

# WHAT EXPENSES DOES AN ADOPTION SUBSIDY COVER?

Available online at:  
[adoptioncouncil.org/adoption-assistance-and-subsidies](https://adoptioncouncil.org/adoption-assistance-and-subsidies)

There are different types of adoption assistance that families may receive. Children can qualify for state or federal subsidies, and each state has discretion regarding the eligibility criteria and benefits they offer. In short, adoption subsidy covers anything negotiated in an adoption assistance agreement with the state.

An overview of common subsidy categories is listed below.



## FINANCIAL ASSISTANCE

Monthly financial assistance is available to children who meet state or federal adoption subsidy eligibility requirements. The amount of financial assistance is determined by the agreement negotiated with the state and is generally based on the age, needs, and other factors pertaining to the child. The amount of financial aid will not exceed the amount of financial assistance provided for the child while in foster care.



## MEDICAID

All children who are eligible for federal adoption assistance are also eligible for Medicaid. This provides children medical assistance and care, regardless of the health insurance available to their parents. If families move to another state, they remain eligible for Medicaid, but may have different services or other changes based on the policy in the new state.

For children who do not qualify for federal assistance but meet their state eligibility, they may also receive Medicaid based on the states' eligibility and benefit offerings.



## NON-RECURRING EXPENSES

Families may be eligible for one-time expense reimbursement for fees associated with legally finalizing their adoption. This can include costs for travel, court fees, attorney fees, and other aspects associated with meeting the requirements of the adoption. The maximum amount of one-time, non-recurring reimbursement is \$2,000, though states may (and often do) set lower limits on maximum reimbursement.



## SERVICES/COMMUNITY SUPPORT

As part of a subsidy agreement, families may negotiate to receive additional state-provided post adoption services. This can include services such as mental health support, childcare, or other services provided by the state. These services will differ widely from one state to another.



## OTHER FORMS OF ADOPTION ASSISTANCE

Along with adoption assistance negotiated with the state and formalized in a signed agreement, there may be other benefits a family is entitled to. In addition to the federal adoption tax credit, many states have their own state adoption tax credit that families may be eligible for. In addition, children adopted from foster care may be eligible for tuition assistance or scholarships from state programs designed to support former foster youth.