
INTRODUCTION

State law requires the Michigan Department of Health and Human Services (MDHHS) enter into the following agreements; DHS-4113, Adoption Assistance Agreement, DHS-4814, Nonrecurring Adoption Expenses Agreement, and DHS-3013, Adoption Medical Subsidy Agreement with adopting parent(s) as a condition of eligibility for:

- Adoption assistance.
- Nonrecurring adoption expenses.
- Adoption assistance-related Medicaid.
- Adoption medical subsidy.

Adoption assistance agreements include the agreement provisions and are legally binding arrangements between the department and the adoptive parent(s).

For a child to be eligible for adoption assistance, eligibility must be determined by the court and MDHHS Adoption and Guardianship Assistance Office (AGAO). The DHS-4113, Adoption Assistance Agreement, then must be negotiated and signed by the adoptive parent(s) and the MDHHS adoption and guardianship assistance program manager or designee prior to the final order of adoption being signed by the court.

**AGREEMENT
PROVISIONS****Adoption
Assistance/
Nonrecurring
Adoption
Expenses**

The following provisions are included in the DHHS-4113, Adoption Assistance Agreement :

- Type of assistance to be paid.
- Maximum adoption assistance rate.
- Amount of negotiated ongoing daily adoption assistance rate agreed to by the adoptive parent(s) and MDHHS.
- Any services and other assistance to be provided under the agreement.

- Provisions for the protection of the interests of the child in cases where the adoptive parent(s) and child move to another state while the agreement is in effect.
- Nature and amount of nonrecurring adoption expenses to be paid.
- Medicaid eligibility.
- Conditions for continued payment of adoption assistance.
- Legislative increases and decreases that affect all cases.
- Duration of the ongoing adoption assistance payment.

If the final order of adoption is signed by the court prior to completion of all signatures on the adoption assistance agreement, the child will be ineligible for adoption assistance funds.

Note: If a service specified in the agreement is not available in the state of residence, the state making the original adoption assistance payment remains financially responsible for providing the specified service.

Adoption Medical Subsidy

The following provisions are included in adoption medical subsidy agreement:

- Covered medical conditions.
- Conditions for continued payment.
- Continuation of eligibility regardless of a change in state residency.
- Duration of the agreement.
- Reimbursement requirements.

**OBTAINING
AGREEMENTS****Adoption
Assistance
Agreement**

The DHS-4113, Adoption Assistance Agreement, is issued by the AGAO. The adoption worker applies for this agreement by submitting a [DHS-1341, Adoption Assistance and/or Medical Subsidy Application](#), with required documentation and the [DHS-959, Adoption Assistance Rate Determination](#), worksheet to the AGAO.

Ongoing daily adoption assistance is paid in the amount negotiated between the adoptive parent(s) and MDHHS, up to the maximum daily amount entered by the AGAO on the DHS-4113. For details of the rate determination process; see [AAM 210, Adoption Assistance and Rate Determination](#).

If the adoption agreement has not been signed by the prospective adoptive parent(s) and returned to the AGAO within 90 calendar days of the issuance of the agreement, the adoption worker must submit a [DHS-4817, Adoption Assistance Program Change Request](#), with an updated [DHS-959, Adoption Assistance Rate Determination Worksheet](#), and determination of care (DOC) form, to request a new agreement.

An adoption assistance agreement must be signed by both the adoptive parent(s) and the adoption and guardianship program manager or MDHHS designee prior to the final order of adoption. If the adoption assistance agreement is signed prior to the date of the adoptive placement, adoption assistance payment is effective on the date of adoptive placement or the date of the PCA 320, Order Placing Child After Consent, whichever is later.

If the adoption assistance agreement is signed after the date of the PCA 320, Order Placing Child After Consent, but before the final order of adoption, adoption assistance payment is effective on the date the agreement is signed by the AGAO program manager or MDHHS designee.

If the final order of adoption is signed by the court prior to completion of all signatures on the adoption assistance agreement, the child will be ineligible for adoption assistance funds.

