



Provider Manual:
Child Placing Agency Rates

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Chapter 1: General Information for CPAs

Purpose of the Provider Manual

This Provider Manual has been created to assist child placing agencies (“CPA”) with understanding the mechanisms of rate setting as established by 465 IAC 2-17, with rates effective January 1, 2012. This Provider Manual will more thoroughly outline the procedures the Department of Child Services (“department”) will use for establishing maintenance payments for children placed by the department or a probation department with a CPA for foster care. This Provider Manual will also assist CPAs in understanding the components of administrative payments.

This Provider Manual will be updated once a year. If there are any changes made throughout the year, CPAs will be notified of any changes through a Bulletin. A Bulletin supersedes the information provided in the Provider Manual.

General Contact Information for the Department

Contact information for the department can be found on the department’s website, www.in.gov/dcs, click on Contact Us.

Responsibilities of the Department

The department is responsible for providing and administering child services (as defined in IC 31-25-2 et seq.). Child services include services specifically provided for children who are adjudicated to be children in need of services or delinquent children.

The department is solely responsible for licensing all CPAs in the State of Indiana. While CPAs can recommend foster homes for licensure, the department is responsible for making the final decision on licensure.

The department is responsible for setting rates for and making payments to CPAs in accordance with 465 IAC 2-17. The relationship between the department and CPAs is governed by contract, which sets out additional responsibilities of the CPAs and the department.

Responsibilities of the CPA

Each CPA is responsible for knowing and adhering to the licensing rules as found in the Indiana Code, administrative rules promulgated by the department and department policies. Each CPA is responsible for knowing and adhering to the terms and requirements of the promulgated CPA rate setting rule as found at 465 IAC 2-17 (<http://www.in.gov/legislative/iac/T04650/A00020.PDF> (see Rule 17)).

Each residential provider is responsible for ensuring timely submission of requested information to the department. This includes timely submission of cost reports and follow up information requested as part of the cost report audit process.

Each CPA is responsible for knowing and adhering to the terms and conditions as found in its contract with the CPA. Each CPA is responsible for adhering to any child specific placement and/or service referrals issued by the department to the CPA for a child in the CPA’s care. Such programs and services must also be consistent with terms of any Case Plan for the child.

Applicable laws and the department's practices and policies are subject to change. The department will provide notice to the CPA of any new policies or changes in current policies that have been adopted by the Director of the department, and include such notice on its website at www.in.gov/dcs.

Chapter 2: The Annual Rate-Setting Process

The department will set CPA rates on a calendar year basis. At the beginning of each calendar year, the department will have a public comment period and a public hearing to discuss the rate setting methodology for that year. The public comment period and the public hearing will be held prior to cost report¹ training.

Annual Public Comment Period

The annual period of public comment will be open for at least thirty (30) days preceding the annual public hearing. The public comment time period will allow each CPA and other interested persons or organizations to communicate ideas, suggestions, or other comments regarding the rate setting process. Specifically, interested parties can comment on the process of setting the administrative payment, the maintenance payment and the enhanced supervision payment rates.

The next public comment period will be December 20 – January 19, 2012. Send comments to the department at RateRulePublicComments.Dcs@des.IN.gov or to:

**Indiana Department of Child Services
Attention: General Counsel, Rate Rule Public Comments
302 W. Washington Street, E306-MS47
Indianapolis, IN 46204**

Annual Public Hearing

Each year, at least one public hearing regarding rate setting will be held on or about the third Friday in January at an address specified in a notice posted by the department on the department's website. Notice of a public hearing will be posted on the department's website for a period of at least thirty (30) consecutive days immediately before the date scheduled for the hearing. The department will also send electronic notice of the public hearing to CPAs currently under contract with the department.

The public hearing will be open to the public, and the department will accept comments, suggestions, and feedback related to annual review of the maintenance payment and administrative payment as set by the mechanisms in the administrative rule.

The next public hearing will be January 20, 2012, at the Indiana Government Center South, at 402 W. Washington Street, Indianapolis, Indiana, 46204.

¹ The "cost report" is a report that the department requires each CPA to complete for each foster care program that the CPA operates or supervises. The cost report includes actual costs incurred on behalf of each foster care program in the most recently completed CPA fiscal year, or in an alternative twelve (12) month period as specified by the department. The cost report also includes any other information relating to determination of the cost of operating or supervising the program that is specified by the department, or that the CPA considers relevant to determination of its reasonable administrative costs relating to the program.

Chapter 3: Maintenance Payment and Enhanced Supervision Payment

General Information

Every child under the placement and care of the department or a probation department who is placed in a licensed foster home is entitled to a maintenance payment. The foster parents will receive a maintenance payment in the form of a per diem. The department will make maintenance payments to each CPA (for the CPA to pass on to the foster parent). These payments are meant to cover the reasonable cost of, and the reasonable cost of providing food, clothing, shelter, daily supervision, travel expenses for visitation with the child's family and travel to and from the child's school, personal incidentals for the child, and school supplies.

Certain children may be assessed at higher needs. Such higher needs may justify per diem rates that are higher than the maintenance rate. If this is the case foster parents may receive an additional amount for this "enhanced supervision" based on categories of supervision established by the department. Enhanced supervision is not determined by the licensure type of the foster home, but instead by the assessed needs of the child being placed. The department or a probation department is responsible for determining the child's category of supervision, and therefore the need for enhanced supervision, by utilizing the applicable approved assessment tool, with input from the parties involved in the child's case, including the CPA. The department's current approved assessment tool is the Child & Adolescent Needs and Strengths (CANS)². For more information on the departments' use of the CANS, see DCS Policy 4.32.

CPAs must pay their foster parents at least monthly for foster care provided during the preceding calendar month.

Establishment of the Maintenance Payment and Enhanced Supervision Payment and Annual Adjustment

The department is responsible for determining the maintenance payment that will be paid to foster parents. The department commissioned independent experts through Ball State University, to conduct a study to assist the department with the determination of the reasonable costs of caring for a foster child in Indiana in accordance with Title IV-E. The Ball State study provided information to the department so that the department could properly establish maintenance payment rates. The Ball State study is attached as Appendix 1.

The department also determines enhanced supervision payments. As such, the department reviewed data from the Ball State study, CPA cost reports and rates from other states to assist the department with a determination of the reasonable costs for enhanced supervision. The Enhanced Supervision study is attached as Appendix 2.

² There currently is not an approved assessment tool for probation youth. Until such time as there is an approved assessment tool, probation youth will be assigned to the therapeutic category of supervision unless a CANS has been completed by a Community Mental Health Center which shows a different category of supervision.

The department has determined the maintenance payment and enhanced supervision payment rates that will be paid to all foster parents for calendar year 2012 to be:

Category of Supervision	Infant – 4 years	5 – 13 years	14 – 18 years
Foster Care (maintenance payment)	\$18.28	\$19.85	\$22.90
Foster Care with Services	\$26.05	\$27.62	\$30.67
Therapeutic Foster Care	\$38.19	\$39.76	\$42.81
Therapeutic Plus	\$61.94	\$63.51	\$66.56
Non-ward baby ³	+\$18.28 ⁴	n/a	n/a

Each CPA is required to pay its foster parents at least the amount set forth above. If a CPA chooses to pay its foster parents at a higher rate it may do so, but those costs cannot be passed on to the department.

Child Specific Determination of Maintenance and Enhanced Supervision Payment Rates

For CHINS, the department will complete a CANS on each child placed through a CPA in foster care. The result will be used to assist the department in determining whether the child needs enhanced supervision. The family case manager, to the extent possible, will include input from individuals familiar with the child when completing the CANS. The CANS corresponds to the above listed rates as follows⁵:

CANS	CATEGORY OF SUPERVISIONS
1-Foster care	Foster Care (Maintenance payment)
2- Foster Care with Services	Foster Care with Services
3 – Therapeutic	Therapeutic
4 or higher – Group home and residential care	Therapeutic Plus

The below are guidelines for the categories of supervision:

Foster Care – This option is for a child 0-18 years old that scores at a “1-Foster Care” on the CANS placement decision model. The child’s needs can be met in a family and community setting with access to school, friends and community-based resources. Child may have a history of mild behavioral/emotional needs that require a low level of service (such as outpatient therapy).

Foster Care with Services – This option is for a child 0-18 years old that scores at a “2-Foster Care with Services” on the CANS placement decision model. For children 0-5, child has moderate developmental needs. For children 5-18 years old, child has moderate behavioral/emotional needs. In addition to foster

³ If the baby is a CHINS, then the baby would be assessed using the CANS and would be assigned a rate based on their category of supervision.

⁴ \$18.28 will be added to the teen mom’s per diem for a non-ward baby. The teen mom’s per diem will be determined through the CANS assessment.

⁵ The CANS tool differs depending on the age of the child. There is a tool for 0-5 year olds and a tool for 5-18 year olds. While both tools have the same categories for results, the questions within the tool vary somewhat based on the differences between young and older children.

care in the community, the child, family and foster family may be supported with treatment and support services to address and manage identified needs.

Therapeutic Foster Care – This option is primarily for a child 5-18 years old who scores at a “3- Therapeutic” on the CANS placement decision model. At this level of care, child has either a medical, developmental or behavioral/emotional need, or a high-risk behavior, that is moderate to severe. In addition to foster care in the community, the child, family and foster family are supported with treatment and support services to address and manage identified needs. (Note: child may also have combination of any of the needs above.) This also may be an option for a child 0-5 years old in appropriate circumstances as determined by the department.

Therapeutic Plus Foster Care – This option is primarily for a child 5-18 years old who scores either at the group home or residential placement on the CANS (i.e., 4-7 on the CANS placement decision model) but can be supported in a foster home with intensive services. This also may be an option for a child 0-5 years old in appropriate circumstances as determined by the department.

It is important to note that a child in any of the above categories of supervision can be, and likely will be, receiving some level of services. Additionally, foster parents licensed as regular or special needs can accept a placement at the therapeutic or therapeutic plus category of supervision. Prior to making the placement, the CPA should assess whether the foster family needs additional training to meet the needs of the child and whether the approved capacity must be reduced to be in line with a therapeutic license.

The department will not assign a child to a category of enhanced supervision until the CANS has been completed. Therefore, if a child is placed in a foster home prior to the CANS being conducted, the department will pay the rate associated with the “foster care” category listed above. If the CANS is completed after placement, the family case manager has five (5) days to complete the CANS. When the CANS is completed, the rate can be adjusted if a higher category of supervision is needed. Any adjusted rate due to the new information after completing CANS assessment is effective on the sixth (6th) day of placement.⁶ The department may, in exceptional circumstances, as determined by the department, pay an enhanced supervision payment at the time of placement and before completion of the CANS. In considering whether to approve a greater payment, the department shall consider the child’s specific, previously identified needs for enhanced supervision and input from the parties involved in the child’s case, including the CPA.

CANS reassessments are required every 180 days and at critical case junctures. See DCS Policy 4.32 for more information. When a reassessment is completed and DCS determines a higher category of supervision, the rate will increase to match the new category of supervision. The effective date of the new rate will be the date of the CANS assessment. When a CANS assessment is completed at the 180 day follow-up and DCS determines a lower category of supervision, the department will continue to pay the current rate as a stabilization rate. The department will not lower the rate until two (2) consecutive CANS assessments show the lower category of supervision⁷.

⁶ If the CANS is completed more than 5 days after placement, any new rate as a result of the CANS will start at the latest on the 6th day of placement. If the CANS is completed between the 2nd and 5th day of placement, any new rate is still effective on the 6th day of placement. If the CANS is completed on the first day of placement, the CANS result should be used to determine the rate starting with the first day of placement. .

⁷ As an example, a CANS completed at placement shows “foster care with services.” At the 6 month reassessment, the new CANS shows “foster care” as the category of supervision. DCS will continue to pay at the “foster care with services” category of supervision as a stabilization rate. If the next 6 month reassessment also shows “foster care”, DCS will at that time reduce the category of supervision to “foster care.”

Probation youth will be paid the rate corresponding to that of the therapeutic category of supervision until there is a probation approved assessment tool. The only exception is if the Probation youth is seen by a Community Mental Health Center which conducts a CANS.

Pilot Programs

The department may develop and implement pilot programs by written agreement with a CPA, relating to a foster home or group of foster homes that the CPA supervises. The pilot program may include payment amounts or procedures during a specified time period that differ from the amounts or procedures determined under the Administrative Rule for rate setting. Any payments made to a CPA will be made pursuant to a written agreement with the CPA.

Chapter 4: Additional Payments and Benefits to Foster Parents

The department may make payments for and/or cover the costs of additional items for the benefit of a foster child as set out below. By unbundling some items from the maintenance and enhanced supervision rates, the department will more fairly cover the actual costs borne on behalf of the foster child. Such additional payments will be paid by the department to the CPA, and not to the foster parent directly, upon receipt of a properly claimed invoice.

Travel Expenses

The foster care maintenance payment includes travel up to 5.3 miles a day or approximately 162 miles per month⁸.

The foster parent may receive an additional amount for properly claimed travel expenses incurred on behalf of a child placed in the foster home if the foster parent travels more than the above miles in a month for the below purposes:

1. Travel between the foster family home and the school in which the child was enrolled before placement and continues to be enrolled while residing with the foster family, to the extent that school transportation is not provided or required to be provided under applicable Indiana law by a public school corporation or other state or local agency⁹;
2. Travel to and from the following types of health related appointments¹⁰:
 - a. Doctor (primary care physician and any specialists)
 - b. Dentist (including orthodontist)
 - c. Health clinic
 - d. Hospital/Emergency Room (including foster parent visits during child inpatient episodes)
 - e. Occupational and Physical Therapists
3. Behavioral Health Counselor and Therapist
4. Travel to and from the following types of case activities:
 - a. Administrative case reviews
 - b. Judicial reviews (court appearances)
 - c. Case conferences
 - d. Child and family team meetings
 - e. Foster parent training sessions

⁸ This is calculated by taking the average travel of \$2.13 a day as determined by the Ball State Study and dividing it by \$.040 a mile for daily mileage (which was the rate used by Ball State). The daily mileage was then calculated to monthly mileage.

