

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



August 24, 2007

**SUBJECT: BIENNIAL GROUP HOME RATE REQUIREMENTS – AID TO FAMILIES
WITH DEPENDENT CHILDREN – FOSTER CARE (AFDC-FC)
PROGRAM – NOVEMBER 2007 FILING**

IMPORTANT NOTICE

Dear Provider:

This letter serves as a courtesy reminder that your Group Home's (GH) biennial rate application is due. Providers were informed in the September 30, 2005 and the January 31, 2006 Foster Care Audits and Rates Letters (FCARL #2005-03 and FCARL #2006-01) that as an odd numbered provider, you would be required to submit a Group Home rate application on October 1, 2007. **However, to allow providers a full sixty (60) days to prepare and submit an application, the California Department of Social Services (CDSS) has extended this deadline to November 1, 2007.** Copies of the FCARLs can be found on the Foster Care Audits Policy and Support Bureau's website at: http://www.childsworld.ca.gov/FosterCare_1445.htm .

Enclosed are the requirements for a complete biennial group home rate application. **Please be advised that late penalties will be applied to all late or incomplete applications. To avoid late penalties as described in Manual of Policies and Procedures (MPP) Section 11-402.38, please be sure to submit your rate application on or before November 1, 2007.**

Providers can obtain the SR forms online at:

http://www.dss.cahwnet.gov/cdssweb/FormsandPu_271.htm.For general information on rates, visit the Foster Care Rates Bureau's (FCRB) website at: http://www.childsworld.ca.gov/FosterCare_1447.htm .

If you have any questions about the rate application process or forms, please contact your Foster Care Rates Consultant at (916) 651-9158.

Sincerely,

A handwritten signature in black ink, appearing to read "Sheila Dupuy".

SHEILAH DUPUY, Chief
Foster Care Rates Bureau

Enclosure

COMPLETE RATE APPLICATION

A complete rate application must be submitted for each group home and Community Treatment Facility (CTF) program in operation. A complete rate application is one that contains all the required documents necessary to set the rate. Forms have changed to reflect submission of information for a biennial reporting period. This means that data is required **for the corporation's prior two fiscal years**. Please refer to the regulations and the instructions on the reverse side of each group home form when preparing the rate application. The instructions will assist you in completing the rate application package correctly. **The forms and documents listed in Sections I, II, & III are required for a complete group home program rate application.**

I. REQUIRED FORMS:

A. SR & FCR forms:

- **Group Home Program Rate Application (SR 1)** – With original signature. (Front and Back)
- **Program Classification Report (SR 2)** – Two separate SR 2's are required for the providers previous two reporting periods [Fiscal Year (FY) 2005/2006 & FY 2006/2007]. Use actual data, do not average or estimate. On Line 16 for FY 2005/2006, *leave blank*. On Line 16 for FY 2006/2007, project your average points and RCL for your next reporting period which will be FY 2007/2008 & FY 2008/2009. New providers, who began operating in 2006 or 2007, must report actual data from the date of first placement through the end of your reporting period. New providers that had no placements by the end of their reporting periods must project points.
- **Group Home Program Days of Care Schedule (SR 5)** – Two separate SR 5's are required; one for FY 2005/06 and one for FY 2006/07. Use actual data, do not average or estimate.
- **Self-Dealing Transaction Declaration (FCR 16)** – Signed by the group home's board designee. This form can be obtained at: <http://www.cdss.ca.gov/pdf/FCR16.pdf>

II. REQUIRED DOCUMENTS:

- A. A complete listing of the corporation's Board of Directors including full names, titles, mailing addresses and phone numbers.
- B. A declaration signed by the Board of Directors that the program will operate during the biennial rate period in the public interest for scientific, education, service or charitable purposes; is not organized for profit-making purposes; and, uses its net proceeds to maintain, improve or expand its operations.

Note: A group home provider is to immediately notify the FCRB if the group home ceases to operate on a nonprofit basis, becomes inactive, suspended, or otherwise is not in good standing with the Secretary of State (SOS).

- C. A training plan for the corporation's next two reporting periods for each program for which the additional .10 weighting is claimed for child care workers and supervisors (See MPP Section 11-402.221(e) for the training plan requirements). If the training weighting will not be claimed during the biennial rate period, a statement to that effect must be included with the rate application.
- D. A copy of any initial or amended Statement of Information (SI 100) filed with the SOS.

