

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

325 North Salisbury Street • 2407 Mail Service Center
Raleigh, North Carolina 27699-2407
Courier # 56-20-25

Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

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

August 2, 2004

Dear County Director of Social Services:

Attention: Child Welfare Supervisors

RE: Foster Care Standard Board Rate and Adoption Assistance Increase

Effective: Immediately

Urgent and Important

North Carolina's budget for State Fiscal Year 2004-05 includes a \$25.00 increase to the standard board rate for foster care and adoption assistance payments. This is the second year in a row where the General Assembly chose to recognize the important contributions that foster and adoptive parents provide to the children of North Carolina. The new rates are effective July 1, 2004. **In order to implement this law, counties must make an adjustment to each child's DSS-5094 so that each substitute care provider will be paid based on the new standard board rates listed below.** Please note that G.S. 108A-49(a) states: "A county department of social services shall pay, at a minimum, the monthly graduated foster care assistance payments for eligible children as set by the General Assembly." Similarly, G.S. 108A-49(b) states: "A county department of social services shall pay, at a minimum, the monthly graduated adoption assistance payments for eligible children as set by the General Assembly."

In so much as the payments for Adoption Assistance are sent directly from the state, the Division of Information Resource Management (DIRM) is able to make the necessary adjustments to the active DSS-5095 monthly cash assistance amounts. As a reminder, DIRM has programmed the 5095 system to increase the monthly cash assistance amounts as children age into a higher category. You do **not** need to make adjustments to the monthly cash assistance amounts within the DSS-5095 system as a result of the state budget increase or as minors age into higher categorical amounts for Adoption Assistance cases. Adoption assistance increases for the month of July will be included in a supplemental check that will be distributed to adoptive parents at a later date.

For foster care that were provided in June 2004 and reimbursed July 2004, your agency will continue to use last year's standard board rate for living arrangements up to June 30, 2004. After this date, you must use the new board rate for services provided beginning July 1, 2004, which will be reimbursed at this higher board rate in August 2004. You will need to make an adjustment to all applicable DSS-5094's to reflect the new board rates and insure that these adjustments are entered into the Child Placement and Payment system before August 20, 2004.

The permanent rate changes to the Child Placement and Payment System will become effective with July services reimbursed on August 20, 2004.

No changes need to be made to the DSS-5094 for children/youth who are placed in facilities who are reimbursed for a rate greater than the new standard board rates, or for whom no reimbursement is sought. If your county has established a standard board rate equal to or greater than the new state minimum rates, any change is at the discretion of the county.

The increase does not apply to children/youth who are placed in a setting authorized by a mental health area program (AP), or private child-placing agency (CPA).

If a minor parent (under 18 years of age) is in the same foster care placement with her child and has custody of the child, the board rate for the minor parent may be increased to cover the cost of care for the minor parent's child. This is only true if the minor parent is IV-E eligible. If this is the case, the board rate adjustment should include the increase for both the minor mom and her child.

The following section outlines the rate changes for both foster care and adoption assistance:

FOSTER CARE AND ADOPTION ASSISTANCE PAYMENTS

SECTION 10.46. (a) The maximum rates for State participation in the foster care assistance program are established on a graduated scale as follows:

- (1) \$390.00 per child per month for children aged birth through 5;
- (2) \$440.00 per child per month for children aged 6 through 12; and
- (3) \$490.00 per child per month for children aged 13 through 18.

Of these amounts, fifteen dollars (\$15.00) is a special needs allowance for the child.

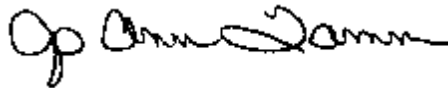
SECTION 10.46. (b) The maximum rates for State participation in the adoption assistance program are established on a graduated scale as follows:

- (1) \$390.00 per child per month for children aged birth through 5;
- (2) \$440.00 per child per month for children aged 6 through 12; and
- (3) \$490.00 per child per month for children aged 13 through 18.

If you have any questions regarding the required changes outlined above, please call the Family Support and Child Welfare Services, Data Management and Review Team at (919) 733-3801 and ask for assistance with the DSS-5094 system.

Thank you for making the changes in the Child Placement and Payment System as outlined above prior to August 20, 2004.

Sincerely,



JoAnn Lamm, Program Administrator
Family Support and Child Welfare Services Section

Cc: Pheon Beal
Sherry Bradsher
Gary Fuquay
Debbie Hawkins
Mike James
Family Support and Child Welfare Team Leaders
Local Business Liaisons
Children's Programs Representatives

JAL/asj/kk

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