⁹ This does not include school extracurricular activities.

¹⁰ This does not include trips to the pharmacy or the like to pick up medications, etc.

- f. Parent and/or sibling visits (including visits to other relatives that are authorized by the department and are a part the child’s case plan) and visits to facilitate the transition to another placement
5. Other travel approved in writing in advance by the department.

The above travel must be consistent with the child’s individual case plan or a court order to be claimable. The CPA on behalf of the foster parent must invoice the department for the additional travel as specified in Chapter 8 below, Invoicing and Billing.

Reasonable travel costs by CPA staff for visits to the child in the foster home, to foster parent training and support groups, and to other activities as case management costs in the OMB Circulars would be proper to include in cost reports submitted to the department. This will be paid through the Administrative payment and should not be billed to the department separately.

Foster Care Liability Insurance

The department will make foster care liability insurance available to foster parents. To this end, the department has entered into a contract with the Indiana Foster Care and Adoption Association (IFCAA) to provide foster care liability insurance to foster parents where the department will pay the premium. Foster parents do not have to be members of IFCAA to obtain the insurance. Foster parents who wish to obtain foster care liability insurance should contact IFCAA at info@ifcca.org or 317-524-2600. The department will not pay for foster care liability insurance through any other source.

Initial Clothing Allotment

The department permits payment of an initial clothing allotment of up to \$200. This is available when the child is initially removed from the home and placed in out of home care. The department can pay for the clothing through a p-card, voucher or reimbursement. A p-card is a credit card that staff of the department can use; department staff will join the foster parent at the store and purchase the clothing using the p-card. A voucher is issued to the foster parent and is for a specific store. If a voucher is given to the foster parent, the foster parent must spend it within 30 days of receipt from the department.

If a p-card or voucher are not available and the CPA is being reimbursed for clothing purchased by the foster parent upon approval by DCS, the CPA will need a referral from the family case manager before invoicing DCS for the clothing. See Chapter 8 below, Invoicing and Billing, for more information.

When the family case manager places a child into a foster home, the family case manager will assess the child’s need for initial clothing and obtain approval from the supervisor. The family case manager will inform foster parents if an initial clothing allotment is approved.

After the funds are spent, the foster parent will use a portion of the per diem to pay for clothing. Subsequent clothing allotments may be available in special circumstances through an appeal by the family case manager to the Regional Manager. For additional information, see DCS Policy 8.19.

Annual Personal Allowance

The department permits an annual personal allowance for every child regardless of age once the child has been in placement for at least 8 days. The department will reimburse up to \$300 annually for each child in placement. The annual personal allowance can be reimbursed in increments, up to \$300. It does not have to be spent on just one item. Items purchased with the personal allowance belong to the child and go with the child when he or she leaves the foster home.

Examples of items that fall within the personal allowance include but are not limited to a high chair, car seat, other baby equipment, prom dress or other special occasion clothing, school pictures, other school related events/fees, equipment and fees associated with extracurricular activities (including activities for young children), tutoring, summer school, and bus passes.

If the child moves placements mid-year, the new foster parent can be reimbursed for any personal allowance that is remaining for the year. The new foster parent should discuss with the family case manager whether the personal allotment has been depleted for the year.

Foster parents will need a referral from the family case manager before purchasing and invoicing the department for the personal allowance. See Chapter 8 below, Invoicing and Billing, for information on invoicing the personal allowance.

Special Occasion Allowance

The department will provide a special occasion allowance on the child's birthday of up to \$50 and during the December holidays of up to \$50. For the child's birthday, the child must be in the foster parent's care on the day of their birthday for the foster parent to seek reimbursement. For the December holiday, the child must be in the foster parent's care on December 25th for the foster parent to seek reimbursement.

Items not eligible for reimbursement include but are not limited to piercings, tattoos, tobacco products, alcoholic products or beverages, firearms/weapons, fireworks, lottery tickets, gift cards (gas, visa, Wal-Mart, etc.), cash, checks or money orders.

Examples of items eligible for reimbursement include but are not limited to party supplies or food, educational classes or materials, sports or team fees, beauty salon or spa services, amusement or theme park admissions, memberships or subscriptions, concert or program tickets, toys, video games or other electronics, clothing, jewelry, sporting equipment.

See Chapter 8 below, Invoicing and Billing, for information on invoicing the special occasion allowance.

Other Payments

A foster parent may also receive payment for other costs of caring for a child that are not included in the maintenance or enhanced supervision payment and that are not described above. The costs must be determined by the department to be prudent and reasonably necessary in order to serve the child's assessed needs in connection with the child's permanency plan or other plan of care and treatment. Such additional payments may be provided if the department family case manager, supervisor, or local office director appeals for funds to the Regional Manager to cover unusual circumstances and situations.

Chapter 5: Administrative Payments

General Information

The department will make payments to each CPA for reasonable costs related to administration of the CPA, based on the administrative payment approved by the department.

Establishment of the Administrative Payment

The department will set the CPA's administrative payment pursuant to **465 IAC 2-17** and will utilize the CPA's cost report to do so.¹¹ The CPA shall submit the cost report to the department on an annual basis. The department will provide notice to CPAs by February of each year as to when the cost report is due. Failure to submit the cost report timely may result in delay in payment or non-payment by the department for administrative costs incurred or services rendered by the CPA.

The cost report will be based on a single year's costs, not multiple years. The cost report shall include actual costs incurred on behalf of each foster care program in the most recently completed calendar year and shall be completed in accordance with the CPA Cost Report Instructions. A copy of the 2011 CPA Cost Report Instructions can be found on the DCS website at <http://www.in.gov/dcs/2334.htm>.

If the CPA has not been licensed, or operated a program for which an administrative payment is required, for a period of at least twelve (12) months in the reporting period before the cost report is due to the department, the CPA shall submit a cost report utilizing a comprehensive twelve (12) month operating budget for the new program. The cost report shall be submitted at least ninety (90) days before the start of the program.

The department will review each cost report for reasonableness and eligibility under Title IV-E, OMB circulars and the CFR. The department may, in its discretion, adjust historical costs to reflect current costs by applying a cost of living adjustment. For costs that are not eligible under Title IV-E, the department will review the cost report for allowability as determined by the department. Based on that review, the department will submit to the CPA a final approved cost report that the department will use in calculating the applicable rates.

Each cost report submitted by the CPA is subject to further review or audit by the department. The department will perform annual desk audits on all cost reports and occasional field audits when appropriate. Such a review or audit may result in an administrative payment adjustment as specified in a new administrative payment notification letter issued and mailed to the CPA.

Allowable Costs on the Cost Report

To be an allowable cost on the cost report, a cost must relate to identification of foster family homes, placement of children referred by the department or a probation department, or the provision of services to foster families and children placed with the CPA. This includes but is not limited to¹²:

1. Case work.

¹¹ The cost report also will be used to set CPAs Title IV-E rate.

¹² Costs related to supervising visits between a child and his or her parents or sibling should not be included here. Instead, if the department wishes the CPA to supervise a visit, the department will issue a separate referral to the CPA for the supervision.

2. Case management¹³.
3. Foster home recruiting.
4. Foster home licensing preparation and maintenance.
5. Foster parent training.
6. Foster parent support;
7. General administration and management.
8. Accounting and finance.
9. Human resources.
10. Management information systems.
11. Quality assurance procedures.
12. Legal expenses, other than fees and costs related to certain litigation.
13. Office supplies.
14. Professional fees and dues.
15. Subscriptions.
16. Printing and postage.
17. Independent living services as specified in written agreements with CPAs¹⁴.
18. Medical examinations required as a condition of employment.
19. A reasonable profit margin if the agency is not a tax-exempt entity.

The cost must also generally satisfy the following criteria:

- The cost is reasonable, necessary and related to the care of children; and,
- The cost is related to goods or services actually provided by the CPA.

The department determines if costs are reasonable by determining if they are consistent with applicable guidelines as described in 2 CFR Part 225 (OMB Circular A-87 Cost Principles for State, Local, and Indian Tribal Governments)¹⁵, 2 CFR Part 230 (OMB Circular A-122 Cost Principles for Non-Profit Organizations)¹⁶, and 48 CFR Part 31, Section 201-3 (Determining Reasonableness).

As discussed in 2 CFR Part 225 and 2 CFR Part 230:

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when governmental units or components are

¹³ For the foster care category of supervision, the case worker to child ratio shall be 1:18, as set out in rule 465 IAC 2-2 and shall include at least one visit with the child at the foster home monthly and weekly telephone contact with the foster parent. For all other categories of supervision, the case worker to child ratio shall be between 1:12 and 1:8 depending on the level of need of the child. As to visits with the child and foster family, the following are minimums. For foster care with services, there shall be visits at least every other week with the foster child and with the foster parents, with at least every other one being in the foster home. For therapeutic, there shall be visits at least weekly with the foster child and with the foster parents, with at least every other one being in the foster home. For Therapeutic Plus, there shall be visits at least twice a week with the foster child and with the foster parents, with at least every other one being in the foster home.

¹⁴ The department's master contract with CPAs specifies the independent living services that must be provided as part of the administrative payment. This includes but is not limited to completion of Ansell-Casey Life Skills Assessment and adherence to the department's service standards with regard to independent living services in CPA foster homes.

¹⁵ OMB Circular A-87: http://www.whitehouse.gov/omb/circulars/a087/a87_2004.pdf

¹⁶ OMB Circular A-122: http://www.whitehouse.gov/omb/circulars/a122/a122_2004.pdf

predominately federally-funded. In determining reasonableness of a given cost, consideration shall be given to:

- a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the governmental unit or the performance of the Federal award.
- b. The restraints or requirements imposed by such factors as: Sound business practices; arm's-length bargaining; Federal, State and other laws and regulations; and, terms and conditions of the Federal award.
- c. Market prices for comparable goods or services.
- d. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the governmental unit, its employees, the public at large, and the Federal Government.
- e. Significant deviations from the established practices of the governmental unit which may unjustifiably increase the Federal award's cost.

As discussed in 48 CFR Part 31, Section 201-3:

- (a) A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person in the conduct of competitive business. Reasonableness of specific costs must be examined with particular care in connection with firms or their separate divisions that may not be subject to effective competitive restraints. No presumption of reasonableness shall be attached to the incurrence of costs by a contractor. If an initial review of the facts results in a challenge of a specific cost by the contracting officer or the contracting officer's representative, the burden of proof shall be upon the contractor to establish that such cost is reasonable.
- (b) What is reasonable depends upon a variety of considerations and circumstances, including:
 - (1) Whether it is the type of cost generally recognized as ordinary and necessary for the conduct of the contractor's business or the contract performance;
 - (2) Generally accepted sound business practices, arm's length bargaining, and Federal and State laws and regulations;
 - (3) The contractor's responsibilities to the Government, other customers, the owners of the business, employees, and the public at large; and,
 - (4) Any significant deviations from the contractor's established practices.

Offsetting Revenue and Netting

Eligible cost reimbursement offsetting will be applied as a credit in accordance with federal regulations as identified by 2 CFR Part 230 (OMB Circular A-122 Cost Principles for Non-Profit Organizations). The resulting net cost will be used to establish the administrative payment.

“Applicable credits” refers to those receipts, or reduction of expenditures which operate to offset or reduce expense items that are allocable to awards as direct or indirect costs. Typical examples of such transactions include but are not limited to the following: purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds, other governmental funding sources (other than per diem payments), such as the U.S. Department of Education school lunch program and Medicaid funding, and adjustments of overpayments or erroneous charges.

To the extent that such credits accruing or received by the CPA relate to allowable cost, they shall be credited to the department either as a cost reduction or cash refund, as appropriate.

Unallowable Costs in the Administrative Payment

Expenditures for the below services are ineligible costs under Title IV-E and should not be included on the cost report as allowable costs:

1. Counseling/Therapy; and,
2. Health and medical services or treatment.

Consistent with Federal guidelines, the department will not pay any CPA for the unallowable expenses and costs specified below. The unallowable costs and expenses will not be considered by the department in calculating the administrative payment and must be paid with funds secured from a funding source other than the department.

1. Fines and penalties resulting from violations of, or failure of the organization to comply with Federal, State, or local laws and regulations, except when incurred as a result of compliance with specific provisions a contract with the department or instructions in writing from the department;
2. Investment management counsel and staff and similar expenses incurred solely to enhance income from investments;
3. Lobbying as defined in 2 CFR Part 230 (OMB Circular A-122 Cost Principles for Non-Profit Organizations);
4. Organized fundraising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions; A portion of administrative costs will be allocated to fundraising costs;
5. Donations and contributions including cash, property, and services made by the organization, regardless of the recipient;
6. Donated goods or services received by the organization, except when donated services utilized in the performance of a direct cost activity are material in amount;
7. Bad debts including losses arising from uncollectible accounts and other claims, related collection costs, and related legal costs;
8. Compensation and special benefits to owners in excess of amounts reasonable for the services rendered;
9. Entertainment, including amusement, diversion, and social activities and any associated costs not directly related to reasonable entertainment and recreation for foster children, such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities;
10. Alcoholic beverages;
11. Litigation expenses and fees if the proceeding:
 - a. Relates to a violation of, or failure to comply with, a Federal, State, local, or foreign statute or regulation by the organization (including its agents and employees); and, results in a conviction in a criminal proceeding, a determination of liability in a civil or administrative proceeding involving an allegation of fraud or similar misconduct, the imposition of a monetary penalty in any civil or administrative proceeding, termination of the contract with the department by reason of a violation or failure to comply with a law or regulation, or a disposition by consent or compromise if the action could have resulted in any of the proceeding dispositions;
 - b. Is initiated by the CPA against the department for:
 - i. Administrative or judicial review of any final rate, payment, child assessment, or child category of supervision determination made by the department;
 - ii. Interpretation or application of this rule, any other rule of the department, or any department policy;
 - iii. Alleged noncompliance by the department with any provision of Title IV-E or any other federal or state law, rule, or regulation; or,

- iv. Alleged breach of any contract between the department and the CPA.
 - c. Names as a party defendant any other federal or state governmental agency; or,
 - d. Is initiated by, or on behalf of, a child, a child's parent or legal guardian, or a foster parent, against the CPA, alleging a claim for damages, breach of contract, violation of a constitutional or statutory right, or any other basis for liability of the CPA to the plaintiff or plaintiffs.
12. Mortgage and loan principal payments;
 13. Contingency reserves or similar provisions made for events the occurrence of which cannot be foretold with certainty as to time, intensity, or with an assurance of their happening;
 14. Advertising and marketing except those which relate to the core foster care mission of the CPA or are solely for the recruitment of personnel, the procurement of goods or services necessary to support the program, and other specific purposes necessary to meet the requirements of the department;
 15. Housing of non-clients;
 16. Taxes from which exemptions are available to the CPA directly, or which are available to the CPA based on an exemption afforded by the federal government when the awarding agency makes available the necessary exemption certificates;
 17. Federal income taxes;
 18. Non straight line depreciation except where clear evidence indicates that the expected consumption of the asset will be significantly greater or lesser in the early portions of its useful life than in later portions of its useful life.

