



Proposals Affecting

Foster Care, Adoption Assistance, and Guardianship

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



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	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2023-2032
Increases or Decreases (-) in Direct Spending Outlays											
Expand and Encourage Participation in Kinship Navigator and Prevention Services Programs	209	327	336	389	267	297	368	368	369	369	3,299
Increase Matching Rate for Foster Care Placement With Kin Caregivers and for the Guardian Assistance Program	119	119	122	126	129	132	136	140	143	207	1,373
Increase the Independent Living Grant	100	100	100	100	100	100	100	100	100	100	1,000
Reduce Reimbursement for Congregate Care Institution Placement	-10	-4	-4	-4	-3	-3	-3	-3	-3	-2	-39

These estimates of the effects of the President's fiscal year 2023 budget proposals incorporate the effects of legislation enacted through April 8, 2002. They are based on CBO's economic projections, which reflect economic developments through March 2, 2022. The estimates do not include the budgetary or economic effects of subsequent legislation, economic developments, administrative actions, or regulatory changes.