

State of Alaska FY2012 Governor's Operating Budget

Department of Health and Social Services Foster Care Special Need Component Budget Summary

Component: Foster Care Special Need

Contribution to Department's Mission

Provides funding to meet special, occasional needs of children in state custody, as mandated by statute. This financial support enhances the State's preventative service delivery system by fulfilling many fiduciary obligations for children and families that fall outside of monthly reimbursed rates.

Core Services

- Reimburses providers for pre-approved, allowable expenditures that are not covered by Foster Care Base Rates and that have been assessed on an as-needed basis.

Key Component Challenges

It is a continuing challenge to keep pace with increased needs and increased costs while providing for the varying needs of children and families. For example, federal requirements for visitation between children in custody and family members must be adhered to, increasing travel costs particularly in the rural areas of the state; child care costs continue to rise requiring working foster families to pay any co-pays or costs above the \$700.00 monthly limit; and it continues to be difficult to find licensed child care in rural Alaska. OCS must pay for medical expenses not covered under Medicaid. As Medicaid budget constraints require restrictions, OCS foster care special needs costs increase.

OCS does not anticipate any easy solution to these problems as they are prone to the same economic factors as every family in Alaska. The current focus for Child Protective Services is to keep children safely in their homes, and when that is not possible, to reunite children with their families as soon as possible. This has placed increased pressure on the Foster Care Special Needs budget.

While there is no request for additional funds for FY2012, we have experienced increased costs in FY2010 and FY2011. To date, increased costs have been covered by other areas of the OCS budget. The OCS will continue to closely monitor expenditures regionally and provide guidance on allowable costs while remaining flexible to current needs.

Significant Changes in Results to be Delivered in FY2012

It is impossible to provide funding for all that is requested, but the OCS must continue to be flexible and proactive to provide funding for costs for children in out-of-home placements that fall outside of reimbursement rates. When allowable costs are adjusted to current trends, fewer reimbursement or purchases must be denied and families are more satisfied with the program. This is a key factor to keeping good foster families involved in the foster care programs and promoting the safety of children who cannot remain in their own homes.

Updated Status for Results to be Delivered in FY2011

In addition, OCS is exploring alternatives for licensed day care in rural areas and will revisit allowable costs during the fiscal year to make certain they meet the needs of our children and families.

The OCS child care policy was expanded to coincide with Division of Public Assistance program policy that provides for the use of allowable providers when licensed providers are not available. Requests to purchase services from an unlicensed provider must be prior approved to assure appropriate safety criteria is met.

Major Component Accomplishments in 2010

Special Need funds cover a large spectrum of costs from a prom dress for a young woman attending the high school dance to damages and loss to foster parents' property caused by a child with special needs. Purchases made with

Foster Care Special Needs funds are accomplishments that alleviate the financial burden of raising a child for those foster families and relative families willing to provide for children in custody.

Statutory and Regulatory Authority

AS 47.05.010	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
Title IV-E of the Social Security Act	

Contact Information
<p>Contact: Joe Hall, Budget Manager Phone: (907) 465-1629 Fax: (907) 465-1850 E-mail: joseph.hall@alaska.gov</p>

**Foster Care Special Need
Component Financial Summary**

All dollars shown in thousands

	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	2.4	0.3	0.3
73000 Services	285.0	1,122.6	722.6
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	5,881.7	6,081.6	6,122.5
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	6,169.1	7,204.5	6,845.4
Funding Sources:			
1002 Federal Receipts	121.9	1,029.9	632.1
1003 General Fund Match	1,531.5	1,570.2	1,608.9
1004 General Fund Receipts	2,282.6	2,361.4	2,361.4
1007 Inter-Agency Receipts	1,475.1	1,495.1	1,495.1
1037 General Fund / Mental Health	747.9	747.9	747.9
1212 Federal Stimulus: ARRA 2009	10.1	0.0	0.0
Funding Totals	6,169.1	7,204.5	6,845.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	121.9	1,029.9	632.1
Interagency Receipts	51015	1,475.1	1,495.1	1,495.1
Federal Economic Stimulus	51118	10.1	0.0	0.0
Restricted Total		1,607.1	2,525.0	2,127.2
Total Estimated Revenues		1,607.1	2,525.0	2,127.2