The following costs and expenses are considered by the department to be unallowable costs on the cost report and will not be considered in calculating the administrative payment:

1. Salaries: Amounts exceeding the maximum allowable variation established by the department from the median salary for the job category that is determined by the department using:
 - a. The most recent available Child Welfare League of America Salary Study published by CWLA Press, that contains a survey of applicable job category salaries; or,
 - b. The applicable job category salaries paid by all CPAs in Indiana, as determined by reports compiled by, or available to, the department.
2. Fringe benefits: Amounts exceeding the maximum allowable variation established by the department from the median fringe benefit rate (total fringe benefits as a percent of total wages) for all Indiana CPAs, as determined by reports compiled by, or available to, the department.
3. Case management caseloads: Costs associated with staff in significant excess of licensing requirements as established by 465 IAC 2-2, as amended, or services standards adopted by the department and incorporated in a written agreement with CPAs¹⁷.
4. Case manager to supervisor ratios: Costs associated with supervisory staff in significant excess of licensing requirements as established by 465 IAC 2-2, as amended, or services standards adopted by the department and incorporated in a written agreement with CPAs.
5. Indirect cost allocations: Any indirect cost allocations as a percentage of total operating costs in excess of the maximum percentage of total costs operating established by the department for allowable indirect costs.
6. Total administrative costs: Any amount by which total administrative costs, as defined in the cost report, exceed a maximum percentage of total operating costs as established by the department.

The cost limits for the above items will be reviewed on an annual basis. The current cost limits will be published in a bulletin on an annual basis prior to the effective date of the new base rates.

¹⁷ See Footnote 9 also.

Annual Review of Administrative Payment Rate Setting Methodology

An independent third party contractor, currently Public Consulting Group (PCG), will conduct an annual review of the department's administrative payment rate setting methodology. PCG also currently provides the department with ongoing consulting services related to Federal IV-E requirements, rules, and guidance. This includes the following activities:

- 1) As-is process maps and process write-ups;
- 2) System review and assessment;
- 3) Policy development and improvement and support with compliance issues;
- 4) On-going technical assistance;
- 5) On-going review and assessment of federal policy development and changes; and
- 6) On-going review and assessment.

The department, as the statutorily designated Title IV-E agency and not the contractor is ultimately responsible for ensuring compliance with IV-E requirements. The contractor is an agent of DCS for that purpose.

Notification of the Administrative Payment

The department will mail to the CPA a letter stating the administrative payment(s) that the department agrees to pay, for each applicable CPA program. The letter will include the effective date of the administrative payment(s) as approved by the department. The effective date will be not less than forty-five (45) days after the date of the letter.

If the CPA accepts the administrative payment offered by the department in the rate letter, any agreement between the CPA and the department shall be automatically amended to the new administrative payment rate. If the CPA does not accept the administrative payment offered by the department in the administrative payment notification letter, the CPA must comply with the Review and Appeal section in Chapter 9 below.

A list of all CPA payment rate amounts can be found on the DCS website at www.in.gov/dcs/2334.htm.

Chapter 6: Behavioral Health¹⁸

General Information

Pursuant to the CPA rate rule, behavioral health services are unbundled from the maintenance and administrative payment to the CPA so that actual costs are identifiable and alternative funding sources can be accessed to enable the most efficient use of state funds to pay for child services. As such, the department will refer separately for behavioral health services to CPAs or other behavioral health providers who are able to bill Medicaid and who have a contract with the department. The referral given at the time of placement authorizes the provider to provide the service. Providers do not have to wait until Medicaid approves units to start performing the services. If the child is not Medicaid eligible or Medicaid denies the approved service, then DCS will pay based on the initial referral. CPAs can collaborate with other providers to provide Medicaid services with reference to behavioral health services.

¹⁸ The department will pay the state match for Medicaid Rehabilitation Option services paid by Medicaid on behalf of department and probation youth placed in CPA foster care. Any state match related to Medicaid-eligible services will be paid directly to the community mental health center (CMHC) if the CMHC is providing services on behalf of a CPA that has a CPA master contract with the department. There is no match for services paid with state dollars.

Effective January 1, 2012, for children who are Medicaid eligible, behavioral health costs shall be billed to Medicaid for services authorized by the department that are Medicaid eligible. For services that are not covered by Medicaid but are authorized by the department, the department will pay through a contract with the provider. When the department makes a referral for behavioral health services, the department will refer 20 units initially to be billed to Medicaid. The department will also refer units, for billing to the department, for when the therapist is requested by the department to write court reports and attend child and family team meetings and court.

If the 20 Medicaid units are used and the behavioral health provider believes that additional services are needed, a prior authorization (PA) should be requested from Medicaid. If the PA is denied, the provider should discuss the need for additional units with the family case manager. If the family case manager agrees that additional units are needed, the family case manager can refer the additional units to the provider to be paid through a contract with the department.

If the child is not Medicaid eligible and if private insurance is not available or does not cover the costs of services or treatment, behavioral health costs that are referred by the department shall be billed to the department through a contract with the department.

For new placements made on or after January 1, 2012, the department shall refer therapy to the CPA as part of the placement for children in therapeutic and therapeutic plus categories if the CPA has a contract with the department for therapy, unless it is in the child's best interest to be referred to a different behavioral health provider. If the department refers therapy to the CPA but the child is also eligible for Medicaid Rehabilitation Option (MRO) services, the department will also make a referral to a community mental health center (CMHC) for additional MRO services.

The department will utilize the CANS assessment to assist in determining the appropriate behavioral health services for the child.

For placements made before January 1, 2012 and remaining in placement on or after January 1, 2012, the department shall refer to the existing therapist for continuity and consistency in therapeutic relationships unless it is in the child's best interests to be referred to a different behavioral health provider. If it is in the child's best interest to be referred to a different behavioral health provider, the department will develop a transition plan in consultation with the CPA.

All behavioral health services must be completed in accordance with service standards set by the department. The services standards can be found on the department's website at www.in.gov/dcs.

Medicaid Enrollment for Wards of the Department and Probation

When a child is placed in an out of home placement, the family case manager or probation officer is required to run Title IV-E eligibility in the appropriate data system. This can take anywhere from a few days to 30 days. Once this occurs, the department's Medicaid Enrollment Unit (MEU) is able to generate a report of IV-E and non-IV-E eligible children.

If the child is IV-E eligible, MEU enrolls the child in MA 4 (a type of Medicaid). This process takes only a few days. If the child is non-IV-E eligible, MEU refers the child to the Division of Family Resources with a Medicaid application. This process takes 2 weeks to 45 days. Thus, the entire Medicaid enrollment process can take from just a week up to 75 days.

When there are changes in placement or IV-E eligibility or a reunification, Trial Home Visit or case closure, MEU receives a report and makes appropriate Medicaid changes. For DFR redeterminations,

MEU receives the notices from DFR, requests information from the family case manager or probation officer and communicates eligibility information back to DFR, so there are no lapses in Medicaid coverage.

For issues with Medicaid eligibility, contact the family case manager or probation officer assigned to the child's case. They will then contact MEU for assistance.

Chapter 7: Health and Medical Services or Treatment

The department will pay for health and medical services or treatment, including prescription medication, directly to the service provider, on behalf of children within the department or probation's system of care who are placed in foster care through a CPA if Medicaid denies a claim. The department will also pay if the child is not Medicaid eligible and private insurance is not available or does not cover the costs of services or treatment.

The department will pay on a reimbursement basis for services that are authorized but not otherwise covered. The provider should submit documentation with the invoice that shows that Medicaid or private insurance denied the claim or is not available.

Chapter 8: Invoicing and Billing

Any payments to a CPA for the placement of a child will be made pursuant to an Individual Child Placement Referral (ICPR) that is generated by the department (or by the Probation Department when appropriate) at the time the child is placed with the CPA. A new ICPR is required for any change in the payment rate. If an ICPR cannot be generated before the child is placed, the family case manager will complete the ICPR within 48 hours of placement.

Any payments to a CPA for behavioral health services for a child in a CPA foster home will be made pursuant to a child welfare services referral that is generated by the department (or by a probation department when appropriate). A new service referral is required for any additional behavioral health units.

Any payment/reimbursement other than what is covered in the CPA master contract or ICPR requires a separate referral authorizing these services.

General Information on Submission of Invoices

The department requires each provider to submit an invoice for services. All providers must submit a completed State Form 28808 to receive payment, a copy of which can be found on the DCS website at <http://www.in.gov/dcs/2328.htm>. To invoice travel, providers must use the Foster Parent Travel Invoice (see below for more information on invoicing foster parent travel)

The following are important items to remember when submitting invoices:

- An ICPR and, if applicable, child welfare service referral, are needed to invoice DCS; if you do not receive these documents, contact the local office or probation department.
- A claim cannot be submitted prior to the last day of placement or service claimed.
- Only days that ended with an overnight stay are billable; the last day of placement is not claimable.

- You must bill within 60 days from the last day of the month the service/placement occurred.
- An original signature is required for submission of a claim; submission via fax or e-mail cannot be accepted.
- The invoice must be received within 10 business days (including Saturday) from the Date of Invoice.
- New vendors (that never received payment from the State of Indiana) must submit a Vendor Information form prior to submitting an invoice, a copy of which can be found on the DCS website at <http://www.in.gov/dcs/2328.htm>. For questions contact the DCS Resource Unit at DCSResourceUnit@dcs.in.gov or 877-340-0309 and select Option 2.

The following are additional helpful Hints for completion of your standard invoice (line numbers below coincide with item numbers on the claim form):

1. **Name of Vendor** must match the name listed on the submitted Vendor Information form.
2. **Tax ID Number** must match the Tax ID listed on the submitted Vendor Information form.
3. **ST Number** is your unique identifier assigned by the KidTraks payment system. DCS Payment Research Unit (contact below) will provide the ST# if needed.
4. **Invoice Number** can be any combination of numbers and letters you assign, but must be different for each claim (e.g. Jan-2011, Feb-2011, etc.).
5. **Date of Invoice** is the date the claim is completed. The date cannot be prior to the last date of service provided and also cannot be more than 10 days after the signature date (item 23).
6. **Address** must match the address previously submitted on the Vendor Information form.
7. **Claim Pages** will generally be 1 of 1 for expediting the processing and approval of the invoice, unless multiple pages are needed.
8. **Claim Period** will be from the first of the month thru the last day of the month, unless the placement ended sooner.
9. **Total of Claim** must equal the sum of the total cost column (box 19).
10. **County** of wardship for each child.
11. **Case Number** is the ICWIS Case No. on the ICPR/service referral.
12. **Person ID** is the Personal ICWIS ID# on the ICPR/service referral.
13. **Name** of the child in placement.
14. **Service Code** that matches the appropriate level of care.
15. **Begin Date** is generally the first day of the month, unless placement started later.
16. **End Date** is generally the last day of the month, unless placement ended sooner.
17. **Unit** reflects the number of days in placement during the month.
18. **Rate.** Is the per diem listed on the placement agreement.
19. **Total cost** = days multiplied by rate.
20. **Signature** -- Claim must be signed; signature should be in BLUE ink.
21. **Telephone number** – contact number of the person completing/responsible for the Claim for Support of Children Invoice.
22. **E-mail address.** – e-mail address of the person completing/responsible for the Claim for Support of Children Invoice.
23. **Signature Date** is the date the claim is signed The date cannot be prior to the last date of service provided and also cannot be more than 10 days after the invoice date (item 5).

Failure to follow the above guidelines could result in the claim being denied and/or returned for correction. Invoices must be mailed to:

**DCS KidTraks Invoicing
Room W364, Mail Stop 54
402 W. Washington Street
Indianapolis, IN 46204-2739**

If you are re-billing, mail the invoice to KidTraks and follow the below guidelines:

1. Complete a new invoice and re-date to the current date.
2. Assign a new invoice number.
3. Use blue ink when signing and a current signature date.
4. Ensure all corrections on the invoice have been made.
5. Remember that the 60-day filing rule begins at the original invoice submission date or from the denial date, whichever is later.
6. Please write "Re-Bill" at the top of the returned invoice.

For appeals, mail the information directly to the attention of the Assistant Deputy Director of KidTraks, using the same address as above. You must include the following:

1. An Appeal letter explaining the reason the invoice is past the 60 day filing limit.
2. A copy of the denial letter(s).
3. A copy of the originally submitted invoice(s).
4. A new invoice with a current invoice date.
5. Any supporting documentation (referrals, Medicaid denials, etc.)

Invoicing the Per Diem

When invoicing the per diem, you can utilize one invoice for multiple children but you must invoice each foster child on a separate line. Ensure that you invoice the amount that is stated on the ICPR. The amount represents the appropriate category for the foster child based on the child's age and category of supervision. For example, if a sibling group of three (3) is placed in the foster home, each sibling will receive an ICPR with their category of supervision and corresponding rate. Each child should be invoiced on a separate line based on the unique and individual rate.

