

FACTSHEET FOR FAMILIES

February 2011

Disponible en español <u>www.childwelfare.gov/</u> <u>pubs/sp_benefi.cfm</u>

Employer-Provided Adoption Benefits

A growing number of employers offer benefits to adoptive parents. In 1990, a survey by Hewitt Associates found that only 12 percent of employers surveyed offered some kind of adoption benefits; by 2004, a Hewitt survey of 936 major U.S. employers showed that the percentage had grown to 39 percent, with an average maximum reimbursement of \$3,879 for adoption expenses.

What's Inside:

- Types of benefits
- Eligibility and conditions
- Employers that offer adoption benefits

U.S. Department of Health and Human Services Administration for Children and Families Administration on Children, Youth and Families Children's Bureau



Child Welfare Information Gateway Children's Bureau/ACYF 1250 Maryland Avenue, SW Eighth Floor Washington, DC 20024 800.394.3366 Email: <u>info@childwelfare.gov</u> <u>www.childwelfare.gov</u> In Hewitt's most recent survey report (2008-2009), more than half of the 940 large employers surveyed said that they offer some type of adoption assistance.¹ Employers that offer adoption benefits cite advantages for their companies including maintenance of productivity, retention of good employees, a positive public image, and equity in benefits for all employees.

Employer-sponsored adoption benefits take many forms. This factsheet examines:

- What types of benefits do employers offer to help with adoption?
- What are the eligibility criteria and conditions for receiving adoption benefits?
- Which employers offer adoption benefits?

Child Welfare Information Gateway provides additional factsheets and other information about making adoption affordable.

- Costs of Adopting (www.childwelfare. gov/pubs/s_cost/index.cfm)
- Adoption Assistance for Children
 Adopted From Foster Care (<u>www.</u>
 <u>childwelfare.gov/pubs/f_subsid.cfm</u>)

Types of Benefits

Typically, adoption benefits mirror benefits available to new biological parents. Adoption benefits fall into three general categories:

- Information resources
- Financial assistance
- Parental leave policies

Employers may offer one or more of these types of benefits for a single adoption.

Information Resources

Resources made available to employees may include referrals to licensed adoption agencies, support groups, and organizations; access to an adoption specialist to answer questions about the process; and/or help with special situations, such as adopting a child with special needs. Many employers that offer this type of benefit contract with a human resources consulting firm to provide these services to employees.

Financial Assistance

Financial benefits for adoptive families vary. Some employers provide a lump sum payment for an adoption, usually between \$1,000 and \$15,000. Other employers pay certain fees related to an adoption. Still others partially reimburse employees for expenses. Typical reimbursement plans cover 80 percent of certain itemized expenses up to an established ceiling (about \$4,000 on average). Some employers reimburse at a higher rate for adoptions

¹ "Trends in HR and Employee Benefits: Employer-Provided Adoption Benefits." November 2009. <u>www.hewittassociates.</u> <u>com/_MetaBasicCMAssetCache_/Assets/Articles/2009/</u> <u>Employer-Provided_Adoption_Benefits.pdf</u>

of children with special needs. Most frequently, employer-provided financial assistance covers public or private agency fees, court costs, and legal fees. Employers also might help with foreign adoption fees, medical costs, temporary foster care charges, transportation costs, pregnancy costs for a birth mother, and counseling fees associated with placement and transition.

Some employers pay benefits per adoption, while others pay per child adopted. In most cases, the benefits are paid after the adoption is finalized, although some employers may pay benefits when the child is placed or as the expenses are incurred.

Parental Leave Policies

In many cases, employers are required to grant parental leave to parents who have adopted a child. Federal law requires employers with 50 or more employees to offer both mothers and fathers up to 12 weeks of unpaid leave upon the birth or adoption of a child. The law ensures that employees can return to their current jobs or an equivalent position, and it requires employers to continue the employee's health benefits during the leave period. Information about this law, entitled the Family and Medical Leave Act, can be found at <u>www.dol.gov/whd/fmla</u>

Some employers allow employees to take more than the required 12 weeks of unpaid leave. Employees may be permitted to combine accumulated paid leave (such as vacation or sick leave) with unpaid leave to extend their total leave. Some employers even offer paid leave for employees who adopt a child. Certain employers may be bound by public and private union contracts that have provisions for adoption leave.

In addition to the Federal law, many States require employers to offer parental leave to adoptive parents. To find out about a particular State, check your State's adoption policy handbook or contact the State's adoption program manager. Information Gateway's online National Foster Care and Adoption Directory lists contact information for each State's adoption program manager: www.childwelfare.gov/nfcad

Eligibility and Conditions

Eligibility for adoption benefits usually depends on employment status (for example, policies frequently specify that full-time employees are eligible while temporary employees are not). Employers also might tie eligibility to length of employment or participation in a companysponsored health plan.

The type of adoption also can affect the benefits offered. For example, some employers do not provide benefits when a stepparent adopts his or her stepchild or stepchildren. Some employers specify that the child being adopted cannot be older than 16 or 18 years. Others offer enhanced benefits for the adoption of a child with special needs.

Employers That Offer Adoption Benefits

Many employers offer some form of adoption benefits. To find out if your company offers adoption benefits, ask your human resource or personnel department.

Wendy's International sponsors the Dave Thomas Foundation for Adoption and its Adoption-Friendly Workplace program, which encourages employers to offer adoption benefits and celebrates those who do. Its website includes:

- Lists of employers that offer adoption benefits such as financial reimbursement and paid leave for adoption
- An annual list of the nation's "100 Best Adoption-Friendly Workplaces"
- A free toolkit and technical assistance for companies wishing to propose or establish an adoption benefits policy

To order a free toolkit or learn more, visit the website: www.AdoptionFriendlyWorkplace.org

The Holt International website includes an extensive list of employers that provide benefits that range from financial assistance to granting employees parental leave: www.holtinternational.org/adoption/ benefits.shtml

Suggested Citation:

Child Welfare Information Gateway. (2011). *Employer-provided adoption benefits.* Washington DC: U.S. Department of Health and Human Services, Children's Bureau.