



# STRTPs- FFAs- ISFC-TFC: How Are They Funded?



CPOC-Partnership for CCR Success:  
A Better Future for Probation Foster Youth  
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## Presentation Outline

- Residential Care Historical/Financial Background
- Short Term Residential Treatment Programs (STRTPs)
- Therapeutic Foster Care (TFC)
- ISFC—Partnership Opportunities
- Foster Care Funding



# Residential Care Historical Background of Adding Mental Health Services



## Residential Care & Mental Health Service History

### Rate Classification Level (RCL) 13/14 Certification

- 1992—DMH in concert with the CMHDA, CDSS and provider organizations, developed a single statewide certification process RCL 13/14s
  - RCL 13/14 was a higher level of care—required expertise in mental health service
  - DMH LET No 98-02 issued April 28, 1998—was effect since 7-1-92

### STRTP Program Approval & Medi-Cal Certification

- 2016—Congregate Care begins the shift to STRTPs
  - DHCS Info No 17-016 Program Approval/Medi-Cal Certification Protocol replaced DMH Let No 98-02 for STRTPs



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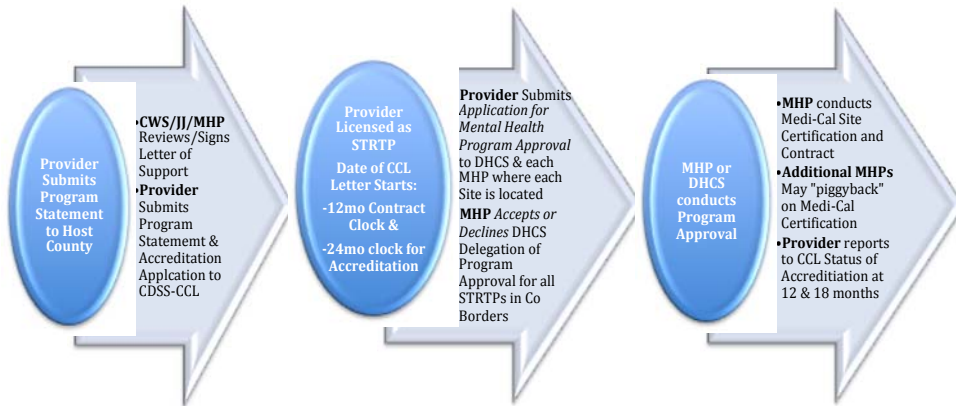
## Residential Care & Mental Health Service History

### STRTP Programs are not traditional group home care

- Children/youth placed in STRTPs should receive intensives services they need to stabilize & return home or transition to other home based family setting.
- STRTPs need to provide a full array of services including the Specialty Mental Health Services based on medical necessity
- The blended funding of Medicaid and Title IV-E are the primary funding streams that support foster children/youth.



### STRTP Process for: County Support, Licensure, Accreditation Program Approval, Medi-Cal Certification & Organizational Provider Contract



### SHORT TERM RESIDENTIAL THERAPEUTIC PROGRAMS: PRIMARY FUNDING STREAMS FOR STRTP RATES



## How Rates are Set for STRTPs

- Effective 1/1/17 the single STRTP Monthly Rate is Set by CDSS-Rates
  - Provider is Licensed as a STRTP by CCL
- STRTP Medi-Cal Rates—Provider Negotiates rates with MHP after Program Approval and Medi-Cal Certification are completed, to provide the following:
  - Mental Health Service
  - Crisis Intervention
  - Medication Support
  - Targeted Case Management



## What Funding Pays for the STRTP Rates?

### STRTP CDSS Monthly Board & Care Rate

- Covers the Care and Supervision placement & Admin costs
- Funded by Title IV-E/ Local Revenue Fund/County
- STRTP Medi-Cal Rates
  - Covers the SMHS that are provided and associated costs
  - Funded by Federal Medicaid/MHPs/Realignment \$'s



## Title IV-E Care and Supervision is.....

Care and Supervisions is a maintenance payment and under Title IV-E is defined in section 475(4) of the Social Security Act as: "... payments to cover the cost of (and the cost of providing) food, clothing, shelter, daily supervision, school supplies, ...".



## Specialty Mental Health Services are

- **Mental Health Services**  
(Assessment, Plan Development, Therapy, Rehabilitation, Collateral)
- **Crisis Intervention Services**
- **Therapeutic Behavioral ( TBS)**
- **Day Treatment Intensive**
- **Day Rehabilitation Services**
- **Medication Support Services**
- **Targeted Case Management**
- **Crisis Stabilizations**
- **Therapeutic Foster Care**
- **Intensive Care Coordination (ICC)**
- **Intensive Home Based Services**



## Tracking Funding Streams for STRTP

- Both funding streams must be tracked separately: Tracking staff costs and administrative expenses is imperative
- Providers should allocate costs appropriately based on governmental accounting standards (different world for some providers who are new to Medi-Cal Rate system) and standards set by MHPs, DHCS, and CDSS.



