

## **Nebraska Children's Commission – Foster Care Reimbursement Rate Committee**

Fourth Meeting

January 7, 2014

1:00PM-4:00PM

Airport Country Inn and Suites, Platte Room

1301 West Bond Circle, Lincoln, NE 68521

### **Call to Order**

Peg Harriott called the meeting to order at 1:00pm and noted that the Open Meetings Act information was posted in the room as required by state law.

### **Roll Call**

Subcommittee Members present: Peg Harriott, Jena Davenport, Corrie Edwards, Shannon-Jo Hamilton, Susan Henrie, Bobby Loud, Jackie Meyer, David Newell, Barb Nissen, Katie McLeese Stephenson, Bev Stutzman, Ryan Suhr, and Lana Temple-Plotz.

Ex-Officio Members present: Michele Anderson, Karen Knapp, Richard Pope, and Debbie Silverman.

Subcommittee Member(s) absent: Leigh Esau, Sherry Moore, Alana Pearson, and Bev Stutzman.

Ex-Officio Members absent: Lindy Bryceson, Sara Goscha, and Thomas Pristow.

Also attending: Bethany Connor and Leesa Sorensen from the Nebraska Children's Commission; Jodi Allen from DHHS; and Jodie Austin from KVC.

### **Approval of Agenda**

A motion was made by Bobby Loud to approve the agenda as written. The motion was seconded by Katie McLeese Stephenson. Voting yes: Peg Harriott, Jena Davenport, Corrie Edwards, Shannon-Jo Hamilton, Susan Henrie, Bobby Loud, Jackie Meyer, David Newell, Barb Nissen, Katie McLeese Stephenson, Ryan Suhr, and Lana Temple-Plotz. Voting no: none. Leigh Esau, Sherry Moore, Alana Pearson, and Bev Stutzman were absent. Motion carried.

### **Approval of December 9, 2013 Minutes**

A motion was made by Katie McLeese Stephenson to approve the December 9, 2013 minutes with corrections. First, it was suggested that a clarification be added after Ryan Suhr's name as follows: "Ryan Suhr (attended after roll call)". Second, it was noted that the heading "Approval of October 18, 2013 Minutes" should read "Approval of November 15, 2013 Minutes". The

motion was seconded by Jackie Meyer. Voting yes: Peg Harriott, Jena Davenport, Corrie Edwards, Shannon-Jo Hamilton, Susan Henrie, Bobby Loud, Jackie Meyer, Barb Nissen, Katie McLeese Stephenson, Ryan Suhr, and Lana Temple-Plotz. Voting no: none. David Newell abstained. Leigh Esau, Sherry Moore, Alana Pearson, and Bev Stutzman were absent. Motion carried.

### **Chair's Report**

Peg Harriott provided the committee with a copy of the December 17, 2013, Foster Care Reimbursement Rate Committee report that was presented to the Nebraska Children's Commission. Peg reminded everyone that the committee was responsible for making recommendations, including about appropriations, for the implementation of the new rates and level of care assessments by February 1, 2014. Peg noted that the committee had a time dilemma since recommendations would need to be finalized in the current meeting in order to go to the Nebraska Children's Commission meeting on January 22, 2014. It was also noted that recommendations were not yet ready related to base rates and the level of care assessment.

Peg reviewed areas the committee had previously discussed that might logically be part of the committee's recommendations going forward. Peg provided information on LB530 and the language within the legislation noting that foster care agencies and foster parents might be given a transitional period for the rates to be fully implemented. It was noted that the "grandfathering" recommendation had been talked about previously but no final decision on how the new rates could be "Grandfathered" in had been discussed.

Peg also reminded everyone that the report to the Commission should probably once again state that DHHS believes that funding is available to fully implement the new rates and level of care assessments. And that the report should note that money will need to be transferred to Probation and will have an impact on future NFC contracts.

