

OFFICE OF CHILDREN AND FAMILY SERVICES

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| LOCAL COMMISSIONERS MEMORANDUM |  
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Transmittal No: 00 OCFS LCM-30

Date: November 27, 2000

Division: Administration

TO: Local District Commissioners

SUBJECT: SFY 2000-2001 Additional State funding for up to 2.5 percent increases for Foster Care and/or Preventive Services Agencies

ATTACHMENTS: 1 - Allocation Amounts  
2 - Plan Submission Form  
3 - Format for Specifying Proposed Foster Care and/or Preventive Services Contract Increases for SFY 2000-2001 \$6 Million Allocation

The purpose of this memorandum is to advise local social services districts that the 2000-2001 Enacted Budget appropriates \$6 million in additional State funding for contract increases for foster care and/or preventive services agencies. The legislation allows a local district to use these funds in State Fiscal Year (SFY) 2000-2001 to provide "... up to a 2.5 percent increase in the amounts the district contracts to reimburse foster care agencies and/or preventive services agencies to pay for such services provided from July 1, 2000 to June 30, 2001 or the most recent 12-month contract period...". Though local social services districts may opt to reimburse foster care agencies and/or preventive services agencies for increases beyond 2.5 percent, State reimbursement for funds distributed under this legislation is limited to "...up to a 2.5 percent increase..." within the statewide allocation of \$6 million. The distribution of funds will be according to the policy specified below.

Distribution of Funds to Local Districts

Pursuant to Chapter 53 of the Laws of 2000, the State will distribute the \$6 million for SFY 2000-2001 in response to plans submitted by local districts and approved by the Office of Children and Family Services (OCFS). The allocation amounts specified in Attachment 1 are based on the formula used to distribute the SFY 2000-2001 Family and Children's Services Block Grant (F&CSBG) and are only intended to provide guidance to local districts regarding their plan submissions. The final allocation amounts for each district will be based upon OCFS approval of the local district plans, and the local district's choice of payment/claiming methods will determine whether or not an advance of funds is made by OCFS (see Claiming Instructions below).

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The allocation amounts in Attachment 1 assume that every district will: participate in this process; request its full allocation; and be approved for its full allocation. Because that may not occur, a local district is permitted to submit a request that exceeds the allocation amount specified in Attachment 1, to the extent that such a request would be consistent with the limitation that State reimbursement only be used for "up to 2.5 percent increases" to foster care and/or preventive services agencies. If some of the local districts decide not to participate, and reallocation of the funds is necessary, OCFS will use such requests as the basis for revising the final allocation amounts that are approved for each district. The allocation of the \$6 million is in addition to the F&CSBG allocations transmitted to the local districts on September 5, 2000 in 00 OCFS LCM-13.

#### Local District Submission of Plans and Plan Tracking

By January 5, 2001, each local district must submit its plan to distribute the requested portion of the \$6 million pursuant to Chapter 53 of the Laws of 2000. A local district may distribute these funds to foster care and/or preventive services agencies. The district's plan must specify whether these funds will be used for foster care only, for preventive services only, or for both.

NOTE: Since it is the overall plan of OCFS to distribute the entire appropriation to participating local districts, it is imperative for each local district that intends to submit its plan to do so by the specified due date.

The local district may request these funds for anticipated increases to contracted rates or to fund additional increases beyond those amounts. In addition, the local district has the option of supplementing its distribution plan with local funds. However, State funds will only be available based on the final amounts approved for each local district.

Any local district that proposes to pay a per diem rate to a foster care provider in excess of the 2000-2001 Maximum State Aid Rates (MSARs) may request OCFS to adjust the MSARs to reflect such increases resulting from the district's approved plan. Any MSAR adjustments for voluntary authorized agencies providing foster care qualify for Title IV-E or EAF Federal reimbursement for care provided to federally eligible children. Local districts would continue to meet their non-Federal share requirements with these State and/or local funds. In addition, local districts need to consider the effect of the TANF MOE/EAF foster care swap when determining the overall fiscal impact in the development of their plans.