## What does Federal Financial Participation (FFP) mean to Mental Health Plans (MHPs)?

- Mental Health Plans are **reimbursed** a percentage of their actual expenditures (Certified Public Expenditures-CPE), based on the Federal Medical Assistance Percentage (FMAP)
- Federal Medicaid FFP for Medi-Cal Specialty Mental Health Services (SMHS) reimburses at approximately 50%
- Counties use *all* of their other sources as local match to draw down federal reimbursement



## MHP Medi-Cal Specialty Mental Health Reimbursement

**Revenues** are based on Certified Public Expenditures incurred by the County Medi-Cal Specialty Mental Health Plan

- Requires County MHP to have sufficient revenue available to incur full funds expenditure prior to obtaining reimbursement
- Final entitlement amounts are not known until after audit and appeals, which is currently at least six years after the provision of services
- Requires counties to establish reserves in case of audit recoupment



## What Federal Financial Participation (FFP) mean for Foster Care Funding ?

- The FFP (Title IV-E) for STRTPs and FFAs rates are managed at the State Level but is derived from the sharing ratios that are published by CDSS and listed on the CDSS website. FFP is 50% subject to a discount rate. (allowable activities)
- Counties are responsible for the match to Title IV-E, utilizing Local Revenue Fund (realigned State funds) and county funds
- Effective 1/1/2017, STRTPs were able to receive the rate upon licensure from CCL but can receive Medi-Cal funding only if they have a Mental Health Contract





## Foster Care STRTPs

- **Revenue** is generated from each placement and payments are paid in arrears
- Costs Reports are required, to show days in care, caseload, and allowable costs
- No reconciliations to costs as with Mental Health funding
- According to certain Federal and State laws, STRTPs and FFA providers all expenditures must be spent on IV-E allowable costs. However any retained funding or extra funding must be spent on child welfare services



## How Probation HBFC settings are Funded

- Child Welfare provides maintenance payments for probation supervised youth. These payments go directly to the foster family (Resource Family) or the provider (FFA/GH/STRTP), depending on the placement.
- For Administrative funding an MOU between CW and Probation allows funding to be passed through to the Probation Department who will invoice the CW Department to include on their claims for reimbursement.
- Probation also gets Title IV-E funding for candidacy placements to prevent out of home placements. Candidacy is defined as Youth who are at serious or imminent risk of foster care placement (requires case plans, service referral, reasons can't be based on criminogenic behavior).



## THERAPEUTIC FOSTER CARE (TFC): FUNDING



### What is Therapeutic Foster Care (TFC)?

- TFC is short-term, intensive, highly coordinated, trauma informed and individualized
- TFC is provided by TFC parent as part of the foster care system
- The child/youth will have complex emotional & behavioral needs
- Intended for children/youth who can receive the intensive and frequent mental health supports in a family environment
- TFC is a SMHS, is not a stand alone SMHS. ICC must be provided with TFC, and other medically necessary SMHS as set forth in the client plan.



## Therapeutic Foster Care

Recruitment of FFAs and Resource Families by placing agency—CWS and Probation

FFA provides to the Resource Parent:

- Training as Resource Parents
- Oversight of all Resource Parents and foster children
- Training as a Medi-Cal Provider of TFC
- Clinical Supervision of TFC Service



## Funding for TFC

Foster Care Board & Care Rates Set by CDSS-CCL

- FFA or County Operated
- Foster Care rate paid to FFA for County CWS/Probation child/youth

TFC is a Medi-Cal SMHS

- FFA negotiates TFC Contract Rates with MHP
- FFA costs—which includes payment to TFC Parent, is included in the negotiated rate



## Funding for Resource Parent in TFC

### Resource Parent

- Is paid the Care and Supervision monthly rate by FFA; and
- The Resource Parent Rate will be based on the LOC protocol and may not necessarily be an ISFC rate
- Is paid TFC daily Medi-Cal service rate by FFA



## INTENSIVE SERVICES FOSTER CARE (ISFC) PARTNERSHIP OPPORTUNITIES



## Intensive Services Foster Care (ISFC)

- ISFC Rates Set by CDSS Rates Bureau
  - FFA or County Operated
  - ISFC rate paid to FFA through County CWS
- ISFC Resource Parent may become a TFC Parent if they meet all of the TFC requirements
- ISFC is distinct from TFC:
  - You do not need to be an ISFC parent to be a TFC Parent
  - TFC is a Specialty Mental Health Service



## ISFC Partnership Opportunities

- ISFC homes will provide intense services to allow children & youth to be placed in home-based settings and be successful
- FFAs and Probation should partner with MHPs regarding ISFC and TFC identifying Probation youth who can benefit from ISFC
- ISFC families should not be recruited based solely on child characteristics or acuity of need – (what’s wrong with the child/youth) but rather the program should be message that a family's home is a place “where needed services will be provided for a child or youth that may require more day to day support and focus.”
- See ACL 18-25 ISFC guidance



**DON'T LET IT BE A MISSED OPPORTUNITY !!!**

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- [fosterca@dss.ca.gov](mailto:fosterca@dss.ca.gov) Foster Care Rates Bureau
- [Fiscal.systems@dss.ca.gov](mailto:Fiscal.systems@dss.ca.gov) fiscal claiming and police

Any mailbox can answer questions related to programs mentioned  
in this power point



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