Finally, the report needs to provide the Children's Commission with a request and note that more time is needed to finalize how rates are implemented, how foster parent rates for levels of care will be established – including agency supportive services rate, and how to handle respite care.

### **Public Comment**

Jodie Austin, KVC, provided public comment. Jodie requested that the committee proceed with caution when moving forward with recommendations about the foster care reimbursement rates. Specifically, Jodie was concerned that changes in rates could result in further destabilization of the foster care system. She noted that it was important to look at foster family needs including for things like transportation. Jodie also highlighted a point that had been made by NFC about not having a maximum rate but viewing the rates as the agency minimums. Finally, Jodie noted that regardless of how the Committee defined the process moving forward, she hoped the committee would attempt to refrain from doing anything that would box in foster care agencies.

### **Base Rate Implementation**

Jodi Allen gave an update on the Base Rate Implementation on behalf of DHHS. Jodie noted that DHHS is still planning to implement the new base rates of \$20.00, \$23.00, and \$25.00 on July 1, 2014. She noted that they were still open to recommendations related to “Grandfathering” provisions for foster parents who may be receiving a rate higher than this amount.

It was noted that the “Grandfathering” rate should include the \$3.10 stipend. Jodi made a note that the committee was suggesting that the \$3.10 stipend be looked at too when considering the transitional process. Jodi indicated that she would discuss this suggestion with Thomas Pristow and Sara Goscha.

### **Level of Care Assessment Pilot Update**

Jodi Allen provided an update on the Level of Care (LOC) pilot. She noted that DHHS has reviewed the second big batch of assessments. The pilot review is at about 80% of the number of assessments DHHS hopes to review as a part of the pilot. For the more urban population areas, parents are being involved in the assessment process. Jodi provided a handout with information on the analysis that was done by DHHS on Foster Care Payment Levels compared to the Level of Care assessment process. Out of approximately 1,450 youth in 4 service areas (not including the Eastern Service area) 60% came out as a LOC level 1; 22% were an LOC level 2; and 18% were an LOC level 3.

For dollar amounts, the ranges of pay came out at: age 0-5 ranged from \$325.00 to \$350.00; age 6-11 ranged from \$350.00 to \$475.00; and age 12-18 ranged at \$475.00 or higher.

For 900 kids ages 6 through 18 the rate started at approximately \$4.00 per day and increased to \$12.00 per day at the maximum payment level. Concern from committee members was expressed that as the new rates are implemented for the level of care assessment, that the assessments will not fall out as indicated during the pilot and that the additional money will need to come out of the agencies service rate. The committee noted a concern that no entity can make up the \$12 per day rate if the money will be coming out of agency payments. Implementation of the new rates without subsequent increases in the agency rates will create a significant problem.

It was noted that there are three elements to the rate under the proposed system:

- USDA rate (base rate)
- LOC Rate (level of parenting rate)
- Agency Rate (agency support rate)

### **Level of Care Work Group Report**

Lana Temple-Plotz provided committee members with a copy of the meeting minutes from the second Level of Care Workgroup meeting that was held on December 16, 2013. At the December 16 meeting, the workgroup discussed the methodology used by the state of Vermont and by NFC with regard to weighting the Nebraska Caregiver Responsibilities (NCR) tool. The workgroup members shared information on the discussion that took place on the eight domains of the level of care tool and what actions were taken in moving forward on creating

recommendations. The workgroup worked between the December 16, 2013 meeting and the meeting that occurred in the morning of January 7, 2014, to review a sampling of youth to determine the difference between the current FCPay level and the three level of care levels.

The workgroup members reviewed the draft chart with information on the outcome of the analysis that was done during the morning session (see below).