**Summary of Component Budget Changes
From FY2011 Management Plan to FY2012 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2011 Management Plan	4,679.5	0.0	1,495.1	1,029.9	7,204.5
Proposed budget decreases:					
-Delete Excess Federal Authority	0.0	0.0	0.0	-400.0	-400.0
Proposed budget increases:					
-Extending State Custody of Children; Ch. 80 SLA 10 (HB 126)	38.7	0.0	0.0	2.2	40.9
FY2012 Governor	4,718.2	0.0	1,495.1	632.1	6,845.4

Component Detail All Funds
Department of Health and Social Services

Component: Foster Care Special Need (2238)
RDU: Children's Services (486)

	FY2010 Actuals	FY2011 Conference Committee (Final)	FY2011 Authorized	FY2011 Management Plan	FY2012 Governor	FY2011 Management Plan vs FY2012 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	2.4	0.3	0.3	0.3	0.3	0.0	0.0%
73000 Services	285.0	1,122.6	1,122.6	1,122.6	722.6	-400.0	-35.6%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	5,881.7	5,140.6	5,261.6	6,081.6	6,122.5	40.9	0.7%
78000 Miscellaneous	0.0	80.0	0.0	0.0	0.0	0.0	0.0%
Totals	6,169.1	6,343.5	6,384.5	7,204.5	6,845.4	-359.1	-5.0%
Fund Sources:							
1002 Fed Rcpts	121.9	1,027.7	1,029.9	1,029.9	632.1	-397.8	-38.6%
1003 G/F Match	1,531.5	1,531.4	1,570.2	1,570.2	1,608.9	38.7	2.5%
1004 Gen Fund	2,282.6	1,541.4	1,541.4	2,361.4	2,361.4	0.0	0.0%
1007 I/A Rcpts	1,475.1	1,495.1	1,495.1	1,495.1	1,495.1	0.0	0.0%
1037 GF/MH	747.9	747.9	747.9	747.9	747.9	0.0	0.0%
1212 Fed ARRA	10.1	0.0	0.0	0.0	0.0	0.0	0.0%
Unrestricted General (UGF)	4,562.0	3,820.7	3,859.5	4,679.5	4,718.2	38.7	0.8%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	1,475.1	1,495.1	1,495.1	1,495.1	1,495.1	0.0	0.0%
Federal Funds	132.0	1,027.7	1,029.9	1,029.9	632.1	-397.8	-38.6%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Health and Social Services

Component: Foster Care Special Need (2238)

RDU: Children's Services (486)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2011 Conference Committee (Final) To FY2011 Authorized *****												
FY2011 Conference Committee												
	ConfCom	6,343.5	0.0	0.3	1,122.6	0.0	0.0	5,140.6	80.0	0	0	0
1002 Fed Rcpts		1,027.7										
1003 G/F Match		1,531.4										
1004 Gen Fund		1,541.4										
1007 I/A Rcpts		1,495.1										
1037 GF/MH		747.9										
ADN 06-1-0007 Budget implementation revision Sec 1, CH 41, SLA 2010, P 21 L 30												
	LIT	0.0	0.0	0.0	0.0	0.0	0.0	80.0	-80.0	0	0	0
Transfer authority from the miscellaneous line to other line items to implement the program.												
ADN 06-1-0005 FOSTER CARE/CINA/EDUCATION OF HOMELESS (HB 126)												
	FisNot	41.0	0.0	0.0	0.0	0.0	0.0	41.0	0.0	0	0	0
1002 Fed Rcpts		2.2										
1003 G/F Match		38.8										
Subtotal		6,384.5	0.0	0.3	1,122.6	0.0	0.0	5,261.6	0.0	0	0	0
***** Changes From FY2011 Authorized To FY2011 Management Plan *****												
ADN 06-1-0035 Transfer from Foster Care Base Rate component to fund non Title IV-E eligible families												
	Trin	820.0	0.0	0.0	0.0	0.0	0.0	820.0	0.0	0	0	0
1004 Gen Fund		820.0										

In FY10, the Foster Care Special Needs (FCSN) component experienced federal revenue shortfalls and increased costs of approximately \$1.2 million because of disproportionate levels of federal to general fund authorization. This was the result of increased services to non IV-E eligible families that reduced reimbursement rates and is the unintended consequences of better case work that keeps families intact without removals.

