

Approved Relative Caregiver Funding Option Program



**DEPARTMENT OF SOCIAL
SERVICES**

FEBRUARY 17, 2015

Preference for Relative Placement



- Federal and state law require relatives to be given preference in the placement of foster children:
- States must “consider giving preference to an adult relative over a nonrelated caregiver when determining placement of a child, provided that the relative caregiver meets all of the relevant state child protections standards.” 42 USC §671(a)(15)(A)
- Statutory preference for relative placements in state law. Fam Code § 7950(a)(1); WIC §§ 361.3, 16000.
- Whenever safe a child should be placed with a relative. WIC § 361.3(a), (e)(1).
- Social workers have duty to seek out relatives for assessment and placement. WIC § 361.2.
- Relatives must be notified within 30 days of child entering foster care. WIC § 309.

Demographics of Kinship Foster Parents



- Senior Citizens: 15 – 20% of relative caregivers are over the age of 60
- Fixed Incomes: 39% of kinship households live below the federal poverty line
- Disabled: 38% of kinship caregivers have a limiting condition or disability

Relative Caregivers Support Child Well-Being



Research has shown that children in kinship care have:



- Greater Placement Stability



- More frequent and consistent contact with birth parents and siblings



- Better adjustment when placed in foster care than children placed with non-relatives

Disconnect Between Policy Preference for Relative Caregivers and Funding Available



Two identical foster children who are federally eligible receive identical funding, regardless of placement:

- Naomi: placed with a Non-Relative Foster Parent \$820 (federal foster care)
- Rachel: placed with Grandma \$820 (federal foster care)

But when those same two foster children are NOT federally eligible, youth placed with a relative receives less support:

- Naomi: placed with a Non-Relative Foster Parent \$820 (state foster care)
- Rachel: placed with Grandma \$369 (CalWORKs)

Lack of Support for Foster Children with Kin: Penny Wise, Pound Foolish



Group Home Annual Costs:

- \$102,348/year for 1 youth at RCL 12 (52% of youth in group homes placed in this level)

Foster Family Agency Annual Costs:

- \$23,724/year for 1 youth ages 15 – 20 receiving the treatment rate (includes the social work and administration costs)

Foster Family/Federally Eligible Child Relative Home:

- \$9,840/year for a 15-year old to be supported in a Foster Home or a federally-eligible relative's home

Non-Federally Eligible Child in Relative Home

- **Relative caring for the same 15-year old who is non-federally eligible child receive a maximum of \$4,428/year, which is so low that it threatens placement stability and impacts child outcomes**

Approved Relative Caregiver (ARC) General Overview



Established in Budget Trailer Bill SB 855 (W&I Code 11461.3) signed into law by Governor Brown on June 20, 2014.

Intended to pay approved relative caregivers of children ineligible for AFDC-FC a payment equal to the basic rate paid for other children who are AFDC-FC eligible.

Program starts January 1, 2015 – Participation is Optional

Opting-In and Opting-Out



- Counties must opt-in by March 1, 2015 to start participating April 1, 2015.
- Each year – by Oct 1 – additional counties not yet participating may opt in for the upcoming calendar year.
- Once opted-in counties are presumed to continuously participate unless they opt-out.
- Counties may opt-out at any time but must provide at least 120 days written notice to CDSS and 90 days written notice to approved caregivers.
- Presumes all counties opt-out if State funding is reduced, but allows counties to opt back in with written notice to DSS within 60 days of the budget enactment. Counties must still provide 90 days written notice to relatives if reducing payments.

Funding Available



Funding is appropriated annually on a calendar year basis by WIC Section 11461.3 (SB 855, Chapter 29, Statutes of 2014).

\$30 million General Fund is available beginning January 1, 2015 through December 31, 2015 to fully fund the base caseload.

Each year the \$30 million will be increased by the California Necessities Index (CNI), which is the same inflationary adjustment provided to existing Foster Family Home rates.

In addition to the \$30 million, the TANF funding that is currently being used to provide the applicable per-child CalWORKs grant to these cases will also be utilized by the state to fund this new program.

Base Caseload and True-Up



- The base caseload is comprised of each county's non-federally eligible approved relative caregiver caseload as of July 1, 2014.
- On or before October 1, 2015, the base caseload will be finalized. Once finalized, the base caseload (for each county and statewide) does not change.
- If the \$30 million GF provided is insufficient to fully fund the finalized base caseload, the necessary amount of additional GF to fully fund the base caseload shall be provided.
- The new total amount will become the new base funding amount, which will be increased annually by the CNI.

Distribution of Base Funding and Funding Caseload Growth



Each participating county shall annually receive an amount of funding sufficient to fully fund its base caseload. That funding amount will be increased each year by the California Necessities Index.

There is no additional county share of the costs of funding the base caseload.

If there is caseload growth beyond the amount of base caseload, **participating counties will be responsible for fully funding those additional costs to their counties.**

If the entire amount of base funding available statewide is not fully allocated in any year, a participating county may request reimbursement for any county funds it has used

County Costs for Caseload Growth



Base caseload = 40 ARC eligible children



Current caseload = 56 ARC eligible children

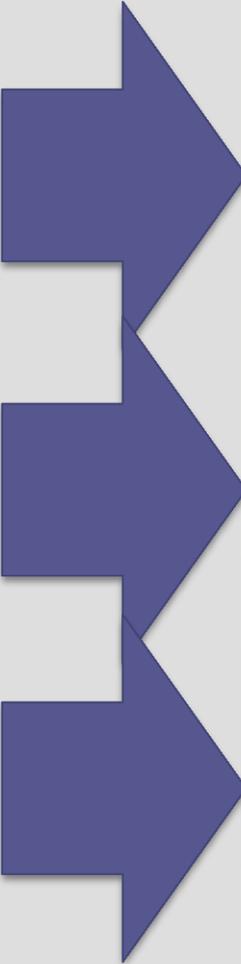
County is responsible for funding difference between the CalWORKS monthly payment and the basic foster care rate for the child's age group, up to \$451 per child.



Addition of 16 children to the program at up to \$451 per child = \$7216.00 additional realignment costs to the County for the month.

Real Opportunities



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- Three blue arrows of varying sizes, pointing to the right, are positioned on the left side of the slide, each pointing towards one of the three text boxes.
- Ability to step kids down from higher-level placements, including group homes, into relative caregiver homes with proven better outcomes.
 - Supports local efforts to improve child welfare outcomes for children, including (and not limited to) reducing placement disruptions, increasing placement stability, placing in lower-levels of care.
 - Mitigates child and family poverty and the adverse impacts of being raised in poverty.

Exploring Potential Risks



*State funding is “fixed” to the 2014 caseload.

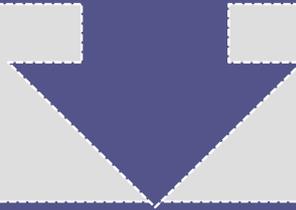
*Demand could exceed resources and counties would have to pay the difference.

*Potential for state law changes or mandates down the road.

Summary



Relatives are a vital resource and deserve to be adequately supported to care for children in the foster care system.



The Approved Relative Caregiver Funding Option Program is a significant investment in relative caregivers and aligns with other efforts to support family-based care, including Katie A. and Continuum of Care Reform.

Recommendation



That the Board of Supervisors approve and authorize the Department of Social Services to participate in the Approved Relative Caregiver (ARC) Funding Option Program beginning April 1, 2015.