

Adoption Subsidy Program

South Dakota Department of Social Services

Child Protection Services Offices

Aberdeen 605.626.3160
3401 10th Ave SE, 57401-8000
Counties Served: McPherson, Edmunds, Brown and Marshall

Brookings 605.688.4330
1310 Main Ave S, Suite 101, 57006-3893
Counties Served: Kingsbury, Brookings, Miner, Lake and Moody

Chamberlain 605.734.4500
320 Sorensen Drive, 57325-1022
Counties Served: Lyman, Buffalo and Brule

Deadwood 605.578.2402
20 Cliff St, 57732-0607
Counties Served: Lawrence

Eagle Butte 605.964.4484
1302 N Willow, PO Box 530, 57625-0530
Counties Served: Ziebach and Dewey

Hot Springs 605.745.5100
2500 Minnekahta Ave, Building 1,
PO Box 729, 57747-0729
Counties Served: Fall River and Custer

Huron 605.353.7100
1000 18th St SW, Suite 3, 57350-1408
Counties Served: Faulk, Spink, Hand, Beadle, Jerauld and Sanborn

Lake Andes 605.487.7607
3rd & Lake, PO Box 190, 57356-0190
Counties Served: Charles Mix

Mission 605.856.4489
671 N Marge Lane, PO Box 818, 57555-0818
Counties Served: Mellette, Todd, Jackson and Bennett

Mitchell 605.995.8000
116 E 11th Ave, 57301-1432
Counties Served: Aurora, Davison, Hanson, McCook and Douglas

Mobridge 605.845.2922
920 6th St W, 57601-0160
Counties Served: Perkins, Corson, Campbell, Walworth and Potter

Pierre 605.773.3612
912 E Sioux, 57501-5070
Counties Served: Sully, Hyde, Hughes, Stanley, Jones and Haakon

Rapid City 605.394.2525
221 Mall Drive, Suite 101, PO Box 6221
57701-6221
Counties Served: Pennington

Sioux Falls 605.367.5444
811 E 10th St, Dept 3, 57103-1650
Counties Served: Minnehaha and Lincoln

Sturgis 605.347.2588
2200 W Main St, 57785-1338
Counties Served: Butte, Harding and Meade

Vermillion 605.677.6800
114 Market St, Suite 102, 57069-3040
Counties Served: Turner, Clay and Union

Watertown 605.882.5050
2001 9th Ave SW, Suite 300, PO Box 670,
57201-0670
Counties Served: Roberts, Day, Clark, Codington, Hamlin, Grant and Deuel

Winner 605.842.0400
648 W 2nd St, PO Box 31, 57580-1598
Counties Served: Tripp and Gregory

Yankton 605.668.3030
3113 Spruce St, Suite 200, 57078-5320
Counties Served: Hutchinson, Bon Homme and Yankton

The addresses and phone numbers listed are

local Child Protection Services offices

Adoption Subsidy Program

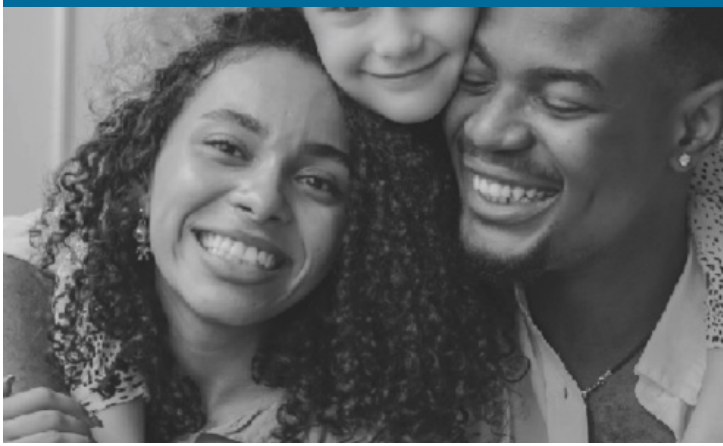
Adoption Assistance provides financial help and services for children with physical, mental and developmental disabilities.

Adoption Subsidy is a program which helps to support children in adoptive situations by providing monthly Medicaid and/or financial assistance.

67:14:14:02. ELIGIBILITY CRITERIA FOR CHILD.

A child is considered eligible for subsidized adoption under the following circumstances.

1. When the legal authority to place and to consent to the child's adoption is held by the department.
2. When the special needs and circumstances of the child result in a limited number of suitable adoptive homes being available, necessitating the use of a subsidized adoptive home. Special needs and circumstances include:
   a. a child's age, race, or religion;
   b. a child with a physical, emotional, neurological, or intellectual handicap or problem;
   c. a sibling group that needs to be placed together;
   d. a child needing a prosthesis, extensive ongoing or anticipated medical care, or therapy for speech, physical, or psychological problems; and
   e. when adoption by the foster parent(s) with whom the child is living is the only appropriate plan.



