

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



January 17, 2008

ALL COUNTY LETTER NO. 08-01

TO: ALL COUNTY WELFARE DIRECTORS
 ALL CHIEF 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 Change
 Federal Law or Regulation
 Change
 Court Order
 Clarification Requested by One
 or More Counties
 Initiated by CDSS

SUBJECT: AID TO FAMILIES WITH DEPENDENT CHILDREN-FOSTER CARE,
 KINSHIP GUARDIANSHIP ASSISTANCE PAYMENT PROGRAM
 AND ADOPTION ASSISTANCE PROGRAM RATES

REFERENCE: Senate Bill 84, (Chapter 177, Statutes of 2007)
 Welfare and Institutions Code Sections 1461(c)(6), 11461(d)(1)(C), 11461(d)(2)(A),
 11461(d)(2)(B), 11461(e)(4)(A), 11461(f)(3)(A) –(C), 11461(f)(4), 11461(f)(5),
 11462(f)(1), 11462(f)(2)(A), 11462(g)(4), 11465(a), 11645(c)(4), and 16121.01,
 Manual of Policies and Procedures, Section 11-420.1(.11)

The purpose of this All County Letter (ACL) is to provide information on the impact of the 2007-08 Budget Act, Senate Bill (SB) 84 (Chapter 177, Statutes of 2007). SB 84, which was signed by the Governor on August 24, 2007, provides an appropriation for a five percent cost-of-living adjustment (COLA) for certain rates paid in the Foster Care Program and Adoption Assistance Program (AAP), effective January 1, 2008. The State-approved increased rates for out-of-home placements and foster care and adoption assistance support programs are provided below.

FOSTER FAMILY HOMES

Pursuant to SB 84, the Aid to Families with Dependent Children-Foster Care (AFDC-FC) standardized basic rates for foster family homes (FFHs), including small family homes, are to be increased by five percent. The chart on the following page provides the increased Schedule of Basic Rates that is effective January 1, 2008.

FAMILY HOMES
Schedule Of Basic Rates – Effective January 1, 2008

| Age | Basic Rate |
|-------|------------|
| 0-4 | \$446 |
| 5-8 | \$485 |
| 9-11 | \$519 |
| 12-14 | \$573 |
| 15-19 | \$627 |

In accordance with SB 84, the counties that have FFH basic rates that are higher than the standardized Family Homes Schedule of Basic Rates are to be increased by five percent effective January 1, 2008. The following chart reflects the increased rates for FFHs and small family homes in Los Angeles, Marin, Orange, and Santa Clara counties:

FAMILY HOMES
Schedule of Basic Rates – Effective January 1, 2008

| County | Age 0-4 | Age 5-8 | Age 9-11 | Age 12-14 | Age 15-19 |
|-------------|---------|---------|----------|-----------|-----------|
| Los Angeles | \$446 | \$485 | \$525 | \$573 | \$627 |
| Orange | \$446 | \$485 | \$519 | \$659 | \$659 |
| Santa Clara | \$446 | \$485 | \$525 | \$573 | \$627 |

FAMILY HOMES
Marin County
Basic Rates – Effective January 1, 2008

| Age 0-4 | Age 5-6 | Age 7-12 | Age 13-19 |
|---------|---------|----------|-----------|
| \$457 | \$485 | \$558 | \$635 |

Except as specifically noted in this ACL, any county choosing to pay a rate higher than the State-approved basic rates indicated above shall pay any excess dollar amount using county-only funds.

KINSHIP GUARDIANSHIP ASSISTANCE PAYMENTS PROGRAM

Section 11364 of the Welfare & Institutions Code (W&IC) provides for Kinship Guardianship Assistance Payments (Kin-GAP) Program rates paid on behalf of eligible children at an amount equal to 100 percent of the basic rate paid to a licensed or approved FFH. Please refer to the charts on page two reflecting the standardized basic family homes rates effective January 1, 2008, and to the Family Homes Schedule of Basic Rates effective January 1, 2008, for the four counties paying higher rates than the standardized rates.

The Program permits Specialized Care Increment (SCI) payments as part of the Kin-GAP payment if the child was receiving AFDC-FC SCI payments in the month before the month that Kin-GAP benefits began.

FOSTER FAMILY AGENCIES

SB 84 did not include provisions for any rate increases to be applied to the Foster Family Agencies (FFA) treatment or nontreatment program rates. The following charts provide the basic rates and components for treatment and non-treatment FFA.