If the child's age changes mid-month and the new age places the child in a new age bracket, you should invoice the new rate for the days of the month that the child was in the new age bracket. For example, if a child turns 6 years old on September 15th, you would bill the department at the 0-5 year rate for September 1-14 and at the 5-12 year rate for September 15-30 for the September invoice. A new ICPR will be needed for the new rate.

Invoicing Initial Clothing

If an initial clothing allotment is approved by the family case manager, but a p-card or voucher are not available from DCS to purchase initial clothing, the CPA will need a referral from the family case manager before invoicing DCS. After the referral has been generated, the CPA can invoice DCS by including a receipt for item(s) purchased by the foster parent. This is entered on the regular placement invoice at the end of the month that the clothing was purchased. The CPA should note "initial clothing" on the invoice and list the reimbursement amount requested. An original receipt is preferred, but a copy of the receipt is acceptable if it is marked "copy." The billable unit ID from the referral must be entered on the invoice.

Invoicing the Personal Allowance

To seek reimbursement for the personal allowance, the family case manager must give the CPA a referral. After the referral has been generated, the CPA can invoice the department by including a receipt for item(s) purchased. This is entered on the regular placement invoice at the end of the month that the personal allowance item was purchased. The foster parent should note “personal allowance” on the invoice and list the reimbursement amount requested. An original receipt is preferred, but a copy of the receipt is acceptable if it is marked “copy.” As stated in Chapter 4, the personal allowance is up to \$300 annually.

Invoicing the Special Occasion Allowance

The foster parent may seek reimbursement for the special occasion allowance by including a receipt for item(s) purchased. This is entered on the regular placement invoice at the end of the month of the child’s birthday or on the January claim for the December Holiday Allowance. The foster parent should note “birthday allowance” or “holiday allowance” on the invoice and list the reimbursement amount requested. An original receipt is preferred, but a copy of the receipt is acceptable if it is marked “copy.” A referral is not needed to submit the request for reimbursement but it is highly recommended that the CPA discuss the items with the family case manager prior to purchase. As stated in Chapter 4, the special occasion allowance is up to \$50 at the December holiday and at the child’s birthday.

Invoicing of Foster Parent Mileage

A foster parent is entitled to payment for properly claimed travel expenses incurred for a child placed in their care once they exceed the monthly mileage allowance. To claim additional travel, the foster parent must document all travel on the state form Foster Parent Travel Invoice, including the travel already included in the per diem. The Foster Parent Travel Invoice can be found on the DCS website at <http://www.in.gov/dcs/2328.htm>. Detailed instructions on completing the Foster Parent Travel Invoice can be found in Appendix 3.

Each entry on the Travel Invoice must include the purpose of the trip as indicated by the reason code on the invoice, the date of the travel, the point of origin and destination, and the total number of miles for the one way trip.

Each foster parent can complete one invoice per child or one invoice for all children in the home. If you are completing separate invoices for each child, you will have to divide the mileage up between invoices when a trip was for more than one child.

The following terms and conditions apply to claiming travel:

1. The mileage is incurred through the use of a private vehicle;
2. The route or routes taken to and from the destination are the shortest and most cost effective;
3. Mileages are to be computed from the current official Rand McNally or Mapquest with adjustments where appropriate; (i.e.; detours which must be documented on the travel invoice in order to claim mileage reimbursement). If you are unable to do so and use your car odometer, note that reimbursement will be based on the shortest distances on the above websites.
4. Mileage reimbursement is a flat rate per mile based on the current State employee approved mileage per diem. As of October 1, 2010, the mileage is \$0.44 a mile. Foster parents can check for the most up to date rate at: <http://www.in.gov/idoa/2459.htm>; see also www.in.gov/idoa/files/travel_policy.pdf, Section 5.3 for additional information.

When a CPA foster parent has a travel claim, the travel log must be submitted to the CPA. The CPA is responsible for processing the travel claim through the department and for reimbursing the foster parent.

Invoicing Behavioral Health

To invoice for behavioral health, the CPA must have a CPA contract with the department that contains a behavioral health component. The CPA must also receive a service referral that specifies the service and units to be billed to the department.

The CPA must first bill Medicaid and receive a denial before billing the department. The CPA must include the Medicaid denial with the invoice.

The CPA will have 60 days from the date of the Medicaid denial to invoice the department for the services.

Invoice/Billing Questions

CPAs should contact the following with questions:

- For questions involving the placement, please contact the local office.
- For questions involving payments as well as completion of a claim form, contact DCS Payment Research Unit at DCSPaymentResearchUnit@dcs.in.gov or 877-340-0309 and select Option 1.
- For a name change, change of address or change of bank accounts, contact DCS Resource Unit at DCSResourceUnit@dcs.in.gov or 877-340-0309 and select Option 2.

Chapter 9: Review and Appeal of the Administrative Payment and Other Cost Based Rates

General information

A CPA may request an administrative review of the administrative payment approved by the department as stated in a letter issued to the CPA. See 465 IAC 2-17-27. After the department issues a decision on the administrative review, the CPA can request an administrative appeal. See 465 IAC 2-17-28. Below is information on both processes.

Process for Requesting Review of Administrative Payment and Other Cost Based Rates

A CPA may request an administrative review of the administrative payment when it believes that:

- Errors have been made in the cost report submitted to the department, calculation of the administrative payment, or the determination by the department of the reasonableness of any cost; or,
- The determination of the administrative payment by the department has an adverse impact on child welfare in Indiana and no other CPA in the State of Indiana, or other licensed provider, can adequately address the adverse impact to child welfare in the State of Indiana.

A request for administrative review of the administrative payment approved by the department must be submitted in writing to the department no later than thirty (30) days after the written notice of the

approved rate has been sent by the department. Notice is effective upon mailing of the letter notifying the CPA of the rate to the CPA's address. A request for administrative review submitted more than thirty (30) days after the notice of the rate was mailed will not be considered.

The request for administrative review of the administrative payment shall be submitted on the department form titled "Residential Treatment Services Provider (RTSP) and Child Placing Agency (CPA) Rates Administrative Review Request," with the required documentation attached. The form is attached in Appendix 4 and can be found at <http://www.in.gov/dcs/2328.htm>. As required by the rule, the CPA shall include in the request for review but not be limited to the following items:

- Identification of the current administrative payment and approved new administrative payment, as applicable to a specific program or service offered by the CPA;
- An updated or revised cost report for the applicable program or service, including an itemized statement of administrative and indirect costs that the CPA considers allowable under the provisions of this rule;
- A clear, concise statement of the reasons for the requested change; and,
- A detailed statement of related information in support of the change.

The CPA shall send the completed form and all required attachments to the department via email or U.S. Mail at:

Indiana Department of Child Services
Attention: General Counsel, Rate Review
302 West Washington Street, Room E306, MS 47
Indianapolis, IN 46204
DCS.RateReviewAndAppeals@dcs.in.gov

The department cannot accept or process an incomplete request for review of the administrative payment that does not include at least the items specified in this subsection. No request for review of the administrative payment can be acted upon if the CPA has a current license that is in the process of being revoked by the department.

The Department's Administrative Review

The department's review will be conducted by at least three (3) representatives from the department, with at least one (1) representatives each from Fiscal, Programs and Services and Legal/Licensing. The review will consist of a review of the documentation submitted by the CPA as well as other documentation that the department has relating to the reason for appeal. The CPA can only submit documentation for review and does not have the right to be present or present witnesses.

The department will mail notice of the review decision to the CPA within thirty (30) days of the department's receipt of the Administrative Review Request form.

Process for Appealing the Administrative Payment and Other Cost Based Rates

Before requesting an Administrative Appeal, a CPA must have requested an Administrative Review and received a review decision from the department. A CPA may request an appeal of the department administrative review decision by submitting a written request within fifteen (15) days of receipt of the Department's notice of the administrative review decision. See 465 IAC 2-17-28.

The request for Administrative Appeal shall be submitted on the department form titled "Residential Treatment Services Provider (RTSP) and Child Placing Agency (CPA) Rates Administrative Appeal

Request,” with any documentation attached. The form is attached in Appendix 4 and can be found at <http://www.in.gov/dcs/2328.htm>. When an administrative hearing is requested, the administrative appeal case file will contain only information that is filed with the Hearings and Appeals office for a specific case. It will not contain the file from the Administrative Review.

The CPA shall send the completed form and any attachments to the department via mail at:

Indiana Department of Child Services
Attention: Office of the General Counsel, Hearings and Appeals
302 W. Washington Street, Room E 306, MS 47
Indianapolis, IN 46204

The Appeal

The appeal will be heard under the applicable provisions of the Administrative Orders and Procedures Act (AOPA). See IC 4-21.5-3-7(a); see also 465 IAC 2-17-28 for a listing of AOPA provisions that do not apply. In the appeal, the CPA has the burden of proof and the burden of persuasion to establish, by a preponderance of the evidence, that the department's decision following the administrative review is erroneous. The administrative law judge may, with the consent of the parties, consolidate two (2) or more pending appeals that involve the same or substantially similar facts or issues, for purposes of a hearing and decision under this section.

Unless a continuance is granted, the assigned administrative law judge (ALJ) will hold an administrative hearing not more than sixty (60) days after the department receives the written request. The ALJ may grant a continuance of the date for a hearing for any of the following reasons:

1. The CPA files a written motion for continuance specifying the reasons for the request and alternate dates when the CPA will be available and prepared to go forward with the hearing.
2. The department files a written motion for continuance for good cause¹⁹.
3. The administrative law judge orders a continuance for good cause²⁰.

If a hearing continuance is granted, the ALJ shall promptly schedule and conduct a prehearing conference under IC 4-21.5-3-18 to address the rescheduling of the hearing and any other matters relating to expediting decision of the appeal or otherwise resolving the issues presented.

Unless an extension of time is granted by the general counsel of the department for good cause stated on the record, an ALJ will issue a decision within ninety (90) days after completion of the hearing.

If the ALJ decision is favorable to the CPA, the department can request a final agency action. If the ALJ decision is favorable to the department, the CPA can request a final agency action. Instructions and time frames for this request will be included in the ALJ decision.

¹⁹ The following shall constitute good cause requested by the department: (1) A necessary witness, or the counsel or other necessary representative of the department, is or will be unavailable on the scheduled hearing date, for a reason or reasons that could not have been anticipated at the time the hearing was scheduled; (2) A motion or other proceeding relating to the appeal is pending that could be dispositive of the appeal, or otherwise materially affect the course or conduct of the hearing; (3) Any other good cause, as determined by the ALJ at a prehearing conference.

²⁰ The following shall constitute good cause on motion of the ALJ: (1) Unanticipated congestion of the hearing calendar; (2) Unavailability of the assigned ALJ due to unforeseen circumstances, or a change in the judge assigned to the appeal; (3) Any other good cause, as determined by the general counsel of the department or the general counsel's designee.

Rate in Effect during Pendency of Review and Appeal of the Administrative Payment

The department will pay, during the time the review and/or appeal is being conducted, the amount stated in the most recent administrative payment notice letter that was mailed to the CPA in accordance with 465 IAC 2-17-21(g) or (i).

If a new rate is calculated based on the administrative review or appeal, such rate will be retroactive to the effective date stated in the administrative payment notice letter that was mailed to the CPA. Any payments made by the department to your agency after the effective date in the administrative payment notice letter that was mailed to the CPA will be adjusted up or down in accordance with the new rate, if applicable, following completion of the administrative review or appeal.

Chapter 10: Request for Review of the Child’s Category of Supervision at Initial Placement and Thereafter

General Information on Review of Category of Supervision at Initial Placement

A CPA may request a review of the child’s category of supervision as shown on the Individual Child Placement Referral (ICPR) at initial placement. A request by a CPA for review of the child’s category of supervision must be submitted in writing to the family case manager who manages the child’s case no later than thirty (30) days after the ICPR has been sent to the CPA by the department. Notice is effective upon mailing of the ICPR. A request for review submitted more than thirty (30) days after the ICPR was delivered will not be considered.

General Information on Review of Category of Supervision after Initial Placement

A CPA may also request a review of the child’s category of supervision after the initial placement. The CPA may request review not more than one (1) time in a six (6) month period that the child is in out-of-home placement. Reasons for this type of review are as follows:

1. A critical case juncture²¹;
2. The CPA reasonably believes there is relevant, new, or changed information about the child's supervisory needs that were not adequately addressed in the CANS assessment or during discussions about the type of placement before the placement occurred; or,
3. There are supervisory or behavioral concerns that are not adequately addressed by the CANS assessment.

The CPA may request review under this section no more than one time in a six month period that the child is in out-of-home placement. A request by a CPA for review of the child’s category of supervision for reasons outlined in this Provider Manual in accordance with the administrative rule, must be submitted timely and in writing to the family case manager who manages the child’s case.

²¹ “Critical case juncture” means an event or episode, as determined by the department, involving the child or family that has caused or may cause a disruption in the child’s placement. The department will utilize input and feedback from providers and child and family team members in making its determination of if and when there are critical case junctures.

Process for Requesting Review of Category of Supervision at Initial Placement or Thereafter

The request for review of the child's category of supervision shall be submitted on the department form titled "Child Placing Agency (CPA) and Department Managed Foster Homes Request for Review of Child's Category of Supervision," with the required documentation attached. The form is attached in Appendix 5 and can be found at <http://www.in.gov/dcs/2328.htm>. As required by the rule, the CPA shall include in the request for review but not be limited to the following items:

- Identification of the child's current category of supervision;
- A clear, concise statement of the reasons for the requested change; and,
- A detailed statement of related information in support of the change.

The department cannot accept or process an incomplete request for review of the child's category of supervision that does not include at least the items specified in this subsection or if the CPA has a current license that is in the process of being revoked by the department.

The Department's Review

When a request for a review of the category of supervision is received, the family case manager will hold a meeting with the CPA and their foster parent to discuss the needs of the child within 14 calendar days of the request for review. It is mandatory that a CPA representative as well as the foster parent attend this meeting as both parties will have relevant information regarding the child's strength and needs. The department's local office director or designee must be in attendance at this meeting also. If the foster parent and/or CPA do not attend the meeting, the department will conduct a paper review.

