Can a state terminate federal (title IV-E) adoption assistance solely because the youth is living outside the adoptive home? (e.g., living with a relative or another adult, in a boarding school or approved residential, psychiatric or other treatment facility.)

No, it is not permissible to terminate federal adoption assistance solely because a title IV-E eligible youth is living outside the home of the adoptive parent. Once a child is found eligible, there are only four bases of termination for title IV-E adoption assistance:

1. Youth reaches the age to which the adoption assistance state extends title IV-E adoption assistance OR
2. Youth has attained age of 21 (if it was determined that the child had a mental or physical disability which would warrant continuation of assistance) OR
3. The adoptive parent(s) adoptive parents are no longer legally responsible for support of the child who has not attained 18 years of age OR
4. The adoptive parent(s) no longer provide ‘any support’ to the youth

Note: The phrase ‘any support’ has been very broadly interpreted. The word ‘support’ includes such examples as clothing provided to the child and maintenance of a bedroom or special equipment for the youth.

Due to family conflict or emotional issues, a youth may seek to live outside the adoptive family's home. As long as legal custody has not been severed (i.e., termination of parental rights) and the adoptive parent(s) provides ‘any support’, the youth is entitled to continue to receive title IV-E adoption assistance, to include a monthly maintenance payment and Medicaid.

Through federal clarifications available on the Children’s Bureau Child Welfare Policy Manual on the topic, it is clear that the four bases of termination are interpreted narrowly and states may not expand or elaborate on any basis for termination or suspension of eligibility for the federal adoption assistance program.