

**INSTRUCTIONS for PAYMENT, CLAIMING, CONTRACTUAL ARRANGEMENTS
and SYSTEMS IMPLICATIONS**

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I. Payment/Contractual Mechanisms

Following are instructions regarding the payment mechanisms that are available to support a contractual arrangement for providing a more comprehensive foster care program through the delivery of intensive discharge and aftercare services. The correct application of such mechanisms will assure maximum reimbursement for the social services district.

A. Background

Under the existing reimbursement system, the contracted foster care per diem rate is paid to a voluntary authorized agency while the child is living in a group care facility or foster boarding home. When the child returns to his/her family or relatives, or moves to another permanent living arrangement, the contracted foster care per diem rate stops. In the absence of a contractual agreement with the voluntary authorized agency to provide a more comprehensive set of discharge planning and aftercare services, the capacity of a voluntary authorized agency to achieve improved outcomes for children and families is limited. The majority of voluntary agency programs experience this limited capacity.

Some social services districts and voluntary agencies have made changes to contractual agreements that are designed to expand the responsibility of the voluntary authorized agency to deliver a more comprehensive set of services to the child and family. Voluntary authorized agency programs that are currently offering changes in service provision emphasize the strategic delivery of services in two major phases: a discharge planning phase and an aftercare/trial discharge phase. The initial placement of the child in the foster care program defines the beginning of the discharge planning phase, and the child's return to family, or other permanent living arrangement, defines the end of the discharge planning phase and the beginning of the aftercare/trial discharge phase.

B. Payment/Contractual Mechanisms

With the necessary contractual changes, a social services district is permitted to pay a voluntary authorized agency foster care provider an additional per diem rate for designated program activities to be delivered to the child or family while the child is living in a foster care facility (the discharge planning phase). At the end of the discharge planning phase, the foster care per diem and any additional per diem for the discharge planning phase would stop, and the aftercare/trial discharge phase of the program would begin. During the aftercare/trial discharge phase, a social services district is permitted to pay a per diem for designated program activities to be provided to the child and family for the duration of the aftercare period.

The expectations regarding the time frames for the discharge planning phase and the aftercare/trial discharge phase must be negotiated between the social services district and the provider agency. Currently, there is the flexibility to negotiate these periods to fit the needs of particular target populations and other factors.

For the purpose of making a contractual arrangement with a voluntary authorized agency to deliver a more comprehensive system of foster care services, there are two payment/contractual vehicles: "Foster Care Supervision and Administration" and "Preventive Services."

1. Foster Care Supervision and Administration

Foster Care Supervision and Administration is an available payment/contractual vehicle to fund the program activities delivered to the child and family, while the child is residing in a group care facility or foster boarding home, and to fund the program activities delivered to the child or family when the child remains in the care and custody of a local social services official during a period of aftercare/trial discharge (the Department provided guidelines for trial discharges in 93 LCM-157).

NOTE: The Department's understanding is that the costs for intensive discharge and aftercare/trial discharge activities (for children who remain in the care and custody of a local social services official) are currently reimbursable under the Title IV-E program as "Foster Care Supervision and Administration." However, the Department is seeking confirmation from the federal government before allowing social services districts to claim reimbursement for such activities under the Title IV-E program. Therefore, claims under the Title IV-E program for intensive discharge and aftercare/trial discharge activities will not be allowed until the Department notifies you that the federal Department of Health and Human Services has concurred with the Department. We are giving instructions for providing intensive discharge and aftercare/trial discharge activities as "Foster Care Supervision and Administration", so that social services districts which plan to provide and claim these activities under the Title IV-E program can establish the appropriate claiming structure at the outset of the child's placement for purposes of retroactivity. While there are currently no limits on the time frames for claiming trial discharge activities, the federal government may decide to specify the limits of the aftercare/trial discharge phase of a child's placement for claiming purposes. Claiming details are discussed in greater length under Section III of this Attachment.

The payment amounts and time frames for the discharge planning and aftercare phases must be negotiated between the social services district and the voluntary authorized agency, and specified in the contract.