Any change in the child's category of supervision must coincide with a newly completed CANS assessment. Whether the child should be reassessed on the CANS is a decision made at the discretion of the department's local office director or designee. Notice of the outcome of the review must be given by the department's local office director or designee, in writing, to the CPA within five (5) business days of the meeting.

The child's category of supervision, as affirmed or revised by the department's local office director or designee upon completion of the review, will be effective as of the date of the notice of the outcome of the review. It will not be retroactive. Any payments made by the department after the effective date will be adjusted in accordance with the final approved category of supervision for the child.

APPENDIX 1

August 2011

Foster Care Cost Survey of Indiana

Memorandum of Findings



Prepared by
Center for Business and Economic Research
Ball State University Muncie, IN

Research prepared by

Michael J. Hicks

Jennifer Bott

Srikant Devaraj

Whitney Ruble

Hilary Fichter

Kevin Kuhlman

Lisa Goodpaster

Publication produced by

Jessica Tennant

Victoria Meldrum



Introduction

The Center for Business and Economic Research at Ball State University conducted a foster care cost survey for the Indiana Department of Child Services. The purpose of the survey is to better understand the change in costs to a household related to caring for foster children across a variety of areas. Importantly, while we have obtained considerable information about spending patterns of families with foster children, this study focuses only on those expenses allowable under Title IV-E of the Social Security Act. This report discusses findings of the census.



Response Rate

The overall response rate was 23 percent. The response rates for infant to 4 years and 5 to 18 years were 26.2 percent and 20.8 percent respectively. This is an unusually strong response rate, that enjoys statistical significance that is better than the one percent level.

Table 1: Survey Response Rate

Age Group	Survey Sample	No. of Responses	Response Rate
Total	2,488	572	23.0%
Infant to 4 Years	1,003	263	
5 to 18 Years	1,485	309	

Figure 1: Surveyed IV-E Median Cost per Day

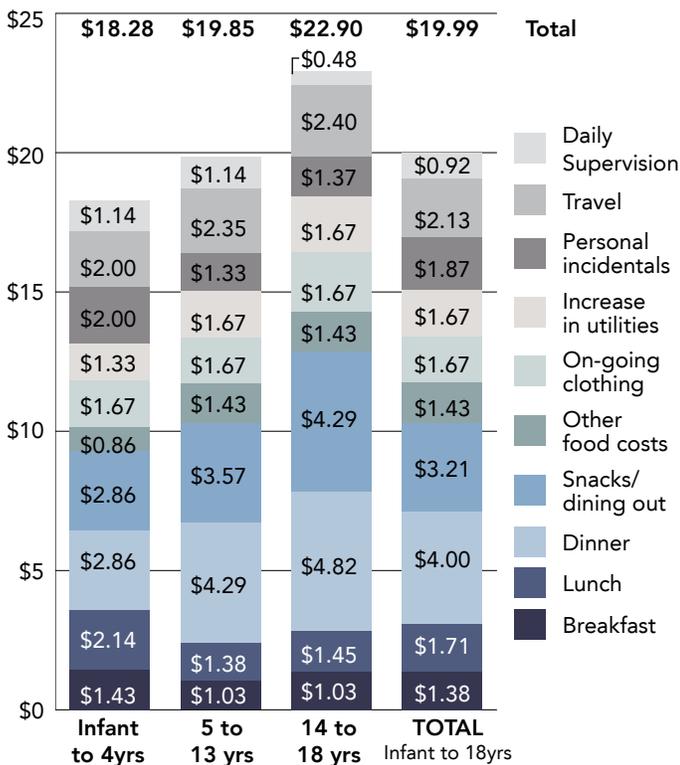


Table 2: Median Cost per Day (in dollars)

Category	Infant to 4yrs	5 to 13 yrs	14 to 18yrs	TOTAL*
Breakfast	\$ 1.43	\$ 1.03	\$ 1.38	\$ 1.38
Lunch	\$ 2.14	\$ 1.38	\$ 1.45	\$ 1.71
Dinner	\$ 2.86	\$ 4.29	\$ 5.00	\$ 4.00
Snacks/dining out	\$ 2.86	\$ 3.57	\$ 5.00	\$ 3.21
Other food costs	\$ 0.86	\$ 1.43	\$ 1.43	\$ 1.43
On-going clothing	\$ 1.67	\$ 1.67	\$ 2.16	\$ 1.67
Increase in utilities	\$ 1.33	\$ 1.67	\$ 2.00	\$ 1.67
Personal incidentals	\$ 2.00	\$ 1.33	\$ 1.45	\$ 1.87
Travel	\$ 2.00	\$ 2.35	\$ 2.56	\$ 2.13
Daily Supervision-Basic	\$ 1.14	\$ 1.14	\$ 0.48	\$ 0.92
Survey IV-E total costs per day†	\$ 18.28	\$ 19.85	\$ 22.90	\$ 19.99
Initial clothing				
Personal allowance				
Additional travel				
Insurance		Available through DCS		
Total cost	TBD	TBD	TBD	TBD

*Total equals median cost for infant to 18 years.
 †The total IV-E cost of each foster child was also calculated; the median of this total was then determined including the daily supervision cost. The results showed a total cost of \$14.52 per day for infant to 4 years, \$19.57 per day for 5 to 13 years, \$21.39 per day for 14 to 18 years, and \$18.24 per day for infant to 18 years. These results were less than the total median cost across each category. Our intentional choice was to select the largest of two options.
 Note: TBD=To be determined

Preliminary Findings

For the preliminary findings, we analyzed the categories equivalent to the Title IV-E¹ groups set by the Department of Child Services.

The cost categories considered for both groups include:

- Breakfast
- Lunch
- Dinner
- Snacks/dining out
- Other food costs
- On-going clothing
- Increase in utilities
- Personal incidentals (includes personal hygiene for all groups and school supplies for 5 to 18 years)
- Travel
- Daily Supervision - Basic

Our estimate of supervision hours was derived by DCS estimates of supervision associated with DCS’s practice model and court supervised case plans. To derive a daily rate, we used the most recent data on hourly pay for child care workers from the Bureau of Labor Statistics, adjusting it to current dollars using the Consumer Price Index. To this we added the employer’s contribution to social security.² This provided an hourly rate of \$9.49 which we then converted into a daily cost.

¹ Title IV of Social Security Act—Grants to states for aid and services to needy families with children and for child-welfare services.
² 7.5 percent of SSI contribution

Results

The weekly and monthly costs as reported by the foster parent³ were converted to daily costs for the above categories. We then calculated the median cost per day in dollars for each category as indicated in Figure 1 and Table 2.

Summary

Our study is a detailed, disaggregated and highly statistically significant analysis of reported costs drawn directly from families providing foster care in Indiana. As such, we believe it represents the most exhaustive and focused analysis of these issues available nationally. This study was performed with the highest attention to the best practices of survey research as performed by academic researchers worldwide. As a consequence, this is a reasonable, statistically reliable tool for determining actual costs for families.

³ During the data collection period, it became evident that one Licensed Child Placing Agency (LCPA) had provided guidance to its clients with respect to the answers on the survey. The extent of potential bias in these results is not yet clear.

About the Center

The Center for Business and Economic Research, formerly the Bureau of Business Research, is an award-winning economic policy and forecasting research center housed within the Miller College of Business at Ball State University. CBER research encompasses health care, public finance, regional economics, transportation, and energy sector studies.

In addition to research, we serve as the forecasting element in the Muncie area—holding five state and federal economic forecasting roundtables.

Center for Business and Economic Research

Miller College of Business, Ball State University

2000 W. University Ave. Muncie, IN 47306

Ph. 765-285-5926 | cber@bsu.edu

www.bsu.edu/cber



August 2011

Foster Care Cost Survey of Indiana

Memorandum of Survey Methodology



Prepared by
Center for Business and Economic Research
Ball State University Muncie, IN

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Introduction

The Center for Business and Economic Research at Ball State University conducted a foster care cost survey for the Indiana Department of Child Services. The purpose of the survey is to better understand costs related to caring for foster children across a variety of areas. Importantly, while we have obtained considerable information about spending patterns of families with foster children, this study focuses only on those expenses allowable under Title IV-E of the Social Security Act. This report discusses the survey methodology used in the study.



Survey Methodology

Census of Families

A listing of foster care families was obtained from Department of Child Services' *Total Child and Resource Information* for a total of 5,895 children placed in foster homes as of June 1, 2010. This dataset included variables such as child case ID, name of child, date of birth, county, resource ID of foster parent, name, and address of foster parent. Some parents had more than one foster child. In order to reduce the burden on foster parents, all the duplicate resource IDs were deleted. The resultant first child (sorted by first letter of last name, then by first letter of first name) of each foster parent was considered in our initial census for a total of 2,813 families. This process included all foster parents in the given data set; all families were sent a survey. After removing the undeliverable addresses¹, the final census was 2,488. In one basic survey, we have analyzed two groups of children – Young Child: Infant to 4 years and Child: 5 to 18 years. The infant to 4 years category had 1,003 families and the 5 to 18 years group had 1,485 families.

Surveys

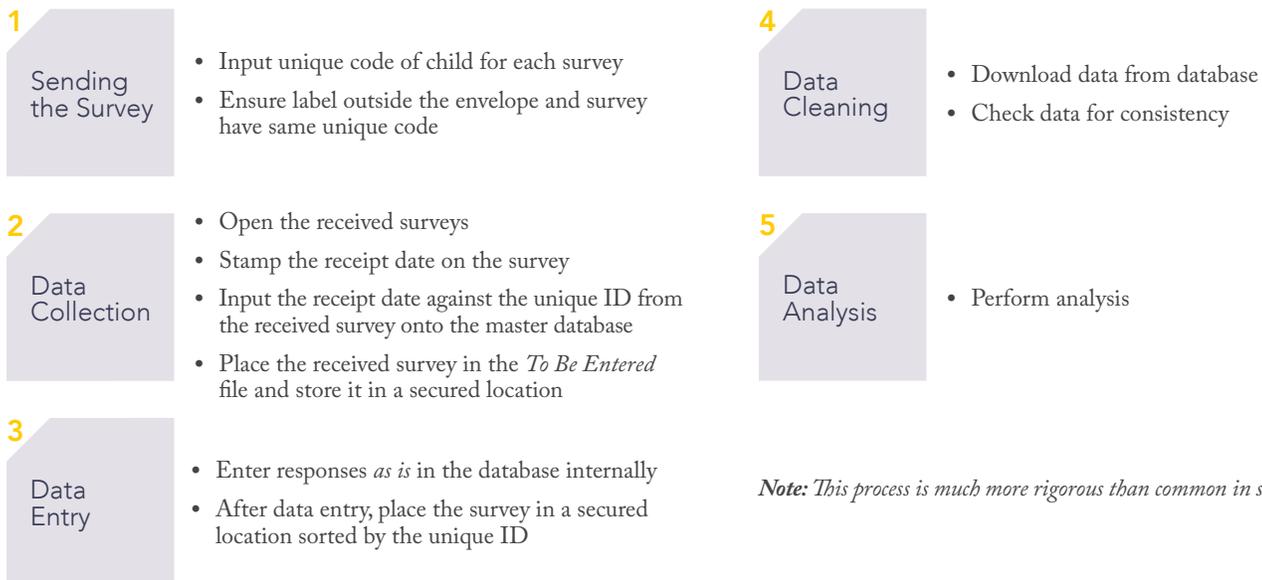
Letters and surveys were sent out on the first week of July 2010 to all the foster parents, with one foster child's name at the top of the survey. A reminder letter was sent on August 3, 2010 with a deadline for completion of August 11, 2010. Samples of letters and surveys are found in the Appendices.

¹There were a total of 325 foster parents with undeliverable addresses due to relocation or other reasons unknown.

Survey Process

We followed a five-step process to ensure effective survey methodology as shown in Figure 1.

Figure 1: Five-Step Survey Process



Note: This process is much more rigorous than common in similar surveys.

Existing Literature: USDA & MARC Studies²

In order to prepare for the census, we reviewed two recent studies—the United States Department of Agriculture (USDA) Expenditures by Families with Children (2009) and Hitting the MARC: Establishing Foster Care Minimum Adequate Rates for Children (2007).

USDA Study

The USDA study is an analysis of federal survey data from the 2005-2006 Consumer Expenditure Survey (CES) adjusted to 2009 dollars using the Consumer Price Index. The estimated annual expenditures on a child by husband-wife families with before-tax income of \$56,300 to \$97,490 for urban midwest,³ and the IV-E equivalent costs—food, clothing, miscellaneous and housing—could be used for calculating the costs.

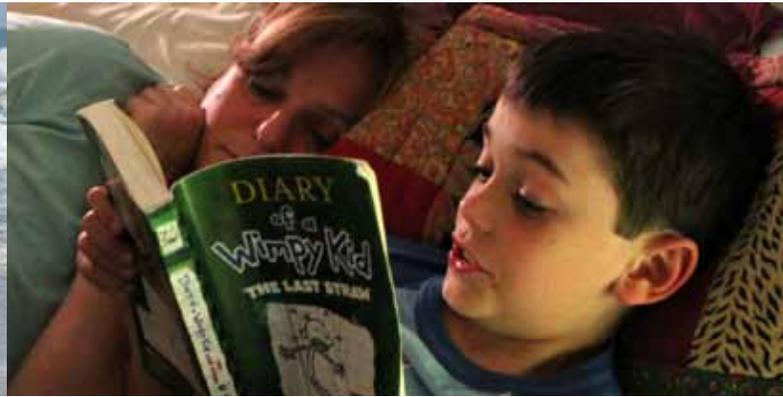
There are two primary limitations in the USDA study for purposes of understanding the costs associated with a foster

child. The first is the level of aggregation of individual areas, and the second is the focus of the study on estimating ‘average’ not ‘incremental’ expenditures made by families. In the first case, the USDA study sums up different types of expenditures into single categories which make direct comparison of any findings from this survey and that study problematic. However, the second problem is far more problematic for use in establishing expenditures associated with foster care. The USDA Study estimates the average daily expenditures by averaging total costs of household expenditures across all family members. This would inevitably lead to misstatement of actual changes in cost associated with an additional child. An example may be helpful.