Schedule of FFA Treatment Rates
 Effective January 1, 2008

| AGE | 0-4 | 5-8 | 9-11 | 12-14 | 15-19 |
|-----------------|---------|---------|---------|---------|---------|
| Basic Rate | \$414 | \$450 | \$479 | \$533 | \$580 |
| Child Increment | \$210 | \$210 | \$210 | \$210 | \$210 |
| Social Work | \$329 | \$329 | \$329 | \$329 | \$329 |
| Administrative | \$636 | \$659 | \$679 | \$715 | \$746 |
| Total Rate | \$1,589 | \$1,648 | \$1,697 | \$1,787 | \$1,865 |

Schedule of FFA Non-Treatment Rates
 Effective January 1, 2008

| AGE | 0-4 | 5-8 | 9-11 | 12-14 | 15-19 |
|------------|-------|-------|-------|-------|-------|
| Basic Rate | \$414 | \$450 | \$479 | \$533 | \$580 |

INTENSIVE TREATMENT FOSTER CARE PROGRAMS

SB 84 did not include any rate changes to Intensive Treatment Foster Care Programs. The following chart provides the rates for intensive treatment programs.

**Schedule of Service and Rate Levels for
FFA Intensive Treatment Foster Care Programs**

| Service Level | A | B | C | D | E |
|---------------|---------|---------|---------|---------|---------|
| Rate | \$4,476 | \$4,105 | \$3,721 | \$3,359 | \$2,985 |

SPECIALIZED CARE INCREMENTS

The Specialized Care Increments (SCI) are to be increased by five percent effective January 1, 2008. All counties are to submit their revised specialized care rates by March 31, 2008, reflecting the 5 percent increase separating the basic rate amounts from the Specialized Care Increments.

Please mail the information to:

Julia Takeuchi
California Department of Social Services
Foster Care Support Services Bureau
744 P Street, M.S. 14-78
Sacramento, California 95814
Julia.Takeuchi@dss.ca.gov

ADOPTION ASSISTANCE PROGRAM

In accordance with SB 84, notwithstanding any other provision of law, the amount of aid to be paid to an adoptive family for any adoption assistance agreement executed prior to October 1, 1992, or the foster care maintenance payment based on the age-related, state- approved foster family home care rate and any applicable SCI that would have been paid to an adoptive family for an adoption assistant agreement executed prior to January 1, 2008, shall not be adjusted pursuant to the FFH rate increase provided pursuant to SB 84 in any subsequent reassessment on or after January 1, 2008. See W&IC Section 16121.01.

Therefore, if a child is receiving AAP, with or without an SCI, and the adoption assistance agreement was executed prior to January 1, 2008, the rate shall not be adjusted to reflect the rate increase provided to a FFH pursuant to SB 84. The rate may only be changed in accordance with W&IC Section 16119. If an AAP agreement is signed after January 1, 2008, counties should include this increase in the child's AAP benefit.

Therefore, counties need to keep track of two AAP rate structures – one for rates that are set prior to January 1, 2008 and another for AAP rates set post January 1, 2008.

CLOTHING ALLOWANCE

In accordance with SB 84, all county clothing allowances shall be increased by five percent effective January 1, 2008. All counties are to mail their revised clothing allowance rates by March 31, 2008, reflecting the five percent increase to:

Rachel Kite
California Department of Social Services,
Foster Care Rates Bureau
744 P Street, M.S. 14-38
Sacramento, California 95814
Rachel.Kite@dss.ca.gov.

SB 84 amended W&IC Section 11461 to add Sections (f)(3) which permits the counties of Colusa, Plumas, and Tehama to implement a clothing allowance up to two hundred seventy-four dollars (\$274) per foster child, per year. These counties had been previously precluded from participating in the state/county clothing allowance program. A clothing allowance is described as the amount paid with state participation in addition to the basic rate for the provision of additional clothing for an AFDC-FC child, including, but not limited to, an initial supply of clothing and school or other uniforms. The Department has received proposals from the three counties stating their intent to participate in the clothing allowance program effective August 24, 2007. The clothing allowance of these three counties is also subject to the five percent increase on January 1, 2008.

EXTENSION OF STATE SUPPLEMENTAL CLOTHING ALLOWANCE

The 2001-02 Budget Act originally appropriated funds to provide a \$100 state supplemental clothing allowance per foster child per state fiscal year to **supplement** the counties' existing clothing allowances as found in W&IC Section 11461(f)(4). The Fiscal Year 2007/08 Budget Bill included continued funding to provide this state supplemental clothing allowance. This amount is not subject to the five percent increase. The state supplemental clothing allowance is provided to every child placed in FFHs and certified homes of FFA, including those children receiving Emergency Assistance (EA) – Child Welfare Services or EA – General Assistance. The state supplemental clothing allowance does not supplant the regular county clothing allowance.

