



TEXAS
Department of Family
and Protective Services

Foster Care Rate Modernization: DFPS Companion to HHSC Pro Forma Modeled Rate and Fiscal Impact Report

As Required by:

**2022-23 General Appropriations Act, Senate Bill 1
87th Legislature, Regular Session, 2021 (Article II Special
Provisions Relating to All Health and Human Services
Agencies, Section 26)**

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Table of Contents

- Executive Summary 1
- Background..... 6
 - Establishment of the Texas Level of Care System..... 6
 - Changes to the Texas Service Level System..... 6
 - Addition of New Programs and Rates 7
 - Community-Based Care 8
 - Services Provided Outside of the Traditional Foster Care Continuum..... 9
 - Special Provision, Section 32, 86th Texas Legislature, 2019 10
 - Special Provision, Section 26, 87th Texas Legislature, 2021 11
- Purpose of the Companion Report..... 12
- Foster Care Rate Modernization 13
 - Goals and Objectives 13
 - Parameters 13
 - Approach to Model Design 13
- Clearly Defined Program Models..... 15
 - Enhanced Title IV-E Claiming 15
 - Foster Family Home Service Packages 16
 - General Residential Operation- Tier I..... 17
 - General Residential Operation- Tier II 18
 - Foster Care Continuum Under Rate Modernization..... 19
 - New Foster Care Continuum..... 19
- Assessing, Matching, and Connecting Children, Youth, and Young Adults to the Appropriate Service Package 20
 - 1) Application for Placement 20
 - 2) Child and Adolescent Strengths and Needs (CANS) Assessment..... 20
 - 3) Professional Judgment and Expertise 21
 - Assessment and Placement Decisions Under Foster Care Rate Modernization..... 22
 - Enhancements to the CANS Tool and Process 22
 - Placement Process Under Foster Care Rate Modernization..... 24

Continuous Quality Assurance and Improvement (CQAI).....	24
Measuring Success.....	25
The CQAI Process Recommendations.....	25
Community-Based Care and Foster Care Rate Modernization.....	26
Approach to CBC Foster Care Rate Development.....	27
Approach to CBC Case Management Rate Development.....	27
Implementation.....	28
General Approach to Implementation.....	29
Stakeholder Involvement.....	30
Phases to Support Transition.....	31
Phase I - Infrastructure & System Readiness Work (June 2023-December 2024).....	32
Phase 2 - Transitioning of Child Placements to New Services (January 2025-August 2027).....	35
Phases 3 Full Implementation (September 2027) & Phase 4-Revision (On-going).....	35
Resources Needed to Support Implementation & Transition.....	36
Project Management Office.....	36
Changes to IT Infrastructure, Data Tracking and Reporting.....	38
Designing New Assessment Tool and Placement Process.....	40
Continuous Quality Assurance and Improvement Process.....	43
SSCC and Residential Childcare Provider Transition Grants.....	44
Biennial Total to Support Administrative Costs Related to Transition and Implementation of Rate Modernization.....	46
Fiscal Year 2026-28 Implementation Cost Estimate.....	47
5-Year Costs to Support Implementation.....	48
Conclusion.....	49
Appendix A.....	50

Executive Summary

The financial infrastructure of the Texas Foster Care System is based on a 35-year-old mechanism (or apparatus) known as the Service Level System. This system was initially designed and implemented when the number of children and youth in foster care ranged between five and six thousand, not twenty-thousand and aligned with child welfare best practices at the time. In the 1980s, as now, a foster child's physical, medical, and behavioral diagnoses were vital. The leveling system was structured so those diagnoses corresponded with a category, which in turn determined how much would be paid to each foster care provider and caregiver.

The levels were designed so children could move freely between them. But as the Texas child population increased, and with it funding for Texas foster care, it became clear that as children got better, those caring for them were paid *less*.

Conversely, if a child came into state care and required a more acute level, those providing care were paid *more*.

Clearly, and without fault on the part of state policymakers or child welfare professionals, the level system became the antithesis of what was intended: use state and federal dollars to encourage top-notch care among foster care providers.

In another fundamental way, the leveling system evolved in the wrong direction. Even as child welfare in Texas benefitted from more research, as well as much better funding, what was the real cost of care?

Over the past ten years, it had become clear there was a widening gulf between the service level payments and what the providers described they were spending.

Similarly, over the same timeframe, DFPS began to also see stark differences in acuity; children and youth with complex mental health/psychological/behavioral health needs were more frequently entering the foster care system. Providers struggled and ensuring adequate capacity for the highest-needs children and youth became a recurring challenge for CPS.

In 2011, Foster Care Redesign received preliminary backing from the Texas Legislature and a system to move control from Austin to local communities was born.

Building from the initial Redesign, in 2017 the Texas Legislature directed the implementation of Community-Based Care (CBC). As the state shifted to this model, changes were made to the way a day of foster care is paid by moving to a single blended foster care rate. Under CBC, each Single Source Continuum Contractor (SSCC) – the “lead” provider at the local level – is paid a single daily blended rate that ideally reflects the projected needs of children from the SSCC’s geographic or “catchment” area.

Even though CBC (with the blended rate) attempts to transform the foster care payment system away from paying multiple service levels across multiple placement types, with no other methodology available, the basis is still the three-decades-old Service Level System.

By FY 2029, all children and youth will be receiving foster care services through a local CBC contractor – the SSCC. Because the blended foster care rate ties back to legacy utilization of service levels, and because the legacy system will no longer be in operation, the Texas Legislature directed development of a new foster care continuum and rate methodology that aligns with and supports implementation of CBC.

The General Appropriations Act, House Bill 1, Regular Session, 2019 (Article II, Special Provisions Relating to All Health and Human Services Agencies, Section 32), required HHSC, in consultation with DFPS, to evaluate the existing foster care rate methodology.

HHSC partnered with Public Consulting Group (PCG) to complete this study which resulted in six key findings:

1. The current foster care rates do not clearly align to cost of care;
2. The current rate level system, whereby rates can fluctuate for children based on assessed service level, creates fiscal challenges for providers;
3. The current rate development process is primarily retrospective;
4. The rate calculations mix retrospective costs with forecasted placements;
5. There is an overreliance on fundraising to support requirements; and
6. There is a lack of financial incentives and accountability in the rates.

HHSC included these findings in a report that was presented to the 87th Legislature.

The General Appropriations Act, Senate Bill 1, Regular Session, 2021 (Article II, Special Provisions Relating to All Health and Human Services Agencies,

Section 26), directed DFPS, with the assistance of HHSC, to develop an alternative reimbursement methodology proposal for the 88th Legislature for foster care and CBC rates.

This effort, known as Foster Care Rate Modernization, transforms the foster care system to better align and support the success of CBC by establishing:

1. Clearly defined foster care models/service packages;
2. New foster care rate methodology;
3. A universal screening assessment and placement process to match children to the appropriate services;
4. Opportunities to enhance Title IV-E claiming of federal funds.

The Foster Care Rate Modernization eliminates use of the level system, replacing it with a uniform assessment tool and process to match the child to one of 24 precisely- defined service “packages”. Each service package has a corresponding rate that is built on present-day methodology.

Under Foster Care Rate Modernization, residential childcare providers and caregivers will specialize in providing distinct and clearly-defined services. The SSCCs will develop the community’s foster care continuum of services based on the available service packages and will have the flexibility to determine how best to structure the network. At first, DFPS will pay the SSCC using a fee-for-service schedule, and with utilization experience and based on the SSCC’s individual network move to a blended rate.

The Texas foster care model is built on the Service Level System. Building a new model on the foundation of Foster Care Rate Modernization will require modifying or restructuring systems for DFPS, HHSC, the SSCCs and residential providers, as well as university partners. This transformation will also require changes to court approvals and processes.

The transition to Foster Care Rate Modernization will occur in four phases with children served beginning in January 2025 and full transition occurring at the end of FY 2027.

Project Phases and Timeline						
	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Phase 1- Infrastructure & System Readiness		June 2023- December 2024				
Phase 2- Transition of Services & Children			January 2025- August 2027			
Phase 3- Full Implementation						September 2027
Phase 4- Refinement						Ongoing

The state’s ability to successfully implement and transition to the Foster Care Rate Modernization model is contingent on funding and resources necessary to support the effort.

DFPS identified the following resource needs:

- Establish a Project Management Office;
- Change the IT Infrastructure in IMPACT and other systems to support accurate collection, tracking, and reporting of data;
- Develop and execute a new universal assessment tool and placement process;
- Establish an external Continuous Quality Assurance and Improvement process; and
- Award provider grants to support SSCC and residential childcare providers through the transition to a new service delivery model and supporting rate methodology.

The **five-year (FY 2024-28)** estimated **administrative costs** to support the transition and implementation of Foster Care Rate Modernization is **\$106.4 million General Revenue.**

The \$106.4 million represents the total across three categories of cost that include:

- State Agency Transition Subtotal Costs: \$67.9 million
- CQAI Best Practice Subtotal Costs: \$2.5 million
- Provider Transition Subtotal Costs: \$36.0 million

Total General Revenue (GR) Needed to Support Implementation and Operation of Foster Care Rate Modernization Across All Categories (FY 2024-FY 2028)					
SFY 2024	SFY 2025	SFY 2026	SFY 2027	SFY 2028	5-Year Estimated Total
GR	GR	GR	GR	GR	
Project Management Office (State Transition Cost)					
\$690,654	\$693,317	\$693,317	\$693,317	\$693,317	\$3,463,922 (3% of Total Cost)
IT Infrastructure, Data Tracking and Reporting Modifications* (State Transition Cost)					
\$3,723,268	\$12,659,885	\$10,188,705	\$7,339,062	\$5,597,504	\$39,508,424 (37% of Total Cost)
Texas CANS 3.0 Tool Development and Assessment Process to Support Rate Modernization** (State Transition Cost)					
\$1,301,480	\$4,256,722	\$6,596,344	\$6,406,854	\$6,409,490	\$24,970,890 (23% of Total Cost)
Continuous Quality Assurance and Improvement Process (Best Practice)					
\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000 (2% of Total Cost)
Provider Grants to Support SSCC and Residential Childcare Transition (Provider Transition Cost)					
\$8,800,000	\$7,400,000	\$6,000,000	\$6,350,000	\$7,400,000	\$35,950,000 (33% of Total Cost)
Total					
\$15,015,402	\$25,509,924	\$23,978,366	\$21,289,233	\$20,600,311	\$106,393,236
<p><i>*The DFPS IT costs do not include pending formulation of full IT costs from HHSC.</i></p> <p><i>**There will be some off-set of current system costs that would impact this estimate. These costs are associated with an anticipated reduction in contract amount for the state's third-party utilization management contract, and a redirection of funding in existing SSCC contracts supporting the 90-day CANS assessment requirement for children in therapeutic care being served under the SSCC model. Those off-sets have not been applied to this estimate.</i></p>					

Background

Establishment of the Texas Level of Care System

The Texas Health and Human Services Coordinating Council (THHSCC) was established in 1983 to coordinate planning and policymaking for 19 Health and Human Services agencies. The Council was chaired by then Governor Mark White; Lieutenant Governor William Hobby, Jr. and Speaker of the House Gib Lewis served as co-chairs. Council members included State Senators, Representatives, Board Chairs of State agencies, and members of the public.

In 1984, the Legislative Budget Board (LBB) required that the Council undertake a study of residential contracted childcare in Texas. During the next four years, a group referred to as the THHSCC Treatment and Care Work Committee developed a system of care that met the criteria established by the LBB. This system of care was called the Texas Level of Care (LOC) Service System and was implemented throughout Texas on September 1, 1988, and included the following components:

- A Common Application for agencies to use when placing children in residential childcare that included a mechanism to determine the appropriate level of care based on the child's individual needs;
- A system of services for children that included defined levels of care;
- A system of residential standards of care that defined a range of services required for children in the state's conservatorship served by residential contracted providers; and
- Childcare provider cost reports and a database to assist in determining the median cost of care.

In 1991, the THHSCC was disbanded and some of its responsibilities were transferred to the Health and Human Services Commission (HHSC). One of HHSC's responsibilities was to set maximum reimbursement rates for the purchase of residential services based on guidelines. Residential childcare providers were reimbursed according to published rate methodology rules supporting a level of care scale. Reimbursement rates were calculated statewide by level of care and correlated to services delivered to children.

Changes to the Texas Service Level System

Over the last 35 years there has been some modification to the Texas Level of Care System which included moving from the initial six levels of care

(Levels 1-6) to four service levels (Basic, Moderate, Specialized, and Intense) in Fiscal Year (FY) 2004. These four service levels, along with a separate payment rate for emergency shelters, became known as the Texas Service Level System. This modification did not result from an overhaul of the base rate methodology, but rather was a condensing and combining of the existing six levels of care to four service levels.

Transition From 6 Levels of Care To 4 Service Levels	
Level of Care Descriptions	Service Levels
<p>LOC 1 – adequate functioning in all areas; transient difficulties, “everyday” worries & occasional misbehavior</p> <p>LOC 2 – occasional problems in functioning in any area; some acting-out behavior in response to life stresses; minimally disturbing to others</p>	<p>Basic Services – family setting with routine guidance and supervision; structured activities</p>
<p>LOC 3 – frequent or repetitive minor problems; may engage in non-violent antisocial acts; capable of meaningful interpersonal relationships</p> <p>LOC 4 – substantial problems; may present moderate risk of causing harm to self or others</p>	<p>Moderate Services – structured supportive and preferably family-like setting; structured daily routines and activities; structured therapeutic intervention; access to therapeutic or medical support</p>
<p>LOC 4 – frequent episodes of aggressive or other antisocial behavior</p> <p>LOC 5 – severe problems, may exhibit persistent or unpredictable aggression; markedly withdrawn; moderate to severe risk of causing harm to self or others</p>	<p>Specialized Services – treatment setting in which caregivers have specialized training; continuous monitoring & limit setting; therapeutic activities; regularly scheduled professional therapeutic support</p>
<p>LOC 6 – very severe impairments; consistently unable/unwilling to cooperate in own care; aggressive or self-destructive behavior; severe risk of causing serious harm to self or others</p>	<p>Intense Services – highly structured treatment setting with limited outside access; frequent one to one supervision; constant attention and limit setting; professional therapeutic support including frequent intervention</p>

Addition of New Programs and Rates

The changing needs of children, youth, and young adults living in foster care have outpaced the services inherent in the level system. To address this, a handful of targeted programs and pro-forma rates were developed and added to the foster care continuum:

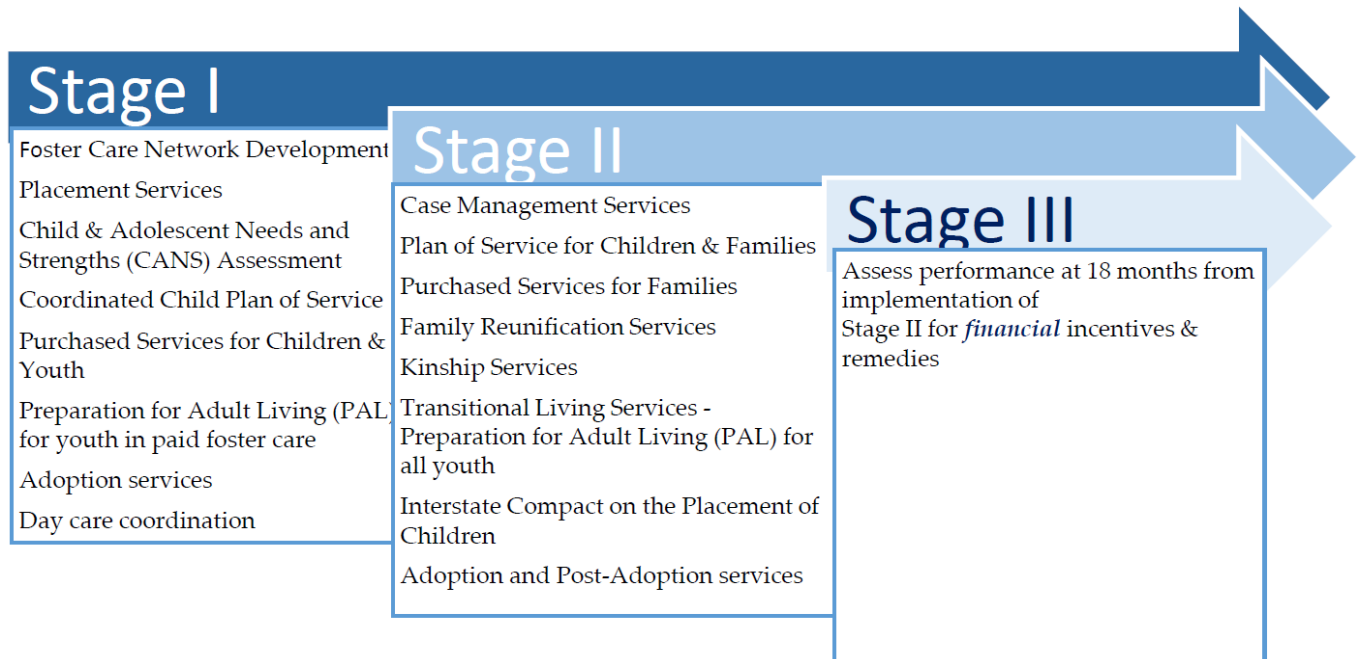
- Intensive Psychiatric Transition Program (IPTP) established in FY 2008;
- Supervised Independent Living (SIL) program established in FY 2013;
- Treatment Foster Family Care (TFFC) established in FY 2018;
- Temporary Emergency Placement (TEP) established in FY 2018;
- Intense Plus established in FY 2018; and

- Supervised Independent Living-Enhanced Case Management (SIL-ECM) established in FY 2020.

Community-Based Care

Beginning in 2010, DFPS joined stakeholders in an effort known as Foster Care Redesign (FCR), which changed the way DFPS procures, contracts, and pays for foster care services. Under the FCR model, DFPS contracted with a Single Source Continuum Contractor (SSCC) to provide placement services, capacity/network development, community engagement, and the coordination and delivery of a network of services to children and families from the designated geographic area/community. In 2011, the 82nd Texas Legislature passed Senate Bill 218, which directed DFPS to implement the FCR model. Under FCR, the role of the SSCC was limited to only children and youth in paid foster care and all legal case management responsibilities remained with the state child welfare caseworker.

In FY 2017, during the 85th Session, Senate Bill 11 built off the foundation of the FCR model and established the Community-Based Care (CBC) model. Under the CBC model, the SSCC is responsible for delivering all legal case management and substitute care services for children, youth, and families from the designated geographic area. The purview of SSCC responsibility is phased in and includes three stages which are shown in the graphic below.



Foster care under the CBC model is paid primarily through the use of a daily blended foster care rate. The methodology for calculating this rate was

developed in 2010, as a part of the initial FCR model and has remained unchanged. Using this methodology, each SSCC has a unique blended rate that is based on the projected case mix (a combination of service levels/placement types and age/time in care strata) of children from their area. The foundation of the blended rate is based on a blend of the 35 year-old methodology that supports the Basic, Moderate, Specialized, and Intense service levels as well as the Intense Plus, Emergency Shelter, IPTP, TFFC, and TEP utilization in the legacy system.

Under CBC, DFPS reimburses SSCCs the daily blended foster care rate. Each SSCC's blended rate is recalculated each fiscal year.

The scope of SSCC contracts is large and there are several types of funding that make up the CBC payment structure. A full listing of this payment structure is included in Appendix A.

Services Provided Outside of the Traditional Foster Care Continuum

There is a small subset of children in both the legacy and CBC foster care systems whose needs exceed what is available under the traditional foster care service array and/or covered through the existing rate structure. These children are served through single-child agreements: the state or SSCC negotiates a contract for services and an individual child daily foster care rate. These agreements are known as child-specific contracts (CSCs) in the legacy system and as Exceptional Care Services under CBC.

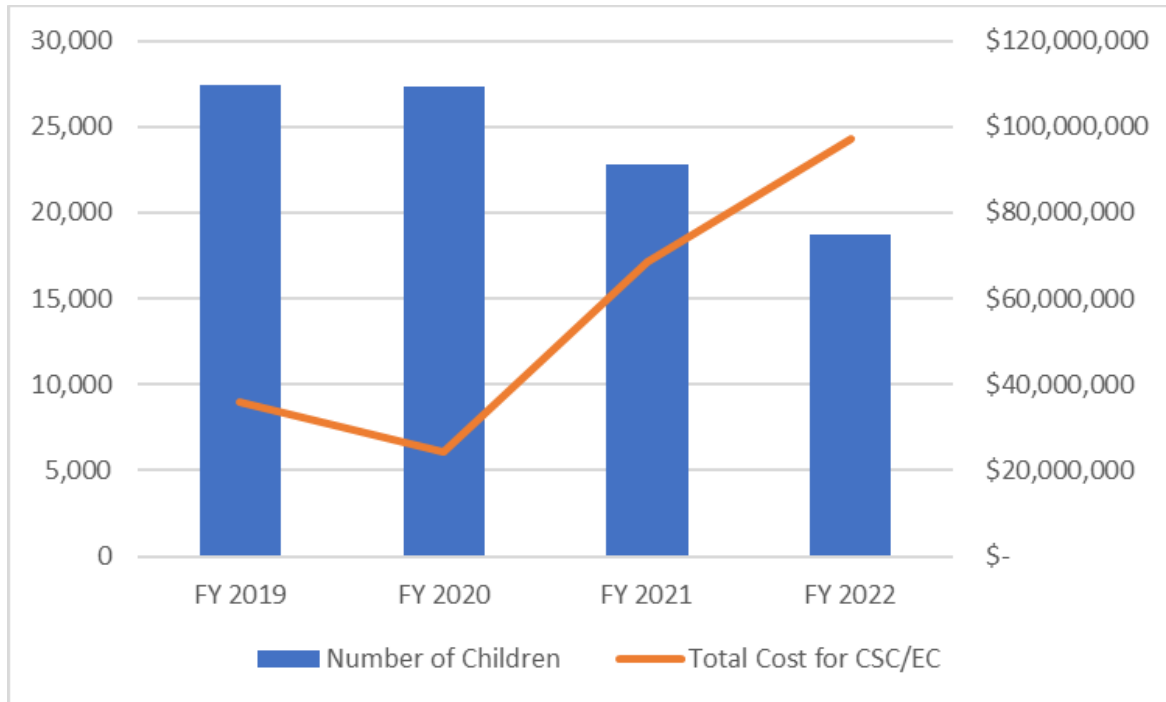
DFPS establishes a statewide Exceptional Care daily rate each year, which is based on the average cost of CSCs in the legacy system. Exceptional Care also includes a 50/50 cost share model between DFPS and SSCCs. This cost share is determined each year and is based on the actual cost the SSCC incurs using the Exceptional Care rate.

All costs associated with CSCs, and the majority of the costs of Exceptional Care services, are funded by general revenue.

While the population of children in substitute care has declined significantly over the past 3 years, the cost of serving children outside the traditional foster care continuum, through CSCs and exceptional care, has drastically increased.

From the beginning of FY 2019 through the end of January 2023, an estimated \$225 million has been spent on a combination of CSCs and Exceptional Care Service.

The following graph shows a comparison of the trajectories of the total number of children in conservatorship at a single point in time (December 31) across fiscal years to the total annual costs for CSCs and Exceptional Care Services from FY 2019 to FY 2022.



Special Provision, Section 32, 86th Texas Legislature, 2019

Several studies have been commissioned by DFPS and HHSC to examine the foster care rate methodology. The General Appropriations Act, House Bill 1, Regular Session, 2019 (Article II, Special Provisions Relating to All Health and Human Services Agencies, Section 32), required HHSC, in consultation with DFPS, to evaluate the existing foster care rate methodology to determine if an alternative methodology would increase provider capacity, incentivize quality improvements, and maximize the use of federal funds.

HHSC partnered with Public Consulting Group (PCG) to complete this work. In the summer and fall of 2020, PCG conducted 32 meetings with providers and other stakeholders to discuss the existing foster care rate structure, looked at other states' models, and evaluated Texas data to identify improvements to address capacity challenges and improve the foster care system. The PCG study resulted in six key findings:

7. The current foster care rates do not clearly align to cost of care;
8. The current rate level system, whereby rates can fluctuate for children based on assessed service level, creates fiscal challenges for providers;

9. The current rate development process is primarily retrospective;
10. The rate calculations mix retrospective costs with forecasted placements;
11. There is an overreliance on fundraising to support requirements; and
12. There is a lack of financial incentives and accountability in the rates.

Informed by the findings of the PCG study, the *HHSC Foster Care Rate Methodology Report*¹ was presented to the 87th Legislature in February 2021.

Special Provision, Section 26, 87th Texas Legislature, 2021

The 87th Legislature directed DFPS, with the assistance of HHSC, to develop an alternative reimbursement methodology proposal for the 88th Legislature for foster care and CBC rates. The direction, captured in the General Appropriations Act, Senate Bill 1, Regular Session, 2021 (Article II, Special Provisions Relating to All Health and Human Services Agencies, Section 26), required the items in the following table to serve as the basis for the new methodology.

Special Provision 26 Requirements	
Aligning rates to clearly defined program models	Pricing the elements of the program models using cost report data and market analysis
Reviewing rate calculations with stakeholders to refine the models and price	For facility-based programs, paying the rates that align to the placement setting in which the child resides for as long as the child resides there
For foster families, maintaining the same rate for an identified period after a child is assessed as ready for a lower placement level to allow the family to sustain the progress that has been made	Using Child and Adolescent Strengths and Needs (CANS) assessment (and other tools) to inform placement and service decisions and track progress
Track regional differences in CANS scores and costs to determine if trends emerge	Considering personnel and credentials that are desired for programs and factor commensurate and competitive salaries into the model budget legacy rate development across the state
Developing incentive payments for Child Placing Agencies (CPAs) and General Residential Operations (GROs) for desired outcomes such as timely permanency, recruiting and training foster homes, successful moves to lower levels of care, clinical improvements, and other outcomes as determined by DFPS	Define placement settings and services that align to children’s needs with rates that ties to those specific settings and services and clarifying program expectations for each setting, such as staffing requirements, supervisory requirements, training, and other support and operating assumptions

¹ Source: [HHSC Foster Care Rate Methodology Report](#), published by HHSC, February 2021

Continuing the Exceptional Care “carve out”	Implementing a risk reserve
Reviewing opportunities to increase the Title IV-E eligibility rate	Increase kinship licensing
Developing a method to claim costs associated with child specific contracts	

In June 2021, DFPS and HHSC immediately began working together to implement the requirements of Special Provision 26 and the project became known as the Foster Care Rate Modernization.

This cross-agency collaboration resulted in several deliverables including a high-level development and implementation plan submitted by HHSC in September 2021, and a report detailing the final service descriptions released by DFPS in December of 2021. These two reports, along with other reports and resources related to the effort can be found on the DFPS Foster Care Rate Modernization [webpage](#).

Purpose of the Companion Report

Special Provision 26 directs HHSC to “submit a report to the Legislative Budget Board, the Governor, the Chair of the House Appropriations Committee, the Chair of the Senate Finance Committee, the Speaker of the House, the Lieutenant Governor, the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services, and DFPS that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates.”

While the HHSC Report details the fiscal impact of paying the new foster care rates under Foster Care Rate Modernization, the “*DFPS Companion to HHSC Pro forma Modeled Rates and Fiscal Impact Report*” provides information on DFPS’ high-level plan for implementing the new foster care service array and payment structure. This companion report includes a timeline and the five-year fiscal cost estimate to support implementation and on-going operation of the new model under both the legacy and CBC systems.

Foster Care Rate Modernization

In July 2021, DFPS, in collaboration with the Texas Alliance of Child and Family Services, met with stakeholders to kick off the Foster Care Rate Modernization project to gather input and help inform the Department's overall goal, objectives, parameters, and general approach to defining a new foster care continuum in Texas.

Goals and Objectives

The goal of Foster Care Rate Modernization is to improve outcomes for children, youth, and young adults by establishing a well-defined service continuum that meets the needs of the foster care population and compensates the caregiver for delivering high-quality services.

Objectives of the Foster Care Rate Modernization project included:

- Determine what kind of foster care services are needed and clearly define each of the needed program models; and
- Establish a new rate methodology that better aligns the cost of care with each service provision and incentivizes improved child outcomes.

Parameters

Building on the PCG report resulting from Special Provision 32, and legislative direction provided in Special Provision 26, five parameters were established to guide DFPS work on the Rate Modernization effort:

1. Newly-defined models/continuum and rate methodology will assume provider compensation aligns service provision with the actual cost of care.
2. The scope of the project applies to foster care services only.
3. Licensing and regulatory requirements/oversight/structure do not change substantially. If substantial changes occur the rate methodology should be re-examined.
4. Some providers may need to make significant business model changes to move forward under the newly defined service model continuum.
5. Additional resources and time will be needed by DFPS, HHSC, and providers to fully implement the resulting foster care continuum supported by new methodology.

Approach to Model Design

In September of 2021, DFPS contracted with The Texas Institute for Child & Family Well-being (TXICFW) research institute, within the Steve Hicks School

of Social Work at The University of Texas to serve as consultants in the Foster Care Rate Modernization effort. TXICFW assisted with stakeholder engagement, the program model, and assessment tool/placement process design.

To clearly define program models, DFPS analyzed Texas-specific data, researched other state models, and engaged and surveyed hundreds of stakeholders.

Data analysis included a thorough review of historical Foster Care Needs Assessments, child-specific contracts, Exceptional Care and children without placement data including the most common characteristics and services purchased outside of the traditional foster care continuum.

DFPS researched foster care continuum models and payment structures in several states including Indiana, Colorado, Wisconsin, New Jersey, Washington, Oklahoma, California, and Florida to identify best practices and innovative solutions that could be used in Texas.

Foster Care Rate Modernization represents a transformation of the foster care system, which required all stakeholders that contribute to a healthy and well-functioning child welfare system be involved in the design. DFPS established a dedicated public webpage and mail box to ensure stakeholders had the most up-to-date information and access to provide input for the design of the system. From July 2021 through January 2022 over 30 focus groups, webinars, and work sessions were held with stakeholders, including SSCCs, foster parents, all residential childcare provider types from across the state, members of the judiciary, advocates, trade associations, and teams representing the HHSC-DFPS Behavioral Health Services, HHSC-Childcare Regulation, and HHSC and STAR Health DFPS/HHSC Leadership Team.

DFPS also worked closely to ensure consistency with internal and external stakeholders who were implementing two key pieces of childcare legislation from the 87th Regular Session, 2021. Senate Bill 1896 directed DFPS to expand capacity in a manner consistent with provisions of the federal Family First Prevention Services Act for children and youth in foster care that are pregnant and parenting, those that are victims/survivors of human trafficking, and qualified residential treatment programs. Senate Bill 1575 lead to the formation of the Residential Treatment Center Best Practices Subgroup which studied and made recommendations for improving quality of residential treatment services in Texas.

In February 2022, TXICFW released a comprehensive provider survey on behalf of DFPS. This survey was sent to approximately 400 DFPS and SSCC-contracted providers to gather information used to validate and help define the program models as a part of Foster Care Rate Modernization.

Using the data analysis, national research, and stakeholder input, DFPS was able to identify and define a new foster care continuum of specific program models. These new program models are designed to meet the needs of all children, youth, and young adults in the system with an emphasis on providing opportunities for children and youth who are now being service by child-specific contracts or Exceptional Care Services. This along with an expanded array that incorporates the services listed in SB1896 (87th Regular Session, 2021), some of the best practices identified by the SB1575 (87th Regular Session, 2021) subgroup and new foster family home services will aid in opportunities for the state to better maximize federal funding participation.

Clearly Defined Program Models

DFPS finalized the primary models/service packages in a January 2022 report² and further validated assumptions in March 2022. The final service descriptions, or packages, for Foster Family Homes (CPAs), General Residential Operations (GRO)–Tier I, and GRO–Tier II include various services DFPS will purchase to better care for children in conservatorship. Each package contains defined requirements based on specific treatment needs of each child and youth. As the specific program models/service packages were identified DFPS relied on state and federal law HHSC Minimum Standards, stakeholder input, and best practices to help in define the assumptions of each model. Defining the core assumptions of each model/service package is important because it serves as the basis for the methodology used to calculate and determine the daily foster care rate for SSCCs (under the CBC model) and residential childcare providers (under the legacy model).

