

# Relative Caregiver Licensing Reform and Support in Minnesota

## Fiscal Analysis Bill Update

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# Relatives help keep Minnesota's children safe and ensure positive long-term outcomes



In 2023, approximately 7.8 million children were living in homes headed by relatives, which cover a spectrum of situations, from multigenerational homes in which middle generation parents are primarily responsible for the caregiving to homes in which the parents are not present (<https://data.census.gov/table?q=S0901>). On average, 3% of children nationally are being raised by a relative.

Data from 2012 in MN indicates that at that time 21,000 children were being raised by a relative – which was around 2%.

# Data on Relative / Non-Relative Placements

How often do the following kinds of foster care placements result in a placement move?

Family foster care all **non-relative: 60% w/ a placement move**

Family foster care all **relative: 37% w/ a placement move**

Out-of-home care entries show greater placement stability for relative settings compared to non-relative settings and other non-family home placements (based on the initial placement setting).

# Relative Foster Care Licensing after new Federal Policy



New 2023 federal rule allows relatives to be licensed using different standards than non-relatives.

Working group in MN was created to implement those standards into our licensing statute in spring of 2024 and to discuss other ways to support relative caregivers and to build on reform work that we began as a state several years ago around relative caregiver support and licensing.

National movement toward kinship caregiving recognizing that is best practice with enhanced long-term outcomes for children.

Kinship investments for family stability has been consistently elevated as a priority by families, communities, providers, and counties. Foundational support to meet basic needs is a vital priority for MN – and investment in this area leads to a lot of benefit for children and families.

## CROSS WALK TOOL:

## MN LAWS COMPARED NATIONAL STANDARDS

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This tool illustrates differences between MN current law and recommended licensing standards.

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Goal of model standards is to remove non-safety related barriers and make process more efficient yet still maintaining safety. So faster and easier does NOT mean less safe.

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MN is different to the national model in several areas (background study process and statutory barriers).

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Proposed legislation will try to bring MN closer to model standards.

# Adam Walsh Act – Barrier Crimes Defined

Permanent barrier crimes include the following: a felony conviction for child abuse or neglect; for spousal abuse; for a crime against children (including child pornography); or for a crime involving violence, including rape, sexual assault, or homicide, but not including physical assault or battery.

A five-year barrier crime prevents an applicant from being approved for placement if the felony was committed in the last five years. These five-year barrier crimes include a felony conviction for physical assault, battery, or a drug related offense.

# Guest Speaker Marina Nitze

## Creator of Model Relative Licensing Standards

Marina is a fellow at New America's New Practice Lab, where she works on improving America's foster care system through the [Child Welfare Playbook & Working Group](#). Marina was most recently the Chief Technology Officer of the U.S. Department of Veterans Affairs under President Obama, after serving as a Senior Advisor on technology in the Obama White House and as the first Entrepreneur-in-Residence at the U.S. Department of Education. She serves on the advisory boards of Foster America.

# Licensor Survey Results MN Summer 2024

Biggest take-away - in MN takes an average of 4-6 months to license a relative for foster care placement.

Other barriers to licensing of relatives included process challenges, outdated disqualifications (first degree assault being one most mentioned most), financial constraints, voluminous training requirements and logistical and transportation issues.



# Guest Speakers

Community Licensor

Amanda Whiting, EVOLVE Family Services

Zhanae Curry, Relative Community Member

# Fiscal Analysis Bill HF1492

With creation of new agency, DCYF, perfect time to assess and map all funding streams in Minnesota's child welfare system – including federal, state, county and tribal to ensure that we are both ACCESSING all available funding and EQUITABLY distributing it.

Other states have seen significant savings after completion of comprehensive fiscal analysis and funding map, including accessing funds to support various categories of legal representation.

Claims / funding for FFPSA through Title IV-E reimbursement for prevention services is starting to grow exponentially. FY'23 increased by about 279% (between 2022 and 2023).

## Title IV-E Funding Increases Since 2018

<u>Title IV-E Program</u>	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	% Change - FYs 2023 v. 2018*2
Foster Care*3	\$ 5,073,039,751	\$ 5,479,710,601	\$ 5,068,336,627	\$ 5,006,082,840	\$ 4,879,735,985	\$ 5,053,093,360	-0.4%
Adoption Assistance*3	\$ 2,791,183,048	\$ 2,945,928,706	\$ 3,385,776,471	\$ 3,563,804,493	\$ 3,734,739,971	\$ 3,985,714,249	42.8%
Guardianship Assistance*3	\$ 162,306,761	\$ 185,657,222	\$ 225,474,208	\$ 254,407,978	\$ 281,442,159	\$ 304,804,436	87.8%
Prevention Services*4	N/A	N/A	\$ 13,234,839	\$ 52,610,283	\$ 64,170,286	\$ 172,494,603	1203.3%
Kinship Navigator*5	N/A	N/A	N/A	\$ 3,348,110	\$ 12,692,570	\$ 2,743,436	-18.1%
<b>Total FFP Claims</b>	<b>\$ 8,026,529,560</b>	<b>\$ 8,611,296,529</b>	<b>\$ 8,692,822,145</b>	<b>\$ 8,880,253,704</b>	<b>\$ 8,972,780,971</b>	<b>\$ 9,518,850,084</b>	<b>18.6%</b>

# Funding Prevention Services Nebraska

*Reduction to Out-of-Home Care: Rebalancing Use of Existing State Funds*

Month	OHC Reduction	# Children in OHC	Monthly Cost Savings	Cumulative Cost Savings	Estimated State Savings to Reinvest
12	240	2,947	\$644,184	\$4,187,197	\$3.81m - \$3.89m
24	480	2,707	\$1,288,368	\$16,104,602	\$14.6m - \$14.9m
36	720	2,467	\$1,932,552	\$35,752,217	\$32.5m - \$33.2m
48	960	2,227	\$2,576,736	\$63,130,040	\$57.4m - \$58.7m
60	1,200	1,987	\$3,220,920	\$98,238,072	\$89.3m - \$91.3m

- Ongoing annual savings: \$38.6m
- State funds available for reinvestment annually: \$34.7m

# New opportunities to support legal representation with Title-IVE funding

The Children's Bureau has opened-up additional types of representation now eligible for federal Title IV-E reimbursement.

- 2018 – Parent / Child Representation
- 2019 – Clarified applied to Tribes
- 2020 - Expanded to include paralegals, investigators, peer partners or social workers, along with support staff and overhead expenses.
- 2024 – Final Rules expanded to include relative caregivers as a covered party, civil legal aid, and pre-petition work for parents.