2. Preventive Services

Preventive Services is a payment/contractual vehicle that is available to fund the program activities delivered to the child or family, while the child is residing in a group care facility or foster boarding home. In addition, Preventive Services is a payment/contractual vehicle that is available to fund the program activities delivered to the child or family, when the child leaves the foster care facility

irrespective of whether the child continues in the care and custody of a local social services official. The payment amounts and time frames must be negotiated between the social services district and the voluntary authorized agency.

If the federal government approves Title IV-E reimbursement under the Foster Care Supervision and Administration vehicle, it is that vehicle that will enable a social services district to maximize reimbursement for the additional program activities related to providing care to eligible children. Reimbursement will be maximized by using the Foster Care Supervision and Administration payment mechanism to finance additional program activities during the discharge planning phase of the program; and reimbursement will be maximized by using the Foster Care Supervision and Administration payment mechanism to finance additional program activities to an eligible child during the aftercare phase of the program, if the child is retained in the custody of the local social services official during the aftercare phase.

If the federal government does not approve reimbursement under the Foster Care Supervision and Administration vehicle, the Preventive Services payment mechanism is available for supporting all of the costs for additional services delivered during the discharge planning phase and the aftercare phase, as discussed in this Attachment.

When providing any of the additional services to the child and family using the Preventive Services payment mechanism, a social services district must apply the existing program and eligibility standards for Preventive Services. Program standards are defined in Part 423 of Department Regulations, and eligibility standards are defined in Section 430.9(d) and Section 430.9(e) of Department Regulations. UCR requirements as defined in Part 428 of Department Regulations would also be required.

C. Rate Setting

Although the Department continues to set maximum rates for the existing foster care per diems, it will not be setting maximum rates for the additional discharge and aftercare per diem rates. Local social services officials need the flexibility to develop these additional rates at varying levels: (a) to meet the needs of each target population; and (b) to adequately fund the services and organizational arrangements that are needed to achieve the desired results for each population. A social services district is permitted to negotiate per diem rates for additional foster care program activities as part of its contract for a foster care managed care initiative.

The Department's role, as it relates to the additional per diem rates that are negotiated within the context of this memorandum, is to provide technical assistance to social services districts and voluntary agencies, and to review and approve any additional rates that are proposed as part of a social services district's foster care managed care plan. The Department's advisory and supervisory role in the rates that are negotiated for these initiatives will assure that participating social services districts receive a maximum of federal and State reimbursement.

II. CONTRACT SPECIFICATIONS

The contractual arrangements with a voluntary foster care agency for a change in the delivery of foster care services may be achieved as an amendment to the social services district's existing foster care contract. In other words, the existing structure and model for negotiating a foster care contract remain in effect, so that changes needed to implement intensive discharge and aftercare services, as discussed in this memorandum, may be achieved through amendments to the existing foster care contract. The following instructions are focused on those changes or amendments that are needed. Such amendments to the foster care contract will satisfy the requirements of Part 405 of Department regulations regarding the contractual arrangements required for the additional services that will be provided by the voluntary authorized agency.

A. Amend the Program Narrative of Schedule A of the Foster Care Contract to specify the following:

1. Designate the INTENSIVE DISCHARGE AND AFTERCARE SERVICES MODEL as Institution, Group Residence, Group Home, Agency Boarding Home, Foster Boarding Home (whichever is applicable).
2. PROGRAM GOALS AND OBJECTIVES: Discuss the goals and objectives of providing a more comprehensive program of foster care, and describe the children and families who will be targeted for the initiative. As previously discussed, the purpose of providing a more comprehensive system of care is to reduce the child's time in a group care facility or foster boarding home, as well as to reduce the child's risk for replacement or other risks for the family in terms of government interventions. Therefore, specify the outcome measures that will be used to demonstrate achievement of the desired results for this program (e.g., discharge rates, lengths of stay, and readmission rates).
3. INTENSIVE DISCHARGE SERVICES: Specify the intensive discharge activities/services that will be provided to the child and family over and above what the regular foster care program supports through the existing foster care maintenance rate. Specify that those activities/services will be provided while the child is in care in the group care facility or foster boarding home, and specify the time frames regarding the agency's commitment to providing those activities/services.
4. INTENSIVE AFTERCARE SERVICES: Specify the intensive aftercare activities/services that will be provided when the child is returned to his/her family, or moves to another permanent living arrangement. Specify the time frames regarding the agency's commitment to providing those activities/services.
5. PROCEDURES FOR REFERRAL/PLACEMENT: Specify the procedure that the agency and the social services district will use for designating children who will receive the services of the intensive discharge and aftercare services program. Also, specify the procedure for readmitting children to the group care facility or foster boarding home if that need arises during the aftercare/trial discharge phase of a child's placement.

