

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



December 27, 2000

ALL COUNTY LETTER NO. 00-86

TO: ALL COUNTY WELFARE DIRECTORS
 ALL COUNTY PROBATION OFFICERS
 ALL COUNTY ADOPTION AGENCIES
 ALL GROUP HOME PROVIDERS
 ALL FOSTER FAMILY AGENCIES
 ALL LOCAL MENTAL HEALTH DIRECTORS

REASON FOR THIS TRANSMITTAL

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

SUBJECT: IMPLEMENTATION OF A 10 PERCENT WAGE/BENEFITS PASS-THROUGH PROVISION FOR GROUP HOMES AND FOSTER FAMILY AGENCIES (FFA)

REFERENCE: Assembly Bill (AB) 2876 (Chapter 108, Statutes of 2000)
 All County Letter (ACL) NO. 00-64

The purpose of this ACL is to provide information regarding the implementation of a 10 percent wage/benefits pass-through provision, which takes effect January 1, 2001. As a result of this provision, the schedule of rates for group homes and FFAs will be increased to reflect the addition of the supplemental payment. An overview of the provisions and the new rate schedules is provided below.

OVERVIEW OF PROVISIONS

AB 2876 (Chapter 108, Statutes of 2000) enacted a 10 percent wage/benefits pass-through provision for childcare workers and social workers in group homes effective January 1, 2001, through the addition of Welfare and Institutions Code (WIC) Section 11462(g)(3). The statute provides group home providers with the flexibility to use the supplemental payment in any of the following ways:

- Increase salaries; and/or
- Increase benefits; or
- Hire additional staff.

AB 2876 also added WIC Section 11463(h) to incorporate a similar 10 percent pass-through provision for FFA social work staff only. Like the group home providers,

FFA providers have the same flexibility with respect to how they utilize the supplemental payment.

GROUP HOMES

As previously indicated, AB 2876 provided a 10 percent supplemental payment increase to the amount included in the standard rate for each Rate Classification Level (RCL) for salaries, wages, and benefits of staff providing **child care and supervision** and/or performing **social work activities**. Because the 10 percent supplemental payment increase is applied to the amount included in the rate for the designated personnel, the actual overall rate percentage increase will vary for each RCL.

10 PERCENT WAGE/BENEFITS PASS-THROUGH GROUP HOMES STANDARDIZED SCHEDULE OF RATES Effective January 1, 2001			
RCL	Point Ranges	Rate Effective 7/1/00	Rate Effective 1/1/01
1	Under 60	\$1,353	\$1,387
2	60-89	1,691	1,750
3	90-119	2,026	2,108
4	120-149	2,364	2,469
5	150-179	2,699	2,829
6	180-209	3,036	3,189
7	210-239	3,374	3,551
8	240-269	3,711	3,912
9	270-299	4,047	4,272
10	300-329	4,384	4,633
11	330-359	4,720	4,992
12	360-389	5,057	5,353
13	390-419	5,397	5,717
14	420 & Up	5,732	6,076

FOSTER FAMILY AGENCIES

AB 2876 also provided for a 10 percent supplemental payment increase to the component for **social work activities** in the AFDC-FC FFA treatment rates schedule. The following charts provide the rates that were effective July 1, 2000, and the new rates schedule including the supplemental payments that are effective January 1, 2001.

Current Schedule of FFA Treatment Rates Effective July 1, 2000					
Age	0-4	5-8	9-11	12-14	15-18
Basic Rate	\$395	\$429	\$457	\$508	\$553
Child Increment	200	200	200	200	200
Social Work	285	285	285	285	285
Administrative	587	610	628	662	692
Total Rate	\$1,467	\$1,524	\$1,570	\$1,655	\$1,730

FFA Treatment Rates With 10% Pass-Through Allocation for Social Work Activities Effective January 1, 2001					
Age	0-4	5-8	9-11	12-14	15-18
Basic Rate	\$395	\$429	\$457	\$508	\$553
Child Increment	200	200	200	200	200
*Social Work	314	314	314	314	314
Administrative	587	610	628	662	692
Total Rate	\$1,496	\$1,553	\$1,599	\$1,684	\$1,759

****Please note that there are no changes to the amounts for the basic rate, child increment, or administrative components which comprise the FFA total rate.***

PROVIDER REQUIREMENTS

AB 2876 provided the California Department of Social Services with the authority to require all group home/FFA providers to certify that the supplemental payment increase will be used for its intended purpose. To ensure that the increased funds are utilized as intended by the legislature, the Department will require group home/FFA providers to complete a declaration form indicating how they intend to use the supplemental payment funds. Upon return and receipt of the signed certification form, the Department will issue the individual FY 2000/01 Rate Notification Letter reflecting the increase to the FFA/group home provider. Providers will be responsible for ensuring the funds are spent and documented appropriately.

Providers will receive additional information regarding requirements for the 10 percent wage/benefits pass-through provision in subsequent correspondence from the Department.

COUNTY REQUIREMENTS

To ensure that the certification requirements have been met, counties must wait to receive a copy of the Rate Notification Letter from the FFA/group home provider before issuing the new rate, which includes the supplemental payment increase. However, the supplemental payment increase will be effective January 1, 2001, regardless of when the Rate Notification Letter is actually received. Counties are also responsible for using correct sharing ratios when claiming costs for reimbursement.

INQUIRIES

County staff should contact their Foster Care Funding Consultant with questions regarding foster care rates at (916) 324-5809. Group home and FFA providers with questions regarding this ACL should contact their Foster Care Rates Consultant at (916) 323-1263.

Sincerely,

SYLVIA PIZZINI
Deputy Director
Children and Family Services Division

c: CWDA
California Alliance of Child and Family Services
Residential Care Providers Association in Los Angeles County
Foster Care Alliance
African-American Foster Parent and Group Home Association
Association of Minority Adolescents in Residential Care Homes of
Los Angeles County