Nonrecurring Adoption Expenses (NRE) Agreement

The adoptive parent(s) and MDHHS enter into an agreement for reimbursement of nonrecurring adoption expenses as a result of submission and approval of either the [DHS-1341, Adoption Assistance and/or Medical Subsidy Application](#), For details of the nonrecurring adoption expenses program; see [AAM 310, Nonrecurring Adoption Expenses Claim/Reimbursement](#).

All nonrecurring adoption expenses agreements must be signed by both the adoptive parent(s) and the AGAO program manager or MDHHS designee prior to the final order of adoption. If the final order of adoption is signed by the court prior to completion of all signatures on the agreement, reimbursement is **not** available.

Adoption Medical Subsidy Agreement

The DHS-3013, Adoption Medical Subsidy Agreement, is issued by the AGAO after approval of the [DHS-1341, Adoption Assistance and/or Medical Subsidy Application](#), or [DHS-1341A, Parent's Request for Medical Subsidy for An Adopted Child](#). Prior to adoptive placement, the adoption worker applies for medical subsidy by submitting the [DHS-1341, Adoption Assistance and/or Medical Subsidy Application](#) to the AGAO. After adoptive placement, the adoptive parent(s) apply for medical subsidy by submitting the [DHS-1341A, Parent's Request for Medical Subsidy for An Adopted Child](#) to the AGAO.

The adoption medical subsidy agreement must be signed by the adoptive parent(s) and the AGAO program manager or MDHHS designee after the child's eligibility has been determined by the AGAO. If the adoption medical subsidy agreement is signed by all parties on or before the court's signature on the PCA-320, Order Placing Child After Consent, the effective date of the agreement will be the date of adoptive placement.

If the adoption medical subsidy agreement is signed after the court's signature on the PCA-320, Order Placing Child After Consent, the effective date of the agreement will be the date of the

adoptive placement or the date entered on the agreement by the AGAO.

If the medical subsidy agreement has not been signed by the prospective adoptive parent(s) and returned to the AGAO within 90 calendar days of the issuance of the agreement, the adoption worker must submit a [DHS-4817, Adoption Subsidy Program Change Request](#), to request a new agreement. For medical subsidy agreements issued after adoptive placement, if the agreement has not been signed by the adoptive parent(s) and returned to the AGAO within 90 calendar days of the issuance of the agreement, the adoptive parent(s) will have to reapply for medical subsidy.

Medical bills will not be processed for payment until the adoptive parent(s) and the AGAO manager or MDHHS designee have signed the agreement and [the DHS-1344, Adoption Assistance Case Opening Request](#), has been processed by the AGAO.

AGREEMENT PROCEDURES

Adoption Assistance/Non- Recurring Expenses and Pre- Adoption Medical Subsidy

The AGAO must complete the following tasks:

- Prepares the appropriate agreement(s) for the child. The AGAO determines the maximum adoption assistance daily rate. The rate must not exceed the foster care rate which was paid, or would have been paid if the child had been in a foster family home. The AGAO reviews the information contained in the completed [DHS-959, Adoption Assistance Rate Determination](#), including the rate requested by the prospective adoptive parent(s) and may either accept the requested rate or determine and offer a new rate based on the information provided.
- Sends the adoption assistance agreement to the adoption worker with the DHS-3012, Adoption Assistance Agreement - Parent and Adoption Worker Instructions.

- Sends the adoption medical subsidy agreement to the adoption worker with the DHS-3012-2, Adoption Medical Subsidy Agreement Transmittal.

The adoption worker:

- The adoption worker must meet with the prospective adoptive parent(s) to discuss the offered rate and review the adoption assistance agreement within seven calendar days; see [AAM 210, Adoption Assistance Rate Determination](#).
- Assists the parent(s) in completing the agreement(s) according to the instructions on the DHS-3012, Adoption Assistance Agreement - Parent and Adoption Worker Instructions.
- Returns the signed agreement(s) to the AGAO with a copy of the DHS-3012 attached.
- If the agreement(s) have not been signed by the prospective adoptive parent(s) within 90 calendar days of the issuance of the agreement(s), and returned to AGAO, the adoption worker must submit a [DHS-4817, Adoption Subsidy Program Change Request](#), with a DOC assessment and the [DHS-959, Adoption Assistance Rate Determination](#), to the AGAO and if eligible, a new agreement will be issued, according to [AAM 210, Adoption Assistance Rate Determination](#).

