



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

952 Old U.S. Highway 70, Black Mountain, North Carolina 28711

Telephone: (828) 669-3388 ■ Fax: (828) 669-3365

Michael F. Easley, Governor  
Dempsey Benton, Secretary

Sherry S. Bradsher, Director

December 21, 2007

**DEAR COUNTY DIRECTOR OF SOCIAL SERVICES:  
DEAR PRIVATE AGENCY DIRECTOR:**

**ATTENTION: CHILD WELFARE SUPERVISOR  
CHILD PLACEMENT STAFF**

**SUBJECT: THERAPEUTIC FOSTER CARE**

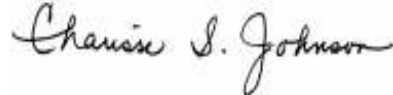
**EFFECTIVE: IMMEDIATELY**

Effective January 1, 2008 agencies are required to comply with 10A NCAC 70E .1001(b) which states no more than two foster children (consumers) or four total children shall reside in a therapeutic foster home. Effective September 1, 2007 newly licensed therapeutic foster homes met this requirement. For currently licensed foster homes many of you have been able to transition children/youth to other placements or have changed therapeutic foster homes to family foster homes to preserve placements. However a small number of children/youth remain in placements where full implementation of the rule has not been able to occur without disruption and trauma to the foster child.

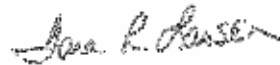
The Division of Social Services and the Division of Medical Assistance have reviewed this matter and based on documentation submitted under the EPSDT waiver process it has become apparent that some of these children/youth need to remain in their current placements until the end of the school year. In order to allow for clinically appropriate transition planning, these children/youth will be able to remain in their current placements until July 1, 2008 and Medicaid payments will continue until that date. Please be advised that Medicaid payments are contingent upon compliance with all other applicable Medicaid rules and regulations.

It is essential that the custodians of the children/youth and child-placing agencies begin working together immediately to smoothly transition these children/youth to other placements by July 1, 2008. Please remember that you do have the option of converting the therapeutic foster home license to a family foster home license. Questions about this matter should be directed to the DSS licensing consultants Rhoda Ammons ([Rhoda.Ammons@ncmail.net](mailto:Rhoda.Ammons@ncmail.net)) or Tara Foster ([Tara.Foster@ncmail.net](mailto:Tara.Foster@ncmail.net)). Rhoda and Tara can also be reached at 828-669-3388.

Sincerely,



Charisse Johnson, Section Chief  
Family Support & Child Welfare Services



Tara Larson, Acting Deputy Director  
Clinical Policy

cc: Sherry Bradsher  
Dr. William Lawrence  
Jo Ann Lamm  
Sarah Barham  
Local Business Liaisons  
FSCWS Team Leaders  
Regulatory and Licensing Services Consultants  
Children's Program Representatives

**FSCWS-82-07**