



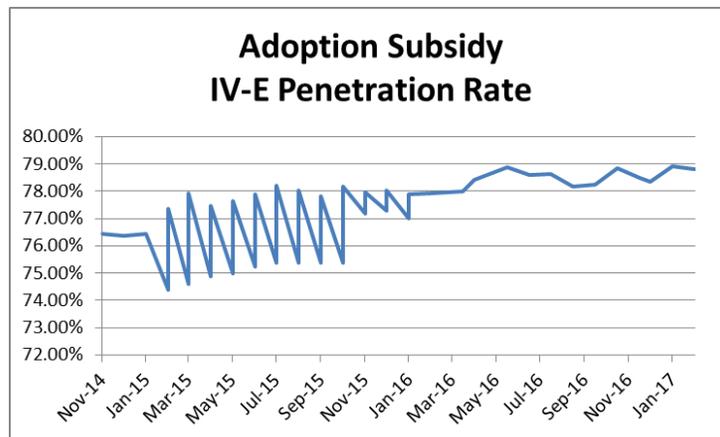
ADOPTION SUBSIDY PROJECTIONS WORKGROUP MEETING - MARCH 30, 2017

Projections Workgroup. Staff from the Department of Management (DOM), the Department of Human Services (DHS), and the Fiscal Services Division of the Legislative Services Agency (LSA) met on March 30, 2017, to discuss the Adoption Subsidy Program actual FY 2017 expenditures to date and estimated FY 2017, FY 2018, and FY 2019 expenditures. The Projections Workgroup is established in Iowa Code section [234.47](#) to discuss revenues and expenditures and agree on an estimate for the current and upcoming fiscal years.

Members of the Workgroup agreed that the percentage of cases eligible for federal Title IV-E funding is expected to increase each month and will outpace the caseload growth rate, as determined by current trends. Additionally, a more favorable Federal Medical Assistance Percentage (FMAP) rate greatly affects the expected State share for the Adoption Subsidy Program. These factors led to the following estimates:

- **FY 2017:** The Workgroup agreed to an estimated net deficit of \$144,000 after the federal delinking (reinvestment of savings) requirement to reinvest savings from federal Title IV-E funds is satisfied. This amount differs from the previously estimated net surplus of \$493 due to the \$400,000 FY 2017 Adoption Subsidy deappropriation through [SF 130](#).
- **FY 2018:** The Workgroup agreed to an estimated net surplus of \$1,204,725 after setting aside surplus funds to meet the federal delinking requirement.
- **FY 2019:** The Workgroup agreed to an estimated net surplus of \$1,580,397 after setting aside surplus funds to meet the federal delinking requirement.

The following chart shows the increasing percentage of cases eligible for federal Title IV-E funding, thereby decreasing the State's share of Program expenditures.



Next Meeting. The next Projections Workgroup meeting has not been scheduled at this time, but will likely occur in June 2017.

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