



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

LISA TUCKER CAULEY • Division Director, Human Services

08-15-2024

DEAR COUNTY DIRECTORS OF SOCIAL SERVICES

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

SUBJECT: UPDATES TO UNLICENSED KINSHIP PAYMENT PROGRAM LEGISLATION AND POLICY

PURPOSE/BACKGROUND: UNLICENSED KINSHIP PAYMENT PROGRAM

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

The North Carolina Division of Social Services (NCDSS) is releasing this letter to announce the revision and release of DSS forms, and policy updates to bring the Permanency Policy and the Appendix 2 Child Placement and Payment System (CPPS) manuals in alignment with changes related to [S.L. 2024-34, Senate Bill 425](#). We are excited for the additional eligibility option for the Unlicensed Kinship Care program to strengthen support to more unlicensed kinship families and increase sibling placements.

Policy Manual and Form Changes

The [Permanency Planning Manual](#) has been updated to reflect the following changes:

- Removal of “fifth degree” language from the Unlicensed Kin section under Verification of Kinship guidance.
- Effective **July 8, 2024**, eligibility criteria to the Unlicensed Kinship Care program was changed. Children and families must meet these criteria to be eligible to receive reimbursement funding for an unlicensed kinship care provider. All of the following criteria must be met:
 - Child(ren) must be in the custody of a local child welfare agency while receiving payments;
 - The County must have the Court sanction or authorize the placement. This can be done at the earliest court hearing or by consulting with the County legal staff to ensure this is completed at the appropriate time (please refer to [N.C.G.S. 7B-505](#) for non-secure cases and [N.C.G.S. 7B-903](#) for adjudicated cases);
 - Child(ren) must be related to the kinship care provider through blood, marriage, or adoption, providing foster care as defined under G.S. 131D- 10.2(9); **and, if applicable, any half siblings of the child(ren) regardless of their relationship to the kinship care provider;**
 - Child(ren) must be between the ages of 0 and 17;
 - The placement must be an unlicensed kinship care provider;
 - The kinship provider must agree to receive payments by signing the [DSS- 5802 Unlicensed Kinship Payment Acknowledgement](#);
 - County child welfare agency has completed and approved appropriate background checks and kinship care assessments at appropriate intervals.

The [Appendix 2 CPPS Manual](#) has been updated to reflect the following changes:

- Removal of “fifth degree” language reflected in the “Note 1” definition of relative found on page 36.

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

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- Living Arrangement “Adoptive Home, Nonrelative Kin, Unlicensed” code number has been changed from 65 to 88 for data cleanup purposes. This change was made automatically in the system effective 8/10/24 and there are no additional steps for counties to take.

[DSS-5800 Unlicensed Kinship Payment Eligibility Checklist](#) has been updated.

[DSS-5801 Unlicensed Kinship Form – Facility ID Request](#) has been updated.

Next Steps

Please follow the next steps on the attachments appropriate for your county. These next steps contain important and helpful information on processes and timeframes.

Renewals

This is a reminder that all Unlicensed Kinship Care placements must be reviewed and renewed annually. This program started on 11/16/23, so counties should begin determining which placements are due for renewal and follow necessary steps to prevent disruptions in state reimbursements. Follow the renewal steps listed in the [Permanency Planning](#) manual.

For counties using the CPPS system, an updated [DSS-5801](#) must be submitted *within 60 days prior to expiration* to continue state reimbursement.

CWIS counties can begin the renewal process in the Child Welfare Information System as early as 60 days prior to expiration to continue to receive state reimbursement. If a renewal does not occur within 365 days of the initial paid kinship placement, the placement type will automatically change from paid kinship to non-paid kinship until a renewal/update to placement occurs in the CWIS. For more information, regarding required steps to complete the renewal process in the CWIS, please review the CWIS Next Steps Unpaid Kinship Payment Process (UKP Process) document and attend the County Champion Call on August 22, 2024.

For questions, please contact the NCDSS Foster Care Coordinator, Jessica Frisina at Jessica.Frisina@dhhs.nc.gov.

Sincerely,



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Division of Social Services, Child Welfare
North Carolina Department of Health and Human Services

Cc: Lisa Tucker Cauley, Division Director of Human Services
Ben Rose, Lead Regional Director
Kathy Stone, Section Chief for Safety and Prevention Services
Kimaree Sanders, Section Chief for Regulatory and Licensing
Peter West, Section Chief for County Operations
Heather McAllister, Section Chief for Child and Family Services

ATTACHMENTS:

1. CPPS Next Steps – Unlicensed Kinship Payments
2. CWIS Next Steps – Unlicensed Kinship Payments

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