



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

SUSAN OSBORNE • Assistant Secretary for County Operations for  
Human Services

October 4, 2021

**DEAR COUNTY DIRECTORS OF SOCIAL SERVICES**

**ATTENTION: DIRECTORS, CHILD WELFARE PROGRAM ADMINISTRATORS, MANAGERS,  
SUPERVISORS, AND SOCIAL WORKERS**

**SUBJECT: Update on FFPSA Restrictions on Funding for Group Residential Facilities effective  
October 1, 2021.**

**REQUIRED ACTION:**  Immediate

As you know, the Family First Prevention Services Act (FFPSA) enacted by Congress in 2018 restricted Title IV-E reimbursement for maintenance expenses for foster children placed in licensed group facilities to the first 14 days for most placements made on or after October 1, 2021.

ACF has clarified in program instructions that the 14-day limitation on IV-E maintenance claiming will not apply to IV-E administrative claiming for case management expenses for children placed in licensed group facilities (ACYF-CB-PI-18-07).

This notice provides update information on what counties can expect from the state with respect to time-limited bridge funding while counties seek to strengthen their capacity to place children in family-based settings. In addition there are instructions to counties to allow accurate claiming of funding source for October and ongoing.

**What Counties Can Expect with Respect to Bridge Funding**

Pursuant to N.C.G.S 108A-49.1(d), the state will pay 50% of the non-federal share of the cost of care in a residential childcare facility. As previously communicated, DHHS is seeking approval through the budget process to provide bridge funding to counties during State FYs 2022 and 2023 while counties work to strengthen their capacity to place children in appropriate family-based care. Funding sought in the budget process would allow DHHS to fully reimburse counties for the lost federal share during SFY 2022 and to reimburse counties for one-half of the lost federal share in SFY 2023. As of this writing, DHHS has sufficient funds to reimburse counties for the lost federal share that they experience in October 2021, but a state budget has not been finalized. We will continue to update you as more information becomes available.

**What Counties Need to Do to Claim Properly in October**

To the extent possible, DHHS has limited the changes needed for reimbursement of foster care funds using the DSS-5094 form. In October, counties should:

**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF SOCIAL SERVICES**

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AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

- For IV-E eligible children in foster care, continue to use program code Z on the DSS-4263 (Day Sheet) for foster care case management activities. This will apply to children placed for at least one day of the month in a NC DSS licensed facility. The FFPSA limitation to maintenance reimbursement will not change the use of IVE funding for administrative time.
- Review and correct, if needed, placement information on the DSS-5094 form.
- For CPPS Counties: Continue to indicate the ongoing eligibility code from the DSS-5120 determination in field 55 of the DSS-5094. Do not change IVE children to SFHF based solely on them being placed in congregate care facilities licensed by NC DHHS for more than 14 days.
- Identify any client placed in a setting that specializes in providing prenatal, postpartum, or parenting supports for youth AND verify that the youth is receiving these services. The services for both the parent and child when placed with the parent, will qualify as an exception to the 14-day rule.
  - CPPS: Counties will need to make update to the DSS-5094 form under Non-Family Placement Services, fields 68-71, to identify the client as receiving these specific services.
  - NCFAS: County will need to update case information under Removals & Placements by adding the "FFPSA Exception" for "Parenting Support for Prenatal/Postpartum" option.

### Upcoming Policy Revisions and Training

In the next few weeks, DHHS will be providing updated information and instructions on claiming on IV-E claiming. DHHS will post revisions and clarifications to policy manuals and form instructions for IV-E claiming and will provide training including webinars on the changes.

If you have any questions, please contact your Regional Child Welfare Consultant.

Sincerely,



Lisa T. Cauley  
Senior Director of Child, Family, and Adult  
Services Department of Health and Human  
Services

Cc: Susan Osborne, Assistant Secretary for County Operations  
Richard Stegenga, Deputy Director, Business Operations  
Carla McNeill, Section Chief for Permanency Planning  
Teresa Strom, Section Chief for County Operations  
Kathy Stone, Section Chief for Child Protective Services and Prevention  
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