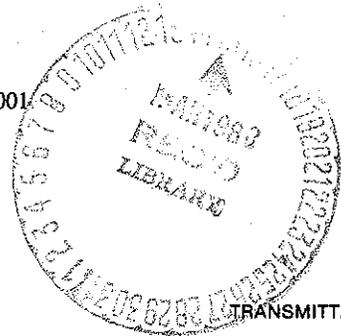


NEW YORK STATE

DEPARTMENT OF SOCIAL SERVICES

40 NORTH PEARL STREET, ALBANY, NEW YORK 12243-0001

CESAR A. PERALES
Commissioner



TRANSMITTAL NO: 88 INF-18

INFORMATIONAL LETTER

TO: Commissioners of Social Services

DIVISION: Family & Children Services

SUBJECT: Payment for Independent Living

DATE: March 11, 1988

SUGGESTED DISTRIBUTION:
Directors of Services
Directors of Administration
Staff Development Coordinators

CONTACT PERSON: Donald Smith, Bureau of Resource Management, 1-800-342-3715, extension 4-9583.

There are a number of financial issues which have arisen with the advent of the recently promulgated regulations on Independent Living and, simultaneously, the availability of Federal funding to provide Transitional Independent Living Services to IV-E eligible children. As a consequence, provisions must be made for the funding of additional services as well as the distribution of available Federal funds. It is the Department's intention to allow local districts flexibility in this regard in order to permit local spending in the most appropriate way specific to local needs. This letter is to provide guidance to local districts regarding methods of payment for independent living services.

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Department Regs.	Social Services Law and Other Legal References	Manual References	Miscellaneous Reference
		430.12(f)			DCL 12/23/87

There are basically four areas where independent living services development are to occur: Transitional Independent Living Program; aftercare of children in district custody; supervision of children discharged from local custody, and supervised independent living programs (SILP).

TRANSITIONAL INDEPENDENT LIVING

The Transitional Independent Living Program consists of independent living and vocational training programs and academic support services (including the provision of monthly stipends which range from \$20 to \$40). This program utilizes Federal dollars at 100% reimbursement for the Title IV-E federally eligible foster children. These services are to be provided either by local district staff or purchase of service from a foster care or other appropriate provider. In any case, these funds are outside of the rates paid to voluntary agencies for foster care services. Services may be purchased utilizing a budget based contract with a POS provider, or for POS foster care agencies, this may also be accomplished as a district add on to the foster care rate either as a new contract or an amendment to existing contracts.

New York State received a \$7.5m allocation from the Federal government to cover eligible children for Transitional Independent Living programs. While there are no federally established maximums or minimums, the state in determining local district allocations of the entire \$7.5m ascertained based upon available data, that approximately \$7.70 per day per child would deplete the entire allocation. The amount of \$7.70 is suggested for possible use as an add on to the foster care rate.

Claims which exceed the local district allocation for Title IV-E children will be reimbursed at 50% State reimbursement. Non-IV-E eligible children are also claimed at 50%.

Since the first year of Federal funding will be available only until September 30, 1988, there is a need, particularly in the case of districts which purchase their foster care services to find a vehicle which allows for expedited payments. The adjustment to rate methodology may be more expedient for such districts. There will, however, be an additional \$7.4m dollars available from October 1, 1988 through September 30, 1989. As will be explained under separate cover, a new claim form has been developed for Transitional Independent Living Services.

AFTERCARE

Aftercare services are yet another major type of independent living service which are applicable to children discharged to independent living, or deemed to have been discharged to independent living, but who continue in the legal custody of the social services district. These services are reimbursable at 50% state funding and will be claimed as foster care. Aftercare services may be provided directly by the social services district or purchased from a voluntary foster care or other appropriate agency. If local districts purchase these services, it may be done through a budget-based contract or on a per diem basis either as a new contract or

an amendment to existing contracts. While districts have discretion to determine the magnitude and scope of aftercare services, such children must be provided services as required by Section 430.12(f)(4) of Department regulations.

The Department has projected a per diem rate as a guideline. The types of costs considered included salaries of social workers to perform the function and their supervisors as well as direct and indirect costs necessary to support the function. Forms of direct costs include worker transportation, worker expense, materials and supplies. Forms of indirect cost are administrative in nature and include costs such as telephone, postage and space cost. Under either a budget based or a per diem methodology, the local district should take into account both direct and indirect cost.

Based on a one to twenty social worker to child ratio at a salary level (including 16% fringe benefits) which is consistent with the salary standard used for foster care rates, a one to four supervisor ratio, and a 21% factor for administrative support, the per diem per child is \$6.25. This suggested per diem amount could then be paid for each day an eligible child remains in the Commissioner's custody.

If a budget based method were to be used, the district and agency would negotiate a total dollar amount based on projections of need (units of service to be provided) and their cost. Such negotiations should consider the level of service provision desired by the district and those required by the Department.

SUPERVISION

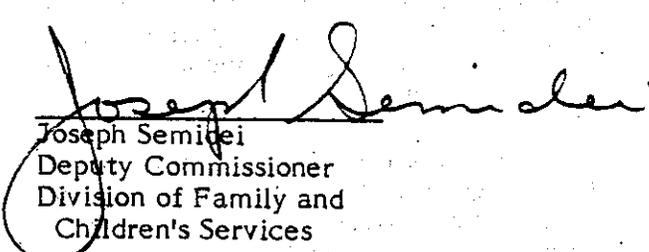
Supervision is a less intensive level of services provided for children who are discharged to independent living after they are discharged from the legal custody of the district, and children who are discharged to family or relatives but leave prior to the termination of district custody, until they reach the age of 21. The methods of purchase described as applicable to aftercare apply to supervision as well and the costs are claimed at 50% reimbursement as foster care. The Department developed a separate guide for those districts wishing to provide per diem reimbursement to purchase of service contract agencies. The level of intensity of service provision is much reduced from that provided in aftercare. Therefore, using a similar methodology to that described for aftercare but increasing the social worker child ratio to 1 to 50, the per diem per child cost would be \$2.50 per day.

SUPERVISED INDEPENDENT LIVING PROGRAM

Supervised Independent Living Program (SILP), the last type of independent living program mentioned, is a form of incare foster care. As such, the Department is establishing a separate directive announcing maximum reimbursable rates for these services. The rates for the new SILP initiative, unlike the rates for foster care, will initially be flat rates as opposed to the rates set using the prospective rate system for POS foster care. These rates unlike the other rates for independent living services described above which were guidelines, will be the maximum levels at which the Department will reimburse district cost.

Therefore, with the exception of SILP, local districts have broad discretion as to how to provide independent living services and their level of intensity. Of importance is that local districts define the services they are providing or purchasing such that they are reimbursable and set in place the controls necessary for that to occur. If districts have questions regarding the reimbursability of costs they should contact their regional financial operations person.

Separate claiming instructions are being sent with contact people in local finance who will be able to respond to claims issues.


Joseph Semidei
Deputy Commissioner
Division of Family and
Children's Services