Each local district that intends to make a SFY 2000-2001 distribution of funds from the \$6 million appropriation must submit a plan using the form in Attachment 2. As part of the plan submission, a local district must also submit Attachment 3 (or its equivalent). Section A of Attachment 3 should be completed to reflect any proposed adjustments to contracted foster care per diem rates; Section B of Attachment 3 should be completed for lump sum payments to contracted foster care programs; and Section C of Attachment 3 should be completed for lump sum payments to contracted preventive services programs. For

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those local districts that need to secure local governing body approval to implement the proposed plan, the district should still submit its plan by the specified due date with an indication that local governing body approval is necessary and is being pursued. The allocation amount for the OCFS approved plan will be released to the local district upon receipt of the local governing body approval of the district's plan. However, if the local governing body changes the district's plan, the local district must refile its plan with OCFS for review and approval. Plans should be submitted to: Deborah J. Hanor, Director, Office of Budget Management, NYS Office of Children and Family Services, 52 Washington St., Room 329, Rensselaer, NY 12144-2796.

Local social services districts with approved plans for Lump Sum Payments will receive the approved allocation as an advance. Local social services districts with approved plans for the Per Diem Method will have the approved allocation added to their Family and Children's Services Block Grant (F&CSBG) allocation (see Claiming Instructions below).

#### Claiming Instructions and Payment Methods

Contract Payment Method (Lump Sum Payment): If a local district chooses to pay the "up to 2.5 percent increase" through a lump sum payment to voluntary authorized agencies providing foster care and/or preventive services, the district must complete the special claim form DSS-3922 (and label it "FCP3") after the lump sum payments have been made. Also, the district will need to complete a supplemental report which indicates the amount paid to each provider.

Please send the DSS-3922 claim form to: Bureau of Financial Services, PA Claims Unit, Office of Temporary and Disability Assistance, 40 N. Pearl Street, 14th Floor, Albany, New York 12243.

Please send the supplemental payment report to: Deborah J. Hanor, Director, Office of Budget Management, NYS Office of Children and Family Services, 52 Washington St., Room 329, Rensselaer, NY 12144-2796.

Lump sum payments for foster care do not qualify for Title IV-E or EAF Federal reimbursement. Unclaimed advances will be recouped through the settlement process. Payments to providers must be made by May 31, 2001 with claims submitted no later than June 30, 2001.

Per Diem Method: If a local district chooses to pay foster care providers the "up to 2.5 percent increase" through adjustments to contracted per diem rates, the district will not be required to complete form DSS-3922 and, unlike the lump sum payment method, the district will not receive an advance. Instead, the final allocation amount approved under this method will be added to the local district's Family and Children's Services Block Grant (F&CSBG) allocation, and the district will be required to follow the published guidelines and formulas for claiming foster care subject to a reconciliation of the approved cost under the local district's approved plan. As stated above, any MSAR adjustments for voluntary authorized agencies providing foster care qualify for Title IV-E or EAF Federal reimbursement based on the child's eligibility for these programs.

Date: November 27, 2000

Trans. No.: 00 OCFS LCM-30

Page No. 4

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Information/Questions

Questions pertaining to the allocations may be directed to Eric Petersen, Assistant Director, Office of Budget Management at (518) 402-3324.

Questions pertaining to the claiming instructions may be directed to Mr. Roland Levie (Regions I-IV) at 1-800-343-8859, extension 4-7549 (User ID #FMS001) or in Region V, Mr. Marvin Gold at 212-383-1733 (User ID #0FM270).

