PAYMENT FOR FOSTER FAMILY CARE

Payments for the care of a youth in a placement from SWBC, title IV-E and limited term emergency foster care fund sources are initiated, changed, and terminated in MiSACWIS. For age appropriate rates; see FOM 905-3, Foster Care Rates.

The entire rate paid to the placement agency foster care (PAFC) provider for board and care, clothing allowance and any determination of care (DOC) shall be paid by the PAFC provider to the foster families providing the family foster care.

When a Foster Parent Moves

When DHS is notified by foster parents that they are moving and want to continue being foster parents, a referral to the licensing worker must be made immediately requesting the new location be licensed.

Maintenance Rate For Foster Care

The maintenance rate refers to the scheduled uniform rate which is to be paid for a child who requires no extraordinary care in relation to age other than what is normally expected of children placed in foster care.

The amount of the maintenance rate was established based on the U.S.D.A. study of the average cost of raising a child in the Midwest for a low-income family. Thus it is reimbursement for the extra expense an additional child in the home causes to the family’s budget such as the extra electricity used, the additional food, the additional gasoline needed for the family car, the child’s clothing, miscellaneous medical expenses not covered by medical insurance, and the child’s recreation/enrichment activities. The maintenance per diem payment is to cover all ongoing, routine, normally expected activities in raising a child. It is not a wage or salary paid to the foster parent.

- The room and board portion of the maintenance rate is intended for food, shelter, personal care, transportation and sundry medical supplies not available through Medicaid.
- The allowance and personal incidentals portion is intended to cover the child’s weekly allowance and out-of-pocket expenses such as magazines, books, recreation, gifts, contributions, expendable school supplies, etc. The exact determination of how much and on what basis the foster family provides the allowance to the youth is a matter for joint family and worker determination, as well as the department’s allowance policy as required by Child Placing Agency Rule 400.12410.

- The portion of the maintenance rate intended for clothing is for incidental clothing needs through the year. The semi-annual clothing payment made each September and March is to provide for seasonal clothing needs for children in foster family care. Both rates have been established on the premise that a child has an average wardrobe at the onset of foster care.

  - Semi-annual clothing payments are not made to children in independent living or in a child caring institution. The basic daily rate includes the full clothing allowance.

  - The semi-annual clothing checks will be sent with the regularly scheduled foster care payments. The check stub will list the name and amount of the clothing allowance for each child whose clothing needs are included in the check. Each child in foster family care for whom payment is authorized on February 28 and August 31 respectively will receive this clothing allowance.

  - The child’s age as of February 28 and August 31 will determine the amount of the clothing allowance; see FOM 905-3, Foster Care Rates.

Policy recognizes that there are instances in which the maintenance payment will not cover unique situations of foster children; most common is the child who enters foster care from his/her own home without adequate clothing. A provision is made to purchase an initial clothing supply by means of a case service payment. It is not expected that the foster parent would have to purchase an entire wardrobe from the per diem; however, it is expected that the foster parent will maintain that wardrobe with necessary replacement clothing through using some of the per diem rate and the semi-annual clothing allowance; see FOM 903-09, Case Service Payments.

Whenever children must be placed outside their parental home, foster family care is to be considered prior to any of the more
structured types of foster care such as residential or institutional care. To make this consideration practical for children with special treatment needs, each local office is to develop a group of foster families who are prepared to accept and work with children who are delinquent, have significant emotional or mental impairments or have behavioral difficulties. Foster parents who have developed special skills in preparing adolescents to function independently should be included in this grouping.

**Determination of Care (DOC) Supplements For Foster Care**

A determination of care (DOC) supplement may be justified when extraordinary care or expense is required of the foster parents or relative (foster care provider) who is eligible for a foster care payment. The appropriate DOC form is to be completed in MiSACWIS for every child in a paid foster home or relative placement. The supplement must be based on one or more of the following case situations where additional care is required of the foster care provider or an additional expense exists:

- Physically disabled children for whom the foster care provider must provide measurably greater supervision and care.

- Children with special psychological or psychiatric needs which require extra time and measurably greater amounts of care and attention by the foster care provider.

- Children requiring special diets which are more expensive than a normal diet and which require extra time and effort by the foster care provider to obtain and prepare.

- Children whose severe acting-out or antisocial behavior requires a measurably greater amount of care and attention of the foster care provider.

