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| LOCAL COMMISSIONERS MEMORANDUM |
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Transmittal No: 90 LCM-120

Date: August 1, 1990

Division: Family & Children
Services

TO: Local District Commissioners

SUBJECT: FY 90/91 Maximum State Aid Rates (MSAR) for Foster Care
Programs and Approved Private Schools

ATTACHMENTS: A - NYS Foster Boarding Home Programs 1990/91 Ceilings;
B - Cost-of-Living Adjustments for the 1990/91 Rate Year;
C - SILP Double Occupancy Rate Budget Cal. for FY 90/91;
D - SILP Triple Occupancy Rate Budget Cal. for FY 90/91;
and E - SILP 4-bed Mother/Child Rate Budget Cal. for
FY 90/91. "Attachments A - E" are available on-line.

The purpose of this LCM is to inform you of the maximum state aid rates (MSAR) for foster care programs and private schools for the handicapped for the 1990/91 rate year. The rates have been calculated using the approved state reimbursement methodology. In addition, increased funding for child care and social work staff salaries are reflected in these rates in accord with the parameters of the rate methodology. The changes affecting these programs are as follows:

A. Group Care Rates:

1. Cost-of-Living Adjustments (COLA)

a) Personnel Services: - The one-year personnel services Cost-of-Living Adjustments (COLA) for all staff is 5.5%. The two-year COLA for all personnel services is 10.8%.

b) Other Than Personnel Services (OTPS): - The cost-of-living adjustments for each OTPS account were obtained from the March 1990 Data Resources, Inc.'s "Review of the U.S. Economy". This year's aggregate COLA for other-than-personnel services is 4.0% and the two-year aggregate COLA is 8.5%.

2. Maintenance/Property Growth Limitation - The limitation on growth within the parameter for the maintenance/property cost center has been eliminated. The 1990/91 maintenance parameter is based solely upon approved standards and program capacities for all programs.
3. Group Home Staffing - The model staffing charts for all group home programs and for group residences with capacities of either 13 or 14 have been revised. The revised staffing charts allow for double coverage for all such programs regardless of classification during evening and night shifts during the week days and all shifts on weekends. The revised staffing charts are attached. The child care parameters in those programs have been increased to allow for the newly approved child care staffing model.
4. CSE Maintenance Rates - The CSE Maintenance rate for on-campus schools and Special Act School Districts is composed of the 1990/91 institution program state aid rate plus the 1989/90 medical per diem. The CSE rates will be adjusted automatically when the 1990/91 medical per diem rates are promulgated by the Division of Medical Assistance.

The published CSE rates are 12-month maintenance rates except where noted. As in the past, summer school maintenance costs for children placed by CSE's will be reimbursed by the State Education Department. In those cases, the billing both for maintenance and tuition for summer school will go directly to the placing school districts from the providers. Rates for children placed via the CSE process must be paid as published by the Department.

5. Rome School for the Deaf and Batavia School for the Blind - As the result of a recent law change, local social service districts will be obligated to pay the Maintenance rates for children who are county residents and who are enrolled in the Rome School for the Deaf and the Batavia School for the Blind. Responsibility to pay Maintenance rates will take effect September 1, 1990. Rates for these schools will be established by the State Education Department and promulgated by this Department.
6. Program Classification Reviews - Department review of current program classifications will continue. We will focus our monitoring efforts on programs which have not been reviewed recently. An agency that wishes to appeal the results of a program classification revision must do so within thirty (30) days of being formally notified of the revision.

B. Foster Boarding Home Rates:

The changes which affect foster boarding home programs are as follows:

