



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

325 North Salisbury Street • Raleigh, North Carolina 27699-2439
Courier # 56-20-25-MS# 2439

Michael F. Easley, Governor
Dempsey Benton, Secretary

Sherry S. Bradsher, Director
(919) 733-3055

May 13, 2008

**Dear County Director of Social Services
Dear Private Child Caring / Child Placing Agency Director**

**Attention: Child Welfare Program Managers, Supervisors and County Fiscal Staff
Operators of Residential and Child Placing Agencies**

Subject: Foster Care Rates and Reimbursement Process Changes

This letter is to provide additional information regarding the proposed changes to the foster care reimbursement system. As stated in the letter dated December 21, 2007 (<http://www.ncdhhs.gov/dss/dcdl/famsupchildwelfare/fscw-83-2007.pdf>) the Division of Social Services is seeking an increase to the standard board rate, uniform facility rates and 1:1 financial participation between the state and county for the non-federal portion of the cost of care.

As the Governor's budget is currently proposed, the funding requested will allow the foster care changes to be further considered. Pending adoption by the North Carolina General Assembly, the budgeted amounts will allow all of the rate and process changes to be implemented January 1, 2009. This implementation date will provide counties with additional planning time, as well as diminish the fiscal impact for those counties that are not currently matching the state in the cost of care. The Division of Social Services through the Local Business Liaisons and the Children's Services Program Representatives will continue to work with counties over the next several months to assess budget impact and practice issues.

Counties should begin examining an effective date of January 1, 2009 for an increase to the standard board rate, as well as uniform facility rates, as indicated in the table below. Additionally, the state will be directly reimbursing county departments of social services based on their cost incurred for the care of minors in custody.

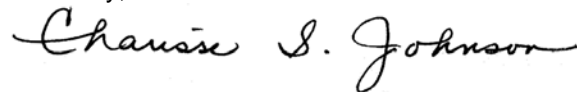
Proposed Facility (Maximization) Rates

Residential Services	Monthly Amount	Child Placing in Foster Care	Monthly Amount
Age 0 to 5	\$4,279	Age 0 to 5	\$1,433
Age 6 to 12	\$4,437	Age 6 to 12	\$1,564
Age 13 and above	\$4,516	Age 13 and above	\$1,638

While the state has historically reimbursed private agencies directly, the state will be increasing the state share in the cost of care as County Direct / Equal Partnership is implemented. The state will participate on a 1:1 ratio with counties for the non-federal portion of the cost of care, up to the maximum allowable amounts, referenced above.

If you have any questions regarding these changes, please contact your Local Business Liaison or Children s Program Representative. Additionally, you may contact Kevin Kelley at Kevin.Kelley@ncmail.net or 919.733.9467.

Sincerely,



Charisse S. Johnson, Chief
Family Support and Child Welfare Services

cc: Sherry S. Bradsher
Sarah Barham
Local Business Liaisons Managers
Jo Ann Lamm
Children Services Program Representatives
Family Support and Child Welfare Services Team Leaders
Work First Representatives
Hank Bowers

FSCWS-23-08