SOCIAL SECURITY BENEFITS PRESERVATION

Washington State Department of
CHILDREN, YOUTH & FAMILIES

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Executive Summary

This report is prepared in compliance with SB 5187 (2023), Sec. 230 (29) which directed the Washington State Department of Children, Youth, and Families (DCYF) to report "on a plan to discontinue the practice of using any benefits, payments, funds, or accrual paid to or on behalf of a child or youth to reimburse itself for cost of care by the earliest date feasible." The report is to include an implementation plan to conserve funds for the future needs of the child in a way the funds will not count against eligibility for federal or state means-tested programs and a strategy for developing the literacy capability of youth and young adults exiting foster care and juvenile rehabilitation.

Background

Washington State, along with many other states and child welfare jurisdictions, utilizes Social Security Retirement, Survivors, and Disability Insurance (RSDI) benefits to reimburse the state for the cost of care when children or youth are placed into foster care. Although states are legally permitted to utilize benefits to pay for the cost of care, this is not in the child or youth's best interest.

This issue received national attention from a news story from The Marshall Project and NPR in 2021. This story highlighted several youth who left foster care and learned that the child welfare agency had been receiving RSDI benefits on their behalf while they were in foster care. The child welfare agency had used the benefits to reimburse itself for the cost of providing foster care services. As these youth entered adulthood, they experienced economic hardships that could have been alleviated if these benefits had been conserved for their future.

In Washington, children and youth exiting foster care experience high rates of homelessness and economic hardship that could be mitigated by increased financial resources set aside for their future. Additionally, a family's financial hardships can often make it difficult when attempting to reunite children placed into foster care with their families, creating a challenge to achieving permanency.

In a joint letter issued in August 2023, the Social Security Administration and Administration for Children and Families encouraged state title IV-E agencies to "act within their authority and capacity to make the best decision for using each child's Social Security benefits" and to "consider using all of the tools at their disposal when conserving a youth's federal benefits, if it is in their best interest, as it can be invaluable as that youth enters adulthood."

The Conserving Public Benefits Workgroup

DCYF convened the first Conserving Public Benefits Workgroup on Sep. 12, 2023. DCYF held subsequent workgroup meetings on Jan. 24, May 23, June 17, July 31, and Sep. 26, 2024.

The workgroup included the ARC of Washington State, Legal Counsel for Youth and Children (LCYC), Office of Public Defense, The Mockingbird Society, Team Child, Partners for Our Children, and Wraparound with Intensive Services (WISe).

The workgroup reviewed other states' policies aimed to conserve benefits for the future use of children and youth, including Philadelphia, Arizona, New Mexico, Maryland, and the District of Columbia. The workgroup also consulted with state officials in Arizona where benefits are being conserved in Achieving a Better Life Experience (ABLE) accounts with the assistance of the Public Consulting Group and staff from the Social Security Administration (SSA).

In addition, the workgroup engaged with the University of Washington (UW) School of Public Policy Evans School Student Consulting Lab which produced a literature review on the subject. The UW researched several states' laws and policies on the subject and conducted qualitative interviews with workgroup members, child advocates, and other child welfare jurisdictions.

After analyzing the literature and results of the qualitative interviews, the workgroup developed 10 recommendations which have been divided into three sections: preserving the benefits; notifications and reporting; and implementing a financial literacy training program.

Recommendations for Preserving Benefits

1. DCYF should discontinue the practice of using any benefits available to children to reimburse itself for the cost of care.
2. DCYF and Washington State should consider implementing a repayment program.
3. DCYF should continue to screen and regularly re-screen system-involved youth to ensure they are receiving the benefits they are entitled to.
4. DCYF should engage with and support youth transitioning, and who have transitioned, out of care and their families as they preserve their benefits.
5. DCYF should be involved in identifying potential alternate representative payees and assisting in the application process.
6. DCYF should use ABLE accounts for children receiving benefits with resource limits such as SSI and SSP.
    a. Recommended, with Reservations: Pooled Special Needs Trust and ABLE account bundle or ABLE account and trust bundle.
7. DCYF should utilize savings accounts for children receiving benefits without resource limits.

Recommendations for Notifications and Reporting

8. DCYF should standardize consistent notifications in all its processes, such as benefit application, and collaborate with youths' legal representatives in all its processes to further incorporate youth voices in its decision-making and enhance transparency.
9. DCYF should produce annual reports for the first five years following the policy change to preserve all benefits for system-involved youth to keep lawmakers and advocates informed.

Recommendations for Financial Literacy Training

10. DCYF should implement financial literacy training for children ages 14 and older with the following considerations:
    a. Providing one-on-one financial coaching is preferred over classroom instruction.

   b. Extend training to supportive adults, including court-appointed special advocates and potential future representative payees.
   c. Ensure training for SSI recipients and supportive adults to focus on ABLE accounts and proper use to maintain benefit eligibility.

Recommendations for Legislation

The workgroup recommended that the Legislature amend state laws to:

1. Require that as of Jan. 1, 2026, DCYF will no longer apply RSDI benefits against the cost of care for persons in the care and custody of the agency. Instead, DCYF would be required to conserve such funds in an account that best fits the needs of the youth receiving these benefits. Accounts may include:
   a. An Achieving Better Life Experiences (ABLE) account
   b. A Special Needs Trust, or Pooled Trust
   c. An individual savings account
2. Require DCYF to notify all legal parties when DCYF applies to the Social Security Administration for benefits on behalf of a child or youth.
   a. Require that DCYF seek release of information from a youth over the age of 12 when submitting an application on their behalf.
   b. Require DCYF to provide all relevant information to SSA regarding potential alternative representative payees.
   c. Require DCYF to maintain eligibility for benefits when children or youth are receiving benefits.
   d. Require DCYF to provide an annual account statement to all parties involved in the dependency to support transparency of these funds as long as the child or youth is in care.
3. Require DCYF to work with the parent, person, or agency legally responsible for the child or youth to become the representative payee when the conditions of out-of-home placement no longer exist.
   a. If the youth is turning 18, require that DCYF work with the youth on becoming their own payee, unless the youth requires a guardian to manage the funds for them.
4. Require DCYF to develop and implement a financial literacy program for youth over 14 years of age that receive RSDI benefits.

Implementation Plan

DCYF contracted with the Public Consulting Group to develop the implementation plan to conserve benefits for the future use of children and youth in a way that does not count against their eligibility for means-tested programs. The executive summary and implementation plan are included as an addendum to this report.

ADDENDUM A

PCG Implementation Plan Conservation of Public Benefits

Washington Department of Children, Youth, and Families

Child Centered Benefits Management Assessment

Prepared by Public Consulting Group

October 30, 2024

EXECUTIVE SUMMARY

Public Consulting Group (PCG) in partnership with Washington Department of Children, Youth, and Families (DCYF) conducted an assessment of its Social Security unit and related processes to compare the unit's current operating procedures to that of a child-centered benefits management program, where all decisions about a child's benefits are made in the best interest of the child. This assessment was completed in anticipation of new legislation requiring DCYF to stop using children's benefits to pay for the cost of care and instead, conserve the funds to support the youth while they are in and after they exit foster care.

Although states are legally permitted[1] to utilize benefits to pay for the cost of care, there are opportunities to use benefits differently that can have positive impacts on foster youth. Children and youth exiting DCYF care face high rates of homelessness[2] and economic hardship that could be mitigated with financial resources. Financial hardships on a family often make it harder to reunite children with their families and support them to achieve permanency, especially when they have disabilities. However, SSA does not permit recipients of SSI to have resources that exceed $2,000. Once resources are above the $2,000 threshold, SSI benefits will be suspended and eligibility will eventually terminate once SSI benefits are suspended for 12 months. This has previously limited state agency's ability to conserve benefits on behalf of children.

