The Honorable Janice K. Brewer  
Governor of Arizona  
1700 West Washington  
Phoenix, Arizona 85007

Dear Governor Brewer:

The Department of Economic Security is providing the report on the Kinship Foster Care Program. This report is provided in accordance with A.R.S. § 8-514.03(H) and provides the following information:

- Demographics and number of children placed with relative caregivers;
- Demographics and number of kinship foster caregivers;
- Number of relative children per kinship foster care family;
- The Department’s success at maintaining kinship foster care placements;
- Type of services provided to kinship foster care families;
- Cost of services provided to kinship foster care families compared to the cost of out-of-home placements; and
- Recommendations regarding program improvement.

If you have any questions, please contact me at (602) 542-5757.

Sincerely,

Neal Young  
Director

Enclosure

cc: President Robert L. Burns, Arizona State Senate  
Speaker Kirk D. Adams, Arizona House of Representatives  
GladysAnn Wells, Director, Arizona State Library, Archives and Public Records
Kinship Foster Care

Arizona Revised Statute § 8-514.03 requires the Department of Economic Security (DES) to submit a report regarding the Kinship Foster Care Program every two years. It includes demographic information, the type of services provided to kinship caregivers, and recommendations for program improvement. This report is submitted in satisfaction of this requirement.

For generations, extended families have played significant roles in the rearing of children when parents otherwise cannot. Kinship caregivers provide love and nurturance in a familiar setting as children remain connected to their families. These children live with people they know and trust, reinforcing the child’s sense of cultural identity and positive self-esteem. Children living with kinship caregivers make and sustain extended family connections and continue lifelong family traditions and memories. The extended family are provided opportunities to support the child in building healthy relationships within the family, provide for the child’s safety and well-being, and create a sense of stability in the life of a child.

Arizona Kinship Foster Care Program Description

Arizona’s Kinship Foster Care Program prioritizes relatives as the first placement preference for children in Child Protective Services (CPS) custody who require out-of-home care.

There are two forms of Kinship Foster Care:

**Licensed Kinship Foster Care** is when a child is placed with a relative who becomes licensed as a foster care provider. As of June 30, 2010, there were 183 kinship foster caregivers licensed as foster parents and providing out-of-home care for 330 related foster children.

**Unlicensed Kinship Foster Care** is when a child is placed with a relative with court approval and the relative does not become licensed as a foster care provider. As of June 30, 2010, there were 1,913 unlicensed kinship caregivers providing homes for 3,137 related foster children.

Non-Financial Services Available to Kinship Foster Caregivers

A variety of services are available to kinship foster caregivers and the children they care for, including:

- *Case management services* - regular contact with the kinship caregiver to assess and identify needs of the child and family and assist in developing solutions.
- *Health care coverage* - children are provided health care coverage through Title XIX (Medicaid) and/or the Division of Children, Youth and Families (DCYF) Comprehensive Medical and Dental Program (CMDP).

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1 Data was extracted on 08/03/10 from the CPS case management system based upon an Adoption and Foster Care Analysis Reporting System (AFCARS) data run for the fiscal year ending June 30, 2010.
Parent aide services - contracted and state employed parent aides offer training in family life skills, provide transportation, and supervise visitation with birth parents and their children.

Parent skills training - training is provided for kinship foster caregivers to enhance their parenting knowledge and skills.

Mental health and other supportive intervention services – referrals are available for kinship foster caregivers and children.

Transportation services – transportation for children to and from medical appointments and other necessary services.

Child care subsidy- supervision provided for children.

Respite care – six days or up to 144 hours annually of respite care is available for licensed kinship foster caregivers.

Referrals to interdepartmental programs – programs such as the Division of Developmental Disabilities, Vocational Rehabilitation, Job Service, and community resources for children and kinship foster caregivers are available through DES.

Arizona Statewide newsletter – provides ongoing information, educational opportunities and services that support kinship foster caregivers.

**Temporary Assistance for Needy Families**

Kinship foster caregivers may apply for Temporary Assistance for Needy Families (TANF) Cash Assistance (CA) to receive financial assistance for children in their care. Of the 3,467 children in kinship foster care on June 30, 2010, 984 or 28 percent\(^2\) were CA recipients in 637 households, averaging 1.54 eligible children per household.