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Melvin I. Rosenblat  
Deputy Commissioner of Administration

## Attachment 1

## \$6 MILLION - ALLOCATION AMOUNTS (SFY 2000-2001)

District	Allocation
Albany	\$ 106,407
Allegany	13,943
Broome	55,111
Cattaraugus	18,653
Cayuga	18,239
Chautauqua	19,105
Chemung	24,637
Chenango	6,416
Clinton	14,953
Columbia	13,011
Cortland	12,893
Delaware	11,060
Dutchess	40,285
Erie	201,258
Essex	5,386
Franklin	6,766
Fulton	14,273
Genesee	6,570
Greene	8,916
Hamilton	992
Herkimer	9,184
Jefferson	22,793
Lewis	3,615
Livingston	7,786
Madison	14,789
Monroe	231,408
Montgomery	9,280
Nassau	126,751
Niagara	52,158
Oneida	79,708
Onondaga	155,547
Ontario	14,294
Orange	84,569
Orleans	5,062
Oswego	33,621
Otsego	12,666
Putnam	7,681
Rensselaer	32,463
Rockland	60,134
St. Lawrence	27,972
Saratoga	22,415
Schenectady	60,811
Schoharie	5,991
Schuyler	4,817
Seneca	8,419
Steuben	20,136
Suffolk	141,415

## Attachment 1 (cont'd)

## ALLOCATION AMOUNTS (SFY 2000-2001)

District	Allocation
Sullivan	26,583
Tioga	10,361
Tompkins	16,388
Ulster	45,861
Warren	8,212
Washington	10,685
Wayne	11,934
Westchester	238,809
Wyoming	7,036
Yates	2,658
Upstate	2,232,886
NYC	3,767,114
Statewide	\$6,000,000

Attachment 2

PLAN SUBMISSION FORM (SFY 2000-2001)

FOSTER CARE CONTRACTS - PER DIEM INCREASES (if applicable)

The \_\_\_\_\_ (name of local district) plans to distribute funds from the \$6 million SFY 2000-2001 allocation to an estimated \_\_\_\_\_ foster care contracts through per diem increases.

The estimated cost of this distribution is \$\_\_\_\_\_ which assumes Federal, State and local funds as follows:

\$\_\_\_\_\_ (Federal) \$\_\_\_\_\_ (State) \$\_\_\_\_\_ (local)

The \_\_\_\_\_ (name of local district) will use its allocation of the \$6 million to provide an increase of \_\_\_\_\_ % to its foster care contracts - per diem increases (put in one number if the same increase will be across the board; or put in the word "varies"). (NOTE: If the increase will vary, a brief description of the rationale for using different percentages must be submitted along with this form. As stated, State reimbursement for payments to any one agency will be limited to a 2.5 percent increase, even though the local district may decide to pay increases greater than 2.5 percent.)

FOSTER CARE CONTRACTS - LUMP SUM PAYMENTS (if applicable)

The \_\_\_\_\_ (name of local district) plans to distribute funds from the \$6 million SFY 2000-2001 allocation to an estimated \_\_\_\_\_ foster care contracts through lump sum payments.

The estimated cost of this distribution is \$\_\_\_\_\_ which assumes State and local funds as follows:

\$\_\_\_\_\_ (State) \$\_\_\_\_\_ (local)

The \_\_\_\_\_ (name of local district) will use its allocation of the \$6 million to provide an increase of \_\_\_\_\_ % to its foster care contracts - lump sum payments (put in one number if the same increase will be across the board; or put in the word "varies"). (NOTE: If the increase will vary, a brief description of the rationale for using different percentages must be submitted along with this form. As stated, State reimbursement for payments to any one agency will be limited to a 2.5 percent increase, even though the local district may decide to pay increases greater than 2.5 percent.)

Attachment 2 (cont'd)

PLAN SUBMISSION FORM (SFY 2000-2001)

PREVENTIVE SERVICES CONTRACTS - LUMP SUM PAYMENTS (if applicable)

The \_\_\_\_\_ (name of local district) plans to distribute funds from the \$6 million SFY 2000-2001 allocation to an estimated \_\_\_\_\_ preventive services contracts.

The estimated cost of this distribution is \$\_\_\_\_\_ which assumes Federal, State and local funds as follows:

\$\_\_\_\_\_ (Federal) \$\_\_\_\_\_ (State) \$\_\_\_\_\_ (local)

The \_\_\_\_\_ (name of local district) will use its allocation of the \$6 million to provide an increase of \_\_\_\_\_ % to its preventive services contracts (put in one number if the same increase will be across the board; or put in the word "varies"). (NOTE: If the increase will vary, a brief description of the rationale for using different percentages must be submitted along with this form. As stated, State reimbursement for payments to any one agency will be limited to a 2.5 percent increase, even though the local district may decide to pay increases greater than 2.5 percent.)