Federal fund participation in FCSN is budgeted at 16%. FY10 earned at a rate of 2.5%. Rates earned fluctuate based on the amount of eligible expenditures for eligible clients. This request to transfer \$820.0 into FCSN will bring general fund levels more in line with anticipated expenditures. Excess federal authorization will be restricted in FY11 then decremented in FY12.

Several OCS components have historically had funding available to cover shortfalls in other areas of the Children's Services RDU. While OCS wants to affect high quality grantee service delivery, the goal in FY11 is to stabilize the budgets and to do so whenever possible within existing funding.

General fund is available in the Foster Care Base Rate grants line for this transfer. After several years of steadily climbing numbers of children in OCS care that resulted in shortfalls within the FCBR component, costs were fully funded in FY08. Since that time, the numbers of children in out-of-home care have declined. Declines are calculated on full time equivalents (FTEs) to account for children that naturally move in and out of the program at varying rates. In FY07, FTE counts

Change Record Detail - Multiple Scenarios With Descriptions
Department of Health and Social Services

Component: Foster Care Special Need (2238)
RDU: Children's Services (486)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
averaged 1,550 dropping to 1,475 in FY08 then to 1,400 in FY09. FY10 averages are at 1,250. OCS attributes these declines to increases in the number of adoptions and improved child protective services work that keeps children in their own homes whenever possible.												
Subtotal		7,204.5	0.0	0.3	1,122.6	0.0	0.0	6,081.6	0.0	0	0	0
***** Changes From FY2011 Management Plan To FY2012 Governor *****												
Delete Excess Federal Authority												
	Dec	-400.0	0.0	0.0	-400.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-400.0										
Decrement excess federal authority to bring budgeted levels more closely in line with anticipated claimable amounts.												
Extending State Custody of Children; Ch. 80 SLA 10 (HB 126)												
	IncM	40.9	0.0	0.0	0.0	0.0	0.0	40.9	0.0	0	0	0
1002 Fed Rcpts		2.2										
1003 G/F Match		38.7										
Implement second year of HB 126 fiscal note funding to extend state custody of children to age 21.												
NOTE: The Administration for Families and Children has issued program instruction that does not allow a state to expand foster care without expanding adoptions and guardianships. For FY12, if a strategy for Alaska has not yet been developed, no federal reimbursements will be allowed.												
Totals		6,845.4	0.0	0.3	722.6	0.0	0.0	6,122.5	0.0	0	0	0

Line Item Detail
Department of Health and Social Services
Travel

Component: Foster Care Special Need (2238)
RDU: Children's Services (486)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
72000	Travel		2.4	0.3	0.3
Expenditure Account			FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
	Servicing Agency	Explanation			
72000 Travel Detail Totals			2.4	0.3	0.3
72100	Instate Travel		2.4	0.0	0.0
72930	Cash Advance Fee	Cash advance fees on credit cards used for travel.	0.0	0.3	0.3

Line Item Detail
Department of Health and Social Services
Services

Component: Foster Care Special Need (2238)
RDU: Children's Services (486)

Line Number	Line Name			FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000	Services			285.0	1,122.6	722.6
Expenditure Account	Servicing Agency	Explanation		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000 Services Detail Totals				285.0	1,122.6	722.6
73025		Education Services		0.5	0.0	0.0
73026		Training/Conferences	Provide training to foster parents to enable them to acquire the skills they need to successfully deal with the special needs of the children in their care.	0.0	691.0	291.0
73052		Mgmt/Consulting (Non IA Svcs Financial)	Compile, submit, and process applications for SSI benefits on behalf of children in OCS' care.	0.0	110.0	110.0
73225		Delivery Services	Delivery, freight, messenger and courier costs.	0.0	1.5	1.5
73750		Other Services (Non IA Svcs)		110.0	0.0	0.0
73755		Safety Services	Alcohol and drug testing services.	0.0	40.1	40.1
73756		Print/Copy/Graphics	Print, copy, reproduce and bind necessary forms, booklets and other resources required for recruitment and retention of foster care providers.	0.0	60.0	60.0
73812	Legal	Law	RSA: Department of Law, Civil Division, OCS Direct Charge Reimbursement. Reimbursement for copies of legal records, medical records, client related travel and other costs associated with cases.	144.5	100.0	100.0
73823	Health	H&SS	RSA: Department of Health & Social Services, Division of Public Health, Vital Statistics Data Inquires. Cost to receive certified copies of birth certificates, electronic system information and paternity determinations as needed to proceed with case management functions. \$20.0 RSA: Department of Health & Social Services, Division of Public Assistance, Administrative Services Child Care Eligibility. Cost of purchasing child care administrative services from the Division of Public Assistance so that foster parents are not forced to work with two separate child care agencies. \$100.0	30.0	120.0	120.0