Enhanced Title IV-E Claiming

Special Provision 26 also directed DFPS to review opportunities to increase the federal Title IV-E eligibility rate. Title IV-E of the federal Social Security Act is a program funded yearly with specific eligibility requirements and fixed

² Source: [Foster Care Rate Modernization Report: DFPS Final Service Descriptions](#), published by DFPS, January 2022

allowable uses of funds. DFPS is the state's Title IV-E agency and is awarded an open-ended entitlement grant from the Children's Bureau based on an approved Title IV-E state plan to operate and administer the foster care program. Funds are available for monthly maintenance payments for daily care and supervision of eligible children, administrative costs to manage the program, training of staff and foster care providers, and recruitment of foster parents and costs related to operation of a state-wide data collections system.

During the FYs 2020-21, Texas received an estimated \$414 million in Title IV-E Foster Care Assistance federal funding. This source of funding is reliant on the child's eligibility and the eligibility of the child's placement type in foster care.

The eligibility rate of children in Texas qualifying for Title IV-E has declined; this is largely attributed to the fact that the income test to determine eligibility is based on 1996 Aid to Families with Dependent Children (AFDC) program standards and has not been updated.

In 2018, the Family First Prevention Services Act (FFPSA) changed Title IV-E child welfare financing, as certain foster care placement settings became ineligible for federal claim after September 29, 2021.

As DFPS worked with stakeholders to determine and design the program models/service packages inherent in the new foster care continuum under Foster Care Rate Modernization, improved opportunities to enhance Title IV-E claiming informed the overall design. A more comprehensive overview of this work can be found in the "*DFPS Special Provision 26 Opportunities to Increase IV-E Federal Funding*" released in February 2023³.

Of the 24 primary model/service packages options, 17 are Title IV-E eligible placements, and are noted below.

Foster Family Home Service Packages

For home-based settings, or Foster Family Care, there are nine **primary** and three **service add-ons**. The child or youth will only be assigned one primary setting that best meets the most pressing needs of that child or youth. A youth may be eligible for any combination of service add-ons, depending on the youth's eligibility. A child or youth cannot be eligible for an add-on service without having a primary setting assigned.

³ Source: [Opportunities to Increase Claiming IV-E Funds through Foster Care Rate Modernization](#), published by DFPS, February 2023

Primary Model/Service Package

- 1) Basic Foster Family Home*
- 2) Short-Term Assessment & Stabilization Services* (*ineligible for service add-ons due to short-term nature*)
- 3) Complex Medical Needs or Medically Fragile Services*
- 4) Treatment Foster Family Care Services*
- 5) Intellectual or Developmental Disability (IDD) & Autism Support Services*
- 6) Sexual Aggression/Sex Offender Support Services*
- 7) Mental & Behavioral Health Support Services*
- 8) Human Trafficking Support Services*
- 9) Substance Use Support Services*

**Eligible for Title IV-E foster care maintenance claim*

Add-Ons

- A. Transition Support Services for Youth and Young Adults
- B. Support Services for Youth and Young Adults who are Pregnant or Parenting
- C. Kinship Care

Kinship Care Add-On

The Kinship Care Add-On rate was designed to support a CPA that has verified and is providing services and oversight to the kinship home. Stakeholder feedback illustrated a strong need to support and encourage CPAs as they verify kinship caregivers, which takes about three times more effort and time to complete as compared to traditional foster care home verification.

General Residential Operation- Tier I

In general, the following settings, with the exception of Basic Childcare Operations, are time-limited and designed to support community transition back to a less restrictive setting. These are stand-alone packages with no add-on service options. Additionally, transition support services for youth age 14 and older are included for all settings, except Emergency Stabilization/Assessment Center.

Primary Model/Service Package

- 1) Basic Childcare Operations
- 2) Emergency Stabilization & Assessment Center
- 3) Complex Medical Needs Services

- 4) IDD & Autism Services
- 5) Human Trafficking Services*
- 6) Substance Use Services
- 7) Pregnant & Parenting Teen Services*
- 8) Mental & Behavioral Health Treatment Services
- 9) Sexual Aggression/Sex Offender Treatment Services.

**Eligible for Title IV-E foster care maintenance claim*

General Residential Operation- Tier II

To provide Tier II services, a provider is required to specialize in time-limited, intensive evidence-based treatment designed to stabilize children, youth, or young adults in one or more of the settings below.

Providers are required to meet all of the service requirements of a Qualified Residential Treatment Program (QRTP) under the Family First Prevention Services Act. These requirements include:

- Be nationally accredited;
- Have 24/7 licensed nursing and clinical staff;
- Have an evidence-based, trauma-informed treatment model;
- Provide family outreach, engagement and inclusion; and
- Provide aftercare support for six months.

Additionally, to qualify as a QRTP there are enhanced DFPS/SSCC requirements related to placing children and youth in a Tier II setting, including a third-party review and assessment to determine necessity. It is envisioned that DFPS would contract with a third-party skilled in quality assurance and utilization management to conduct the assessment.

The determination between Tier I and Tier II services will be based on the child's assessment for services. Tier II services are considered "sub-acute" stabilization services and require a more frequent and concentrated level of intervention compared to Tier I.

Primary Model/Service Package

- 1) Aggression & Defiance*
- 2) Complex Medical Needs*
- 3) Complex Mental Health*
- 4) Human Trafficking Victimization*
- 5) Substance Use Disorders*

6) Sexual Aggression/Sex Offender Treatment Services*

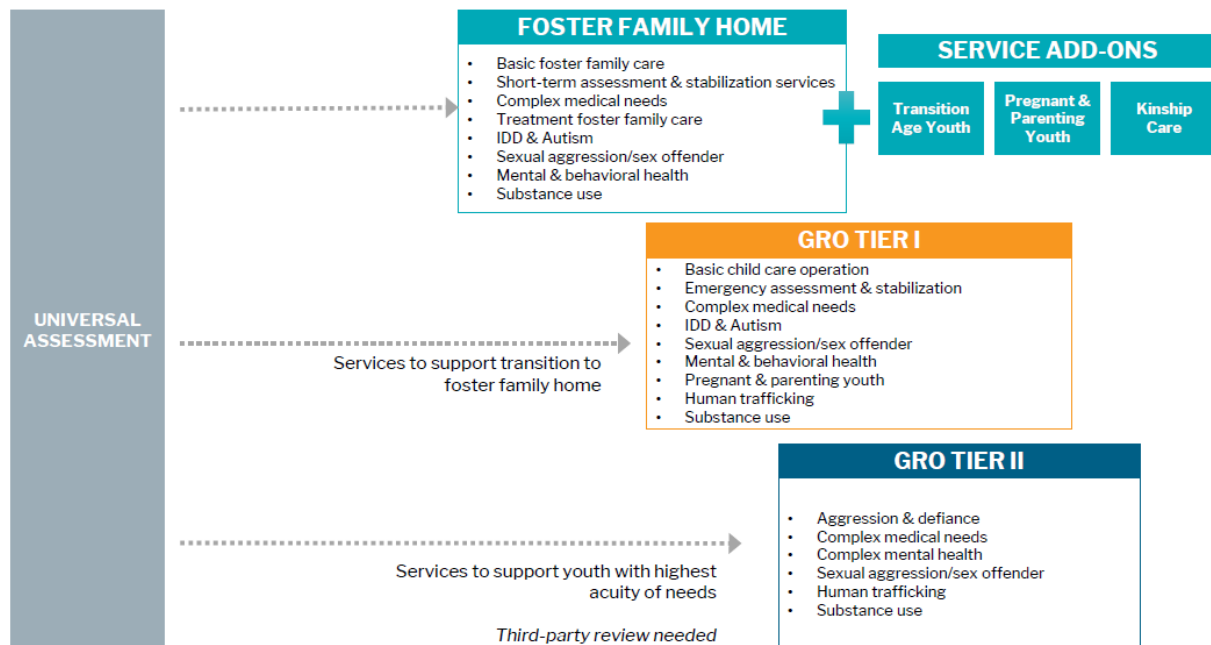
*Eligible for Title IV-E foster care maintenance claim

Foster Care Continuum Under Rate Modernization

The new service packages will replace the current service levels of care. Some primary model/service packages are time-limited to encourage the foster parent or facility to actively work with the child toward goals defined by the provider's specific evidence-informed treatment model; however, if the child has not reached the goal, there will be an assessment to determine efficacy of treatment plan and continued need. Payment to the foster parent or facility continues at the primary model/service package rate until the child completes treatment.

The daily foster care rate is tied to the primary model/service package being offered. If the child has needs that cross multiple service packages, the primary need the provider is treating (as agreed upon by DFPS and/or the SSCC) will serve as the basis for the daily rate payment. For certain eligible children and youth, there is an add-on to the daily rate in foster family home settings.

New Foster Care Continuum⁴



⁴ Source: Graphic Provided by TXICFW, February 2023

Assessing, Matching, and Connecting Children, Youth, and Young Adults to the Appropriate Service Package

Replacing the existing broad, service-level based placement types with rebuilt, clearly-defined program models, requires a new universal assessment tool and process for matching children to services/placements and tracking progress. DFPS leveraged the expertise of the Texas Institute for Child and Family Wellbeing (TXICFW) to evaluate the existing assessment and placement process used by DFPS and recommend a new process to support the new service delivery model.

TXICFW's work included extensive national research, process evaluation, and qualitative data collection and analysis including seeking input from former foster youth, kinship and foster caregivers, SSCCs, CPS caseworkers/supervisors, and CANS assessors.

Based on this research, TXICFW recommended a new collaborative universal screening process to be used by DFPS (legacy model) and SSCCs (CBC model) that is designed to link children and youth to caregivers and providers offering targeted services. This process incorporates three distinct tools:

1) Application for Placement

This tool is currently used in the system to guide placement decisions. Research found that this is a useful tool because it is the first information completed about a child and it contains information about strengths, known behaviors, and needs at placement.

2) Child and Adolescent Strengths and Needs (CANS) Assessment

Senate Bill 125, 84th Legislature, Regular Session, 2015, required children in DFPS conservatorship to receive a developmentally appropriate comprehensive assessment. The assessment is required to screen for trauma and interview individuals with knowledge of the child's needs.

CANS is used universally as the assessment tool in the Texas child welfare system. It is designed to provide service recommendations for children and youth - the basis of placement decisions under the Foster Care Rate Modernization continuum.

3) Professional Judgment and Expertise

Child welfare professionals understand placement availability and service capacity in their community. Caseworkers and others working directly with the child can also identify the wishes of the child and their family in terms of placement options.

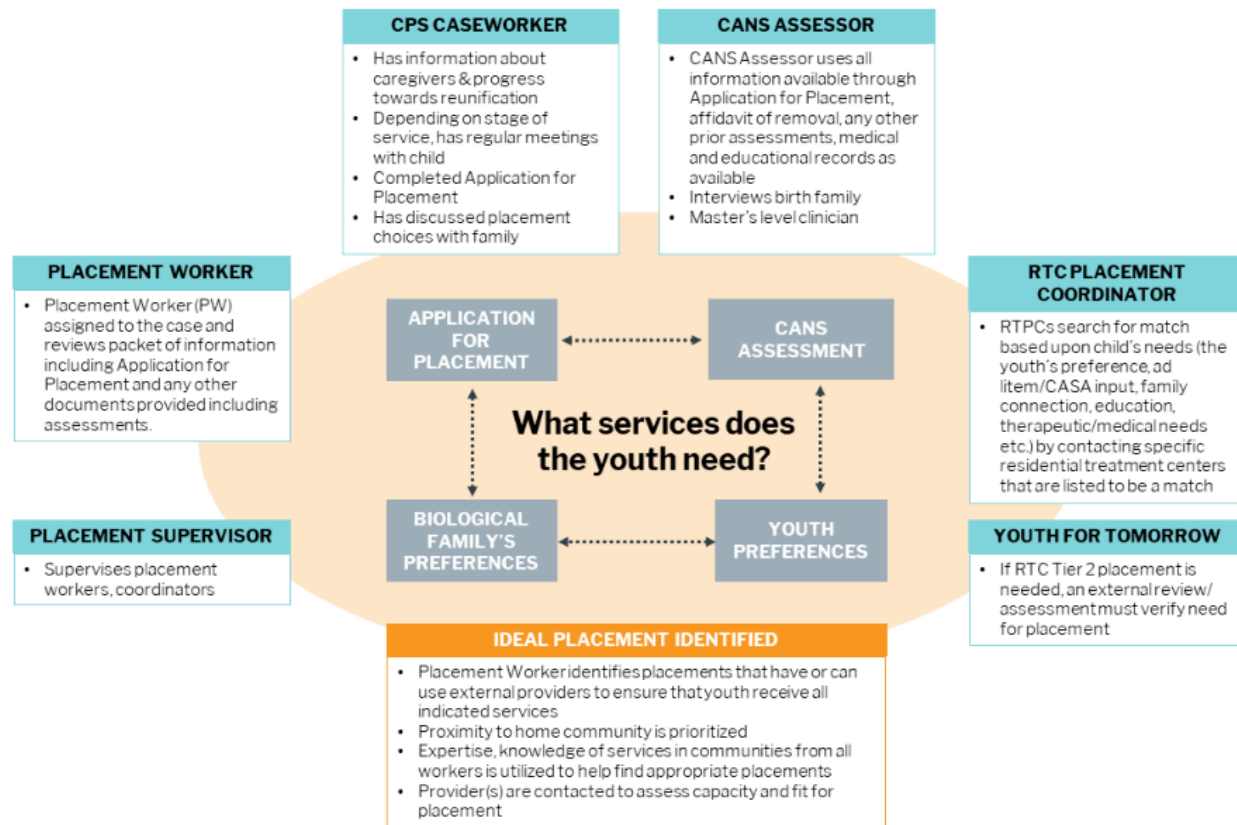
These three tools exist in the system today, but significant changes will be needed to make Foster Care Rate Modernization a success.

Under Rate Modernization there is no service level, and the crucial question to ask is: "What does this child need?"

TXICFW recommends an Application for Placement, CANS assessment, and the child/youth and family's preference. Selection of the appropriate placement includes a collaborative process that may involve the caseworker, supervisor, CANS assessor, and other professionals like the placement worker/supervisor. Services suggested by the CANS and information in the Application for Placement, along with input from the team, are used by the placement worker to identify potential placements. Once the potential placement(s) have been identified, the placement worker presents the option(s) back to the team who makes the final decision.

Under GRO Tier II services is another step that involves use of a third-party to determine appropriateness. DFPS currently contracts with a third-party to perform quality assurance and utilization management services and will leverage the existing contract.

Assessment and Placement Decisions Under Foster Care Rate Modernization⁵



Enhancements to the CANS Tool and Process

TXICFW recommended that the state leverage and improve the existing CANS 2.0 assessment tool and administration process. Under the current system, the CANS assessment is completed for children ages 3-17 when they enter conservatorship and each year after. If children are being served by an SSCC and receiving therapeutic services, then a CANS assessment is required every 90 days.

The initial and annual CANS assessments are administered by clinicians through the child's STAR Health Medicaid plan. Clinicians rely on information from the child, the child's caregiver, and the caseworker to inform the assessment.

Texas CANS 3.0 Assessment Tool

⁵ Source: Graphic Provided by TXICFW, February 2023

Informed by research and evaluation, TXICFW recommended a new version of the CANS assessment, a CANS 3.0, be developed using an algorithm that links the assessment to the clearly defined primary model/service packages under rate modernization.

The University of Kentucky's Center for Innovation in Population Health developed decision support criteria models to match CANS data to placement outcomes. This work coincides with clearly defined primary model/service packages inherent under Foster Care Rate Modernization. The models/service packages can be reverse engineered using data from CANS, so a Texas CANS 3.0 can be programmed to direct the appropriate model/service package and placement setting.

Texas CANS 3.0-CANS Assessor

TXICFW also recommended that the administration of CANS and the role of the CANS assessor be moved under DFPS (if legacy model) or the SSCC (if under CBC model). TXICFW identified potential benefits, including:

- Streamlines placement and service recommendations into one tool more closely aligning with the goal of Foster Care Rate Modernization.
- CANS assessors would have access to all the parties and information (in IMPACT, SSCC, and other databases including the child's Health Passport) to complete the assessment, thus improving thoroughness.
- A Continuous Quality Improvement (CQI) process for CANS could be easily developed as part of CANS assessor performance reviews (which TXICFW did not find exists today), thus allowing more consistent quality of assessments.
- New potential to assess placement capacity against CANS data to better inform capacity needs.

TXICFW proposed the state create a new CANS assessor position. This new position would become part of the Centralized Placement Unit in the legacy system, and under CBC, resources to support this new function would be included in the resource transfer beginning in Stage I.

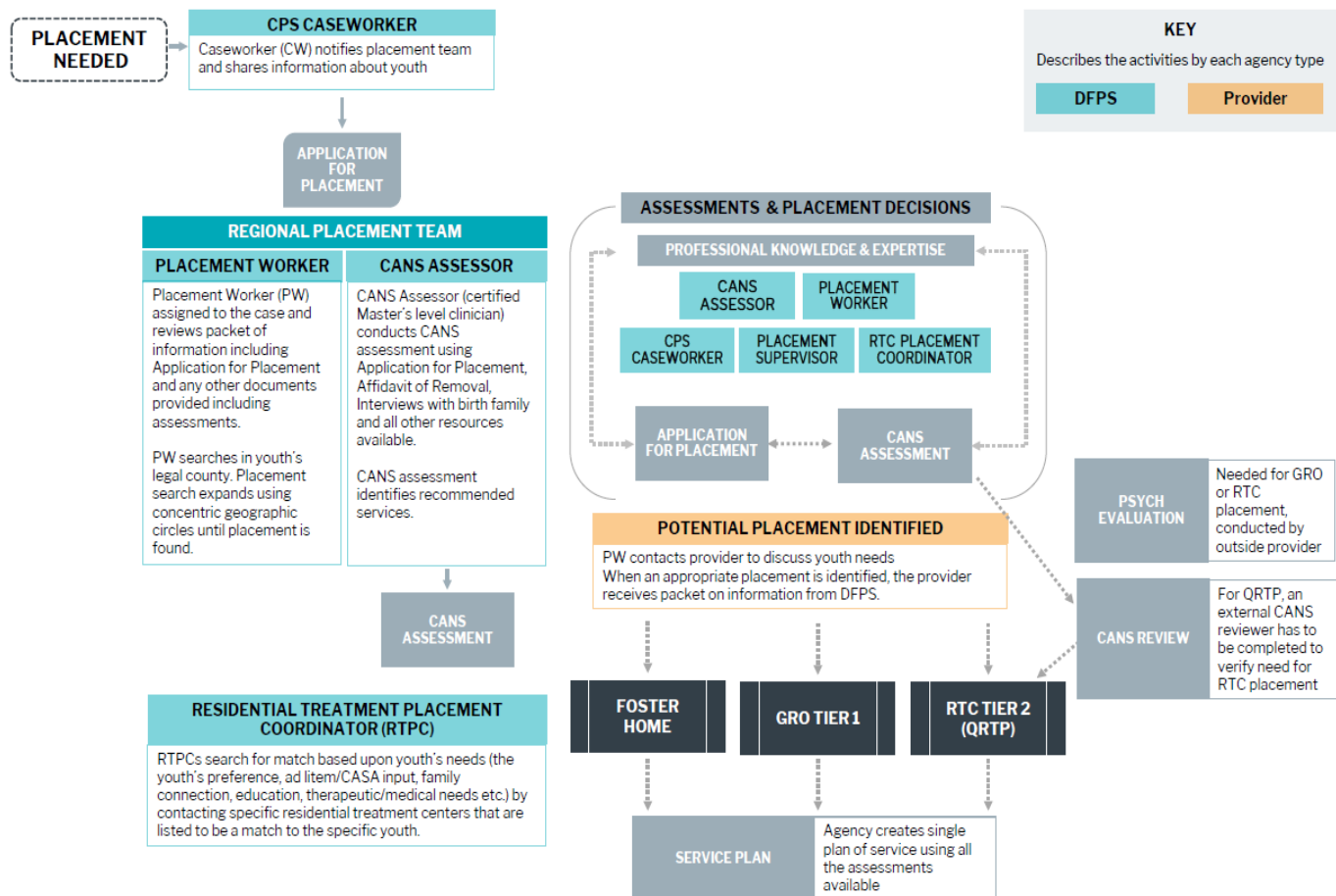
Implementing this structure will expedite the CANS assessment, as the Assessor will have ready access to the child's Application for Placement, the affidavit of removal, contact information for the child and biological family and all other case-related and historical records.

Texas CANS 3.0-Time Frames

To best guide placement and service planning, TXICFW recommends that a CANS assessment should be completed at the time of removal, each year

after removal, and before transitions between placements and/or permanency.

Placement Process Under Foster Care Rate Modernization⁶



Continuous Quality Assurance and Improvement (CQAI)

Foster Care Rate Modernization requires a reconstruction and transformation of a three-decade old system. With so many profound changes, a mechanism is needed to measure success and make improvements in real time. A robust process and structure that supports continuous quality assurance and improvement will save time, effort, and resources by ensuring inefficiencies are detected and addressed.

⁶ Source: Graphic Provided by: TXICFW, February 2023

Measuring Success

TXICFW recommended a system of personalized outcome measures tied to individualized goals in a child's service plan as the measure of success under Foster Care Rate Modernization.

Measurement of these goals/outcomes would serve as the basis for individual provider's Continuous Quality Improvement process.

The CQAI Process Recommendations

A systems-level CQAI process will be needed because TXICFW recommended a centralized process reside independently of DFPS and the SSCCs and begin during the implementation phase. Developing a new universal screening process and moving to a new service delivery model will not occur without error.

The goal is to ensure that the right array and quality of services are being developed and provided based on the Foster Care Rate Modernization model.

TXICFW recommended the following stages for the CQAI process:

- *First, a team is developed to provide CQI support. The CQI team should be led by external professionals who understand the child welfare system in Texas, but are not involved in placements. This team should include representation from DFPS and SSCC leadership, CFSR Review Team, regional leadership, a CANS assessor, judicial representatives, a representative from the University of Kentucky's Center for Innovation in Population Health, and individuals with lived experience. This CQI team will be charged with reviewing data quarterly to identify practices that need to be started, stopped, and continued.*
- *The second stage of the CQI process will be working as a team to identify all internal and external data sources. During implementation, the CQI team will create a comprehensive data plan that will result in quarterly presentations and discussions. A caveat is that there are data barriers where certain data is not necessarily connected to child outcomes and service plans. During the implementation planning, data systems will need to be examined more closely to develop a plan. It must be made available timely to the independent CQI team to ensure meaningful evaluations and continuous improvement as Foster Care Rate Modernization is implemented.*
- *Each quarter, the CQI team will meet and study the data collected during that quarter, then decide if modifications must be made.*

Specific SMART goals will be articulated for implementation by DFPS, the SSCCs, or any other entity.

TXICFW Cautions

TXICFW advised DFPS that the proposed changes to the universal assessment screening and process must occur together for the Foster Care Rate Modernization model to work. TXICFW cautioned against using the existing CANS process and feel strongly it must be modified to be part of the assessment and placement process.

Secondly, TXICFW recommended that an implementation plan be developed with input of stakeholders, including those with lived experience. Inclusion of stakeholders is critical to ensure that what is built will work for those who work in the field.

Lastly, TXICFW cautioned that it will be important to understand that placements do not currently exist to meet the needs of **all** the newly designed primary models/service packages. The CQAI process should be used to monitor the fit of the service needs and placements. Once more placements are available, the system should focus on whether children and youth are receiving recommended services.

Community-Based Care and Foster Care Rate Modernization

Foster Care Rate Modernization is not about rebuilding the legacy system but designing a **new** foster care continuum and rate methodology that supports the success of CBC as it rolls out across the state. As described in the Background section of this report, the foundation of the blended foster care and Exceptional Care rate is based on the three-decade old, existing foster care continuum and rate structure. CBC is intended to be flexible and innovative, so the SSCC can establish a network and design services to meet the needs of children and youth in the community.

This is challenging under the existing rate structure as the cost the SSCC incurs for developing a new service must align with old rate methodology to ensure viability.

Establishing a robust array of defined primary models/service packages allows for more opportunities to design a network of providers that meets the individual needs of children, youth, and young adults served by each SSCC.

The vast service array in each catchment area should be determined by the individual SSCC based on population and the needs of that community. Not every SSCC will have the same utilization rate or needs across all 24 models.

Approach to CBC Foster Care Rate Development

The Foster Care Rate Modernization project followed a plan that included several phases of development. Initial work focused on analyzing data to determine preliminary model/service packages to support children and youth in the system. Once the preliminary service packages were determined, work was done to finalize the service packages needed and define the core assumptions for each package. DFPS, HHSC, and PCG then worked to design economic models and rate methodology to support each of the individual service packages and add-ons.

While developing the economic models and rate methodology for the individual services, DFPS, HHSC, and PCG evaluated methods to blend the individual services into a single rate.

Two CBC rate methodologies were developed using the new service package methodologies as the basis. These two options included:

- 1) Blending the rates for the nine individual service packages that make up the foster family home continuum and paying using a fee-for-service structure for GRO Tier I and Tier II services.
- 2) Use a fee-for-service methodology across all service packages, so the SSCC is paid the rate tied to the actual service package.

DFPS, HHSC, and PCG presented both options to the existing SSCCs and they provided helpful feedback on the pros and cons of each option.

After careful consideration, DFPS is recommending moving forward with the second option in the initial phase of Foster Care Rate Modernization. Using this fee-for-service approach will allow for the collection of utilization data and be informed by the CQAI process before moving to a blended rate methodology for CBC. HHSC estimated that three years of fee-for-service data should be collected before moving to a blended methodology. This will allow for collection and analysis to determine the best manner for blending the rate.

Approach to CBC Case Management Rate Development

While most of the focus of the Foster Care Rate Modernization project has been on establishing new, clearly defined service models and methodology, HHSC, PCG, and DFPS worked to develop a methodology to support the provision of case management services under Stage II of the CBC model.

Existing SSCCs provided financial information which informed a methodology to pay the SSCCs a case management rate.

DFPS and HHSC plan to work in the upcoming biennium with the SSCCs to design a robust SSCC-specific cost report to support implementation of the case management methodology.

Implementation

Texas’ foster care model is centered on the Service Level System. Rebuilding the foundation through Foster Care Rate Modernization will require modifying or completely restructuring systems and the service delivery approach for not only DFPS and HHSC, but also SSCCs and residential providers, and university partners. This type of transformation will require changes to court approvals and processes. ***The state’s ability to successfully implement and transition to the Foster Care Rate Modernization model is contingent on funding and resources necessary to support the effort.***

High-Level Overview of The Change Construct by Stakeholder Type*									
Stakeholder Type	Targeted Change Management Plan (includes operating in two systems during transition)	Communication Plan	Business/system model development	Policy, Procedures, Practice, Forms, & Tools (including TAC Rule changes for DFPS)	IT System Changes to support case management, eligibility, and payment structure	Data Collection, Tracking, and Reporting Changes (including data for cost reporting providers)	Procurement & Contract Changes	Training model & plan	Targeted CQAI Plan & Execution
DFPS	★	★	★	★	★	★	★	★	★

SSCC	★	★	★	★	★	★	★	★	★
Residential Childcare Providers (Legacy and CBC network providers)	★	★	★	★	★	★	★	★	★
Judiciary	★	★	★	★				★	★
*While most stakeholder groups touch all areas of the change construct, the magnitude of the change varies based on role in the system, and whether the responsibility is around development, implementation, or both.									

Much of the work to implement Foster Care Rate Modernization is interdependent across stakeholder groups, for instance DFPS’ development of a policy, practice/training models, tools, and materials that outline core model assumptions for each primary model/service package must be developed before providers can make changes to business models, deploy training, etc.

General Approach to Implementation

A change of this magnitude will take time to fully implement. Even after initial implementation of the new Foster Care Rate Modernization model, the existing Service Level system will still operate. This need and timeframe will largely be based on how quickly and efficiently children can transition under the new model. Available capacity, DFPS/SSCC/provider readiness, and individual child need will all influence the time to fully transition.

DFPS estimates, based on the high-level implementation plan, that the new foster care service array and rates envisioned under Foster Care Rate Modernization may be available by January 1, 2025. This means providers would begin moving from the Service Level System construct to the Rate Modernization Model at that time. Based on current provider capacity and forecasted projections, DFPS anticipates the full time to transition all children⁷ may occur by the end of FY 2027. This transition timeline is based on assumptions that have not been implemented into practice, the actual

⁷ DFPS does anticipate that, while **greatly** reduced by Foster Care Rate Modernization, there may still be the need for services under child-specific contracts and exceptional care agreements.

timeframe will be further informed by more in-depth transition planning and experience.

The most recent CBC Implementation Plan⁸ released in December 2022 shows all foster care services should transition to the CBC model by the end of FY 2027. Due to the overlap in timing of the transition to Foster Care Rate Modernization, and roll-out of CBC, it will be necessary to support the activities under both the legacy and CBC models.

Stakeholder Involvement

Foster Care Rate Modernization affects many stakeholders across the foster care system, none more important than the children, youth, and young adults in the state's care. It is vitally important that the transition to the new system cause the least disruption possible.

DFPS relied on both internal and external stakeholders throughout this project. Successful implementation of this transformative effort will only occur with continued stakeholder engagement. Stakeholders need clear information regarding progress, timelines, expectations and successes. DFPS will leverage existing communication strategies and plans, including:

- Monitoring the Rate Modernization's dedicated mailbox to ensure timely response to questions and concerns;
- Providing frequent and recurring updates on the project status, as well as posting resources, tools, FAQs on the agency's dedicated webpage to ensure ready access to needed information; and
- Hosting and participating in webinars, attending provider and judicial meetings, hosting targeted meetings throughout the state and providing updates to the DFPS Council, Public Private Partnership (CARP), and other industry-focused meetings.

DFPS remains committed to fully engaging the broad stakeholder community in the next phase of Foster Care Rate Modernization effort when the focus shifts from concept to actual implementation. DFPS will design and update a Communications Management Plan centered on open, honest, two-way communication to support the transition. Stakeholders identified as critical to this effort include, but are not limited to:

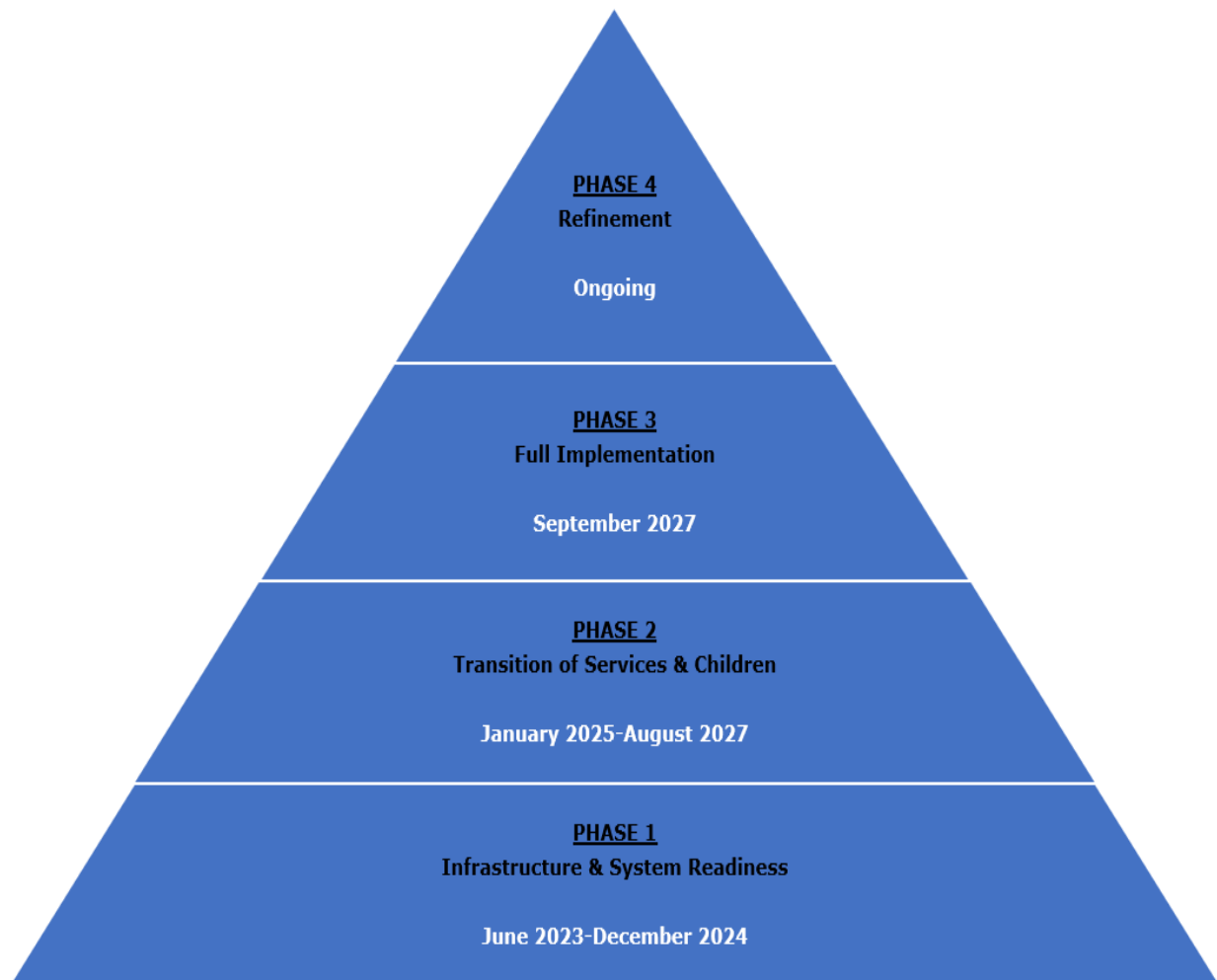
- Children, youth, young adults, and families with lived experience;
- Kinship caregivers and foster parents;

⁸ Source: [Community-Based Care Implementation Plan-December 2022](#), published by the Office of Community-Based Care Transition, December 2022

- Residential Childcare Providers;
- Members of the Judiciary;
- Child Welfare Advocates;
- Trade Associations;
- STAR Health Providers;
- University Partners;
- DFPS, HHSC, and SSCC state and catchment area staff.

