

**State of Alaska  
FY2006 Governor's Operating Budget**

**Department of Health and Social Services  
Foster Care Base Rate  
Component Budget Summary**

## Component: Foster Care Base Rate

### Contribution to Department's Mission

The Foster Care Base Rate program is designed to meet the basic needs of children in foster care.

### Core Services

The Foster Care Base Rate program reimburses foster parents for the basic ongoing costs of raising a child including: food, clothing, and shelter; daily supervision normally carried out by a parent; personal and grooming items; school supplies and regular school activities; age appropriate games, toys, books, and recreational equipment; general recreation such as picnics, community sports, and movies; usual transportation expense; allowance; babysitting and child care.

### FY2006 Resources Allocated to Achieve Results

<b>FY2006 Component Budget: \$10,245,900</b>	<b>Personnel:</b>	
	Full time	0
	Part time	0
	<b>Total</b>	<b>0</b>

### Key Component Challenges

*New Foster Care Providers are Needed:* According to the Federal review conducted in June 2002, the Office of Children's Services needs more foster parents, especially native foster parents, to meet the needs of Alaska's foster children. Not having enough appropriate and culturally relevant foster placements impacts the ability of the office to place children in homes where their best interests can be met, increases the likelihood of multiple placements for children and is contradictory to the Indian Child Welfare Act of 1978.

*Provide Adequate Funding for Foster Care:* The Foster Care Base Rate program is designed to reimburse foster parents for the basic on-going costs of raising a child. The current Foster Care Base Rate is based on 1993 Federal Poverty Guidelines and does not reflect the overall cost of living increases that have occurred since that time.

The State has an obligation to reimburse foster care providers for the cost of care for children in their custody. When the State fails to meet its obligation, foster care providers have no legal obligation to continue to provide care for the children. This may result in foster parents returning children to the Office of Children's Services. This situation will seriously undermine the State's child welfare system and will negatively impact the children that the State is responsible for protecting.

*Maximize federal receipts and generate general fund savings in the Foster Care components:* The office is reimbursed from the Federal Title IVE program for direct services OCS provides when removal of a child from their home is necessary to protect the child. As the number of children certified as eligible for Title IVE benefits increases, the federal reimbursement rate and federal receipts OCS claims increases. As a part of its concentrated effort to increase the number of children qualified for Title IVE benefits OCS conducted an extensive review of the eligibility determination procedures. At the end of FY2003, the statewide penetration rate (percentage of Title IV-E eligible clients in paid foster care placements) was 48%. Through data collection improvements, extensive re-review of case files and enhanced management and supervision of OCS eligibility workers, the statewide penetration rate increased to 64% by the end of FY2004. The rate continues to increase in FY2005. As a result, the state is able to finance a greater share of foster care payments with federal receipts.

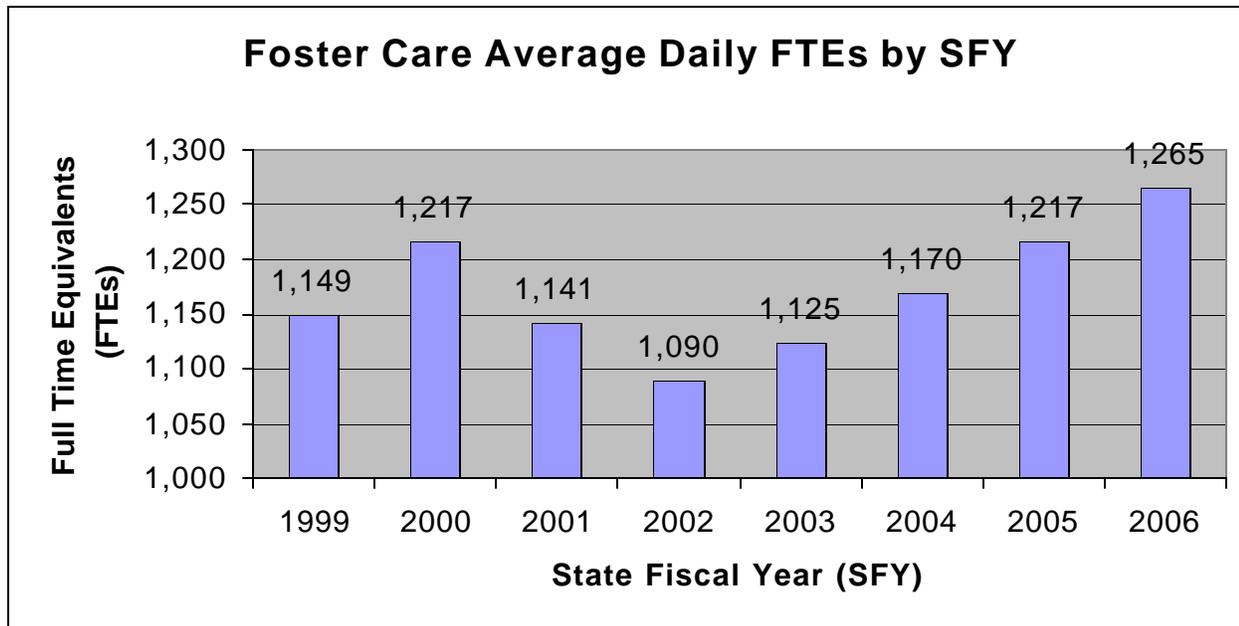
## Significant Changes in Results to be Delivered in FY2006

The Office of Children's Services anticipates it will provide foster care base rate benefits to an average of 34 additional children each month in FY2005 and FY2006. However, based on current budgets, an increment will not be needed.