In 2014, the Achieving a Better Life Experience (ABLE) program was signed into law at the federal level. The ABLE program allows individuals with disabilities, that began before the age of 26, to save and invest in a tax-advantaged savings account where the balance in the account does not impact eligibility for SSI or other income based programs. Money saved in an ABLE account can be used for qualified disability expenses (QDE's) which cover a broad range of expenses including education, employment training, housing, food, transportation, assistive technology, health and wellness, financial management and other related costs to improve the lives of people living with a disability. ABLE is a federal program administered at the state level. Since 2015, 46 states have implemented ABLE programs. The ABLE program has had a significant impact on SSI recipients and payees who have struggled with the $2,000 limited resource rule. In the past few years, while state agencies have begun to explore ways to expand their Social Security benefits management program for youth in foster care, learning about ABLE programs has escalated the conversation because ABLE accounts have expanded options that have not been available to SSI recipients and their payees.

The topic of expanding Social Security benefits management programs for youth in foster care to create a child-centered program model has gained a lot of attention and interest from child welfare senior leadership and with state legislatures across the nation. We are now seeing many states considering or moving toward a child-centered approach that includes conserving funds, allowing children access to funds for their current needs, having robust screening and application programs and increased transparency and education for all community partners. Approximately half of the states have attempted, taken, or are considering, action to ensure proper access and use of federal benefits for youth living in foster care, to varying degrees.

To complete this assessment, PCG used data from a literature review of benefits management programs across the country to identify key concepts and approaches of effective benefits management programs and critically analyze programs across the United States. Qualitative data was also collected via data request to DCYF and from two interviews with DCYF staff held on September 5th and 19th 2024 that were used to document and analyze the current policies, procedures, and practices that DCYF follows with regard to the treatment of Social Security benefits. PCG identified the following program strengths and gaps.

Program Strengths

- ✓ Strong screening and application filing process – DCYF SSI Unit has a well-established screening and application process comprised of a team of SSI specialists that are well versed in SSA's programs and eligibility criteria.
- ✓ Forgoing Title IV-E for SSI when a child is placed with a relative caregiver, kin, or guardian. DCYF supports relative or kin placement providers to become or remain the representative payee for SSI or RSDI while their license is in process which promotes timely permanency. DCYF may consider expanding this practice to include other appropriate caregivers, where appropriate.
- ✓ Communication between the SSI Unit and case managers and other key parties involved with the case – DCYF SSI Unit maintains strong and consistent communication with IV-E specialists, case managers, foster parents, and other key parties on case to ensure applications are completed the most accurate and up to date information.
- ✓ Documentation in FamLink – The SSI Unit consistently documents their work and a child's SSI and RSDI eligibility in the state's SACWIS system which creates accountability and transparency with workers throughout DCYF.
- ✓ Customized Trust Fund financial management tool – DCYF has a customized technology solution, the Children's Trust Fund software system, which is used to account for and track funds deposited into DCYF's U.S. Bank account and allows for the trust fund unit to monitor and reconcile transactions for each child's funds and monitor SSI resource limits.

Program Gaps

- ✓ Challenging communication with SSA – Communication between SSA and DCYF was reported as challenging by DCYF staff members that have to work with SSA to file applications and connect children in foster care to the benefits they are entitled. This also impacts SSA application processing times which are reported to take up to six to eight months for a standard change of payee request while the typical processing time is only one to two months.
- ✓ SSA funds conservation is limited – currently DCYF is using SSI and RSDI to offset the cost of care and maintenance and is missing the opportunity to conserve funds on behalf of children in its care. Conserving benefits helps ensure that funds are available to meet the child's needs, both immediate and future which can support the child's permanency.
- ✓ Utilizing Title IV-E funds to cover a child's cost of care may render them financially ineligible for SSI, thereby missing an opportunity to connect the child with essential economic and concrete supports, such as SSI.

When compared to a child-centered benefits management program, DCYF has several strengths that can be leveraged to expand the existing program. The child-centered benefits management program model focuses on ensuring that decisions regarding a child's Social Security benefits are made with the child's best interests as the primary consideration. Here are the six key principles of such a program:

1. **Pursue and Maintain Eligibility:** Maintaining SSI benefits can provide a sense of stability for children in foster care, especially as they transition out of the system. This continuity can help them better manage their health and financial needs as they move towards independence.
2. **Timely Benefits Management Practices**: The program ensures that the child's immediate and long-term needs are met. This includes using benefits to cover essential expenses in real time for things that DCYF or Medicaid would not otherwise pay for.
3. **Conserving Funds for Future Use and Permanency**: Setting aside benefits in a trust fund for the child's future, that can support reunification plans or provide resources to youth who are aging out of foster care by providing them with resources they can use for things like housing, education, transportation or other significant expenses. The program adheres to federal regulations and guidelines to maintain the child's eligibility for benefits. This includes managing the child's funds utilizing tools like an ABLE account or saving allowable funds in a Personal Needs account.

4. **Embed Equity in all Program Policies, Procedures, and Practices**: Ensuring equity means that all children, regardless of their background or circumstances, have fair access to the benefits they need. This helps to address disparities and ensures that every child receives the support necessary for their well-being. Equity also allows for the customization of benefits to meet the unique needs of each child. Children in foster care often have diverse and complex needs, and an equitable approach ensures that resources are allocated in a way that best supports their individual situations.[3]
5. **Holistic Support**: Beyond financial management, a child-centered approach often includes providing additional support services, such as educational support, and life skills training, to help the child thrive.
6. **Transparency and Accountability**: The program maintains transparency to all relevant parties regarding the child's benefit and in how funds are used and ensures accountability through regular communication, audits and reporting. This helps build trust and ensures that funds are used appropriately.

By focusing on these principles, a child-centered benefits management program aims to provide comprehensive support to children in foster care, helping them achieve better outcomes and permanency both during and after their time in out of home care.

PCG recommends that DCYF follow the recommendations outlined in this report to expand its current benefits management program to a child-centered model.

Recommendations

1. Develop and Implement Child-Centered Benefits Management Policies and Procedures focused on Equity and Transparency in the following program areas: a. Screening and applications b. Benefits management c. Communication and internal training d. Financial literacy for children and families
2. Implement the New Child-Centered Benefits Management Program in Two Phases: a. Phase 1 – Implementation. This phase focuses on communicating with internal and external community partners, developing and updating policies and procedures, and making key decisions for program structure. **b.** Phase 2 – Ongoing Program Operations. This phase focuses on operating from the new policies and procedures that were developed during phase one and monitoring program metrics for continuous quality improvement.

Appropriately managing Social Security benefits on behalf of a child in the care of a state child welfare agency is complex. It takes a significant level of effort to administer, especially when agencies adopt a child-centered approach. However, with good processes in place, the programmatic benefits for the agency and the child can offer better outcomes to Washington families.

INTRODUCTION AND BACKGROUND

For many years, advocates, legislators, and child welfare leaders have considered how best to steward the benefits available to children who are eligible for and/or receive Social Security benefits and live in foster care settings.

