

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, Sacramento, California 95814



April 15, 2005

ALL-COUNTY INFORMATION NOTICE NO. I-18-05

TO: ALL COUNTY WELFARE DIRECTORS  
 ALL COUNTY ILP PROGRAM MANAGERS  
 ALL COUNTY ILP COORDINATORS  
 ALL COUNTY THPP COORDINATORS  
 ALL COUNTY FISCAL OFFICERS

REASON FOR THIS TRANSMITTAL

- State Law Change  
 Federal Law or Regulation Change  
 Court Order  
 Clarification Requested by One  
 or More Counties  
 Initiated by CDSS

SUBJECT: TRANSITIONAL HOUSING PLACEMENT PROGRAM

REFERENCE: All County Information Notice (ACIN) No. 1-93-01; All County Letter  
 (ACL) No. 02-04; County Fiscal Letter (CFL) No. 02/03-10

The Transitional Housing Placement Program (THPP) is a community care licensed placement opportunity for foster youth, aged 16 to 18, who will be emancipating from the child welfare system at age 18. The goal of the program is to provide a safe living environment while helping youth achieve self-sufficiency so that they can learn and practice life skills prior to leaving the foster care support system. Counties electing to participate in the program provide supervised independent living housing and support services. To date, 32 counties have approved plans and are implementing the THPP.

ACIN No. 1-93-01, dated November 14, 2001, summarized the provisions of Assembly Bill (AB) 427 (Chapter 125, Statutes of 2001) that created the Supportive Transitional Emancipation Program (STEP) and described the THPP components which include THPP eligibility; THPP rates; and THP-Plus. ACL No. 02-04, dated, February 4, 2002, also summarized the provisions of AB 427 as it relates to licensing requirements for the THPP, and CFL No. 02/03-10 provided information for Assistance Claiming instructions for the STEP, THP-Plus and THPP rate increase. You may download a copy of these documents through the California Department of Social Services (CDSS) website at:

<http://www.dss.cahwnet.gov/lettersnotices/default.htm>

The purpose of this ACIN is to clarify CDSS procedures for calculating THPP rate and the county plan approval process. The Manual of Policies and Procedures (MPP), Section 30-904, and Welfare & Institutions Code, Section 11403.3(a) (1), in part, states "...that a transitional housing placement program ... shall be paid a monthly rate that is 75 percent of the average foster care expenditures for foster youth 16 to 18 years of age, inclusive, in group home care in the county in which the program operates." The remaining non-federal portion of the THPP funding is shared with 40 percent State and 60 percent county participation.

If a county had an approved plan effective June 30, 2001, the base rate per participant will be \$2,100 per month and is paid from the Aid to Families with Dependent Children-Foster Care funding. A county's request for an increase above the base rate shall be subject to the sharing ratios as specified in Welfare and Institutions Code, Section 15200(c). The State share (40 percent) of the additional amount over the base rate shall be paid out of the Transitional Housing Foster Youth Fund (THFYF) and is subject to availability. If the THFYF is depleted, the county shall pay the State share of the additional amount.

Enclosed (Attachment A) is an example of the THPP rate sharing ratio. Request for subsequent rate increases or decreases must be submitted in writing to the Independent Living Program (ILP) Policy Unit Manager. It is also the counties' responsibility to notify contract providers of any increase or decrease to THPP rates. Claiming instructions for expenditures may be found on CFL No. 02/03-10 with the revised assistance claim forms.

Counties electing to request participation in the THPP must comply with the criteria set forth in MPP, Section 30-906.12, of the regulations which clearly delineates the requirements that must be incorporated in a county's proposed plan. Additionally, the county must pre-approve all providers prior to submission of the proposal to CDSS. This information must be included in the proposed plan. Upon review and approval of the proposal by the ILP Unit, the county may begin review and certification of agency plans.

I hope this information has served to clarify some of the issues. If you require additional information or assistance, please do not hesitate to contact Sonya St. Mary, Manager, ILP Policy Unit, at (916) 651-7465, or Cynthia Guilford, Program Analyst, at (916) 651-9908.

Sincerely,

PATRICIA AGUIAR, Chief  
Child and Youth Permanency Branch

Enclosure

c: CWDA  
CPOC

## THPP RATE SHARING RATIO

- ◆ The federal government disburses 50 percent of the federally allowable maintenance costs for foster care placements at the Federal Medical Assistance Percentage (FMAP) Rate that may be adjusted up or down. Administrative costs are shared at 50 percent. (Applicable to foster care placements age 16-18.)
- ◆ Costs that are not eligible for federal reimbursement include: social worker, administrative costs attributable to social work and social work supervision.
- ◆ An example is provided calculating the Federal/State/County share of costs:

### EXAMPLE

If the THPP rate for a THPP agency is \$2,200 and the nonfederal eligible administrative costs are \$200. The costs are calculated below:

THPP Rate	\$2,200
Minus amount over base rate (currently \$2100)	-\$ 100
Minus non-federal eligible costs	<u>200</u>
Costs claimed at the Federal/State/County share	<u>\$2,000</u>

Federal/State/County shares:

	<u>**Federal</u> (50%)	<u>State</u> (40%)	<u>County</u> (60%)	<u>Total</u>
Federally allowable (Maintenance/Admin costs)	\$950	\$380	\$570	\$1,900
Non-federal Costs	0	80	120	200
Additional amount above base rate		*40	60	100
<b>TOTAL</b>				<u><b>\$2,200</b></u>

\*(Paid from THFYF)

\*\*The sharing ratio for non-federal youth is 60% county and 40% state.

**Note:** The additional amount above the base rate of \$2,100 is divided according to the sharing ratios outlined in Section 15200 of the Welfare and Institutions Code, enacted from the provisions of AB 427 (Chapter 125, Statutes of 2001). The non-federal allowable services, including all social work services, have been backed out of the total rate on the federal side and have been added back into the sharing ratios on the state and county side.