Note: Providers must maintain an active status with SOS to continue to be eligible for AFDC-FC funds. You may check your status on the SOS website at: <http://Kepler.ss.ca.gov/list.html> .

III. ADDITIONAL DOCUMENTS:

(If any of the following documents in Section III were previously submitted, it is not necessary to resubmit; however, please indicate if the documents have already been submitted in a previous biennial rate package and no changes have occurred).

- A. A copy of all current Community Care Licensing (CCL) licenses for each facility.
- B. A copy of the Group Home Administrator Certificate issued by CCL for the program's administrator or if not available, proof of submittal of processing fee and training certificate to CCL (not necessary for CTFs).
- C. If any changes have occurred, a tax exempt status letter, either from the Internal Revenue Service or the California Franchise Tax Board designating your organization as tax exempt.
- D. If there has been any change since the last submission, an endorsed copy of the Articles of Incorporation filed with the SOS.
- E. A copy of the current facility lease(s) or rental agreement(s).

IV. RCL 13/14 RATE APPLICATIONS ONLY:

- A. In addition to the forms and documents in Section I, II, & III, programs classified at Rate Classification Level (RCL) 13 or 14 must also submit:
 - 1. A written statement that the program will accept only children assessed/qualified for placement during the biennial rate period as required in MPP Section 11-402.181(b). The statement must be dated and include an original signature of the same individual whose signature appears on the SR 1.

2. Certification from the Department of Mental Health that the group home program has met all the certification requirements.

GOOD CAUSE REQUESTS

A provider who is unable to submit a complete rate application by the due date because of circumstances beyond the provider's control, may submit a "good cause" request to extend the due date. Typical circumstances that constitute good cause include, but are not limited to, natural disasters and emergency medical situations [MPP 11-400g(1)].

The procedures for submitting a good cause request are contained in MPP Section 11-402.371. **A good cause request must be submitted by a provider to the FCRB separately from the rate application and must be postmarked no later than five calendar days following the rate application due date.** The good cause request must contain a clear statement requesting good cause and include the specific reason(s) for submitting an incomplete or untimely rate application. The written request for good cause should also include the name, location, and program number of the affected program; the name, address and telephone number of the provider; and, the name, address and telephone number of the contact person. Please be aware that when the Department approves a request for good cause, a complete application is due within 30 days of the postmark of the Department's approval notification or 30 days after the original application due date, whichever is later.

Additionally, for those providers whose request for good cause is approved, complete applications submitted in accordance with the above paragraph will have an effective date of the rate as identified in MPP 11-402.34. However, applications that are incomplete or are not submitted in accordance with above paragraph will be subject to penalties as described in MPP 11-402.38. Good cause requests should be signed by the Executive Director of the group home or their designee.

TIMELINES AND PENALTIES

The timelines and penalties for late and incomplete applications contained in MPP Section 11-402.38 have changed as a result of the biennial rate application process and are as follows:

- Applications not submitted on or before the due date and applications that are incomplete are considered late applications.
- The rates for late applications are subject to a monetary penalty equal to three (3) percent of the rate.
- The rate is subject to the penalty for the number of months the application was late, beginning on either the rate effective date or the date the rate is reinstated if terminated.

- The rate is subject to termination if the complete application is not received on or before the rate effective date.

Example: Application is due November 1, 2007 and the rate is effective January 1, 2008: if the application is not completed by January 1, 2008, the group home program will be subject to the rate termination process as specified in MPP Section 11-402.393 for failure to submit a complete rate application prior to the rate effective date.

- A program rate which has been terminated for failure to submit a timely or complete rate application can be reinstated by meeting the requirements of MPP Section 11-402.45. The new rate will be set based on the current rate for the RCL in which the program is reinstated in accordance with MPP 11-402.3.

If a private consultant or Certified Public Accountant (CPA) completes and/or mails a rate application on behalf of a provider, responsibility for the content of the documents filed and the date of filing remains with the provider. A private consultant or CPA's failure to submit a timely application will not excuse untimely submission of a complete rate application and may result in a penalty.

- A complete copy of the regulations is online at the following websites:

<http://www.dss.cahwnet.gov/getinfo/pdf/fcmanb.pdf>
<http://www.dss.cahwnet.gov/getinfo/pdf/fcmanc.pdf>

WHERE TO SEND APPLICATIONS:

Please mail a complete rate application to the attention of your Rates Consultant at the following address:

**California Department of Social Services
Foster Care Rates Bureau
744 P Street, M.S. 9-74
Sacramento, CA 95814**