Social Security benefits are provided on behalf of eligible children so that the caretaker of the child can use the funds to meet their needs. When the child welfare agency is granted legal custody of the child by the courts, the agency is responsible for the care of that child. As the caretaker of the child, the state must make decisions about how the benefits will be used to care for the child. The Social Security Administration (SSA) requires that children under the age of 18 and incompetent adults who are recipients of SSA benefits have a representative payee. SSA selects representative payees and requires them to use Social Security and Supplemental Security Income (SSI) benefits for the "use and benefit" of the beneficiary. Under SSA's regulations, this generally means a payee must use the benefits for the beneficiary's "current maintenance" (e.g., food, clothing, shelter, medical care, and personal comfort items) and conserve any benefits not needed for current maintenance for the beneficiary's future needs.

When a state agency becomes the representative payee for a child's benefit, the state commonly applies SSI and Retirement, Survivors, and Disability Insurance (RSDI) benefits toward the cost of caring for the child because that is the intended use of the funds. Advocacy groups, child welfare agencies and other community partners have argued in support of and against using Social Security benefits to cover the cost of foster care. Those who oppose argue that it denies children access to benefits that are rightfully theirs and that it forces children to supplement the cost of their own foster care. But historically and as established by federal regulations and a Supreme Court decision, almost all child welfare agencies have applied any Social Security benefit funds where the agency serves as the payee to cover the cost of the child's care, just as a parent or guardian must do.

In addition to using Social Security benefits to pay for the care and maintenance of a child, SSA has rules and regulations that payees must follow that mandates how benefits must be managed, tracked, spent and saved. SSA requires that payees prove their compliance by conducting representative payee audits and through annual representative payee reporting. Some critics who criticize the way state agencies manage Social Security benefits on behalf of children are often unaware of the restrictions that a payee must abide by. Critics also underestimate the complexity and demand on state agencies resources to manage Social Security benefits on behalf of hundreds of children.

Furthermore, SSA does not permit recipients of SSI to have resources that exceed $2,000. Once resources are above the $2,000 threshold SSI benefits will be suspended and eligibility will eventually terminate once SSI benefits are suspended for 12 months. This has previously limited state agency's ability to conserve benefits on behalf of children to support permanency plans and/or to support older youth aging out of foster care.

Although states are legally permitted[4] to utilize benefits to pay for the cost of care, this is not in the child's or youth's best interest. Children and youth exiting DCYF care and custody face high rates of homelessness[5] and economic hardship that could be mitigated with financial resources. Financial hardships on the part of a family often make it harder to reunite children with their families and support them to achieve permanency, especially when they have disabilities.

In recent years there has been widespread reporting that highlights the lived experience of children and youth in foster care. Their stories open the conversation about how state child welfare agencies can exercise their fiduciary responsibilities with policies that put the child at the center of their decisions about these benefits.

In 2014, the Achieving a Better Life Experience (ABLE) program was signed into law at the federal level. The ABLE program allows individuals with disabilities, that began before the age of 26, to save and invest in a tax-advantage savings account where the balance in the account does not impact eligibility for SSI and Medicaid. Money saved in an ABLE account can be used for qualified disability expenses (QDE's) which cover a broad category of expenses including education, employment training, housing, food, transportation, assistive technology, health and wellness, financial management and other related costs to improve the lives of people living with a disability. ABLE is a federal program administered at the state level. Since 2015, 46 states have implemented ABLE programs. The ABLE program has had a significant impact on SSI recipients and payees who have struggled with the $2,000 limited resource rule. In the past few years, while state agencies have begun to explore ways to expand their Social Security benefits program for youth in foster care, learning about ABLE programs has escalated the conversation because ABLE accounts have expanded options that have not been available to SSI recipient and their payees.

The topic of expanding Social Security benefits management programs for youth in foster care to create a child-centered program model has gained a lot of attention and interest from child welfare senior leadership and state legislators across the nation. We are now seeing many states considering or moving toward a child-centered approach that includes conserving funds, allowing children access to funds for their current needs, having robust screening and application programs and increased transparency and education for all community partners. Approximately half of the states have attempted, taken, or are considering, action to ensure proper access and use of foster youth's federal benefits, to varying degrees. Arizona and Washington D.C. have passed comprehensive bills. There has been proposed legislative or policy reform on this issue in Alaska, California, Connecticut, Florida, Hawaii, Illinois, Maine, Maryland, Massachusetts, Michigan, Nebraska, New Hampshire, New Jersey, New Mexico, and Washington, as well as, Philadelphia, and Los Angeles.[6]

Despite the critical importance of federal benefits like SSI and RSDI for children in foster care, challenges remain in the management of these resources. The complexities of federal benefit eligibility and the associated responsibilities can significantly burden child welfare agencies. Caseworkers often grapple with navigating intricate regulations while addressing the broader needs of the children they serve. In response, many agencies are increasingly turning to benefits management solutions, particularly Achieving a Better Life Experience accounts designed to help individuals with disabilities save for qualified expenses without jeopardizing their eligibility for ongoing, needs-based benefits programs.[7]

In anticipation of new legislation requiring Washington Department of Children, Youth, and Families (DCYF) to stop using children's benefits to pay for the cost of care and instead, conserve the funds to support the youth while they are in and after they exit foster care, DCYF has contracted Public Consulting Group to conduct an assessment of their Social Security unit and related processes to identify opportunities to expand and develop a child-centered benefits management program.

METHODOLOGY

LITERATURE REVIEW

PCG conducted a literature review of benefits management programs across the country. Literature specific to child welfare agencies were reviewed to identify key concepts and approaches of effective benefits management programs and critically analyze programs across the United States. The literature review identified five key focus areas of a strong benefits management program:

1. Screening and application completion
2. Conservation of funds
3. Timely management of funds
4. Communication
5. Financial literacy education for children and families

Table 1. Literature Review Data Sources

Number	State Agency
1	Arizona Department of Child Safety: Preserving Children's Benefits Program[8]
2	California Department of Social Services
3	Kentucky Division of Protection and Permanency
4	Massachusetts Department of Children and Families[9]
5	Michigan Department of Health and Human Services Children's Services Agency
6	New Hampshire Department of Children, Youth, and Families
7	New York City, New York, Administration for Children's Services
8	Washington, District of Columbia, Child and Family Services Agency: Social Security Income Benefit Conservation[10]

States across the country are at various stages of implementing child-centered benefits management programs based either on legislative requirements or policy. Below is a matrix that compares a range of states based on key program elements.

Table 3. Matrix of Key Components of Child-Centered Benefits Management Programs, by State

Jurisdiction*	Assess all children in foster care for SSA benefit eligibility	Set SSA funds aside in personal accounts up to $2K	Forgo Title IV-E for some or all children in receipt of SSI	Prioritize assessing older youth for eligibility	Establish ABLE Accounts	Revise policy for using SSA funds to offset care costs
Arizona	✓	✓	✓	✓	✓	✓
California	✓			✓	O	O
Kentucky	✓	O	✓	✓	O	
Massachusetts	✓	✓	✓	✓	✓	✓
Michigan	✓	O		✓	O	O
New Hampshire	✓	O	O	O	O	✓
New York City	✓	✓	O	✓	O	✓
Washington, D.C.	✓	✓		✓	✓	✓

✓ = Current process in practice

O = Under consideration or in process

QUALITATIVE DATA

Qualitative data collected via data request to DCYF and from two interviews with DCYF staff held on Sept. 5 and 19, 2024 were used to document and analyze the current policies, procedures, and practices that DCYF follows with regard to the treatment of Social Security benefits. The qualitative data collected was reviewed to establish the current business processes that DCYF practices and identify opportunities to develop a more comprehensive child-centered benefits management program.