B. Amend the Rate Page of Schedule A of the Foster Care Contract to specify the additional payment rates that are applicable for the intensive discharge and aftercare services model. (NOTE: The existing rules allow for reimbursement of the foster care maintenance rate for up to 7 days following the child's return to the community pursuant to Department Regulations 628.3(a)(4)(vii). However, a social services district will not be allowed to claim a foster care maintenance payment and an aftercare payment for the same 7 day period of trial discharge.)

1. For social services districts using the Foster Care Supervision and Administration payment mechanism:

a. FOSTER CARE SUPERVISION and ADMINISTRATION RATE for DISCHARGE PLANNING PHASE: Specify the per diem rate that the agency and the social services district agree to use for payment of intensive discharge services for the care days provided when the child is in the group care facility or foster boarding home.

b. FOSTER CARE SUPERVISION and ADMINISTRATION RATE for AFTERCARE PHASE: Specify the per diem rate that the agency and the social services district agree to use for payment of intensive aftercare services for the aftercare/trial discharge days provided when the child returns to family or relatives, or moves to another permanent home.

NOTE: The social services district will need to specify in the foster care contract the need for the voluntary authorized agency to separately identify those costs that are eligible for federal reimbursement under the Title IV-E program (see Section III and IV of this Attachment).

2. For social services districts using the Preventive Services payment mechanism (for children or activities that are not eligible for Title IV-E reimbursement):

a. PREVENTIVE SERVICE RATE for DISCHARGE PLANNING PHASE: Specify the per diem rate that the agency and the social services district agree to use for payment of preventive services provided as intensive discharge services for the care days provided when the child is in the group care facility or foster boarding home.

b. PREVENTIVE SERVICE RATE for AFTERCARE PHASE: Specify the per diem rate that the agency and the social services district agree to use for payment of preventive services provided as intensive aftercare services for the aftercare days provided when the child returns to family or relatives, or moves to another permanent home.

NOTE: A social services district has the option of developing a separate Preventive Services contract for any and all services provided through the Preventive Services payment mechanism. Such a Preventive Services contract must be developed pursuant to Parts 405 and 423 of Department Regulations. The Preventive Services contract could use the same terminology and format described in the above sections. Although per diem rates for the Preventive Services provided as intensive

discharge and/or aftercare services would not be a requirement of such a contract, services unit costs or some similar cost allocation statement would be required pursuant to Section 405.3(g)(5) of Department Regulations.

III. CLAIMING for DISCHARGE PLANNING AND AFTERCARE PHASE

A social services district is required to maximize federal reimbursement in its provision of services to children and families. In this Attachment, we have included instructions regarding eligible federal funding streams and their allowable activities and services to assist a social services district in its effort to maximize reimbursement for the costs of the intensive discharge and aftercare services model.

With respect to maximizing State funds through the Family and Children's Services Block Grant, you should already know that each social services district's allocation of the State's Family and Children's Services Block Grant defines the limit of State reimbursement of claims for family and children's services, pursuant to Section 153-i of Social Services Law.

NOTE: The payment and claiming instructions provided in this Attachment assume the use of the existing per diem reimbursement structures for foster care. A social services district that is interested in developing an alternative to the existing per diem system (for example, a capitated payment arrangement) will need special assistance from the Department regarding the payment/claiming arrangements. Otherwise, the following instructions assume the payment and reimbursement of established per diem rates for actual days of care.

A. SUBMISSION OF A COST ALLOCATION PLAN

A social services district that implements an intensive discharge and aftercare services model must submit a cost allocation plan to the Department. The cost allocation plan must describe the activities to be delivered and the allocation of the costs for those activities to the appropriate claiming categories.