Phases to Support Transition

The transition to Foster Care Rate Modernization is a multi-year effort and planning activities for implementation are already underway within DFPS. The overarching plan envisions four phases, spanning approximately five fiscal years and includes: 1) infrastructure and system readiness work, 2) transition of services and children, 3) full implementation, and 4) refinement.



Phase I - Infrastructure & System Readiness Work (June 2023-December 2024)

Phase I is focused on building the infrastructure and making the administrative and necessary operational changes across the system to support implementation of the Foster Care Rate Modernization model. This Phase includes testing and making timely modifications to support the target date of January 1, 2025, which begins Phase 2.

Although this Phase is estimated to occur within 19 months, most the work will commence after September 1, 2023, when it is anticipated that funding to support implementation would be available. The table below shows, at a high-level, some of the key areas, activities, and tasks DFPS must complete over the first 16-19 months following the 88th Legislative Session.

High-level Overview of Timeline for Foster Care Rate Modernization Phase I Infrastructure & System Readiness Work			
	Estimated Start Date	Estimated Completion	Stakeholders Impacted
Establish Project Management Office	09/2023	On-going	Internal
Develop and Execute Communication Plan	10/2023	On-going	Internal and External
Create Single Guide Document that includes Primary Model/ Service Descriptions- (This will serve as the single source for all initial development)	10/2023	10/2023	Internal
Develop and Execute Change Management Plan	10/2023	On-going	Internal and External
Develop and Execute Project Charter, Steering Committee/Project Governance Structure	09/2023	On-going	Internal and External
Develop Legislative Report(s) and Issue Project Status Reports	12/2023	On-going	Internal and External

<p>IT Infrastructure & Data Reporting Systems</p> <p>Scope, design, and rebuild IMPACT and other to support the following:</p> <ul style="list-style-type: none"> • Child/Placement Eligibility • Placement Entry • Changes to Child Plan of Service • Building of New Rate Table that links to federal claiming • Accounting structure to push out payments 	09/2023	On-going	Internal and External
<p>Data Systems Rebuild Needed to Support:</p> <ul style="list-style-type: none"> • Revisions to the majority of data warehouse reports, DRIT, and financial reporting/claiming reports • Restructure of the Data Warehouse to Support two systems • Developing new methodology and data sets to support the new foster care continuum 	09/2023	On-going	Internal and External
<p>Create Process and Tools to Establish SSCC & Residential Childcare Contractor Readiness</p>	09/2023	01/2024	Internal and External
<p>Based on assumptions inherent in each primary model/service package develop parameters for including in SSCC contracts</p>	09/2023	02/2024	Internal and External
<p>Develop procurements, contracts, and new monitoring structure and tools to support the new continuum/service array</p>	03/2024	06/2024	Internal and External
<p>Begin to assess readiness, and amend/issue new contracts to existing providers to reflect the new service array</p>	06/2024	On-going	Internal and External

Develop a plan and process to offer technical assistance as providers work to transition	01/2024	Ongoing	Internal and External
Begin amending existing contracts that support the CANS Assessment	09/2023	12/2023	Internal and External
Develop and modify TAC Rule, Policy, Procedures, Resource Manual Development	12/2023	On-going	Internal and External
Develop processes with court and third-party assessor to meet QRTP compliance to support Tier II services and federal claim	03/2024	09/2024	Internal and External
Analyze and revise federal claiming structure and state plans	11/2023	Ongoing	Internal and External
Establish universal Screening & Assessment Process including developing the CANS 3.0 tool, establishing, hiring, and training the newly created CANS assessors to support the new process	09/2023	Ongoing	Internal and External
Modify existing systems that house and collect CANS assessment data	09/2023	Ongoing	Internal and External
Develop and Execute Training Plans to support DFPS/SSCC staff, foster youth and caregivers, residential childcare providers, and members of the judiciary	01/2024	On-going	Internal and External
Create and Enter into an Interagency Contract (IAC) with a university partner to develop and support the CQAI process	12/2023	On-going	Internal and External

The work outlined above must be completed no later than December 31, 2024, to move into Phase 2 of the project.

Phase 2 - Transitioning of Child Placements to New Services (January 2025-August 2027)

Phase 2 is focused on the incremental transition of children, youth, and young adults into the new service continuum. Providers will determine which primary models/services packages they wish to deliver through Foster Care Rate Modernization. Once they have determined their own service array, then they will have to update their policies and procedures, modify or create case management and IT systems, adopt targeted treatment model(s) (if applicable) develop hiring and training plans to meet the parameters associated with service provision for foster parents and caregivers, as well as staff.

DFPS intends to provide multiple opportunities for training with trade associations and other groups to ensure technical assistance is available to the provider community.

It is anticipated that providers will meet readiness for transition at different times. Some of the primary models/service packages do not exist in the state today, which will require a larger undertaking to develop. Even in situations where a like service exists, providers will still have some need to modify their existing practices and systems of care to adhere to a new assessment process and service requirements.

DFPS analyzed information in the TXICFW survey and existing provider capacity in the state, compared with child characteristics coupled with placement types, to determine a plan for transition. DFPS estimates the full transition to rate modernization will take up to three years to occur. Until both the CBC and Foster Care Rate Modernization models can roll out fully, the state and providers will be operating under four different system models and rate structures:

1. Current Legacy - Service Level System;
2. Current CBC - Blended Rate System;
3. Current Legacy - Foster Care Rate Modernization; and
4. CBC- Foster Care Rate Modernization.

Phases 3 Full Implementation (September 2027) & Phase 4-Revision (On-going)

Full implementation, meaning all children are being served under the Foster Care Rate Modernization model, is not anticipated to occur until the end of fiscal year 2027. Even as the system transitions, DFPS will employ a robust CQAI process to ensure significant opportunities to identify and address challenges. This will include revising prior assumptions based on capacity

needs and child outcomes to ensure the model is working as designed. Once the system fully transitions, maintaining the CQAI process is vital to ensuring quality capacity supply is meeting demand.

Resources Needed to Support Implementation & Transition

To successfully implement and transition the current system to the Foster Care Rate Modernization model under CBC, DFPS identified the following resource needs:

- Establish a Project Management Office;
- Change the IT Infrastructure in IMPACT and other systems to support accurate collection, tracking, and reporting of data;
- Develop and execute a new universal assessment tool and placement process;
- Establish an external Continuous Quality Assurance and Improvement process; and
- Award provider grants to support SSCC and residential childcare providers through the transition to a new service delivery model and supporting rate methodology.

Project Management Office

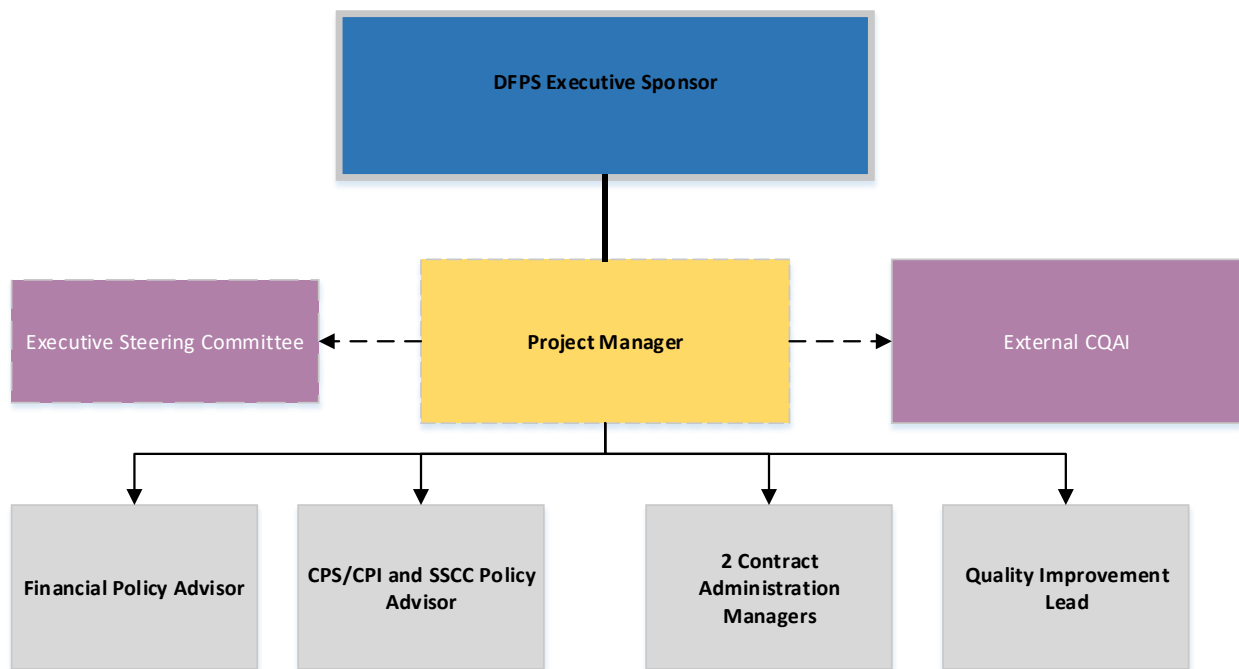
The 87th Legislature (2021) appropriated one FTE to DFPS to support the Foster Care Rate Modernization effort. To successfully implement the new system of care envisioned under Foster Care Rate Modernization, DFPS will need a project office. This project office will be time-limited and would dissolve one-year after full implementation (FY 2029). A high-level overview of the responsibilities of this office is detailed in the Phase I chart above.

Establishing the new Project Management Office would require additional funding. DFPS anticipate the biennial total to create and support this office would be \$1,494,480. Based on the projected scope of work, DFPS anticipates the following structure for the Foster Care Rate Modernization Project Office:

- 1 Project Manager V FTE to oversee the project team and will be responsible for the larger statewide implementation;
- 2 Contract Administration Managers I FTEs to support the needs of the DFPS Contract Division;

- 1 Financial Policy Advisor- Program Specialist VII to support the needs of the Office of Finance and serve as an internal and cross agency liaison (with HHSC-Provider Finance Division);
- 1 CPS/CPI and SSCC Policy Advisor- Program Specialist VII to lead the development and oversee the execution of change management, communications, and training plans;
- 1 DFPS Policy Lead - Program Specialist VI to lead the development and oversee TAC Rule, policy, procedures, and resource guide modifications; and
- 1 Quality Improvement Lead- Program Specialist VI to support the development of the assessment tool and act as the agency liaison to the internal and external CQAI team.

The chart below shows the structure of the Project Management Office.



Project Management- Cost Estimate for FY 2024-FY 2025 (State Transition Cost)							
SFY 2024		SFY 2025		Biennial		SFY 2024 FTE	SFY 2025 FTE
GR	All Funds	GR	All Funds	GR	All Funds		

\$690,654	\$745,804	\$693,317	\$748,676	\$1,383,971	\$1,494,480	7	7
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Changes to IT Infrastructure, Data Tracking and Reporting

The IMPACT system serves as the central repository of information for DFPS and SSCCs. All history and case management information related to an individual child and their families are housed in the system. In addition to being the state’s system of record for children in conservatorship, it also is the payment system for services including foster care.

At a high level, the system contains case history, demographic information, all case narratives, all child and family service plans, and information on the child’s placement, including eligibility for federal claim and service level information.

Placement information pulls in from the HHSC Childcare Regulatory “CLASS” system and includes information on the residential childcare provider and caregiver the child is placed with, as well as distinguishes which SSCC a child is being served by.

IMPACT is the source for all state and federal reporting. The DFPS Office of Data and Systems (ODSI) produces hundreds of reports per year that serve to meet these reporting requirements, as tracking information that allows agency leadership and the Legislature to measure performance and identify areas for targeted improvement.

Implementation of Foster Care Rate Modernization will require an overhaul of several modules within the IMPACT system. This overhaul must be done in a way that allows for transition to a new service delivery model while maintaining the current system.

To support this effort, DFPS developed a multi-year plan that includes short-term resources needed to build and modify the IT and ODSI infrastructure and some on-going resource needs to maintain the new system.

Based on the projected scope of work, DFPS anticipates these resource needs to update IMPACT and other changes:

- Temporary contractors for:
 - Project planning

- Requirements elicitation
- Application Development
- Software testing
- Implementation into production
- Software licensing
- Configuration of software licensing to support ODSI (see below)
- Report Development
- Services for independent validation and verification services
- Additional staff to support management of contracted personnel:
 - 1 Management Analyst III to conduct background checks and coordinate required documentation (forms, agreements, device issuance).
 - 1 Business Analyst III to coordinate and manage work with independent validation and verifications services.
 - 1 Budget Analyst to track and manage expenditures related to contractors.
 - 1 System Analyst to develop code to facilitate report development with ODSI.

DFPS will need contracted resources beginning June 2023, with a build-up of contracted resources in FY 2025 to ensure full implementation.

Also, IMPACT changes require a restructuring of the collection, tracking, and reporting of child-level foster care data. This will require rebuilding the existing Data Warehouse within DFPS.

To ensure success, ODSI identified the following needs:

- Data Decision Support - 4 System Analyst V FTEs;
- Data Information Technology - 4 System Analyst V FTEs, 2 Data Analyst IV FTEs (*Contract Staff*), 1 Manager V FTE, and 1 Project Manager III FTE;
- Data Research and Evaluation - 4 Research Analyst V FTEs; and
- Software to support data collection, tracking, and reporting changes, at an estimated cost of \$800,000 in FY 2024 and \$600,000 each year after.

Some of these IT Infrastructure, Data Tracking, and Reporting modification costs are time-limited, while others will be ongoing to maintain the system. More information is below and shows the five-year cost estimate.

**IT Infrastructure, Data Tracking and Reporting Modifications* for FY 2024-FY2025
(State Transition Cost)**

SFY 2024		SFY 2025		Biennial		SFY 2024 FTE	SFY 2025 FTE
GR	All Funds	GR	All Funds	GR	All Funds		
\$3,723,268	\$4,142,570	\$12,659,885	\$14,286,485	\$16,383,153	\$18,429,055	18	24

**The DFPS IT costs do not include pending formulation of full IT costs from HHSC.*

Designing New Assessment Tool and Placement Process

Transforming the foster care system from the current Service Level System to a universal screening model with a uniform assessment tool will require resources. As outlined in “Assessing, Matching, and Connecting Children, Youth, and Young Adults to the Appropriate Service Package Under Legacy and CBC Foster Care Models” section of this report, DFPS currently uses the Texas CANS 2.0 administered through STAR Health, and in some situations SSCCs to aid in child service planning.

TXICFW, through their research, recommended shifting administration of the CANS assessment from STAR Health to DFPS (under the legacy model) and to the SSCC (under the CBC model) as a part of implementation and operation of the Foster Care Rate Modernization model.

Enhancements will be needed to the current CANS assessment tool and process to map to the primary models/service packages. DFPS consulted with Dr. John Lyons at the University of Kentucky Center for Innovation in Population Health, to determine what changes would be needed to support transition. Dr. Lyons, who is the original developer of the CANS functional assessment tool, determined that he and his team can use leverage off of the existing CANS 2.0 and develop a Texas CANS 3.0 assessment tool that complements the primary models/service packages inherent in the Rate Modernization model.

Dr. Lyons provided DFPS a plan and budget for completing and supporting this work during the FY 2024-2025 biennium. The plan includes:

1. Creating a CANS 3.0 version to ensure information captured during the assessment process fits the information needs of DFPS/SSCCs to map into service packages and plans within the CBC structure.
2. Creating decision models to support referral into the service package options.
3. Building a training and coaching infrastructure within DFPS/SSCCS to support the transition of completing the CANS by Star Health providers to completing the CANS by DFPS/SSCC CANS Assessors.

4. Modifying the TCOMtraining.com site to allow Assessors to get trained and certified online.
5. Modifying the eCANS information management platform to support CANS 3.0 and the new applications. Four essential modifications of eCANS are required.
 - a. Building a Texas 3.0 version
 - b. Algorithm development
 - c. Rebuilding the daily interface/linkage from eCANS to the Health Passport (to enable service providers to see the CANS done by the DFPS or SSCC CANS Assessor so it can be connected to service provision through STAR Health)
 - d. Rebuilding the interface with DFPS to help with compliance and data analysis.
6. Consulting and CQI assistance including advanced data analytics to support how DFPS and the SSCCs use CANS data to optimize practice and policy for children and families.

Dr. Lyons has estimated the five-year cost to support this work to be \$5,078,095, with a FY 2024-FY 2025 biennial cost estimate of \$2,284,324.

Some of the costs associated with the enhanced Texas CANS 3.0 are time-limited, while other costs will be ongoing to sustain an effective and efficient assessment tool and structure.

In line with the recommendations of TXICFW, DFPS seeks funding to support creating CANS Assessor positions within the child welfare system. Some of these positions would initially be DFPS staff positions, but under CBC would be housed in the local community as part of the SSCC. Funding to support these positions would be included in DFPS calculation of the funding resource transfer to SSCCs beginning in Stage I of the CBC model.

As outlined in a previous section, these positions would be responsible for administration of the CANS 3.0 assessment and would serve as part of the regional/catchment area placement team. While TXICFW recommended these positions be Masters' level clinicians, DFPS will follow other states, using child welfare caseworker-like positions to support this role. This will help ensure CANS Assessors are well connected and available in areas of the state where finding a workforce of Masters-level clinicians would pose a challenge.

Under the new collaborative universal screening process:

- DFPS/SSCC CANS Assessors would be responsible for administering the Texas CANS 3.0.

- All children ages 3-17 years old would participate in the Texas CANS 3.0 assessment. Like the current system, this would include children, youth and young adults not in paid foster care.
- The CANS 3.0 assessment will be administered when children and youth first enter care, each year, and when transitioning between placements. Also, children receiving therapeutic services under the Foster Care Rate Modernization structure will receive a CANS 3.0 every 90 days as the law requires.

Based on this cadence, and the projected number of children anticipated in conservatorship, DFPS anticipates the need for the following:

- 65 CANS Assessors (Program Specialist III level position) to research each child’s case history in IMPACT, the Health Passport and gather information from the child, the child’s biological family and caregivers. These staff would also support placement teams to match the child to the best primary model/service package.
- Seven CANS Assessor Managers (Manager IV level position) to support the CANS Assessor positions throughout the state.

Based on the time frame for system transition, DFPS does not anticipate FTEs coming into these positions until FY 2025. DFPS would hire staff quarterly until reaching the full 72 FTEs by September 2026.

Texas CANS 3.0 Tool Development and Assessment Process to Support Rate Modernization* for FY 2024-FY 2025 (State Transition Cost)							
SFY 2024		SFY 2025		Biennial		SFY 2024 FTE	SFY 2025 FTE
GR	All Funds	GR	All Funds	GR	All Funds		
Development & Support for CANS 3.0 Assessment Tool							
\$1,277,368	\$1,277,368	\$1,006,956	\$1,006,956	\$2,284,324	\$2,284,324	NA	NA
CANS Administrators and Assessment Specialists							
\$24,112	\$26,037	\$3,249,766	\$3,554,878	\$3,273,878	\$3,580,915	0	57
Total							
\$1,301,480	\$1,303,405	\$4,256,722	\$4,561,834	\$5,558,202	\$5,865,239	0	57
<i>*There will be some off-set of current system costs that would impact this estimate. These costs are associated with an anticipated reduction in contract amount for the state’s third-party utilization management contract, and a redirection of funding in existing SSCC contracts supporting the 90-day CANS assessment requirement for children in therapeutic care being served under the SSCC model. Those off-sets have not been applied to this estimate.</i>							

Continuous Quality Assurance and Improvement Process

The plan and process to arrive at the new primary models/service packages, universal screening/placement process, and the supporting foster care rates and methodology involved data analysis, research, and feedback from a vast group of stakeholders.

The Foster Care Rate Modernization model represents an entirely new way of delivering and paying for foster care services. Lessons will be learned, and processes and models should remain flexible to ensure these changes are working as intended.

As the state prepares to take on this monumental change, it will be important to have a robust CQAI process; having an established formal structure will allow identification of what is working well, what areas need attention, and a vehicle for making changes or adjusting solutions.

TXICFW recommended the administration of the formal system CQAI process should be external to DFPS. To implement this solution, DFPS would engage with a public Texas university through an Interagency Contract (IAC). This university would be charged with establishing and leading the CQAI team. Team members would include DFPS and SSCC leadership, CFSR Review Team members, regional/catchment area staff, CANS Assessor(s), judicial representatives, a representative from the University of Kentucky’s Center for Innovation in Population Health, and, importantly, children and youth with lived experience.

The CQAI team would be charged with reviewing data quarterly to identify what is working and changes. This work would help inform capacity-needs/development, areas requiring modification and/or technical assistance.

While having an externally administered CQAI structure and process is not a requirement to implement Foster Care Rate Modernization, including this structure is a best practice that supports successful implementation.

Based on experience with other like structures and scope, TICFW recommended the cost to be approximately **\$500,000 per year** beginning in FY 2024.

Continuous Quality Assurance and Improvement Process (Best Practice Cost) for FY 2024-2025				
SFY 2024	SFY 2025	Biennial		

GR	All Funds	GR	All Funds	GR	All Funds	SFY 2024 FTE	SFY 2025 FTE
\$500,000	\$500,000	\$500,000	\$500,000	\$1,000,000	\$1,000,000	0	0

SSCC and Residential Childcare Provider Transition Grants

Much like DFPS, the SSCC and residential childcare provider community will have new costs to support transition to a new service delivery model and rate methodology. Transition costs are not included in the rate methodology as described in HHSC’s Pro Forma Methodology and Fiscal Impact companion report to support Rate Modernization.

Ongoing provider costs should be captured in the new daily rates, but to offset and cover the upfront costs incurred to the SSCC’s and provider community, provider transition grants will be needed.

SSCCs will incur new costs related to the following tasks as they transition to and implement Foster Care Rate Modernization:

- Developing readiness instruments to be used to bring new providers into the network, and/or in transitioning network providers to the new system.
- Developing and modifying provider network contracts and procurements as a result of moving to the new service array.
- Deploying the CANS 3.0 assessment tool and establishing a process for children in care (the cost of the assessment and administering the process would be captured through a different means).
- Making IT changes to support operating under a new service array.
- Collecting, tracking, and reporting data changes.
- Training staff on the new service array.
- Changing cost collection to populate a more robust cost report.

DFPS met with SSCC providers to determine the scope of the change and determine the cost that would be incurred to support the transition. While there was consensus about the above listed tasks being representative of the scope and work to transition, SSCCs were cautious about the full cost to transition.

To help offset Foster Care Rate Modernization transition costs that will be incurred by SSCCs, an SSCC Provider Transition Grant is needed. **Each SSCC** would receive a grant in the amount of **\$350,000** to be used to support required tasks.

Similarly, DFPS sought input from the Texas Alliance of Child and Family Service (TACFS) to determine the tasks and costs related to activities individual residential childcare providers will incur as the state transitions to the new service delivery model and rate structure. TACFS gathered input from some residential childcare providers.

Tasks residential childcare providers will have to undertake includes the following:

- Changes to policies and procedures consistent with selected primary models and targeted service package(s) the provider will be delivering.
- New targeted and upfront training for intake, case managers, directors, foster parents (if applicable), direct delivery staff (if applicable), etc. on new primary models/ service packages and CANS 3.0 assessment tool and process.
- IT changes to support operating under the new service array.
- Data collection, tracking, and reporting changes.
- Changes to cost collection to populate a more robust cost report.

Like SSCCs, these are new costs to the residential childcare providers and are not included in the rate methodology that supports the primary model(s)/service package(s). Providers indicated that without knowing more about the parameters and rate structure, it was hard to quantify what the costs would be to transition; however, there was a consensus there would be the need for new funding. To aid implementation of and help in an expedited transition to Foster Care Rate Modernization, DFPS estimates \$6 million each year is needed to support Residential Childcare Provider Transition Grants. These funds would support both the legacy and CBC models. SSCCs would receive funding to support grant awards to residential childcare providers in their respective networks.

SSCC and Provider Transitions Grants will support providers to ensure a smooth and seamless transition from the Service Level System to the Foster Care Rate Modernization model. Transition grants would support the initial implementation of Foster Care Rate Modernization and would not be needed once the system has fully transitioned to the new service delivery model under CBC.

Provider Grants to Support SSCC and Residential Childcare Provider Transition for FY 2024-2024 (Provider Transition Cost)							
SFY 2024		SFY 2025		Biennial		SFY 2024 FTE	SFY 2025 FTE
GR	All Funds	GR	All Funds	GR	All Funds		
Residential Childcare Provider Grants							

\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$12,000,000	\$12,000,000	NA	NA
SSCC Grants							
\$2,800,000	\$2,800,000	\$1,400,000	\$1,400,000	\$4,200,000	\$4,200,000	NA	NA
Total							
\$8,800,000	\$8,800,000	\$7,400,000	\$7,400,000	\$16,200,000	\$16,200,000	NA	NA

Biennial Total to Support Administrative Costs Related to Transition and Implementation of Rate Modernization

All total, DFPS estimates the **administrative cost** estimate to support transition to and implementation of the Foster Care Rate Modernization to be approximately **\$40.5 million General Revenue during FY 2024-25**.

The \$40.5 million represents the total across three categories of cost that include:

- **State Transition Subtotal Costs: \$23.3 million**
- **CQAI Best Practice Subtotal Costs: \$1.0 million**
- **Provider Transition Subtotal Costs: \$16.2 million**

FY 2024-2025 Biennial Total Across All Categories							
SFY 2024		SFY 2025		Biennial		SFY 2024 FTE	SFY 2025 FTE
GR	All Funds	GR	All Funds	GR	All Funds		
Project Management Office (State Transition Cost)							
\$690,654	\$745,804	\$693,317	\$748,676	\$1,383,971	\$1,494,480	7	7
IT Infrastructure, Data Tracking and Reporting Modifications* (State Transition Cost)							
\$3,723,268	\$4,142,570	\$12,659,885	\$14,286,485	\$16,383,153	\$18,429,055	18	24
Texas CANS 3.0 Tool Development and Assessment Process to Support Rate Modernization** (State Transition Cost)							
\$1,301,480	\$1,303,405	\$4,256,722	\$4,561,834	\$5,558,202	\$5,865,239	NA	NA
Continuous Quality Assurance and Improvement Process (Best Practice)							
\$500,000	\$500,000	\$500,000	\$500,000	\$1,000,000	\$1,000,000	NA	NA
Provider Grants to Support SSCC and Residential Childcare Transition (Provider Transition Cost)							
\$8,800,000	\$8,800,000	\$7,400,000	\$7,400,000	\$16,200,000	\$16,200,000	NA	NA
Total							
\$15,015,402	\$15,491,779	\$25,509,924	\$27,496,995	\$40,525,326	\$42,988,744	25	31

*The DFPS IT costs do not include pending formulation of full IT costs from HHSC.
 **There will be some off-set of current system costs that would impact this estimate. These costs are associated with an anticipated reduction in contract amount for the state's third-party utilization management contract, and a redirection of funding in existing SSCC contracts supporting the 90-day CANS assessment requirement for children in therapeutic care being served under the SSCC model. Those off-sets have not been applied to this estimate.

Fiscal Year 2026-28 Implementation Cost Estimate

Implementation of Foster Care Rate Modernization is a multi-year effort. DFPS estimated that, in addition to the anticipated costs incurred in FY 2024-2025 shown above, **an additional \$65.9 million in General Revenue** will be needed between **FY 2026-28** to support **administrative costs** related to transition and maintenance.

The \$65.9 million represents the total across three categories of cost that include:

- **State Transition Subtotal Costs: \$44.6 million**
- **CQAI Best Practice Subtotal Costs: \$1.5 million**
- **Provider Transition Subtotal Costs: \$19.8 million**

Total To Support Implementation and Operation of Foster Care Rate Modernization Across All Categories (FY 2026-FY 2028)								
SFY 2026		SFY 2027		SFY 2028		SFY 2026 FTE	SFY 2027 FTE	SFY 2028 FTE
GR	All Funds	GR	All Funds	GR	All Funds			
Project Management Office (State Transition Cost)								
\$693,317	\$748,676	\$693,317	\$748,676	\$693,317	\$748,676	7	7	7
IT Infrastructure, Data Tracking and Reporting Modifications* (State Transition Cost)								
\$10,188,705	\$11,479,094	\$7,339,062	\$8,230,304	\$5,597,504	\$6,246,091	24	24	24
Texas CANS 3.0 Tool Development and Assessment Process to Support Rate Modernization** (State Transition Cost)								
\$6,596,344	\$7,124,690	\$6,406,854	\$6,923,718	\$6,409,490	\$6,926,354	73	73	73
Continuous Quality Assurance and Improvement Process (Best Practice)								
\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	NA	NA	NA
Provider Grants to Support SSCC and Residential Childcare Transition (Provider Transition Cost)								

\$6,000,000	\$6,000,000	\$6,350,000	\$6,350,000	\$7,400,000	\$7,400,000	NA	NA	NA
Total								
\$23,978,366	\$25,852,460	\$21,287,233	\$22,752,698	\$20,600,311	\$21,072,445	104	104	104
*The DFPS IT costs do not include pending formulation of full IT costs from HHSC. **There will be some off-set of current system costs that would impact this estimate. These costs are associated with an anticipated reduction in contract amount for the state's third-party utilization management contract, and a redirection of funding in existing SSCC contracts supporting the 90-day CANS assessment requirement for children in therapeutic care being served under the SSCC model. Those off-sets have not been applied to this estimate.								

5-Year Costs to Support Implementation

The **five-year (FY 2024-28)** estimated **administrative costs** to support the transition and implementation of Foster Care Rate Modernization is **\$106.4 million General Revenue**.