Table 2. Qualitative Data Sources

Data Source
Interview with the DCYF SSI Unit Manager on Sept. 5, 2024
Interview with the DCYF Trust Fund Unit Representative on Sept. 19, 2024
DCYF Trust Fund In-depth Overview
Draft ARL Conserving Public Benefits
DCYF's Policies and Procedures (https://www.dcyf.wa.gov/practices-and-procedures)

FINDINGS – BUSINESS PROCESS REVIEW OF DCYF'S BENEFITS MANAGEMENT PROGRAM (AS-IS)

Benefits paid to children in foster care that are managed by DCYF is a series of business processes that are conducted by two groups of staff, 1) the SSI Unit and 2) the trust fund unit. The SSI unit is responsible for screening youth in foster care for SSI and RSDI eligibility and completing applications for benefits with the SSA. The trust fund unit is responsible for managing monthly deposits of SSI, RSDI, or other benefits that the child is entitled.

The SSI Unit reviews youth in foster care for eligibility for benefits initially when the youth comes into care, when a placement change takes place, or through referrals made by case workers and also through a standard screening process. If a youth appears to be medically eligible for SSI, then the SSI Unit will check the youth's foster care funding source. If the funding source is Title IV-E (federal) the SSI Unit follows a process to notify the IV-E specialist to change the funding code to a queue, which means that IV-E is stopped, and state funds are started which qualifies the youth for SSI financially. This process is used on a case-by-case basis for individuals who have an administrative waiver, such as those residing in relative or kin placements. If the child is IV-E eligible but does not have an administrative waiver, no application is filed. If a child is not IV-E eligible then an application is completed and filed. All actions completed by the SSI Unit are documented in DCYF's SACWIS system, FamLink, which is monitored by the unit's quality control specialist and reported on monthly for program performance review.

Once eligibility is established by the SSI Unit, an application is completed for benefits and filed with the SSA. In recent years, as reported in interviews conducted for this report, communication with SSA has become more challenging which has made timely application processing more difficult than in years passed.

Once a child is awarded SSI or RSDI and DCYF is made the representative payee, SSA funds are used to reimburse DCYF for the child's cost of care expenses unless there is an authorized exception to policy. Funds are also used to reimburse for the child's cost of care expenses when placed in a Juvenile Rehabilitation Administration placement and, in some cases, a Mental Health Division placement. Any remaining funds are retained in an interest-bearing account and can be disbursed for special needs directly benefit the child. For children receiving SSI, funds in the interest-bearing account may not exceed $2,000 or benefits will be suspended due to financial ineligibility.

Upon exiting foster care, the SSI Unit works with the appropriate case parities to identify a new representative payee so that the child or youth can exit care with their benefits intact.

PROGRAM STRENGTHS

- ✓ Strong screening and application filing process – DCYF SSI Unit has a well-established screening and application process comprised of a team of SSI specialists that are well versed in SSA's programs and eligibility criteria.

- ✓ Forgoing Title IV-E for SSI when a child is placed with a relative caregiver, kin, or guardian. DCYF supports relative or kin placement providers to become or remain the representative payee for SSI or RSDI while their license is in process which promotes timely permanency. DCYF may consider expanding this practice to include other appropriate care givers, where appropriate.

- ✓ Communication between the SSI Unit and case managers and other key parties involved with the case – DCYF SSI Unit maintains strong and consistent communication with IV-E specialists, case managers, foster parents, and other key parties on case to ensure applications are completed the most accurate and up to date information.

- ✓ Documentation in FamLink – The SSI Unit consistently documents their work and a child's SSI and RSDI eligibility in the state's SACWIS system which creates accountability and transparency with workers throughout DCYF.

- ✓ Customized Trust Fund financial management tool – DCYF has a customized technology solution, the Children's Trust Fund software system, which is used to account for, and track funds deposited into DCYF's U.S. Bank account and allows for the trust fund unit to monitor and reconcile transactions for each child's funds and monitor SSI resource limits.

PROGRAM GAPS

- ✓ Challenging communication with SSA – Communication between SSA and DCYF was reported as challenging by DCYF staff members that have to work with SSA to file applications and connect children in foster care to the benefits they are entitled. This also impacts SSA application processing times which are reported to take up to six to eight months for a standard change of payee request while the typical processing time is only one to two months.

- ✓ SSA funds conservation is limited – currently DCYF is using SSI and RSDI to offset the cost of care and maintenance and is missing the opportunity to conserve funds on behalf of children in its care. Conserving benefits helps ensure that funds are available to meet the child's needs, both immediate and future which can support the child's permanency.

- ✓ Utilizing Title IV-E funds to cover a child's cost of care may render them financially ineligible for SSI, thereby missing an opportunity to connect the child with essential economic and concrete supports, such as SSI.

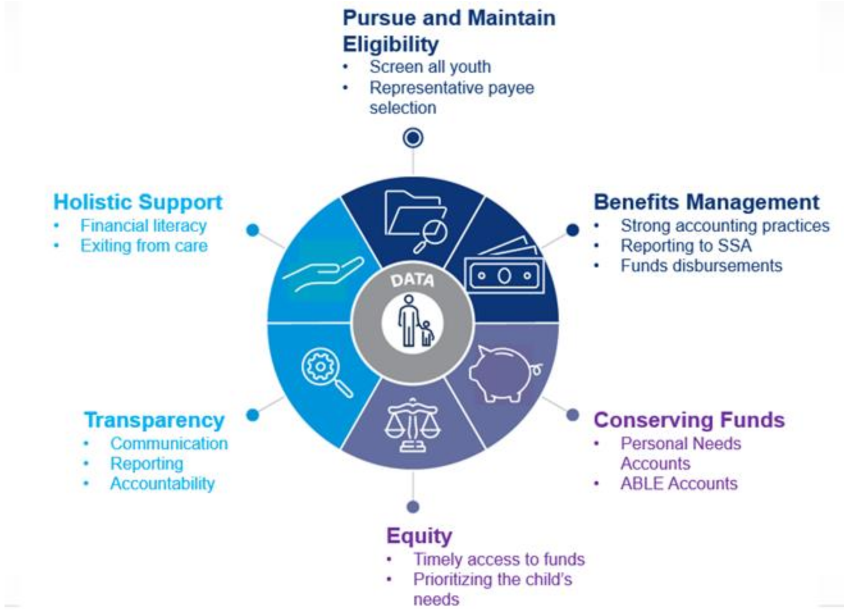
OVERVIEW OF CHILD-CENTERED BENEFITS MANAGEMENT PROGRAMS (TO-BE)

A child-centered benefits management program focuses on ensuring that decisions regarding a child's Social Security benefits are made with the child's best interests as the primary consideration. Here are the six key principles of such a program:

1. **Pursue and Maintain Eligibility:** Maintaining SSI benefits can provide a sense of stability for children in foster care, especially as they transition out of the system. This continuity can help them better manage their health and financial needs as they move towards independence.
2. **Timely Benefits Management Practices**: The program ensures that the child's immediate and long-term needs are met. This includes using benefits to cover essential expenses in real time for things that DCYF or Medicaid would not otherwise pay for.
3. **Conserving Funds for Future Use and Permanency**: Setting aside the benefits in a trust fund for the child's future can support reunification plans or provide resources to youth who are aging out of foster care by providing them with resources they can use for things like housing, education, transportation or other significant expenses. The program adheres to federal regulations and guidelines to maintain the child's eligibility for benefits. This includes managing the child's funds utilizing tools like an ABLE account or saving allowable funds in a Personal Needs account.
4. **Embed Equity in all Program Policies, Procedures, and Practices**: Ensuring equity means that all children, regardless of their background or circumstances, have fair access to the benefits they need. This helps to address disparities and ensures that every child receives the support necessary for their well-being. Equity also allows for the customization of benefits to meet the unique needs of each child. Children in foster care often have diverse and complex needs, and an equitable approach ensures that resources are allocated in a way that best supports their individual situations.[11]
5. **Holistic Support**: Beyond financial management, a child-centered approach often includes providing additional support services, such as educational support, and life skills training, to help the child thrive.
6. **Transparency and Accountability**: The program maintains transparency to all relevant parties regarding the child's benefit and how funds are used and ensures accountability through regular communication, audits and reporting. This helps build trust and ensures that funds are used appropriately.