The AGAO:

- Reviews the signed agreement(s) for completeness and accuracy:
- The AGAO program manager or MDHHS designee signs the agreement and returns the original signed agreement(s) to the adoption worker and maintains a copy in the adoption assistance record.

The adoption worker:

- Gives the adoptive parent(s) their original signed agreement(s).
- Proceeds with the adoption process.

**Non-Recurring
Expenses without
Adoption
Assistance**

The application process consists of:

- The [DHS-1341, Adoption Assistance and/or Medical Subsidy Application](#), must be completed. The must be determined that the child meets Michigan's special needs criteria by the AGAO prior to finalization of the adoption.
- After eligibility is approved, the AGAO enters into the agreement by signing the [DHS-1341, Adoption Assistance and/or Medical Subsidy Application](#).
- The AGAO returns the original signed [DHS-1341, Adoption Assistance and/or Medical Subsidy Application](#), to the adoption worker and maintains a copy in the adoption assistance record.
- The adoption worker gives the adoptive parent(s) their original signed [DHS-1341, Adoption Assistance and/or Medical Subsidy Application](#).

**Post-Adoption
Medical Subsidy**

The AGAO completes the following for Post-Adoption Medical Subsidy:

- Prepares the DHS-3013, Adoption Medical Subsidy Agreement.
- Sends the agreement to the adoptive parent(s) with the DHS-3012-3, Adoption Medical Subsidy Agreement Transmittal.

The adoptive parent(s):

- Reviews the agreement, signs, and has a witness sign the agreement, following the instructions on the DHS-3012-3, Adoption Medical Subsidy Agreement Transmittal.
- Returns the signed agreement to the AGAO with a copy of the DHS-3012-3, Adoption Medical Subsidy Agreement Transmittal.

The AGAO Office:

- Reviews the agreement for completeness and accuracy:
- Obtains the authorized MDHHS designee signature on the agreement.
- Returns the original signed agreement to the adoptive parent(s) and maintains a copy in the adoption assistance record.

ASSISTANCE AGREEMENT SIGNATURES

Adoption Assistance/ Nonrecurring Adoption Expenses

An adoption assistance agreement must be signed by both the adoptive parent(s) and the AGAO program manager or MDHHS designee **prior** to the final order of adoption. If the adoption assistance agreement is signed **prior** to the date of the adoptive placement, adoption assistance payment is effective on the date of adoptive placement or the date of the PCA 320, Order Placing Child After Consent, whichever is later.

If the adoption assistance agreement is signed **after** the date of the PCA 320, Order Placing Child After Consent, but **before** the final order of adoption, adoption assistance payment is effective on the date the agreement is signed by the AGAO program manager or MDHHS designee.

If the final order of adoption is signed by the court prior to completion of all signatures on the adoption assistance agreement, the child will be ineligible for adoption assistance funds.

Adoption Medical Subsidy

An adoption medical subsidy agreement can be signed any time after the child is certified eligible, prior to the child's 18th birthday. If the adoption medical subsidy agreement is signed **before** the date of the adoptive placement, the effective date of the

agreement will be the date of the PCA-320, Order Placing the Child After Consent.

If the adoption medical subsidy agreement is signed **after** the adoptive placement, the effective date of the agreement will be the date of the PCA-320, Order Placing the Child After Consent, or the date entered on the agreement by the AGAO, whichever is later.

If the application was made and the agreement issued prior to the order placing child the begin date will be the date of the PCA-320, Order Placing the Child After Consent.

Note: If the medical subsidy agreement has not been signed by the prospective adoptive parent(s) and returned to the AGAO within 90 calendar days of the issuance of the agreement, the adoption worker must submit a [DHS-4817, Adoption Subsidy Program Change Request](#), to request a new agreement. For medical subsidy agreements issued after adoptive placement, if the agreement has not been signed by the adoptive parent(s) and returned to the AGAO within 90 calendar days of the issuance of the agreement the adoptive parent will have to reapply for medical subsidy.

POLICY CONTACT

Questions about this policy item may be directed to the [Child Welfare Policy Mailbox \(Child-Welfare-Policy@michigan.gov\)](mailto:Child-Welfare-Policy@michigan.gov).