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 | ADMINISTRATIVE DIRECTIVE |
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TRANSMITTAL: 91 ADM-52

TO: Commissioners of
 Social Services
 Directors of Voluntary Agencies

DIVISION: Family &
 Children
 Services

DATE: December 12, 1991

SUBJECT: Foster Care: Payment for Certain Independent Living Services

SUGGESTED DISTRIBUTION:	Directors of Services Child Welfare Staff Fiscal Staff Independent Living Coordinators Staff Development Coordinators
CONTACT PERSON:	Director of the appropriate Regional Office of the Division of Family & Children Services: Metropolitan Region, Fred Cantlo (212)804-1198; Albany, John O'Connor (518)432-2751; Buffalo, Linda Brown (716) 847-3145; Rochester, Linda Kurtz (716)238-8201; Syracuse, Jack Klump (315)428-3235. Gerald Seeley, Bureau of Services Information Systems, 1-800-342-3727 for questions on Section V, Systems Implications
ATTACHMENTS:	None

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
90 ADM-32	88 INF-18	Part 428	398 (6)	Fiscal Ref.	91 LCM-33
88 INF-18		430.12 (f)	398 - b	Manual, Vol	
88 ADM-11				2, Chap. 3 pp 205-216	

I. PURPOSE

This release informs you of the per diem rates that the Department recommends that social services districts pay to voluntary child caring agencies for additional staff to coordinate the provision of the following independent living services:

- A. Independent living skills and vocational training for children in care with voluntary agencies,
- B. After-care services for children on trial discharge and
- C. Supervision for children who have been discharged from custody.

These rates are in addition to the regular state aid rate for care and maintenance. Districts may also use a budget approach based on the projected units of service to be provided.

This directive also informs you why the Department recommends these additional rates, what costs are included, why the additional rates are justified, and why the original rates have been revised.

II. BACKGROUND

Foster children with the permanency goal of discharge to independent living, or who are deemed to have this goal, must have the skills that will enable them to live successfully in the community. On August 5, 1987, the regulations that govern the provision of independent living services (18 NYCRR 430.12(f)) were greatly expanded. The revisions included detailed standards for the provision of independent living skills, vocational training, after-care services and supervision.

In March of 1988, the Department issued 88 ADM-11 which contained detailed interpretations of the revised regulations and instructions for their implementation. 88 INF-18 was also issued in March 1988 with suggested payment rates for independent living services provided by voluntary child caring agencies. These rates were in addition to the regular per diem foster care rate. This directive revises the payment rates in 88 INF-18 and replaces that letter. 88 ADM-11 remains in effect.

III. PROGRAM IMPLICATIONS

- A. Department Regulation 18 NYCRR 430.12(f) governs the provision of independent living services to foster children and children who have been discharged from foster care. Foster children aged 14 and above with the permanency goal of discharge to independent living and children aged 16 and above who are deemed to have this goal, must receive specific services to prepare them for discharge. Children in care must receive independent living skills and, where

appropriate, vocational training. Children discharged to independent living (or deemed to have been discharged) must remain in trial discharge for at least six months. During this time the youth remain in the custody of the local commissioner and the district must provide the children with after-care services. (These trial discharge provisions do not apply when a court order terminates the district's custody or when the child reaches the age of 21.)

After district custody of the child has been terminated, the district must maintain supervision of the child until he or she reaches age 21.

It should be noted the participation of a child in the status of trial discharge or supervision is not mandated. Participation is contingent upon the consent of the child. See 18 NYCRR 430.12(f) for more detailed information on who must receive independent living services.

B. Children in Voluntary Child Caring Agencies

Districts have the option of providing the independent living and other services with their own staff or purchasing them from voluntary agencies. For children in care with voluntary agencies it is often more practical to have that agency provide the services.

By requiring the provision of "structured training" and "supervised performance" the Utilization Review regulations imply that preparation for independent living will be ongoing and routine. When a child is placed in a voluntary agency program, these aspects of preparation can probably be provided best by the voluntary agency.

Based on district contacts with the Department's regional offices, there is still concern as to why voluntary agencies charge an additional per diem rate for these services and what costs are included.

Before the August 1987 amendments, voluntary agencies provided independent living services under NYCRR 430.12(f). The staff that provided these services were considered when the rate calculation methodologies for group foster care and foster boarding home administration were developed. However, the regulation did not describe these services in any great detail. Independent living skills included apartment finding, budgeting, shopping and cooking. Training toward career objectives was only mentioned in general terms. There was a general assumption that the costs of the staff who provided these services were included in the regular foster care rates.

(1) Why does the Department recommend additional per diem rates for independent living services, aftercare and supervision?