1. Administrative/Services Rates - The personnel services COLA for FBH staff salaries is 5.5% for one year and 10.8% for two years. The one-year aggregate COLA for other than personnel services (OTPS) is 4.5%. The aggregate OTPS COLA for two years is 9.2%.
2. AIDS Per Diem - The revenue from the \$15.00 AIDS per diem flat rate has been subtracted from the actual trended FBH program direct care costs. The reduced trended expenditures were then compared with the direct care parameter to determine the rate base. The \$15 AIDS per diem rate add-on remains in effect.
3. Pass-through to Foster Parents - The maximum state aid rates for foster parents are increased by 4.1%. This COLA is based on Data Resources, Inc.'s, March 1990 projection of the general Consumer Price Index.
4. Clothing Allowance - The clothing allowances for 1990/91 have been increased by 2.4%. This COLA is based on Data Resources, Inc.'s March, 1990 projection of clothing increase.
5. Diaper Allowance - The maximum diaper allowance for infants from birth through three years has been increased by 2.4% to \$45 per month. This allowance is to be considered a special payment apart from the above clothing allowance.
6. FBH Rate Stabilization - The Department has approved a rate stabilization policy for FBH programs for this year. Our analysis of 1988/89 data showed a rapid increase in FBH care days provided by many agencies with little or no corresponding increase in program expenditures. This would have resulted in a significant rate reduction for a number of agencies if the normal rate methodology had been followed. In order to mitigate the potential of significant rate reduction, FBH MSAR's will be limited to a 5% reduction from last year's MSAR for programs which had at least a 12% increase in care days from 1987/88 to 1988/89.
7. Finder's Fee for New Foster Homes - The department is continuing the policy of allowing local social services districts to pay a finder's fee of up to \$200 to foster parents who recruit new homes. The policy will be in effect from July 1, 1990 through June 30, 1991. For detailed information on how to apply this policy refer to 88 ADM-54 dated December 23, 1988.

C. All Rates:

1. Approved COLA Increases - Enclosed is a listing (Attachment B) of the approved COLA's for the various subcomponents used to trend the adjusted historical program expenditures.
2. Salary Intensification - The Governor and Legislature have approved funds to increase salary compensation to child care workers, child care supervisors, social workers and social work supervisors in

foster care programs and private schools for the handicapped. In concert with this, the Department is adjusting the salary parameters to reflect \$701 location pay differentials for agencies located in NYC, Nassau, Suffolk, Westchester, and Rockland counties. The salary funds will be distributed by providing a flat amount of \$1,100 upstate and \$1,801 for downstate per approved worker. (This difference reflects the \$701 location differential.) Every program will receive the flat amount for each allowable child care and social worker FTE reported in the FY 88/89 SOP reports up to the Direct Care parameter.

3. Fringe Benefits Percentage Adjustment - The Department has increased the fringe benefit percentage component of the Salary Standard to 19.7%. Based upon analysis of FY 88/89 data, this equals the 66th percentile standard. The original 66th percentile based on 83/84 data was 16.0%. The increase in the fringe benefit percentage is largely due to increases in health insurance and social security payments. The salary portion of the Salary Standard remains fixed at approved state salary grade equivalents.
4. Program Intensification - The Department has \$4 million available for program intensification requests. As we have done in previous years, we will develop and mail out request forms for the available intensification monies in August.

D. Supervised Independent Living Programs (SILP):

The FY 90/91 model annual fees for service rates for double and triple occupancy and four-bed mother/child SILPS have been revised to reflect cost of living increases.

E. Federal Funding

The Department received notification from the Federal Department of Health and Human Services (DHHS) that as a result of the continuing federal budget deficit, the provisions of Public Law 99-177 (which could reduce Title IV-E foster care and adoption assistance reimbursement) would be in effect for federal fiscal year beginning October 1, 1989. The notice received by the Department contains conflicting information when compared to the statute and other actions taken by the President and Congress. Therefore, the Department is requesting clarification from DHHS officials regarding their notice.

Until we receive final notification of the lawful process for accomplishing the results intended by the Gramm-Rudman statute (PL 99-177), local districts should continue with their existing procedures for dealing with voluntary child caring agencies and submitting claims for federal and state reimbursement to the State Department of Social Services. If we receive information from DHHS which would result in a reduction of federal financial participation, we will notify you.

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We suggest that copies of this information be shared with Child Welfare Staff and Accounting Supervisors. If you have any questions, please contact Joseph Della Rocca, Bureau of Resource Management at 1-800-342-3715, extension 3-1496 or (518) 473-1496.

