



North Carolina Department of Health and Human Services
Division of Social Services

325 North Salisbury Street • Raleigh, North Carolina 27603
Courier # 56-20-25

Michael F. Easley, Governor
Carmen Hooker Buell, Secretary

Pheon E. Beal, Director
(919) 733-3055

July 5, 2001

DEAR COUNTY DIRECTOR OF SOCIAL SERVICES

SUBJECT: SFY 2001-2002 FACILITY RATES

**ATTENTION: CHILD WELFARE SUPERVISORS
CHILD PLACEMENT STAFF**

The purpose of this letter is to provide you with information on the **Foster Care Maximization Program** and the list of **Facility Rates** for member agencies for SFY 2001-02. Please make sure that all staff involved with the placement of foster children receive a copy of this letter.

Each year, the Division of Social Services establishes **Facility Rates** (i.e. cost-of-care rates) for agencies that participate in this program. In order to participate, agencies must comply with program requirements in North Carolina Administrative Code (10NCAC41M). The regulations in 10NCAC41M reflect federal regulations with which the Division of Social Services and agencies must comply in order for North Carolina to maintain this program. Private child-caring agencies must enter into a formal contract with the Division in order to receive reimbursements directly from the Division.

Establishing **Facility Rates** allows North Carolina to claim additional federal IV-E and TEA foster care reimbursements for county DSS agencies and participating private child-caring agencies. Specifically, this program enables the state to receive federal IV-E and TEA reimbursement for foster care costs in excess of the standard board rate that are incurred on behalf of IV-E and certain TEA eligible children.

If the cost of a child's placement is in excess of the standard board rate, it is very important that county DSS staff ensure that the child-caring agency is participating in the maximization program. If a county DSS determines that a potential placement resource for an eligible child does not have a **Facility Rate** established by the Division of Social Services, the enclosed information on the facility

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rate-setting procedures may be shared with them. The facility or agency will then need to contact Elsie Roane at (919) 733-4622 to request inclusion in the **Maximization Program** to determine if they meet the requirements. Once a facility or agency becomes a member, the Division will notify them on an annual basis about the facility-rate setting schedule and procedures.

Following are several examples of how Title IV-E and TEA reimbursements are made to a county DSS and a participating agency (Agency X) based on the Facility Rate.

Example 1: Agency X has a Facility Rate of \$4000.00 per month per child. The county DSS pays Agency X a \$1000.00 monthly foster care payment for a IV-E eligible child. \$1000.00 is entered in Field 50 (Monthly Rate) on the DSS 5094. The county DSS receives federal and state reimbursement for the standard board rate (SBR) and also receives federal reimbursement for the difference between the amount entered in Field 50 of the DSS 5094 and the SBR. The calculation is: $\$1000.00 - \text{SBR} \times \text{federal participation rate (currently 62.49\%)} = \text{federal reimbursement received by the county DSS for payment made above the SBR. In addition, Agency X receives federal reimbursement for the difference between the amount paid by the county DSS and the Facility Rate. The calculation is: } \$4,000.00 - \$1,000.00 = \$3,000 \times 62.49\% = \$1874.70 \text{ received by Agency X. In this example, Agency X received a total of } \$2874.70 \text{ from the county DSS and the state DSS.}$

Example 2: Agency X has an established Facility Rate of \$1000.00 per month. The county DSS pays Agency X a \$1000.00 monthly foster care payment for a IV-E eligible child. \$1,000.00 is entered in Field 50 (Monthly Rate) on the DSS 5094. Since the county DSS paid the full amount of the Facility Rate, the DSS receives state and federal reimbursement for the SBR and also federal reimbursement for the difference between the amount they paid and the SBR ($\$1,000 - \$415 = \$585 \times 62.49\% = \365.57). Agency X does not receive any federal IV-E Maximization reimbursement from the state in this example.

