



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

ROY COOPER • Governor  
KODY H. KINSLEY • Secretary  
LISATUCKER CAULEY • Division Director, Human Services

July 23, 2024

**DEAR COUNTY DIRECTOR OF SOCIAL SERVICES  
DEAR DIRECTORS OF PRIVATE RESIDENTIAL CHILD CARE AND CHILD PLACING AGENCIES**

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

**SUBJECT: FOSTER CARE RATES AND PROVIDERS PARTICIPATING IN COST MODELED RATES FOR  
THE FISCAL YEAR 2024-2025**

**REQUIRED ACTION:   X   Information Only   X   Time Sensitive    Immediate**

**PURPOSE**

This letter will provide county agencies with guidance as to foster care rates. In addition, the attached listing indicates private agencies *who have completed the rate setting process and are eligible for Cost Modeled Rates* in the 2024-2025 fiscal year. Several providers are no longer participating and have been removed from Cost Modeled Rates. DSS Agencies should review the list to determine their reimbursement status.

**Standard board rates for foster care (and adoption services)**

As of July 1, 2024, foster care board rates have not increased. As related to foster care services, the following rates should be utilized for North Carolina licensed placements including, but not limited to:

DSS family foster homes, Therapeutic family foster care services, Residential Treatment (Level 2), *and payments to licensed providers **not** participating in cost modeled rates.*

Effective July 1, 2024 and ongoing the Standard Board rate for foster services is as follows:

Child Age Group	Standard Board Rate
0 – 5	\$ 702 / month
6 – 12	\$ 742 / month
13 and up	\$ 810 / month

**Standardized Rates for Residential Child Care Agencies and Child Placing Agencies providing foster care services under Cost Modeled Rate Status**

*Through participation in an annual cost finding and rate setting process*, Residential Child Care Agencies and Child Placing Agencies (CPA) establish a supportable basis for state and federal participation above the standard board rate. Including the increase in the board rates, the Cost Modeled Rates for the state fiscal year 2024-2025 are as follows:

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

LOCATION: 820 S. Boylan Avenue, McBryde Building, Raleigh, NC 27603  
MAILING ADDRESS: 2401 Mail Service Center, Raleigh, NC 27699-2401  
www.ncdhhs.gov • TEL: 919-855-6335 • FAX: 919-334-1018

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Residential Child Care Agency Rates for Participating Providers (see attached listing of agencies)

Child Age Group	Maximization Rate
0 – 5	\$ 4,506 / month
6 – 12	\$ 4,598 / month
13 and up	\$ 4,692 / month

Child Placing Agency Rates for Participating Providers (see attached listing of agencies)

Child Age Group	Maintenance Portion	Administrative Portion	Total Maximization Rate
0 – 5	\$ 702	\$ 1,152	\$ 1,854 / month
6 – 12	\$ 742	\$ 1,271	\$ 2,013 / month
13 and up	\$ 810	\$ 1,285	\$ 2,095 / month

Reimbursement is dependent on the approved funding source of the client **and** the rate status of the provider. Agencies should refer to the Child Placement and Payment System and Child Welfare System reports for allowed reimbursements amounts.

**Rates for Residential Treatment Level 3 and Level 4**

Special treatment placement’s daily room and board rates *have not changed* for care in Level 3 and Level 4 homes. These rates will continue at the following:

Care Level of Home	Number of Beds	Daily Rate For Room and Board	Daily Rate For Treatment Services**
Level 3	0 – 4	\$ 43 / day	296.12
Level 3	5 and up	\$ 33 / day	241.28
Level 4	0 – 4	\$ 43 / day	401.45
Level 4	5 and up	\$40 / day	401.45

County DSS Agency reimbursement is dependent on the provider’s status in the DSS License system and correct entry of placement.

\*\* Medicaid HCSPCS MH/DD/SA Service Rates for treatment are established by DMA and are subject to change (last update 03/01/2022)

**For Reference, the current treatment rates for services in Level 1 or Level 2 are as follows:**

Care of Home	Daily Rate For Treatment Services**
Therapeutic Foster Care Level 1	63.26
Therapeutic Foster Care Level 2	112.64
Group Home	160.61

County DSS Agency reimbursement is dependent on the provider’s status in the DSS License system.

\*\* Medicaid HCSPCS MH/DD/SA Service Rates for treatment are established by DMA and are subject to change (last update 01/01/2024)

<https://medicaid.ncdhhs.gov/blog/2023/11/15/nc-medicaid-behavioral-health-services-rate-increases>

If you have any questions concerning rates or provider information, please contact Tina Bumgarner, Budget Analyst at [Tina.Bumgarner.dhhs.nc.gov](mailto:Tina.Bumgarner.dhhs.nc.gov).

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Sincerely,



Lisa Tucker Cauley, MSW  
Division Director of Human Services  
Division of Social Services

cc: Adrian Daye, Deputy Director for Child Welfare Practice  
Kimaree Sanders, Section Chief for Regulatory and Licensing  
Kathy Stone, Section Chief for Safety and Prevention  
Erin Dickmeyer, Child Welfare Financial Officer  
Regulatory & Licensing Team Consultants  
Regional Child Welfare Consultants  
Local Business Liaisons  
Susan Kesler, DHHS Office of the Controller

Attachment  
CWS-58-2024

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