The regulations filed in August 1987 greatly expand the responsibilities of social services districts and agencies. Structured and ongoing programs to meet specific standards are now required. The child's performance in learning the skills must be supervised and assessed; training must continue until the child demonstrates competency. Vocational training is defined and specific standards replace the general statements about career objectives and documentation requirements are introduced. These regulations also add aftercare and supervision requirements.

When the regulations were amended, the rate methodologies were not changed to allow for staff to provide additional services. To do so was administratively difficult because not all children require these services and the general rate methodologies are based on all children in care. Add-on's to the regular rate were deemed simpler to administer and directed the services to specific children. These are the per diem payments that were suggested in 88 INF-18.

(2) What costs are included in the additional per diem rates?

The per diem rates for independent living and vocational training, aftercare services, and supervision include compensation for social services staff to coordinate the provision of the services. A percentage of the rates is for supervisory staff and administrative overhead. The staffing ratios and the per diem amounts are found in Section IV of this directive, REQUIRED ACTION. Although the rates are expressed as full-time equivalent social work staff with percentages added for supervision and agency overhead, there is no requirement that agency expenditures be in exactly these proportions. Also, agencies have the discretion to spend in different amounts for direct or indirect cost items that support the function. Examples of direct costs are worker's transportation and expenses, materials and supplies. Indirect costs include telephone, postage and office space. These rates do not include the independent living stipends which are paid directly to children while in care. These stipends, expressed both as monthly and per diem amounts, are found in Section VI, ADDITIONAL INFORMATION.

(3) Why are these additional rates justified?

Since the independent living services regulations were expanded it cannot be assumed that all staff who provide those services are included in the regular per diem rate. Additional staff are also needed for the aftercare and supervision requirements.

The increased funding to voluntary agencies made available through the additional independent living payments is justified by the requirements to:

- a. Expand and structure the life skills training programs;

- b. Evaluate and support the youths' academic performance and, where appropriate, ensure participation in suitable vocational training;
- c. Monitor the performance of the youth and ensure their continued participation in life skills and vocational training until competency is demonstrated; and
- d. Ensure compliance with the discharge standard requirements, which include referral services, 90-day notice of discharge, the independent living discharge plan and appropriate housing.

A complete description of the required services is found in 88 ADM-11, dated March 25, 1988.

(4) Why have the original per diem rates from 88 INF-18 been revised?

The rates, which were recommended on March 11, 1988, were for the funding of staff to provide additional services and the distribution of Federal funds that were only available until September 30, 1988. The recommended independent living rate of \$7.70 was designed to give New York State the full benefit of the available Federal allocation. It was not based on a staffing model.

Social services districts have indicated to the Department that the \$7.70 rate is excessive and a more realistic rate, based on the estimated cost of the staff who provide these services, is needed.

The rates for independent living services and vocational training are based on a staffing ratio of one independent living coordinator for every 40 children and are based on 1991/92 social work compensation standards. See Section IV, REQUIRED ACTION, for more information.

The per diem rates in 88 INF-18 for aftercare and supervision were based on staffing ratios. The rates in this directive have been updated to the 1991/92 compensation standards.

IV. REQUIRED ACTION

Districts must ensure that the children who require independent living skills training, vocational training, after-care services and supervision receive these services. Districts wishing to purchase services from voluntary child caring agencies may purchase them by adding one of the following per diem rates for independent living services and vocational training to the regular foster care rate. The rates for after-care services and supervision can be paid to voluntary agencies for these services. Districts may also use a budget approach. If a budget-based method is used, the district and agency should negotiate a total dollar amount based on the projected units of service (care days) to be provided and their cost. Negotiations should consider

the level of service provision that the district wants the agency to provide. They can use separate contracts for independent living services or amend existing contracts.

A. Independent Living and Vocational Training: defined in 18 NYCRR 430.12(f) (2)(i)(a).

	<u>Recommended Per Diem</u>
1. <u>Metropolitan Agencies:</u> New York City, Nassau, Rockland, Suffolk and Westchester counties	\$ <u>3.50</u>
2. <u>Upstate Agencies:</u> all other counties	\$ <u>3.42</u>

These rates are based on a staffing ratio of one full time equivalent (FTE) independent living coordinator and .25 FTE supervisor for every 40 children. An additional 10 percent is included for administrative overhead. The compensation for the coordinators is based on the standards for social workers and social work supervisors that were used in calculating the 7/1/91 - 6/30/92 foster care rates.

These rates do not include the monthly independent living stipends paid to children in care. (See part VI "Additional Information")

B. After-care Services: defined in 430.12(f) (4)(i)(a).

	<u>Recommended Per Diem</u>
1. <u>Metropolitan Agencies</u>	\$ <u>7.00</u>
2. <u>Upstate Agencies</u>	\$ <u>6.84</u>

These rates are based on a staffing ratio of one FTE coordinator and .25 FTE supervisor for every 20 children, plus 10 percent for overhead.

