



JOHN A. WAGNER  
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**  
744 P Street • Sacramento, CA 95814 • [www.cdss.ca.gov](http://www.cdss.ca.gov)



ARNOLD SCHWARZENEGGER  
GOVERNOR

May 6, 2010

RESIDENTIALLY BASED SERVICES LETTER NO. 02-10

TO: SELECTED COUNTY WELFARE DIRECTORS  
SELECTED COUNTY FISCAL OFFICERS  
SELECTED COUNTY CHILD WELFARE SERVICES PROGRAM  
MANAGERS

SUBJECT: COMMINGLING IN GROUP HOME PLACEMENT CHILDREN  
ENROLLED IN THE RESIDENTIALLY BASED SERVICES (RBS)  
REFORM PROJECT WITH CHILDREN NOT ENROLLED IN THE RBS  
REFORM PROJECT

REFERENCE: WELFARE AND INSTITUTIONS CODE (W&IC) SECTION 18987.7

This letter provides information about the proposed practice of "commingling," or mixing in residential group home placement, children who are enrolled in the RBS Reform Project with children who are not enrolled in the RBS Reform Project. For the purposes of this discussion, commingling does not refer to mixing wards and dependents in the same facility. Nor does commingling refer to mixing RBS enrolled children with non-RBS enrolled children on the same residential group home campus. Instead, this discussion concerns commingling children in residential group home placement in different programs in the same facility (i.e., living under the same roof).

Challenges and Benefits of Commingling

Commingling RBS enrolled children with non-RBS enrolled children raises a number of issues. Two of these are ensuring RBS program fidelity and achieving equal access to all available services and benefits in conformance with the "Youth Bill of Rights" as defined in W&IC section 16001.9(a)(23). The RBS Reform Project is a pilot test of innovative service and funding strategies aimed at transforming the current system of long-term, congregate, group home care into a system of residentially based services that improve permanency outcomes for children by combining short-term intensive

stabilization and treatment services for the child with follow-along community-based services for the child and his/her family. The RBS Reform Project provides a different, richer package of services than those provided through traditional group foster care. The current residential group home foster care program is neither funded nor structured to provide this array of services. Fidelity to this innovative RBS program is critical to ensuring both its effectiveness and an accurate pilot test. Program fidelity cannot be guaranteed if group home residential staff are required to respond to children in the same living group differently depending on whether the child is enrolled in RBS or served by the traditional foster care system. Creation of an RBS milieu is jeopardized by essentially running two different programs simultaneously with the same group of children. Likewise, this differential treatment of children with similar problems who live and interact in a close unit not only risks violation of the Youth Bill of Rights, but also the perception of unequal treatment among the children themselves with associated behavior and emotional issues. This would have a detrimental effect on both the children involved and on the fidelity of the pilot program.

In addition, commingling RBS enrolled children in residential group home placement in the same facility with children enrolled in a traditional Rate Classification Level (RCL) group foster care program creates serious complexities in defining provider rates, authorizing payment, and auditing the use of funds. In order to pay an RCL rate for one child placed in an RBS facility and an RBS rate for the other children in the same facility, the provider would have to simultaneously satisfy all RCL requirements and all RBS requirements for that facility. This would entail securing two program numbers, gaining approval of two separate rate methodologies and rate levels, and complying with two sets of audit requirements. In addition, providers would have the administrative burden of conducting separate time studies for the two programs.

Simultaneous compliance with both sets of requirements is highly unlikely. The provider would have to maintain the necessary points to satisfy the RCL requirements for the RCL level assigned. Since the RBS pilot program staff levels and qualifications would probably be higher than those required for RCL compliance, it is expected that it would be possible to satisfy the RCL point level. However, once audited under the RCL program rules, occupancy rates would cause the provider to fail the RCL audit. If any bed has been occupied by an RBS placement for any period in a six-bed facility or if more than one bed has been occupied by an RBS placement for any length of time in a 10-bed facility, the provider would fail the RCL audit.

The primary benefit of commingling in the RBS Reform Project is that it would avoid a gap in the funding needed to cover the providers' increased costs resulting from operation of the enriched RBS program. Vacant beds can create a financial burden for the provider. They may occur on a one-time basis at project start-up/phase-out. Vacant beds may also occur episodically during the pilot period when children successfully

matriculate out of group care into lower level placement or when trying to separately house males and females or when separating older from younger children in placement. If RBS enrolled children are not available to fill those beds, even the reduced payments for the temporary placement of RCL funded children would be helpful. This, however, creates the potential for individual harm should an RCL funded child be moved prematurely whenever an RBS enrolled child is available for placement. In so doing it also undermines the state's commitment to reducing the number of times a child is moved in foster care. Moreover, this does not ensure full funding for the RBS provider.

### Policy Direction

After careful consideration, it has been determined that commingling RBS enrolled children with non-RBS enrolled children in residential group home placement will not be permitted during the RBS Reform pilot demonstration project. The RBS Reform Project plans that include commingling as a structural component will not be approved for participation in the project. Upon project start-up/phase-out, so long as one child receiving traditional foster care services is placed in a cottage, the cottage will remain under the RCL payment system. Conversion of a facility to RBS will occur when all children in placement in that cottage are enrolled in RBS.

Prohibition of commingling places the responsibility on RBS pilot counties to ensure that the appropriate children are identified and readied for enrollment into RBS as quickly as possible after an opening occurs in the RBS group residential facility. The California Department of Social Services will work aggressively with RBS pilot counties to assist in developing procedures to facilitate this.

If you have any questions, you may contact me at (916) 651-7464, or Megan Stout, RBS Consultant, at (916) 654-1883.

Sincerely,



KAREN B. GUNDERSON, Chief  
Child and Youth Permanency Branch  
Children and Family Services Division

c: CWDA  
Alliance