Joseph Semidei
Deputy Commissioner
Division of Family and
Children Services

NEW YORK STATE
FOSTER BOARDING HOME PROGRAMS
1990/91 CEILINGS

EFFECTIVE JULY 1, 1990 THROUGH JUNE 30, 1991

A. PAYMENTS TO FOSTER PARENTS - FBH

<u>REGION</u>	<u>AGE 0-5</u>	<u>AGE 6-11</u>	<u>AGE 12 & OVER</u>
METRO	\$386	455	526
UPSTATE	353	424	490

SPECIAL CHILDREN - UP TO \$ 845/MONTH
EXCEPTIONAL CHILDREN - UP TO \$1,281/MONTH

B. MAXIMUM FBH RATES UPON WHICH ADOPTION SUBSIDY PAYMENTS ARE CALCULATED FOR ADOPTIONS FINALIZED PRIOR TO JULY 1, 1987.

<u>REGION</u>	<u>AGE 0-5</u>	<u>AGE 6-11</u>	<u>AGE 12 & OVER</u>
METRO	\$310	365	423
UPSTATE	284	340	395

SPECIAL CHILDREN - UP TO \$ 681/MONTH
EXCEPTIONAL CHILDREN - UP TO \$1,033/MONTH

C. EMERGENCY FOSTER FAMILY BOARDING HOME CARE - CEILING IS 200% OF THE MAXIMUM PAYMENT FOR A NON-SPECIAL OR NON-EXCEPTIONAL CHILD IN THE DISTRICT.

D. ANNUAL CLOTHING REPLACEMENT ALLOWANCE

<u>AGE</u>	<u>YEARLY RATE OF PLACEMENT</u>
0 - 5	\$292
6 - 11	409
12 - 15	634
16 AND OVER	775

1990 DIAPER ALLOWANCE

<u>AGE</u>	<u>MONTHLY ALLOWANCE</u>
0 - 3	\$ 45

COST-OF-LIVING ADJUSTMENTS FOR THE 1990/91 RATE YEAR

I. GROUP CARE BY COMPONENT	One Year <u>7/1/90-6/30/91</u>	Two Year <u>7/1/90-6/30/91</u>
<u>Child Care</u>	5.5%	10.8%
<u>Social Services</u>	5.5	10.8
<u>Child Support and Food</u>	4.1	9.2
- Child Support PS	5.5	10.8
<u>Miscellaneous Direct Care</u>	3.8	8.4
<u>Fixed Property</u>	4.7	9.6
<u>Variable Maintenance</u>	4.6	9.0
- Variable Maintenance PS	5.5	10.8
<u>Utilities</u>	4.5	8.2
<u>Administration</u>	5.1	10.2
- Administration PS	5.5	10.8
II. FOSTER BOARDING HOME BY COMPONENT	One Year <u>7/1/90-6/30/91</u>	Two Year <u>7/1/90-6/30/91</u>
<u>Social Services</u>	5.5	10.8
<u>Miscellaneous Direct Care</u>	5.3	10.6
- Miscellaneous Direct Care PS	5.5	10.8
<u>Property</u>	4.4	8.9
- Maintenance PS	5.5	10.8
<u>Administration</u>	5.2	10.3
- Maintenance PS	5.5	10.8

Note: Personnel Services COLA's are based on salary increases granted to New York State employees.

SUPERVISED INDEPENDENT LIVING PROGRAM
SILP
DOUBLE OCCUPANCY RATE BUDGET CALCULATION FOR FY 90/91

<u>TYPES OF EXPENSES</u>	<u>DOWNSTATE*</u>		<u>UPSTATE</u>	
	<u>Annual Budget</u>	<u>Per Person/ Per Day</u>	<u>Annual Budget</u>	<u>Per Person/ Per Day</u>
Rent	\$10,379	\$14.22	\$6,920	\$9.48
Food	5,622	7.70	5,622	7.70
Clothing	1,494	2.05	1,494	2.05
Resident Allowance	4,060	5.56	2,435	3.34
Social Worker (1 to 10)	7,106	9.73	6,938	9.50
Supervisor (1 to 4)	2,188	3.00	2,146	2.94
Transportation and Worker	1,021	1.40	1,021	1.40
Telephone	860	1.18	860	1.18
Utilities	1,035	1.42	711	.97
Supplies (Towels, Blankets, etc.)	263	.36	263	.36
Equipment (Pots, Pans, Silverware, etc.)	<u>383</u>	<u>.52</u>	<u>383</u>	<u>.52</u>
SUB TOTAL OF EXPENSES	\$34,411	\$47.14	\$28,793	\$39.44
Depreciation	\$372	\$.51	\$372	\$.51
Finders Fees	842	1.15	842	1.15
Administration at 21%	<u>7,226</u>	<u>9.90</u>	<u>6,047</u>	<u>8.28</u>
GRAND TOTAL	\$42,851**	\$58.70	\$36,054**	\$49.38
Fee for Services Rate at 75% Utilization		\$78.27		\$65.84