Example 3: Agency X has an established Facility Rate of \$1000.00 per month. The county DSS pays Agency X a \$1000.00 monthly foster care payment for a TEA eligible child. \$1,000.00 is entered in Field 50 (Monthly Rate) on the DSS 5094. Since the county DSS paid the full amount of the Facility Rate, the DSS receives state and federal reimbursement for the SBR of 100% and also federal reimbursement for the difference between the amount they paid and the SBR ($\$1,000 - \$415 = \$585 \times 100\% = \585). Agency X does not receive any additional reimbursement in this example.

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For child-caring facilities operated by county Departments of Social Services, federal IV-E and TEA maximization reimbursements are received directly by the county Department of Social Services. In such situations, the established monthly **Facility Rate** must be shown in Field 50 (Monthly Rate) of the DSS 5094 in order for the county DSS to receive the full maximization reimbursement.

Important Note: It is not necessary for a facility to have a DSS-established Facility Rate in order for a county DSS to receive reimbursement for room and board costs for children receiving Medicaid-supported residential treatment services at Level III or Level IV. Please refer to the Dear County Director letter dated June 26, 2001 for details. However, it is necessary for a facility to have a Facility Rate in order for a county DSS to receive reimbursement for costs over the Standard Board Rate for a child who is receiving Level II treatment services OR for a child who is receiving foster care services only in a Level III or Level IV facility (i.e. Medicaid is not paying the treatment costs).

According to federal and state regulations, foster care payment claims are not allowed to exceed the state-established Facility Rates. Child-caring agencies that participate in the maximization program are not allowed to charge more than the Facility Rate established for their specific operation. In addition, North Carolina Administrative Code includes a cost containment requirement in which the Division, in consultation with the Child and Family Services Association of North Carolina, establishes a cap or maximum facility rate for each type of care each year. Therefore, no **Facility Rate** established by the Division is allowed to exceed the maximum rate established, regardless of the facility's actual cost of care. The caps (maximum allowable, monthly cost of care) set for each type of care for FY 2001-02 are as follows:

(CAMP)	FOSTER CARE CAMP	\$3639.00
(EMERG)	EMERGENCY CARE (off-campus)	\$5650.00
(FOSTER)	PRIVATE FAMILY FOSTER HOME	\$3480.00
(GROUP)	GROUP HOME (9 OR FEWER)	\$6111.00
(INIT)	INSTITUTIONAL CARE	\$5942.00

The attached list of the 2001-02 **Facility Rates** is arranged alphabetically by facility and by type. Institutions that provide two or more types of care on one campus receive a blended rate of care and are listed under institutional care. Again this year, the Facility Rates listed are inclusive of an adjustment for inflation for FY 2000/01 and for FY 2001/02.

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The enclosed list indicates with an asterisk (*) those agencies that are also members of the State Funds Program. The State Funds Program is designed to supplement the foster care costs for non-IV-E children in placement with member agencies. The current appropriation of State Funds totals \$9.3 million and is paid exclusively to member agencies in accordance with 10NCAC41M. Reimbursements are made based on the available funds and the agency's Facility Rate less any foster care payment and child's resources shown on a child's DSS 5094. County DSS agencies that pay in excess of the Standard Board Rate for children placed with these agencies should be able to realize some reduction in county costs for these placements.

If you have questions about this information, please refer to the Children's Services manual, Volume I: Chapter IV: Section 1203 or you may contact Elsie D. Roane at (919) 733-4622. Another source of information which lists Facility Rates is the quarterly RMDS report: **FCF 402: Foster Care Placement Resources.**

Sincerely,



Charles C. Harris, Chief
Children's Services Section

CCH/er

CS-22-2001

cc:	Pheon Beal	Gary Fuquay	Nancy Coston
	Paul Lesieur	Jim Panton	CS Team Leaders
	Austin Connors	Allen Gambill	CPRs
	Kenneth Foster	Elaine Denny	Local Support Managers
	Tara Larson	Martha Kaufman	Stephanie Alexander
	LBLs		