The **\$106.4 million** represents the total across three categories of cost that include:

- **State Transition Subtotal Costs: \$67.9 million**
- **CQAI Best Practice Subtotal Costs: \$2.5 million**
- **Provider Transition Subtotal Costs: \$36.0 million**

Total General Revenue (GR) Needed to Support Implementation and Operation of Foster Care Rate Modernization Across All Categories (FY 2024-FY 2028)					
SFY 2024	SFY 2025	SFY 2026	SFY 2027	SFY 2028	5-Year Estimated Total
GR	GR	GR	GR	GR	
Project Management Office (State Transition Cost)					
\$690,654	\$693,317	\$693,317	\$693,317	\$693,317	\$3,463,922 (3% of Total Cost)
IT Infrastructure, Data Tracking and Reporting Modifications* (State Transition Cost)					
\$3,723,268	\$12,659,885	\$10,188,705	\$7,339,062	\$5,597,504	\$39,508,424 (37% of Total Cost)
Texas CANS 3.0 Tool Development and Assessment Process to Support Rate Modernization** (State Transition Cost)					
\$1,301,480	\$4,256,722	\$6,596,344	\$6,406,854	\$6,409,490	\$24,970,890 (23% of Total Cost)
Continuous Quality Assurance and Improvement Process (Best Practice)					
\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000

					(2% of Total Cost)
Provider Grants to Support SSCC and Residential Childcare Transition (Provider Transition Cost)					
\$8,800,000	\$7,400,000	\$6,000,000	\$6,350,000	\$7,400,000	\$35,950,000 (33% of Total Cost)
Total					
\$15,015,402	\$25,509,924	\$23,978,366	\$21,289,233	\$20,600,311	\$106,393,236
<i>*The DFPS IT costs do not include pending formulation of full IT costs from HHSC. **There will be some off-set of current system costs that would impact this estimate. These costs are associated with an anticipated reduction in contract amount for the state's third-party utilization management contract, and a redirection of funding in existing SSCC contracts supporting the 90-day CANS assessment requirement for children in therapeutic care being served under the SSCC model. Those off-sets have not been applied to this estimate.</i>					

Conclusion

While foster care is designed and intended to be temporary, decisions about where a child is placed, and the services they receive are vital to their experiences in care. These decisions are also obviously imperative to the child's future and plans for reunification with family or adoption.

Except for CBC, Foster Care Rate Modernization has the potential to be the most significant system change in the history of child welfare in Texas. Together, CBC and rate modernization are designed to work in tandem and better align the cost of care with service provision resulting in improved outcomes for children and youth. And as importantly, those outcomes will be reflective of the communities who continue to call those children their own.

Appendix A

The chart below demonstrates the CBC funding structure, and the different methods and forms of payment DFPS provides the SSCC in each catchment area.

Most of the funding the SSCC receives is based on the Department's appropriation to support like services in the current (legacy) system, and additionally the Legislature has invested new funding to support the success of the CBC model across the state.

CBC Funding: Legacy System Funds Transferred to SSCC			
General Appropriations Act Strategy	Type of Funding	Summary	Methodology
B.1.1	Resource Transfer-Stage I	Ongoing annual cost paid to the SSCC for performing tasks and functions performed by DFPS staff in the legacy system	Proportion of total appropriation by Stage and projected percentage of children in care
B.1.1	Resource Transfer-Stage II		
B.1.4	Adoption Purchased Services (Stage I & II)	Supports adoption process for children served by the SSCC as a part of CBC	Same fee schedule as is paid in legacy system per eligible adoptive placement
B.1.6	Preparation for Adult Living (Stage I & II)	Services to eligible youth to support successful transition into adulthood	Proportion of appropriation allocated to life skills training based on eligible population
B.1.7	Substance Abuse Services (Stage II)	Funds substance use drug and alcohol testing and therapy	Proportion of appropriation allocated to Conservatorship based on child population in Stage II
B.1.8	Quality & Utilization Management (Stage I & II)	Supports monitoring to ensure children are receiving the services appropriate to their assessed needs	Proportion of appropriation allocated Utilization Management services based on children in paid foster care
B.1.8	Other Purchased Client Services (Stage II)	Services to support permanency such as evaluation and treatment, caregiver training, etc.	Proportion of appropriation allocated to Conservatorship based on child population in Stage II
B.1.9	Foster Care Blended Rate (Stage I & II)	Reimbursement for foster care for children served by the SSCC in the given CBC area	Unique to each area and based on projected case mix of population
	Foster Care-Exceptional Care Rate (Stage I & II)	Reimbursement for services for children whose needs far exceed what can be met through use of the blended rate	Statewide rate based on state's use of child specific contracts, includes a 50/50 cost/risk share
CBC Funding: Additional SSCC Funding to Support CBC			

General Appropriations Act Strategy	Type of Funding	Summary	Methodology
B.1.1	Start Up Funds (Stage I)	One-time payment for readiness activities such as local protocol development and workforce development and training, software purchases, and office leases	\$997,000 per SSCC as informed by an external analysis of start-up costs
B.1.1	Start Up Funds (Stage II)		Methodology developed through an external analysis
B.1.1	Additional Resource Transfer (Stage II)	Additional amount appropriated for enhanced case management services	Twenty-five percent of the initial Stage II resources transfer amount
B.1.1	Child and Adolescent Needs and Strengths Assessment (CANS) (Stage I & II)	Supports case planning for children receiving therapeutic services	Proportion of appropriation allocated for CANS services based on projected number of assessments needed
B.1.1	Network Support Payment (Stage II)	Supports new costs to the system for capacity/network development and oversight, community engagement and IT systems requirements	\$1900 per child FTE per year in Stage I placement settings
B.1.9	Network Support Payment (Stage I)		\$1900 per child FTE per year in Stage II placement settings



**Foster Care Rate
Modernization: Pro forma
Modeled Rates and
Fiscal Impact**

**As Required by
2022-23 General Appropriations Act,
Senate Bill 1, 87th Legislature,
Regular Session, 2021
(Article II, Special Provisions Relating to
All Health and Human Services Agencies,
Section 26)**

**Texas Health and Human Services
February 2023**



TEXAS
Health and Human
Services

Table of Contents

Executive Summary	1
1. Background	2
2. Securing Resources	4
Full-time Equivalents.....	4
Contract for Professional Services Procurement	4
3. Current Rate Methodology.....	5
4. Pro Forma Rate Methodology Development.....	6
Pro Forma Costing Approach.....	6
Service Descriptions.....	6
Development of Economic Models.....	8
Economic Model Components.....	9
FFH/CPA and GRO - Stakeholder Sessions	11
Medicaid Allowable Evaluation.....	11
5. Methodological Rates	13
Methodological Rates.....	13
Methodological Rate Crosswalk	17
6. Community-Based Care Methodology	18
CBC CPA/FFH Blended Rate Option	19
CBC FFS Option	20
Case Management Option	20
CBC - Stakeholder Sessions.....	20
CBC – Rate Methodology Recommendation	21
7. Fiscal Impact Estimate	22
8. Conclusion.....	26
List of Acronyms	27
Appendix A. Special Provision 26	A-1
Appendix B. 24-Hour RCC Daily Rates	B-1
Appendix C. PCG’s Recommendation Rate Methodology Crosswalk.....	C-1
Appendix D. Interagency Dependencies for Pro Forma Rates	D-1
Service Descriptions or Program Models	1
Cost Determination and Rate Determination Processes	1

Stakeholder Engagement	1
CBC Rate Development.....	1
Appendix E. Overview of Service Description Requirements	E-1
Appendix F. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk:	F-1
Appendix G. GRO TIER I Foster Care Modernization Methodological Rate Crosswalks.....	G-1
Appendix H. GRO Tier II Foster Care Modernization Methodological Rate Crosswalk	H-1
Appendix I. Estimated Appropriation-based Fiscal Impact, State Fiscal Year 2025-2029	I-1
State fiscal year 2024-25	1
State fiscal year 2026-27	4
State fiscal year 2028-29	8
Appendix J. Estimated Rate-based Fiscal Impact, State Fiscal Year 2025- 2029	J-1
State fiscal year 2024-25	1
State fiscal year 2026-27	5
State fiscal year 2028-29	9
Appendix K. References	K-1

Executive Summary

The Health and Human Services Commission (HHSC) *Foster Care Rate Modernization: Pro forma Modeled Rates and Fiscal Impact* is submitted pursuant to the 2022-23 General Appropriations Act, Senate Bill (S.B.) 1, 87th Legislature, Regular Session, 2021 (Article II, Special Provisions Relating to All Health and Human Services Agencies, Section 26(e)(2) and (4)).

Special Provision 26(c) directs the Department of Family Protective Services (DFPS) to develop an alternative reimbursement methodology proposal for the 88th Legislature with the assistance of HHSC. The alternative reimbursement methodology proposal for the 24-hour Residential Child Care (RCC) program, including legacy foster care and Community-Based Care (CBC) rates, is based on specific deliverables outlined in the provision.

Special Provision 26(e)(2) directs HHSC to submit “a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates...”.

Special Provision 26(e)(4) directs HHSC to submit “a semi-annual progress report of all related activities undertaken by HHSC every six months beginning on February 28, 2022.”

1. Background

House Bill (H.B.) 5, 85th Legislature, Regular Session, 2017, codified at Section 40.058, Human Resources Code, requires DFPS and HHSC to “enter into contracts for the provision of shared administrative services, including...rate setting.” On May 4, 2018, HHSC and DFPS agreed in a memorandum of understanding that the HHSC Provider Finance Department (Provider Finance) would, on an ongoing basis, “identify and recommend appropriate rate changes, if applicable, and send a notification to DFPS staff of the recommendations.” Pursuant to the memorandum, Provider Finance calculates reimbursement rates for DFPS’ RCC program and submits those recommendations to DFPS for their consideration as requested.

The 86th Legislature directed HHSC, in consultation with DFPS, to evaluate the methodology for establishing foster care rates under the 2020-21 General Appropriations Act, H.B. 1, 86th Legislature, Regular Session, 2019 (Article II, Special Provisions Relating to All Health and Human Services Agencies, Section 32). HHSC contracted with a third-party vendor, Public Consulting Group, Inc. (PCG), to conduct the rate methodology evaluation and develop recommendations. In February 2021, HHSC published PCG’s report and recommendations in the *Foster Care Rate Methodology Report*.

The 87th Legislature directed DFPS to develop an alternative reimbursement methodology proposal for the 88th Legislature with the assistance of HHSC. The alternative reimbursement methodology proposal for the RCC program, including legacy foster care and CBC rates, will be based on specific deliverables outlined under the 2022-23 General Appropriations Act, S.B. 1, 87th Legislature, Regular Session, 2021 (Article II, Special Provisions Relating to All Health and Human Services Agencies, Section 26)

Furthermore, the 87th Legislature directed HHSC to submit a plan for the development of pro forma modeled rates and cost-report based rates, using the service descriptions developed by DFPS as outlined in subsection (c), including key milestones and identified interagency dependencies. In September 2021, HHSC published the report *Foster Care Rate Modernization: Development & Implementation Plan* for the development of pro forma modeled rates and cost-report-based rates.

As outlined in subsection (e)(4) of Special Provision 26, HHSC is required to submit “a semi-annual progress report of all related activities undertaken by HHSC every six months beginning on February 28, 2022.” HHSC published the initial *Foster Care*

Rate Modernization Progress Report on February 28, 2022, and the second progress report *Foster Care Rate Modernization: Progress Report #2* on August 31, 2022.

Special Provision 26(e)(2) directs HHSC to submit “a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates...”.

This report provides information regarding the Foster Care Rate Modernization project, the proposed pro forma rate methodology based on DFPS’s final service descriptions, the methodological rates for the new system, and the fiscal impact based on DFPS’s implementation plan.

The full text of Special Provision 26 is provided in Appendix A.

2. Securing Resources

HHSC received appropriations and full-time equivalents (FTEs) to support the agencies' efforts to meet the assigned deliverables within Special Provision 26. Specific to the rate methodology efforts, HHSC received appropriations to support 11 FTEs and professional services to support the implementation plan, the rate-setting development, and the fiscal calculations outlined in this report.

Full-time Equivalents

HHSC Provider Finance began the hiring process in June 2021 for the 11 FTEs assigned to work on the deliverables related to HHSC identified rate methodology activities. Attracting and retaining qualified staff has been extremely challenging as the project requires staff who are highly skilled and specialized. As a result, in July 2022, HHSC re-classified certain vacant positions to a higher-level classification, while staying within the total amount of funds appropriated, to attract more qualified personnel for this project.

As of February 1, 2023, 11 of the 11 FTEs are filled after being hired through a competitive selection process.¹

Contract for Professional Services Procurement

As outlined in the initial *Foster Care Rate Modernization Progress Report* published on February 28, 2022, HHSC Provider Finance coordinated with the HHSC Procurement and Contracting Services Division to post a solicitation for Professional Services to Develop an Alternative Reimbursement Methodology for Foster Care Rate Modernization. HHSC awarded the contract to PCG on March 1, 2022, and the contract ended on December 31, 2022.

¹ To the extent that any positions become vacant due to attrition, HHSC will re-fill positions as expeditiously as possible.

3. Current Rate Methodology

DFPS currently reimburses providers through two payment models described in this section: the legacy system and CBC.

Under the legacy system, DFPS pays RCC providers a payment rate for each day of care provided. The rate depends on the placement setting type and/or the child's assessed service level². HHSC uses provider cost reports to calculate rates for Child Placing Agencies (CPAs), including a foster family passthrough, General Residential Operations (GRO), including GRO Multiple Services and GRO Child Care Services, Residential Treatment Centers (RTCs), and Emergency Shelters (ES). HHSC also sets rates for Temporary Emergency Placement (TEP), Treatment Foster Family Care (TFFC), and Intensive Psychiatric Transition Program (IPTP). For each setting, HHSC calculates a weighted mean or median rate. For CPAs, GRO/RTCs, HHSC applies a service level index that adjusts the rates based on the child's service level. Rates for ES, TEP, TFFC, and IPTP do not vary by service level. All calculated rates are adjusted upward by seven percent to approximate the 60th percentile, consistent with other facility-based program rates. This calculation results in the methodological rates. The final rates are limited to available appropriations, as determined by the Legislature.

CBC pays blended rates intended to approximate what the state would have paid under the legacy system. HHSC calculates a statewide average blended rate using the current legacy rates and forecasted placement days. DFPS provides HHSC with projected days of care by Service Level, Placement Type, and Strata (based on age at entry and duration of care) for Legacy catchments. HHSC then develops average rates for each stratum based on the projected Legacy days while maintaining the overall statewide average. HHSC uses the statewide average rate for each stratum and the projected number of placement days by strata for each CBC catchment area to develop a blended daily rate for each catchment area. Exceptional care days and payments are "carved out" of the blended rate and provide relief for some very high-cost cases.

The current daily rates are provided in Appendix B.

² The only exception to this process is when a child's needs cannot be met within the standard service level system, and the state must pursue and enter a child specific contract.

4. Pro Forma Rate Methodology Development

Pro Forma Costing Approach

Special Provision 26(e)(2) directs HHSC to submit “a report that includes the pro forma modeled rates using the new methodology...”.

Title 1 of the Texas Administrative Code (1 TAC) Section 355.101 defines HHSC’s approach to pro forma costing as,

When historical costs are unavailable, such as in the case of a new program, reimbursement may be based on a pro forma approach. This approach involves using historical costs of delivering similar services, where appropriate data are available, and estimating the basic types and costs of products and services necessary to deliver services meeting federal and state requirements.

A pro forma costing approach allows HHSC to use cost data for similar services, external data from reputable public or commercial sources, and necessary and reasonable programmatic assumptions. This data is used to develop anticipated costs and recommended payment rates for new or revised comprehensive services when sufficient historical cost data are unavailable.

Service Descriptions

The pro forma costing approach begins with the development of detailed descriptions of the new or revised service or program model the state seeks to provide. Service descriptions should outline the minimum and reasonable requirements a provider must meet to deliver a particular service. HHSC has previously published information regarding service description requirements and the interagency dependencies for the pro forma rate development in the *Foster Care Rate Modernization: Development & Implementation Plan* and progress reports. Appendix D provides the Interagency Dependencies for Pro Forma Rates and Appendix E provides the Service Description requirements.

A reference to programmatic requirements and assumptions can be understood to be equivalent to a service description.

As DFPS and HHSC continued to coordinate on the pro forma rate methodology development, the Foster Care Rate Modernization Foster Family Home primary

settings and add-ons were modified after DFPS' *Foster Care Rate Modernization: Final Service Descriptions* was published. DFPS requested the development of a Kinship Rate Add-On, and the Human Trafficking and Substance Abuse Add-Ons were converted to primary settings to mitigate duplicative staffing/services the add-ons created when combined with another primary setting. DFPS's Foster Care Rate Modernization final primary settings and add-ons are presented in Tables 1-3.

Table 1. Foster Care Rate Modernization Primary Settings and Add-Ons

FFH/CPA Primary Settings and Add-Ons
Basic Foster Family Home
Short-Term Assessment and Stabilization Services
Complex Medical Needs or Medically Fragile Services
Treatment Foster Family Care Services (TFFC)
Intellectual and Developmental Disability (IDD)/Autism Support Services
Sexual Aggression / Sex Offender Support Services
Mental and Behavioral Health Support Services
Substance Use Support Services
Human Trafficking Services
Add-On: Kinship Care Support Services
Add-On: Transition Support Services for Youth and Young Adults
Add-On: Youth and Young Adults who are Pregnant or Parenting Support Services

Table 2. Foster Care Rate Modernization GRO Tier I Primary Settings

GRO Tier I Primary Settings
Basic Child Care Operation
Emergency Stabilization/Assessment Center
Services for Children, Youth, and Young Adults with Complex Medical Needs to Support Community Transition
Services for Children, Youth, and Young Adults with IDD/Autism to Support Community Transition
Human Trafficking Services to Support Community Transition
Youth and Young Adults who are Pregnant or Parenting Services to Support Community Transition
Substance Use Services to Support Community Transition
Sexual Aggression/ Sex Offender Treatment Services to Support Community Transition
Mental and Behavioral Health Treatment Services to Support Community Transition

Table 3. Foster Care Rate Modernization GRO Tier II Primary Settings

GRO Tier II Primary Settings
Sexual Aggression & Behaviors
Aggression & Defiance
Complex Medical Needs
Complex Mental Health
Substance Use Disorders
Human Trafficking

Throughout 2022, HHSC and DFPS worked closely together to translate the service descriptions into a financial model. In some instances, through that process, DFPS identified that some costs would be duplicated or would not be distinguishable if the rates were implemented as the initial service descriptions envisioned. In addition, DFPS received feedback from stakeholders about service description-related information during the course of the rate development process. Therefore, to be responsive to stakeholder feedback and to ensure that costs are transparent and distinct, DFPS refined service descriptions throughout 2022. DFPS confirmed the final programmatic assumptions on December 27, 2022. The service descriptions are the basis for the economic models and methodological rates.

Development of Economic Models

As previously published in HHSC's *Foster Care Rate Modernization: Development & Implementation Plan*, HHSC utilizes detailed service descriptions to inform the cost determination process, which seeks "to define direct and indirect costs that are allowable and, therefore, may be considered" in rate development. The purpose is "to collect accurate financial and other statistical data that constitutes the foundation upon which reimbursements are determined," pursuant to 1 TAC Section 355.101.

If historical cost data exists, HHSC develops a crosswalk of applicable and current cost report data to the new or revised program model or service description. If appropriate cost data are not currently available, HHSC utilizes reputable external sources as applicable to inform costs a provider is anticipated to incur during service delivery. Once HHSC determines appropriate costs for all items in the service description or program model, the reimbursement determination process occurs.

The reimbursement determination process seeks "to identify those levels of cost, either for individual cost items or groups of cost items, which must be incurred by

efficient and economic providers of services meeting all state and federal standards,” pursuant to 1 TAC Section 355.101. The reimbursement determination process seeks to develop reasonable payment rates based on median provider costs and expected service utilization.

HHSC and PCG coordinated with DFPS extensively throughout calendar year 2022 to finalize the economic models based on the updated versions of DFPS’s service descriptions. As DFPS refined its programmatic assumptions in response to stakeholder feedback or for clarity, HHSC updated the economic models for each primary setting and add-on. HHSC evaluated and confirmed the appropriate financial data sources for each of the components in the economic models, which includes financial data from RCC cost reports, the U.S. Bureau of Labor Statistics (BLS), the UT Survey results, and Personal Consumption Expenditures (PCE) Inflation factors.

Economic Model Components

FFH/CPA Economic Models

For FFH/CPA models, each modeled rate includes an agency portion paid directly to the CPA and a foster care maintenance payment or passthrough payment paid directly to the foster family. The agency portion of the CPA/FFH rate includes costs the CPA incurred for its responsibilities to place foster children in foster homes. Examples of the CPA costs included in the economic models are staffing (direct care, case management, and administrative staff) (salaries and benefits); Treatment Model (when applicable) and Training costs; Transportation (vehicle depreciation, fuel, and maintenance costs); Facility cost (rent/lease, insurance, telecommunications, utilities); and Respite Care Program.

The rate component for the foster care maintenance or “passthrough payment” paid to the foster family includes costs a foster family incurs for providing care for a child in state conservatorship. Examples of the costs included in the economic models include Core Needs (food, shelter, clothing); Educational Expenses; Daily Supervision and Care (Appointment Coordination, and Documentation costs); Foster Parent Training costs; Transportation; and Normalcy activities costs.

HHSC relied on several data sources to identify appropriate costs to support rate calculations in the economic models. Data sources included the most recently examined RCC cost report; Texas-specific wage data from BLS; Texas-specific BLS consumer expenditure data; UT residential child-care provider Survey results, other state benchmarks from PCG; and guidance from DFPS.

HHSC attempted to use the most appropriate, available data source for each different cost area. For example, data from the most recently examined cost report allowed HHSC to use data reflecting actual provider experience where new program models aligned with current provider costs. Texas specific BLS wage data enables HHSC to identify wage data for comparable positions within Texas when cost report data was not available. PCG also conducted a competitive wage analysis to validate wage assumptions included in the economic models. Texas-specific BLS consumer expenditure data was used to develop models for foster family costs for the foster family maintenance payment or passthrough payment. UT survey data provided information from providers for cost areas not currently reflected on the cost report or available from other external sources. PCG benchmarks allowed HHSC to compare costs with similar states where applicable. HHSC relied on DFPS' expertise to inform costs associated with program requirements and minimum standards.

All costs included in the modeled agency and foster family portion of the rates were inflated from the source database year to the 2024-25 biennium using a PCE inflator.

GRO Economic Models

HHSC used a similar approach to develop the economic models for GRO settings into the FFH/CPA models with respect to staffing and other operating expenses. GRO staffing categories have both a Program Director and Treatment Director, Client Services staff, and Administrative Staff. HHSC used the most recently examined cost report data to model costs for Program Director and programmatic assumptions from DFPS service descriptions and UT Survey results to model Treatment Director costs for each GRO program model.

HHSC modeled staff costs using wage data from the most recently examined cost report where applicable. If the cost report data did not include the appropriate staff category, HHSC modeled wage costs using Texas-specific BLS data, UT Survey data, or PCG Benchmarks from other states.

For all other operating expenses including Treatment Model and Training, Transportation, Administrative Expenses, and Facility Costs, HHSC relied upon a similar approach for GRO economic models as the agency used to model FFH/CPA rates.

All costs included in the modeled GRO rates were inflated from the source database year to the 2024-25 biennium using a PCE inflator to ensure costs account for current inflation trends.

FFH/CPA and GRO - Stakeholder Sessions

Regarding the FFH/CPA and GRO economic models, PCG led meetings with stakeholders to collect feedback on the rate methodology and economic models. Participants for the Stakeholder Sessions were identified by DFPS and included individuals who participated in DFPS Validation and Refinement efforts through the Single Source Continuum Contract provider work sessions and the UT Survey.

The stakeholder sessions on June 27, 2022, and June 29, 2022, focused on FFH/CPA and included approximately 90 attendees; whereas the stakeholder sessions on June 28, 2022, and June 30, 2022, focused on the GRO economic models and included approximately 65 attendees.

The meetings were targeted to the specific “provider types” to enable PCG, HHSC, and DFPS to focus on the nuances of the different settings/add-ons specific to FFH/CPA and GRO. The meetings included a presentation and walkthrough of the draft of the applicable economic model. DFPS participated in the sessions to serve as resources related to the service descriptions.

HHSC, DFPS, and PCG are grateful for the stakeholders’ feedback and time. Their feedback was considered, and certain modifications related to staffing ratios and normalcy were made by DFPS based on this feedback. Providers also requested that donations or fundraised revenues be excluded from consideration when evaluating their costs; this change is consistent with feedback provided by DFPS and changes were made by HHSC based on this request from DFPS.

Medicaid Allowable Evaluation

HHSC Provider Finance coordinated with HHSC Medicaid and CHIP Services (MCS) and DFPS to identify all potential components that may be Medicaid allowable. HHSC MCS conducted an extensive review of the service descriptions and identified potential components that would be Medicaid allowable, in accordance with the Texas Medicaid Provider Procedures Manual (TMPPM).

DFPS, in coordination with HHSC, distributed a survey to providers in October 2022 to collect data to determine if providers’ staff perform these Medicaid allowable activities and the time associated with those activities. HHSC received responses from four providers. In addition to the low response rate, the responses varied significantly.

HHSC did examine the potential for maximizing federal funding and published a report on February 2023 *Feasibility of Maximizing Federal Funds for Children in Foster Care* that has additional information.

5. Methodological Rates

After finalizing the pro forma rate costing approach, HHSC calculated the Foster Care Rate Modernization methodological rates for DFPS' defined Primary Settings and Add-ons.

Methodological Rates

The Foster Care Rate Modernization FFH/CPA calculated methodological rates, including the agency and passthrough portions, are provided in Table 4. The table provides the subcomponents of the agency portion to detail how much of the methodological rate is associated with the agency's case management, client services, and operations/administrative costs functions.

Table 4. Foster Care Rate Modernization FFH/CPA methodological rates

FFH CPA Rate Type	Methodological Rate	Agency Portion	Agency (Case Management)	Agency (Client Services)	Agency (Operations / Admin Costs)	Passthrough Portion
Basic Foster Family Home	\$83.29	\$36.39	\$12.82	\$0.30	\$23.28	\$46.90
Short-Term Assessment and Stabilization Services	\$150.40	\$77.22	\$23.38	\$28.22	\$25.62	\$73.18
Complex Medical Needs or Medically Fragile Services	\$187.80	\$94.53	\$45.25	\$3.01	\$46.27	\$93.27
Treatment Foster Family Care Services (TFFC)	\$328.41	\$188.83	\$57.45	\$52.39	\$79.00	\$139.58
Intellectual and Developmental Disability (IDD)/Autism Support Services	\$219.98	\$129.20	\$45.69	\$35.52	\$47.98	\$90.78
Sexual Aggression / Sex Offender Support Services	\$186.47	\$95.68	\$25.67	\$32.50	\$37.51	\$90.78
Mental and Behavioral Health Support Services	\$169.49	\$109.92	\$26.30	\$52.22	\$31.39	\$59.57
Substance Use Support Services	\$148.14	\$88.57	\$30.72	\$26.33	\$31.52	\$59.57
Human Trafficking Services	\$217.26	\$117.05	\$23.43	\$57.39	\$36.23	\$100.21

FFH CPA Rate Type	Methodological Rate	Agency Portion	Agency (Case Management)	Agency (Client Services)	Agency (Operations / Admin Costs)	Passthrough Portion
Add-On: Kinship Care Support Services	\$38.22	\$38.22	\$0.00	\$25.43	\$7.55	\$0.00
Add-On: Transition Support Services for Youth and Young Adults	\$37.40	\$11.27	\$0.00	\$8.72	\$2.55	\$26.12
Add-On: Youth and Young Adults who are Pregnant or Parenting Support Services	\$51.22	\$24.94	\$4.36	\$0.00	\$2.43	\$26.28

The Foster Care Rate Modernization GRO TIER I and TIER II methodological rates are provided in Table 5-6, which provides the methodological rate and the breakdown of the rate based on the following rate components: client services, case management, administration, and facilities.

Table 5. Foster Care Rate Modernization GRO TIER I methodological rates

GRO Tier I	Methodological Rate	Client Services	Case Management	Admin	Facilities
Basic Child Care Operation	\$270.80	\$137.49	\$11.69	\$75.11	\$46.51
Emergency Stabilization/Assessment Center	\$394.42	\$233.73	\$13.49	\$100.68	\$46.51
Services for Children, Youth, and Young Adults with Complex Medical Needs to Support Community Transition	\$426.20	\$254.47	\$19.00	\$106.22	\$46.51

GRO Tier I	Methodological Rate	Client Services	Case Management	Admin	Facilities
Services for Children, Youth, and Young Adults with IDD/Autism to Support Community Transition	\$429.95	\$247.14	\$16.72	\$119.58	\$46.51
Human Trafficking Services to Support Community Transition	\$456.00	\$271.14	\$17.84	\$119.78	\$47.24
Youth and Young Adults who are Pregnant or Parenting Services to Support Community Transition	\$382.23	\$214.47	\$21.07	\$100.18	\$46.51
Substance Use Services to Support Community Transition	\$389.67	\$227.25	\$16.72	\$99.19	\$46.51
Sexual Aggression/ Sex Offender Treatment Services to Support Community Transition	\$340.56	\$172.18	\$21.07	\$99.19	\$48.13
Mental and Behavioral Health Treatment Services to Support Community Transition	\$467.55	\$285.57	\$15.75	\$119.72	\$46.51

Table 6. Foster Care Rate Modernization GRO TIER II methodological rates

GRO Tier II	Methodological Rate	Client Services	Case Management	Admin	Facilities
Sexual Aggression & Behaviors	\$540.60	\$315.91	\$24.55	\$130.05	\$70.09
Aggression & Defiance	\$574.65	\$348.72	\$21.04	\$136.82	\$68.07
Complex Medical Needs	\$623.53	\$384.06	\$15.50	\$155.90	\$68.07
Complex Mental Health	\$583.33	\$343.87	\$21.04	\$150.35	\$68.07
Substance Use Disorders	\$633.02	\$413.86	\$15.50	\$135.60	\$68.07
Human Trafficking	\$642.02	\$375.35	\$21.04	\$176.65	\$68.98

Methodological Rate Crosswalk

In addition to the tables provided above, HHSC developed Foster Care Rate Modernization crosswalks that provide detailed rate component information for each of DFPS' primary settings and add-ons. The crosswalks provide a detailed list of the applicable rate components based on DFPS' service descriptions. For each rate component, the crosswalk provides: the portion of the methodological rate associated with the rate component; if the rate component is required based on HHSC Regulatory Service's minimum standards; and if the rate component is, eligible for Title IV-E or is potentially eligible for Medicaid reimbursement, in accordance with TMPPM. The purpose of the crosswalks is to provide transparent and detailed information for each methodological rate. The crosswalks are provided in Appendix F-H.

6. Community-Based Care Methodology

Special Provision 26(c) directs DFPS to develop an alternative reimbursement methodology proposal for the 88th Legislature with the assistance of HHSC. The alternative reimbursement methodology proposal for the RCC program, including legacy foster care and CBC rates, is based on specific deliverables outlined in the provision.

The identified inter-agency dependencies related to the CBC methodology were published in HHSC's *Foster Care Rate Modernization: Development & Implementation Plan* and are included in Appendix D.

HHSC and DFPS began coordinating CBC-related items while concurrently finalizing the CPA/FFH and GRO methodological rates based on DFPS' final service descriptions, as previously outlined in HHSC's progress reports. During this process, the Office of Community-Based Care Transition (OCBCT) joined HHSC's and DFPS's routine weekly meetings to assist in developing the CBC methodology.

In June 2022, PCG, in coordination with HHSC, provided CBC methodology options for DFPS' and OCBCT's consideration. SSCCs provided data that was used to model and evaluate options for CBC rates. These CBC methodology options were evaluated, modified, and modeled based on DFPS' and OCBCT requests, using CBC expenditure and SSCC cost data. By August 2022, DFPS, OCBCT, HHSC, and PCG finalized two CBC methodology options, and an option for a case management rate. The options identified were prioritized because they included strategies for mitigating risk in a system that is changing significantly and for which there is little data to project utilization and reliably calculate a blended rate.

Table 7. Foster Care Rate Modernization CBC rate methodology options

Rate Type	CBC Model Overview	SSCC Stage	Additional Context
CPA Blended Rate	<p>The Blended rate includes all CPA/FFH foster care costs.</p> <p>GRO Tiers I & II are excluded and will be paid by DFPS as Fee-for-Service (FFS) rates</p>	Stages 1 & 2	<p>The alternative Blended CPA/FFH rate would include a Risk Reserve³. A change in the blended rate methodology may result in DFPS' making changes to payment reconciliation with the SSCCs.</p> <p>This option does not preclude a blended rate with GRO placements in the future. DFPS would need to collect claims data for future blended rate modeling; this may be accomplished either via the cost reporting process administered by HHSC or through another data reporting system operated by DFPS. HHSC would need to modify the current cost report to collect SSCC and SSCC subcontractor costs to inform a potential blended rate.</p>
Fee-For-Service Rates (FFS)	All New service packages paid to SSCCs as FFS rates for a limited period of time (estimated 3 years).	Stages 1 & 2	<p>No Risk Reserve or Reconciliation would be needed.</p> <p>This option does not preclude a blended rate with either CPA/FFH or GRO placements in the future. DFPS and HHSC would need to collect claims and cost report data to inform future blended rate methodology.</p>
Case Management Rate	Legal/Placement Case Management Standalone	Stage 2	No Risk Reserve or Reconciliation would be needed.