USE OF CLOTHING ALLOWANCE FUNDS FOR DISPOSABLE DIAPERS

Clothing allowance funds can be used to purchase additional clothing for an AFDC-FC child, including, but not limited to, an initial supply of clothing, school clothing or any other uniforms. This includes disposable diapers for infants and for children who use disposable diapers as undergarments.

INFANT SUPPLEMENT

The Infant Supplement rates are to be increased by five percent effective January 1, 2008. Children who are in receipt of Kin-GAP benefits are also entitled to receive the Infant Supplement. The chart below provides the increases to the Infant Supplement by placement type.

Infant Supplement
Effective January 1, 2008

| Placement Type | Group Home | *FFH/FFA |
|----------------|------------|----------|
| Rate | \$890 | \$411 |

*Foster Family Homes, which includes Whole Foster Family Homes, receive the Infant Supplement rate reflected in the schedule on page five for FFHs. However, SB 84 did not provide a rate increase to the \$200 supplement paid to Whole Foster Family Homes who have a written shared responsibility agreement between the foster parent(s) and the child in receipt of AFDC-FC or Kin-GAP.

GROUP HOMES

SB 84 provides an appropriation for a five percent increase for the wages for staff providing child care and supervision or performing social work activities, or both and an increase of twenty-four percent for the employer-paid benefits for these staff. Rate notification letters are forthcoming; it is the responsibility of the group home (GH) provider to provide the counties copies of the rate notification letters. The state-approved increased rates for out-of-home placements and Foster Care support programs are provided on the following chart.

GROUP HOMES
Standardized Schedule of Rates
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 |

EXTENSION OF TEMPORARY GROUP HOME RATE CLASSIFICATION LEVEL

SB 84 extended the temporary Rate Classification Level (RCL) rate relief for State Fiscal Year (SFY) 2007/08, pursuant to W&IC Section 11462(f)(2)(A). This statute requires that for GH programs that receive AFDC-FC payments for services performed during SFY 2007/08, the adjusted RCL point ranges reflected below will be used for establishing biennial rates for existing programs, in performing program audits, and in determining any resulting rate reduction, overpayment assessment, or other action.

The continued schedule for the temporary point ranges in each RCL is reflected on the following chart.

| <u>Rate Classification Level</u> | <u>Current Point Ranges</u> | <u>Adjusted Point Ranges</u> |
|----------------------------------|-----------------------------|------------------------------|
| 1 | under 60 | under 54 |
| 2 | 60-89 | 54-81 |
| 3 | 90-119 | 82-110 |
| 4 | 120-149 | 111-138 |
| 5 | 150-179 | 139-167 |
| 6 | 180-209 | 168-195 |
| 7 | 210-239 | 196-224 |
| 8 | 240-269 | 225-253 |
| 9 | 270-299 | 254-281 |
| 10 | 300-329 | 282-310 |
| 11 | 330-359 | 311-338 |
| 12 | 360-389 | 339-367 |
| 13 | 390-419 | 368-395 |
| 14 | 420 – up | 396 – up |

This temporary RCL point reduction is subject to the following restrictions: 1) it applies only to non-provisional program audits performed of GH services provided in SFYs 2002/03, 2003/04, 2004/05, 2005/06, 2006/07 and 2007/08, unless the Legislature extends it to additional fiscal years in the future; 2) the adjusted schedule does not apply to the establishment of provisional rates or to audits of GH programs with provisional rates; and, 3) GH providers remain responsible for ensuring the health and safety of children in placement in their programs. The current statutory point ranges specified in W&IC Section 11462(f)(1) continue to apply for provisional rate audits. Providers should be aware that if the Legislature does not extend the adjusted point schedule in any year, providers will be held to the regular point range for biennial rate setting and audit purposes.

INQUIRIES

County staff should contact their Foster Care Eligibility/Funding Consultant with questions regarding foster care rates and/or infant supplement rates at (916) 651-9152. Group Home and Foster Family Agencies providers with questions regarding this ACL should contact their Foster Care Rates Consultant at (916) 651-9158.

All County Letter No. 08-01
Page Eight

Any questions pertaining to Kinship Guardianship Assistance Payments Program should be directed to the Kinship Care Policy Unit at (916) 657-1858. Questions regarding Specialized Care Increments should be directed to the Recruitment Network Development Unit at (916) 651-7465.

Questions regarding Adoptions Assistance Program should be directed to the Adoptions Services Bureau at (916) 651-8089. Any questions regarding clothing allowances and/or state supplemental clothing allowance should be directed to the Foster Care Rates Policy Unit at (916) 651-9152.

Sincerely,

Original Document Signed By:

GREGORY E. ROSE
Deputy Director (A)
Children and Family Services Division

c: California Alliance of Child and Family Services
California Welfare Directors Association