



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

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Courier # 56-20-25

Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

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

June 28, 2005

DEAR COUNTY DIRECTOR OF SOCIAL SERVICES:

**ATTENTION: CHILDREN'S SERVICES SUPERVISORS
CHILDREN'S SERVICES SOCIAL WORKERS**

**SUBJECT: AT RISK CASE MANAGEMENT SERVICES (ARCMS) IN
CHILD WELFARE**

EFFECTIVE DATE: IMMEDIATELY

Recent interpretations from the federal Centers for Medicaid and Medicare Services (CMS) have clarified use of At Risk Case Management Services in child welfare. This letter is to acquaint you with changes resulting from these interpretations. We are also taking this opportunity to remind counties of long-standing Medicaid policy. It should also be noted that the Division of Medical Assistance is requesting that our Division begin monitoring the provision of ARCMS. Please ensure that all eligibility and documentation requirements are met.

Foster Care

In the report of a federal review of At Risk Case Management service provision in Oklahoma, the Centers for Medicaid and Medicare Services stated the following: "Case management services are integral and inseparable components of the direct services and administrative functions of the Foster Care and Child Welfare programs and may not be claimed under any other Federal program." The interpretation relates primarily to IV-E children, but the difficulty of teasing out the differences between ARCMS and Foster Care Case Management Services prohibits the use of ARCMS when a child is in the legal custody of a county department of social services. **Therefore, At Risk Case Management Services cannot be used for any child in the legal custody or placement responsibility of a county department of social services.**

Case Planning/Case Management or In-Home Services

We have stated previously that At Risk Case Management Services (395/2) may be a resource in Case Planning/Case Management or In-Home Services when the Risk Reassessment is low. In such a case, IV-E could not be used as a funding source because, by definition, the child cannot be considered a "candidate" for foster care because she/he is not at imminent risk of removal because no safety issues exist. In most instances, a low Risk Reassessment rating means that the case would be closed, but in those rare cases where the agency wants to keep the case open for

Dear County Director of Social Services

June 28, 2005

Page 2

further services, At-Risk Case Management Services may be a resource. We are reiterating this policy by stating, **ARCMS may be a resource in Case Planning/Case Management or In-Home Services when the Risk Reassessment rating is low.** There may also be times when the Risk Reassessment rating is moderate, but the agency cannot justify that the child is a “candidate” for foster care. An example would be in cases where the agency has returned a delinquent child to his home and the court has directed the agency to remain involved for a period of time. While the Risk Reassessment rating may be moderate, the agency believes the child’s situation is safe, but the rating shows Moderate. ARCMS could be a resource in that situation. These cases will be rare. **When there is a Risk Reassessment rating of moderate and the agency cannot justify the child’s “candidacy” status, ARCMS may be used.** All Medicaid eligibility factors must be present and documented, including the need for the service.

In Multiple Response System counties, At-Risk Case Management Services may be a resource when there is a finding of “Services Recommended”. In such a case, again, the child is not at imminent risk of removal from the home because there are no safety issues present.

Service Code 215 and 395/2 may be open at the same time. The family does need to sign the DSS 5027 in order to receive ARCMS. In addition, ARCMS is a voluntary service.

CPS Investigative/Family Assessments

Medicaid policy does allow At-Risk Case Management Services to be provided alongside Child Protective Services Investigative/Family Assessments. Any activity that relates to the safety of the child should be coded only to Service Code 210. If, however, during the assessment phase the social worker identifies a need for other services to the family, the activity of assessing that need, referring the child and family to services, etc. may be coded to ARCMS. The following is an example of an activity that could be coded to ARCMS while the investigative or family assessment is being conducted: the social worker identifies a need for speech therapy for the child and refers the child to Early Intervention services for that purpose. In this example, speech therapy is not directly related to safety issues. The social worker refers the child for speech therapy because of well being issues. Such activities may be coded to ARCMS. Whenever ARCMS is used, the agency must be extremely careful to ensure that all CPS activities continue to be coded to Service Code 210 and that documentation supports that coding. Documentation must also support that any appropriate service activity coded to 395/2 meets all Medicaid requirements.

Finally, we want to reiterate that **Medicaid is the payer of last resort.** This means that if other sources of funding are available for a service, that funding source must be used first. In addition, if the family has insurance, the insurance must be assessed for possible payment. This has been a long standing Medicaid policy and has also been a part of the ARCMS policy material.

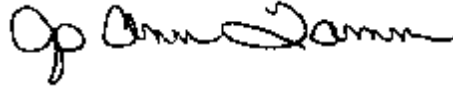
Dear County Director of Social Services

June 28, 2005

Page 3

At Risk Case Management Services is a valuable tool in helping families. However, in order to continue its use, adherence to all Medicaid policy and documentation requirements must be met.

Sincerely,

A handwritten signature in black ink, appearing to read "Jo Ann Lamm". The signature is fluid and cursive, with the first name "Jo" being particularly prominent.

Jo Ann Lamm, Section Chief
Family Support and Child Welfare Services Section

JAL/ehh

cc: Pheon Beal
Sherry Bradsher
Children's Program Representatives
Family Support and Child Welfare Services Team Leaders
Local Business Liaisons
Carol Robertson

FSCWS-24-05