

State of Alaska FY2012 Governor's Operating Budget

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

Component: Foster Care Augmented Rate

Contribution to Department's Mission

Provide for the costs to care for physically or mentally handicapped foster children above the foster care base rate.

Core Services

- Reimburses foster care providers for extraordinary costs and higher levels of supervision not otherwise covered by the Foster Care Base Rate program.

Key Component Challenges

Continue to reimburse foster parents for tangibles and the enhanced care required to provide for children with special needs.

Significant Changes in Results to be Delivered in FY2012

No significant changes in results are anticipated in FY2012.

Updated Status for Results to be Delivered in FY2011

No significant changes anticipated.

Major Component Accomplishments in 2010

The Office of Children's Services provides augmented benefits for more than 25 percent of the children in foster care. These benefits covered multiple services such as physical and/or psychological therapy for physical aggression, sexual disorders, and social conflict issues.

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
Title IV-E of the Social Security Act	

Contact Information

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**Foster Care Augmented Rate
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	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	1,024.7	1,576.1	1,576.1
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,024.7	1,576.1	1,576.1
Funding Sources:			
1002 Federal Receipts	451.1	538.5	538.5
1003 General Fund Match	487.6	537.6	537.6
1004 General Fund Receipts	0.0	0.0	0.0
1037 General Fund / Mental Health	31.0	500.0	500.0
1212 Federal Stimulus: ARRA 2009	55.0	0.0	0.0
Funding Totals	1,024.7	1,576.1	1,576.1

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	451.1	538.5	538.5
Federal Economic Stimulus	51118	55.0	0.0	0.0
Restricted Total		506.1	538.5	538.5
Total Estimated Revenues		506.1	538.5	538.5

**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	1,037.6	0.0	0.0	538.5	1,576.1
FY2012 Governor	1,037.6	0.0	0.0	538.5	1,576.1

Component Detail All Funds
Department of Health and Social Services

Component: Foster Care Augmented Rate (2237)
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	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
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	1,024.7	1,676.1	1,776.1	1,576.1	1,576.1	0.0	0.0%
78000 Miscellaneous	0.0	100.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,024.7	1,776.1	1,776.1	1,576.1	1,576.1	0.0	0.0%
Fund Sources:							
1002 Fed Rcpts	451.1	538.5	538.5	538.5	538.5	0.0	0.0%
1003 G/F Match	487.6	637.6	637.6	537.6	537.6	0.0	0.0%
1004 Gen Fund	0.0	100.0	100.0	0.0	0.0	0.0	0.0%
1037 GF/MH	31.0	500.0	500.0	500.0	500.0	0.0	0.0%
1212 Fed ARRA	55.0	0.0	0.0	0.0	0.0	0.0	0.0%
Unrestricted General (UGF)	518.6	1,237.6	1,237.6	1,037.6	1,037.6	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	506.1	538.5	538.5	538.5	538.5	0.0	0.0%
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 Augmented Rate (2237)

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		1,776.1	0.0	0.0	0.0	0.0	0.0	1,676.1	100.0	0	0	0
1002 Fed Rcpts		538.5										
1003 G/F Match		637.6										
1004 Gen Fund		100.0										
1037 GF/MH		500.0										
ADN 06-1-0006 Budget implementation revision Sec 1, CH 41, SLA 2010, P 21, L 25												
LIT		0.0	0.0	0.0	0.0	0.0	0.0	100.0	-100.0	0	0	0
Transfer authority from the miscellaneous line to other line items to implement the program. Housing assistance for youth facing the prospect of homelessness after receiving the existing short-term rental help currently offered by the Independent Living program												
Subtotal		1,776.1	0.0	0.0	0.0	0.0	0.0	1,776.1	0.0	0	0	0

***** Changes From FY2011 Authorized To FY2011 Management Plan *****												
ADN 06-1-0034 Transfer to Family Preservation for Independent Living Program Housing Assistance for Youth												
Trout		-100.0	0.0	0.0	0.0	0.0	0.0	-100.0	0.0	0	0	0
1003 G/F Match		-100.0										
Transfer housing assistance for youth after exhausting short-term rental help currently offered by the Independent Living program (HB300 Amended #19) from Foster Care Augmented Rates to Family Preservation.												
ADN 06-1-0027 Transfer to Children's Svcs Mgmt to Fund Uncollectible Receipts												
Trout		-100.0	0.0	0.0	0.0	0.0	0.0	-100.0	0.0	0	0	0
1004 Gen Fund		-100.0										

Each year since at least FY06, Children's Services Management (CSM) experienced federal revenue shortfalls upwards of \$1.5 million because of disproportionate levels of federal to general fund authorization. Federal fund participation in CSM is budgeted at 53.4% but can only be earned at a rate of approximately 29% to 31%. The current rate is 29.3%. This earning capability is primarily based on the ratio of custody children eligible for federal Title IV-E reimbursement to non-eligible custody children and fluctuates quarterly, making it difficult to predict with high accuracy. This request, plus adjustments made in the FY11 budget, will bring general fund levels more in line with anticipated expenditures. Excess federal authorization in CSM will be restricted in FY11 then decremented in FY 12.

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.

\$100.0 from Foster Care Augmented Rate grant line is available as expenditures within that component have declined since FY 07, allowing OCS to use general funds in other areas of need in the budget. It is believed, though OCS has no hard data in support, that the use of augmented rates has declined because of an

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

Component: Foster Care Augmented Rate (2237)
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	
increased use of therapeutic foster homes that bill Medicaid for services provided. This component may also be impacted by the increased number of adoptions as adoption subsidy levels are paid based on a child's special needs and therefore not augmented.												
	Subtotal	1,576.1	0.0	0.0	0.0	0.0	0.0	1,576.1	0.0	0	0	0
	***** Changes From FY2011 Management Plan To FY2012 Governor *****											
	Totals	1,576.1	0.0	0.0	0.0	0.0	0.0	1,576.1	0.0	0	0	0

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

Component: Foster Care Augmented Rate (2237)
RDU: Children's Services (486)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
77000	Grants, Benefits		1,024.7	1,576.1	1,576.1
Expenditure Account			FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
			77000 Grants, Benefits Detail Totals	1,024.7	1,576.1
77300	Foster/Adopt(Nontax)	Reimbursement to foster care providers for extraordinary costs and higher levels of supervision not covered by the Foster Care Base Rate program. These costs include but are not limited to difficulty of care maintenance payments, teen parent/baby services and equipment and the cost to care for medically fragile children.	1,024.7	1,576.1	1,576.1

Restricted Revenue Detail
Department of Health and Social Services

Component: Foster Care Augmented Rate (2237)
RDU: Children's Services (486)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51010	Federal Receipts	451.1	538.5	538.5

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51010	Federal Receipts Title XIX Medicaid		06213603	11100	0.0	538.5	538.5
57301	Title XIX Map				437.4	0.0	0.0
57370	Title Ixe Non Vol Fc				13.7	0.0	0.0

Restricted Revenue Detail
Department of Health and Social Services

Component: Foster Care Augmented Rate (2237)
RDU: Children's Services (486)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51118	Federal Economic Stimulus	55.0	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				55.0	0.0	0.0