20th century federal financing system that prevents states from spending federal dollars earmarked for foster care on the services and strategies that could help give children safer, more stable, permanent homes.

Stability After Foster Care

Since the push for permanence following the passage of the Adoption and Safe Families Act, there has been much speculation about the stability of adoptive and guardianship homes. Research from Illinois demonstrates the stability of homes after foster care. As of 2006, 98% of permanencies finalized two years ago remain stable. Of permanencies finalized five and ten years ago, 94% and 92% remain stable, respectively. Since 1998, there has been improvement in the 10 year stability rate.

An Endangered Permanency Option

The expiration of the federal waiver program in 2006 puts in jeopardy Illinois’ ability to support the 6,000 children currently in subsidized guardianship arrangements. The state will also be deprived of future federal funds to support an important permanency option that helped reduce the number of foster children from 51,000 in 1997 to 16,000 in care today. Unless the existing waiver is extended beyond 2008 or federal legislation is passed, thousands of children will be denied this vital permanency option in the future.