Medicaid and Title IV-E Adoption Assistance

15. Question: Which state is responsible for providing Medicaid to a Title IV-E eligible child if the child’s adoption dissolves while s/he is living outside the adoption assistance state—the adoption assistance state or the state in which the child currently lives?

The answer varies depending on circumstance. If the child enters care of a state at the time of disruption (i.e., the adoption process ends prior to finalization) or dissolution (i.e., the adoption fails after finalization), that state is responsible for the application for and determination of Title IV-E adoption assistance eligibility in a subsequent adoption and the provision of Medicaid that would accompany that eligibility.

If a child does not enter custody of a state at the time of disruption or dissolution and is subsequently adopted, the state of the adoptive parents is responsible for the application and drafting of the agreement for Title IV-E adoption assistance and the provision of Medicaid.