Administrative Directive

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<th>Transmittal:</th>
<th>09-OCFS-ADM-09</th>
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| To:                  | Local District Commissioners  
                     Executive Directors of Authorized Voluntary Agencies |
| Issuing Division/Office: | Administration |
| Date:                | April 22, 2009 |
| Subject:             | Maximum State Aid Rates effective April 1, 2009, through June 30, 2009 |
| Suggested Distribution: | Directors of Services  
                     Accounting Supervisors |
| Contact Person(s):   | Daniel Zeidman (518) 474-1384 or David Haase (518) 486-6404; or by email at Daniel.Zeidman@ocfs.state.ny.us or David.Haase@ocfs.state.ny.us |
| Attachments:         | N/A |
| Attachments Available Online: | Rate charts are available on the Rate Information page of the OCFS website at the address below, and are updated as needed.  
                     Link to Internet Site: [http://www.ocfs.state.ny.us/main/rates/](http://www.ocfs.state.ny.us/main/rates/) |

Filing References

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<td></td>
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<td>18 NYCRR Part 427</td>
<td>SSL 398-a EL 4402 EL 4405</td>
<td>Standards of Payment for Foster Care of Children – Program Manual</td>
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I. Purpose

The purpose of this Administrative Directive (ADM) is to issue Maximum State Aid Rates (MSARs) for Foster Care Programs and In-State Committee on Special Education (CSE) Maintenance Rates for State Education Department (SED) approved Residential Schools, effective April 1, 2009, through June 30, 2009.

II. Background

As part of the 2009-10 Enacted State Budget, Chapter 58 of the Laws of 2009 amended Chapter 57 of the Laws of 2008 by suspending the legislative cost-of-living adjustment (COLA) that was scheduled for implementation April 1, 2009. Legislative COLAs authorized by Chapter 57 of the Laws of 2008 are now scheduled to resume on April 1, 2010, for state fiscal year (SFY) 2010-11, with additional COLAs for SFYs 2011-12 and 2012-13.

III. Program Implications

Because the 2009-10 Enacted State Budget suspended the legislative COLA that would have been implemented April 1, 2009, all MSARs and CSE Maintenance Rates in effect for the period of July 1, 2008, through March 31, 2009, are extended for the balance of the rate year to June 30, 2009. All rate policies and requirements of local departments of social services (LDSSs) previously specified for the 2008-09 rate year in 08-OCFS-ADM-09, dated December 31, 2008, are applicable to MSARs and CSE Maintenance Rates extended to June 30, 2009.

IV. Systems Implications

Existing procedures for processing MSAR payments and reimbursing claims will continue to be applicable.

V. Rate Consultations/Rate Adjustments

The purpose of issuing MSARs is to specify the OCFS-approved maximum reimbursement program rates for state and federal claiming purposes, as well as to provide guidance to LDSSs in their contract negotiations with providers of foster care. MSAR payment requirements, pursuant to Section 398-a (2-a) of the SSL, prohibit LDSSs from paying less than the MSAR established by OCFS for each congregate care rate and for each administrative/services rate for a therapeutic, special needs, or emergency foster home program operated by a voluntary agency, as specified in 05-OCFS-ADM-04.

Where an LDSS agrees to contract for a rate that is greater than the published MSAR, no federal or state reimbursement is available for the amount that exceeds the MSAR. However, OCFS can assist the local district and/or the voluntary agency in developing a program intensification request to increase the MSAR.
OCFS regulation 18 NYCRR 427.9 allows the LDSS and/or the voluntary foster care agency to request a rate consultation in regard to a promulgated MSAR, as follows:

- For the LDSS that is requesting rate consultation, such a request must be submitted in writing and be received by OCFS within 30 days of the date a rate is issued (as specified in 18 NYCRR 427.9 and in Chapter 9 of the Standards of Payments for Foster Care of Children Program Manual). The LDSS should send such requests for a rate consultation to:
  
  Daniel Zeidman, Chief Rate Analyst  
  Office of Children and Family Services  
  Rate Setting Unit, Rm. 314 South  
  52 Washington Street  
  Rensselaer, NY 12144  

- A voluntary agency requesting a rate consultation must use the Web-based Statewide Standards of Payment (SSOP) system to submit its request electronically. Pursuant to OCFS regulations, such requests must be received (in this case, electronically) within 30 days of the date a rate is issued.

Note: In accord with OCFS regulations, rate policies are not subject to consultation or appeal.

VI. Effective Date

This directive is effective as of the date of its issuance.

/s/ Thomas S. Tipple

Issued By:
Name: Thomas S. Tipple
Title: Deputy Commissioner
Division/Office: Administration