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| LOCAL COMMISSIONERS MEMORANDUM |
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DSS-4037EL (Rev. 9/89)

Transmittal No: 92 LCM-110

Date: July 20, 1992

Division: Family & Children
Services

TO: Local District Commissioners

SUBJECT: SFY 1992/93 Cap on State Share of Foster Care Expenditures

ATTACHMENTS: A. Chart of Local District Foster Care Cap Allocations is
available on line

The purpose of this letter is to advise you of the Foster Care Reimbursement Cap amounts for all local social services districts as well as to provide additional information regarding the cap. As you are aware, the 1992/93 State Budget required enactment of a cap on the state share of all Foster Care reimbursements to local districts in SFY 92/93. An ADM on this topic will be forthcoming.

The attached chart lists the individual cap amounts for each social services district.

Additional information regarding the Foster Care Cap is being provided in a question and answer format.

1. Question: What expenditures are included in the Foster Care Cap?

Answer: All state share Foster Care reimbursement claims which are paid during SFY 92/93 are included under the cap. The major portion of these claims will be January '92 - December '92 maintenance and tuition, as well as IV-E and FNP-foster care administrative expenditures for October '91 - September '92. However, it also includes adjustments for any period for these same categories which are paid during SFY 92/93.

2. Questions: What expenditures are excluded?

Answer: Federal shares for all foster care costs as well as state share claims for Transitional Care, Committee on Special Education (CSE) placements, Adoption Assistance expenditures, and JD/PINS expenditures are not included in the Foster Care Cap allocations.

3. Question: Is the cap a cash or a liability "cap"?

Answer: The Foster Care Cap is a cash cap. The cap places a limit on the amount of state reimbursement available to Local Social Service Districts (LSSD's). Districts are eligible to continue to receive federal Title IV-E reimbursement regardless of whether they are under or over the cap.

4. Question: Will the state share of foster care costs claimed as EAF be subject to the cap?

Answer: No. The cap applies to the state share of foster care. Federal funds will continue to flow in accordance with routine reimbursement practices. The state share of EAF is governed by that program's rules.

5. Question: Does the cap allow for exceptions or waivers?

Answer: The budget language allows the Department, subject to Division of Budget approval, to grant exceptions to the cap based upon natural disasters or unforeseen circumstances. Waivers are not automatic, but subject to approval criteria. There is a very limited amount of funds available for this purpose.

6. Question: What factors might be considered in evaluating waiver requests?

Answers: The criteria for waivers are still being developed. Generally, we expect we will review:

- * recent changes in case load data including the rationale for the increase
- * use (and commitment) of preventive service initiatives to avert foster care placement or speed discharge
- * availability of alternative program models designed to support permanency goals (i.e., Therapeutic Foster Care, Family Prevention (i.e., Homebuilder) projects, respite services, etc.)

- * local efforts to use other resources in a coordinated manner to meet the needs of families and at-risk children
- * FFP maximization efforts designed to assist local districts to stay under the cap
- * participation in training and technical assistance sessions designed to reduce state and local costs
- * cooperation with efforts to improve claiming and cost allocation practices
- * emergency situations which directly impact upon placement practices
- * availability of CPS post-indication services
- * local district efforts to speed adoption outcomes.

7. Question: What actions can be taken to avoid exceeding the cap?

Answer: There exist a number of programmatic and administrative actions which can be implemented to assist a LSSD remain under their Foster Care Cap. These actions include:

FEDERAL MAXIMIZATION

- * Maximize Title IV-E for new cases
- * Maximize EAF funding as appropriate
- * Maximize IV-E Administrative Reimbursement through proper SSRR/RMS Coding
- * Review SSI/Zebbley Eligibility for new Child Welfare (CW) cases
- * Review existing Child Welfare cases under SSI/Zebbley

PROGRAM SAVINGS/AVOIDANCE

- * Conduct case reviews of long-term cases/out of county placements
- * Review use of alternative placement options (i.e. Therapeutic FBH)
- * Review Intake/placement decision-making process
- * Examine and re-target as appropriate existing Preventive Service contracts/services

- * Review children in Adoption status to determine critical milestones for achieving finalization
- * Initiate more aggressive case review practices designed to promote discharge planning or more timely achievement of permanency goals
- * Utilize Risk Assessment implementation to assess placement practices

ADMINISTRATIVE ACTIONS

- * Review claiming practices within Children Services with the goal of improving reimbursement under other Federal or State programs
- * Conduct programmatic review of placement practices including DFY, group care, out of county care, etc.
- * Assess need for the Homebuilders program and apply for Start-up funding if available
- * Enlist the assistance and support of local Family Court Judges in speeding the adoption process
- * Convene a local DSS task force designed to suggest and develop new methods to divert more costly placements, speed adoption processing, etc.