#### Sample Comparison of FC Pay to Level of Care Assessment Scoring

Age	Result	Parenting Level			Totals	Sample Size	
		Essential	Enhanced	Intensive			
0-5	Increase	0	2	3	5	53	
	Same	4	3	3	10		
	Decrease	1	1	0	2		
6-11	Increase	0	2	1	3		
	Same	3	4	3	10		
	Decrease	2	1	0	3		
12-18	Increase	0	3	0	3		
	Same	7	5	0	12		
	Decrease	1 (-2 levels)	4	0	5		
Totals	Increase	0	7	4	11		21%
	Same	14	12	6	32		60%
	Decrease	4	6	0	10		19%
<b>Totals</b>		18	25	10	53		
		34%	47%	19%			

Nebraska Caregiver Responsibility Tool's in this sample were completed by:

- Building Blocks
- CEDARS
- KVC Foster Parent
- Lutheran Family Services
- Nebraska Family Collaborative
- South Central Behavioral Counseling

The workgroup noted that additional discussions were needed on respite care and the difference in needs, especially for transportation, between urban and rural settings. It was also noted that the administrative rate and associated fees discussion needed to be finalized before final decisions could be made. Once all three rates are determined than a communication and training plan can be set up.

#### Agency Support/Services Rates

Information was provided on the general definitions that were provided to DHHS that will be used to determine agency support/services rates. The Committee had a lengthy discussion on the need to be cautious when moving forward so that all parties are able to handle rate changes.

The Committee then had a discussion about the “grandfathering” process to implement rates. The Committee crafted language regarding the categories of how rates should be grandfathered in during the transition period.

### **Recommendations to Children’s Commission regarding Foster Parent Rates**

Peg Harriott then reviewed the list of items for the Children’s Commission report including the progress made by the Level of Care Workgroup and the delay in recommendations due to the timing of the administrative rate discussion. The group discussed further the “grandfathering” recommendation.

David Newell then moved that the following “grandfathering” plan be recommended:

Recommended payment transition plan for “Grandfathering” current foster care placements:

To recognize the importance of a stable payment to foster parents to ensure that families are able to budget for needs while caring for foster children, and to establish an equitable transition to the rates that become effective July 1, 2014, foster care payments made on or after July 1, 2014 will be calculated as follows:

If a child was in a foster care home on June 30, 2014, the foster parent(s) will receive the higher of:

- the payment amount in effect on June 30, 2014 (inclusive of the stipend amount); or
- the Foster Care Reimbursement Base Rates effective July 1, 2014 (see rates above).

The foster care payment rate determined under this method will be in effect from July 1, 2014 to January 31, 2015, and the foster parent will not receive a reduction in payment during this period. However, during this period the child’s caregiver needs will be assessed using the Nebraska Caregiver Responsibilities (NCR) tool, as appropriate, and rates may be increased based on the level of parenting needed.

For a child who has yet to be assessed, who is placed in a foster home on or after July 1, 2014, the foster parent will be paid the pre-assessment rate (as noted above) for no more than 30 days. During this 30 day period, the NCR tool will be completed. Upon the completion of the NCR tool, the parent will be paid the determined level of parenting rate plus the Foster Care Reimbursement Base Rate effective July 1, 2014 (see rates above). This pre-assessment period will replace emergency foster care.

For a child who is placed in a foster home on or after July 1, 2014, who is able to be assessed using the NCR tool prior to the placement, the determined level of parenting rate will be implemented. This rate is inclusive of the Foster Care Reimbursement Base Rate effective July 1, 2014 (see rates above).

For all children experiencing a status change on or after July 1, 2014, (i.e. – change in placement or change in level of parenting needs) the NCR tool will be completed and the determined level of parenting rate will be implemented. This rate will be paid in addition to the Foster Care Reimbursement Base Rate effective July 1, 2014 (see rates above).

Bobby Loud seconded the motion. Voting yes: Peg Harriott, Jena Davenport, Corrie Edwards, Shannon-Jo Hamilton, Susan Henrie, Bobby Loud, Jackie Meyer, David Newell, Barb Nissen, Katie McLeese Stephenson, Ryan Suhr, and Lana Temple-Plotz. Voting no: none. Leigh Esau, Sherry Moore, Alana Pearson, and Bev Stutzman were absent. Motion carried.