**Note:** The receipt of Social Security Income (SSI) benefits by a child in a paid placement requires a DOC assessment. The child does **not** automatically qualify for a DOC due to receipt of SSI.

When a determination of care supplement is due to a physical or mental disability, screen the youth for SSI eligibility; see FOM 902-10, SSI Benefits Determination.
To assess the need for a determination of care supplement, complete the DOC form that most closely fits the case situation:

- DHS-470 for children ages one day through 12 years requiring extraordinary care or expense.
- DHS-470A for children age 13 and over requiring extraordinary care or expense.
- DHS-1945 for children who are medically fragile (all ages) or who have a documented medical condition which threatens health, life or independent functioning.

**Note:** Documentation supporting the need for the DOC supplement must be in the case service plans, which are supported by the documents contained in the case file; see FOM 722-05, Foster Care-Case Record.

A DOC assessment must be completed in MiSACWIS at the initial case opening and at least every six months or if the child's care needs or level changes or the child moves. This includes all children in purchased foster care programs. This applies to all foster care providers eligible for payment, regardless of the funding source. Each DOC assessment must be filed in the child’s case record. The foster parent or relative placement must also be provided with a copy of the DOC assessment once it has been signed by DHS. The DOC assessment contains the information regarding the foster parent or relative placement’s right to an appeal if they do not agree with the approved DOC.

DOC rates are not to be authorized for any time period that exceeds six months. If a DOC supplement continues to be necessary at the end of the authorized time period, a new assessment must be done, appropriate approval obtained, and the payment authorization completed.

Justify the continuation of the level for a determination of care on the DHS-470, DHS 470-A, or DHS-1945. Since the DOC rate is based on the extraordinary care required of the foster care provider, all tasks and additional expenses must be documented in detail under the caregiver activities section of the DHS-67, Children’s Foster Care Parent Agency Treatment Plan and Service Agreement. These needs and activities must be consistently addressed in the child’s current status section of all service plans.
The DOC supplement must not include activities provided by a third party (person) for child care, nursing care, respite care, assisted care, etc.

Example: The child day care program is to be used for child day care needs, the medical assistance program for nursing care, etc.

An assessment of the need for a DOC supplement is required for every child age 0-21 in a paid foster home or relative placement every six months or more often if needed, regardless of the outcome of the initial assessment.

The total reimbursement provided to the foster care provider is to be based on the above criteria and process. In all case situations, the foster care worker is to involve the foster care provider in completion of the form and the foster care provider must sign the assessment form. The form with the foster care provider’s signature must be attached to the placement service authorization in MiSACWIS.

Determination of Care (DOC)-Above Level III

If the child’s DOC level meets or exceeds level III on the DHS-470, DHS-470A, or DHS-1945, the foster care provider and supervising agency/DHS staff may request an exception for a level IV child specific DOC supplement.

DOC supplement requests above level III require Business Service Center director or designee approval. Approval must be based on the results of the DHS-470, DHS-470A or DHS-1945, and documentation submitted with the request. DOC supplement requests above level III are used to reimburse the foster care provider for meeting the child’s extraordinary care needs. The DOC level IV is a rate approved by the Business Service Center director or designee. The maximum allowable foster parent DOC supplement is $80 a day.

The request for approval must be submitted in MiSACWIS using the DHS-470, DHS-470A or DHS-1945, documenting the extraordinary care and supervision required, and detail how the reimbursement amount was determined. The request must include a description of any other services and payments being provided for the child’s care; for example, assisted care, nursing services, day care, etc. Copies of the documentation supporting the DOC
supplement must be scanned into MiSACWIS and attached to the service authorization and in the youth’s case record.

**Note:** Documentation may include any of the following:

- Hospital/medical records/doctor’s statement(s).
- Psychiatric evaluation.
- Psychological evaluation.
- Initial service plan/updated service plan.
- Foster care provider logs.
- School records/evaluations/individual education plan.
- Institutional discharge summaries.

The DOC with the appropriate approvals must be routed to the Federal Compliance Division to process payments. The Business Service Center’s decisions regarding requests for a DOC supplement above a level III are final and are not eligible for the administrative review process.

**Note:** Reauthorization requests for DOC above level III must be submitted 30 calendar days in advance of the expiration of the prior authorization to ensure adequate review time.

**Request for Review of DOC**

A foster care provider or supervising agency/DHS staff may initiate a request for review of a DOC at any time. The request must be made by the foster care worker in MiSACWIS. Action must be taken by the local DHS office within 30 calendar days of the date the request is entered in MiSACWIS.

