



California Alliance
OF CHILD AND FAMILY SERVICES

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April 13, 2007

The Honorable Patty Berg
State Capitol
Sacramento, CA 94249-0007

RE: PAARP Increase
Position: SPONSOR

Dear Assemblymember Berg,

The California Alliance of Child and Family Services, representing more than 150 nonprofit agencies that provide an array of services and support to vulnerable children and families throughout the State, is pleased to support an increase in the 2007-08 Budget for the Private Adoption Agency Reimbursement Program (PAARP).

Currently, 54,000 children could remain in long-term foster care and age out without a chance for a permanent family. Only 7,103 children were adopted out of foster care this past year. Private non-profit adoption agencies finalized 2,217 of those adoptions, representing almost one-third of all adoptions of foster children in the State.

Non-profit private adoption agencies are losing on average \$5,000 per adoption of each foster child. According to CDSS, no new agencies have applied to participate in the PAARP program in the past three years. Non-profits want to finalize more adoptions, but they are limited in their growth because they cannot sustain continued losses.

The County Welfare Directors Association strongly supports an increase in PAARP because non-profit private adoption agencies specialize in finding permanent homes for children with high needs. Often, these are children who are medically fragile, have had severe trauma and abuse, have developmental delays from prenatal exposure, or who belong to a sibling set. These factors require more intensive recruitment for the right families willing to love and nurture children with special needs.

Increasing the PAARP payment from \$5,000 to \$10,000 would only cost the state an additional \$2,650 per child because the federal share of cost is 47%. The State's share of 53% amounts to an increase of approximately \$5.6 million. However, this increase is offset by three factors: 1) Increased adoptions could allow California to receive federal incentive dollars of \$6,000 per child and an additional \$4,000 for each child over nine; 2) California will save \$3,917 in foster care payments, court costs and social work for each year an adopted child would have been in foster care; and 3) included in those savings - the State will save \$2,746 per year in Medi-Cal costs for each child (CDSS Adoptions Cost/Benefit Analysis). Also, PAARP is the only funding mechanism linked to performance in Child Welfare Services. Payment is made only after a successful placement and adoption.

For these reasons, we strongly support an increase in the PAARP reimbursement payment. If I may provide you with additional information, please do not hesitate to contact me at (916) 449-2273, extension 21.

Sincerely,

Jacqueline Rutheiser

Jacqueline Rutheiser
Senior Policy Advocate