By focusing on these principles, a child-centered benefits management program aims to provide comprehensive support to children in foster care, helping them achieve better outcomes and permanency both during and after their time in out-of-home care. Figure 1, below, is a visual depiction of the principles of a child-centered benefits management program.

Figure 1. Child Centered Benefits Management Program Model



Additional detail on the key components of child-centered benefits management programs are listed below and include:

- ✓ **Pursuing and maintaining SSI and RSDI eligibility for all potentially eligible youth in foster care, regardless of other funding sources like Title IV-E. This includes screening children for existing benefits when a child enters out-of-home placement and once annually thereafter.**

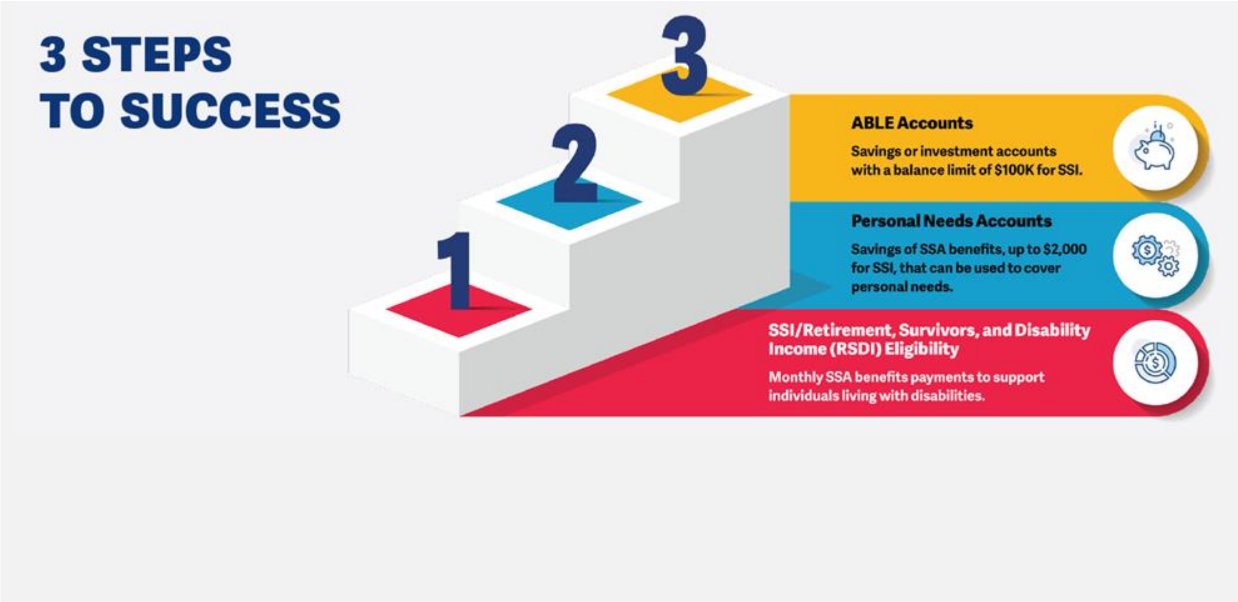
- ✓ **Establishing a personal needs account that is easily accessible to cover a child's personal expenses that are not already covered by the child welfare agency.**

- ✓ **Establishing an ABLE account, a tax-free savings account that can be used to cover qualified disability expenses, including education, housing, transportation, job support and training, prevention, and wellness. ABLE accounts can be used to conserve Social Security Income (SSI) benefits above the SSI program's $2,000 income and resource limit.**

- ✓ **Providing regular communication to workers, attorneys, families and age-appropriate youth to ensure they are aware of when benefits are being pursued on behalf of youth, what decisions are made by SSA regarding their benefits, account balances, and how to access funds.**

- ✓ **Assisting families and transition aged youth with the process of becoming or identifying the appropriate representative payee to continue to receive SSA benefits after leaving foster care.**

- ✓ **Setting older youth up for success – by providing financial literacy education related to their SSA benefits and assist youth aging out of care in setting up a bank account and applying to be their own representative payee or identifying an appropriate payee before they age out of foster care. This may include supporting the youth with completing a change of payee applications and filing it with SSA.**



Child-centered benefits management effectively addresses the challenges of navigating federal benefit systems by streamlining eligibility screening and application procedures, thereby alleviating the burden on caseworkers and families and making the process more manageable. Additionally, it allows agencies to allocate resources more efficiently, ensuring that children and families have access to the economic support they need for permanency and stability.

As states work to develop and implement child-centered benefits management programs, there are a few different financial tools that can conserve federal benefits for children in foster care. Each tool has different benefits and level of flexibility that are important to consider when making a decision to use one tool over another. Below is a table of three different types of accounts that are commonly used to protect the resources of children and adults with disabilities.

Table 3. Comparison Matrix of Special Needs Trust Accounts, ABLE accounts, and Plan to Achieve Self Sufficiency (PASS) accounts

Item	Special Needs Trust Account	ABLE Account	PASS Accounts
Purpose	Manage and protect assets for individuals with disabilities while preserving their eligibility for public benefits.	An ABLE account, also known as a 529A account, is a tax-advantaged savings account designed for individuals with disabilities that began before the age of 26, while preserving their eligibility for public benefits.	To assist individuals with disabilities in finding employment that reduces or eliminates their need for SSI or SSDI benefits.
Asset Management	Assets placed in the trust are managed by a trustee, who uses the funds to pay for the beneficiary's needs.	Assets in the ABLE account grow tax-free, and withdrawals for qualified disability expenses are also tax-free. Accounts can be managed by an Authorized Legal Representative or the owner of the account (i.e., the child).	Funds in a PASS account can be used for various work-related expenses. To qualify for a PASS, you must be eligible for SSI and have a feasible work goal. The plan is managed and must be approved by SSA.
Legal Protection	The trust ensures that the assets are not counted as part of the beneficiary's personal assets.	SSI beneficiaries can have up to $100,000 without impacting SSI eligibility.	Must adhere to general SSI resource limits ($2,000 for individuals).
Irrevocability	Most special needs trusts are irrevocable, meaning that they cannot be changed or terminated without the permission of the court.	ABLE accounts are considered revocable. This means that the account owner can make changes to the account, such as withdrawing funds or closing the account, without any legal restrictions. This flexibility allows individuals with disabilities to manage their funds according to their changing needs and circumstances.	Revocable but requires a detailed plan and may involve numerous consultations with SSA for effectiveness.
Cost	Initial setup: $2,000 to $4,000 Ongoing maintenance: variable	Initial setup: Typically, free Maintenance fees: variable – typically $25-$35 / year.	No cost for setting up or administering the account.