The addition of a child to a household, through birth, adoption or fostering, would lead to higher overall costs as the child consumes more space in the home, and the associated utilities, food, clothing, etc. But, this child would not cause an increase in all household related costs (e.g. mortgage, or costs associated with maintaining the lawn). Some costs may be understated by the USDA methodology (e.g. utilities, ,water use, etc.) However, the USDA study averages these costs across all household members. As a consequence, the USDA approach measures the average cost of an additional child, rather than the additional cost of that child on a household’s expenses. It is the additional, or incremental cost of an additional child that this study seeks to measure.

² DePanfilis, D., Daining, C., Frick, K., Farber, J., & Levinthal, L. 2007. *Hitting the M.A.R.C. Establishing foster care Minimum Adequate Rates for Children, Technical Report*. New York: Children’s Rights, Inc.

³The Midwest region consists of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin.



MARC Study

The MARC study is the result of an analysis funded by several children's advocacy groups, using data from the same Consumer Expenditure Survey, (which measures the average, not incremental cost), and is then inflated and adjusted to regional costs of living.

In contrast to the USDA Study, the MARC study deploys implausible assumptions to inflate the cost of caring for foster children. While there are many examples, a few obvious examples are sufficient to call into doubt the efficacy of this report to inform states or families of the costs of foster care. For example the MARC study assumes that foster children require a 15 percent greater incidental allowance without supporting data (See MARC study p. 16) and includes the incremental cost of family financial services (insurance) related to foster care (See MARC study p. 16). This is based on commercial insurance, despite the fact that homeowner insurance is almost exclusively a fixed, not variable cost with respect to family size and composition.

The MARC study assumes foster children will damage or wear out their school supplies at a higher rate (15 percent) than other children, and that their clothing will wear out or be damaged at double the rate of other children. More puzzling, a relatively small category of CES data (expenditures on coin-operated laundry) was increased by 50 percent for foster children. Though we believe the costs of foster children differ in many respects from non-foster children, the choices made by the MARC authors appear to be arbitrary and capricious. More troubling is that where common cost theory could be applied, the MARC study chose to adjust costs in the opposite direction. For example, when confronted with the average cost of providing food for a child from the CES, the MARC study authors chose to inflate that cost by 10 percent to account for behavioral issues that may, or may not be more prevalent in foster children (such as food hoarding). This choice is not merely performed without the benefit of empirical support, it is apparently done without any

recognition of the commonly known fact that there are scale economies⁵ present in feeding a family. This obvious mistake is magnified by the failure of the study authors to recognize that the CES data report average instead of incremental costs of children in a household and so already misstates the cost of an additional household member. Further, it appears the MARC study uses aggregate regional cost of living estimates to adjust for regional cost differences, which would overstate the differences because most regional variability in prices are found in consumer durables (e.g. homes). Admittedly, it is difficult to say with certainty that this occurred in the MARC study, since the authors did not list the index they employed in their study (See MARC study note xxxvii). If these analytical shortcomings occur in only three pages, then there are certainly others. What is clear is that the MARC study is inadequate for use as guidance to either families or states on the costs of foster care.

Summary

This census of foster parents represents the most comprehensive analysis of costs associated with foster child care to date. The approach is designed to capture true incremental costs of foster care that are allowable under Title IV-E of the Social Security Act, with particular attention to disaggregation of individual cost elements. This permits varied uses of the data in the administration and management of foster care and related services.

⁵For an extensive review on scale economies, refer to the following studies:

(1) Browning, M. (1992). *Children and Household Economic Behavior*. *Journal of Economic Literature* 30(3), 1434-1475.

(2) Engel, E. (1895). *Die lebenskosten belgischer arbeiter-familien fruher und jetzt*. *Bulletin de l'Institut International de Statistique* 9, 1-129.

(3) Jones, K.M. *Household Economies of Scale: Benefits for Age-grouped Children?* Department of Agriculture and Resource Economics, University of California, Berkeley (August 29, 2008), <http://are.berkeley.edu/fields/ae/jones.pdf>.

Appendix 1: Initial Letter Accompanying Child Care Cost Survey



CENTER FOR BUSINESS AND ECONOMIC RESEARCH
MILLER COLLEGE OF BUSINESS

Phone: 765-285-5926
Fax: 765-285-8024

June 30, 2010

Dear Foster Parent:

The *Center for Business and Economic Research at Ball State University* is conducting a child care cost survey for the Indiana Department of Child Services. You will find the survey on the back of this letter.

We ask your assistance in completing this survey, which should take about ten minutes of your time. The purpose of the survey is to better understand costs related to caring for your Foster child. Please note the child's name at the top of the survey and respond **with information specifically regarding only that child.**

Please return the completed survey in the postage-paid envelope provided. If you have any questions while completing the survey please call 765.285.5926 or email us at cbersurvey@bsu.edu.

Thank you for your time and assistance on this survey.

Regards,

Michael J. Hicks, PhD
Director

Enclosures

Appendix 2.A: Child Maintenance Survey, Young Child: Infant - 4 Years

DEPARTMENT OF CHILD SERVICES – CHILD MAINTENANCE SURVEY

Young Child: Infant - 4 years

CHILD'S NAME: _____

DIRECTIONS: The following sections contain questions that relate to the cost of providing care for your foster child. Please answer these questions only for the child's name listed above. Please answer these questions honestly to the best of your ability.

If you have any questions at any time, please contact the Center for Business and Economic Research at 765-285-5926 or cbersurvey@bsu.edu.

1. FOOD PER DAY

Cost of formula for infant per week: _____

Cost of food (e.g., First Foods, cereal) for infant per week: _____

Cost of breakfast for child per week: _____

Cost of lunch for child per week: _____

Cost of dinner for child per week: _____

Cost of snacks for child per week: _____

Cost of dining out for child per week: _____

Other food costs for child per week: _____

Please explain "other food costs" in detail: _____

2. CLOTHING

Initial clothing purchase cost at time child entered foster home: _____

On-going clothing purchases paid out-of-pocket per **MONTH** (not reimbursed): _____

Please explain if there are special circumstances: _____

6. DEMOGRAPHICS

Age of foster parent this completing survey: _____

Marital status: (please circle one) Married / Divorced / Widow / Single / Co-habiting

Are you a relative or kin of the foster child listed above? Yes / No

Number of foster children currently in your home: _____

Number of people in home (all adults and children, including yourself and any currently placed foster children): _____

Do you receive WIC? Yes / No

3. SHELTER & CAR

Cost of preparing home for foster child entry that you paid out of pocket. Please provide specific examples: crib/baby bed \$ high chair \$ car seat \$

Cost of monthly utilities: (e.g., water, electricity, natural gas, trash removal) _____

Was there any increase in your utilities cost due to having the child in the home? Yes / No

How much was the increase in your utilities cost due to having the child in the home? \$ _____

4. PERSONAL INCIDENTALS

Cost of personal hygiene items per **MONTH**: (e.g., soap, **diapers**, **pull-ups**, toothbrush, toothpaste, over the counter medicine) _____

5. TRAVEL & VISITATION COSTS FOR FOSTER PARENTS

Method you use to travel to child's visit site: Car Train Bus Other: _____

Frequency of visits per **MONTH** to child's visit site: _____

Miles to child's visit site: _____

Free/reduced lunch? Yes / No

Length of time in your home for the foster child listed above: _____

Do you have a CCDF (day care) voucher for this child? Yes / No

What best describes the type of supervision this child requires? (Please check only one response)

Less supervision than a typical child of his/her age

About the same amount of supervision as a typical child of his/her age

More supervision than a typical child of his/her age

Constant, 'hands-on' supervision that is not typical of a child of this age

Survey by Ball State University Center for Business and Economic Research. Questions: 765-285-5926 or cbersurvey@bsu.edu

Appendix 2.B: Child Maintenance Survey, Child: 5 Years - 18 Years

DEPARTMENT OF CHILD SERVICES - CHILD MAINTENANCE SURVEY

Child: 5 years - 18 years

CHILD'S NAME: _____

DIRECTIONS: The following sections contain questions that relate to the cost of providing care for your foster child. Please answer these questions only for the child's name listed above. Please answer these questions honestly to the best of your ability.

If you have any questions at any time, please contact the Center for Business and Economic Research at 765-285-5926 or cbersurvey@bsu.edu.

1. FOOD PER DAY

Cost of breakfast
for child per week: _____

Cost of lunch
for child per week: _____

Cost of dinner
for child per week: _____

Cost of snacks
for child per week: _____

Cost of dining out
for child per week: _____

Other food costs
for child per week: _____

Please explain "other
food costs" in detail:

2. CLOTHING

Initial clothing purchase cost at
time child entered foster home: _____

On-going clothing purchases paid
out-of-pocket per **MONTH**
(not reimbursed): _____

Please explain if there are
special circumstances:

6. DEMOGRAPHICS

Age of foster parent completing
this survey: _____

Marital status: _____
(please circle one) Married / Divorced / Widow
Single / Co-habiting

Are you a relative or kin
of the foster child listed above? _____
Yes / No

Number of foster children
currently in your home: _____

Number of people in home (all
adults and children, including
yourself and any currently placed
foster children): _____

3. SHELTER & CAR

Cost of preparing home for foster
child entry that you paid out of
pocket. Please provide specific
examples: _____

Cost of monthly utilities: (e.g., water,
electricity, natural gas, trash removal)

Was there any increase in your
utilities cost due to having the
child in the home? _____ Yes / No

How much was the increase in
your utilities cost due to having
the child in the home? _____ \$

4. PERSONAL INCIDENTALS

Cost of personal hygiene
items per **MONTH**: (e.g., soap,
shampoo, toothpaste, toothbrush,
over the counter medicine)

Cost of school supplies per
MONTH: (e.g., pens, pencils,
paper, erasers)

5. TRAVEL & VISITATION COSTS FOR FOSTER PARENTS

Method you use to travel
to child's visit site: _____
 Car Train
 Bus Other: _____

Frequency of visits per **MONTH**
to child's visit site: _____

Miles to child's visit site:

Free/reduced lunch? _____ Yes / No

Length of time in your home for
the foster child listed above: _____

Do you have a CCDF (day care
voucher) voucher for this child? _____ Yes / No

What best describes the type of
supervision this child requires? (Please check only one response)

- Less supervision than a typical child of his/her age
 About the same amount of supervision as a typical child of his/her age
 More supervision than a typical child of his/her age
 Constant, 'hands-on' supervision that is not typical of a child of this age

Survey by Ball State University Center for Business and Economic Research. Questions: 765-285-5926 or cbersurvey@bsu.edu

Appendix 3: Reminder Letter for Child Care Cost Survey

A reminder letter was sent on August 3, 2010, with a deadline for completion of August 11, 2010.



CENTER FOR BUSINESS AND ECONOMIC RESEARCH

Phone: 765-285-5926

Fax: 765-285-8024

August 3, 2010

Re: Department of Child Services Survey

Dear Foster Parent:

*This is a friendly reminder to please take ten minutes to fill out the **Department of Child Services Child Maintenance Survey** that was mailed to you three weeks ago. If you have already completed and returned the survey, please accept our sincere thanks.*

The *Center for Business and Economic Research* at Ball State University is conducting a child care cost survey for the **Indiana Department of Child Services**.

We ask your assistance in completing this survey, which should take about ten minutes of your time. The purpose of the survey is to better understand costs related to caring for your Foster child. Your child was randomly chosen from a sample of all foster children in Indiana. Please note the child's name at the top of the survey and respond **with information specifically regarding only that child.**

Please return the completed survey in the postage-paid envelope provided or fax it to us at 765.285.8024. If you have any questions please call 765.285.5926 or email us at cbersurvey@bsu.edu. Surveys post marked later than **August 11, 2010** will not be considered in our analysis.

Thank you for your time and assistance on this survey.

Regards,

Michael J. Hicks, PhD
Director

About the Center

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Center for Business and Economic Research

Miller College of Business, Ball State University

2000 W. University Ave. Muncie, IN 47306

Ph. 765-285-5926 | cber@bsu.edu

www.bsu.edu/cber



APPENDIX 2



TO: Department of Child Services

FROM: Public Consulting Group

RE: Enhanced Foster Care Payment Rates

DATE: October 18, 2011

Background:

To standardize enhanced level of care rates for children with higher functioning needs, the Indiana Department of Child Services (DCS) implemented a structured methodology to set rates by level of care for foster care services. The rates correspond to established levels through the Child and Adolescent Needs and Strengths (CANS) assessment. Level 1 was established by a cost study conducted by Ball State University. Average dollar increases were then applied to CANS level 2, 3 and 4 using CANS 1 as a base.

Public Consulting Group (PCG) reviewed the rate calculation methodology from DCS for reasonableness under Title IV-E and compared to the larger regional market. The summary of our findings will assist DCS as it moves forward with setting standard maintenance rates for Child Placing Agencies (CPAs). We have provided a review of the rate calculation methodology, reasonableness under federal guidelines and market rates for enhanced foster care in the Midwest as well as in states with a similar cost of living to Indiana.

Conclusion and Recommendations:

The following sections detail our analysis of the rate calculation methodology. Our analysis has confirmed that Indiana DCS has appropriately set rates for foster care providers. Indiana's proposed rates are in line with or above average compared to market and geographically relevant rates for peer states.