CBC CPA/FFH Blended Rate Option

HHSC, with the collaboration of DFPS and PCG, modeled a daily blended foster care rate that includes all CPA placement types. Under this option, SSCCs would receive a daily blended foster care rate for all children in CPA settings. SSCCs would be paid directly by DFPS for GRO placements (Tiers 1 and 2) as FFS rates. Actual

³ Pursuant to Article III, Section 44 and Section 51, Texas Constitution, there may be limitations to the state's ability to enter into a risk reserve or contractual arrangement that incorporates a reconciliation. HHSC is not equipped to provide guidance related to the examination of those provisions, but recommends that the matter is examined prior to implementation of this type of methodology.

service utilization data (potentially collected as data on a cost report) for each of the CBC regions would be collected to better inform transitioning to a blended rate for all settings in the future. HHSC would want to revise cost report data so that actual, incurred provider costs could inform the blended rate methodology.

CBC FFS Option

The second option is to provide FFS payments for all CBC placement days. Under this option, SSCCs would be paid directly by DFPS for all placements (CPA and GRO) based on the Foster Care Rate Modernization's implemented rates. Actual service utilization data (potentially collected as data on a cost report) for each of the CBC regions would be collected to inform an evaluation if transitioning to a blended rate for all settings or some combination of the foster care setting in the future is appropriate. HHSC would need to revise the cost report for the new program models and revise cost reporting rules to require all RCC providers subcontracting with SSCCs to submit cost reports; this would ensure actual provider costs inform future rate calculations.

Case Management Option

In addition to the two CBC rate methodologies outlined above, HHSC and DFPS also collaborated with PCG to develop a stand-alone case management rate for SSCCs in Stage II that would replace the current resource transfer. The case management rate would cover SSCC's administration and legal case management activities. SSCCs in Stage 1 would continue to be supported by a resource transfer. SSCCs in Stage II may continue to receive transfers for costs unrelated to legal case management. PCG's case management rate model was developed using self-reported data from SSCCs. HHSC plans to revise the SSCC cost report to collect legal case management and administration costs on the 2023 cost reports, which will be collected in 2024. HHSC would recommend the case management rate would be more accurate if financially examined cost data were used to support the rate calculation.

CBC - Stakeholder Sessions

PCG, in coordination with DFPS and HHSC, led a stakeholder session to provide an overview of the CBC rate methodology options outlined above and to receive participant feedback. The session was targeted to SSCCs to enable PCG, HHSC, DFPS, and OCBCT to focus on the nuances of CBC and SSCCs' unique role in providing foster care in Texas. Participants for the stakeholder session were

identified by DFPS and included individuals/entities who participated in DFPS Validation and Refinement efforts through the UT Survey.

The stakeholder session was held on September 27, 2022. DFPS and OCBCT began the session by providing an overview of and programmatic considerations for the two CBC methodologies options and case management stand-alone rate outlined above. HHSC and PCG then led the second half of the session by providing an overview of rate-related considerations. Throughout the session, stakeholders were able to ask questions and provided feedback and considerations.

Overall, there was no consensus shared by stakeholders for a specific CBC rate methodology option or the case management stand-alone rate. Stakeholders shared they would need further information regarding the Foster Care Rate Modernization methodological rates, the administration or continuance of non-rate methodology revenue streams, and clarification on how either of the CBC rate methodology would be administered.

CBC – Rate Methodology Recommendation

In evaluating the CBC rate methodology options, HHSC Provider Finance consulted with HHSC's Actuarial Analysis Department to identify a benchmark for actual experience data in modeling rate setting. While HHSC is not recommending developing an actuarially sound rate, HHSC Provider Finance did identify it is ideal to reference at least three to five years of actual experience data before modeling and implementing a blended rate. As such, HHSC recommends DFPS adopt a decision to administer the FFS CBC rate methodology until the Foster Care Rate Modernization system is implemented and DFPS can collect reliable service utilization data from providers for at least three years.

In addition, HHSC will continue to evaluate the SSCC cost report data. As outlined in HHSC's *Foster Care Rate Modernization: Development & Implementation Plan*, as CBC is expanded to most of the state, HHSC and DFPS must evaluate if calculating a statewide case management rate using actual SSCC cost data in lieu of resource transfer is appropriate. Using SSCC costs to calculate the CBC rate may improve the state's ability to align rates more closely to provider costs. HHSC and DFPS would have to evaluate if a cost-based approach is appropriate for CBC. A cost-based approach could result in DFPS paying provider-specific, per-catchment rates or a uniform statewide rate.

7. Fiscal Impact Estimate

As stated in HHSC's *Foster Care Rate Modernization: Development & Implementation Plan*,

To implement the model, DFPS would be required to conduct various implementation activities. DFPS indicated these activities could include, but are not limited to, overhauling the placement and payment (including eligibility) part of the Information Management Protecting Adults and Children in Texas (IMPACT) IT system, reprocurring or amending approximately 380 Residential Child Care contracts (depending on the timing of CBC roll-out), revamping policy and forms, training DFPS and Single Source Continuum Contractor (SSCC) casework staff on the new system, training members of the judiciary on the new system, etc.

DFPS has indicated the Foster Care Rate Modernization new rate methodology would begin to be implemented by January 1, 2025. This timeline and their considerations for implementation are discussed in more detail in DFPS' companion report.

HHSC is providing two calculations for the fiscal impact estimate: one focused on the potential appropriation impact and one focused on the potential fiscal impact from a rate-setting perspective (to assist with more clearly identifying the costs that are specifically associated with the new rate methodology). Both fiscal estimates assume the Foster Care Rate Modernization would begin to be implemented by January 1, 2025, and would be fully implemented by September 1, 2027. The fiscal estimates do not include non-rate methodology appropriations that may be requested by DFPS or Supervised Independent Living (SIL) costs.

Table 8. Foster Care Rate Modernization state fiscal year 2025 Appropriation Based Fiscal Impact

	All Funds	Federal Funds	General Revenue	Other
Total Estimated Costs New System	\$325,840,013	\$142,644,447	\$183,195,565	\$0
Total Estimated Costs for Current System Phasing Into New System	\$193,993,105	\$91,508,026	\$102,485,079	\$0

	All Funds	Federal Funds	General Revenue	Other
Current System, Current Rate Related Appropriations	(\$415,441,251)	(\$189,287,677)	(\$225,380,745)	(\$772,830)
Non-Rate Appropriation Offsets	(\$34,454,860)	(\$3,041,517)	(\$31,413,343)	\$0
Total, Net New Service Description Rate Costs	\$69,937,006	\$41,823,279	\$28,886,557	(\$772,830)

The fiscal estimate for the new system is based on applying the new system's methodological CPA/FFH, GRO TIER I, and GRO TIER II rates to DFPS's Forecasted Days for each applicable primary setting and add-on. The fiscal estimates for CBC utilized a weighted average rate based on the new system's methodological rates for calculation purposes and DFPS Forecasted CBC Days for state fiscal year 25. DFPS's CBC forecast only includes catchments currently delivering services and not new catchment areas anticipated to begin delivering services through CBC during state fiscal year 24-25 biennium.

Since DFPS would begin implementing the new Foster Care Rate Modernization by January 1, 2025, with full implementation planned by September 1, 2027, HHSC also provided the fiscal estimate for the current rate system. It is assumed the current system's rate methodology and current daily rates will cease by August 31, 2027. The fiscal estimate for the days remaining in the current system is calculated by applying the current system's daily rates to DFPS's Forecasted Days for each applicable setting.

The assumed current system's appropriation is based on DFPS' LAR and is considered an offset in state fiscal year 2025 when evaluating the net fiscal impact of the new Foster Care Rate Modernization system. The Other funding category for the legacy system includes revenues from Child Support Payments. DFPS may provide additional information regarding the appropriations and budget strategy information.

DFPS has identified potential offsets to current appropriations funded outside of the current rate methodology based on the implementation of the Foster Care Rate Modernization. The anticipated offsets are associated with the implementation of the new system and may only be a percentage of the assumed appropriation for the identified non-rate methodology cost categories. If the anticipated offset percentage of the assumed state fiscal year 2025 appropriations is less than 100 percent, the remaining assumed appropriations are still required outside of the rate

methodology funding. DFPS may provide additional information regarding the appropriations and budget strategy information.

The Total, Net New Service Description Rate Costs reflect the net increase (savings) of funding needed to support the new Foster Care Rate Modernization from an appropriation perspective.

Fiscal estimates for state fiscal years 2025-29 are provided in Appendix I.

Table 9. Foster Care Rate Modernization state fiscal year 2025 Rate Based Fiscal Impact

	All Funds	Federal Funds	General Revenue
Total Estimated Costs New System	\$325,840,013	\$142,644,447	\$183,195,565
Total Estimated Costs for Current System Phasing Into New System	\$193,993,105	\$91,508,026	\$102,485,079
Current System, Current Rates	(\$358,924,610)	(\$172,573,418)	(\$186,351,192)
Current System, Methodological Rate Difference	(\$143,022,574)	(\$68,615,477)	(\$74,407,098)
Non-Rate Appropriation Offsets	(\$34,454,860)	(\$3,041,517)	(\$31,413,343)
Total, Net New Service Description Rate Costs	(\$16,568,927)	(\$10,077,938)	(\$6,490,989)

HHSC is providing a fiscal impact from a rate-setting perspective to provide additional information when comparing the new system's methodological rate fiscal impact to the current system's fiscal associated with the current daily rates and the current system's methodological rates.

The fiscal estimate for the new Foster Care Rate Modernization system that would begin implementation on January 1, 2025, and the total estimated costs for the current system, are the same estimates provided in Table 7 above. The descriptions of how these estimates are calculated are provided above.

Current System, Current Rate estimate reflects an estimated offset in state fiscal year 2025 based on the estimated funding needed for the current daily rates.

The Current System, Methodological Rate Difference estimate reflects an estimated offset in state fiscal year based on the difference between the funding need to support the current system's methodological rates when compared to the funding needed to support the current system's daily rates.

The Non-Rate Appropriation Offsets mirror the potential offsets reflected in Table 7. The descriptions of how these offsets are calculated are provided above.

The Total, Net New Service Description Rate Costs reflect the net increase (savings) of funding needed to support the new Foster Care Rate Modernization from a rate-based perspective.

Fiscal estimates for state fiscal years 2025-29 are provided in Appendix J.

8. Conclusion

With the partnership of DFPS and stakeholders, the Foster Care Rate Modernization has resulted in detailed reimbursement rate models that can be refreshed with experience and cost data to more accurately and transparently identify the cost of delivering foster care services.

If the 88th Legislature authorizes implementation of the new rate methodology and DFPS implements the new system in accordance with their proposed implementation timeline, HHSC anticipates that rates will be able to be refreshed based on cost report data for state fiscal year 2032. Until that time, HHSC would maintain the rates by refreshing cost report data (when available), along with continuing to leverage the other data sources that were used for the development of the pro forma modeled rates.

List of Acronyms

Acronym	Full Name
BLS	U.S. Bureau of Labor Statistics
CANS	Child Adolescent Needs and Strengths Assessment
CBC	Community-Based Care
CPA	Child Placing Agency
DFPS	Department of Family Protective Services
ES	Emergency Shelters
FFH	Foster Family Home
FTEs	Full-Time Equivalents
GRO	General Residential Operations
HHSC	Health and Human Services Commission
H.B.	House Bill
IDD	Intellectual and Developmental Disability
IPTP	Intensive Psychiatric Transition Program
MCS	Medicaid and CHIP Services
OCBCT	Office of Community-Based Care Transition
PCE	Personal Consumption Expenditures
PCG	Public Consulting Group
QRTP	Qualified Residential Treatment Program
RCC	Residential Child Care
RTCs	Residential Treatment Centers
S.B.	Senate Bill
SFY	State Fiscal Year
SSCCs	Single Source Continuum Contracts
STAR	State of Texas Access Reform
TAC	Texas Administrative Code
TCM	Targeted Case Management
TEP	Temporary Emergency Placement
TFFC	Treatment Foster Family Care
TMPPM	Texas Medicaid Provider Procedures Manual
UT	The University of Texas at Austin

Appendix A. Special Provision 26

Sec. 26. Reimbursement Rates and Methodology; Reporting Requirements: Legacy Foster Care, Community Based Care Services, and Other Child Services.

- (a) In addition to the amounts appropriated above to the Department of Family and Protective Services (DFPS) is \$352,853 in General Revenue and \$1,772 in Federal Funds in fiscal year 2022 and \$99,763 in General Revenue and \$920 in Federal Funds in fiscal year 2023 and 1.0 full-time equivalent (FTE) each year in Strategy B.1.2, CPS Program Support, for the development of a new reimbursement rate methodology for foster care, community-based care, and other child services.
- (b) In addition to the amounts appropriated above to the Health and Human Services Commission (HHSC) is \$2,810,482 in General Revenue and \$355,652 in Federal Funds and 6.1 FTEs for the 2022-23 biennium for the development of a new reimbursement rate methodology for foster care, community-based care, and other child services, allocated as follows:
- (1) \$1,565,370 in General Revenue and \$7,859 in Federal Funds in fiscal year 2022 and \$905,673 in General Revenue and \$8,354 in Federal Funds in fiscal year 2023, and 5.1 FTEs in each fiscal year in Strategy L.1.1, HHS System Supports, to support administrative and salary costs related to the implementation of this section; and
 - (2) \$296,628 in General Revenue and \$296,628 in Federal Funds in fiscal year 2022, and \$42,811 in General Revenue and \$42,811 in Federal Funds in fiscal year 2023, and 1.0 FTE each fiscal year in Strategy B.1.1, Medicaid Contracts and Administration.
- (c) Out of funds identified above in subsection (a) of this rider, DFPS shall develop, with the assistance of HHSC, an alternative reimbursement methodology proposal for the Eighty-eighth Legislature for foster care and community-based care rates, including:
- (1) Aligning the rates to specific, clearly defined, program models;
 - (2) Pricing the elements of the program models using cost report data and market analysis;
 - (3) Reviewing the rate calculations with stakeholders to refine the models and price;

- (4) For facility-based programs, paying the rates that align to the placement setting in which a child resides, for as long as the child resides there;
 - (5) For foster family rates, maintaining the same rate for an identified period of time after a child is assessed as ready for a lower placement level to allow the family to sustain the progress that has been made;
 - (6) Using CANS assessments (and other tools) to inform placement and service decisions and track progress;
 - (7) Tracking regional differences in CANS scores and costs to determine if trends emerge;
 - (8) Considering the types of personnel and credentials that are desired for programs and factor commensurate and competitive salaries into the model budget legacy rate development process across the state;
 - (9) Developing incentive payments for child placement agencies and residential programs for desired outcomes such as timely permanency, recruiting and retaining foster homes, successful moves to lower levels of care, clinical improvements, and other outcomes as determined by DFPS;
 - (10) Defining placement settings and services that align to children's needs with rates that tie to those specific settings and services and clarifying the program expectations for each setting, such as staffing requirements, supervisory expectations, training, and other support and operating assumptions;
 - (11) Continuing the exceptional care "carve out";
 - (12) Implementing a risk reserve;
 - (13) Reviewing opportunities to increase the Title IV-E eligibility rate;
 - (14) Increasing kinship licensing; and
 - (15) Developing a method to claim costs associated with child.
- (d) DFPS shall submit to the Legislative Budget Board, the Governor, the Chair of the House Appropriations Committee, the Chair of the Senate Finance Committee, the Speaker of the House, the Lieutenant Governor, the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services, and HHSC:
- (1) a report detailing the preliminary new service descriptions upon which the new rate methodology will be based no later than September 30, 2021;

(2) a report detailing the final service descriptions no later than January 1, 2022;
and

(3) a semi-annual progress report of all related activities undertaken by DFPS every six months beginning on February 28, 2022.

(e) HHSC shall submit to the Legislative Budget Board, the Governor, the Chair of the House Appropriations Committee, the Chair of the Senate Finance Committee, the Speaker of the House, the Lieutenant Governor, the permanent standing committees in the House of Representatives and the Senate with jurisdiction over health and human services, and DFPS:

(1) a plan for the development of pro forma modeled rates and cost-report based rates, using the service descriptions described in subsection (c) of this rider, including key milestones and identified interagency dependencies, and for the implementation of all other recommendations related to reimbursement rate methodologies made in the report entitled "Foster Care Methodology as required by the 2020-21 General Appropriations Act, House Bill 1, 86th Legislature, Regular Session, 2019 (Article II, Special Provisions Relating to All Health and Human Services Agencies, Section 32)" no later than September 30, 2021;

(2) a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates, no later than December 1, 2022;

(3) a report on the feasibility of increasing federal funds for use in providing these services by February 1, 2023; and

(4) a semi-annual progress report of all related activities undertaken by HHSC every six months beginning on February 28, 2022.

Appendix B. 24-Hour RCC Daily Rates

Table 1. 24-Hour RCC Daily Rates

Service Level	Type of Care	Rate
Basic	Child Placing Agency	\$49.54
Basic	Foster Family	\$27.07
Basic	General Residential Operation (excluding Emergency Shelters)	\$45.19
Moderate	Child Placing Agency	\$87.36
Moderate	Foster Family	\$47.37
Moderate	General Residential Operation (excluding Emergency Shelters)	\$108.18
Specialized	Child Placing Agency	\$110.10
Specialized	Foster Family	\$57.86
Specialized	General Residential Operation (excluding Emergency Shelters)	\$197.69
Intense	Child Placing Agency	\$186.42
Intense	Foster Family	\$92.43
Intense	General Residential Operation (excluding Emergency Shelters)	\$277.37
Intense Plus	General Residential Operation/Residential Treatment Center (GRO/RTC)	\$400.72
Other	General Residential Operation/Emergency Care Services (GRO/ECS)	\$137.30
Other	Intensive Psychiatric Transition Program (IPTP)	\$374.33
Other	Treatment Foster Family Care - Agency	\$277.37

Appendix C. PCG's Recommendation Rate Methodology Crosswalk

DFPS and HHSC are committed to working collaboratively. This joint effort includes sharing information and subject matter expertise on a routine basis in order to meet the charge inherent in Special Provision 26.

The following table includes references to all recommendations contained in the PCG report. Based on changes to both state and federal law, and as informed by information gathered from stakeholders, and through analysis of more current foster care data, it may be determined that some recommendations stand to be modified or are determined to no longer be applicable.

Table 1. This table identifies each of PCG’s recommendations with pro forma costing or cost report rate methodology approaches and any interagency dependencies.

PCG’s Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Individualized Needs of Children Recommendation #1	Align the rates to specific, clearly defined program models.	Pro Forma Costing Approach	9/30/21 – Preliminary Service Descriptions 1/1/22 – Finalized Service Descriptions	<p>DFPS to identify a core set of service packages the state would procure to meet the various needs of children statewide.</p> <p>DFPS to develop an assessment tool and Utilization Management process for evaluating children in care to align with the service models included in the foster care placement continuum.</p> <p>DFPS to hold stakeholder forums to receive feedback and help in guiding the development of service descriptions. HHSC will serve as a resource, as needed.</p> <p>DFPS to provide HHSC with the finalized proposed program service descriptions, including provider qualifications and expectations, and minimum staffing ratios.</p>

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Individualized Needs of Children Recommendation #2	Price the elements of the program models using cost report data and market analysis.	Pro Forma Costing Approach	12/1/2022 – HHSC will publish a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate to implement these rates.	<p>DFPS to provide the necessary assumptions for HHSC to develop an economic model for each of the program models (i.e., service descriptions, staffing ratios, etc.).</p> <p>HHSC to develop a crosswalk of current cost report data to the new program model costs. If these costs are not currently available, HHSC will utilize reputable external sources as applicable.</p> <p>DFPS to provide feedback and approve the crosswalk and assumptions.</p> <p>DFPS to provide the utilization assumptions for new services or program models.</p> <p>DFPS to provide the anticipated utilization for the new program models or services to incorporate in fiscal estimates.</p>
Individualized Needs of Children Recommendation #3	Review the rate calculations with stakeholders to refine the models and price.	Pro Forma Costing Approach	1/2022 – 6/2022 – HHSC will lead stakeholder forums to discuss and receive feedback on economic models.	DFPS to serve as a resource during these sessions.

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Individualized Needs of Children Recommendation #4a	For facility-based programs, pay the rates that align to the placement setting in which a child resides, for as long as the child resides there.	Pro Forma Costing Approach	12/1/2022 – HHSC will publish a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates.	Fiscal estimates will be based on assumptions provided by DFPS as informed by the assessment and Utilization Management process.
Individualized Needs of Children Recommendation #4b	For foster family rates, maintain the same rate for some period after a child is assessed as ready for a lower placement level to allow the family to sustain the progress that has been made. In other states, this time period ranges from 30 days to much longer.	Pro Forma Costing Approach	12/1/2022 – HHSC will publish a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates.	This recommendation is already inherent in the current service level system (if the level lowers, there is time before a new level is applied to allow for adjustment). Any change to this process will be provided by DFPS upon completion of the assessment/Utilization Management process to support the new continuum. DFPS to provide assumptions around the length of time to hold rate constant after a child is assessed as ready for a lower placement level.

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Individualized Needs of Children Recommendation #5	Use CANS assessments (and other tools) to inform placement and service decisions and track progress.			DFPS anticipates identifying a uniform assessment tool(s) based on the final service continuum. It is likely that modification will need to be made to the existing CANS tool, and there will be a cost associated with ensuring reliability and increased frequency of assessment.
Individualized Needs of Children Recommendation #6	Recalculate the rate every three (3) years and in between when there are significant program changes.	Cost Report Approach	2/1/2025 and after.	HHSC recommends standard rate reviews be conducted at least once every biennium. This may be more frequent due to significant program changes or as requested by DFPS.
Regional Variations in Costs	PCG does not recommend geographic modifiers to rates based on CANS. PCG recommends continuing to track regional differences in CANS scores and costs to determine if trends emerge.	Cost Report Approach	2/1/2025 and after.	DFPS and HHSC will evaluate if rates need to be adjusted for regional variations in cost.

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Locally Competitive Wages	PCG does not recommend a geographic modifier for rates. PCG recommends that DFPS/HHSC consider the types of personnel and credentials that are desired for programs and factor commensurate and competitive salaries into the model budget legacy rate development process across the state.	Pro Forma Costing Approach	12/1/2022 – HHSC will publish a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates.	<p>HHSC, in consultation with DFPS and stakeholders, to identify industries to use for comparisons with different staff types employed by 24-hour RCC providers when developing the economic models.</p> <p>HHSC can calculate the cost of paying an appropriate minimum wage for direct care staff in the 24-hour RCC program and evaluate how supplemental programs that support direct care wages could be expanded to residential child care.</p> <p>Recommended rates and fiscal estimates will include assumptions from competitive wage analysis.</p>

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Least Restrictive Environments and High-Quality Services Recommendation #1	For foster family homes, when a child is assessed as eligible for a lower level of placement, keep the rate constant for some period of time to allow the child/youth to continue to receive needed services to sustain the progress that has been made.	Pro Forma Costing Approach	12/1/2022 – HHSC will publish a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates.	DFPS to provide assumptions around the length of time to hold rate constant after a child is assessed as ready for a lower placement level.
Least Restrictive Environments and High-Quality Services Recommendation #2	Develop incentive payments for CPAs and residential programs for desired outcomes such as timely permanency, recruiting and retaining foster homes, successful moves to lower levels of care, clinical improvements, etc.	Pro Forma Costing Approach	12/1/2022 – HHSC will publish a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates.	DFPS to include descriptions and assumptions regarding incentive payments as part of their service descriptions if incentive payments are to be included in the pro forma costed rates.

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Least Restrictive Environments and High-Quality Services Recommendation #3	Incorporate more foster family recruitment and retention support into the CPA retainage rate.	Pro Forma Rate Costing Approach	12/1/2022 – HHSC will publish a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates.	DFPS to include descriptions and assumptions regarding additional recruitment and retention support for CPAs as part of their program models and service descriptions. If the additional recruitment and retention support for CPAs is included in the service descriptions and/or program models, HHSC will incorporate it into recommended pro forma rates and fiscal estimates.
Least Restrictive Environments and High-Quality Services Recommendation #4	Incorporate more family work, family engagement, and aftercare into the residential rates.	Pro Forma Rate Costing Approach	12/1/2022 – HHSC will publish a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates.	DFPS to include descriptions and assumptions regarding additional family work, family engagement, and aftercare as part of their program models and service descriptions. If the additional family work, family engagement, and aftercare assumptions are included in the service descriptions and/or program models, HHSC will incorporate them into recommended pro forma rates and fiscal estimates.

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Sustainable CBC Model Recommendation #1	Calculate the daily blended rates based on the new legacy rates and CBC regional utilization data.	Pro Forma Rate Costing Approach	12/1/2022 – HHSC will publish a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates.	DFPS to provide direction on assumptions, including the level of risk sharing they prefer to be assumed in the CBC blended rates. DFPS to provide estimated utilization for CBC to be used in rate calculations and fiscal estimates.
Sustainable CBC Model Recommendation #2	Adjust the rate for known prospective changes (program changes, price increases, etc.) specific to the CBC regions.	Pro Forma Rate Costing Approach	12/1/2022 – HHSC will publish a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates.	HHSC will continue to adjust rates for known programmatic or economic changes.

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Sustainable CBC Model Recommendation #3	Utilize CANS data to validate the CBC placement trends and track changes in case mix by region.			DFPS to evaluate the reliability of the CANS data.
Sustainable CBC Model Recommendation #4	Reforecast the daily blended rates annually.	Cost Report Rate Approach	2/1/2025 and after	HHSC recommends standard rate reviews are conducted at least once every biennium. This schedule may be more frequent due to significant program changes or as requested by DFPS.
Risk Mitigation Strategies Recommendation #1	Continue the exceptional care "carve out."			DFPS will continue exceptional care "carve out." However, the methodology for this may look different as service gaps are identified and new services are defined that have traditionally been purchased using child-specific contracts. Child-specific contracts are the basis for determining the exceptional care rate.
Risk Mitigation Strategies Recommendation #2	Implement a risk reserve.			DFPS and HHSC to determine a methodology for calculating the risk reserve and then provide cost to the Legislature – to determine how the methodology compliments the continued use of exceptional care.

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Sound Rate Development Principles Recommendation #1	Recalculate the legacy rates to tie to specific placement settings and programs.	Pro Forma Rate Costing Approach	12/1/2022 – HHSC will publish a report that includes the pro forma modeled rates using the new methodology, including the fiscal estimate of implementing such rates.	See Dependencies for Individualized Needs of Children Recommendation #1. DFPS will define service packages that may be offered in one or more placement settings. Therefore, the historical “rate tied to placement setting” may not be appropriate under the newly defined service continuum.
Sound Rate Development Principles Recommendation #2	Utilize current CBC placement data to project the daily blended rate annually.	Cost Report Approach	2/1/2025 and after	See Dependencies for Sustainable CBC Model Recommendation #1.
Sound Rate Development Principles Recommendation #3	Consider adjusting the rates annually for inflation and continue adjustments as needed for significant program or policy changes.	Cost Report Rate Approach	2/1/2025 and after	HHSC recommends that standard rate reviews be conducted at least once every biennium. These reviews may be more frequent due to significant program changes or as requested by DFPS.

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Federal Funds Recommendation #1	Maximize the use of Medicaid waivers for youth with high behavioral health needs.	Other	2/1/2023 Report	Rider 34 (2022-23 GAA, Article II, HHSC) directs HHSC to apply for an 1115 waiver to obtain federal financial participation for Institute for Mental Disease stays, only if HHSC determines such a waiver would result in net savings to the state. There is considerable overlap with the 1115 recommendation here. HHSC will likely contract out the cost-savings analysis for Rider 34, and the timeline is not yet determined. DFPS will provide available data and will act as a resource to HHSC.
Federal Funds Recommendation #2	Encourage STAR Health, Local Mental Health Authorities, and providers to maximize the use of S.B. 1177 In-Lieu-Of Services.	Other	2/1/2023 Report	Pending CMS approval of SB 1177 in lieu of services. If CMS does not approve, HHSC will not be able to implement this recommendation. DFPS will provide available data and will act as a resource to HHSC.

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Federal Funds Recommendation #3	Increase the use of Targeted Case Management (TCM) and Mental Health Rehab Service within the current Managed Care Organization model.	Other	2/1/2023 Report	This recommendation will require a full-scale study. HHSC staff or a contractor will have to solicit feedback from stakeholders, including Local Mental Health Authorities, other TCM/Rehab providers, and DFPS. This study will also require input from Provider Finance, as the PCG recommendations reference "rate sufficiency." DFPS will provide available data and will act as a resource to HHSC.
Federal Funds Recommendation #4	Follow-up on the S.B. 58 Integration of Behavioral Health and TCM Services into the Managed Care Model.	Other	2/1/2023 Report	DFPS will provide available data and will act as a resource to HHSC.
Federal Funds Recommendation #5	Conduct a feasibility study to determine costs and implications of bundling TCM and Medicaid Mental Health Rehab into the provider payment structure.	Other	2/1/2023 Report	This recommendation will require a full-scale study. HHSC will likely engage a contractor to work with DFPS, CBC/SSCC providers, and residential providers to obtain information and data to inform this analysis. Input and data will also be needed from HHSC Provider Finance and Regulatory. DFPS will provide available data and will act as a resource to HHSC.

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Federal Funds Recommendation #6	Streamline the Medicaid credentialing process.	Other	2/1/2023 Report	This recommendation is dependent on an existing project. HHSC is in the process of implementing a new Provider Enrollment Management System, which is intended to streamline the Medicaid provider enrollment process. DFPS will provide available data and will act as a resource to HHSC.
Federal Funds Recommendation #7	Review Opportunities to increase the Title IV-E eligibility rate.	Other	2/1/2023 Report	DFPS will leverage previous work efforts to inform this recommendation.
Federal Funds Recommendation #8	Increase kinship licensing.	Other		<p>HHSC Child Care Regulation per SB 1896 is charged with developing provisional kinship licensing requirements. DFPS will evaluate new standards and work with federal partners to determine compliance with FFPSA requirements. If so, DFPS may begin process requirements for claiming for new setting.</p> <p>State law and policy require that kinship families be provided information on becoming licensed at time of placement.</p>

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Federal Funds Recommendation #9	Develop Title IV-E Administrative Claiming strategies for GRO/ Residential Treatment Center placements.	Cost Report Approach	4/1/2023	HHSC will review the Title IV-E allowable administrative cost requirements and current cost report framework to ensure IV-E eligible costs are being captured accurately.
Federal Funds Recommendation #10	Develop a method to claim costs associated with child-specific contracts.	Other		DFPS will continue to evaluate if federal claiming requirements can be met for these unique settings.
Cost Report Recommendation #1	Geographic location of the provider's program facility where services are delivered.	Cost Report-Approach	2/1/2022	HHSC added to the cost report template for the FY2022 Cost report. This change will be effective 2/1/22.
Cost Report Recommendation #2	Discrete Reporting by Service.	Cost Report-Approach	2/1/2025	Assumes program models and pro forma costed rates are implemented on 9/1/2024.
Cost Report Recommendation #3	Report DFPS Revenue.	Cost Report-Approach	2/1/2022	HHSC added to the cost report template for the FY2022 Cost report. This change will be effective 2/1/22.
Cost Report Recommendation #4	Specify Fundraising in Non-DFPS Revenue.	Cost Report-Approach	2/1/2022	HHSC added to the cost report template for the FY2022 cost report. This change will be effective 2/1/22.

PCG's Recommendation	Short Description	Directly or Indirectly Related to Rate Methodology or Other	Milestones	Interagency Dependencies
Cost Report Recommendation #5	One Agency cost report to include all programs.	Cost Report-Approach	2/1/2025	HHSC will evaluate ways to streamline the cost report template once program models have been defined and implemented.
Cost Report Recommendation #6	Update Cost Report to Isolate QRTP Costs.	Cost Report-Approach	2/1/2025	HHSC will update the cost report to isolate QRTP costs once these services have been defined and implemented.