The additional activities provided during the discharge planning and aftercare phases will take the form of either "administrative" activities or "services" activities. Examples of "administrative" activities under either the discharge or aftercare/trial discharge phase of a child's placement include case planning, case management, service referral/coordination, and case monitoring. Examples of "services" activities are treatment or counseling provided to the child or family, or counseling provided in group settings. (The "services" that are specified in Part 423 of Department Regulations as Preventive Services define the range of "services" that may be provided as intensive discharge planning and/or aftercare services.)

NOTE: A social services district may be able to access treatment, counseling, and other services through existing contracts with community-based providers. With such an approach, the social services district may be able to reduce the quantity of additional "service"

activity it purchases from the voluntary authorized agency with which the child is placed.

In order to meet the federal funding requirements under Title IV-E (upon notification by the Department of federal approval), the social services district will need to specify in its foster care contract the need for the voluntary authorized agency to separately identify those costs that are eligible for federal reimbursement under Title IV-E. In this regard, the voluntary authorized agency will be required to submit a cost allocation plan, proposed "service" percentage estimate, or other verifiable methodology for identifying federally reimbursable costs. The Department is available to provide technical assistance to social services districts and voluntary foster care agencies in developing a methodology to separate the "services" from the "administrative" activities with respect to the activities/services delivered as part of the intensive discharge and aftercare services model.

B. Claiming for Payments made as Foster Care Supervision and Administration:

As stated above, the Department is in the process of obtaining approval from the federal government to allow social services districts to claim reimbursement for intensive discharge and aftercare/trial discharge activities under the Title IV-E program as "Foster Care Supervision and Administration." Social services districts that plan to provide these services within the parameters of "Foster Care Supervision and Administration" may establish an off-line mechanism to track costs appropriately from the outset of the program's implementation for purposes of retroactivity. Social services districts that establish that type of track record will be able to submit retroactive claims upon receipt of federal approval. In the interim, a social services district may claim these activities as federally nonreimbursable costs.

1. When a local social services official retains care and custody of a child who is determined categorically eligible for the Title IV-E program, the social services district will be able to claim federal reimbursement for the costs of intensive discharge and aftercare activities under the federal Title IV-E Foster Care and Adoption Assistance program (upon notification by the Department of federal approval). Federal funding under the Title IV-E program will be available for the planning, management, and monitoring aspects of the case. Federal reimbursement will not be available under the Title IV-E program for the costs related to the provision of "services" (e.g., treatment or counseling to the child and family). Federal funding for "services", however, may be available under the Title XX or Title IV-B programs. Section IV of this Attachment contains a listing of definitions of "administrative" and "services" activities and the eligible federal funding categories associated with these particular activities.

2. Social services districts will be able to report the administrative allocation of the additional payment for intensive discharge and aftercare services on the Schedule D2 and the services allocation on the Schedule G.

C. Claiming for Payments made as Preventive Services:

When the child is not in the care and custody of a local social services official (or is not otherwise eligible for the Title IV-E program), the social services district may be able to claim federal reimbursement for the costs of intensive discharge and aftercare services under the Title XX or Title IV-B programs. (Note: Federal funds provided under the federal Title IV-B program are distributed by the State to social services districts annually. Title IV-B funds are available for child welfare services, including Preventive Services.) The allowable services and claiming mechanisms for payments made as Preventive Services would follow the usual rules for Preventive Services funding pursuant to Part 423 and Part 430 of the Department's Regulations, and payments to providers would be claimed in accordance with the existing Schedule G instructions.

D. Claiming under Emergency Assistance for Needy Families and Children (formerly known as the EAF program):

If the child is eligible for Emergency Assistance for Needy Families and Children, "administrative" or "services" activities which are not reimbursable as Title IV-E, Title IV-B, or Title XX, may be claimed for federal reimbursement under Emergency Assistance for Needy Families and Children. Social services districts will need to specify the discharge and/or aftercare activities in the authorization for services under this program. (NOTE: Claiming under Emergency Assistance for Needy Families and Children will be limited to a district-specific allocation. Social services districts will be notified of their district-specific allocations through a separate memorandum.)

