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STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
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ARNOLD SCHWARZENEGGER
GOVERNOR

July 20, 2010

ALL COUNTY LETTER NO. 10-38

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
ALL FOSTER FAMILY AGENCIES
KARUK TRIBE

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: CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES v. CLIFF ALLENBY, et.al. AID TO FAMILIES WITH DEPENDENT CHILDREN- FOSTER CARE (AFDC-FC) CALIFORNIA NECESSITIES INDEX INCREASE IN GROUP HOME RATES

REFERENCE: CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES v. CLIFF ALLENBY, et.al.
WELFARE AND INSTITUTIONS CODE (W&IC) SECTIONS 11453(A), 11460(C)(2)(A)(I), (II) AND 11462
ALL COUNTY LETTER NO.10-15
MANUAL OF POLICIES AND PROCEDURES SECTION 11-405.213(b)(4)

The purpose of this All County Letter (ACL) is to inform counties of the California Necessities Index (CNI) increase that is applicable to group home rates effective July 1, 2010. As counties were previously notified in ACL No. 10-15, the California Department of Social Services (CDSS) adjusted the group home rates paid under the California's Rate Classification Level (RCL) system pursuant to the court order issued on February 23, 2010, in the case of the California Alliance of Child and Family Services v. Cliff Allenby, et.al., to reflect the cumulative CNI increases from 1990-91 through 2009-10. The court further ordered CDSS to amend the group home rate schedule annually to reflect changes in the CNI. The group home rate schedule on the following page reflects the CNI increase of 1.57 percent for State Fiscal Year 2010-11. Effective July 1, 2010, the counties shall pay the rates reflected in the chart on the next page for both federally eligible and non-federally eligible children in group home placements.

GROUP HOMES Standardized Schedule of Rates Effective July 1, 2010		
RCL	Point Ranges	Standard Rate
1	Under 60	\$2,118
2	60-89	2,646
3	90-119	3,174
4	120-149	3,700
5	150-179	4,224
6	180-209	4,754
7	210-239	5,281
8	240-269	5,809
9	270-299	6,335
10	300-329	6,863
11	330-359	7,388
12	360-389	7,917
13	390-419	8,450
14	420 & Up	8,974

OUT-OF-STATE GROUP HOMES

For California group home placements made out of state, the rate to be paid shall be the rate established by the rate-setting authority of the other state. The level of state participation shall not exceed the current fiscal year's RCL 14 as reflected in the above schedule of rates and subject to subsequent annual CNI augmentation. [See W&IC section 11460(c)(2)(A)(i) and (ii)]

The county is responsible for ensuring that the out-of-state facility is licensed or approved as required by the state in which it is located and certified in accordance with California's licensing standards as set by CDSS, Community Care Licensing. The county is also responsible for determining if any non-allowable costs are included in the rate and ensuring that only allowable costs are claimed for federal or state AFCD-FC reimbursement. Allowable costs are defined as food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable travel to the child's home for visitation. For group home placements, allowable costs also include reasonable administration and operational activities to include social work activities that are not otherwise considered daily supervision or administration activities.

WRAPAROUND

The Wraparound rates are to be increased by the CNI increase that is applicable to group home rates effective July 1, 2010. The chart below provides the increased Wraparound rates.

RCL	Non-Federal Child	Federally Eligible Child*
10/11	\$7,126.00	\$3,121.00
13	\$8,450.00	\$3,701.00

*The federal rates are minus the federal share, which is 56.2 percent of the RCL rates.

FINANCIAL AUDIT REPORT REQUIREMENT

As a reminder, a non-profit corporation is responsible for reporting any change in the annual combined federal revenue, in accordance with the Manual of Policies and Procedures section 11-405.213(b)(4), if the combined federal revenue exceeds the federal threshold, currently set at \$500,000. Also, the non-profit corporation is required to report the change in federal revenue to CDSS within three months from the end of the fiscal year and submit a Financial Audit Report (FAR) and audited cost data within nine months of the end of a corporation's fiscal year.

INQUIRIES

If you have any foster care rates questions, please contact me at (916) 657-2614 or the Foster Care Rates Bureau, Rates Policy Unit, at (916) 324-4857. If group home providers have questions regarding this ACL, they should contact their Foster Care Rates Consultant at (916) 324-4873. Questions regarding FARs should be directed to the Program and Financial Audits Bureau, Financial Unit at (916) 324-1717. Any questions pertaining to the Wraparound Program, contact your Wraparound Consultant in the Child Protection and Family Support Branch, Integrated Services Unit at (916) 651-6600.

Sincerely,

Original Document Signed By:

GREGORY E. ROSE
Deputy Director
Children and Family Services Division