C. Supervision: defined in 430.12(f) (4)(i)(b).

	<u>Recommended Per Diem</u>
1. <u>Metropolitan Agencies</u>	\$ <u>2.80</u>
2. <u>Upstate Agencies</u>	\$ <u>2.73</u>

These rates are based on a staffing ratio of one FTE coordinator and .25 FTE supervisor for every 50 children, plus 10 percent for overhead.

V. SYSTEMS IMPLICATIONS

System Instructions:

In WMS, the POS Service Type 89 (ILS-Stipend) is used. The presence of Direct Service Type 08 is required with 89. The final disposition of the check determines how the rest of the POS line is written on the Authorization.

There are three payment processing options:

- A. Social Services districts can combine the Independent Living Services Stipend per diems with a currently authorized Independent Living Services POS Service Type into a single rate for payment to voluntary agencies. There would be one POS line, with a single POS Service Type (not necessarily 89). Rate amount may be C for Contracted or a dollar amount. If a dollar amount is entered, any valid rate period may be input. The only difficulty with this option is that accounting will have to manually separate the distinct categories since a system record of the breakdown of how money was spent is unavailable.
- B. Payment to the child caring agency: POS Service Type would be 89. Rate amount would be C (Contracted) or a dollar amount. Entry of a dollar amount requires entry of any valid rate period value. The vendor ID must be valid on the local BICS file.
- C. Direct payment to child for Upstate districts on the BICS system: Enter POS Service Type 89. For rate amount, use only a dollar amount. Rate period value must be S (Single issue) or M (Monthly). If M is selected, the FROM date of the POS authorization should be the first of the month. In cases where the POS authorization period began after the first of the month, a single issue payment would be recorded for that month, then M would be used for the balance of the POS Authorization period. The POS Authorization TO date would be the end date of the Authorization. Method of Payment Indicator value must be 3. Local district accounting staff may then select the option of payment either to the child or to the agency. Please refer to the BICS Services Payment Processing Manual - Section E. Direct Check Production, dated June 10, 1989.

VI. ADDITIONAL INFORMATION

- A. Independent Living Stipends: defined in regulation 430.12(f)(2)(i)(b)

The per diem rates listed in Section IV-A do not include the monthly independent living stipends that are provided to children while they are still in care. The amount of the stipend must be in accordance with the following schedule:

<u>Age</u>	<u>Monthly Stipend</u>	<u>Per Diem Amount*</u>
16	\$20.00	\$0.66
17	25.00	0.82
18	30.00	0.99
19	35.00	1.15
20	40.00	1.32

* Social services districts can combine these per diems with the Independent Living and Vocational Training per diems into a single rate for payment to voluntary agencies.

B. Academic Support Services

The costs of academic support services are not included in the per diem rates listed in Section IV-A. However, the reimbursement for these costs may be negotiated between voluntary agencies and local social services districts.

C. Claiming Instructions

Districts use RF-4 to claim state reimbursement for independent living services. The instructions for this form are in the New York State Fiscal Reference Manual for Local Social Services Districts, Volume 2, Chapter 3, pages 205 - 216.

D. Standards of Payment Reporting by Voluntary Agencies

It is important for the Department to be able to identify the costs incurred by voluntary agencies for providing these services. This information is needed in order to eventually develop a cost-based rate setting system.

Agencies must report the costs of independent living services that are paid for through the additional per diem rates as follows:

1. Independent living skills and vocational training

Report as a separate cost center labeled ILS/VT.

2. Aftercare services

Report as a separate cost center labeled AC.

3. Supervision

Report as a separate cost center labeled SUPVR.

4. Standards of Payment Forms

Report the data for these cost centers as follows:

a.) DSS-2651: Report care days on the Others-Specify line. Specify ILS/VT, AC, or SUPVR.

Report the number of days for which the various additional per diem rates were received. If a social services district used a budget approach to pay for services, report the number of units of services that were actually provided.

- b.) DSS-2654: Report the income in Section B: Fee for Services.
- c.) DSS-2652: Report personnel and other than personnel services costs as you would for any other program. Under the ILS/VT cost center, report the independent living stipends in account 40, Boarding Home Payments - Normal.
- d.) DSS-3307: Identify any purchase of services costs reported in account 11 of DSS-2652.
- e.) DSS-2668: Report staff as you would for any other program.
- f.) DSS-3308: Report allocated expenses as you would for any other program.

VII. EFFECTIVE DATE

This directive is effective December 15, 1991.

Joseph Semidei
Deputy Commissioner