## Major Component Accomplishments in 2004

1) Provided foster care services to an average of 1,170 children each day:

The Department provided foster care benefits to an average of 1,170 children daily. The 6.2% reduction in the foster care caseload the division noted in FY2001 and a further 4.5% reduction in FY2002 was offset by a 3.2% increase in children in foster care in FY2003 and a 4% increase in FY2004.



2) Provided foster care providers the training necessary to meet the needs of children in foster care:

In recent years, children placed in foster care have more complex needs and issues, and foster parents are often required to have a greater level of specialized knowledge. The Office of Children's Services supplied foster parent training to provide the essential skills needed to successfully deal with the individual behaviors and special needs of the children in their care.

During FY2004 the Department continued its recruitment campaign, using the "Foster A Future" contractor. Display tables were set up by the contractor and manned by both OCS and contractor staff at all major community conferences, including Native conferences and seminars, in the cities of Anchorage, Fairbanks, Juneau, Palmer, Wasilla and Kenai. Posters and brochures explaining the need for and details of becoming a resource family for children were distributed. As well, Alaska Native Hospital has hosted booths for disbursement of materials relating to become a resource family for Native children, on an ongoing basis every two months since August 2004. This is being continued during FY2005.

During May, 2004, National Foster Parent Appreciation Month Central Office facilitated statewide recruitment activities by numerous activities statewide, including "thank you" announcements in seven major newspapers throughout the month; appreciation dinners for families in Anchorage and Juneau, picnics in Fairbanks and gift certificates for pizza or movies in rural areas.

In addition to these types of community outreach for families, extensive recruitment efforts were made around the state, in collaboration with community agencies and tribal organizations, churches, children's conference organizers, and foster parent support groups.

For FY2005, a full-time position has been dedicated to the recruitment of resource families statewide. This individual will work with the tribal communities, faith based organizations, rural and urban communities as well as various media providers to recruitment families statewide to find safe, culturally relevant and caring families for Alaska's children in need. Currently in development is a televised "Wednesday's Child" program, showing legally freed children doing a favorite activity while a voice-over media consultant describes the need for safe, permanent families for children in state's custody. This is scheduled to be launched in November, 2004.

The Department offered limited childcare to working foster parents as a foster parent recruitment and retention effort.

### Statutory and Regulatory Authority

AS 47.05	Administration of Welfare, Social Services, and Institutions, duties of department.
AS 47.10	Children in Need of Aid.
AS 47.14.100	Care of Children.
AS 47.17	Child Protection.
AS 47.40	Purchase of Services.
7 AAC 53, Article 1	Child Care Foster Care Payments.
7 AAC 53, Article 3	Children in Custody or Under Supervision: Needs and Income.
Titles IV-E of the Social Security Act	

### Contact Information

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**Foster Care Base Rate  
Component Financial Summary**

*All dollars shown in thousands*

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
<b>Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	95.8	95.8
73000 Services	80.0	157.4	144.4
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	7,610.3	10,069.3	10,005.7
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>7,690.3</b>	<b>10,322.5</b>	<b>10,245.9</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	544.4	3,439.9	3,433.9
1003 General Fund Match	3,825.5	3,845.7	3,845.7
1004 General Fund Receipts	2,122.5	1,230.6	1,223.6
1156 Receipt Supported Services	1,197.9	1,806.3	1,742.7
<b>Funding Totals</b>	<b>7,690.3</b>	<b>10,322.5</b>	<b>10,245.9</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	544.4	3,439.9	3,433.9
Receipt Supported Services	51073	1,197.9	1,806.3	1,742.7
<b>Restricted Total</b>		<b>1,742.3</b>	<b>5,246.2</b>	<b>5,176.6</b>
<b>Total Estimated Revenues</b>		<b>1,742.3</b>	<b>5,246.2</b>	<b>5,176.6</b>

**Summary of Component Budget Changes  
From FY2005 Management Plan to FY2006 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2005 Management Plan</b>	<b>5,076.3</b>	<b>3,439.9</b>	<b>1,806.3</b>	<b>10,322.5</b>
<b>Adjustments which will continue current level of service:</b>				
-Transfer Adolescent Health Education and Outreach to BH Admin	0.0	0.0	-63.6	-63.6
-Transfer Fingerprint Processing Funding to Public Health	-7.0	-6.0	0.0	-13.0
<b>FY2006 Governor</b>	<b>5,069.3</b>	<b>3,433.9</b>	<b>1,742.7</b>	<b>10,245.9</b>