IV. DEFINITIONS OF ACTIVITIES FOR CLAIMING FEDERAL REIMBURSEMENT

The following is a list of definitions of activities that are allowable for federal reimbursement under existing federal programs. These definitions are provided to assist social services districts and voluntary agencies in maximizing federal reimbursement of claims for the services discussed in this Attachment.

A. Foster Care and Adoption Related Activities that are allowable for reimbursement under the Title IV-E program:

1. Development/Re-evaluation of Case Plan includes activities attributable to the preparation and maintenance of case record documents, development and re-evaluation of the case plan for children, and the negotiation and review of the adoption agreement for adoption subsidy cases and home assessments done as a result of a Court order, not associated with a child protective, preventive or foster care case. Case planning activities include: Identification of the family's/adult's presenting problems and their cause, nature and extent; review of past history of abuse, neglect, maltreatment; identification of client needs; and determination of the safety and well being of the child(ren) or adults. Activities attributable to the preparation and maintenance of case record documentation include: preparation and maintenance of UCR forms, CCRS forms, progress notes, memos, letters, or other documentation pertaining to

the case.

Re-evaluation includes activities performed to evaluate/determine the continuing need and appropriateness of services or a child's placement, summary of progress, and establishment of target dates. These include permanency planning meetings and participation, as required, in any administrative review conducted by the agency.

Planning and re-evaluation includes the preparation and maintenance of UCR forms, progress notes, memos, letters or other documentation pertaining to the case.

2. Preparation Participation in Judicial Proceedings includes preparation of petitions/reports and testimony for presentation in judicial proceedings and participating in same. This includes judicial proceedings for Court Ordered Investigation cases.
3. Placement of Child entails activities including transportation, attributable to removing the child from the home and making arrangements for placement, both emergency and non-emergency care. Includes discussion with parents, relatives, other institutions and agencies and foster parents regarding the evaluation of the child's environment as it relates to the need for and availability of placement. It also includes activities involved in placing a child in an adoptive home.
4. Working with Investigative Agencies includes any activity time that involves contacts initiated by investigative agencies to gather information for their criminal court actions. Agencies include State police, local police, District Attorney, Medical Examiners, etc.
5. Case Management/Monitoring includes activities which are attributable to the management/monitoring of services provided to or on behalf of children or adults. Activities include steps taken by the case manager/monitor to ensure that case service plans are adequately established and implemented in accordance with service requirements. It also includes post-placement management of subsidy payments if requested by adoptive parents and home/family monitoring that is required to be done for Court Ordered Investigation.
6. Referral for Services includes all activities attributable to identifying, coordinating and referring the client for services identified in the case plan.
7. Referral for Medical Services includes all activities engaged in to refer for or transport to Medical services for children. Includes EPSDT for children, referrals for Family Planning, and other medical services but does NOT include the cost of physical/mental examinations.
8. Fair Hearings and Appeals includes activities engaged in to prepare for and participate in Fair Hearings and Appeals stemming from eligibility determinations, including Adoption Assistance Subsidies. This process includes issuance of timely notices,

advising clients of case dispositions and rights, preparation of documents as required, and participating in the Fair Hearing.

9. Information and Referral entails providing a brief assessment and information to facilitate appropriate referral to and follow-up with community resources which provide such services.
10. Recruitment/Licensing Foster Homes or Family Type Homes entails those activities related to securing adequate numbers of homes for children. Activities include individual/group sessions to cover licensing requirements, certification process and such preliminary steps prior to filing of application forms. Also included are those activities related to licensing homes both initially and on an on-going basis. Activities include individual assessment of the family and on-site visits, including transportation, to determine the character, physical/emotional health, financial status of the foster family or operator. It also entails establishing the number of children a home can accept and providing training for the family or operator.
11. Homefinding for Adoption includes activities related to recruiting and determining the acceptability of the applicant-adoptive home such as individual assessment sessions with the family or on-site visits to determine the character, physical/mental health of the family and training for prospective adoptive homes. It also includes the transportation necessary to carry out these activities.