Choosing between an ABLE account, a Special Needs Trust (SNT), and a PASS account depends on specific needs and circumstances but there are significant advantages to using an ABLE account including:

- **Ease of setup and management** – ABLE accounts are generally easier and less expensive to set up and manage compared to Special Needs Trusts.
- **Tax Advantages** – Funds in an ABLE account grow tax-free, and withdrawals for qualified disability expenses are also tax-free. This can provide significant savings over time.
- **Control and flexibility** – individuals with disabilities can manage their own ABLE accounts, giving them more control over their funds.
- **Impact on benefits** – ABLE accounts allow individuals to save money without affecting their eligibility for means-tested benefits like SSI and Medicaid, up to certain limits. This makes it easier to save for future needs without jeopardizing essential benefits.
- **Qualified expenses** – ABLE accounts can be used for a wide range of qualified disability expenses, including education, housing, transportation, and health care. This flexibility can help cover various aspects of daily living and long-term planning.
- **Annual contribution limits** – while ABLE accounts have annual contribution limits (currently $18,000 in 2024), they are often sufficient for many individuals' needs. In Washington, the monthly SSI payment is $943 or $11,316 annually.

Washington's ABLE program is administered by the Washington State Department of Commerce and is operated by Vestwell who uses Bank of New York Mellon as its banking institution and Vanguard as its investment manager. Below are additional program details.

Table 4. Overview of Washington's ABLE Program

Number	Program Details[12]
1	Allows in and out-of-state residents to open an account
2	No deductions and no credits due to Washington's no state income tax
3	FDIC insured – Bank of New York Mellon is FDIC insured up to $250,000
4	Minimum account contribution is $25
5	Account maintenance fee is $35 per year
6	No fees or restrictions to the number of disbursements allowed per year
7	Accounts can be rolled over to another ABLE program with no fee
8	There are four investment options available

[12] https://www.ablenrc.org/compare-states/

IMPACTS OF DEVELOPING A CHILD-CENTERED BENEFITS MANAGEMENT PROGRAM

FISCAL AND PROGRAMMATIC IMPACT

After in-depth analysis and consultation with Public Consulting Group and other state agencies, DCYF requested $11,737,000; $11,587,000 General Fund State (GF-S) and 3.0 full time equivalent staff (FTE) in the 2025-27 Biennial Budget to discontinue the current practice of utilizing public benefits due to children and youth in its care and placement authority to reimburse the agency for the cost of providing for their care while placed out of home and to conserve those benefits for the child's future needs. Below is a breakout of the fiscal impact of developing a child-centered benefits management program by fiscal year.

Table 5. Fiscal Impact of Developing a Child-Centered Benefits Management Program

Operating Expenditures	FY 2026	FY 2027	FY 2028	FY 2029
Fund 001-1	$9,717,000	$9,503,000	$9,503,000	$9,503,000
Fund 001-A	$77,000	$73,000	$73,000	$73,000
Total Expenditures	$9,794,000	$9,576,000	$9,576,000	$9,576,000
Biennial Totals	$19,370,000		$19,152,000	
Staffing	**FY 2026**	**FY 2027**	**FY 2028**	**FY 2029**
FTEs	3.0	3.0	3.0	3.0
Average Annual	**3.0**		**3.0**	
Object of Expenditure	**FY 6**	**FY 2027**	**FY 2028**	**FY 2029**
Obj. A	$262,000	$262,000	$262,000	$262,000
Obj. B	$89,000	$89,000	$89,000	$89,000
Obj. E	$9,414,000	$9,218,000	$9,218,000	$9,218,000
Obj. G	$7,000	$7,000	$7,000	$7,000
Obj. J	$22,000			
Revenue	**FY 2026**	**FY 2027**	**FY 2028**	**FY 2029**
Fund 001-A	$77,000	$73,000	$73,000	$73,000
Total Revenue	$77,000	$73,000	$73,000	$73,000
Biennial Totals	$150,000		$146,000	

Like many states, Washington currently utilizes Supplemental Security Income, Survivors, Retirement, or Disability Insurance (RSDI) benefits, and other public benefits due to children and youth in foster care and juvenile rehabilitation to reimburse the state for their care.

Each month, DCYF collects about $700,000 per month in revenue from approximately 750 children and youth with disabilities or who have a deceased parent out of their RSDI benefits. DCYF currently uses a large portion of these funds to pay for the cost of the youth's care while in out-of-home placements. The table below details the types of benefits applied against the cost of care by the types of placements into DCYF care and custody.

Table 6. Types of Federal Benefits Applied Against the Cost of Care, by Placement Type

Type of benefit used to reimburse for the cost of care	Child or Youth Placement into DCYF Custody	Child or Youth Placement into DCYF Custody
	Foster Care	**Juvenile Rehabilitation**
Social Security Title II	X	X
Supplemental Security Benefits	X	
State Supplemental Payments	X	
Railroad Retirement, Labor and Industries, and Victim's Compensation	X	X

In 2023, the Legislature recognized that these benefits may be crucial in supporting children's reunification with their families and meeting their needs when they leave care. ESSB 5187 Sec. 230 (29) required the department to consult with community partners to develop an implementation plan to discontinue the reimbursement policy at the earliest feasible date and conserve funds for the future needs of the child in a way the funds will not count against their eligibility for means-tested programs.

As required under ESSB 5187 Sec. 230 (29), DCYF convened the Public Benefits Preservation Work Group beginning in September 2023. DCYF's calculations are based on the following changes:

- Discontinue the policy reimbursing the agency for the cost of care for children and youth placed into foster care or juvenile rehabilitation.
- Conserve RSDI and other public benefits due to children and youth in accounts that prevent money from counting against asset limits for other public benefits (e.g., the Achieving a Better Live Experience (ABLE) account, a special needs trust or pooled trusts).
- Utilize public benefits to address the child's unmet needs while in custody.
- Provide notification of application for benefits and annual account statements of any funds conserved to children, their parents, caregivers, and attorneys.
- Coordinate with the Department of Social and Health Services (DSHS), Developmental Disabilities Administration (DDA) when children receiving Supplemental Security Income or Social Security Disability Insurance benefits are eligible to receive DDA Medicaid Waiver services.
- Provide financial training to youth over age 14 who are exiting care on financial literacy, the allowable uses of their account, and how to maintain their benefits.

Discontinuation of reimbursement

For the 2025-27 Biennium, DCYF requested $11,737,000 ($11,737,000 GF-S) to discontinue reimbursing the agency for the cost of care. Revenue from these reimbursements is part of the department's foster care maintenance payment forecast. This funding would replace the lost revenue. As part of its 2025-27 biennial budget request, DCYF requested resources to conserve benefits and financially train youth and coordinate with DDA as outlined below.

Conserving public benefits and financial training and support for youth

DCYF requested $1,539,000 ($1,539,000 GF-S) to contract with a provider conserve benefits due to children and youth in an appropriate investment account as a part of it's overall request for the 2025-2027 biennium. DCYF will need to contract with an agency that holds a statewide master contract that has experience conserving Social Security Administration benefits for children's future needs in a way the funds will not count against their eligibility for means-tested programs. DCYF will also need to establish a financial training program for youth over age 14 who are exiting care and are receiving RSDI benefits or have accumulated savings in an account. DCYF will need to contract with an agency or community-based organization with experience working with people eligible for public benefits from the Social Security Administration on maintaining eligibility and appropriate uses of their funds.

Coordination with DDA on Medicaid Waiver Services

DCYF requested $750,000 ($600,000 GF-S) and 3.0 full time equivalent staff (FTE) to coordinate with DDA on a case-by-case basis on the appropriate utilization or conservation of Supplemental Security Income and Social Security Disability Insurance benefits when a child or youth is or may be eligible for DDA Medicaid Waiver services.