Appendix D. Interagency Dependencies for Pro Forma Rates

To adequately determine the fiscal impact and methodological rates, HHSC and DFPS will complete the following items:

Service Descriptions or Program Models

- DFPS to identify a core set of service packages for the state to procure to meet the various needs of children statewide.
- DFPS to develop a more robust assessment tool and process to evaluate children in care to align with the service models included in the foster care placement continuum.
- DFPS to hold stakeholder forums to present or discuss the proposed core set of service packages and assessment tools. HHSC will serve as a resource, as needed.
- DFPS to provide HHSC the finalized proposed program service models, to include service descriptions, provider qualifications and expectations, and minimum staffing ratios.

Cost Determination and Rate Determination Processes

- HHSC to develop a crosswalk of current cost report data to the new program model costs. If these costs are not currently available, HHSC will utilize reputable external sources as applicable.
- DFPS to provide feedback and approve the crosswalk and assumptions.
- DFPS to provide utilization assumptions for new services or program models

Stakeholder Engagement

HHSC will schedule stakeholder meetings and incorporate stakeholder feedback in revised economic models and recommended rates as appropriate. DFPS will serve as a resource during these sessions.

CBC Rate Development

- DFPS to confirm decisions regarding risk-sharing assumptions to be implemented within the blended rates.

- DFPS to determine SSCC data reporting, consistency in child placements or service levels, or both as appropriate.
- DFPS to provide utilization assumptions for new services or program models on a per catchment basis.

Appendix E. Overview of Service Description Requirements

The pro forma costing approach begins with the development of detailed descriptions of the new or revised service or program model the state seeks to provide. Service descriptions should outline the minimum and reasonable requirements a provider must meet to deliver a particular service. Service requirements should also include:

- Provider credentials and qualifications;
- Minimum staffing levels to ensure access, safety, and quality of care; and
- The facility, transportation, and administration costs necessary to ensure service delivery.

The service description should also include any assumptions necessary for rate development. If rates vary by level of care, HHSC would require DFPS to provide assumptions regarding eligibility requirements and any specific needs of an individual receiving services, including individual acuity, behavioral, or medical requirements. This description should inform the program model as appropriate based on the scope of each service; a comprehensive service description should serve as a model for all aspects of a program or service that could reasonably impact a provider's cost to deliver that service.

In addition, the service description should address PCG's recommendations regarding incentive payments to Child Placing Agencies (CPAs) and facility providers to improve quality and additional foster family recruitment and retention supports. If DFPS wants to incorporate new functions not currently included in the residential rates, such as family work, family engagement, and aftercare, they must clearly identify these as part of their new service or program models.

In June 2021, HHSC provided DFPS with service description information. This information included a preliminary template to outline comprehensive service descriptions or program models used to recommend payment rates.

Figure 1. Service Model Required Components

Service Name & Description	<ul style="list-style-type: none">• What are the minimum required activities being performed in the service?
Client Profile	<ul style="list-style-type: none">• Who is receiving the service?• Is there variation in need?• Are there other factors that affect service cost?
Service Providers	<ul style="list-style-type: none">• Who is providing the service?• Are there any requirements to perform the service (i.e., education, training, certification)?
Location	<ul style="list-style-type: none">• Where is the service being provided? (i.e., client's home, other residence, nursing or other facility, etc.)
Frequency	<ul style="list-style-type: none">• How often is the service being provided and billed? (i.e., daily, weekly, monthly, 15-minute increments, hourly, per treatment)
Program Assumptions	<ul style="list-style-type: none">• Are there staffing ratios? (i.e., 1:1 staff to client)• Are there limits? (i.e., five hours per week, two hours per day, caseload caps)
Other Considerations	<ul style="list-style-type: none">• Any considerations not captured above.

Appendix F. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk:

The modernization methodological rate crosswalks provide a breakdown of the methodological rates (paid on a per child, per day of care basis) by rate component for each setting or add-on. The methodological daily rate column provides the rate component's cost, which is a portion of the total methodological daily rate. For staff positions, the methodological daily rate does not represent an hourly or daily wage for the applicable staff position, but rather it represents the portion of the methodological daily rate component to support the providers' cost for applicable staff position(s), assuming applicable staff costs (wages, benefits, and associated taxes), adjusted for programmatic staffing ratios, and divided across modeled capacity assumptions.

Table 1. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Basic Foster Family Home.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Program Directors/Program Coordinators (Personnel Categories)	\$2.28		Yes	No
Case Manager Supervisor/Management (Personnel Categories)	\$2.39	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Case Manager/Child Placement Staff (Personnel Categories)	\$8.72	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Coverage (Personnel Categories)	\$1.34	749.661, 749.663, 749.673, 749.679	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.07	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Intake/Placement Staff (Personnel Categories)	\$0.29	749.661, 749.663, 749.673, 749.679, 749.1181	Yes	No
Training Specialist/PD Staff (Personnel Categories)	\$0.13	749.811, 749.813	Yes	No
Recruitment & Retention (Staff & Caregivers)	\$1.44		Yes	No
Education Liaison & Specialist (Personnel Categories)	\$0.04	749.1891	No	No
Administrative & Support Staff (Personnel Categories)	\$6.86		Yes	No
Personnel Categories Total	\$23.56			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.62		Yes	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.16		No	No
Depreciation, Operating, and Maintenance (Other Operating Expenses – Transportation Costs)	\$0.26	749.663(a)(3)(c), 749.667(3)	No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Automated Systems (Other Operating Expenses – Administrative Costs)	\$0.19	749.151, 749.503	Yes	No
Other Administrative Costs (Other Operating Expenses – Administrative Costs)	\$2.29		No	No
Facility Costs (Other Operating Expenses – Other Components)	\$4.18	749.155, 749.304	Yes	No
Respite Care Program (Other Operating Expenses – Other Components)	\$5.14	749.2629, 749.2631, 749.2633	Yes	No
Other Operating Expenses Total	\$12.84			
Total CPA Retainage	\$36.39			
Maintenance Payment/Passthrough 0-13				
Food (Core Needs)	\$8.98	749.3061	Yes	No
Clothing (Core Needs)	\$1.84	749.113(5)	Yes	No
Mortgage Payments (Core Needs)	\$1.97		Yes	No
Property Taxes/Rent (Core Needs)	\$2.21		Yes	No
Maintenance, repairs, insurance, other expenses (Core Needs)	\$1.27		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Utilities - Gas/Electric/Water/Telephone (Core Needs)	\$5.40		Yes	No
Housekeeping supplies (Core Needs)	\$0.80		Yes	No
Household furnishings and equipment (Core Needs)	\$1.84	749.2911, 749.2913, 749.3031	Yes	No
Home inspection (Core Needs)	\$0.42		Yes	No
Liability insurance - home or property, or another party (Core Needs)	\$0.51	749.247, 749.2902, 749.2903, 749.2905	Yes	No
Core Needs Total	\$25.24			
Books (Education Expenses)	\$0.09		Yes	No
School supplies and fees (Education Expenses)	\$0.65		Yes	No
Education Expenses Total	\$0.73			
Daily Supervision and Care	\$8.85	749.2593	Yes	No
Documentation (Daily Supervision and Care)	\$5.90	749.2593(e), 749.1543, 749.1545	Yes	No
Daily Supervision and Care Total	\$14.75			
Foster Parent Training	\$0.46	749.93	Yes	No
Mileage	\$1.18	749.1401, 749.2593(d)(3)	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Normalcy	\$4.52	749.2603, 749.2605, 749.2607, TFC	No	No
Total Maintenance Payment/Passthrough 0-13 Total	\$46.90			
Total CPA/FFH Base Rate	\$83.29			

Table 2. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Short-Term Assessment and Stabilization Services.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Program Directors/Program Coordinators (Personnel Categories)	\$3.75		Yes	No
Treatment Director (Personnel Categories)	\$6.63	749.305, 749.721, 749.723, 749.725, 749.727, 749.4101	Yes	No
Case Manager Supervisor/Management (Personnel Categories)	\$4.38	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Case Manager/Child Placement Staff (Personnel Categories)	\$14.54	749.661, 749.663, 749.673, 749.679	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Case Manager/Child Placement Staff Coverage (Personnel Categories)	\$2.24	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Crisis Management (Personnel Categories)	\$1.64	749.661, 749.663, 749.673, 749.679	Yes	No
Therapist (Personnel Categories)	\$21.00		No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.12	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Intake/Placement Staff (Personnel Categories)	\$0.47	749.661, 749.663, 749.673, 749.679, 749.1181	Yes	No
Training Specialist/ PD Staff (Personnel Categories)	\$0.22	749.811, 749.813	Yes	No
Recruitment & Retention (Staff & Caregivers)	\$2.37		Yes	No
Education Liaison & Specialist (Personnel Categories)	\$0.07	749.1891	No	No
Administrative & Support Staff (Personnel Categories)	\$11.43		Yes	No
Personnel Categories Total	\$68.85			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.03		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.16		No	No
Depreciation, Operating, and Maintenance (Other Operating Expenses – Transportation Costs)	\$0.52	749.663(a)(3)(c), 749.667(3)	No	No
Automated Systems (Other Operating Expenses – Administrative Costs)	\$0.19	749.151, 749.503	Yes	No
Other Administrative Costs (Other Operating Expenses – Administrative Costs)	\$2.29		No	No
Facility Costs (Other Operating Expenses – Other Components)	\$4.18	749.155, 749.304	Yes	No
Other Operating Expenses Total	\$8.38			
Total CPA Retainage	\$77.22			
Maintenance Payment/Passthrough 0-13				
Food (Core Needs)	\$8.98	749.3061	Yes	No
Clothing (Core Needs)	\$1.84	749.113(5)	Yes	No
Mortgage Payments (Core Needs)	\$1.97		Yes	No
Property Taxes/Rent (Core Needs)	\$2.21		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Maintenance, repairs, insurance, other expenses (Core Needs)	\$1.27		Yes	No
Utilities - Gas/Electric/Water/Telephone (Core Needs)	\$5.40		Yes	No
Housekeeping supplies (Core Needs)	\$0.80		Yes	No
Household furnishings and equipment (Core Needs)	\$1.84	749.2911, 749.2913, 749.3031	Yes	No
Home inspection (Core Needs)	\$0.42		Yes	No
Liability insurance - home or property, or another party (Core Needs)	\$0.51	749.247, 749.2902, 749.2903, 749.2905	Yes	No
Core Needs Total	\$25.24			
Books (Education Expenses)	\$0.09		Yes	No
School supplies and fees (Education Expenses)	\$0.65		Yes	No
Education Expenses Total	\$0.73			
Daily Supervision and Care	\$8.85	749.2593	Yes	No
Documentation (Daily Supervision and Care)	\$5.90	749.2593(e), 749.1543, 749.1545	Yes	No
Daily Supervision and Care Total	\$14.75			
Foster Parent Training	\$0.46	749.93	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Caregiver Additional Coordination & Documentation Activities	\$28.28			
Mileage	\$1.18	749.1401, 749.2593(d)(3)	Yes	No
Normalcy	\$4.52	749.2603, 749.2605, 749.2607, TFC	No	No
Total Maintenance Payment/Passthrough 0-13 Total	\$73.18			
Total CPA/FFH Base Rate	\$150.40			

Table 3. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Complex Medical Needs or Medically Fragile Services.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Program Directors/Program Coordinators (Personnel Categories)	\$2.63		Yes	No
Treatment Director (Personnel Categories)	\$25.86	749.305, 749.721, 749.723, 749.725, 749.727, 749.4101	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Case Manager Supervisor/Management (Personnel Categories)	\$3.64	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Case Manager/Child Placement Staff (Personnel Categories)	\$10.26	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Coverage (Personnel Categories)	\$1.58	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Aftercare (Personnel Categories)	\$3.49	749.661, 749.663, 749.673, 749.679	Yes	No
Nurse (Personnel Categories)	\$2.73	749.741	No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.08	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Intake/Placement Staff (Personnel Categories)	\$0.33	749.661, 749.663, 749.673, 749.679, 749.1181	Yes	No
Training Specialist/PD Staff (Personnel Categories)	\$0.15	749.811, 749.813	Yes	No
Recruitment & Retention (Staff & Caregivers)	\$1.66		Yes	No
Education Liaison & Specialist (Personnel Categories)	\$0.05	749.1891	No	No
Administrative & Support Staff (Personnel Categories)	\$8.07		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Personnel Categories Total	\$60.55			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.73		Yes	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.16		No	No
Depreciation, Operating, and Maintenance (Other Operating Expenses – Transportation Costs)	\$0.23	749.663(a)(3)(c), 749.667(3)	No	No
Automated Systems (Other Operating Expenses – Administrative Costs)	\$0.19	749.151, 749.503	Yes	No
Other Administrative Costs (Other Operating Expenses – Administrative Costs)	\$2.29		No	No
Facility Costs (Other Operating Expenses – Other Components)	\$4.18	749.155, 749.304	Yes	No
Respite Care Program (Other Operating Expenses – Other Components)	\$10.21	749.2629, 749.2631, 749.2633	Yes	No
Minor Home Modifications (Other Operating Expenses – Other Components)	\$15.99			
Other Operating Expenses Total	\$33.98			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Total CPA Retainage	\$94.53			
Maintenance Payment/Passthrough 0-13				
Food (Core Needs)	\$8.98	749.3061	Yes	No
Clothing (Core Needs)	\$1.84	749.113(5)	Yes	No
Mortgage Payments (Core Needs)	\$1.97		Yes	No
Property Taxes/Rent (Core Needs)	\$2.21		Yes	No
Maintenance, repairs, insurance, other expenses (Core Needs)	\$1.27		Yes	No
Utilities - Gas/Electric/Water/Telephone (Core Needs)	\$5.40		Yes	No
Housekeeping supplies (Core Needs)	\$0.80		Yes	No
Household furnishings and equipment (Core Needs)	\$1.84	749.2911, 749.2913, 749.3031	Yes	No
Home inspection (Core Needs)	\$0.42		Yes	No
Liability insurance - home or property, or another party (Core Needs)	\$0.51	749.247, 749.2902, 749.2903, 749.2905	Yes	No
Core Needs Total	\$25.24			
Books (Education Expenses)	\$0.09		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
School supplies and fees (Education Expenses)	\$0.65		Yes	No
Education Expenses Total	\$0.73	749.1007, 749.1891		
Daily Supervision and Care	\$8.85	749.2593	Yes	No
Documentation (Daily Supervision and Care)	\$5.90	749.2593(e), 749.1543, 749.1545	Yes	No
Daily Supervision and Care Total	\$14.75			
Foster Parent Training	\$0.42	749.93	Yes	No
Caregiver Training Requirements	\$0.88			
Caregiver Additional Coordination & Documentation Activities	\$45.96			
Mileage	\$1.18	749.1401, 749.2593(d)(3)	Yes	No
Normalcy	\$4.52	749.2603, 749.2605, 749.2607, TFC	No	No
Total Maintenance Payment/Passthrough 0-13 Total	\$93.27			
Total CPA/FFH Base Rate	\$187.80			

Table 4. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Treatment Foster Family Care Service (TFFC).

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Program Directors/Program Coordinators (Personnel Categories)	\$7.48		Yes	No
Treatment Director (Personnel Categories)	\$8.40	749.305, 749.721, 749.723, 749.725, 749.727, 749.4101	Yes	No
Case Manager Supervisor/Management (Personnel Categories)	\$9.19	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Case Manager/Child Placement Staff (Personnel Categories)	\$29.08	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Coverage (Personnel Categories)	\$4.47	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Aftercare (Personnel Categories)	\$3.49	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Crisis Management (Personnel Categories)	\$1.64	749.661, 749.663, 749.673, 749.679	Yes	No
Therapist (Personnel Categories)	\$22.91		No	Yes

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.23	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Intake/Placement Staff (Personnel Categories)	\$0.94	749.661, 749.663, 749.673, 749.679, 749.1181	Yes	No
Behavior Support Specialist/ Mentor	\$29.08		Yes	No
Training Specialist/ PD Staff (Personnel Categories)	\$0.43	749.811, 749.813	Yes	No
Recruitment & Retention (Staff & Caregivers)	\$4.73		Yes	No
Education Liaison & Specialist (Personnel Categories)	\$0.13	749.1891	No	No
Administrative & Support Staff (Personnel Categories)	\$22.86		Yes	No
Personnel Categories Total	\$145.08			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$2.29		Yes	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.16		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Depreciation, Operating, and Maintenance (Other Operating Expenses – Transportation Costs)	\$0.26	749.663(a)(3)(c), 749.667(3)	No	No
Automated Systems (Other Operating Expenses – Administrative Costs)	\$0.19	749.151, 749.503	Yes	No
Other Administrative Costs (Other Operating Expenses – Administrative Costs)	\$2.29		No	No
Facility Costs (Other Operating Expenses – Other Components)	\$4.18	749.155, 749.304	Yes	No
Respite Care Program (Other Operating Expenses – Other Components)	\$34.39	749.2629, 749.2631, 749.2633	Yes	No
Other Operating Expenses Total	\$43.76			
Total CPA Retainage	\$188.83			
Maintenance Payment/Passthrough 0-13				
Food (Core Needs)	\$11.23	749.3061	Yes	No
Clothing (Core Needs)	\$2.30	749.113(5)	Yes	No
Mortgage Payments (Core Needs)	\$2.46		Yes	No
Property Taxes/Rent (Core Needs)	\$2.76		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Maintenance, repairs, insurance, other expenses (Core Needs)	\$1.59		Yes	No
Utilities - Gas/Electric/Water/Telephone (Core Needs)	\$6.75		Yes	No
Housekeeping supplies (Core Needs)	\$1.00		Yes	No
Household furnishings and equipment (Core Needs)	\$2.30	749.2911, 749.2913, 749.3031	Yes	No
Home inspection (Core Needs)	\$0.52		Yes	No
Liability insurance - home or property, or another party (Core Needs)	\$0.64	749.247, 749.2902, 749.2903, 749.2905	Yes	No
Core Needs Total	\$31.55			
Books (Education Expenses)	\$0.11		Yes	No
School supplies and fees (Education Expenses)	\$0.81		Yes	No
Education Expenses Total	\$0.92			
Daily Supervision and Care	\$8.85	749.2593	Yes	No
Documentation (Daily Supervision and Care)	\$5.90	749.2593(e), 749.1543, 749.1545	Yes	No
Daily Supervision and Care Total	\$14.75			
Foster Parent Training	\$0.46	749.93	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Caregiver Training Requirements	\$0.88			
Caregiver Additional Coordination & Documentation Activities	\$85.31			
Mileage	\$1.18	749.1401, 749.2593(d)(3)	Yes	No
Normalcy	\$4.52	749.2603, 749.2605, 749.2607, TFC	No	No
Total Maintenance Payment/Passthrough 0-13 Total	\$139.58			
Total CPA/FFH Base Rate	\$328.41			

Table 5. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Intellectual and Developmental Disability (IDD)/Autism Support Services.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Program Directors/Program Coordinators (Personnel Categories)	\$2.99		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Treatment Director (Personnel Categories)	\$22.27	749.305, 749.721, 749.723, 749.725, 749.727, 749.4101	Yes	No
Case Manager Supervisor/Management (Personnel Categories)	\$4.41	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Case Manager/ Child Placement Staff (Personnel Categories)	\$11.63	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Coverage (Personnel Categories)	\$1.79	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Aftercare (Personnel Categories)	\$3.49	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/ Child Placement Staff Crisis Management (Personnel Categories)	\$1.64	749.661, 749.663, 749.673, 749.679	Yes	No
Therapist (Personnel Categories)	\$21.00		No	Yes
Nurse (Personnel Categories)	\$2.73	749.741	No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.09	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Intake/Placement Staff (Personnel Categories)	\$0.38	749.661, 749.663, 749.673, 749.679, 749.1181	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Behavior Support Specialist/ Mentor (Personnel Categories)	\$11.63		Yes	No
Training Specialist/PD Staff (Personnel Categories)	\$0.17	749.811, 749.813	Yes	No
Recruitment & Retention (Staff & Caregivers)	\$1.89		Yes	No
Education Liaison & Specialist (Personnel Categories)	\$0.05	749.1891	No	No
Administrative & Support Staff (Personnel Categories)	\$9.14		Yes	No
Personnel Categories Total	\$95.30			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.04		Yes	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.16		No	No
Depreciation, Operating, and Maintenance (Other Operating Expenses – Transportation Costs)	\$0.10	749.663(a)(3)(c), 749.667(3)	No	No
Automated Systems (Other Operating Expenses – Administrative Costs)	\$0.19	749.151, 749.503	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Other Administrative Costs (Other Operating Expenses – Administrative Costs)	\$2.29		No	No
Facility Costs (Other Operating Expenses – Other Components)	\$4.18	749.155, 749.304	Yes	No
Respite Care Program (Other Operating Expenses – Other Components)	\$9.94	749.2629, 749.2631, 749.2633	Yes	No
Minor Home Modifications (Other Operating Expenses – Other Components)	\$15.99			
Other Operating Expenses Total	\$33.90			
Total CPA Retainage	\$129.20			
Maintenance Payment/Passthrough 0-13				
Food (Core Needs)	\$8.98	749.3061	Yes	No
Clothing (Core Needs)	\$1.84	749.113(5)	Yes	No
Mortgage Payments (Core Needs)	\$1.97		Yes	No
Property Taxes/Rent (Core Needs)	\$2.21		Yes	No
Maintenance, repairs, insurance, other expenses (Core Needs)	\$1.27		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Utilities - Gas/Electric/Water/Telephone (Core Needs)	\$5.40		Yes	No
Housekeeping supplies (Core Needs)	\$0.80		Yes	No
Household furnishings and equipment (Core Needs)	\$1.84	749.2911, 749.2913, 749.3031	Yes	No
Home inspection (Core Needs)	\$0.42		Yes	No
Liability insurance - home or property, or another party (Core Needs)	\$0.51	749.247, 749.2902, 749.2903, 749.2905	Yes	No
Core Needs Total	\$25.24			
Books (Education Expenses)	\$0.09		Yes	No
School supplies and fees (Education Expenses)	\$0.65		Yes	No
Education Expenses Total	\$0.73	749.1007, 749.1891		
Daily Supervision and Care	\$8.85	749.2593	Yes	No
Documentation (Daily Supervision and Care)	\$5.90	749.2593(e), 749.1543, 749.1545	Yes	No
Daily Supervision and Care Total	\$14.75			
Foster Parent Training	\$0.46	749.93	Yes	No
Caregiver Training Requirements	\$0.88			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Caregiver Additional Coordination & Documentation Activities	\$43.01			
Mileage	\$1.18	749.1401, 749.2593(d)(3)	Yes	No
Normalcy	\$4.52	749.2603, 749.2605, 749.2607, TFC	No	No
Total Maintenance Payment/Passthrough 0-13 Total	\$90.78			
Total CPA/FFH Base Rate	\$219.98			

Table 6. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Sexual Aggression/Sex Offender Support Service.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Program Directors/Program Coordinators (Personnel Categories)	\$3.75		Yes	No
Treatment Director (Personnel Categories)	\$6.63	749.305, 749.721, 749.723, 749.725, 749.727, 749.4101	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Case Manager Supervisor/Management (Personnel Categories)	\$4.82	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Case Manager/Child Placement Staff (Personnel Categories)	\$14.54	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Coverage (Personnel Categories)	\$2.24	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Aftercare (Personnel Categories)	\$3.49	749.661, 749.663, 749.673, 749.679	Yes	No
Crisis Management/On-Call LSOTP (Personnel Categories)	\$2.36		No	Yes
Therapist - LSOTP (Personnel Categories)	\$22.91		No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.12	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Intake/Placement Staff (Personnel Categories)	\$0.47	749.661, 749.663, 749.673, 749.679, 749.1181	Yes	No
Training Specialist/ PD Staff (Personnel Categories)	\$0.22	749.811, 749.813	Yes	No
Recruitment & Retention (Staff & Caregivers)	\$2.37		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Education Liaison & Specialist (Personnel Categories)	\$0.07	749.1891	No	No
Administrative & Support Staff (Personnel Categories)	\$11.43		Yes	No
Personnel Categories Total	\$75.41			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.25		Yes	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.89		No	No
Depreciation, Operating, and Maintenance (Other Operating Expenses – Transportation Costs)	\$0.52	749.663(a)(3)(c), 749.667(3)	No	No
Automated Systems (Other Operating Expenses – Administrative Costs)	\$0.19	749.151, 749.503	Yes	No
Other Administrative Costs (Other Operating Expenses – Administrative Costs)	\$2.29		No	No
Facility Costs (Other Operating Expenses – Other Components)	\$4.18	749.155, 749.304	Yes	No
Respite Care Program (Other Operating Expenses – Other Components)	\$9.94	749.2629, 749.2631, 749.2633	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Other Operating Expenses Total	\$20.27			
Total CPA Retainage	\$95.68			
Maintenance Payment/Passthrough 0-13				
Food (Core Needs)	\$8.98	749.3061	Yes	No
Clothing (Core Needs)	\$1.84	749.113(5)	Yes	No
Mortgage Payments (Core Needs)	\$1.97		Yes	No
Property Taxes/Rent (Core Needs)	\$2.21		Yes	No
Maintenance, repairs, insurance, other expenses (Core Needs)	\$1.27		Yes	No
Utilities - Gas/Electric/Water/Telephone (Core Needs)	\$5.40		Yes	No
Housekeeping supplies (Core Needs)	\$0.80		Yes	No
Household furnishings and equipment (Core Needs)	\$1.84	749.2911, 749.2913, 749.3031	Yes	No
Home inspection (Core Needs)	\$0.42		Yes	No
Liability insurance - home or property, or another party (Core Needs)	\$0.51	749.247, 749.2902, 749.2903, 749.2905	Yes	No
Core Needs Total	\$25.24			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Books (Education Expenses)	\$0.09		Yes	No
School supplies and fees (Education Expenses)	\$0.65		Yes	No
Education Expenses Total	\$0.73	749.1007, 749.1891		
Daily Supervision and Care	\$8.85	749.2593	Yes	No
Documentation (Daily Supervision and Care)	\$5.90	749.2593(e), 749.1543, 749.1545	Yes	No
Daily Supervision and Care Total	\$14.75			
Foster Parent Training	\$0.46	749.93	Yes	No
Caregiver Training Requirements	\$0.88			
Caregiver Additional Coordination & Documentation Activities	\$43.01			
Mileage	\$1.18	749.1401, 749.2593(d)(3)	Yes	No
Normalcy	\$4.52	749.2603, 749.2605, 749.2607, TFC	No	No
Total Maintenance Payment/Passthrough 0-13 Total	\$90.78			
Total CPA/FFH Base Rate	\$186.47			

Table 7. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Mental and Behavioral Health Support Services.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Program Directors/ Program Coordinators (Personnel Categories)	\$3.00		Yes	No
Treatment Director (Personnel Categories)	\$22.27	749.305, 749.721, 749.723, 749.725, 749.727, 749.4101	Yes	No
Case Manager Supervisor/Management (Personnel Categories)	\$4.96	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Case Manager/Child Placement Staff (Personnel Categories)	\$11.63	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Coverage (Personnel Categories)	\$1.79	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Aftercare (Personnel Categories)	\$5.82	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/Child Placement Staff Crisis Management (Personnel Categories)	\$1.64	749.661, 749.663, 749.673, 749.679	Yes	No
Therapist (Personnel Categories)	\$18.00		No	Yes

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.09	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Intake/Placement Staff (Personnel Categories)	\$0.38	749.661, 749.663, 749.673, 749.679, 749.1181	Yes	No
Behavior Support Specialist (Personnel Categories)	\$11.63		No	No
Training Specialist/PD Staff (Personnel Categories)	\$0.17	749.811, 749.813	Yes	No
Recruitment & Retention (Staff & Caregivers)	\$1.90		Yes	No
Education Liaison & Specialist (Personnel Categories)	\$0.05	749.1891	No	No
Administrative & Support Staff (Personnel Categories)	\$9.14		Yes	No
Personnel Categories Total	\$92.48			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.19		Yes	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.16		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Depreciation, Operating, and Maintenance (Other Operating Expenses – Transportation Costs)	\$0.26	749.663(a)(3)(c), 749.667(3)	No	No
Automated Systems (Other Operating Expenses – Administrative Costs)	\$2.84	749.151, 749.503	Yes	No
Other Administrative Costs (Other Operating Expenses – Administrative Costs)	\$2.29		No	No
Facility Costs (Other Operating Expenses – Other Components)	\$4.18	749.155, 749.304	Yes	No
Respite Care Program (Other Operating Expenses – Other Components)	\$6.52	749.2629, 749.2631, 749.2633	Yes	No
Other Operating Expenses Total	\$17.44			
Total CPA Retainage	\$109.92			
Maintenance Payment/Passthrough 0-13				
Food (Core Needs)	\$8.98	749.3061	Yes	No
Clothing (Core Needs)	\$1.84	749.113(5)	Yes	No
Mortgage Payments (Core Needs)	\$1.97		Yes	No
Property Taxes/Rent (Core Needs)	\$2.21		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Maintenance, repairs, insurance, other expenses (Core Needs)	\$1.27		Yes	No
Utilities - Gas/Electric/Water/Telephone (Core Needs)	\$5.40		Yes	No
Housekeeping supplies (Core Needs)	\$0.80		Yes	No
Household furnishings and equipment (Core Needs)	\$1.84	749.2911, 749.2913, 749.3031	Yes	No
Home inspection (Core Needs)	\$0.42		Yes	No
Liability insurance - home or property, or another party (Core Needs)	\$0.51	749.247, 749.2902, 749.2903, 749.2905	Yes	No
Core Needs Total	\$25.24			
Books (Education Expenses)	\$0.09		Yes	No
School supplies and fees (Education Expenses)	\$0.65		Yes	No
Education Expenses Total	\$0.73	749.1007, 749.1891		
Daily Supervision and Care	\$8.85	749.2593	Yes	No
Documentation (Daily Supervision and Care)	\$5.90	749.2593(e), 749.1543, 749.1545	Yes	No
Daily Supervision and Care Total	\$14.75			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Foster Parent Training	\$0.46	749.93	Yes	No
Caregiver Training Requirements	\$0.88			
Caregiver Additional Coordination & Documentation Activities	\$11.80			
Mileage	\$1.18	749.1401, 749.2593(d)(3)	Yes	No
Normalcy	\$4.52	749.2603, 749.2605, 749.2607, TFC	No	No
Total Maintenance Payment/Passthrough 0-13 Total	\$59.57			
Total CPA/FFH Base Rate	\$169.49			