8. Question: What happens to any savings under the cap?

Answer: Savings under the cap are available for investment in initiatives which serve to promote foster care/adoption permanency outcomes or divert initial placements/replacements.

The state share savings can be used for 100 percent of the costs of a local initiative. The program initiatives must expand or supplement existing services. The statutory language establishing the cap as approved by the Legislature prohibits savings to be used for local fiscal relief.

The State Department of Social Services will issue guidelines for the use of cap savings in August 1992. Generally, local districts will be asked to submit a brief description of their initiative including an anticipated assessment of impact. The Department is looking to approve all preventive services, adoption and permanency initiatives which assist in achieving the legislative intent.

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9. Question: When can the savings be used?

Answer: Savings can be programmed into initiatives to achieve case load objectives in the current year or in the 1993-94 fiscal year. Approval of a local initiative by the Department is required prior to the utilization of the savings. A county may elect, pending Department approval, to begin a new program initiative during the current state fiscal year in order to produce immediate savings. Alternatively, a local district can plan to implement the new initiative during the next fiscal year. In either case, state reimbursement for the combined foster care and new program initiative cannot exceed the cap amount.

Federal reimbursement will not be affected by the cap and will be settled in the normal manner subject to the availability of Federal funds.

Any fiscal related questions regarding the Foster Care Cap should be directed to Roland Levie - Upstate at 1-800-342-3715, extension 4-7549 (OA USERID AX2060) or Marvin Gold - Metropolitan at (212) 804-1108 (OA USERID OFM270).

Any program related questions regarding the Foster Care Cap should be directed to Santo Vivona of the Bureau of Resource Management by dialing 1-800-342-3715, extension 6-3438 (OA USERID AZ1440) or directly dialing (518) 486-3438. Please do not hesitate to call if we can be of any assistance in successfully implementing the Foster Care Cap in New York State.

Joseph Semidei
Deputy Commissioner
Family and Children Services

ATTACHMENT A

CHART OF LOCAL DISTRICT FOSTER CARE CAP ALLOCATIONS

<u>May 18, 1992</u>	Foster Care CAP <u>Allocation</u>
ALBANY	2,055,158
ALLEGANY	221,636
BROOME	2,395,130
CATTARAUGUS	696,336
CAYUGA	257,023
CHAUTAUQUA	892,939
CHEMUNG	632,571
CHENANGO	268,535
CLINTON	477,439
COLUMBIA	390,033
CORTLAND	507,154
DELAWARE	327,715
DUTCHESS	2,341,062
ERIE	5,810,631
ESSEX	140,600
FRANKLIN	142,767
FULTON	291,936
GENESEE	238,701
GREENE	311,733
HAMILTON	2,391
HERKIMER	208,985
JEFFERSON	407,129
LEWIS	196,568
LIVINGSTON	477,730
MADISON	413,880
MONROE	8,193,519
MONTGOMERY	193,705
NASSAU	5,371,950
NIAGARA	1,344,305
NEW YORK CITY	258,792,083
ONEIDA	2,090,703
ONONDAGA	4,502,063
ONTARIO	286,295
ORANGE	4,035,881
ORLEANS	168,525
OSWEGO	699,547
OTSEGO	540,226
PUTNAM	561,022
RENSSELAER	820,337
ROCKLAND	3,526,220
SARATOGA	385,587
SCHENECTADY	2,217,324
SCHOHARIE	255,756
SCHUYLER	75,787
SENECA	271,966
STEUBEN	383,624
ST. LAWRENCE	574,743
SUFFOLK	7,222,743
SULLIVAN	783,894
TIOGA	235,850
TOMPKINS	662,026