RECOMMENDATIONS

1. DEVELOP AND IMPLEMENT CHILD-CENTERED BENEFITS MANAGEMENT POLICIES AND PROCEDURES FOCUSED ON EQUITY AND TRANSPARENCY

Screening and Applications

Establishing a well-documented screening process, defined in policy and outlined in procedures, is the first step in establishing a strong child-centered benefits management program. While DCYF has a strong screening process in place, steps should be taken to thoroughly review the current processes and make updates as needed.

Screening children in foster care for Social Security benefits involves several best practices to ensure they receive the support they need. Here are some key steps:

- **Early and Regular Screening**: Begin screening children for eligibility as early as possible, ideally prioritizing youth aged 17 and over, and continuing annually. This helps identify those who may qualify for benefits due to disabilities or other criteria.
- **Forgo Title IV-E for SSI Benefits:** DCYF should consider forgoing all or a portion of Title IV-E benefits when a child is also eligible for SSI benefits to connect the child to the SSI benefits that can continue into adulthood if the child remains disabled, providing a more stable long-term financial support system. Choosing between Title IV-E and SSI benefits can have significant long-term implications including supporting permanency for children. While Title IV-E benefits are generally available until the child turns 18 (or 21 in some cases), SSI benefits can continue indefinitely as long as the individual remains eligible. SSI is a more stable source of income over the long term, especially for individuals with disabilities who may not be able to work. SSI benefits also include healthcare through Medicaid. By providing financial stability, healthcare coverage, and access to essential services, SSI benefits can significantly enhance the ability of foster families and adoptive parents to provide a permanent, supportive home for children with disabilities. This, in turn, promotes the overall well-being and long-term success of these children.

- **Comprehensive Assessment**: Conduct thorough assessments to determine eligibility for Supplemental Security Income (SSI) or Social Security benefits. This includes evaluating physical and mental disabilities and reviewing the child's family history for potential benefits based on a parent's retirement, disability, or death. Additional effort and resources may be needed for DCYF to ensure its SSI unit is able to effectively manage a higher volume of applications with the same amount of rigor that a comprehensive assessment requires. This may include additional training for staff to understand and apply complex eligibility criteria and procedures. Investing in technology to support application processing, data management, and communication. Coordinating with medical professionals, financial institutions, and other agencies to gather necessary information. Regularly reviewing and updating the screening process to address changes in regulations and improve efficiency.
- **Coordination with Caseworkers**: Ensure that caseworkers are well-informed and actively involved in the screening process. They should be trained to recognize signs of eligibility and know how to make referrals initiate applications.
- **Application Support**: Provide robust support for completing and submitting applications. This includes helping gather necessary documentation and ensuring applications are submitted promptly to avoid delays for all application types including initial applications, change of payee applications, income redetermination, continuing disability reviews, reconsiderations and appeals.
- **Transition Planning**: As children approach the age of 18, assist them in understanding the process for maintaining benefits into adulthood. This includes helping them become their own payee or designating an appropriate representative payee and help them understand the value of their benefits.

- **Data Collection and Transparency**: Improve data collection and transparency to track the outcomes of screenings and applications. This helps identify gaps and areas for improvement in the process.

  By following these best practices, DCYF can better support children in foster care in accessing the Social Security benefits they are entitled to, aiding their transition to adulthood and improving their overall well-being. While DCYF has an established screening and application process, following the guidelines above will result in additional applications and connecting more children to the benefits they are entitled.

Benefits Management

Proper management of benefits ensures that children's benefits are used effectively and efficiently, providing the maximum support possible for each youth. This includes managing Social Security benefits, Medicaid, and other financial resources. Below are the areas that DCYF should consider developing policies and procedures as it relates to developing a child centered benefits management program.

- **Conserve RSDI in PNA**: There are no limits on the amount of RSDI that can be conserved in a Personal Needs Account (PNA) so funds can grow without concern for the resource limits that apply to SSI benefits. Like SSI benefits, it is still necessary to keep detailed records of expenditures and provide regular accounting reports to community partners like the youth, the child's attorney, and their case manager.

- **Conserve SSI using ABLE accounts:** Conserving children's SSI benefits is a foundational principle of a child-centered benefits management program. It is critical for establishing financial security and aids in long-term planning and permanency. While there are a few financial tools that can be used to conserve SSI benefits, there are significant advantages to using an ABLE account. DCYF should consider using Washington's ABLE program to conserve SSI benefits for children in foster care. The ABLE account is the preferred financial tool for conserving SSI funds because of the following:
  - **Ease of setup and management** – ABLE accounts are generally easier and less expensive to set up and manage compared to Special Needs Trusts.
  - **Tax Advantages** – Funds in an ABLE account grow tax-free, and withdrawals for qualified disability expenses are also tax-free. This can provide significant savings over time.
  - **Control and flexibility** – individuals with disabilities can manage their own ABLE accounts, giving them more control over their funds.
  - **Impact on benefits** – ABLE accounts allow individuals to save money without affecting their eligibility for means-tested benefits like SSI and Medicaid, up to certain limits. This makes it easier to save for future needs without jeopardizing essential benefits.
  - **Qualified expenses** – ABLE accounts can be used for a wide range of qualified disability expenses, including education, housing, transportation, and health care. This flexibility can help cover various aspects of daily living and long-term planning.
  - **Annual contribution limits** – while ABLE accounts have annual contribution limits (currently $18,000 in 2024), they are often sufficient for many individuals' needs. In Washington, the monthly SSI payment is $943 or $11,316 annually.

- **Consultation for identifying a representative payee**: Identifying a proper representative payee is crucial for ensuring that the beneficiary's funds are used appropriately for their current and future needs, such as food, housing, medical care, and personal expenses. This helps maintain the beneficiary's financial stability and well-being. It is also critical to protect against exploitation. Representative payees are responsible for managing the funds ethically and in the best interest of the beneficiary. A good representative payee understands the beneficiary's specific needs and circumstances, allowing for more personalized and effective financial management.[13]
  - The Arizona Department of Child Safety (DCS) follows a structured process to identify representative payees for children in foster care:
    - DCS consults with the child, their case manager, and their attorney to determine the most suitable representative payee. This ensures that the child's best interests are considered.

        - If no suitable representative payee is identified, DCS may apply to become the representative payee itself. This involves a thorough review and approval process to ensure compliance with legal and administrative requirements.
        - DCS is required to provide notice to the child, their guardian, and their attorney whenever it applies for benefits on behalf of the child or applies to be the representative payee. This transparency helps maintain trust and accountability.
        - These steps help ensure that the financial resources available to children in foster care are managed responsibly and in their best interests.
        - While Arizona's process is effective, however the requirement to engage the child's attorney has been challenging to coordinate and the child's attorney is not always the most familiar with the child's day to day needs. PCG recommends that DCYF considers leveraging the child's Family Team Decision Making staff to advocate for the child's best interest when identifying a representative payee.
- **Robust Disbursement program:** developing a robust disbursement process is important to meet immediate needs. Children in foster care often have urgent needs and timely access to funds ensures that these needs are met without delay.
- **Holistic approach to exiting care with benefits intact:** A holistic approach means developing a streamlined process for supporting children who are exiting foster care with their benefits intact and savings established. Funds conserved in a personal needs account should be returned to SSA to redistribute to the child or the new representative payee. While funds in an ABLE account may be transferred directly to the child or the new representative payee, with SSA's approval. In addition to transferring benefits, DCYF should develop a financial literacy program that provides basic financial education to youth and their families to provide them with the skills and information they need to manage benefits successfully.