B. Foster Care and Adoption Related Activities/Services that are allowable for reimbursement under TITLE IV-B or TITLE XX:

1. Services to an Individual and/or Family includes all activities related to Social Services which provide treatment or counseling directly to the child or adult, the child's family or foster family or adoptive family to remedy personal problems, behavior or home conditions. Examples include counseling, homemaker or housing services, day care, provision of financial management, and transportation provided by services workers for clients to receive these services.
2. Group Services entails those therapeutic services that are provided in a group setting, such as counseling foster parent groups, natural parent therapy groups and counseling foster children in group therapy.

NOTE: A social services district may be able to access treatment or counseling services through its existing contracts with community-based providers. With such an approach, the social services district may be able to reduce the quantity of "service" activity it purchases from the voluntary authorized agency within the context of the short-term residential program.

C. MATRIX OF ELIGIBLE FEDERAL FUNDING CATEGORIES

TYPE OF CHILD AND TYPE OF ACTIVITY:	ELIGIBLE FOR FEDERAL FUNDING UNDER:			
	Title IV-E	Title IV-B	Title XX	EAF
For a IV-E eligible child, definitions 1-11 under Section A:	yes*	yes	yes	**
For a IV-E eligible child, definitions 1-2 under Section B:	no	yes	yes	**
For a non IV-E eligible child, definitions 1-11 under Section A:	no	yes	yes	**
For a non IV-E eligible child, definitions 1-2 under Section B:	no	yes	yes	**

NOTES:

- * The Department is in the process of obtaining approval from the federal government to allow social services districts to claim reimbursement for intensive discharge and aftercare/trial discharge activities under the Title IV-E program as "Foster Care Supervision and Administration." Claims under the Title IV-E program for "Foster Care Supervision and Administration" will not be allowed until the Department notifies you of a receipt of federal approval.
- ** If the child is eligible for Emergency Assistance to Needy Families and Children (formerly known as the EAF program), definitions 1-11 under Section A, and definitions 1-2 under Section B, would be eligible for federal funding limited to a district-specific allocation for each social services district.

V. SYSTEMS IMPLICATIONS:

A. General processing instructions:

1. All cases are to be opened in WMS Services.
2. Eligibility is to be determined in the usual manner.

B. Authorizing Foster Care and Intensive Discharge Services for a child who is in the custody of a local social services official and placed in foster care:

1. WMS Instructions:

- a. Use Direct Service 08--Foster Care, or 08E--Foster Care-EAF.
- b. For the Purchase of Service line (POS), use POS 61 (Regular Service and Maintenance), or 62 (Emergency Service and Maintenance) to authorize the cost of foster care.
- c. Use POS type 63 (Additional Per Diem) to authorize the cost of the Intensive Discharge Services that would be above the contract rate for room and board services in the facility where the child is placed.
- d. If the case is IV-E (Eligibility 02), and the Purchase is IV-E, no suffix is needed. If the case is EAF (Eligibility 04) and the payment is EAF, no suffix is needed. If the case is IV-E and this payment is to be claimed as EAF, use the suffix E: Direct service is 08E and POS is 61E, 62E or 63E.

2. CCRS Instructions:

- a. Open the case in CCRS and track the child(ren) receiving trackable services.
- b. Enter the appropriate movement code to indicate where the child is placed. This is the same facility reflected in the POS line.
- c. Enter the Legal Activity to show the transfer of care and custody to the public agency and any other adjudications as appropriate.
- d. Assessment/Service plans are due following the UCR timelines.

C. Authorizing Intensive Aftercare Services for a child who leaves the physical foster care setting but remains in the custody of a local social services official during a period of trial discharge:

1. WMS Instructions:

- a. Discontinue the POS for room and board (61-62).
- b. Continue the POS line for additional per diem (POS 63).

2. CCRS Instructions:

- a. Enter an M970 (Trial discharge).

D. Authorizing Intensive Aftercare Services for a child who leaves the physical foster care setting but for whom the custody of the local social services official is discontinued while Intensive Aftercare Services are provided:

1. WMS Instructions:

- a. Add the direct service 25 (Mandated Preventive).
- b. End the POS line with 61 or 62 and 63.
- c. Begin a new POS line to cover the Aftercare Services. Use POS type 25.

2. CCRS Instructions:

- a. Update the Legal activity to reflect the end of custody.
- b. Enter an M990 (Child discharged from care) and the reason code 585 (Administrative Action).