



Employer-Provided Adoption Benefits

Introduction

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 1995, the proportion had climbed to 23 percent. In the 2002 Hewitt survey of 945 major U.S. employers, the percentage grew to 34 percent, with an average maximum reimbursement of \$3,414 for adoption expenses in 2001. Employers that offer adoption benefits cite various 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 fact sheet 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?

The National Adoption Information Clearinghouse (NAIC) provides additional fact sheets and other information about making adoption affordable. The fact sheets *Costs of Adopting* and *Subsidized Adoption* can be found on the NAIC website (<http://naic.acf.hhs.gov>).

What Types of Benefits Do Employers Offer?

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 during 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 help with special situations, such as a special needs adoption. 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 take different forms. 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 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

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 <http://www.dol.gov/esa/whd/fmla/>.

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, contact the State's Adoption Specialist. NAIC's online National Adoption Directory lists contact information for each State's Adoption Specialist (see <http://naic.acf.hhs.gov>).

Eligibility and Conditions

Eligibility for adoption benefits usually depends on employment status (for example, policies sometimes specify that full-time employees are eligible while part-time or occasional employees are not). Employers also might tie eligibility to length of employment or participation in a company-sponsored 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 Offering Adoption Benefits

A list of employers offering adoption benefits was prepared by the Adoption-Friendly Workplace Program operated by the National Adoption Center (NAC) in collaboration with the Dave Thomas Foundation for Adoption and supported through a grant from the W.K. Kellogg Foundation. NAC maintains and regularly updates the list on their website at <http://www.adoptionfriendlyworkplace.org/employers.asp>. In addition, they offer the following free toolkits:

- **Stand in Good Company - Offer Adoption Benefits**
This packet of information provides comprehensive information to help employers develop or enhance their adoption benefits programs.
- **Convincing Your Organization to Offer Adoption Benefits**
This toolkit provides step-by-step information to help employees advocate effectively for adoption benefits in their workplace.

For more information, contact the Adoption-Friendly Workplace Program at (877) 777-4222.