Rate Calculation Methodology:

Indiana DCS first began collecting cost information from their Child Placing Agency providers for the Calendar Year 2010. The standardized Level of Care includes:

- Foster Care (CANS Category 1)
- Foster Care with Services (CANS Category 2)
- Therapeutic (CANS Category 3)
- Therapeutic Plus (CANS Category 4 or higher)

Indiana's rate structure utilizes the CANS level methodology. Proposed rates were set so that a rate corresponded with each level of care. Indiana DCS used a standard method of rate calculation throughout all levels of care. Payments to foster parents were divided by utilization amounts to yield an average daily per diem. Null data was removed to prevent skewed results. Average daily per diem and standard deviation were calculated for each of the four categories of supervision. The standard deviation captures the range in rates and how rates are clustered or spread. The standard deviation was used to derive the particular enhanced supervision rates and thus factors in the distribution of the rates.

All of the options examined used CANS Category 1 as a basis for each option.¹ CANS Level 1 was calculated based on foster parent reported costs. Since foster parents serving children that scored higher on the CANS assessment did not specifically identify additional costs associated with Levels 2 through 5, DCS used reasonable statistical analysis to determine the rates.

The option chosen, Dollar Average Difference plus One Standard Deviation using Foster Care (CANS Category 1), was deemed most reasonable by DCS. The rates by age range and level of care are displayed below:

Dollar Average Difference Plus 1 Standard Deviation using Foster Care (CANS Category 1) as Base			
	Infant to 4 yrs	5 to 13 yrs	14 to 18 yrs
Foster Care (CANS Category 1)	\$18.28	\$19.85	\$22.90
Foster Care with Services (CANS Category 2)	\$26.05	\$27.62	\$30.67
Therapeutic (CANS Category 3)	\$38.19	\$39.76	\$42.81
Therapeutic Plus (CANS Category 4 or higher)	\$61.94	\$63.51	\$66.56

Enhanced Supervision and Title IV-E:

States seeking to align levels of care with foster care payments have structured their methodologies to include supplemental rates for children with higher needs.² The enhanced rate compensates foster parents for providing additional supervision while caring for children with specific emotional, physical, behavioral, and medical needs.³

According to the federal Child Welfare Policy Manual Question 8.3B2.2, “certain categories of children, including those with physical or emotional disabilities, may require more day-to-day supervision and attention than those without such conditions...A supplement to the basic maintenance payment for a particular child is justified when the child has greater than usual needs for the items included in the definition, as determined by the State agency”.⁴

States use clinical assessment tools to identify children with higher physical or emotional needs. Each determined level of care has an assigned per diem maintenance rate or a supplemental rate that is paid in addition to the departmental foster care per diem. Federal Title IV-E policy does not distinctly prescribe how enhanced supervision rates should be set. It simply states that a supplement in addition to the maintenance is reasonable under Title IV-E care and maintenance. The state must determine how to define “greater than usual needs”.

Market Rates:

Supplemental payments based on the level of care augment current foster care rates. The basic foster care payments are generally based on the United States Department of Agriculture’s (USDA) Cost of Raising a Child, the Cost of Living Indicator, the Consumer Price Index or other similar indices. While other states have used USDA; Indiana surveyed foster parents to identify the cost of care as defined by federal Title IV-E regulations and concluded that the results were within the range of states that used the USDA. The Ball State Study established the statewide cost for the CANS Level 1 rate using actual foster parent cost data.

¹ This rate was chosen based on the results from the Center for Business and Economic Research at Ball State University. (Indiana Division of Child’s Services, Enhanced Rate Memo).

² The terms enhanced, supplemental, and increased payments are used interchangeably to refer to the additional payments to a foster parent added to the basic foster care maintenance rate.

³ Wisconsin Department of Children and Families, “Understanding the Uniform Foster Care Rate: How is the Supplemental Rate Determined?”. <<http://dcf.wisconsin.gov/children/foster/progserv/Undrufcr.htm>> (1, Jan. 2010).

⁴ Child Welfare Policy Manual. Question 8.3B.2.2. Accessed October 27, 2010
http://www.acf.hhs.gov/cwpm/programs/cb/laws_policies/laws/cwpm/policy_dsp.jsp?citID=80

For Levels 1 through 4, there is no specific federal guidance on how to set the supplement to the basic maintenance payment. Market rate assessment is a tool that can be used to inform if enhanced level payments are reasonable compared to what other states within a region and of similar cost of living are paying for the service.

There is a level of payment associated with serving higher need children at which a foster parent will elect to provide services or opt out of services. The structure of enhanced supervision rates must adhere to a level of payments where foster parents will enter the system to provide services and where agencies are able to successfully retain the households.

PCG conducted an analysis of foster care rates for Midwestern states and peer cost of living states and the fiscal year 2012 CPA rates for Indiana as displayed above.

PCG reviewed enhanced foster care rates for Midwest states. All states in the review associate the enhanced foster care payment with the level of care determined from the clinical assessment. The tables below demonstrate the average rates by Levels of Care 1, 2 and 3 for Indiana and for states in the federal Administration for Children and Families (ACF) Region 5. Most states did not offer a level 4 plus option; hence this information does not appear in the table below. The rates in the table below reflect the average for each level across age groupings.

Table 1

Supplemental Foster Care Payments – ACF Region 5			
State	Level 1	Level 2	Level 3
Indiana⁵	\$20.34	\$28.12	\$40.25
Iowa	\$21.86	\$26.67	\$31.49
Michigan	\$22.25	\$27.25	\$32.25
Minnesota	\$31.18	\$47.79	\$64.29
Ohio	\$12.33	\$15.62	\$15.62
Wisconsin	\$15.64	\$19.19	\$22.74
Midwest Average	\$20.60	\$27.44	\$34.44

The ACF Region 5 comparison found that average enhanced per diems are \$20.60, \$27.44, and \$34.44 for the three tiered levels. These rates represent the average rate by level for each state including the base per diem rate. Based on our assessments, Indiana’s rates for enhanced levels of care are level with the average for Level 1 but above average for Level 2 and Level 3.

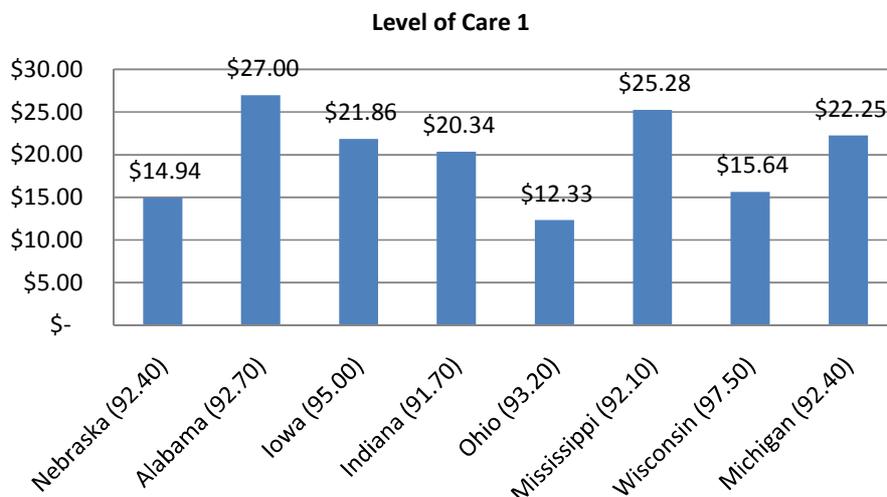
⁵ These average rates for Indiana are a straight average of the revised rates based on age-range by level.

Finally, PCG compared Indiana’s rates against seven other states with a similar cost of living. These states include several in the ACF Region 5. The chart below demonstrates the average enhanced foster care rate for each state. The cost of living is noted in parentheses next to each state’s name.⁶

State	Level 1	Level 2	Level 3
Nebraska (92.40)	\$ 14.94	\$22.17	\$ 30.29
Alabama (92.70)	\$27.00	\$ 41.80	\$ 41.80
Iowa (95.00)	\$21.86	\$26.67	\$31.49
Indiana (91.70)	\$20.34	\$28.12	\$40.25
Ohio (93.20)	\$12.33	\$15.62	\$15.62
Mississippi (92.10)	\$25.28	\$29.23	\$31.23
Wisconsin (97.50)	\$ 15.64	\$19.19	\$22.74
Michigan (92.40)	\$22.25	\$27.25	\$32.25
Average	\$19.96	\$26.26	\$30.71

In juxtaposing Indiana with states that have a similar index for cost of living, it is clear that Indiana’s revised rates are above average for Levels 1, 2 and 3. The average level of care payments for all eight states, including Indiana, is \$19.96, \$26.26, and \$30.71. The figures below display the enhanced rates by level of care for states with similar cost of living.

Figure 1



⁶ Cost of Living indices reflect the second quarter of 2011. “Cost of Living Data Series 2nd Quarter 2011”. <http://www.missourieconomy.org/indicators/cost_of_living/index.stm>

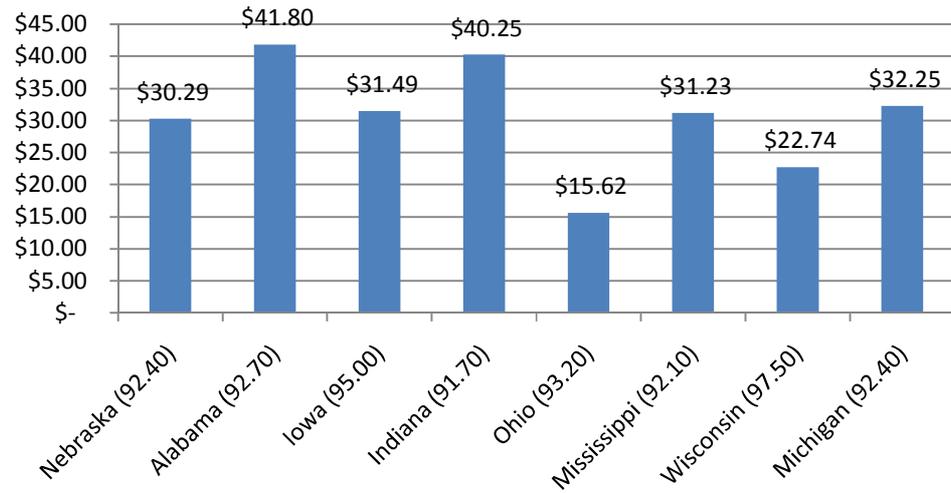
Figure 2

Level of Care 2



Figure 3

Level of Care 3



APPENDIX 3



Mitchell E. Daniels, Jr., Governor
James W. Payne, Director

Indiana Department of Child Services
Room E306 – MS47
302 W. Washington Street
Indianapolis, Indiana 46204-2738

317-234-KIDS
FAX: 317-232-4497

www.in.gov/dcs

DCS Resource Unit: 877-340-0309
Child Abuse and Neglect Hotline: 800-800-5556

Effective: 1/1/12

Last updated: 10/18/11

INVOICING FOSTER PARENT TRAVEL

I. Travel Invoice Instructions

Prior to completing your travel invoice, please review the reimbursable travel definitions in Section II below to ensure that you only log travel that is approved. You must log all travel from the start of the month, including travel that is accounted for in the per diem.

1. Fill in the children's person ID #'s and days placed in your home during the invoice month at the top right corner of the travel invoice.

- You may complete this information for all children on one invoice, OR
- You may complete it individually for each child placed in your care during the invoice month by filling in only one child's information per invoice. (This may affect how you document mileage, as shown in the third bullet point under Step 3, as well as the second and third bullet points in Step 5 below**)

2. List each trip on the travel invoice separately for each destination.

For instance:

- A round trip to the doctor's office is listed as two separate trips: 1) Home address to doctor's office address; and 2) Doctor's office address to home address.
- A trip with two separate destinations before returning home would be listed as three separate trips: 1) Home address to doctor's office address; 2) Doctor's office address to DCS office address; and 3) DCS office address to home address.

3. For each trip, enter a date, starting address, ending/destination address, number of miles driven and a reason code.

- You should use the Mapquest (www.mapquest.com/) or Rand McNally (www.randmcnally.com/) websites to get the shortest mileage distance for your trips. If



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you are unable to do so and use your car odometer, please note that reimbursement to you will be based on the shortest distances on those websites, so you may not be reimbursed for the exact amount you put on your invoice.

- The reason codes are listed just under the logo in the upper left hand corner.
- ****If you are completing separate invoices for each child**, you will have to divide the mileage up between invoices when a trip was for more than one child. Common examples might include appointments or family visits for sibling groups and foster parent training sessions that are not specific to an individual placement child's needs.

Examples:

- If you took 2 brothers to a doctor's appointment that was 8 miles one way, you would need to divide the mileage between the brothers ($8 \div 2 = 4$) and log 4 miles one way on each brother's invoice.
- If you took a sibling group of 3 to a family visit that was 15 miles one way, you would divide it among the 3 children ($15 \div 3 = 5$) and log 5 miles one way on each sibling's invoice.
- If you attend a foster parent in-service training, not specific to an individual child's needs, that is 12 miles one way, and you have 4 children placed in your home, you would divide the mileage among those 4 children ($12 \div 4 = 3$) and log 3 miles one way on each child's invoice.

4. If you are using the form via computer:

- The totals within the invoice will add/multiply for you. If the number in the "Reimbursable Miles" box is zero, you do not have mileage that you may claim for reimbursement. If the total in that box is above zero, it will result in a positive dollar amount in the "Total Claimable \$" box that you may claim.
- SKIP to step 6 if you have mileage to claim.

5. If you are unable to use the invoice via computer and need to complete it by hand, you will need to add/multiply for your totals:

- Add up the total number of miles that you drove by adding all of the numbers in the "Miles Driven" column together. Place this number in the row at the bottom of the invoice that is titled "Total Miles Driven."
- Add together the number of days that each child was in your home during the invoice month (as you indicated in the top right corner) for a total number of days. Place this number in the second row at the bottom of the invoice that is titled "Total Days Children in Home." If completing separate invoices for each child, you will simply carry the days the individual child was in your home down to this box on each of the invoices.

