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| LOCAL COMMISSIONERS MEMORANDUM |
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Transmittal No: 97 LCM-59

Date: October 15, 1997

Division: Services & Community
Development

TO: Local District Commissioners

SUBJECT: FY 1997/98 Maximum State Aid Rates (MSARs) for Foster Care
Programs and SED Approved Residential Schools for the Period
July 1, 1997 - June 30, 1998

ATTACHMENTS: A-MSAR Foster Boarding Home Ceilings for 1997/98
B-SILP Double Occupancy Rate-Budget Calculation for 1997/98
C-SILP Triple Occupancy Rate-Budget Calculation for 1997/98
D-SILP 4-Bed Mother/Child Rate-Budget Calculation for 1997/98
E-COLAs for the 1997/98 MSARs and CSE Maintenance Rates
F-MSARs and CSE Rates for Voluntary Foster Care Agencies
and SED Approved Residential Schools for 1997/98

All attachments are available on-line

This memorandum advises you of the maximum state aid rates (MSARs) and SILP rates for foster care programs, and the CSE maintenance rates for approved residential schools for the period July 1, 1997 through June 30, 1998. The rates that are promulgated in this LCM are calculated using the approved reimbursement methodology for the period July 1, 1997 through June 30, 1998.

A. All MSARs and In-State CSE Maintenance Rates: The following policies are applicable to all MSARs and in-state CSE maintenance rates that are calculated for the effective period July 1, 1997 through June 30, 1998:

1. COLAs are applied to the historical cost base as well as to the Model Budget Parameters: In accordance with the existing Model Budget Methodology, the promulgated rates are calculated using the two-year old historical costs and care days with COLAs applied to personnel services and other-than-personnel services costs as specified in Attachment E.

2. Rate Stabilization for New Programs: The Department is continuing the rate stabilization policy for all new programs for which we are first using historical program expenses. There is a 10% margin of rate variance. No new program rate will be allowed to go up or down by more than 10% of its prior year's rate.

3. Revised Model Budget Salary Standards: The Department has revised the salary standards used in the rate calculations for 1997/98. The salary revisions were based on an analysis of the 1994/95 statewide cost experience of voluntary agency programs, which demonstrated that the fringe benefit percentage of the salary standard had increased from 19.7 to 23.8 percent. The fringe benefit component of the salary standards is adjusted to reflect the 23.8% benefit.

B. Group Care Rates: The following policies are specifically applicable to the MSARs and In-State CSE maintenance rates that were calculated for group care programs for the effective period July 1, 1997 through June 30, 1998:

1. Aggregate Cost-of-Living Adjustments (COLAs) applied to the historical cost base and Model Budget Parameters:

a. Personnel Services: The two-year aggregate COLA that is used for trending the historical cost base and model budget parameters for personnel services is 3.5%. The two-year factor combines 3.5% for 1997/98 with 0.0% for 1996/97.

b. Other Than Personnel Services (OTPS): The two-year aggregate COLA that is used for trending the historical cost base and model budget parameters is 5.2%. The two-year factor combines 2.6% for 1997/98 with 2.5% for 1996/97.

2. In-State CSE (Committee on Special Education) Maintenance Rates: The in-state CSE maintenance rate for Special Act School Districts and on-campus schools affiliated with Article 81 institutions is composed of the 1997/98 MSAR for the institution program plus the 1995/96 medical per diem. When the medical per diems are approved, the in-state CSE maintenance rates for these programs will be revised to reflect those changes.

The social services district where the child is a legal resident is responsible for the 10-month CSE maintenance payment, and the placing local school district is responsible for the 10-month CSE tuition payment. For CSE summer school placements, the placing school district is responsible for both maintenance and tuition payments.

CSE maintenance rates for children placed by local school districts are not negotiable and must be paid as published.

3. Program Classification Reviews: The Department is continuing its policy of conducting program classification reviews in response to requests from agencies that believe their populations have changed. In addition, the Department will continue its review of new programs that have interim program classifications.

C. CSE Maintenance Rates for Out-of-State Schools: As previously notified, all rates promulgated by other states for SED approved residential schools are accepted by the Department for purposes of reimbursement. Out-of-state rates for CSE placements are not negotiable and must be paid as published.