In fiscal year 2010, the average monthly household TANF cash assistance payment was $213.21, which is a decrease of $51.41 from SFY 2008’s average monthly household CA payment of $264.62. This decrease is attributed in part to the 20 percent reduction in the monthly TANF Cash Assistance benefit that became effective in March 2009. An additional 267 children were members of eligible households, but were determined not eligible for benefits. Of those children, 179 children or 67 percent were benefit-capped\(^3\). Benefit-capped children are not eligible for TANF cash assistance regardless of the household in which they reside. An additional 20 children or 7.5 percent were denied benefits due to their receipt of Social Security benefits. The remaining children were denied benefits for other reasons.

Six of the grandparent caregivers were also included in the TANF cash assistance grant, a decrease of four from SFY 2008. The average monthly TANF cash assistance for households that included grandparents was $240.00, which is a decrease of $8.00 as compared to the $248.00 average monthly TANF cash assistance benefit for households that included grandparents on the TANF grant in SFY 2008.

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\(^2\) Data sources are Arizona Technical Eligibility Computer System (AZTECS) and Children’s Information Library and Data Source (CHILDS).

\(^3\) Benefit-capped children (Family Benefit Cap): There is no increase in cash assistance for the birth of additional children after the family begins to receive cash assistance, with some limited exceptions.
For fiscal year 2010, approximately 60 percent of TANF cash assistance households in the kinship foster care program were headed by grandparents, 29 percent by aunts or uncles, and 11 percent by other relatives. This compares to approximately 59 percent of TANF cash assistance households headed by grandparents, 27 percent by aunts or uncles, and 14 percent headed by other relatives in SFY 2008.

**Costs of Care Provided by the Division of Children, Youth and Families (DCYF)**

Financial assistance provided to kinship foster caregivers for the children in their care include foster care maintenance payments (for licensed kinship foster caregivers) and personal and clothing allowances (for both licensed and unlicensed relative caregivers).

During SFY 2010, the average monthly maintenance cost of care for a child placed in licensed kinship foster care was $671.54. In addition, each child is entitled to personal and clothing allowances which range from $0.63 to $2.63 per day depending on the age of the child. Under certain circumstances, both unlicensed and licensed kinship foster caregivers are eligible for special allowances. Special allowances are available for costs incurred by children for graduation fees, to assist with diapers, or for emergency clothing needs an average of $212.94 annually.

The average monthly maintenance amount does not include expenditures related to CPS case management, child care, or other services provided to support kinship foster caregivers in providing care for children in their homes.

**Demographic Data about Children in Kinship Foster Care**

As of June 30, 2010, there were 3,467 children in kinship foster care, which is 34 percent of the total out-of-home care population of 10,258 children. Of the 3,467 children, 731 were placed with siblings. This represents a 9 percent increase over SFY 2008.

The average age for children in kinship foster care was 6.6 years, a slight decrease from the SFY 2008 average of 7.1 years. The number of children by age ranges is presented in Chart 1:
The largest percentage of children in kinship foster care, 1,072 or 31 percent, are between ages one to three. This percentage is consistent with SFY 2008 data. There was a 17 percent decrease in the number of children in kinship foster care age 16 and older as compared to SFY 2008.

Most children in kinship foster care, 73 percent, lived with their kinship foster caregiver for less than one year. This represents a 17 percent increase over SFY 2008 data for this category. There was a decrease in the number of children in kinship foster care who remained in their current placement for four years or longer, as compared to SFY 2008. In SFY 2008, 142 children remained in their placement for over four years as compared to 18 children in SFY 2010.

Chart 2 displays time in placement by years.

![Chart 2](image)

N = 3,467

Children placed in kinship foster care spend 74 percent of their total time in out-of-home placement with their kinship foster care providers. This is a nine percent increase over SFY 2008 data. The average number of children residing in the same kinship caretaker home is 1.7 children.

The ethnicity of children in kinship foster care is displayed in Chart 3. The percentage of Hispanic children in kinship foster care increased by three percent and the percentage of Caucasian children in kinship foster care decreased by three percent as compared to SFY 2008. There were no significant changes in the percentages in the other categories.

![Chart 3](image)

N = 3,467
Fifty-two percent of children in kinship foster care are female (1,793 children) and 48 percent are male (1,674 children).

**Demographic Data of Kinship Foster Caregivers**

As of June 30, 2010, there were 2,096 kinship foster caregivers. This represents an increase of 151 kinship foster caregivers, or eight percent over the 1,945 kinship foster caregivers on June 30, 2008.

Kinship foster caregivers between ages 41 to 60 comprise 59 percent of all the kinship foster caregivers. There was a five percent decrease from SFY 2008 in the number of kinship foster caregivers who were age 61 and over, which is consistent with a national trend of grandparents being a much younger group than in the past. Kinship foster caregivers between ages 41 to 50 increased by three percent. Chart 4 displays the percentages of kinship foster caregivers by age brackets.

