



CDSS

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EDMUND G. BROWN JR.
GOVERNOR

January 10, 2012

COUNTY FISCAL LETTER (CFL) NO. 11/12-36

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY FISCAL OFFICERS

SUBJECT: TITLE IV-E CHILD WELFARE WAIVER DEMONSTRATION
CAPPED ALLOCATION PROJECT (CAP) – GROUP HOME
RATE INCREASE DISAPPROVAL OF FEDERAL FUNDS
AND APPROVAL OF PLANNING AUGMENTATION TO
FISCAL YEARS (FY) 2009-10 AND 2010-11 ALLOCATION

REFERENCE: CFL NO. 11/12-03, DATED JULY 28, 2011
CFL NO. 10/11-73, DATED JUNE 24, 2011

This letter notifies Alameda and Los Angeles Counties of the federal Administration for Children and Families' (ACF) denial of the California Department of Social Services' (CDSS) request for increased Title IV-E funds for the Foster Care Group Home (GH) rate increase. The increase was the result of the *California Alliance of Child and Family Services v. Cliff Allenby* court decision which required a 32 percent increase in the GH rates. Since GHs are the most expensive placements, the 32 percent increase in the rates resulted in a significant unanticipated cost to the Waiver counties. As this caused a sizeable financial impact to the funding for the Waiver Project, CDSS submitted a request to ACF for additional Title IV-E funds under the capped grant. This request was denied by ACF on October 25, 2011.

This letter also notifies Alameda and Los Angeles Counties that the following General Fund (GF) augmentations included in the planning allocations for the Foster Care (FC) 101 – Group Home Rate Increase are now final.

- An increase of \$7.7 million GF for FY 2009-10, as indicated in CFL No. 11/12-03. This is consistent with the last estimate that was sent to ACF and the counties.

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- An increase of \$11.1 million GF and \$0.5 million GF for the American Recovery and Reinvestment Act – Federal Medical Assistance Percentage Increase (FC 101) – Group Home Rate Increase for FY 2010-11 as indicated in CFL No. 10/11-73.

Any questions regarding this letter can be directed to fiscal.systems@dss.ca.gov.

Sincerely,

Original Document Signed By:

FRAN MUELLER
Deputy Director
Administration Division