TOTAL REQUEST FOR FOSTER CARE AND/OR PREVENTIVE SERVICES CONTRACTS

Based on the above, the \_\_\_\_\_ (name of local district) requests a grand total of \$\_\_\_\_\_ (for foster care and/or preventive services contracts) in State funds for SFY 2000-2001 pursuant to Chapter 53 of the Laws of 2000. This total request assumes Federal, State and local funds as follows:

\$\_\_\_\_\_ (Federal) \$\_\_\_\_\_ (State) \$\_\_\_\_\_ (local)

Signature of Local District Official.... \_\_\_\_\_

Telephone Number..... \_\_\_\_\_



Attachment 3

FORMAT FOR SPECIFYING PROPOSED FOSTER CARE AND/OR PREVENTIVE SERVICES  
 CONTRACT INCREASES FOR SFY 2000-2001 \$6 MILLION ALLOCATION  
 (use additional sheets as necessary)

A. FOSTER CARE PER DIEM RATE INCREASES (if applicable)

(1) Agency: \_\_\_\_\_

(2) Program Name	(3) 1999-2000 Contract Agency Rate ___/___ - ___/___ mo yr mo yr	(4) 2000-2001 Contract Agency Rate ___/___ - ___/___ mo yr mo yr	(5) Proposed Rate Inc. Under This Plan	(6) Est. Gross Cost Under This Plan
_____	\$_____	\$_____	\$_____	\$_____
_____	\$_____	\$_____	\$_____	\$_____
_____	\$_____	\$_____	\$_____	\$_____

B. FOSTER CARE LUMP SUM PAYMENTS (if applicable)

(7) Agency: \_\_\_\_\_

(8) Program Name	(9) Est. Gross Pmt. For Prior Year ___/___ - ___/___ mo yr mo yr	(10) Est. Gross Pmt. For New Year ___/___ - ___/___ mo yr mo yr	(11) Proposed Lump Sum Payment Under This Plan
_____	\$_____	\$_____	\$_____
_____	\$_____	\$_____	\$_____
_____	\$_____	\$_____	\$_____

C. PREVENTIVE SERVICES LUMP SUM PAYMENTS (if applicable)

(12) Agency: \_\_\_\_\_

(13) Contract Name	(14) Contract Amount For Prior Year ___/___ - ___/___ mo yr mo yr	(15) Contract Amount For New Year ___/___ - ___/___ mo yr mo yr	(16) Proposed Lump Sum Payment Under This Plan
_____	\$_____	\$_____	\$_____
_____	\$_____	\$_____	\$_____
_____	\$_____	\$_____	\$_____

### INSTRUCTIONS FOR COMPLETING ATTACHMENT 3

Using the format in Attachment 3, the local district must specify the proposed SFY 2000-2001 increases it plans to provide to its contracted foster care and/or preventive services programs using its allocation of the \$6 million. The local district can either make copies of Attachment 3 to use as a form for specifying the necessary data or it can create its own report using the format provided in Attachment 3.

#### A. Foster Care Per Diem Rates (if applicable)

The proposed increases to foster care per diem rates (if applicable) must be provided for each agency (and each program within an agency) that will receive a portion of the SFY 2000-2001 allocation. The requested amounts for foster care contracts in Attachment 3 are defined as follows:

