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**DEPARTMENT OF SOCIAL SERVICES**  
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ARNOLD SCHWARZENEGGER  
GOVERNOR

April 6, 2010

ALL COUNTY INFORMATION NOTICE NO. I-05-10

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY WELFARE FISCAL OFFICERS  
ALL CHIEF PROBATION OFFICERS

SUBJECT: SPECIALIZED CARE RATE PROGRAM

REFERENCE: ASSEMBLY BILL (AB) 2268 (CHAPTER 1437, STATUTES OF 1989), AB 2695 (CHAPTER 977, STATUTES OF 1982); TITLE IV-E SECTION 472 (42 UNITED STATES.CODE 672); WELFARE AND INSTITUTIONS (W&IC) CODE SECTION 11461; ALL COUNTY INFORMATION NOTICE (ACIN) I-131-82, ACIN I-81-89

The purpose of this notice is to provide counties with answers to frequently asked questions regarding Specialized Care Rates (SCR) and the SCR System/Program.

Background:

The AB 2695 (Chapter 977, Statutes of 1982) mandated that the California Department of Social Services (CDSS) develop and establish by July 1, 1984, a statewide rate setting system for Foster Care (FC) to include an SCR system that would allow for supplemental payments greater than the family home basic rate for children with health and/or behavioral problems. This supplemental payment provides for the cost of additional supervision to meet the child's daily care. County specific systems and/or programs must be approved by CDSS to receive state and federal financial participation in the SCR.

The SCR program is an effective alternative to more costly group home and Foster Family Agency certified home placements. The program promotes placement of special needs children in the least restrictive, most family-like setting.

REASON FOR THIS TRANSMITTAL

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

## **FREQUENTLY ASKED QUESTIONS**

### **General Questions**

1. Q. Do all the counties have SCR plans?
  - A. To date, 55 of the 58 counties have SCR plans. Modoc, Plumas, and Sierra counties do not participate.
  
2. Q. What is the difference between a specialized care *increment* and a specialized care *rate*?
  - A. Pursuant to Manual of Policy and Procedures (MPP) section 11-400(6), a specialized care *increment* is the dollar amount paid to a provider, over and above the family home basic rate for specialized care. The increment is determined by the level of severity of the child's health and/or behavioral needs.

Pursuant to MPP section 11-400(7), a specialized care *rate* is the total dollar amount paid to a provider on behalf of the Aid to Families with Dependent Children (AFDC)-(FC) child who needs specialized care and supervision. This rate includes the family home basic rate and the specialized care increment.

The *basic rate* plus the specialized care *increment* equals the specialized care *rate*.
  
3. Q. Is the process for determining the specialized care increment the same for FC and the Adoptions Assistance Program (AAP)?
  - A. Pursuant to W&IC section 16119(c) through (e) and (f), and Title 22 California Code of Regulations (CCR) section 35333 and 35343, the responsible public agency shall base the negotiated AAP benefit on the needs of the child and the circumstances of the family determined through discussions with the adoptive parents. The AAP benefit is limited to the age-related, state-approved foster family home rate and any applicable state-approved specialized care increment for which the child is eligible.

A family may request an AAP benefit increase at any time, based on the reassessment of the child's needs and the circumstances of the family. The negotiated AAP increase is not to exceed the state-approved foster family home rate and any applicable specialized care increment the child would have received in foster care.

For determining the maximum AAP benefit, if the child is placed for adoption outside the financially responsible county, the responsible public agency shall use

the specialized care rate of the host county or that of the financially responsible county, whichever is higher, or that of the financially responsible county when the host county has no specialized care system.

### **County Plans/Approval Process**

4. Q. What is the approval process for new or modified SCR plans?
  - A. Pursuant to MPP section 11-401.323, any county wishing to modify or adopt a specialized care program shall submit to CDSS a proposal which describes the county's specialized care rate system. The proposal must demonstrate that State General Fund costs for AFDC-FC payments will not increase as a result of the new or modified plan. The CDSS will review the proposal to ensure compliance with applicable regulations.
5. Q. What is the process for determining an SCR?
  - A. The processes for determining rate levels are developed by each county with the approval of CDSS and may vary from county to county.
6. Q. What if a county wants to increase its specialized care increment rate? Does the county need to get approval from the state?
  - A. Yes, any modification which affects the specialized care population, the foster homes in which this population is placed, the specialized care increment, or the specialized care rate setting methodology must also be approved by CDSS. Please refer to question 4.

### **Funding**

7. Q. Is there state or federal funding in the SCR payments?
  - A. Yes. The sharing ratios are 40 percent state and 60 percent county for the nonfederal share. Federally-eligible children receive 50 percent federal financial participation through Title IV-E of the Social Security Act. However, until December 31, 2010, federally eligible children receive 61.59 percent federal financial participation, due to implementation of the American Recovery and Reinvestment Act of 2009.

### **Out of County Placements**

8. Q. What if a child is placed in a foster family home located in a county other than the county with payment responsibility, and the two counties have different specialized care rates and/or criteria?

- A. Pursuant to MPP section 11-401.421, in FC the county with payment responsibility shall pay the host county SCR, or if the host county has no SCR plan, then the county with payment responsibility will pay using its own SCR.
9. Q. Which county is the host county, the county that has payment responsibility or the county in which the child is placed?
- A. The host county is where the child is placed or resides.
10. Q. What if the SCR determination criteria are different between the host and placing counties?
- A. Pursuant to MPP section 11-401.421, the host county's methodology, criteria and rates will apply.
11. Q. Who can I contact regarding county-specific questions about the SCR Program?
- A. A contact list is available on the County Welfare Directors Association of California website at <http://www.cwda.org/tools/cws.php> or on CDSS' website at <http://www.childsworld.ca.gov/PG1649.htm>. The contact list identifies the individual for each participating county including phone numbers and email addresses.
12. Q. is there somewhere online where I can view the regulations for the SCR Program?
- A. Online regulations MPP section 11-401 - 11-401.43 are available at <http://www.dss.cahwnet.gov/getinfo/pdf/fcmana.pdf>

Policy questions regarding this letter may be directed to Julia Takeuchi, Specialized Care Rates Consultant, at (916) 654-1277. Any Specialized Care Increments questions in relation to AAP should be directed to the Adoptions Services Bureau at (916) 651-8089.

Sincerely,

***Original Document Signed By:***

KAREN B. GUNDERSON, Chief  
Child and Youth Permanency Branch  
Children and Family Services Division