With the exception of foster parent(s) adopting the foster child, an effort to place without subsidy must be documented before a subsidy is approved.

Children in any of the above situations may be eligible for financial assistance in an amount up to the current standard basic foster care rate. A child's benefits from other sources, such as SSI or Social Security, will affect the amount of subsidy. Medicaid will also be provided.

The general subsidy program serves only public agency adoption. A nonrecurring program is available to families who adopt a special needs child. Nonrecurring expenses include attorney fees, court costs, transportation, adoptive home study fee and other expenses directly related to finalizing the adoption.

Questions and Answers

Q. Who may apply for subsidy?
A. Persons interested in adopting a child who is under the care of public agencies may apply for adoption subsidy.

Q. When can a subsidy be received?
A. Upon placement for adoption.

Q. How long can the subsidy continue?
A. Subsidy may continue until the child is 18 years old or longer if the individual is living at home and enrolled in and regularly attending high school up until the age of 19.

Q. Must the child remain in South Dakota to receive subsidy?
A. No. Subsidy can be paid regardless of where the child and the adoptive parent(s) live. However, services covered by Medicaid may vary from state to state.

Q. What if the child is receiving benefits such as SSI, SSA, VA, Railroad or other beneficiary payments?
A. After the finalization of the adoption, the parent(s) may apply directly to the benefit source and receive the benefits. When the amount of the adoption subsidy payment is negotiated, these additional resources are considered.

Q. If the child starts to receive benefits after the adoptive placement, must they be reported?
A. Yes, as such benefits might change the amount of subsidy or Medicaid coverage for which the child is eligible.

Q. What if the adoptive parent(s) has health and medical insurance?
A. The adoptive parent's insurance must be used if the child can be covered through his/her insurance company. Medicaid may be used if the insurance company pays below the Medicaid allowable and the service falls within the scope of the Medicaid program.

Q. If the parent(s) elects not to apply for subsidy before the adoption is finalized, can they apply later if there is a change in the child's condition, health, etc.?
A. No. Federal regulations do not allow a subsidy to be written after the adoption is finalized.

Q. Is there ever a review of the need for adoption subsidy?
A. No. The subsidy is written until the child's 18th birthday.

Q. Must changes be reported at any other time?
A. Yes. Changes in circumstances such as changes of address, benefits being received by the child, or the child leaving the adopted home should be reported as they occur.

Q. If a service is offered from another source in the community, must it be used?
A. If the service is appropriate to meet the child's needs, it must be used. Such services may include speech therapy or tutoring from the public schools, Indian Health Services, etc.

Q. If insurance or community resources now meet the child's needs, is there any reason to apply for subsidy?
A. Applications may be made for subsidy to cover the child in case the insurance or community resources become unavailable at a later date.

Q. Are the payments made to the parent(s) or directly to a professional?
A. The monthly subsidy is paid directly to the adoptive parent(s). Medicaid is paid to eligible vendors after the service is given.

Q. Who can the adoptive parents contact when they have questions or need to report changes?
A. Changes should be reported in writing or by telephone to the South Dakota Department of Social Services.

SD Administrative Rules Chapter 67:14:14 Subsidized Adoption Section

67:14:14:01 Definition of subsidized adoption.
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67:14:14:10 Modification, amendment, rescission, or cancellation of subsidy agreement.
67:14:14:12 Responsibilities of the adoptive parents to substantiate continuing subsidy eligibility.
67:14:14:13 Suspension of subsidy.

67:14:14:01. DEFINITION OF SUBSIDIZED ADOPTION.

Subsidized adoption through the department is an adoption plan in which the department accepts partial financial responsibility for a child after the child's legal adoption has been consummated.

67:14:14:02. ELIGIBILITY CRITERIA FOR CHILD.

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67:14:14:03. ELIGIBILITY CRITERIA FOR ADOPTIVE FAMILY.

The adoptive family shall be approved for subsidized adoptive placement by the department. The family shall meet all regulations of the agency for adoptive parenthood except for the ability to assume full financial responsibility for the child.

67:14:14:04. TYPES OF SUBSIDY.

The following types of subsidies are available to adoptive families:

1. Maintenance subsidy: A monthly payment to the adoptive family to help meet the cost of the every day needs of the child. It may be made for a limited time or for a long time.
2. Title XIX medical and surgical subsidies: Title XIX medical and surgical subsidies may be used for a preexisting physical or dental condition known at or before completion of legal adoption. The medical services may include physician services, hospital charges, drugs, or a prosthesis. Title XIX medical will pay only when there is no other insurance benefits available for the adopted child. Costs outside of Title XIX coverage shall be specifically spelled out in the subsidy agreement; and
3. Special nonmedical subsidies: These cover costs which are incidental to the care of the child. These may include special or remedial training or education relating to the child's medical treatment or condition, psychological testing, psychiatric treatment, and special education relating to the child's emotional and intellectual problems known before completion of legal adoption; transportation expense for the child to obtain authorized medical services, special education services, and remedial psychological services; expense for a parent to take a child for medical treatment when the facility is remote from the location of the adoptive home; and training for the adoptive parents related to their providing special care or training for the child.