2001-02 FACILITY RATES

1	Agape House	Group	\$3,509.00
2	Agape of NC, Inc.	Foster	\$2,762.00
3a	Alexander Children's Center	Institutional	\$5,942.00
3b	Alexander Children's Center	Group	\$3,735.00
3c	Alexander Children's Center	Foster	\$2,159.00
3d	Alexander Children's Center	Emergency	\$5,650.00
4a	American Children's Home	Institutional	\$4,786.00
4b	American Children's Home	Foster	\$1,841.00
5	Arosa House/ Family Center, Inc.	Group	\$6,111.00
6	Ashe Youth Services/Copper Kettle	Group	\$5,256.00
7a	Baptist Children's Home of North Carolina, Inc.	Group	\$2,951.00
7b	Baptist Children's Homes of North Carolina, Inc.	Instit/Emer	\$4,481.00
7c	Baptist Children's Homes of North Carolina, Inc.	Camp	\$3,639.00
8	Barium Springs Home for Children	Institutional	\$5,942.00
9	Benson Children's Home	Emergency	\$2,389.00
10	Bertie Martin Beaufort County Shelter Home	Emergency	\$3,381.00
11	Bethany Christian Services of North Carolina	Foster	\$659.00
12a	Boys & Girls Homes of North Carolina, Inc.	Institutional	\$4,034.35
12b	Boys & Girls Homes of North Carolina, Inc.	Foster	\$2,437.00
13	Caldwell Residential Services, Inc.	Group	\$6,111.00
14	Caring Family Network	Foster	\$2,743.00
15b	Caring for Children, Inc.	Group	\$3,405.00
15c	Caring for Children, Inc.	Emergency	\$5,605.00
15a	Caring for Children, Inc./BIABH	Foster	\$3,439.00
15d	Caring for Children, Inc.	Foster	\$2,842.00
16	Carolina's Caring Connection	Foster	\$3,188.00
17	Catawba County Dept of Social Services	Group	\$6,111.00
18	Central Children's Home of N.C., Inc.	Institutional	\$3,281.00
19	Cherokee Center for Family Services	Institutional	\$5,942.00
20	Children's Center of Surry	Emergency	\$5,650.00
21a	Children's Home (The)	Foster	\$3,480.00
21b	Children's Home (The)	Institutional	\$5,942.00
22	Children's Home Society of North Carolina, Inc.	Foster	\$1,399.00
23	Children's Homes of Cleveland County	Group	\$3,136.00
24	Church of God Children's Home of North Carolina, Inc	Institutional	\$3,174.00
25	Concern of Durham, Inc.	Group	\$5,728.00
26	Crisis Line/Open House of Coastal Horizons Center, Inc.	Emergency	\$5,650.00
27	Crossnore School, Inc.	Institutional	\$4,781.00
28	Cumberland County Dept of Social Services	Group	\$5,085.00
29	Ebenezer Gardens Christian Children's Home	Group	\$3,129.00
30a	Eliada	Foster	\$1,365.00
30b	Eliada	Institutional	\$5,942.00
30c	Eliada	Group	\$3,631.00
31a	Elon Homes for Children	Institutional	\$5,942.00
31b	Elon Homes for Children	Foster	\$3,073.00
32	Children's Homes of Iredell County, Inc	Group	\$5,276.00
33	Falcon Children's Home	Institutional	\$1,944.00
34	Family Emer. Teen Shelter	Emergency	\$5,650.00
35a	Family Resources - Rutherford Cty.	Emergency	\$4,130.00
35b	Family Resources - Rutherford Cty.	Group	\$3,080.00