Robust benefits management programs incorporate systems to conserve funds, including the management of personal needs accounts and savings accounts such as ABLE accounts. These programs ensure real-time access to funds to cover any unmet needs that a child may have. Additionally, they feature strong management of the discharge payee process, ensuring proper and timely communication and the identification of an alternate payee. Other key policy development areas include:

- Accounting practices and providing annual statements to case community partners ensures transparency, accountability, and financial health for children in out of home care. Policies and procedures should include focus areas such as legal and regulatory compliance, adherence to standards, financial reporting, risk management, internal controls, and audit readiness.
- Program reporting to evaluate program performance and reconcile accounts. By systematically collecting and analyzing data, using appropriate tools, and maintaining clear documentation and communication, DCYF can effectively conduct program reporting to evaluate performance and reconcile accounts. This process helps ensure financial accuracy, program effectiveness, and accountability to stakeholders.
- Liaising with SSA for returning funds and following up on applications. Additionally, to transfer ABLE accounts to another authorized legal representative, SSA must be notified and provide their approval for the transfer. This requires regular and timely communications. PCG recommends meeting with SSA leadership as a first step in the development of a child-centered benefits management program.
- Preparing for and completing SSA audits. This may include organizing documentation, conducting an internal review to prepare for the audit, monitor progress, and document any findings or recommendations made by the auditors.

Communication and Internal Training

Program transparency fosters trust among community partners, including participants, case managers, senior leadership, and the community. Access to accurate and relevant information enables individuals to make better decisions. When developing policies focused on communication and training DCYF should address:

- Notifications to case community partners should include a list of when to send notifications such as:
    - When screening is completed
    - When applications are filed
    - When SSA decisions are issued
    - When funds are conserved

    - When a PNA or ABLE account is opened
- Training for staff including case workers: regular training for new and seasoned staff on program benefits and processes, video tutorials for specific processes like how to request funds on behalf of a child, Frequently Asked Questions guides help to address common questions for frontline staff, live trainings, webinars.
- Establish a dedicated email address, phone number, and team to manage all questions and inquiries.
- Leverage multiple communications channels to keep staff informed of program guidelines and changes.

Financial Literacy

A good financial literacy program for youth should cover a range of essential topics and skills to help them manage their finances effectively. Financial literacy training may contribute to economic stability by promoting responsible financial behavior and reducing the incidence of financial crisis. DCYF should consider:

- Developing curriculum targeting older youth, ages 14+. Starting financial literacy training at 14 years of age can have numerous benefits, setting the foundation for responsible financial behavior and decision-making in adulthood. At 14, teenagers are developing the cognitive abilities to understand more complex concepts, including financial principles. This age is also a critical period for forming habits and attitudes. Introducing financial literacy early helps instill positive financial behaviors.
- Developing curriculum targeting younger youth and their families.
- Including topics such as spending, budgeting and financial planning, saving, and practical application and exercises to practice financial skills.

2. IMPLEMENT NEW CHILD-CENTERED BENEFITS MANAGEMENT PROGRAM

Roadmap

DCYF anticipated access to program development funding effective July 1, 2025, with a go-live of January 1, 2026. Below is a proposed workplan for child-centered benefits management program implementation and ongoing operations:

Table 7. Project Management & Implementation Phase 1

Task	Start Date	End Date
Facilitate Kick-off Meeting	7/1/25	7/15/25
Develop Project Management Tools (e.g., project charter, communication plan, updated workplan)	7/15/25	7/31/25
Revise / confirm work plan	7/15/25	7/31/25
Establish ongoing meeting protocol and frequency	7/15/25	7/31/25
Establish communications with internal and external community partners (e.g., SSA and Vestwell)	8/1/25	12/31/25
Develop communications including press releases, internal memorandum, intranet announcements, and notification letters for key case community partners.	8/1/25	12/31/25
Validate rules and process for opening an entity Authorized Legal Representative account with Vestwell	8/1/25	12/31/25
Document process for setting up and managing individual ABLE accounts	8/1/25	12/31/25
Open entity Authorized Legal Representative account with Vestwell	8/1/25	12/31/25
Open ABLE accounts for current SSI recipients where DCYF is the representative payee	8/1/25	12/31/25
Fund ABLE accounts	8/1/25	12/31/25
Assist DCYF with establishing a ledger system to manage Personal Needs Accounts	8/1/25	12/31/25
Review major decision points for policies and procedures with community partner workgroup	8/1/25	12/31/25
Document new policies and procedures to include process flows	8/1/25	12/31/25
Review and update funds distribution process for youth from both PNAs and ABLE accounts	8/1/25	12/31/25
Develop and facilitate program overview training for community partners such as case managers	8/1/25	12/31/25

Table 8. Proposed Program Ongoing Operations Workplan

Task	Start Date	End Date
Facilitate Kick-off Meeting	1/1/26	Ongoing
Develop Project Management Tools (e.g., project charter, communication plan, updated workplan)	1/15/26	Ongoing
Revise / confirm work plan	1/15/26	Ongoing
Establish ongoing meeting protocol and frequency	1/15/26	Ongoing
Operate from established policies and procedures	2/1/26	Ongoing
Define roles and responsibilities	2/1/26	Ongoing
Set up ABLE accounts for all new SSI recipients	2/1/26	Ongoing
Maintain necessary communication, accounting, documentation, and reporting	2/1/26	Ongoing
Manage Personal Needs Accounts	2/1/26	Ongoing
Maintain necessary communication, accounting, documentation, and reporting	2/1/26	Ongoing
Manage foster youth distribution process	2/1/26	Ongoing
Maintain necessary communication, accounting, documentation, and reporting	2/1/26	Ongoing
Provide regular notification and communication monthly to necessary community partners	2/1/26	Ongoing
Manage the representative payee process	2/1/26	Ongoing
Maintain necessary communication, accounting, documentation, and reporting	2/1/26	Ongoing
Manage centralized (1-800 number and email account) inquiries and trouble shoot with DCYF and SSA as necessary	2/1/26	Ongoing
Keep log of inquiries and outcomes	2/1/26	Ongoing
Prepare and conduct auditing functions on established regular frequency	2/1/26	Ongoing
Conduct monthly reconciliations for each accounting function	2/1/26	Ongoing
Provide regular social worker, program and other department trainings	2/1/26	Ongoing
Conduct monthly program performance reporting	2/1/26	Ongoing

Appropriately managing Social Security benefits on behalf of a child in the care of a state child welfare agency is complex. It takes a significant level of effort to administer, especially when agencies adopt a child-centered approach. However, with good processes in place, the programmatic benefits for the agency and the child can offer better outcomes to Washington families.

[1] https://www.acf.hhs.gov/sites/default/files/documents/cb/ssa-hhs-joint-letter.pdf
[2] https://www.dshs.wa.gov/sites/default/files/rda/reports/research-11-254.pdf
[3] https://blog.ssa.gov/social-securitys-equity-action-plan/
[4] https://www.acf.hhs.gov/sites/default/files/documents/cb/ssa-hhs-joint-letter.pdf
[5] https://www.dshs.wa.gov/sites/default/files/rda/reports/research-11-254.pdf
[6] https://catcher.sandiego.edu/items/usdlaw/Foster_Care_or_Foster_Con_Report_FINAL.pdf
[7] What are ABLE Accounts? - ABLE National Resource Center (ablenrc.org)
[8] DCS 03-20 Preserving Children's Federal Benefits.pdf (azdcs.gov)
[9] https://www.mass.gov/doc/ssi-policy/download
[10] https://cfsa.dc.gov/publication/social-security-income-benefit-conservation-annual-report#gsc.tab=0
[11] https://blog.ssa.gov/social-securitys-equity-action-plan/
[12] https://www.ablenrc.org/compare-states/
[13] https://blog.ssa.gov/understanding-the-need-for-a-representative-payee/