- (1) Agency - The name of the voluntary authorized foster care agency.
- (2) Program Name - The name and type of program (e.g., Regular Foster Boarding Home (FBH); Diagnostic Institution; Mohawk Group Home; etc.)
- (3) 1999-2000 Contract Agency Rate - The contract foster care rate that was paid to the specified provider for the 1999-2000 rate year or for the most recent 12-month period.
- (4) 2000-2001 Contract Agency Rate - The contract foster care rate that the local district will pay to the specified provider for the 2000-2001 rate year (an estimate will be accepted, if not yet determined). For example, if the 1999-2000 Contract Agency Rate was \$100, and the local district wants to pay for a 2.5% increase, then the 2000-2001 Contract Agency Rate would be \$102.50.
- (5) Proposed Rate Increase Under This Plan - The per diem increase that the local district proposes to fund from its allocation of the \$6 million. As stated, State reimbursement for payments to any one agency will be limited to a 2.5 percent increase, even though the local district may decide to pay increases greater than 2.5 percent; thus, the Proposed Rate Increase Under This Plan may not exceed the 2.5 percent rule. For example, if the local district wants to fund the \$2.50 increase (as specified in the above example) with its allocation from this plan, then the Proposed Rate Increase Under This Plan would be \$2.50. If the local district wants to fund an increase from \$100 to \$103.50, then the Proposed Rate Increase Under This Plan would still be \$2.50 inasmuch as \$2.50 would be the maximum that could be funded under this plan.
- (6) Estimated Gross Cost Under This Plan - The local district's estimate of the per diem increase to be funded from this plan (e.g., if the Proposed Rate Increase Under This Plan is \$2.50, and the local district estimates using 3,650 care days for the specified program in the 2000-2001 rate year, then the Estimated Gross Cost would be \$9,125 -- i.e., 3,650 times \$2.50.

#### B. Foster Care Lump Sum Payments (if applicable)

The proposed increase to foster care lump sum payments (if applicable) must be provided for each agency (and each contract within an agency) that will receive a portion of the SFY 2000-2001 \$6 million. The requested amounts for foster care contracts in Attachment 3 are defined as follows:

INSTRUCTIONS FOR COMPLETING ATTACHMENT 3 (continued)

(7) Agency - The name of the agency.

(8) Program Name - The name or type of contract (e.g., Regular FBH; Diagnostic Institution; Mohawk Group Home; etc.).

(9) Estimated Gross Payment For Prior Year - The estimated gross amount that was paid to the specified provider for the prior period being designated as the base year for purposes of this increase. In accordance with the relevant legislation, the base year is defined as the period from July 1, 1999 to June 30, 2000 or the most recent 12 month contract period.

(10) Estimated Gross Payment For New Year - The estimated gross amount that will be paid to the specified provider for the period being designated as the new year for purposes of this increase.

(11) Proposed Lump Sum Payment Under This Plan - The proposed lump sum payment that the local district will pay to the specified provider "to provide an up to a 2.5 percent increase" above the previous year. As stated, State reimbursement for payments to any one agency will be limited to a 2.5 percent increase, even though the local district may decide to pay increases greater than 2.5 percent; thus, the Proposed Lump Sum Payment Under This Plan may not exceed the 2.5 percent rule.

C. Preventive Services Lump Sum Payments (if applicable)

The proposed increase for preventive services lump sum payments (if applicable) must be provided for each agency (and each contract within an agency) that will receive a portion of the SFY 2000-2001 \$6 million. The requested amounts for preventive services contracts in Attachment 3 are defined as follows:

(12) Agency - The name of the agency.

(13) Contract Name - The name or type of contract (e.g., Homemakers; Aftercare; Counseling Services; etc.)

(14) Contract Amount for Prior Year - The contract amount that was paid to the specified provider for the prior period being designated as the base year for purposes of this increase. In accordance with the relevant legislation, the base year is defined as the period from July 1, 1999 to June 30, 2000 or the most recent 12 month contract period.

(15) Contract Amount for New Year - The contract amount that the local district will pay (an estimate will be accepted, if not yet determined) to the specified provider for the period being designated as the new year for purposes of this increase.

(16) Proposed Lump Sum Payment Under This Plan - The proposed lump sum payment that the local district will pay to the specified provider "to provide an up to a 2.5 percent increase" above the previous year. As stated, State reimbursement for payments to any one agency will be limited to a 2.5 percent increase, even though the local district may decide to pay increases greater than 2.5 percent; thus, the Proposed Lump Sum Payment Under This Plan may not exceed the 2.5 percent rule.