The majority of kinship foster caregivers are Caucasian. During SFY 2010, 49 percent of the kinship foster caregivers were Caucasian as compared to 52 percent in SFY 2008. There was a two percent increase in the number of Hispanic kinship foster caregivers, from 35 percent in SFY 2008 to 37 percent in SFY 2010. The remaining categories were, for the most part, unchanged from SFY 2008. Chart 5 displays the ethnicity of kinship foster caregivers.
Evaluating the Kinship Foster Care Program for Program Improvement

Arizona’s Kinship Foster Care Program continues to be evaluated by meeting with kinship foster caregivers, representatives from foster home licensing agencies, and representatives from community agencies that provide services for kinship caregivers. The Division of Children, Youth and Families (the Division) also conducts periodic case record reviews to ensure continuous quality improvement in case management services provided to kinship foster caregivers.

During this reporting period, the Division implemented the following policies and practices to support recommendations noted in the Office of the Auditor General’s Report entitled Relative Placement issued September 2009 and amendments made to A.R.S. § 8-823 and A.R.S. § 8-824 (Laws 2009, Chapter 148, Sections 2 and 3) pertaining to the kinship foster care program:

- The Division implemented policy that assists staff in identifying potential kinship foster caregivers for children entering out-of-home placement. Within 30 days of a child’s removal from his/her home, case managers are instructed to send a letter to all identified relatives of the child, asking the relative if they would be a potential caregiver for the child, or if the relative has an interest in being involved in other aspects of the child’s life while the child is in out-of-home placement. To facilitate the relative’s response, a response form is sent with the letter.

- The Division revised policy so that staff would have more specific guidance when reviewing the criminal background history for a prospective kinship foster caregiver. The revised policy provides staff with a list of criminal offenses that would automatically preclude an individual from becoming a kinship foster caregiver. Staff are also provided with additional factors that should consider in making placement decisions regarding non-exclusionary crimes. This policy will ensure that criminal background histories for potential kinship foster caregivers are evaluated more consistently.
• The Division developed a checklist tool for staff to use when assessing a kinship caregiver’s physical home site for potential safety hazards. This tool will ensure consistency for staff throughout the state when assessing safety factors in potential kinship caregivers’ homes.

• The Division developed a specialized case note type for documenting information pertaining to kinship foster care placements. This specialized case note provides a centralized and automated location for documenting the Division’s contacts with a child’s relatives.

• The Division is encouraging kinship foster caregivers to become licensed as foster parents. Foster home licensure provides additional supports for the kinship foster caregiver as well as building the pool of potential foster parents for the Division. These additional supports include respite, increased foster parent training, and a room-and-board payment to help offset the costs of providing foster care.

• The Division and the Department’s Office of Licensing, Certification and Regulation are jointly reviewing, on a case-by-case basis, requests made by kinship foster caregivers for waiving non-safety related foster home licensing standards that some kinship caregivers are having difficulty meeting. This effort supports federal legislation (P.L. 110-351 enacted in October 2008) that permits the waiving, on a case-by-case basis, of non-safety licensing standards for relative caregivers of children in out-of-home placement.

Recommendations for Program Improvement

The following recommendations supplement current Division efforts in supporting kinship foster caregivers:

• Monitor the implementation of the kinship foster care policy revisions described in the preceding section of this report by:
  ▪ Enhancing case record reviews to assure that notifications are sent to potential kinship caregivers in a timely manner.
  ▪ Reviewing the specialized case note entitled “relative information” to assure that staff are documenting contacts with relatives in this case note type.

• Continue enhanced efforts in licensing kinship foster caregivers as licensed foster parents.
  ▪ When needed, and on a case-by-case basis, waive non-safety licensing standards for those kinship foster caregivers who cannot meet the non-safety licensing standard but wish to provide an out-of-home placement for their grandchild, niece, nephew, etc.

• Include kinship foster caregivers in the distribution of the Arizona Statewide – a quarterly newsletter for foster and adoptive parents.
- Continue writing articles and providing resource information relevant to kinship foster caregivers in the *Arizona Statewide*.

- Include contact information (regional and statewide) for supports from which kinship foster caregivers may benefit.

- Continue to provide resources to increase staff knowledge of the importance of kinship foster care and the issues and dynamics specific to kinship foster care.
  - These efforts include training specific to kinship foster care for staff, through computer-based trainings and case manager classroom core training and supervisor classroom core training.