

**Agency Support and Services Rate Discussion**  
 DHHS, Level of Care Workgroup, Agency Representatives  
 May 12, 2014

**DHHS Representatives:** Thomas Pristow, Lindy Bryceson, Doug Kreifels, Jodi Allen, Nanette Simmons, Nathan Busch, Mindi Alley

**Level of Care Workgroup Members and Agency Representatives:** Lana Temple-Plotz (LOC WG), Ryan Suhr (LOC WG), Barb Nissen (LOC WG), Julie Harmon (Boys Town), Stacy Giebler (NFC), Randy Ptacek (Boys Town), Cindy Rudolph (CEDARS), Dick Henrichs (LFS), Traci Taylor (Building Blocks), Rachel Kallhoff (Building Blocks), Gregg Nicklas (Christian Heritage), Kent Klute and Gary Pohlmann (Christian Heritage Finance), Jodie Austin (KVC), Susan Henrie (LOC WG)

**Minutes:**

The group discussed the administrative/support rate outlined by DHHS at the Reimbursement Rate Committee meeting on May 6, 2014 and reworked the numbers using the following salaries, ratios, and assumptions:

**Salaries:**

Provided by DHHS at May 6, 2014 meeting -

**Foster Care Specialist**

	<u>Hourly</u>	<u>Annual</u>	<u>Benefits</u>	<u># of Positions</u>	<u>Total Costs</u>
Essential	\$17.00	\$35,360.00	\$12,022.40	48	\$2,274,355.20
Enhanced	\$18.02	\$37,481.60	\$12,743.74	57	\$2,862,844.61
Intensive	\$18.53	\$38,542.40	\$13,104.42	72	\$3,718,570.75

**Foster Care Specialist Supervisor (CFS Specialist Supervisor)**

	<u>Hourly</u>	<u>Annual</u>	<u>Benefits</u>	<u># of Positions</u>	<u>Total Costs</u>
Essential	\$21.37	\$44,453.76	\$15,114.28	6	\$357,408.23
Enhanced	\$22.65	\$47,120.99	\$16,021.14	7	\$449,887.61
Intensive	\$23.30	\$48,454.60	\$16,474.56	9	\$584,362.46

**Licensing/Training/Recruitment Specialist per 75 Homes**

	<u>Hourly</u>	<u>Annual</u>	<u>Benefits</u>	<u># of Positions</u>	<u>Total Costs</u>	<u>per Day</u>
All	\$15.00	\$31,200.00	\$10,608.00	23	\$952,664.96	\$2.27

**Ratios:**

<u>Level of Care</u>	<u>FC Specialist to Child</u>	<u>Supervisor to Staff</u>
Essential	1:18	1:8
Enhanced	1:14	1:8
Intensive	1:10	1:8

**Formulas used to Calculate Rates:**

FC Specialist Salary & Benefits ÷ 365 ÷ case load ratio (1:18, 1:14, 1:10) = Rate per day

FC Specialist Supervisor Salary & Benefits ÷ 365 ÷ case load ratio (1:18, 1:14, 1:10) ÷ supervision ratio (8:1) = Rate per day

Licensing/Training/Recruitment Specialist = \$2.27 per day (see above)

For each level, the following were added:

FC Specialist rate per day  
 + Supervisor rate per day  
 + Licensing/Training/Recruitment (LTR) Specialist Rate per day  
 Total Rate per day for Specialist, Supervisor and LTR

Total Rate per day for Specialist, Supervisor and LTR  
 × 50% (Other Direct Costs)  
 Total Other Direct Costs

Total Rate per day for Specialist, Supervisor and LTR  
 + Total Other Direct Costs  
 Total Direct Operating Costs

Total Direct Operating Costs  
 × 20% (Indirect Cost)  
 Total Indirect Cost

Total Direct Operating Costs + Total Indirect Cost = Rate per day

**Rates:**

Level	100% Capacity	85% Capacity	Rural* (80% of 85% Capacity)
Essential	\$19.11	\$21.76	\$26.18
Enhanced	\$24.56	\$28.17	\$34.19
Intensive	\$33.56	\$38.76	\$47.43

\*rural was defined as 50 miles or more from FC Program Site of Agency Approved Satellite Office

**85% Capacity** - group agreed to 85% capacity rates as this is more realistic than a program being at 100% capacity 100% of the time.

**Pre-Assessment** - group agreed to accept the enhanced rate of \$28.17 as the pre-assessment rate.

**Respite** - group agreed that respite rates are included in the maintenance payment to foster parents.

The meeting adjourned with all workgroup members and providers agreeing to the rates outlined above.

**DHHS' Response to Agreed Upon Rates Following Their Financial Analysis:**

Director Pristow contacted Lana Temple-Plotz on May 13, 2014. DHHS reviewed the rates providers developed on May 12, 2014 and analyzed their impact on the budget.

Director Pristow proposed the following:

1. Accept the 85% capacity rates (Essential \$21.76, Enhanced \$28.17, Intensive \$38.76) and advance to the Reimbursement Rate Committee.
2. In place of a different daily rate for rural placements, utilize the same rate for all placements (Essential \$21.76, Enhanced \$28.17, Intensive \$38.76). To compensate for the additional mileage and travel time by agency providers, implement a payment of \$0.56/mile for distances over 50 miles roundtrip from the agency satellite office or foster care program site to the ASFC home and a payment of \$18.00/hr windshield/travel time.
3. Modify the pre-assessment rate to \$21.76 (essential).

On May 13, 2014 Lana Temple-Plotz sent an e-mail to all providers at the meeting on May 12, 2014 and they agreed to the modifications outlined by the Director.

respectfully submitted by Lana Temple-Plotz