



JOHN A. WAGNER  
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**  
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



ARNOLD SCHWARZENEGGER  
GOVERNOR

November 25, 2009

ALL COUNTY LETTER NO. 09-76

TO: ALL COUNTY WELFARE DIRECTORS  
ALL CHIEF PROBATION OFFICERS  
ALL LOCAL MENTAL HEALTH DIRECTORS  
ALL COUNTY ADOPTION AGENCIES  
ALL ADOPTION DISTRICT OFFICES  
ALL GROUP HOME PROVIDERS  
KARUK TRIBE

SUBJECT: CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES v. JOHN WAGNER, et.al. PRELIMINARY INJUNCTION PROHIBITING REDUCTIONS TO GROUP HOME RATES

REFERENCE: ASSEMBLY BILL X4 4  
WELFARE AND INSTITUTIONS CODE SECTION 11462(f)(1)  
WELFARE AND INSTITUTIONS CODE SECTION 11462(g)(4)  
WELFARE AND INSTITUTIONS CODE SECTION 11462(g)(5)  
ALL COUNTY LETTER NO. 08-01  
ALL COUNTY LETTER NO. 09-45  
ALL COUNTY LETTER NO. 09-47

REASON FOR THIS TRANSMITTAL

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

This All County Letter (ACL) is to provide an update to ACL No. 09-47 which provided counties with instructions and information regarding the Temporary Restraining Order (TRO) issued on November 4, 2009, in the case of California Alliance of Child and Family Services v. John Wagner, et.al. The TRO issued by the United States District Court for the Northern District of California directed the California Department of Social Services (CDSS) to halt implementation of the group home rate reductions mandated in Welfare and Institutions Code (W&IC) section 11462(g)(5) for ten days pending a hearing on the Alliance's request for a preliminary injunction. On November 13, 2009, the United States District Court for the Northern District of California issued a preliminary injunction to continue the TRO past November 14, 2009, and ongoing.

The CDSS has filed an appeal to the Ninth Circuit court for a stay order pending appeal. The order affects only rates paid for foster children in group home placements who have been determined to be eligible for federal Title IV-E funding (federally eligible foster children). The Court is also considering whether prohibiting the rate reduction for these federally eligible foster children should be applied retroactively to services rendered beginning October 01, 2009. If there is either a stay or a decision on retroactive application, the CDSS will provide you with further information and instruction in a future ACL. Until then, below are instructions and guidance to the counties.

Until further notice, for services rendered November 04, 2009 forward, counties shall pay the rates shown in Table 1 below for all ***federally eligible children***. This represents the rates effective January 1, 2008, before the ten percent reduction mandated in W&IC Section 11462(g)(5). See ACL No. 08-01, dated January 17, 2008.

**TABLE 1**

GROUP HOMES Standardized Schedule of Rates for Federally Eligible Foster Children Effective January 1, 2008		
RCL	Point Ranges	Standard Rate
1	Under 60	\$1,486
2	60-89	1,889
3	90-119	2,287
4	120-149	2,689
5	150-179	3,088
6	180-209	3,489
7	210-239	3,889
8	240-269	4,291
9	270-299	4,690
10	300-329	5,092
11	330-359	5,490
12	360-389	5,891
13	390-419	6,294
14	420 & Up	6,694

Until further notice, for services rendered November 04, 2009 forward, counties shall continue to pay the rates shown in Table 2 below for all ***non-federally eligible children***. This represents the rates effective October 01, 2009, and includes the ten percent rate reduction mandated in W&IC Section 11462(g)(5). See ACL No. 09-45, dated September 30, 2009.

**TABLE 2**

GROUP HOMES Standardized Schedule of Rates for Non-Federally Eligible Foster Children Effective October 1, 2009		
RCL	Point Ranges	Standard Rate
1	Under 60	\$1,337
2	60-89	1,700
3	90-119	2,058
4	120-149	2,420
5	150-179	2,779
6	180-209	3,140
7	210-239	3,500
8	240-269	3,862
9	270-299	4,221
10	300-329	4,583
11	330-359	4,941
12	360-389	5,302
13	390-419	5,665
14	420 & Up	6,025

The counties shall pay group home rates for federally eligible children in accordance with Table 1 and for non-federally eligible children in accordance with Table 2. Each county should consider its current accounting systems and reconciliation processes to determine the most efficient manner in which to make payments under these two separate rate schedules.

Until automation changes can be made to payment systems, counties may consider issuing checks to all children in group homes under the schedule in Table 2 and then issuing supplemental checks for federally eligible children in order to provide complete payments. Supplemental checks should be issued as quickly as possible in order to avoid requests for a due process hearing because of an underpayment. It is suggested that counties consider including a notice in all checks, regardless of federal eligibility, which states "a supplemental check will be issued if necessary for all federally eligible children" in order to avoid unnecessary requests for due process.

The CDSS recommends that counties make adjustments in a manner that reduces the need for overpayment recovery. Depending on the outcome of the pending court proceedings, CDSS will issue an additional ACL.

Please contact the Foster Care Rates Bureau at (916) 324-4857, if you have any questions regarding the content of this ACL.

Sincerely,

***Original Document Signed By:***

GREGORY E. ROSE  
Deputy Director  
Children and Family Services Division

c: CWDA