Table 8. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Substance Use Support Service.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Program Directors/Program Coordinators (Personnel Categories)	\$3.00		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Treatment Director (Personnel Categories)	\$6.63	749.305, 749.721, 749.723, 749.725, 749.727, 749.4101	Yes	No
Case Manager Supervisor/Management (Personnel Categories)	\$5.49	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Case Manager/ Child Placement Staff (Personnel Categories)	\$11.63	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/ Child Placement Staff Coverage (Personnel Categories)	\$1.79	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/ Child Placement Staff Aftercare (Personnel Categories)	\$9.69	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/ Child Placement Staff Crisis Management (Personnel Categories)	\$1.64	749.661, 749.663, 749.673, 749.679	Yes	No
Licensed Chemical Dependency Counselor – LCDC (Personnel Categories)	\$19.39		No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.09	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Intake/Placement Staff (Personnel Categories)	\$0.38	749.661, 749.663, 749.673, 749.679, 749.1181	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Training Specialist/ PD Staff (Personnel Categories)	\$0.06	749.811, 749.813	Yes	No
Recruitment & Retention (Staff & Caregivers)	\$1.90		Yes	No
Education Liaison & Specialist (Personnel Categories)	\$0.05	749.1891	No	No
Administrative & Support Staff (Personnel Categories)	\$9.14		Yes	No
Personnel Categories Total	\$70.89			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.43		Yes	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.16		No	No
Depreciation, Operating, and Maintenance (Other Operating Expenses – Transportation Costs)	\$0.26	749.663(a)(3)(c), 749.667(3)	No	No
Automated Systems (Other Operating Expenses – Administrative Costs)	\$2.84	749.151, 749.503	Yes	No
Other Administrative Costs (Other Operating Expenses – Administrative Costs)	\$2.29		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Facility Costs (Other Operating Expenses – Other Components)	\$4.18	749.155, 749.304	Yes	No
Respite Care Program (Other Operating Expenses – Other Components)	\$6.52	749.2629, 749.2631, 749.2633	Yes	No
Other Operating Expenses Total	\$17.68			
Total CPA Retainage	\$88.57			
Maintenance Payment/Passthrough 0-13				
Food (Core Needs)	\$8.98	749.3061	Yes	No
Clothing (Core Needs)	\$1.84	749.113(5)	Yes	No
Mortgage Payments (Core Needs)	\$1.97		Yes	No
Property Taxes/Rent (Core Needs)	\$2.21		Yes	No
Maintenance, repairs, insurance, other expenses (Core Needs)	\$1.27		Yes	No
Utilities - Gas/Electric/Water/Telephone (Core Needs)	\$5.40		Yes	No
Housekeeping supplies (Core Needs)	\$0.80		Yes	No
Household furnishings and equipment (Core Needs)	\$1.84	749.2911, 749.2913, 749.3031	Yes	No
Home inspection (Core Needs)	\$0.42		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Liability insurance - home or property, or another party (Core Needs)	\$0.51	749.247, 749.2902, 749.2903, 749.2905	Yes	No
Core Needs Total	\$25.24			
Books (Education Expenses)	\$0.09		Yes	No
School supplies and fees (Education Expenses)	\$0.65		Yes	No
Education Expenses Total	\$0.73	749.1007, 749.1891		
Daily Supervision and Care	\$8.85	749.2593	Yes	No
Documentation (Daily Supervision and Care)	\$5.90	749.2593(e), 749.1543, 749.1545	Yes	No
Daily Supervision and Care Total	\$14.75			
Foster Parent Training	\$0.46	749.93	Yes	No
Caregiver Training Requirements	\$0.88			
Caregiver Additional Coordination & Documentation Activities	\$11.80			
Mileage	\$1.18	749.1401, 749.2593(d)(3)	Yes	No
Normalcy	\$4.52	749.2603, 749.2605, 749.2607, TFC	No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Total Maintenance Payment/Passthrough 0-13 Total	\$59.57			
Total CPA/FFH Base Rate	\$148.14			

Table 9. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Human Trafficking Service

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Program Directors/Program Coordinators (Personnel Categories)	\$3.00		Yes	No
Treatment Director (Personnel Categories)	\$22.27	749.305, 749.721, 749.723, 749.725, 749.727, 749.4101	Yes	No
Case Manager Supervisor/Management (Personnel Categories)	\$4.41	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Case Manager/Child Placement Staff (Personnel Categories)	\$11.63	749.661, 749.663, 749.673, 749.679	Yes	No
Case Manager/ Child Placement Staff Coverage (Personnel Categories)	\$1.79	749.661, 749.663, 749.673, 749.679	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Case Manager/ Child Placement Staff Aftercare (Personnel Categories)	\$3.49			
Case Manager/ Child Placement Staff Crisis Management (Personnel Categories)	\$1.64	749.661, 749.663, 749.673, 749.679	Yes	No
Therapist (Personnel Categories)	\$22.91		No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.09	749.661, 749.667, 749.669, 749.675, 749.677	Yes	No
Intake/Placement Staff (Personnel Categories)	\$0.38	749.661, 749.663, 749.673, 749.679, 749.1181	Yes	No
Behavior Support Specialist/ Mentor (Personnel Categories)	\$11.63			
Training Specialist/ PD Staff (Personnel Categories)	\$0.01	749.811, 749.813	Yes	No
Recruitment & Retention (Staff & Caregivers)	\$1.90		Yes	No
Education Liaison & Specialist (Personnel Categories)	\$0.05	749.1891	No	No
Administrative & Support Staff (Personnel Categories)	\$9.14		Yes	No
Personnel Categories Total	\$94.35			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.04		Yes	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.16		No	No
Depreciation, Operating, and Maintenance (Other Operating Expenses – Transportation Costs)	\$0.52	749.663(a)(3)(c), 749.667(3)	No	No
Automated Systems (Other Operating Expenses – Administrative Costs)	\$2.84	749.151, 749.503	Yes	No
Other Administrative Costs (Other Operating Expenses – Administrative Costs)	\$2.29		No	No
Facility Costs (Other Operating Expenses – Other Components)	\$4.18	749.155, 749.304	Yes	No
Respite Care Program (Other Operating Expenses – Other Components)	\$10.97	749.2629, 749.2631, 749.2633	Yes	No
Limited Environment Access (Other Operating Expenses – Other Components)	\$0.69			
Other Operating Expenses Total	\$22.70			
Total CPA Retainage	\$117.05			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Maintenance Payment/Passthrough 0-13				
Food (Core Needs)	\$8.98	749.3061	Yes	No
Clothing (Core Needs)	\$1.84	749.113(5)	Yes	No
Mortgage Payments (Core Needs)	\$1.97		Yes	No
Property Taxes/Rent (Core Needs)	\$2.21		Yes	No
Maintenance, repairs, insurance, other expenses (Core Needs)	\$1.27		Yes	No
Utilities - Gas/Electric/Water/Telephone (Core Needs)	\$5.40		Yes	No
Housekeeping supplies (Core Needs)	\$0.80		Yes	No
Household furnishings and equipment (Core Needs)	\$1.84	749.2911, 749.2913, 749.3031	Yes	No
Home inspection (Core Needs)	\$0.42		Yes	No
Liability insurance - home or property, or another party (Core Needs)	\$0.51	749.247, 749.2902, 749.2903, 749.2905	Yes	No
Core Needs Total	\$25.24			
Books (Education Expenses)	\$0.09		Yes	No
School supplies and fees (Education Expenses)	\$0.65		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Education Expenses Total	\$0.73	749.1007, 749.1891		
Daily Supervision and Care	\$8.85	749.2593	Yes	No
Documentation (Daily Supervision and Care)	\$5.90	749.2593(e), 749.1543, 749.1545	Yes	No
Daily Supervision and Care Total	\$14.75			No
Foster Parent Training	\$0.46	749.93	Yes	No
Caregiver Requirements	\$1.46			
Caregiver Additional Coordination & Documentation Activities	\$51.86			
Mileage	\$1.18	749.1401, 749.2593(d)(3)	Yes	No
Normalcy	\$4.52	749.2603, 749.2605, 749.2607, TFC	No	No
Total Maintenance Payment/Passthrough 0-13 Total	\$73.18			
Total CPA/FFH Base Rate	\$217.26			

Table 10. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Kinship Care Support Services Add-On.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Administrative & Support Staff (Personnel Categories)	\$7.55		Yes	No
Home Developer (Personnel Categories)	\$9.44		Yes	No
Case Manager Aftercare (Personnel Categories)	\$5.23	749.661, 749.663, 749.673, 749.679	Yes	No
Personnel Categories Total	\$22.23			
Minor Home Modification (Other Operating Expenses – Other Components)	\$15.99			
Other Operating Expenses Total	\$15.99			
Total CPA Retainage	\$38.22			
Total CPA/FFH Base Rate	\$38.22			

Table 11. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Transition Support Services for Youth and Young Adults Add-On

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Behavior Support Specialist / Mentor (Personnel Categories)	\$8.72		Yes	No
Administrative & Support Staff (Personnel Categories)	\$2.55		Yes	No
Personnel Categories Total	\$11.27			
Total CPA Retainage	\$11.27			
Total FF Passthrough 14+	\$26.12			

Table 12. FFH/CPA Foster Care Modernization Methodological Rate Crosswalk: Youth and Young Adults who are Pregnant or Parenting Support Services Add-On.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Child Placing Agency (CPA) Retainage				
Case Manager/ Child Placement Staff Aftercare (Personnel Categories)	\$4.36	749.661, 749.663, 749.673, 749.679	Yes	No
Administrative & Support Staff (Personnel Categories)	\$2.43		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Personnel Categories Total	\$6.80			
Pregnant and Parenting Class	\$18.15			
Total CPA Retainage	\$24.94			
Caregiver Additional Coordination & Documentation Activities (Maintenance Payment/Passthrough 0-13)	\$26.28			
Total Maintenance Payment/Passthrough 0-13 Total	\$26.28			
Total CPA/FFH Base Rate	\$51.22			

Appendix G. GRO TIER I Foster Care Modernization Methodological Rate Crosswalks

The modernization methodological rate crosswalks provide a breakdown of the methodological rates (paid on a per child, per day of care basis) by rate component for each setting or add-on. The methodological daily rate column provides the rate component's cost, which is a portion of the total methodological daily rate. For staff positions, the methodological daily rate does not represent an hourly or daily wage for the applicable staff position, but rather it represents the portion of the methodological daily rate component to support the providers' cost for applicable staff position(s), assuming applicable staff costs (wages, benefits, and associated taxes), adjusted for programmatic staffing ratios, and divided across modeled capacity assumptions.

Table 1. GRO TIER I Foster Care Modernization Methodological Rate Crosswalks: Basic Child Care Operation.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
General Residential Operation (GRO)				
Program Directors/ Program Coordinators (Personnel Categories)	\$13.20	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$4.80	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$3.08		Yes	No
Case Manager (Personnel Categories)	\$8.61	748.561, 748.563, 748.567	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Direct Care Staff Supervisor (Personnel Categories)	\$18.96	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$84.47	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$8.12	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.66		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$1.79	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$5.65		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.41	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$9.55	748.4003	No	No
Admin & Support Staff (Personnel Categories)	\$44.80		Yes	No
Personnel Categories Total	\$204.11			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$2.25	748.881, 748.931		
Equipment/Supplies/Maintenance Costs (Other Operating Expenses – Normalcy)	\$2.67		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$4.10		No	No
Normalcy and Activities Total	\$6.77	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$4.80		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.37		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$2.73		Yes	No
Other Administrative Costs	\$3.26		Yes	No
Administrative Costs Total	\$6.36			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$0.73		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$32.79		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$0.89		Yes	No
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$12.11		Yes	No
Facility Costs Total	\$46.51			
Other Operating Expenses Total	\$66.69			
Total GRO TIER I Rate	\$270.80			

Table 2. GRO TIER I Foster Care Modernization Methodological Rate Crosswalks: Emergency Stabilization / Assessment Center.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
General Residential Operation (GRO)				
Program Directors/Program Coordinators (Personnel Categories)	\$18.91	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$6.88	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$3.55		Yes	No
Case Manager (Personnel Categories)	\$9.93	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$27.16	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$121.00	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$11.63	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Therapist (Personnel Categories)	\$17.01		No	Yes

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Physician (Personnel Categories)	\$37.12	748.569	No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.90		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$2.45	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$5.06		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.59	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$1.35	748.4003	No	No
Admin & Support Staff (Personnel Categories)	\$64.17		Yes	No
Personnel Categories Total	\$327.73			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Treatment Model & Training Total	\$2.25	748.881, 748.931		
Equipment/Supplies/Maintenance Costs (Other Operating Expenses – Normalcy)	\$2.67		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$4.10		No	No
Normalcy and Activities Total	\$6.77	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$4.80		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.37		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$2.73		Yes	No
Other Administrative Costs	\$3.26		Yes	No
Administrative Costs Total	\$6.36			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$0.73		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Facilities (Other Operating Expenses – Facility Costs)	\$32.79		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$0.89		Yes	No
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$12.11		Yes	No
Facility Costs Total	\$46.51			
Other Operating Expenses Total	\$66.69			
Total GRO TIER I Rate	\$394.42			

Table 3. GRO TIER I Foster Care Modernization Methodological Rate Crosswalks: Services for Children, Youth, and Young Adults with Complex Medical Needs to Support Community Transition.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
General Residential Operation (GRO)				
Program Directors/ Program Coordinators (Personnel Categories)	\$19.34	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$17.41	748.601, 748.603, 748.605, 748.607	No	Yes

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Case Manager Supervisor (Personnel Categories)	\$5.01		Yes	No
Case Manager (Personnel Categories)	\$10.76	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$3.23	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$27.77	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$123.75	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$11.90	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Therapist (Personnel Categories)	\$30.90		No	Yes
Nurse (Personnel Categories)	\$29.65	748.569, 748.571, 748.573	No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.92		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$2.50	748.561, 748.563, 748.567	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Recruitment Staff & Retention (Staff & Caregivers)	\$5.17		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.61	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$1.51	748.4003	No	No
Admin & Support Staff (Personnel Categories)	\$65.63		Yes	No
Personnel Categories Total	\$356.06			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Equipment/Supplies/Maintenance Costs (Other Operating Expenses – Normalcy)	\$2.67		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$4.10		No	No
Normalcy and Activities Total	\$6.77	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$4.80		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.37		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$2.73		Yes	No
Other Administrative Costs	\$3.26		Yes	No
Administrative Costs Total	\$6.36			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$0.73		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$32.79		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$0.89		Yes	No
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$12.11		Yes	No
Facility Costs Total	\$46.51			
Other Operating Expenses Total	\$70.14			
Total GRO TIER I Rate	\$426.20			

Table 4. GRO TIER I Foster Care Modernization Methodological Rate Crosswalks: Services for Children, Youth, and Young Adults with IDD/Autism to Support Community Transition.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
General Residential Operation (GRO)				
Program Directors/ Program Coordinators (Personnel Categories)	\$22.34	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$8.13	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$3.55		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Case Manager (Personnel Categories)	\$9.93	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$3.23	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$32.08	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$142.96	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$13.75	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Therapist (Personnel Categories)	\$37.14		No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$1.05		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$2.84	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$4.78		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.70	748.811, 748.813	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Driver (Personnel Categories)	\$1.51	748.4003	No	No
Admin & Support Staff (Personnel Categories)	\$75.82		Yes	No
Personnel Categories Total	\$359.81			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		
Equipment/Supplies/Maintenance Costs (Other Operating Expenses – Normalcy)	\$2.67		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$4.10		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Normalcy and Activities Total	\$6.77	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$4.80		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.37		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$2.73		Yes	No
Other Administrative Costs	\$3.26		Yes	No
Administrative Costs Total	\$6.36			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$0.73		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$32.79		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$0.89		Yes	No
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$12.11		Yes	No
Facility Costs Total	\$46.51			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Other Operating Expenses Total	\$70.14			
Total GRO TIER I Rate	429.95			

Table 5. GRO TIER I Foster Care Modernization Methodological Rate Crosswalks: Human Trafficking Services to Support Community Transition.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
General Residential Operation (GRO)				
Program Directors/ Program Coordinators (Personnel Categories)	\$22.38	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$8.15	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$3.85		Yes	No
Case Manager (Personnel Categories)	\$10.76	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$3.23	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$32.14	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Direct Care Staff (Personnel Categories)	\$143.22	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$13.77	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Therapist (Personnel Categories)	\$60.77		No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$1.05		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$2.85	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$4.79		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.70	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$1.51	748.4003	No	No
Admin & Support Staff (Personnel Categories)	\$75.96		Yes	No
Personnel Categories Total	\$385.13			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		
Equipment/Supplies/Maintenance Costs (Other Operating Expenses – Normalcy)	\$2.67		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$4.10		No	No
Normalcy and Activities Total	\$6.77	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$4.80		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.37		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$2.73		Yes	No
Other Administrative Costs	\$3.26		Yes	No
Administrative Costs Total	\$6.36			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$1.46		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$32.79		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$0.89		Yes	No
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$12.11		Yes	No
Facility Costs Total	\$47.24			
Other Operating Expenses Total	\$70.87			
Total GRO TIER I Rate	\$456.00			

Table 6. GRO TIER I Foster Care Modernization Methodological Rate Crosswalks: Youth and Young Adults who are Pregnant or Parenting Service to Support Community Transition.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
General Residential Operation (GRO)				
Program Directors/Program Coordinators (Personnel Categories)	\$17.89	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$6.51	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$3.85		Yes	No
Case Manager (Personnel Categories)	\$10.76	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$6.46	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$25.70	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$114.52	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$11.01	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Therapist (Personnel Categories)	\$43.63		No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.86		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$2.33	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$4.79		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.56	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$1.51	748.4003	No	No
Admin & Support Staff (Personnel Categories)	\$60.74		Yes	No
Personnel Categories Total	\$311.13			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Prenatal and Parenting Education Training (Other Operating Expenses – Treatment Model & Trainings)	\$0.96			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$6.65	748.881, 748.931		
Equipment/Supplies/Maintenance Costs (Other Operating Expenses – Normalcy)	\$2.67		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$4.10		No	No
Normalcy and Activities Total	\$6.77	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$4.80		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.37		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Insurance (Other Operating Expenses – Admin Costs)	\$2.73		Yes	No
Other Administrative Costs	\$3.26		Yes	No
Administrative Costs Total	\$6.36			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$0.73		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$32.79		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$0.89		Yes	No
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$12.11		Yes	No
Facility Costs Total	\$46.51			
Other Operating Expenses Total	\$71.10			
Total GRO TIER I Rate	\$382.23			

Table 7. GRO TIER I Foster Care Modernization Methodological Rate Crosswalks: Substance Use Services to Support Community Transition.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
General Residential Operation (GRO)				
Program Directors/ Program Coordinators (Personnel Categories)	\$17.89	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$6.51	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$3.55		Yes	No
Case Manager (Personnel Categories)	\$9.93	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$3.23	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$25.69	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$114.48	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$11.01	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Licensed Chemical Dependency Counselor – LCDC (Personnel Categories)	\$27.01		No	Yes
Nurse (Personnel Categories)	\$29.47	748.569, 748.571, 748.573	No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.86		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$2.33	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$4.78		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.56	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$1.51	748.4003	No	No
Admin & Support Staff (Personnel Categories)	\$60.71		Yes	No
Personnel Categories Total	\$319.53			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		
Equipment/Supplies/Maintenance Costs (Other Operating Expenses – Normalcy)	\$2.67		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$4.10		No	No
Normalcy and Activities Total	\$6.77	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$4.80		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.37		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Insurance (Other Operating Expenses – Admin Costs)	\$2.73		Yes	No
Other Administrative Costs	\$3.26		Yes	No
Administrative Costs Total	\$6.36			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$0.73		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$32.79		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$0.89		Yes	No
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$12.11		Yes	No
Facility Costs Total	\$46.51			
Other Operating Expenses Total	\$70.14			
Total GRO TIER I Rate	\$389.67			

Table 8. GRO TIER I Foster Care Modernization Methodological Rate Crosswalks: Sexual Aggression / Sex Offender Treatment Services to Support Community Transition.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
General Residential Operation (GRO)				
Program Directors/ Program Coordinators (Personnel Categories)	\$17.89	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$6.51	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$3.85		Yes	No
Case Manager (Personnel Categories)	\$10.76	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$6.46	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$25.69	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$114.48	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$11.01	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Licensed Sex Offender Treatment Provider – LSOTP (Personnel Categories)	\$1.40		No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$0.86		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$2.33	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$4.78		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.56	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$1.51	748.4003	No	No
Admin & Support Staff (Personnel Categories)	\$60.71		Yes	No
Personnel Categories Total	\$268.81			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		
Equipment/Supplies/Maintenance Costs (Other Operating Expenses – Normalcy)	\$2.67		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$4.10		No	No
Normalcy and Activities Total	\$6.77	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$4.80		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.37		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$2.73		Yes	No
Other Administrative Costs	\$3.26		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Administrative Costs Total	\$6.36			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$1.46		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$32.79		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$1.77		Yes	No
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$12.11		Yes	No
Facility Costs Total	\$48.13			
Other Operating Expenses Total	\$71.75			
Total GRO TIER I Rate	\$340.56			

Table 9. GRO TIER I Foster Care Modernization Methodological Rate Crosswalks: Mental and Behavioral Health Treatment Services to Support Community Transition.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
General Residential Operation (GRO)				
Program Directors/ Program Coordinators (Personnel Categories)	\$22.12	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$8.05	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$3.30		Yes	No
Case Manager (Personnel Categories)	\$9.22	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$3.23	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$31.77	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$141.56	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$13.61	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Therapist (Personnel Categories)	\$41.03		No	Yes
Behavior Support Specialist or Mentor (Personnel Categories)	\$6.46		Yes	No
Nurse (Personnel Categories)	\$30.00	748.569, 748.571, 748.573	No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$1.04		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$2.82	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$5.92		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.69	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$1.51	748.4003	No	No
Admin & Support Staff (Personnel Categories)	\$75.08		Yes	No
Personnel Categories Total	\$397.41			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		
Equipment/Supplies/Maintenance Costs (Other Operating Expenses – Normalcy)	\$2.67		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$4.10		No	No
Normalcy and Activities Total	\$6.77	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$4.80		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.37		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Insurance (Other Operating Expenses – Admin Costs)	\$2.73		Yes	No
Other Administrative Costs	\$3.26		Yes	No
Administrative Costs Total	\$6.36			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$0.73		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$32.79		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$0.89		Yes	No
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$12.11		Yes	No
Facility Costs Total	\$46.51			
Other Operating Expenses Total	\$70.14			
Total GRO TIER I Rate	\$467.55			

Appendix H. GRO Tier II Foster Care Modernization Methodological Rate Crosswalk

The modernization methodological rate crosswalks provide a breakdown of the methodological rates (paid on a per child, per day of care basis) by rate component for each setting or add-on. The methodological daily rate column provides the rate component's cost, which is a portion of the total methodological daily rate. For staff positions, the methodological daily rate does not represent an hourly or daily wage for the applicable staff position, but rather it represents the portion of the methodological daily rate component to support the providers' cost for applicable staff position(s), assuming applicable staff costs (wages, benefits, and associated taxes), adjusted for programmatic staffing ratios, and divided across modeled capacity assumptions.

Table 1. General Residential Operation (GRO): Sexual Aggression and Behaviors.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Program Directors/ Program Coordinators (Personnel Categories)	\$24.19	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$8.80	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$6.47		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Case Manager (Personnel Categories)	\$12.91	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$5.17	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$34.74	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$154.81	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$14.89	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Nurse (Personnel Categories)	\$49.87	748.569, 748.571, 748.573	No	Yes
Licensed Sex Offender Treatment Provider - LSOTP (Personnel Categories)	\$27.01		No	Yes

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Intake/Placement Staff Supervisor (Personnel Categories)	\$1.13		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$3.06	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$5.18		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.76	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$1.72	748.4003	No	No
Security	\$8.07		No	No
Admin & Support Staff (Personnel categories)	\$82.10		Yes	No
Personnel Categories Total	\$440.87			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		
Equipment/Supplies/Maintenance Costs (Other Operating Expenses – Normalcy)	\$3.34		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$5.13		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Normalcy and Activities Total	\$8.47	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$7.54		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.46		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$3.41		Yes	No
Other Administrative Costs	\$4.08		Yes	No
Administrative Costs Total	\$7.95			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$1.83		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$40.99		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$2.21		Yes	No
Transition Support (Other Operating Expenses – Facility Costs)	\$9.21			
GRO Tier II QRTP Accreditation (Other Operating Expenses – Facility Costs)	\$0.72			
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$15.13		Yes	No
Facility Costs Total	\$70.09			
Other Operating Expenses Total	\$99.74			
Total GRO TIER I Rate	\$540.60			

Table 2. General Residential Operation (GRO): Aggression and Defiance.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Program Directors/Program Coordinators (Personnel Categories)	\$25.60	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$9.32	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$5.54		Yes	No
Case Manager (Personnel Categories)	\$12.91	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$2.58	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$36.77	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$163.84	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$15.75	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Therapist (Personnel Categories)	\$47.01		No	Yes

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Nurse (Personnel Categories)	\$49.87	748.569, 748.571, 748.573	No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$1.19		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$3.22	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$5.48		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.80	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$2.08	748.4003	No	No
Security	\$8.07		No	No
Admin & Support Staff (Personnel categories)	\$86.89		Yes	No
Personnel Categories Total	\$476.93			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		
Equipment/Supplies/ Maintenance Costs (Other Operating Expenses – Normalcy)	\$3.34		Yes	No
Equipment/Supplies/ Maintenance Costs (Other Operating Expenses – Normalcy)	\$3.34		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$5.13		No	No
Normalcy and Activities Total	\$8.47	748.3701, 748.1017		
Equipment/Supplies/ Maintenance Costs (Other Operating Expenses – Normalcy)	\$3.34		Yes	No
Equipment/Supplies/ Maintenance Costs (Other Operating Expenses – Normalcy)	\$3.34		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$5.13		No	No
Normalcy and Activities Total	\$8.47	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$7.54		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.46		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$3.41		Yes	No
Other Administrative Costs	\$4.08		Yes	No
Administrative Costs Total	\$7.95			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$0.91		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$40.99		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$1.11		Yes	No
Transition Support (Other Operating Expenses – Facility Costs)	\$9.21			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
GRO Tier II QRTP Accreditation (Other Operating Expenses – Facility Costs)	\$0.72			
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$15.13		Yes	No
Facility Costs Total	\$68.07			
Other Operating Expenses Total	\$97.72			
Total GRO TIER I Rate	\$574.65			

Table 3. General Residential Operation (GRO): Complex Medical Needs.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Program Directors/Program Coordinators (Personnel Categories)	\$28.42	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$10.34	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$5.54		Yes	No
Case Manager (Personnel Categories)	\$12.91	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$2.58	748.561, 748.563, 748.567	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Direct Care Staff Supervisor (Personnel Categories)	\$40.82	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$181.89	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$17.49	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Therapist (Personnel Categories)	\$57.13		No	Yes
Nurse (Personnel Categories)	\$49.87	748.569, 748.571, 748.573	No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$1.31		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$3.55	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$6.08		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.89	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$2.43	748.4003	No	No
Security	\$8.07		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Admin & Support Staff (Personnel categories)	\$96.46		Yes	No
Personnel Categories Total	\$525.81			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		
Equipment/Supplies/ Maintenance Costs (Other Operating Expenses – Normalcy)	\$3.34		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$5.13		No	No
Normalcy and Activities Total	\$8.47	748.3701, 748.1017		

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$7.54		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.46		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$3.41		Yes	No
Other Administrative Costs	\$4.08		Yes	No
Administrative Costs Total	\$7.95			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$0.91		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$40.99		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$1.11		Yes	No
Transition Support (Other Operating Expenses – Facility Costs)	\$9.21			
GRO Tier II QRTP Accreditation (Other Operating Expenses – Facility Costs)	\$0.72			
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$15.13		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Facility Costs Total	\$68.07			
Other Operating Expenses Total	\$97.72			
Total GRO TIER I Rate	\$623.53			

Table 4. General Residential Operation (GRO): Complex Mental Health.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Program Directors/ Program Coordinators (Personnel Categories)	\$28.42	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$10.34	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$5.54		Yes	No
Case Manager (Personnel Categories)	\$12.91	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$2.58	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$40.82	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Direct Care Staff (Personnel Categories)	\$181.89	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$17.49	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Therapist (Personnel Categories)	\$57.13		No	Yes
Nurse (Personnel Categories)	\$9.97	748.569, 748.571, 748.573	No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$1.31		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$3.55	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$6.08		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.89	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$2.14	748.4003	No	No
Security	\$8.07		No	No
Admin & Support Staff (Personnel categories)	\$96.46		Yes	No
Personnel Categories Total	\$485.62			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		
Equipment/Supplies/ Maintenance Costs (Other Operating Expenses – Normalcy)	\$3.34		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$5.13		No	No
Normalcy and Activities Total	\$8.47	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$7.54		Yes	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.46		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$3.41		Yes	No
Other Administrative Costs	\$4.08		Yes	No
Administrative Costs Total	\$7.95			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$0.91		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$40.99		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$1.11		Yes	No
Transition Support (Other Operating Expenses – Facility Costs)	\$9.21			
GRO Tier II QRTP Accreditation (Other Operating Expenses – Facility Costs)	\$0.72			
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$15.13		Yes	No
Facility Costs Total	\$68.07			
Other Operating Expenses Total	\$97.72			
Total GRO TIER I Rate	\$583.33			

Table 5. General Residential Operation (GRO): Substance Use Disorders.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Program Directors/ Program Coordinators (Personnel Categories)	\$24.19	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$8.80	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$5.54		Yes	No
Case Manager (Personnel Categories)	\$12.91	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$2.58	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$34.74	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$154.81	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$14.89	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Therapist (Personnel Categories)	\$57.13		No	Yes

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Licensed Chemical Dependency Counselor -LCDC (Personnel Categories)	\$67.52		No	Yes
Nurse (Personnel Categories)	\$49.87	748.569, 748.571, 748.573	No	Yes
Intake/Placement Staff Supervisor (Personnel Categories)	\$1.13		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$3.06	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$5.18		Yes	No
Staff Development Trainer (Personnel Categories)	\$0.76	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$2.01	748.4003	No	No
Security	\$8.07		No	No
Admin & Support Staff (Personnel categories)	\$82.10		Yes	No
Personnel Categories Total	\$535.31			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		
Equipment/Supplies/ Maintenance Costs (Other Operating Expenses – Normalcy)	\$3.34		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$5.13		No	No
Normalcy and Activities Total	\$8.47	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$7.54		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.46		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$3.41		Yes	No
Other Administrative Costs	\$4.08		Yes	No
Administrative Costs Total	\$7.95			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$0.91		No	No
Facilities (Other Operating Expenses – Facility Costs)	\$40.99		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$1.11		Yes	No
Transition Support (Other Operating Expenses – Facility Costs)	\$9.21			
GRO Tier II QRTP Accreditation (Other Operating Expenses – Facility Costs)	\$0.72			
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$15.13		Yes	No
Facility Costs Total	\$68.07			
Other Operating Expenses Total	\$97.72			
Total GRO TIER I Rate	\$633.02			

Table 6. General Residential Operation (GRO): Human Trafficking.

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Program Directors/ Program Coordinators (Personnel Categories)	\$33.90	748.151, 748.531, 748.533, 748.535	Yes	No
Treatment Director (Personnel Categories)	\$12.34	748.601, 748.603, 748.605, 748.607	No	Yes
Case Manager Supervisor (Personnel Categories)	\$5.54		Yes	No
Case Manager (Personnel Categories)	\$12.91	748.561, 748.563, 748.567	Yes	No
Case Manager Aftercare (Personnel Categories)	\$2.58	748.561, 748.563, 748.567	Yes	No
Direct Care Staff Supervisor (Personnel Categories)	\$48.70	748.683, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff (Personnel Categories)	\$216.97	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Direct Care Staff Relief (Personnel Categories)	\$20.86	748.681, 748.685, 748.1003, 748.1005, 748.1007, 748.1009, 748.1011	Yes	No
Nurse (Personnel Categories)	\$49.87	748.569, 748.571, 748.573	No	Yes

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Intake/Placement Staff Supervisor (Personnel Categories)	\$1.54		Yes	No
Admissions/Intake 24/7 (Personnel Categories)	\$4.18	748.561, 748.563, 748.567	Yes	No
Recruitment Staff & Retention (Staff & Caregivers)	\$7.25		Yes	No
Staff Development Trainer (Personnel Categories)	\$1.06	748.811, 748.813	Yes	No
Driver (Personnel Categories)	\$2.54	748.4003	No	No
Security	\$8.07		No	No
Admin & Support Staff (Personnel categories)	\$115.07		Yes	No
Personnel Categories Total	\$543.39			
Targeted Treatment Model (Other Operating Expenses – Treatment Model & Trainings)	\$1.63		No	No
Universal Human Trafficking Prevention Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		No	No
Specialized Targeted Treatment Model Training (Other Operating Expenses – Treatment Model & Trainings)	\$3.45			

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Trauma Informed Care Model (Other Operating Expenses – Treatment Model & Trainings)	\$0.31		Yes	No
Treatment Model & Training Total	\$5.70	748.881, 748.931		
Equipment/Supplies/ Maintenance Costs (Other Operating Expenses – Normalcy)	\$3.34		Yes	No
Educational/Vocational/Extra Curricular Costs (Other Operating Expenses – Normalcy)	\$5.13		No	No
Normalcy and Activities Total	\$8.47	748.3701, 748.1017		
Transportation costs: Purchasing, Operating, and Maintenance (Other Operating Expenses)	\$7.54		Yes	No
Technology Automated Systems, QA, CQI (Other Operating Expenses – Admin Costs)	\$0.46		Yes	No
Insurance (Other Operating Expenses – Admin Costs)	\$3.41		Yes	No
Other Administrative Costs	\$4.08		Yes	No
Administrative Costs Total	\$7.95			
Limited Environment Access Cost (Other Operating Expenses – Facility Costs)	\$1.83		No	No

Rate Components	Methodological Daily Rate	Minimum Standard	Potential IV-E Federal Match, including full FMAP or Admin (50/50)	Potentially Medicaid Allowable
Facilities (Other Operating Expenses – Facility Costs)	\$40.99		Yes	No
Infrastructure and Building Costs (Other Operating Expenses – Facility Costs)	\$1.11		Yes	No
Transition Support (Other Operating Expenses – Facility Costs)	\$9.21			
GRO Tier II QRTP Accreditation (Other Operating Expenses – Facility Costs)	\$0.72			
Dietary/Housekeeping (Other Operating Expenses – Facility Costs)	\$15.13		Yes	No
Facility Costs Total	\$68.98			
Other Operating Expenses Total	\$98.63			
Total GRO TIER I Rate	\$642.02			

Appendix I. Estimated Appropriation-based Fiscal Impact, State Fiscal Year 2025-2029

State fiscal year 2024-25

Table 1. Estimated Appropriation-Based Net Fiscal Impact Summary.