**Note:** The requestor (such as the foster parent, relative or foster care worker) must be notified in writing by the local DHS office of the disposition of the DOC request within 30 calendar days of the receipt of the request (60 calendar days if the requested DOC is over level III). If approved, the DOC supplement is effective on the begin date as outlined below.

**Effective Date of Request**

- The begin date for an initial DOC request if submitted in MiSACWIS within the first 30 calendar days of a child’s placement with a specific foster family is the first day of that placement.
The begin date for a renewal request is the day following the end date of the last DOC approval if the request is submitted in MiSACWIS within 30 calendar days of the last DOC approved end date.

The begin date for a request for escalation or de-escalation of the DOC that is not made at the time of renewal, is the date the foster parent signed the DOC request if it is submitted in MiSACWIS within 30 calendar days of that signature.

The end date is six months after the begin date. No DOC request is to be approved for longer than six months.

**Note:** If the DOC request is not submitted in MiSACWIS within these time frames the begin date will be the date the request is submitted in MiSACWIS.

When the resolution of a request for a change in level occurs, the DOC rate is retroactive to the begin date on the DHS-470, Assessment for Determination of Care for Children in Foster Care (Age one day through twelve years), DHS-470A, Assessment for Determination of Care for Children in Foster Care (Age Thirteen Years and Over) or DHS-1945, Assessment for Determination of Care for Medically Fragile Children in Foster Care. A copy of the DHS-659, Foster Care Payment Authorization, and the approved DHS-470, Assessment for Determination of Care for Children in Foster Care (Age one day through twelve years), DHS-470A, Assessment for Determination of Care for Children in Foster Care (Age Thirteen Years and Over), or DHS-1945, Assessment for Determination of Care for Medically Fragile Children in Foster Care, is to be sent to the foster care provider and the PAFC provider if applicable. The requestor may initiate an administrative review if not notified timely.

Efforts must be made to ensure continuation of an approved DOC rate without lapse of payment due to request processing.

If the appropriate DOC assessment does not justify an initial or continuation of the DOC level, the level is to be reduced 30 calendar days following the date the completed assessment is received by DHS. The DHS worker must notify the foster care provider or PAFC provider within five working days in writing of any decrease in level.
Administrative Review Process

If the foster care provider or the agency disagrees with the level of care determination or is not notified in a timely manner, an administrative review process may be initiated within 30 calendar days of the decision.

For PAFC supervised family foster care, the agency must initiate the request for the administrative review on behalf of the foster parent or relative placement. It is the foster parent’s or relative placement’s right to the administrative review. The request must be submitted even if the PAFC provider agrees with DHS’s decision. For DHS supervised family foster care, an administrative review may be requested by the foster parent. Administrative review decisions by the Federal Compliance Division (FCD) regarding DOC requests up to and including level III are final. Once an FCD decision is received, the local DHS office must implement any change in DOC, as determined by FCD.

If an administrative review is requested, payment will not be reduced until the administrative review is complete.

**Note:** The Business Service Center director’s decision on a DOC level IV is final and not eligible for the administrative review process.

Placement Agency Foster Care (PAFC) Supervised Process

1. PAFC supervisor requests an administrative review on behalf of the foster care provider by submitting the DHS-668, Administrative Review Request for Determination of Care (DOC) Denial form, to the DHS worker’s supervisor.

2. The DHS local office has 14 calendar days to review the DOC assessment and complete the DHS-669, Local DHS Response to Administrative Review Request for Determination of Care Denial form. If, after review, the local DHS office does not concur with the original assessment and agrees with the private agency, the local DHS office must authorize all necessary changes to the assessment and payments. No further action is necessary.
3. If the local DHS office agrees with the original assessment the local DHS worker’s supervisor must forward the DOC, DHS-669, Parent Agency Treatment Plan and Service Agreement, most recent service plan, therapy reports, school documentation, and/or medical reports as relevant to the request to the Federal Compliance Division (FCD).

4. The FCD has 14 calendar days to review the administrative request from the DHS local office. The FCD will immediately notify the agency and local DHS director of the decision using the DHS-670, FCD Decision to Administrative Review Request for Determination of Care (DOC) Denial form.

5. Once an FCD decision is received, The local DHS office must implement any change in DOC, as determined by FCD.

State Agency Supervised Process

1. The foster care provider requests an administrative review by completing and submitting the DHS-668 to the foster care worker’s supervisor.

