



COMMONWEALTH of VIRGINIA

Scott Reiner, M.S.
Executive Director

OFFICE OF CHILDREN'S SERVICES
Administering the Children's Services Act

Administrative Memorandum #20-11

TO: CSA Coordinators and CPMT Chairs
FROM: Scott Reiner, Executive Director *Scott Reiner/mm*
DATE: November 20, 2020
RE: Upcoming Changes to Congregate Care Funding for Children in Foster Care

I am writing to make you aware of some significant upcoming changes to how congregate care placements for children in foster care are funded. These changes are due to two developments: 1) recent guidance from Medicaid; and 2) the upcoming implementation of the Family First Prevention Services Act (FFPSA). Additional detailed guidance is forthcoming, but I wanted to give you as much early notice as possible. OCS is aware that these changes will impact local CSA funding.

The changes are as follows:

1. For Psychiatric Residential Treatment Facilities (PRTFs, formerly referred to as Level C).

A determination by DMAS will result in Medicaid becoming the sole payer of non-educational costs at the facility's approved Medicaid rate. Title IV-E will no longer be a payer for room and board and daily supervision. This change will be effective for billable days beginning July 1, 2021, for all children in foster care in a PRTF. This change is likely to increase the local Medicaid match for this specific group of children.

2. For therapeutic group homes (TGH, formerly referred to as Level B) and DSS licensed group homes (CRF, formerly referred to as Level A)

With the implementation of the FFPSA (with the earliest date of July 1, 2021, and the latest date of September 30, 2021), title IV-E funds will no longer be available to pay the room and board and daily supervision costs in facilities not designated as a Qualified Residential Treatment Program (QRTP). This change applies only to children in foster care placed after the FFPSA implementation date (those already in placement will be "grandfathered") and title IV-E will continue to be an available payment source. The non-Medicaid costs in a TGH and almost all costs in a CRF will shift to CSA. We continue to work with VDSS in encouraging placement of children with relatives and in the least restrictive environment possible. With the implementation of the FFPSA, VDSS is considering policy about the future use and funding of these non-QRTP facilities. At present, such placements will remain an option. This change is likely to result in

increases to the local CSA costs for this group of children as title IV-E funds become unavailable.

A notification conveying this information is also being distributed concurrently to local directors of social services.

OCS and VDSS are appreciative of your patience as more detailed guidance on these changes is developed and disseminated in the near future.

Please feel free to direct any questions to my office.