**New Business**

None.

**Next Meeting Date**

The next meeting is scheduled for February 4, 2014 from 1:00p.m. to 4:00p.m.

**Adjourn**

A motion was made by Corrie Edwards to adjourn the meeting, seconded by Lana Temple-Plotz. The meeting adjourned at 4:08 p.m.

February 28, 2014

Dear Provider/Foster Parent:

The Nebraska State Legislature passed LB 530 in June 2013, providing for standardized rates of payment for foster care beginning July 2014. The rates include a base payment which will more accurately reflect the cost of raising a child in the Midwest. The base payment will be:

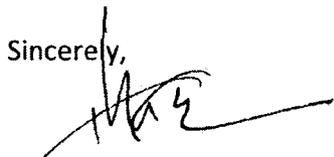
- Age 0-5 \$20.00/day
- Age 6-11 \$23.00/day
- Age 12-18 \$25.00/day.

The Division of Children and Family Services is continuing to work collaboratively with providers, foster parents and Casey Family Services to develop rates for **Enhanced parenting, Intensive parenting and Administrative support.** We anticipate those rates to be finalized shortly.

The Division of Children and Family Services will have all staff, including Nebraska Families Collaborative staff, trained to utilize the two new assessment tools; the Child and Adolescent Needs and Strengths (CANS), and the Nebraska Caregiver Responsibility Tool (NCR). The training of all staff will be completed by July 2014. These assessments will be utilized to determine additional caregiving a foster parent will provide based on the child's needs. The NCR will be completed with the foster parent.

Thank you for your dedication to Nebraska's children. I appreciate your patience as we strive to ensure Nebraska's foster parents receive the support they need to fulfill their special responsibility. If you should have any questions or concerns, please contact Nanette Simmons at 402-471-9457.

Sincerely,



Thomas D. Pristow, MSW, ACSW, Director  
Division of Children & Family Services  
Department of Health and Human Services

cc: Vicki Maca  
Nathan Busch  
Camas Steuter  
Mike Puls  
Lindy Bryceson  
Kathleen Stolz  
Debbie Silverman

# Foster Care Rate Plan

Foster Care Base Rate Implementation (maintenance rates by age)—July 1, 2014	
DHHS	Rate Committee
<ul style="list-style-type: none"> <li>■ CFS Staff in pilot counties currently trained in CANS tool and NCR tool</li> <li>■ CFS Staff in remaining areas to be trained by May 1, 2014</li> <li>■ CCFL will train all new CFS staff beginning February 1, 2014</li> <li>■ NFOCUS will be updated with the new tool by July 13, 2014, (because payments are retroactive the following month, this will not delay payment of the new rates)</li> <li>■ All foster parents will receive the minimum base rate of reimbursement, per the child's age, effective July 1, 2014</li> <li>■ Foster parents will no longer receive the foster care stipend of \$3.10 per day as of June 30, 2014.</li> </ul>	<ul style="list-style-type: none"> <li>■ Agree that base rate implementation is July 1, 2014. (Implementation timeline below has further information).</li> </ul>

Foster Care Rate Tool Implementation Timeline	
DHHS	Rate Committee
<ul style="list-style-type: none"> <li>■ CFS staff will assess all children in foster care using the CANS and NCR, with foster parent input, beginning May 1<sup>st</sup>, 2014 through June 30, 2014.</li> <li>■ Any foster parent(s) who have a child whose rate of reimbursement will increase with the new tools (above current rate + stipend); will see that change effective July 1, 2014.</li> <li>■ Any foster parent (s) who has a child whose rate of reimbursement will decrease with the new tools (below current rate + stipend); DHHS will assess whether the higher rate should be continued.</li> <li>■ New placements occurring July 1, 2014 or after will receive the base rate + either a</li> </ul>	<ul style="list-style-type: none"> <li>■ Base rates implemented July 1, 2014, with the following stipulations for children in placement as of June 30, 2014:</li> <li>■ If base rate is lower than what foster parents currently receive (maintenance + stipend), foster parents will continue to receive current rate. Any payment decrease will occur no later than February 1, 2015.</li> <li>■ If base rate is higher than what foster parents currently receive (maintenance + stipend), foster parents will receive the minimum base rate effective July 1, 2014.</li> <li>■ Rate committee concerns are that foster parents should be held harmless and should not see any reduction in pay for children in their home as of June 30, 2014,</li> </ul>