2. The DHS local office has 14 calendar days to review the DOC assessment and complete the DHS-669. If, after review, the local DHS office does not concur with the original assessment and agrees with the foster parent, the local DHS office must authorize all necessary changes to the assessment and payments. No further action is necessary.

3. If the DHS local office agrees with the original assessment, the DHS worker’s supervisor must forward the DOC, DHS-669, Parent Agency Treatment Plan and Service Agreement, most recent service plan, therapy reports, school documentation, and/or medical reports as relevant to the request to the FCD.

4. The FCD has 14 calendar days to review the administrative request from the DHS local office. The FCD will immediately notify the local DHS director of the decision using the DHS-670.

5. Once an FCD decision is received, the local DHS office must implement any change in DOC, as determined by FCD.
PAYMENT POLICY FOR TEEN WARDS WITH CHILDREN

Children of court or state wards who are placed in the same foster care setting as their parent are not eligible for title IV-E funding or for an individual foster care payment. Even though the court may have taken jurisdiction, these children have not been removed from the home of their parent. Payments to the foster family for the care of these children are to be included in the parent's placement service authorization. A separate placement service authorization is not to be initiated.

For teen wards whose foster care payment is funded by SWBC or title IV-E and whose child(ren) is (are) placed in the same foster care setting, the payment authorization is to contain the following information:

- Ward's maintenance rate: $20.59
- Ward's child's maintenance rate: $17.24
- Ward's determination of care supplement (if one is necessary): $00.00
- Department's treatment/administration rate (if purchase of care case): $00.00
- TOTAL daily rate: $37.83

**Note:** No treatment/administration rate is paid to the supervising agency for the ward's child. A child's maintenance rate is included for each child of the ward if there is more than one child. A Family Independence Program (FIP) grant for the child's personal needs cannot be established.

**Note:** The addition of a ward's child's maintenance rate is not a determination of care supplement and does not require any special approvals.

**Child's Medical Assistance Eligibility**

It is necessary to establish a medical assistance (MA) case for the ward's child(ren). Bridges Eligibility Manual (BEM) item 145 states
that a newborn is automatically eligible for MA the month of birth if, for his/her date of birth, his mother is eligible for MA and receives MA coverage. Automatic eligibility may continue through the month of the newborn’s first birthday; see BEM 145, Newborns.

A newborn who meets the above criteria is eligible for MA without an application or eligibility determination. Thus, an MA case is to be opened by the children’s services worker as soon as the minimum information needed is received.

After the child becomes one year old, the ward must apply for MA on behalf of the child.

**Child Care Services**

If the ward is in school, or employed and the foster parent is not providing the child care services for the child(ren), payment for child care may be available through the department’s child care services program or the Youth in Transition program. The ward must complete the application process for that program and meet the eligibility criteria.

**Independent Living for wards age 18 or older with children**

Independent living (IL) payments cannot be authorized to the parent ward if he/she is receiving FIP assistance for themselves. If a ward, age 18 or older, and his/her child(ren) are living independently or with an adult who has no supervisory responsibility for the ward, the ward may apply for a FIP grant for his/her child(ren). If MiSACWIS shows an error and will not allow FIP and IL payments in the same month, route the placement service authorization to the Federal Compliance Division in MiSACWIS.

**Minor Parents under the age of 18**

Independent living (IL) payments cannot be authorized to the minor parent if he/she is receiving FIP assistance for themselves. This policy, located in BEM 201, applies to wards under the age of 18 with dependent children in their care. If the ward and his/her child(ren) are not living in a licensed foster care situation, they must reside in an adult supervised setting to qualify for FIP. The ward may apply for a FIP grant for their child(ren). If MiSACWIS shows
an error and will not allow FIP and IL payments in the same month, route the placement service authorization to the Federal Compliance Division in MiSACWIS.

Case Service Payments

When case service payments are needed for the ward's child, the case service must be authorized using the ward's information in MiSACWIS.

Clothing Allowance

The semiannual clothing allowance for the ward's child is done automatically and is payable to the foster parent (or agency if appropriate). If initial clothing is necessary, a case service authorization for the initial clothing allowance can also be requested in MiSACWIS.

The case service authorization for the initial clothing order is to be issued in the ward parent's name with the notation in the comments section that this is the semiannual (or initial) clothing allowance for the child of the ward.