- To get the total number of miles that are covered in your per diem, look at the “Foster Care Mileage Graph” in Section III below. For each child in your home during the month, find the number of days they were in your home in the left column, and the number of miles next to it in the right hand column is the number of miles your per diem for that child covered. Once you have done this for each child, add those miles together and place this number in the third row at the bottom of the invoice titled “Miles Paid in Per Diem.” If completing separate invoices for each child, you will simply place the number of miles covered in the per diem for the individual child in this box on each of the invoices.
- If the number in the “Miles Paid in Per Diem” box is **larger** than the number in the “Total Miles Driven” box, **you may not claim mileage** on your invoice.
- If the “Miles Paid in Per Diem” is **smaller** than the “Total Miles Driven” box, **you may claim mileage** for the invoice month. Take the “Total Miles Driven” **minus** the “Miles Paid in Per Diem,” and place that number in the fourth row at the bottom titled “Reimbursable Miles.” This is the number of miles you may claim on your invoice.
- Take that number of “Reimbursable Miles” and multiply it by .44 to get the total dollar amount you may claim. i.e. 62 X .44= \$27.28
- Place the resulting total dollar amount in the last row at the bottom of the invoice titled “Total Claimable \$.

6. If you have mileage to claim on your travel invoice:

- Complete the boxes at the bottom asking for your foster family name, address, original signature, license #, and date. (**Note that an original signature is necessary, and failure to provide one may result in denial of the invoice claim**).
- Submit the travel invoice with your standard monthly foster parent invoice.

II. Travel Definitions

The foster parent may receive an additional amount for properly claimed travel expenses incurred on behalf of a child placed in the foster home if the foster parent travels more than the monthly allowance for the below purposes:

1. Travel between the foster family home and the school in which the child was enrolled before placement and continues to be enrolled while residing with the foster family, to the extent that school transportation is not provided or required to be provided under applicable Indiana law by a public school corporation or other state or local agency¹;
2. Travel to and from the following types of health related appointments²:
 - a. Doctor (primary care physician and any specialists)
 - b. Dentist (including orthodontist)
 - c. Health clinic

¹ This does not include school extracurricular activities.

² This does not include trips to the pharmacy or the like to pick up medications, etc.

- d. Hospital/Emergency Room (including foster parent visits during child inpatient episodes)
 - e. Occupational and Physical Therapists
 - f. Behavioral Health Counselor and Therapist
3. Travel to and from the following types of case activities:
- a. Administrative case reviews
 - b. Judicial reviews (court appearances)
 - c. Case conferences
 - d. Child and family team meetings
 - e. Foster parent training sessions
 - f. Parent and/or sibling visits (including visits to other relatives that are authorized by the department and are a part the child’s case plan) and visits to facilitate the transition to another placement
4. Other travel approved in writing in advance by the department.

The above travel must be consistent with the child’s individual case plan or a court order to be claimable.

III. Foster Care Mileage Graph: Mileage Paid in Per Diem based on Days in Care

Day(s) in Care	Mileage Paid in Per Diem
1	5
2	11
3	16
4	21
5	27
6	32
7	37
8	43
9	48
10	53
11	59
12	64
13	69
14	75
15	80
16	85
17	91
18	96
19	101
20	107
21	112
22	117
23	122
24	128
25	133
26	138
27	144
28	149
29	154
30	160
31	165

APPENDIX 4



Mitchell E. Daniels, Jr., Governor
James W. Payne, Director

Indiana Department of Child Services

Room E306, MS 47

302 W. Washington Street

Indianapolis, Indiana 46204

FAX: 317-234-4633

www.in.gov/dcs

Child Support Hotline: 800-840-8757

Child Abuse & Neglect Hotline: 800-800-5556

**Residential Treatment Services Provider (RTSP) and Child Placing Agency (CPA) Rates
Administrative Review Request**

Instructions:

To submit an Administrative Review Request, the RTSP or CPA must:

1. Complete Section 1 by filling out all of the requested information.
2. Complete Section 2 by selecting the reason for the Administrative Review Request from the options available and provide a clear, concise statement to support your reason.
3. Complete Section 3 by compiling and submitting the following documents as attachments to this form:
 - a. An itemized statement costs that the RTSP or CPA considers allowable under the provisions of 465 IAC 2-16 or 465 IAC 2-17.
 - b. A detailed statement and related information to support the requested change.
 - c. A copy of the letter from the Department of Child Services (DCS) titled, "Notice of Approved Rate and Right to Administrative Review."
4. This completed form must be mailed to DCS within thirty (30) days of the date on your "Notice of Department of Child Services Approved Rate and Right to Administrative Review" letter.
5. Send the completed form and all required attachments to DCS via email or U.S. Mail at the following address:

Indiana Department of Child Services
Attn: General Counsel, Rate Review
302 West Washington Street, Room E306, MS 47
Indianapolis, IN 46204

DCS.RateReviewAndAppeals@dcs.in.gov

6. DCS will not accept or process a request for review unless all required items referred to in this form are completed and attached.
7. No request for administrative review will be acted upon by DCS if the RTSP or CPA has a current license that is in the process of being revoked by DCS.



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Section 1

Fill out the following information for the vendor corresponding to the cost report being reviewed:

Cost report ID Number:	Name of Vendor Executive Director:
Name of Vendor:	County of Operation:
Address of Vendor:	Email Address of Vendor:
Telephone Number of Vendor:	Program Name (list all applicable program names):
Program Service Category:	
Rate Listing ID:	
Current Rate:	
DCS Approved Rate You Are Requesting a Review of:	

Section 2

Check the reason(s) for your Administrative Review Request:

- Errors have been made in the cost report submitted to the Department. See 465 IAC 2-16-20 (a) or 465 IAC 2-17-21 (d).
- Errors have been made in the calculation of the rate/administrative payment.
- Errors have been made in the determination of the reasonableness of any cost.
- The determination of the rate/administrative payment by DCS has a material adverse impact on child welfare in Indiana that an existing provider in the State of Indiana cannot adequately address.

Please provide a clear, concise statement in support of the reason(s) selected above for the requested change. If necessary, you may continue your response on a separate document that is clearly labeled as a continuation of your Section 2 response:

Section 3

Compile and submit the following documents as attachments to this completed form:

- a. An itemized statement of administrative and indirect costs that the RTSP or CPA considers allowable under the provisions of 465 IAC 2-16 and 465 IAC 2-17.
- b. A detailed statement of related information in support of the requested change.
- c. "Notice of DCS Approved Rate and Right to Administrative Review" letter.

Vendor Name:

Vendor Executive Director Signature: _____

Vendor Executive Director Printed Name:

Date (month/day/year):

Upon proper submission, DCS will conduct an Administrative Review of your submitted written documentation. DCS will mail notice of the review decision to your agency within thirty (30) days of DCS's receipt of this Administrative Review Request Form.

DCS will pay, during the time the review is being conducted, the amount stated in the most recent "Notice of Approved Rate and Right to Administrative Review" letter. If a new rate is calculated based on the Administrative Review, such rate will be retroactive to the effective date stated in the "Notice of Approved Rate and Right to Administrative Review" letter. Any payments made by DCS to your agency after the effective date in the "Notice of Approved Rate and Right to Administrative Review" letter will be adjusted up or down in accordance with the new rate, if applicable, following completion of the Administrative Review.



Mitchell E. Daniels, Jr., Governor
James W. Payne, Director

Indiana Department of Child Services

Room E 306, MS 47
302 W. Washington Street
Indianapolis, Indiana 46204
FAX: 317-234-4633

www.in.gov/dcs

Child Support Hotline: 800-840-8757

Child Abuse & Neglect Hotline: 800-800-5556

**Residential Treatment Services Provider (RTSP) and Child Placing Agency (CPA) Rates
Administrative Appeal Request**

Instructions:

1. Before requesting an Administrative Appeal, your agency must have requested an Administrative Review and received a review decision from the Indiana Department of Child Services (DCS).
2. To request a hearing, your agency must submit to DCS, within fifteen (15) days of your receipt of the Notice of Administrative Review Decision and Right to Administrative Appeal:
 - a. This completed form;
 - b. A written statement as to why the RTSP or CPA is aggrieved or adversely affected by the DCS review decision; and,
 - c. A copy of Notice of Administrative Review Decision and Right to Administrative Appeal.
3. Mail this form along with all required attachments to the following address:

Indiana Department of Child Services
Attention: Office of the General Counsel, Hearings and Appeals
302 W. Washington Street, Room E306, MS 47
Indianapolis, IN 46204

Fill out the following information for the vendor corresponding to the cost report being appealed:

Cost Report ID Number:	
Name of Vendor:	Name of Vendor Executive Director:
Address of Vendor:	County of Operation:
Telephone Number of Vendor:	Email Address of Vendor:

Provide information as to why the RTSP or CPA is aggrieved or adversely affected by the DCS review decision in the following section below:

Complete this information only if you choose to be represented by legal counsel:

Name of Attorney:	Telephone Number of Attorney:
Address of Attorney:	



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You will be notified by mail of the date, time and place that your hearing will take place. Unless a continuance is granted under 465 IAC 2-16-27(g) or 465 IAC 2-17(g), the Administrative Law Judge (ALJ) will hold an administrative hearing not more than sixty (60) days after DCS receives this written request. Unless a continuance is granted, hearings will be scheduled and held in the order in which the appeals are assigned to the ALJ. In any Administrative Appeal under 465 IAC 2-17-28 or 465 IAC 2-16-27, your Agency has the burden of proof and the burden of persuasion to establish, by a preponderance of the evidence, that the Department's decision following the Administrative Review is erroneous, based on the applicable provisions of IC 4-21.5-3-7(a).

When an administrative hearing is requested, please note that the administrative appeal case file will contain only information that is filed with the Hearings and Appeals office for a specific case. It will not contain the file from the Administrative Review.

Following the appeal hearing, you will be notified of the ALJ's decision within ninety (90) days of the hearing, unless an extension of time is granted by the DCS General Counsel for good cause stated on the record.

Vendor Name:

Vendor Executive Director Signature: _____

Vendor Executive Director Printed Name:

Date:



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APPENDIX 5



Mitchell E. Daniels, Jr., Governor
 James W. Payne, Director
Indiana Department of Child Services
 Room E 306, MS 08
 302 W. Washington Street
 Indianapolis, Indiana 46204
 FAX: 317-234-4633
www.in.gov/dcs
 Child Support Hotline: 800-840-8757
 Child Abuse & Neglect Hotline: 800-800-5556

**Child Placing Agency (CPA) and Department Managed Foster Homes
 Request for Review of Child’s Category of Supervision**

Instructions:

1. A CPA or Department Managed Foster Home must fill out all requested information below.
2. Choose the reason for review that you are requesting. Only choose one option:
 - a. **Initial review request:** A Department Managed Foster Home (DCS foster home) or a CPA may request a review of a foster child’s initial category of supervision as shown on the Individual Child Placement Referral (ICPR). For any requests under this section, this form must be submitted to the Family Case Manager (FCM) or probation officer managing the child’s case no later than 30 days after the ICPR has been mailed, emailed or hand-delivered to the CPA or DCS foster parent.
 - b. **On-going review request:** A DCS foster parent or CPA may request a review of the child’s category of supervision after the initial assessment has been completed. The DCS foster parent or CPA may request review under this section not more than one (1) time in a six (6) month period that the child is in out-of-home placement. Reasons for this type of review are as follows:
 - i. A critical case juncture;
 - ii. The DCS foster parent or CPA reasonably believes there is relevant, new, or changed information about the child’s supervisory needs that were not adequately addressed in the approved assessment tool or during discussions about the type of placement before the placement occurred; or,
 - iii. There are supervisory or behavioral concerns that are not adequately addressed by the approved assessment.
3. DCS cannot accept or process a request for review of a child’s category of supervision if this form is incomplete or if the CPA or foster parent has a current license that is in the process of being revoked by the Department.
4. Mail this completed form to the **DCS Local Office Director or Chief Probation Officer** in the county where the child’s case is pending. DCS Local Office Director addresses can be found at: <http://www.in.gov/dcs/2372.htm>. Chief Probation Officer addresses can be found at: <http://www.in.gov/judiciary/probation/>

Requested Information:

Fill out all requested information below.

Child’s Name:	Child’s Case Number:
Name of FCM/Probation Officer Managing the Case:	County FCM or Probation Officer Works In:
Person Requesting Review: (Check One)	<input type="checkbox"/> DCS Foster Parent (complete the Foster Parent section below) <input type="checkbox"/> CPA (complete the CPA section below)



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DCS Foster Parent Section:

Name of Foster Parent:	Telephone Number of Foster Parent:
Address of Foster Parent:	Email Address of Foster Parent:

CPA Section:

Name of CPA:	Telephone Number of CPA:
Name of CPA Contact:	
Address of CPA:	Email Address of CPA:

Reason for review request of the child's category of supervision:

- Initial review request
- On-going review request

Child's current category of supervision as stated on the Individual Child Placement Referral (ICPR) (check one):

- 1-Foster Care
- 2-Foster Care with Services
- 3-Therapeutic
- 4-Therapeutic Plus
- 5-Other

Provide a clear, concise statement of the reasons for the requested change. You may provide attachments to support your request, if appropriate:

Provide a detailed statement of related information in support of the change. You may provide attachments to support your request, if appropriate:

When a request for a review of the category of supervision is received, the FCM or probation officer will hold a meeting with the DCS foster parent or CPA (and their foster parent) to discuss the needs of the child within 14 days of the request for review. The DCS Local Office Director or designee or the Chief Probation Officer or designee must be in attendance at this meeting. If the foster parent and/or CPA do not attend the meeting, DCS or Probation will complete a paper review. Notice of the outcome of the review will be distributed by the DCS Local Office Director or designee or the Chief Probation Officer or designee, in writing, to the DCS foster parent or CPA within five (5) business days of the scheduled meeting date.

The child's category of supervision, as affirmed or revised by the DCS Local Office Director or designee or the Chief Probation Officer or designee upon completion of the review, will be effective as of the date of the notice of the outcome of the review. It will not be retroactive. Any payments made by DCS after the effective date will be adjusted in accordance with the final approved category of supervision for the child.

Signature of CPA Representative or DCS Foster Parent: _____

Printed Name of CPA or DCS Foster Parent:

Date (month/day/year):