67:14:14:05. AMOUNT OF SUBSIDY.

The amount of the maintenance, medical, or special subsidy must be flexible according to the needs and circumstances of both the adoptive family and the child. The family's income, resources, and obligations must be considered in determining the amount of the subsidy. No subsidy may be authorized for, or paid to, an adoptive family eligible for benefits under the family's medical insurance; supplemental security income; Title XIX funds for the child of a TANF family; vocational rehabilitation funds; public health program funds such as children and youth with special health care needs (CSHCN), old-age survivors insurance or veterans administration grants from either the biological or adoptive parents; or funds for the child from any other source. A maintenance subsidy may not exceed the basic foster care rate. A medical subsidy must follow the medical services program of the department.

A child may qualify for a subsidy at a rate higher than the current basic foster care rate if:

1. The child has a medical condition that is determined to be lifelong and requiring specialized care;
2. The child has a disability requiring ongoing specialized treatment or mental health treatment and a higher level of supervision in the home;
3. The child has experienced a prior dissolved adoption; or
4. The child resides in an institution, and financial incentive is the only means of securing an adoptive family.

These determinations are made by the department on a case by case basis.

The department shall maintain written documentation on the child's circumstances that support the determination.

Source: SL 1975, ch 16, § 1; 3 SDR 85, effective June 21, 1977; 7 SDR 66, 7 SDR 89, effective July 1, 1981; 44 SDR 94, effective December 4, 2017; 47 SDR 24, effective September 10, 2020.

General Authority: SDCL 28-1-64.

Law Implemented: SDCL 28-1-64.

Cross-Reference: Medical services, art 67:16.

67:14:14:07. ADOPTION SUBSIDY AGREEMENT REQUIRED.

There shall be a signed agreement for subsidized adoption between the department and the adoptive parents. An agreement shall be completed before the adoption decree. No adoptive subsidy payment shall be made before an agreement is completed. The agreement shall define the responsibilities of the parties to the agreement, the payment the department will make, the basis for amendment or termination of the agreement, and the effective date of the agreement.

67:14:14:08. TERMINATION OF SUBSIDY AGREEMENTS.

The department may terminate an adoption subsidy agreement upon 60 days written notice to the adoptive parentsby certified mail if:

1. Adoptive parents fail to complete legal adoption within two years after the effective date of subsidy payment;
2. The subsidy is no longer needed and this fact is determined by the department;
3. The child is receiving benefits from another source, except that continuation of a subsidy may be permitted for such amounts and items not covered under the benefits received; or
4. Legal or legislative action suspends the authority of the department to continue adoption subsidies.

67:14:14:10. MODIFICATION, AMENDMENT, RESCISSION, OR CANCELLATION OF SUBSIDY AGREEMENT.

The subsidy agreement may be modified, amended, rescinded, or canceled at any time in writing by mutual agreement of the adoptive parents and the department. An oral modification shall have no effect. 67:14:14:11. Responsibility of placing agency after subsidy agreement completed. The agency which placed the child for adoption is designated as the representative of the department. It has the responsibility to report promptly to the department any changes in the condition of the child or the adoptive parents which could affect the terms of the subsidy agreement. By written agreement between the department and the placing agency, when placement is not made by the department, the department shall assume direct responsibility for ascertaining continuing eligibility for the adoption subsidy.

67:14:14:12. RESPONSIBLITIES OF THE ADOPTIVE PARENTS TO SUBSTATIATE CONTINUING SUBSIDY ELIGIBILITY.

The adoptive parents shall notify the department or the placement agency representing the department within thirty days of any change of address; change in the child's needs; the child's death, marriage, or removal from the home; the child's full employment or military service; or receipt of any benefits for the child's support which was not being received at the time the agreement was completed. They shall provide or permit medical substantiation for the child's continuing eligibility for medically related subsidy. They shall supply information about their financial situation, as requested, to indicate if the subsidy continues to be needed.

They shall participate in interviews upon the request of the department or its representative by admitting representatives of the department for scheduled home visits.

67:14:14:13. SUSPENSION OF SUBSIDY.

The department may suspend payment of an adoption subsidy to the adoptive parents if:

1. The child has been removed from the adoptive home due to a report of child abuse or neglect; or
2. The child no longer resides in the adoptive home, and the adoptive parents are no longer responsible for the child financially.

Source: 37 SDR 222, effective June 7, 2011.
General Authority: SDCL 28-1-64.
Law Implemented: SDCL 28-1-64.

Notes

Contact Us

For questions or more information, please contact the Division of Child Protection online at dss.sd.gov/childprotection/adoption/, by phone at 605.773.3227 or by email at CPS@state.sd.us

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South Dakota Department of Social Services

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