D. Foster Boarding Home (FBH) Rates: The following policies are specifically applicable to the FBH rates that were calculated for the effective period July 1, 1997 through June 30, 1998:

1. Aggregate Cost-of-Living Adjustments (COLAs) applied to the historical cost base as well as the Model Budget Parameters:

a. Personnel Services: The two-year aggregate COLA that is used for trending the historical cost base and model budget parameters for personnel services is 3.5%. The two-year factor combines 3.5% for 1997/98 with 0.0% for 1996/97.

b. Other Than Personnel Services (OTPS): The two-year aggregate COLA that is used for trending the historical cost base and model budget parameters is 5.5%. The two-year factor combines 2.8% for 1997/98 with 2.6% for 1996/97.

2. AIDS Per Diem: The \$15 AIDS per diem add-on remains in effect. The treatment of the \$15 per diem revenue for rate setting purposes is as follows: Revenue from the \$15.00 AIDS per diem is subtracted from the trended direct care costs for each FBH program, and the adjusted expenditures are compared with the direct care parameter to determine the rate base.

3. Pass-through to Foster Parents: The maximum state aid rates for foster parents are increased by 2.8% in FY 1997/98.

4. Clothing Allowance: The maximum clothing allowances are not increased in FY 1997/98.

5. Diaper Allowance: The maximum diaper allowance for infants from birth through three years is not increased in FY 1997/98.

6. Finder's Fee for New Foster Homes: The Department is continuing the policy of allowing local social services districts to pay a voluntary finder's fee of up to \$200 to foster parents who recruit new foster parents. The policy will continue in effect through June 30, 1998. For detailed information on how to apply this policy please refer to 88 ADM-54 dated December 23, 1988.

E. Supervised Independent Living Programs (SILPs): The 1997/98 annual fees for double and triple occupancy and four-bed mother/child SILPs are increased by 3.5% for personnel services and 2.6%, on average, for other-than-personnel-services costs. The social services per diem amounts were based on the revised 1997/98 social work salary standards. Overall, the SILP rates increased by approximately five to five and one half percent.

F. Transfer Implementation: Chapter 436 of the Laws of 1997 renames the Department of Social Services as the Department of Family Assistance comprised of two independent offices: the Office of Children and Family Services and the Office of Temporary and Disability Assistance. Upon the execution of a Memorandum of Understanding and compliance with the Civil Service Laws, responsibility as specified in Chapter 436 will be transferred from the former Department of Social Services to the Office of Children and Family Services (OCFS) and fully integrated with the functions and duties of the former Division for Youth. The recommendations contained herein have been approved by all necessary staff of the referenced agencies.

Copies of this LCM should be shared with Child Welfare Staff and Accounting Supervisors. If you have any questions, please contact the Bureau of Resource Management, by calling (518) 474-1168.

Rose M. Pandozy
Deputy Commissioner

NEW YORK STATE
FOSTER BOARDING HOME PROGRAMS
1997/98 CEILINGS

EFFECTIVE JULY 1, 1997 THROUGH JUNE 30, 1998

A. PAYMENTS TO FOSTER PARENTS - FBH

<u>REGION</u>	<u>AGE 0-5</u>		<u>AGE 6-11</u>		<u>AGE 12 & OVER</u>	
	Monthly	Per Diem	Monthly	Per Diem	Monthly	Per Diem
METRO	\$412	\$13.55	486	15.98	562	18.48
UPSTATE	377	12.39	453	14.89	524	17.23

SPECIAL CHILDREN - UP TO \$ 904/MONTH, \$29.72/PER DIEM
EXCEPTIONAL CHILDREN - UP TO \$1,369/MONTH, \$45.01/PER DIEM

B. MAXIMUM FBH RATES UPON WHICH ADOPTION SUBSIDY PAYMENTS ARE CALCULATED FOR ADOPTIONS FINALIZED PRIOR TO JULY 1, 1987.

<u>REGION</u>	<u>AGE 0-5</u>		<u>AGE 6-11</u>		<u>AGE 12 & OVER</u>	
	Monthly	Per Diem	Monthly	Per Diem	Monthly	Per Diem
METRO	\$331	\$10.88	391	12.85	452	14.86
UPSTATE	303	9.96	364	11.97	423	13.91

SPECIAL CHILDREN - UP TO \$ 728/MONTH, \$23.93/PER DIEM
EXCEPTIONAL CHILDREN - UP TO \$1,104/MONTH, 36.30/PER DIEM

C. EMERGENCY FOSTER FAMILY BOARDING HOME CARE - CEILING IS 200% OF THE MAXIMUM PAYMENT FOR A NON-SPECIAL OR NON-EXCEPTIONAL CHILD IN THE DISTRICT.