Line Item Detail
Department of Health and Social Services
Grants, Benefits

Component: Foster Care Special Need (2238)
RDU: Children's Services (486)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
77000	Grants, Benefits		5,881.7	6,081.6	6,122.5
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
77000 Grants, Benefits Detail Totals			5,881.7	6,081.6	6,122.5
77300	Foster/Adopt(Nontax)	Reimbursement to foster care providers for one-time or irregular expenditures that are not covered with Foster Care Base Rate or Foster Care Augmented benefits. Benefits include but are not limited to damages and loss to foster providers, parent training, child care and travel for children in foster care to visit their families.	0.0	2,600.2	2,641.1
77310	Day Care (Taxable)	Cost to provide reimbursement to working foster parents, unlicensed relatives, and biological parents needing child protective services child care as well as cost to process child care applications in one location for foster parents and unlicensed relatives.	0.0	3,481.4	3,481.4
77430	Health & Human Svcs		275.4	0.0	0.0
77670	Benefits		5,606.3	0.0	0.0

Restricted Revenue Detail
Department of Health and Social Services

Component: Foster Care Special Need (2238)
RDU: Children's Services (486)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51010	Federal Receipts	121.9	1,029.9	632.1

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51010	Federal Receipts Title IVE of the Social Security Act		06213604	11100	0.0	179.9	179.9
57170	Social Services Excess federal revenue.		06213604	11100	0.0	850.0	452.2
57370	Title IVE Non Vol Fc				121.9	0.0	0.0

Restricted Revenue Detail
Department of Health and Social Services

Component: Foster Care Special Need (2238)
RDU: Children's Services (486)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51015	Interagency Receipts	1,475.1	1,495.1	1,495.1

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
59060	Health & Social Svcs	Child Care Benefits			1,475.1	0.0	0.0
59060	Health & Social Svcs RSA: DHSS, Division of Public Assistance, Child Care Benefits for Child Protective Services	Child Care Benefits	06213604	11100	0.0	1,495.1	1,495.1

Restricted Revenue Detail
Department of Health and Social Services

Component: Foster Care Special Need (2238)
RDU: Children's Services (486)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51118	Federal Economic Stimulus	10.1	0.0	0.0

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51118	Federal Economic Stimulus				10.1	0.0	0.0

Inter-Agency Services
Department of Health and Social Services

Component: Foster Care Special Need (2238)
RDU: Children's Services (486)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2010 Actuals	FY2011		FY2012 Governor
					Management Plan		
73812	Legal	RSA: Department of Law, Civil Division, OCS Direct Charge Reimbursement. Reimbursement for copies of legal records, medical records, client related travel and other costs associated with cases.	Inter-dept	Law	144.5	100.0	100.0
				73812 Legal subtotal:	144.5	100.0	100.0
73823	Health	RSA: Department of Health & Social Services, Division of Public Health, Vital Statistics Data Inquires. Cost to receive certified copies of birth certificates, electronic system information and paternity determinations as needed to proceed with case management functions. \$20.0 RSA: Department of Health & Social Services, Division of Public Assistance, Administrative Services Child Care Eligibility. Cost of purchasing child care administrative services from the Division of Public Assistance so that foster parents are not forced to work with two separate child care agencies. \$100.0	Intra-dept	H&SS	30.0	120.0	120.0
				73823 Health subtotal:	30.0	120.0	120.0
				Foster Care Special Need total:	174.5	220.0	220.0
				Grand Total:	174.5	220.0	220.0