<p>pre-assessment rate if the child's needs are not known, or the base rate + any increase reflected in the Nebraska Caregiver Responsibility Tool.</p>	<p>until February 1, 2015.</p>
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Communication Plan	
DHHS	Rate Committee
<ul style="list-style-type: none"> <li>■ DHHS will send out written communication to all DHHS supported foster care homes and all foster care agencies by February 15, 2014.</li> <li>■ This communication will outline: <ul style="list-style-type: none"> <li>■ The minimum base rates for foster care by age based on the USDA guidelines for raising children in the Midwest</li> <li>■ The elimination of the daily stipend effective July 1, 2014.</li> <li>■ The shift from child's behaviors to child's needs and caregiver responsibilities for any reimbursement above and beyond the base rates.</li> <li>■ This communication will also inform foster parents of the time period the new assessments will be completed and the dates the new rates will be effective.</li> <li>■ The DHHS website foster care page will be updated to reflect the upcoming rate reimbursement changes.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ DHHS will send out written communication immediately or as soon as possible to explain to foster parents the new assessment tools, minimum base rates and the elimination of the daily stipend.</li> <li>■ Believe that foster parents are not aware of the upcoming changes and will be unhappy with the possibility of changes in payment.</li> </ul>

Administrative and Non-Administrative Rates	
DHHS	Rate Committee
<ul style="list-style-type: none"> <li>■ Agency supported foster care will provide recruitment and retention activities, training, and support to foster parents. Charges for these activities will be both IV-E and non IV-E allowable.</li> <li>■ Definition of the supportive payment is being discussed between the agencies and DHHS. Once the definition is complete DHHS will work to set a rate for the supportive payment that is reasonable and in line with the Federal Title IV-E law.</li> </ul>	<ul style="list-style-type: none"> <li>■ Agencies should be able to pay foster parents above the base rate + NCR tool additional payment if they so choose.</li> <li>■ Agencies should be reimbursed in conjunction with the support they provide to the foster home.</li> <li>■ For example: Foster parent Mrs. Smith provides Level one care at the minimum base rate, but the child requires additional support to meet their needs, and the agency provides that support. While Mrs. Smith is reimbursed at a minimum base rate, the agency should be reimbursed at a higher rate based on the additional support they provide.</li> <li>■ If a child in placement requires the maximum level of pay based on their needs, and the foster parent meets all those needs and receives the maximum level of pay, the agency should also be reimbursed at a maximum level.</li> </ul>

Payment to Foster Parent	
DHHS	Rate Committee
<ul style="list-style-type: none"> <li>■ The minimum foster care rate and any additional funding for the Level of Care will be paid to the foster parents as a maintenance payment. This payment will either be paid directly by DHHS or by passing the payment through the agency directly to the foster parent.</li> </ul>	<ul style="list-style-type: none"> <li>■ Agencies have a relationship with their foster parents, and therefore should be the payer of maintenance to foster parents. Agencies should have the discretion to pay above the NCR maintenance rates and increase foster parents rate of pay as they do employees if they so choose.</li> </ul>

Source Documentation from Contractor to DHHS Process	
DHHS	Rate Committee
<ul style="list-style-type: none"> <li>■ DHHS will make two payments, one for maintenance of the child and one for ASFC activities. <b>The CPA shall provide all documentation</b>, in the form of cancelled checks, of the payment they have made to all foster parents.</li> </ul>	<ul style="list-style-type: none"> <li>■ Agencies may agree to provide source documentation.</li> </ul>