D. ANNUAL CLOTHING REPLACEMENT ALLOWANCE

<u>AGE</u>	<u>YEARLY RATE FOR REPLACEMENT</u>	<u>PER DIEM EQUIVALENT</u>
0 - 5	\$304	\$0.83
6 - 11	425	1.16
12 - 15	659	1.81
16 AND OVER	806	2.21

DIAPER ALLOWANCE

<u>AGE</u>	<u>MONTHLY ALLOWANCE</u>	<u>PER DIEM EQUIVALENT</u>
0 - 3	\$ 47	\$1.55

SUPERVISED INDEPENDENT LIVING PROGRAM
SILP

DOUBLE OCCUPANCY RATE EFFECTIVE JULY 1, 1997 - JUNE 30, 1998

<u>TYPES OF EXPENSES</u>	<u>DOWNSTATE*</u>		<u>UPSTATE</u>	
	<u>Annual Budget</u>	<u>Per Person/ Per Day</u>	<u>Annual Budget</u>	<u>Per Person/ Per Day</u>
Rent	\$11,001	\$15.07	\$7,334	\$10.05
Food	5,982	8.19	5,982	8.19
Clothing	1,512	2.07	1,512	2.07
Resident Allowance	4,302	5.89	2,580	3.53
Social Worker (1 to 10)	8,337	11.42	8,140	11.15
Supervisor (1 to 4)	2,567	3.52	2,518	3.45
Transportation and Worker	1,086	1.49	1,086	1.49
Telephone	894	1.22	894	1.22
Utilities	1,109	1.52	761	1.04
Supplies (Towels, Blankets, etc.)	268	.37	268	.37
Equipment (Pots, Pans, Silverware, etc.)	<u>390</u>	<u>.53</u>	<u>390</u>	<u>.53</u>
SUB TOTAL OF EXPENSES	\$37,446	\$51.30	\$31,464	\$43.10
Depreciation	\$395	\$.54	\$395	\$.54
Finders Fees	892	1.22	892	1.22
Administration at 21%	<u>7,864</u>	<u>10.77</u>	<u>6,607</u>	<u>9.05</u>
GRAND TOTAL	\$46,597**	\$63.83	\$39,358**	\$53.92
Fee for Services Rate		\$85.11 ***		\$71.89 ***

* Downstate includes NYC, Nassau, Suffolk, Westchester, Rockland, Orange, and Putnam.

** This represents total annual costs per apartment which is shared equally by each resident.

*** Rates calculated at 75% utilization

SUPERVISED INDEPENDENT LIVING PROGRAM
SILP

TRIPLE OCCUPANCY RATE BUDGET EFFECTIVE JULY 1, 1997 - JUNE 30, 1998

<u>TYPES OF EXPENSES</u>	<u>DOWNSTATE*</u>		<u>UPSTATE</u>	
	<u>Annual Budget</u>	<u>Per Person/ Per Day</u>	<u>Annual Budget</u>	<u>Per Person/ Per Day</u>
Rent	\$13,200	\$12.05	\$ 8,800	\$ 8.04
Food	8,959	8.18	8,959	8.18
Clothing	2,268	2.07	2,268	2.07
Resident Allowance	6,456	5.90	3,870	3.53
Social Worker (1 to 10)	12,505	11.42	12,210	11.15
Supervisor (1 to 4)	3,851	3.52	3,777	3.45
Transportation & Worker	1,627	1.49	1,627	1.49
Telephone	1,028	.94	1,028	.94
Utilities	1,383	1.26	1,040	.95
Supplies	401	.37	401	.37
Equipment	<u>523</u>	<u>.48</u>	<u>523</u>	<u>.48</u>
SUB TOTAL OF EXPENSES	\$52,202	\$47.67	\$44,504	\$40.64
Depreciation	\$ 500	\$.46	\$ 500	\$.46
Finders Fees	880	.80	880	.80
Administration at 21%	<u>10,962</u>	<u>10.01</u>	<u>9,346</u>	<u>8.54</u>
GRAND TOTAL	\$64,544 **	\$58.94	\$55,230 **	\$50.44
Fee for Services Rate		\$78.59 ***		\$67.25 ***

* Downstate includes NYC, Nassau, Suffolk, Westchester, Rockland, Orange, and Putnam.

