



Agenda Item

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DATE: February 24, 2015

TO: Board of Supervisors

FROM: Delfino E. Neira, Director,
Department of Social Services

SUBJECT: Approved Relative Caregiver (ARC) Program

RECOMMENDED ACTION:

Authorize the Department of Social Services to submit an Opt-In Letter to the California Department of Social Services to participate in the Approved Relative Caregiver (ARC) Program.

Approval of the recommended action will establish consistency in the resources provided to dependent children placed with relatives, regardless of the dependent child's eligibility for federal foster care. Submission of an Opt-In Letter will allow the Department to make relative placement payments for non-federal children and receive 100% State reimbursement for the cost up to the current base caseload allocation of 106 cases, which is currently estimated at \$647,376 per year.

ALTERNATIVE ACTION(s):

There are no viable alternative actions.

FISCAL IMPACT:

There is no increase in net County cost for participating in the ARC Program. The estimated cost for the base caseload of the ARC Program is \$647,376 per year, which will be 100% offset with State ARC Allocation Funding. If the recommended action is approved, the Department will return to your Board to adjust appropriations and estimated revenues for the appropriate budget organization.

Any growth beyond the base caseload will result in estimated cost avoidance for Social Services Realignment as the basic foster care rate paid to relatives will be less than any other placement option available for a non-federal dependent child. The average cost of a Foster Family Agency

ADMINISTRATIVE OFFICE REVIEW

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APPROVED AS RECOMMENDED

UNANIMOUS ☒ BORGEAS _____ MENDES _____ PACHECO _____ PEREA _____ POOCHIGIAN _____

(FFA) placement, which is the likely placement option for a child if a relative placement is not available, is \$1,809 per placement per month. The basic foster care rate for the same child under the ARC Program will be, on average, \$724 per placement per month, which is 40% lower than the FFA placement rate.

DISCUSSION:

On February 10, 2015, the Department released a Board Briefing Report providing background information on the program rules and implementation requirements for the ARC Program. The California Department of Social Services requires a County to send a formal Opt-In Letter by March 1, 2015, in order to participate in the program for Calendar Year (CY) 2015. A County may participate in this program in the subsequent calendar year by submitting an Opt-In Letter by the October 1st 2015.

Out of the current 2,209 dependent children in placements, 16% (358 children) are placed with relatives. Out of this total, 70% (252 children) are federally eligible and are currently receiving the basic foster care rate. The remaining 30% (106 children) are non-federally eligible and may be receiving CalWORKs Assistance in lieu of Foster Care Assistance. The difference in assistance payments is approximately \$355 per month per child. The State research outlines the issues that are caused by the discrepant levels of support and thus have created this program to address the disparity. Fresno County Social Workers have reported a higher level of unmet needs with the non-federally eligible population compared to their federally-eligible counterparts. Fresno County has also experienced relatives not following through the placement process due to insufficient resources available for non-federally eligible children.

Under the ARC Program rules, all non-federally eligible children will be eligible at the basic foster care rate. The current population of 106 children is the County's base caseload. Any growth beyond the base caseload will be funded with Social Services Realignment. The associated cost will be fully offset by State funding through the ARC Program allocation. This program will not impact the number of children requiring placements. However, the program may result in an increase in the number of relative placements and thus a reduction in other types of more costly placements (such as FFAs) which are funded with Social Services Realignment. Since, the per placement cost for the ARC Program is 40% less than the per placement cost of an FFA, the Department anticipates cost avoidance for new cases or cost savings for placement changes in existing cases.

Federal eligibility for foster care requires that the income of the absentee parent/s at time of removal is calculated utilizing the 1996 Aid to Families with Dependent Children (AFDC) income limits, and therefore, non-federal cases in foster care will likely continue to increase. In addition to achieving better outcomes for a child, increasing relative placement options for non-federal children is also more cost-effective long term.

ARC Program rules allow counties to opt-out at any time, provided that minimum notification requirement to the State (120 days) and clients (90 days) are met. In the event of a State budget reduction impacting the ARC Program allocation, a participating County will be automatically opted-out unless the County notifies the State, in writing, of its intent to continue with the program within 60 days from the date the automatic opt-out goes into effect.

REFERENCE MATERIALS:

BBR – Approved Relative Caregiver (ARC) Program, February 10, 2015