	SFY 2024 All Funds	SFY 2024 Federal Funds	SFY 2024 General Revenue	SFY 2024 Other	SFY 2025 All Funds	SFY 2025 Federal Funds	SFY 2025 General Revenue	SFY 2025 Other
Total Estimated Costs New System	N/A	N/A	N/A	N/A	\$325,840,013	\$142,644,447	\$183,195,565	\$0
Total Estimated Costs for Current System Phasing Into New System	N/A	N/A	N/A	N/A	\$193,993,105	\$91,508,026	\$102,485,079	\$0
Current System, Current Rate Related Appropriations	N/A	N/A	N/A	N/A	(\$415,441,251)	(\$189,287,677)	(\$225,380,745)	(\$772,830)
Non-Rate Appropriation Offsets	N/A	N/A	N/A	N/A	(\$34,454,860)	(\$3,041,517)	(\$31,413,343)	\$0
Total, Net New Service Description Rate Costs	N/A	N/A	N/A	N/A	\$69,937,006	\$41,823,279	\$28,886,557	(\$772,830)

Table 2. Foster Care Rate Modernization: Rate Methodology Estimated Costs.

	SFY 2024 All Funds	SFY 2024 Federal Funds	SFY 2024 General Revenue	SFY 2024 Other	SFY 2025 All Funds	SFY 2025 Federal Funds	SFY 2025 General Revenue	SFY 2025 Other
Child Placing Agency (CPA)/Foster Family Home (FFH)	\$0	\$0	\$0	\$0	\$107,204,081	\$51,526,548	\$55,677,533	\$0
General Residential Operation (GRO) Tier I	\$0	\$0	\$0	\$0	\$50,007,440	\$17,265,108	\$32,742,331	\$0
GRO Tier II	\$0	\$0	\$0	\$0	\$5,708,486	\$2,530,567	\$3,177,919	\$0
CBC - New Array Fee for Service	\$0	\$0	\$0	\$0	\$162,920,006	\$71,322,224	\$91,597,783	\$0
Total Estimated Costs New Modernized System	\$0	\$0	\$0	\$0	\$325,840,013	\$142,644,447	\$183,195,565	\$0

Table 32. Current System Rate Methodology Phased-In Implementation Plan Costs.

	SFY 2024 All Funds	SFY 2024 Federal Funds	SFY 2024 General Revenue	SFY 2024 Other	SFY 2025 All Funds	SFY 2025 Federal Funds	SFY 2025 General Revenue	SFY 2025 Other
Costs for Remaining Days in Current System	\$0	\$0	\$0	\$0	\$193,993,105	\$91,508,026	\$102,485,079	\$0
Total Estimated Costs of Current System Days Remaining in Phased-In Implementation	\$0	\$0	\$0	\$0	\$193,993,105	\$91,508,026	\$102,485,079	\$0

Table 4. Current System Rate Methodology Appropriations and Assumed Appropriation Offsets.

	SFY 2024 All Funds	SFY 2024 Federal Funds	SFY 2024 General Revenue	SFY 2024 Other	SFY 2025 All Funds	SFY 2025 Federal Funds	SFY 2025 General Revenue	SFY 2025 Other
Legacy - Costs	\$305,401,559	\$142,582,765	\$162,046,067	\$772,727	(\$306,420,720)	(\$140,119,417)	(\$165,528,473)	(\$772,830)
Community Based Care (CBC) - Costs	\$108,081,189	\$49,533,609	\$58,547,580	\$0	(\$109,020,531)	(\$49,168,259)	(\$59,852,272)	\$0
Subtotal of Current Rates Fiscal	\$413,482,748	\$192,116,374	\$220,593,647	\$772,727	(\$415,441,251)	(\$189,287,677)	(\$225,380,745)	(\$772,830)

Table 5. Potential Non-Rate Cost Category Appropriations and Assumed Offsets.

	SFY 2024 All Funds	SFY 2024 Federal Funds	SFY 2024 General Revenue	SFY 2024 Other	SFY 2025 All Funds	SFY 2025 Federal Funds	SFY 2025 General Revenue	SFY 2025 Other
Temporary Supplemental Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Awake Supervision	\$14,500,000	\$0	\$14,500,000	\$0	(\$4,350,000)	\$0	(\$4,350,000)	\$0
Child Specific Contracts	\$68,612,910	\$0	\$68,612,910	\$0	(\$17,153,228)	\$0	(\$17,153,228)	\$0
Exceptional Care	\$42,735,875	\$11,756,639	\$30,979,236	\$0	(\$10,683,969)	(\$2,939,160)	(\$7,744,809)	\$0
Exceptional Care 50/50	\$4,000,000	\$0	\$4,000,000	\$0	(\$1,000,000)	\$0	(\$1,000,000)	\$0
Psychiatric Hospitals	\$1,795,656	\$409,428	\$1,386,228	\$0	(\$448,914)	(\$102,357)	(\$346,557)	\$0

	SFY 2024 All Funds	SFY 2024 Federal Funds	SFY 2024 General Revenue	SFY 2024 Other	SFY 2025 All Funds	SFY 2025 Federal Funds	SFY 2025 General Revenue	SFY 2025 Other
Children Without Placement (CWOP)	\$3,275,000	\$0	\$3,275,000	\$0	(\$818,750)	\$0	(\$818,750)	\$0
Subtotal of Potential Funding Offsets - (Savings)	\$134,919,441	\$12,166,067	\$122,753,374	\$0	(\$34,454,860)	(\$3,041,517)	(\$31,413,343)	\$0

State fiscal year 2026-27

Table 6. Estimated Appropriation-Based Net Fiscal Impact Summary.

	SFY 2026 All Funds	SFY 2026 Federal Funds	SFY 2026 General Revenue	SFY 2026 Other	SFY 2027 All Funds	SFY 2027 All Funds Federal Funds	SFY 2027 General Revenue	SFY 2027 Other
Total Estimated Costs New System	\$559,894,159	\$241,470,655	\$318,423,504	\$0	\$740,413,863	\$305,027,927	\$435,385,937	\$0
Total Estimated Costs for Current System Phasing Into New System	\$73,380,998	\$34,122,646	\$39,258,352	\$0	\$16,608,894	\$7,611,845	\$8,997,049	\$0

	SFY 2026	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Current System, Current Rate Related Appropriations	(\$415,441,251)	(\$189,287,677)	(\$225,380,745)	(\$772,830)	(\$415,441,251)	(\$189,287,677)	(\$225,380,745)	(\$772,830)
Non-Rate Appropriation Offsets	(\$68,909,721)	(\$6,083,034)	(\$62,826,687)	\$0	(\$104,814,581)	(\$9,124,550)	(\$95,690,030)	\$0
Total, Net New Service Description Rate Costs	\$148,924,185	\$80,222,591	\$69,474,424	(\$772,830)	\$236,766,926	\$114,227,544	\$123,312,211	(\$772,830)

Table 7. Foster Care Rate Modernization: Rate Methodology Estimated Costs.

	SFY 2026	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Child Placing Agency (CPA)/Foster Family Home (FFH)	\$159,725,727	\$75,525,548	\$84,200,179	\$0	\$111,235,723	\$51,664,161	\$59,571,562	\$0
General Residential Operation (GRO) Tier I	\$63,854,606	\$20,768,761	\$43,085,844	\$0	\$54,432,633	\$16,615,604	\$37,817,029	\$0
GRO Tier II	\$11,238,664	\$4,982,091	\$6,256,574	\$0	\$12,499,805	\$5,541,153	\$6,958,651	\$0

	SFY 2026	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
CBC - New Array Fee for Service	\$325,075,162	\$140,194,255	\$184,880,907	\$0	\$562,245,703	\$231,207,008	\$331,038,695	\$0
Total Estimated Costs New Modernized System	\$559,894,159	\$241,470,655	\$318,423,504	\$0	\$740,413,863	\$305,027,927	\$435,385,937	\$0

Table 8. Current System Rate Methodology Phased-In Implementation Plan Costs.

	SFY 2026	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Costs for Remaining Days in Current System	\$73,380,998	\$34,122,646	\$39,258,352	\$0	\$16,608,894	\$7,611,845	\$8,997,049	\$73,380,998
Total Estimated Costs of Current System Days Remaining in Phased-In Implementation	\$73,380,998	\$34,122,646	\$39,258,352	\$0	\$16,608,894	\$7,611,845	\$8,997,049	\$73,380,998

Table 9. Current System Rate Methodology Assumed Appropriation Offsets.

	SFY 2026	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Legacy - Costs	(\$306,420,720)	(\$140,119,417)	(\$165,528,473)	(\$772,830)	(\$306,420,720)	(\$140,119,417)	(\$165,528,473)	(\$772,830)

	SFY 2026	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Community Based Care (CBC) - Costs	(\$109,020,531)	(\$49,168,259)	(\$59,852,272)	\$0	(\$109,020,531)	(\$49,168,259)	(\$59,852,272)	\$0
Subtotal of Current Rates Fiscal	(\$415,441,251)	(\$189,287,677)	(\$225,380,745)	(\$772,830)	(\$415,441,251)	(\$189,287,677)	(\$225,380,745)	(\$772,830)

Table 10. Potential Non-Rate Cost Category Appropriation Assumed Offsets.

	SFY 2026	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Temporary Supplemental Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Awake Supervision	(\$8,700,000)	\$0	(\$8,700,000)	\$0	(\$14,500,000)	\$0	(\$14,500,000)	\$0
Child Specific Contracts	(\$34,306,455)	\$0	(\$34,306,455)	\$0	(\$51,459,683)	\$0	(\$51,459,683)	\$0
Exceptional Care	(\$21,367,938)	(\$5,878,320)	(\$15,489,618)	\$0	(\$32,051,906)	(\$8,817,479)	(\$23,234,427)	\$0
Exceptional Care 50/50	(\$2,000,000)	\$0	(\$2,000,000)	\$0	(\$3,000,000)	\$0	(\$3,000,000)	\$0
Psychiatric Hospitals	(\$897,828)	(\$204,714)	(\$693,114)	\$0	(\$1,346,742)	(\$307,071)	(\$1,039,671)	\$0

	SFY 2026	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Children Without Placement (CWOP)	(\$1,637,500)	\$0	(\$1,637,500)	\$0	(\$2,456,250)	\$0	(\$2,456,250)	\$0
Subtotal of Potential Funding Offsets - (Savings)	(\$68,909,721)	(\$6,083,034)	(\$62,826,687)	\$0	(\$104,814,581)	(\$9,124,550)	(\$95,690,030)	\$0

State fiscal year 2028-29

Table 11. Estimated Appropriation-Based Net Fiscal Impact Summary.

	SFY 2028	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Total Estimated Costs New System	\$801,467,212	\$322,085,258	\$479,381,954	\$0	\$816,888,445	\$322,923,702	\$493,964,743	\$0
Total Estimated Costs for Current System Phasing Into New System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

	SFY 2028	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Current System, Current Rate Related Appropriations	(\$415,441,251)	(\$189,287,677)	(\$225,380,745)	(\$772,830)	(\$415,441,251)	(\$189,287,677)	(\$225,380,745)	(\$772,830)
Non-Rate Appropriation Offsets	(\$105,263,495)	(\$9,226,907)	(\$96,036,587)	\$0	(\$105,263,495)	(\$9,226,907)	(\$96,036,587)	\$0
Total, Net New Service Description Rate Costs	\$280,762,466	\$123,570,674	\$157,964,622	(\$772,830)	\$296,183,698	\$124,409,118	\$172,547,411	(\$772,830)

Table 12. Foster Care Rate Modernization: Rate Methodology Estimated Costs.

	SFY 2028	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Child Placing Agency (CPA)/Foster Family Home (FFH)	\$59,104,208	\$27,243,072	\$31,861,137	\$0	\$11,934,138	\$5,501,674	\$6,432,465	\$0
General Residential Operation (GRO) Tier I	\$32,762,143	\$9,345,427	\$23,416,716	\$0	\$6,620,254	\$1,756,028	\$4,864,226	\$0

	SFY 2028	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
GRO Tier II	\$7,946,601	\$3,522,722	\$4,423,879	\$0	\$1,605,771	\$711,837	\$893,934	\$0
CBC - New Array Fee for Service	\$701,654,260	\$281,974,037	\$419,680,222	\$0	\$796,728,281	\$314,954,163	\$481,774,118	\$0
Total Estimated Costs New Modernized System	\$801,467,212	\$322,085,258	\$479,381,954	\$0	\$816,888,445	\$322,923,702	\$493,964,743	\$0

Table 13. Current System Rate Methodology Phased-In Implementation Plan Costs.

	SFY 2028	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Costs for Remaining Days in Current System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Estimated Costs of Current System Days Remaining in Phased-In Implementation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Table 14. Current System Rate Methodology Assumed Appropriation Offsets.

	SFY 2028	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Legacy - Costs	(\$306,420,720)	(\$140,119,417)	(\$165,528,473)	(\$772,830)	(\$306,420,720)	(\$140,119,417)	(\$165,528,473)	(\$772,830)

	SFY 2028	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Community Based Care (CBC) - Costs	(\$109,020,531)	(\$49,168,259)	(\$59,852,272)	\$0	(\$109,020,531)	(\$49,168,259)	(\$59,852,272)	\$0
Subtotal of Current Rates Fiscal	(\$415,441,251)	(\$189,287,677)	(\$225,380,745)	(\$772,830)	(\$415,441,251)	(\$189,287,677)	(\$225,380,745)	(\$772,830)

Table 15. Potential Non-Rate Cost Category Appropriation Assumed Offsets.

	SFY 2028	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	Other	All Funds	All Funds Federal Funds	General Revenue	Other
Temporary Supplemental Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Awake Supervision	(\$14,500,000)	\$0	(\$14,500,000)	\$0	(\$14,500,000)	\$0	(\$14,500,000)	\$0
Child Specific Contracts	(\$51,459,683)	\$0	(\$51,459,683)	\$0	(\$51,459,683)	\$0	(\$51,459,683)	\$0
Exceptional Care	(\$32,051,906)	(\$8,817,479)	(\$23,234,427)	\$0	(\$32,051,906)	(\$8,817,479)	(\$23,234,427)	\$0
Exceptional Care 50/50	(\$3,000,000)	\$0	(\$3,000,000)	\$0	(\$3,000,000)	\$0	(\$3,000,000)	\$0
Psychiatric Hospitals	(\$1,795,656)	(\$409,428)	(\$1,386,228)	\$0	(\$1,795,656)	(\$409,428)	(\$1,386,228)	\$0

	SFY 2028 All Funds	SFY 2028 Federal Funds	SFY 2028 General Revenue	SFY 2028 Other	SFY 2029 All Funds	SFY 2029 All Funds Federal Funds	SFY 2029 General Revenue	SFY 2029 Other
Children Without Placement (CWOP)	(\$2,456,250)	\$0	(\$2,456,250)	\$0	(\$2,456,250)	\$0	(\$2,456,250)	\$0
Subtotal of Potential Funding Offsets - (Savings)	(\$105,263,495)	(\$9,226,907)	(\$96,036,587)	\$0	(\$105,263,495)	(\$9,226,907)	(\$96,036,587)	\$0

Appendix J. Estimated Rate-based Fiscal Impact, State Fiscal Year 2025-2029

State fiscal year 2024-25

Table 1. Estimated Rate-Based Net Fiscal Impact Summary.

	SFY 2024 All Funds	SFY 2024 Federal Funds	SFY 2024 General Revenue	SFY 2025 All Funds	SFY 2025 Federal Funds	SFY 2025 General Revenue
Total Estimated Costs New System	N/A	N/A	N/A	\$325,840,013	\$142,644,447	\$183,195,565
Total Estimated Costs for Current System Phasing Into New System	N/A	N/A	N/A	\$193,993,105	\$91,508,026	\$102,485,079
Current System, Current Rates	N/A	N/A	N/A	(\$358,924,610)	(\$172,573,418)	(\$186,351,192)
Current System, Methodological Rate Difference	N/A	N/A	N/A	(\$143,022,574)	(\$68,615,477)	(\$74,407,098)
Non-Rate Expenditures	N/A	N/A	N/A	(\$34,454,860)	(\$3,041,517)	(\$31,413,343)
Total, Net New Service Description Rate Costs	N/A	N/A	N/A	(\$16,568,927)	(\$10,077,938)	(\$6,490,989)

Table 2. Foster Care Rate Modernization: Rate Methodology Estimated Costs.

	SFY 2024 All Funds	SFY 2024 Federal Funds	SFY 2024 General Revenue	SFY 2025 All Funds	SFY 2025 Federal Funds	SFY 2025 General Revenue
Child Placing Agency (CPA)/Foster Family Home (FFH)	\$0	\$0	\$0	\$107,204,081	\$51,526,548	\$55,677,533
General Residential Operation (GRO) Tier I	\$0	\$0	\$0	\$50,007,440	\$17,265,108	\$32,742,331
GRO Tier II	\$0	\$0	\$0	\$5,708,486	\$2,530,567	\$3,177,919
CBC - New Array Fee for Service	\$0	\$0	\$0	\$162,920,006	\$71,322,224	\$91,597,783
Total Estimated Costs New Modernized System	\$0	\$0	\$0	\$325,840,013	\$142,644,447	\$183,195,565

Table 3. Current System Rate Methodology Phased-In Implementation Plan Costs.

	SFY 2024 All Funds	SFY 2024 Federal Funds	SFY 2024 General Revenue	SFY 2025 All Funds	SFY 2025 Federal Funds	SFY 2025 General Revenue
Costs for Remaining Days in Current System	\$0	\$0	\$0	\$193,993,105	\$91,508,026	\$102,485,079
Total Estimated Costs of Current System Days Remaining in Phased-In Implementation	\$0	\$0	\$0	\$193,993,105	\$91,508,026	\$102,485,079

Table 4. Current System Rate Methodology Estimated Costs and Offsets.

	SFY 2024 All Funds	SFY 2024 Federal Funds	SFY 2024 General Revenue	SFY 2025 All Funds	SFY 2025 All Funds Federal Funds	SFY 2025 General Revenue
Legacy - Costs/(Offset)	\$270,015,815	\$129,154,043	\$140,861,772	(\$270,015,815)	(\$129,154,043)	(\$140,861,772)
Community Based Care (CBC) - Costs/(Offset)	\$88,908,795	\$43,419,374	\$45,489,420	(\$88,908,795)	(\$43,419,374)	(\$45,489,420)
Subtotal of Current Rates Fiscal	\$358,924,610	\$172,573,418	\$186,351,192	(\$358,924,610)	(\$172,573,418)	(\$186,351,192)
Legacy - Costs/(Offset)	\$107,661,866	\$51,346,771	\$56,315,095	(\$107,661,866)	(\$51,346,771)	(\$56,315,095)

	SFY 2024	SFY 2024	SFY 2024	SFY 2025	SFY 2025	SFY 2025
	All Funds	Federal Funds	General Revenue	All Funds	All Funds Federal Funds	General Revenue
CBC - Costs/(Offset)	\$35,360,709	\$17,268,706	\$18,092,003	(\$35,360,709)	(\$17,268,706)	(\$18,092,003)
Subtotal of Methodological Rates Fiscal	\$143,022,574	\$68,615,477	\$74,407,098	(\$143,022,574)	(\$68,615,477)	(\$74,407,098)

Table 5. Potential Non-Rate Cost Category Appropriations and Assumed Offsets.

	SFY 2024	SFY 2024	SFY 2024	SFY 2025	SFY 2025	SFY 2025
	All Funds	Federal Funds	General Revenue	All Funds	Federal Funds	General Revenue
Temporary Supplemental Payments	\$0	\$0	\$0	\$0	\$0	\$0
Awake Supervision	\$14,500,000	\$0	\$14,500,000	(\$4,350,000)	\$0	(\$4,350,000)
Child Specific Contracts	\$68,612,910	\$0	\$68,612,910	(\$17,153,228)	\$0	(\$17,153,228)
Exceptional Care	\$42,735,875	\$11,756,639	\$30,979,236	(\$10,683,969)	(\$2,939,160)	(\$7,744,809)
Exceptional Care 50/50	\$4,000,000	\$0	\$4,000,000	(\$1,000,000)	\$0	(\$1,000,000)
Psychiatric Hospitals	\$1,795,656	\$409,428	\$1,386,228	(\$448,914)	(\$102,357)	(\$346,557)
Children Without Placement (CWOP)	\$3,275,000	\$0	\$3,275,000	(\$818,750)	\$0	(\$818,750)
Subtotal of Potential Funding Offsets - (Savings)	\$134,919,441	\$12,166,067	\$122,753,374	(\$34,454,860)	(\$3,041,517)	(\$31,413,343)

State fiscal year 2026-27

Table 6. Estimated Rate-Based Net Fiscal Impact Summary.

	SFY 2026 All Funds	SFY 2026 Federal Funds	SFY 2026 General Revenue	SFY 2027 All Funds	SFY 2027 Federal Funds	SFY 2027 General Revenue
Total Estimated Costs New System	\$559,894,159	\$241,470,655	\$318,423,504	\$740,413,863	\$305,027,927	\$435,385,937
Total Estimated Costs for Current System Phasing Into New System	\$73,380,998	\$34,122,646	\$39,258,352	\$16,608,894	\$7,611,845	\$8,997,049
Current System, Current Rates	(\$358,924,610)	(\$172,573,418)	(\$186,351,192)	(\$358,924,610)	(\$172,573,418)	(\$186,351,192)
Current System, Methodological Rate Difference	(\$143,022,574)	(\$68,615,477)	(\$74,407,098)	(\$143,022,574)	(\$68,615,477)	(\$74,407,098)
Non-Rate Expenditures	(\$68,909,721)	(\$6,083,034)	(\$62,826,687)	(\$104,814,581)	(\$9,124,550)	(\$95,690,030)
Total, Net New Service Description Rate Costs	\$62,418,252	\$28,321,373	\$34,096,879	\$150,260,993	\$62,326,327	\$87,934,666

Table 7. Foster Care Rate Modernization: Rate Methodology Estimated Costs.

	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	All Funds	Federal Funds	General Revenue
Child Placing Agency (CPA)/Foster Family Home (FFH)	\$159,725,727	\$75,525,548	\$84,200,179	\$111,235,723	\$51,664,161	\$59,571,562
General Residential Operation (GRO) Tier I	\$63,854,606	\$20,768,761	\$43,085,844	\$54,432,633	\$16,615,604	\$37,817,029
GRO Tier II	\$11,238,664	\$4,982,091	\$6,256,574	\$12,499,805	\$5,541,153	\$6,958,651
CBC - New Array Fee for Service	\$325,075,162	\$140,194,255	\$184,880,907	\$562,245,703	\$231,207,008	\$331,038,695
Total Estimated Costs New Modernized System	\$559,894,159	\$241,470,655	\$318,423,504	\$740,413,863	\$305,027,927	\$435,385,937

Table 8. Current System Rate Methodology Phased-In Implementation Plan Costs.

	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	All Funds	Federal Funds	General Revenue
Costs for Remaining Days in Current System	\$73,380,998	\$34,122,646	\$39,258,352	\$16,608,894	\$7,611,845	\$8,997,049

	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	All Funds	Federal Funds	General Revenue
Total Estimated Costs of Current System Days Remaining in Phased-In Implementation	\$73,380,998	\$34,122,646	\$39,258,352	\$16,608,894	\$7,611,845	\$8,997,049

Table 9. Current System Rate Methodology Estimated Offsets.

	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	All Funds	All Funds Federal Funds	General Revenue
Legacy - Costs/(Offset)	(\$270,015,815)	(\$129,154,043)	(\$140,861,772)	(\$270,015,815)	(\$129,154,043)	(\$140,861,772)
Community Based Care (CBC) - Costs/(Offset)	(\$88,908,795)	(\$43,419,374)	(\$45,489,420)	(\$88,908,795)	(\$43,419,374)	(\$45,489,420)
Subtotal of Current Rates Fiscal	(\$358,924,610)	(\$172,573,418)	(\$186,351,192)	(\$358,924,610)	(\$172,573,418)	(\$186,351,192)
Legacy - Costs/(Offset)	(\$107,661,866)	(\$51,346,771)	(\$56,315,095)	(\$107,661,866)	(\$51,346,771)	(\$56,315,095)
CBC - Costs/(Offset)	(\$35,360,709)	(\$17,268,706)	(\$18,092,003)	(\$35,360,709)	(\$17,268,706)	(\$18,092,003)
Subtotal of Methodological Rates Fiscal	(\$143,022,574)	(\$68,615,477)	(\$74,407,098)	(\$143,022,574)	(\$68,615,477)	(\$74,407,098)

Table 10. Potential Non-Rate Cost Category Appropriation Assumed Offsets.

	SFY 2026	SFY 2026	SFY 2026	SFY 2027	SFY 2027	SFY 2027
	All Funds	Federal Funds	General Revenue	All Funds	Federal Funds	General Revenue
Temporary Supplemental Payments	\$0	\$0	\$0	\$0	\$0	\$0
Awake Supervision	(\$8,700,000)	\$0	(\$8,700,000)	(\$14,500,000)	\$0	(\$14,500,000)
Child Specific Contracts	(\$34,306,455)	\$0	(\$34,306,455)	(\$51,459,683)	\$0	(\$51,459,683)
Exceptional Care	(\$21,367,938)	(\$5,878,320)	(\$15,489,618)	(\$32,051,906)	(\$8,817,479)	(\$23,234,427)
Exceptional Care 50/50	(\$2,000,000)	\$0	(\$2,000,000)	(\$3,000,000)	\$0	(\$3,000,000)
Psychiatric Hospitals	(\$897,828)	(\$204,714)	(\$693,114)	(\$1,346,742)	(\$307,071)	(\$1,039,671)
Children Without Placement (CWOP)	(\$1,637,500)	\$0	(\$1,637,500)	(\$2,456,250)	\$0	(\$2,456,250)
Subtotal of Potential Funding Offsets - (Savings)	(\$68,909,721)	(\$6,083,034)	(\$62,826,687)	(\$104,814,581)	(\$9,124,550)	(\$95,690,030)

State fiscal year 2028-29

Table 11. Estimated Rate-Based Net Fiscal Impact Summary.

	SFY 2028 All Funds	SFY 2028 Federal Funds	SFY 2028 General Revenue	SFY 2029 All Funds	SFY 2029 Federal Funds	SFY 2029 General Revenue
Total Estimated Costs New System	\$801,467,212	\$322,085,258	\$479,381,954	\$816,888,445	\$322,923,702	\$493,964,743
Total Estimated Costs for Current System Phasing Into New System	\$0	\$0	\$0	\$0	\$0	\$0
Current System, Current Rates	(\$358,924,610)	(\$172,573,418)	(\$186,351,192)	(\$358,924,610)	(\$172,573,418)	(\$186,351,192)
Current System, Methodological Rate Difference	(\$143,022,574)	(\$68,615,477)	(\$74,407,098)	(\$143,022,574)	(\$68,615,477)	(\$74,407,098)
Non-Rate Expenditures	(\$105,263,495)	(\$9,226,907)	(\$96,036,587)	(\$105,263,495)	(\$9,226,907)	(\$96,036,587)
Total, Net New Service Description Rate Costs	\$194,256,533	\$71,669,456	\$122,587,077	\$209,677,766	\$72,507,900	\$137,169,866

Table 12. Foster Care Rate Modernization: Rate Methodology Estimated Costs.

	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	All Funds	Federal Funds	General Revenue
Child Placing Agency (CPA)/Foster Family Home (FFH)	\$59,104,208	\$27,243,072	\$31,861,137	\$11,934,138	\$5,501,674	\$6,432,465
General Residential Operation (GRO) Tier I	\$32,762,143	\$9,345,427	\$23,416,716	\$6,620,254	\$1,756,028	\$4,864,226
GRO Tier II	\$7,946,601	\$3,522,722	\$4,423,879	\$1,605,771	\$711,837	\$893,934
CBC - New Array Fee for Service	\$701,654,260	\$281,974,037	\$419,680,222	\$796,728,281	\$314,954,163	\$481,774,118
Total Estimated Costs New Modernized System	\$801,467,212	\$322,085,258	\$479,381,954	\$816,888,445	\$322,923,702	\$493,964,743

Table 13. Current System Rate Methodology Phased-In Implementation Plan Costs.

	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	All Funds	Federal Funds	General Revenue
Costs for Remaining Days in Current System	\$0	\$0	\$0	\$0	\$0	\$0
Total Estimated Costs of Current System Days Remaining in Phased-In Implementation	\$0	\$0	\$0	\$0	\$0	\$0

Table 14. Current System Rate Methodology Estimated Offsets.

	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	All Funds	All Funds Federal Funds	General Revenue
Legacy - Costs/(Offset)	(\$270,015,815)	(\$129,154,043)	(\$140,861,772)	(\$270,015,815)	(\$129,154,043)	(\$140,861,772)
Community Based Care (CBC) - Costs/(Offset)	(\$88,908,795)	(\$43,419,374)	(\$45,489,420)	(\$88,908,795)	(\$43,419,374)	(\$45,489,420)
Subtotal of Current Rates Fiscal	(\$358,924,610)	(\$172,573,418)	(\$186,351,192)	(\$358,924,610)	(\$172,573,418)	(\$186,351,192)
Legacy - Costs/(Offset)	(\$107,661,866)	(\$51,346,771)	(\$56,315,095)	(\$107,661,866)	(\$51,346,771)	(\$56,315,095)
CBC - Costs/(Offset)	(\$35,360,709)	(\$17,268,706)	(\$18,092,003)	(\$35,360,709)	(\$17,268,706)	(\$18,092,003)
Subtotal of Methodological Rates Fiscal	(\$143,022,574)	(\$68,615,477)	(\$74,407,098)	(\$143,022,574)	(\$68,615,477)	(\$74,407,098)

Table 15. Potential Non-Rate Cost Category Appropriation Assumed Offsets.

	SFY 2028	SFY 2028	SFY 2028	SFY 2029	SFY 2029	SFY 2029
	All Funds	Federal Funds	General Revenue	All Funds	Federal Funds	General Revenue
Temporary Supplemental Payments	\$0	\$0	\$0	\$0	\$0	\$0

	SFY 2028 All Funds	SFY 2028 Federal Funds	SFY 2028 General Revenue	SFY 2029 All Funds	SFY 2029 Federal Funds	SFY 2029 General Revenue
Awake Supervision	(\$14,500,000)	\$0	(\$14,500,000)	(\$14,500,000)	\$0	(\$14,500,000)
Child Specific Contracts	(\$51,459,683)	\$0	(\$51,459,683)	(\$51,459,683)	\$0	(\$51,459,683)
Exceptional Care	(\$32,051,906)	(\$8,817,479)	(\$23,234,427)	(\$32,051,906)	(\$8,817,479)	(\$23,234,427)
Exceptional Care 50/50	(\$3,000,000)	\$0	(\$3,000,000)	(\$3,000,000)	\$0	(\$3,000,000)
Psychiatric Hospitals	(\$1,795,656)	(\$409,428)	(\$1,386,228)	(\$1,795,656)	(\$409,428)	(\$1,386,228)
Children Without Placement (CWOP)	(\$2,456,250)	\$0	(\$2,456,250)	(\$2,456,250)	\$0	(\$2,456,250)
Subtotal of Potential Funding Offsets - (Savings)	(\$105,263,495)	(\$9,226,907)	(\$96,036,587)	(\$105,263,495)	(\$9,226,907)	(\$96,036,587)

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