** This represents total annual costs per apartment which is shared equally by each resident.

*** Rates calculated at 75% Utilization

SUPERVISED INDEPENDENT LIVING PROGRAM
SILP

FOUR BED MOTHER/CHILD RATE BUDGET
EFFECTIVE JULY 1, 1997 - JUNE 30, 1998

<u>TYPES OF EXPENSES</u>	<u>DOWNSTATE*</u>		<u>UPSTATE</u>	
	<u>Annual Budget</u>	<u>Per Person/ Per Day</u>	<u>Annual Budget</u>	<u>Per Person/ Per Day</u>
Rent	\$13,237	\$ 9.07	\$ 8,797	\$ 6.03
Food	11,981	8.21	11,981	8.21
Clothing	3,025	2.07	3,025	2.07
Resident Allowance	6,893	4.72	3,441	2.36
Social Worker (1 to 10)	16,673	11.42	16,280	11.15
Supervisor (1 to 4)	5,135	3.52	5,036	3.45
Transportation	2,188	1.50	2,188	1.50
Telephone	885	.61	885	.61
Utilities	1,387	.95	1,040	.71
Supplies	535	.37	535	.37
Equipment	<u>584</u>	<u>.40</u>	<u>584</u>	<u>.40</u>
SUB TOTAL OF EXPENSES	\$62,524	\$42.82	\$53,792	\$36.84
Depreciation	\$ 790	\$.54	\$ 790	\$.54
Finders Fees	892	.61	892	.61
Administration (21%)	<u>13,130</u>	<u>8.99</u>	<u>11,296</u>	<u>7.74</u>
GRAND TOTAL	\$77,335 **	\$52.97	\$66,769 **	\$45.73
Fee for Services Rate		\$70.63 ***		\$60.98 ***

* Downstate includes NYC, Nassau, Suffolk, Westchester, Rockland, Orange, and Putnam.

** This represents total annual costs per apartment which is shared equally by each resident.

*** Rates calculated at 75% Utilization

NOTE: FOR ESTABLISHMENT OF FY 1997/98 COLAs

COST-OF-LIVING ADJUSTMENTS FOR MSARs AND CSE RATES
FOR VOLUNTARY FOSTER CARE AGENCIES AND SED APPROVED RESIDENTIAL SCHOOLS
EFFECTIVE JULY 1, 1997 THROUGH JUNE 30, 1998

I. GROUP CARE BY COMPONENT	<u>One Year</u> <u>7/1/97-6/30/98</u>	<u>Two Year</u> <u>7/1/96-6/30/98</u>
<u>Child Care</u>	3.5	3.5
<u>Social Services</u>	3.5	3.5
<u>Child Support and Food</u>	3.4	5.2
- Child Support PS	3.5	3.5
<u>Miscellaneous Direct Care</u>	1.9	4.2
<u>Fixed Property</u>	2.8	5.8
<u>Variable Maintenance</u>	2.6	3.8
- Variable Maintenance PS	3.5	3.5
<u>Utilities</u>	4.0	7.7
<u>Administration</u>	3.3	3.9
- Administration PS	3.5	3.5
II. FOSTER BOARDING HOME BY COMPONENT	<u>One Year</u> <u>7/1/97-6/30/98</u>	<u>Two Year</u> <u>7/1/96-6/30/98</u>
<u>Social Services</u>	3.5	3.5
<u>Miscellaneous Direct Care</u>	3.4	5.4
- Miscellaneous Direct Care PS	3.5	3.5
<u>Property</u>	2.7	5.0
- Maintenance PS	3.5	3.5
<u>Administration</u>	3.3	3.8
- Administration PS	3.5	3.5

Note: Personnel Services COLAs are based on salary increases granted to New York State employees.