

Foster Parents and State of Hawaii Reach Agreement Regarding Amounts Paid for Care of Foster Children

HONOLULU - The Hawaii Department of Human Services (DHS) and local foster parents have reached an agreement regarding the amount that should be paid to cover the expense of caring for children in foster care. The agreement is intended to bring to a close a federal class action lawsuit that was filed in December 2013, and a related case filed in state court.

When the lawsuits were filed, foster parents were provided with a stipend of \$529 per month, which was intended to cover nearly all the costs of rearing a foster child. The rate had remained in place without adjustment for 24 years, during which time, applying inflation would have increased the stipend to over \$950 per month. In the years leading up to the cases, foster parents and others from the community had made repeated requests to increase the stipend to account for the increasing costs of caring for children. DHS had responded to the requests by stating that there were not sufficient funds in the state budget to allow for the increase, though by the time the suits were filed, DHS had been studying the issue and preparing a request to the legislature for additional funding.

Approximately six months after the case was filed, DHS adjusted the stipend rates to three different amounts based on the age of the children in care: \$576 for ages 0 to 5; \$650 for ages 6 to 11; and \$676 for ages 12 and up. The case continued as foster parents and the state debated whether the increases were truly enough to provide adequate care for the children in the foster care system. Under the terms of the settlement, the payments will increase to \$649 for ages 0-5; \$742 for ages 6 to 11; and \$776 for ages 12 and up. Additionally, the annual clothing allowance for each child will increase by between \$210 and \$426, depending on the age of the child.

The settlement will remain in place for 10 years, during which time DHS has agreed to pursue adjustments to the stipend amount as inflation increases the costs to care for foster children. All told, it is estimated that the increases will provide more than \$8.5 million each year in additional support for the care of children in the foster system. Additionally, DHS has agreed to provide a separate payment to foster parents who were caring for children during the time period from July 1, 2013 to June 30, 2014—\$35 per month for each child involved in the foster care system during that period.

The foster parents in the case were represented by the non-profit Hawai'i Appleseed Center for Law and Economic Justice, local law firm Alston Hunt Floyd & Ing, and global law firm Morrison & Foerster LLP.

"Foster parents make extraordinary sacrifices to care for some of the state's most vulnerable and disadvantaged children," said attorney A.C. Johnston of Morrison & Foerster. "They give their homes, their time, and their hearts to make these children a part of their families. This change will help reduce the significant financial sacrifice that foster parents in Hawaii have been making to perform a selfless service to the community and the children in their care."

"We are grateful for the efforts of DHS to resolve this problem, especially of Director Rachael Wong, who played a critically important part in reaching an agreement," said Paul Alston of Alston Hunt Floyd & Ing. "Director Wong made clear the great commitment that she and her colleagues have to the children in their care, and to providing a strong foundation for the future of Hawaii's children."

One of the foster parents involved in the case, Raynette Ah Chong, who has been a foster care provider for over 20 years, explained the difference that the increased stipends will make: "This means so much to the keiki in the foster system and the families that care for them. Over the time I've been a foster parent, it has gotten more and more expensive to provide for the keiki that come to my family, and we have had to make difficult financial trade-offs that affected my own kids. We are so grateful to have more support to help the keiki and make their lives better."

The agreement is subject to court approval, and funding for the settlement requires a legislative appropriation. “We are looking forward to working with DHS and the legislature to do everything that is necessary to put into place the support that the agreement provides,” said Hawaii Appleseed Co-Executive Director Gavin Thornton. “It is wonderful to see everyone coming together for the benefit of the children in the foster care system and for our broader community.”

A press conference including Ms. Ah Chong will be held at 11 A.M. at the offices Alston Hunt Floyd & Ing, 1001 Bishop Street, Suite 1800, Honolulu, HI 96813.

MEDIA CONTACT INFORMATION

The Hawai`i Appleseed Center for Law and Economic Justice (hiappleseed.org) advocates on behalf of low-income people in Hawai`i to help them gain access to the resources, services, and fair treatment that they need to realize their opportunities for self-achievement and economic security. For additional information, contact **Gavin Thornton by email at gavin@hiappleseed.org or by phone at (808) 366-7875.**

Alston Hunt Floyd & Ing was founded in 1991, under the core principle of making the law and Hawai`i better for all, with high-quality, fast, cost-effective service. For additional information, contact **Paul Alston by email at PALston@ahfi.com or by phone at (808) 524-1800.**

Morrison Foerster LLP is a global law firm with more than 1,000 lawyers in 17 offices. They are a leader in pro bono (providing volunteer legal assistance to those in need), committed both to promoting the availability of justice for all, and to providing for the welfare of communities and individuals. For additional information, contact **A.C. Johnston by email at ACJohnston@mof.com or by phone at (650) 813-5600.**