* Downstate includes New York City, Nassau, Suffolk, Westchester, Rockland, Orange, and Putnam.

** This represents total annual costs per apartment which is shared equally by each resident.

SUPERVISED INDEPENDENT LIVING PROGRAM
SILP
TRIPLE OCCUPANCY RATE BUDGET CALCULATION FOR FY 90/91

<u>TYPES OF EXPENSES</u>	<u>DOWNSTATE*</u>		<u>UPSTATE</u>	
	<u>Annual Budget</u>	<u>Per Person/ Per Day</u>	<u>Annual Budget</u>	<u>Per Person/ Per Day</u>
Rent	\$12,454	\$11.37	\$8,303	\$7.58
Food	8,420	7.69	8,420	7.69
Clothing	2,242	2.05	2,242	2.05
Resident Allowance	6,091	5.56	3,652	3.34
Social Worker (1 to 10)	10,659	9.73	10,407	9.50
Supervisor (1 to 4)	3,282	3.00	3,219	2.94
Transportation and Worker	1,531	1.40	1,531	1.40
Telephone	989	.90	989	.90
Utilities	1,291	1.18	971	.89
Supplies	394	.36	394	.36
Equipment	<u>514</u>	<u>.47</u>	<u>514</u>	<u>.47</u>
SUB TOTAL OF EXPENSES	\$47,867	\$43.71	\$40,642	\$37.12
Depreciation	\$471	\$.43	\$471	\$.43
Finders Fees	830	.76	\$830	\$.76
Administration at 21%	<u>10,052</u>	<u>9.18</u>	<u>8,535</u>	<u>7.79</u>
GRAND TOTAL	\$59,220**	\$54.08	\$50,478**	\$46.10
Fee for Services Rate at 75% Utilization		\$72.11		\$61.47

* Downstate includes New York City, Nassau, Suffolk, Westchester, Rockland, Orange, and Putnam.

** This represents total annual costs per apartment which is shared equally by each resident.

SUPERVISED INDEPENDENT LIVING PROGRAM
SILP
FOUR BED MOTHER/CHILD RATE BUDGET CALCULATION FOR FY 90/91

<u>TYPES OF EXPENSE</u>	<u>DOWNSTATE*</u>		<u>UPSTATE</u>	
	<u>Annual</u>	<u>Per Day</u>	<u>Annual</u>	<u>Per Day</u>
Rent	\$12,489	\$8.55	\$8,300	\$5.68
Food	11,260	7.71	11,260	7.71
Clothing	2,989	2.05	2,989	2.05
Resident Allowance	6,503	4.45	3,247	2.22
Social Worker (1 to 10)	14,212	9.73	13,876	9.50
Supervisor (1 to 4)	4,376	3.00	4,292	2.94
Transportation	2,059	1.41	2,059	1.41
Telephone	852	.58	852	.58
Utilities	1,295	.89	971	.66
Supplies	526	.36	526	.36
Equipment	<u>574</u>	<u>.39</u>	<u>574</u>	<u>.39</u>
SUB TOTAL OF EXPENSES	\$57,135	\$39.12	\$48,946	\$33.50
Depreciation	\$745	\$.51	\$745	\$.51
Finders Fees	842	.58	842	.58
Administration (21%)	<u>11,998</u>	<u>8.22</u>	<u>10,279</u>	<u>7.04</u>
GRAND TOTAL	\$70,720**	\$48.43	\$60,812**	\$41.63
Fee for Services Rate at 75% Utilization		\$64.57		\$55.51

* Downstate includes New York City, Nassau, Suffolk, Westchester, Rockland, Orange, and Putnam.

** This represents total annual costs per apartment which is shared equally by each resident.