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36	Florence Crittenton Services	Institutional	\$4,126.00
37	Forward Care Management	Group	\$5,393.00
38a	Free Will Baptist Children's Home	Emergency	\$2,803.00
38b	Free Will Baptist Children's Home	Institutional	\$2,807.00
39	Grandfather Home	Institutional	\$5,942.00
40a	Haven House, Inc.	Foster	\$3,480.00
40b	Haven House, Inc.	Group	\$4,756.00
40c	Haven House, Inc.	Emergency	\$5,650.00
41	Henderson County Youth Development	Emergency	\$5,650.00
42	Hillcrest Youth Shelter / Lee County Youth Services	Emergency	\$3,954.00
43	Kidspace National Centers, Inc.	Foster	\$3,292.00
44	LifeGains, Inc.	Foster	\$2,265.00
45	Loray Girls Home, Inc.	Group	\$4,853.00
46a	Lutheran Family Services	Foster	\$1,153.00
46b	Lutheran Family Services	Group	\$4,224.00
46c	Lutheran Family Services	Emergency	\$4,995.00
47	McDowell County DSS - Holly Hill	Emergency	\$2,800.00
48	Methodist Home for Children	Foster	\$1,423.00
49a	Methodist Home for Children	Emergency	\$5,650.00
49b	Methodist Home for Children	Group	\$5,600.00
50	Mountain Youth Resources, Inc.	Emergency	\$5,094.00
51a	Nazareth Children's Home	Institutional	\$5,285.00
51b	Nazareth Children's Home	Foster	\$3,480.00
52	Oasis of Love Homes, Inc.	Group	\$3,636.00
53	Omni Community Services	Foster	\$3,480.00
54	Onslow County Youth Services	Emergency	\$5,650.00
55	OPC Area Program (Person Cty)	Group	\$6,111.00
56	Phoenix Group Homes, Inc.	Group	\$6,111.00
57	Presbyterian Home for Children	Institutional	\$3,468.00
58a	Rainbow Center , Inc.	Group	\$3,589.00
58b	Rainbow Center of Watagua-Avery, Inc.	Group	\$3,644.00
58c	Rainbow Center of Wilkes Cty., Inc.	Group	\$2,904.00
59	Robeson House, Inc.	Emergency	\$2,767.00
60	Royal Home	Group	\$4,796.00
61	Save the Children House of Refuge	Group	\$3,784.00
62	Serendipity House (Quad)	Group	\$3,450.00
63	Serenity Group Home	Group	\$3,029.00
64	Sipe's Orchard Home, Inc.	Institutional	\$5,331.00
65	Southmountain Children's Home	Institutional	\$3,416.00
66	Specialized Children's Care, Inc.	Group	\$6,111.00
67	The Relatives, Inc.	Emergency	\$5,650.00
68a	Thompson Children's Home, Inc.	Foster	\$2,720.09
68b	Thompson Children's Home, Inc.	Institutional	\$5,942.00
68c	Thomson Children's Home, Inc.	Group	\$4,673.00
69	Union County Department of Social Services	Emergency	\$4,066.00
70	Volunteer Families for Children of NC	Foster	\$3,480.00
71	Wake County Human Services	Emergency	\$4,953.00
72	With Friends, Inc.	Emergency	\$5,650.00

2001-02 FACILITY RATES

73	Yadkin County Group Home	Group	_____	\$6,111.00
74a	Yahweh Center	Group	_____	\$6,111.00
75	Yes I Can, Inc.	Group	_____	\$5,293.00
76a	Youth Focus, Inc.	Group	_____	\$6,111.00
76b	Youth Focus, Inc.	Emergency	_____	\$5,017.00
76c	Youth Focus, Inc.	Institutional	_____	\$5,942.00
77a	Youth Homes, Inc.	Foster	_____	\$2,361.00
77b	Youth Homes, Inc.	Group	_____	\$4,100.00
78a	Youth Opportunities, Inc.	Emergency	_____	\$4,324.00
78b	Youth Opportunities, Inc.	Group	_____	\$6,111.00
79	Youth Quest, Inc.	Group	_____	\$4,747.00
80	Youth Unlimited, Inc.	Group	_____	\$3,928.00