

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
CHILD CARE FUND REIMBURSEMENT PROGRAM

PROGRAM INSTRUCTION 2019-001

TO: Michigan County Government and Courts
Michigan Tribes
MDHHS County Directors

FROM: Wendy Campau, Director
Office of Child Welfare Services and Support

SUBJECT: Unlicensed Relative Foster Care Payments and Child Care Fund

This Program Instruction is being issued to provide details of the MDHHS policy change that allows unlicensed relative foster care providers to be eligible to begin receiving foster care maintenance payments beginning 4/1/2019.

Relatives who have placement of state-supervised, temporary abuse/neglect wards are eligible for this payment. A relative is considered eligible for these payments based on completion and approval of the DHS-3130A, Children's Foster Care Relative Placement Home Study in MiSACWIS, or if placement with the relative is otherwise court-ordered. Specific instructions to state-supervised foster care staff regarding this policy change has been released in CSA Communication Issuance 19-008 and is attached for your information.

The fund source for these new payments will be paid fully from state funds and as such, counties will not be responsible for payment or any chargeback. Handling of these same type placements for state wards funded by State Ward Board and Care remain unchanged; appropriate charges will continue by way of the monthly chargeback process.

Counties and tribes may also pay unlicensed relatives who have placement of juvenile justice youth in a foster care placement, if the placement is court-ordered. Due to the modification to foster care payment policy, these expenditures also become eligible for Child Care Fund (CCF) reimbursement when all other CCF eligibility criteria are satisfied. If the court/tribe chooses to pay an unlicensed relative caregiver as defined in FOM 722-03B for a court-supervised juvenile justice youth placement, the expenditure is reimbursable and should be included in the foster care line item on the monthly 207/206b. Counties and tribes are not required to submit an amendment to their budget to reflect payments to unlicensed relatives, unless and until fiscally necessary.

In addition to the appropriations to pay the unlicensed relative provider, the department was funded to pay any private child placing agency that is or was supervising a temporary ward child dating back to 10/1/2018. MDHHS will pay both agency and foster parent daily rates beginning 4/1/2019 but the department will also begin making these retroactive payments to agencies that supervised this case type at any point since the beginning of this state fiscal year.


MDHHS is aware that some counties may have been paying private agencies administrative rates for the case management of these abuse/neglect cases in unlicensed relative placements, even though those costs were not eligible for CCF reimbursement. MDHHS must be made

aware of those circumstances to avoid any duplication of payment to those agencies and to facilitate the recovery of funds to the county where applicable. Counties must contact the CCF office **no later than 2/15/19** to report this situation and to work with the department on next steps.

EFFECTIVE DATE: January 23, 2019

CONTACT INFORMATION: MDHHS-CCFMU@michigan.gov

C: MDHHS Children's Services Agency Deputy Directors
MDHHS BSC Directors
MDHHS Child Welfare and Juvenile Justice Funding Leadership Council

 <p>Michigan Department of Health & Human Services</p> <p>Children's Services Agency</p> <p>Communication Issuance</p> <p>19-008</p>	Subject/Title	Payments to Unlicensed Relatives
	Type	<input checked="" type="checkbox"/> Informational Memorandum <input checked="" type="checkbox"/> Program Instruction <input type="checkbox"/> Policy Guide
	Issuance Date	1/22/2019
	Obsolete Date	N/A
	Contact Name	Federal Compliance Division
	Email	MDHHS-federalcompliance@mdhhs.state.mi.us
	Due Date	N/A
	Due to	N/A
	Distribution	<input checked="" type="checkbox"/> CSA Central Office Managers/Staff <input checked="" type="checkbox"/> MDHHS BSC and County Directors <input checked="" type="checkbox"/> MDHHS Juvenile Justice Managers/Staff <input checked="" type="checkbox"/> MDHHS Child Welfare Managers/Staff <input checked="" type="checkbox"/> Native American Tribes <input checked="" type="checkbox"/> Office of Workforce Development and Training <input checked="" type="checkbox"/> Private Agency Child Welfare Managers/Staff <input checked="" type="checkbox"/> Private Residential Abuse/Neglect Managers/Staff <input checked="" type="checkbox"/> Private Residential Juvenile Justice Managers/Staff <input type="checkbox"/> Other:

Unlicensed relatives who have placement of temporary abuse/neglect wards being supervised by MDHHS or a contracted child placing agency will be eligible to receive foster care maintenance payments beginning on 4/1/19. Relatives who have children placed with them as of 4/1/19 will begin receiving payment with a begin date of 4/1/19 as soon as the activities below are completed. For all relatives who have a child placed with them on or after 4/1/19, payments will be retroactive to the placement date once the activities below are completed. A relative is considered eligible for these payments based on completion and approval of the DHS-3130A, *Children's Foster Care Relative Placement Home Study*, in MiSACWIS, regardless of whether the placement was approved by MDHHS or court-ordered. Private child placing agencies will also be paid the administrative rate for case management of unlicensed relative cases. System enhancements to support implementation of these payments are currently underway. The maintenance payment to relatives and the administrative rate to private agencies will be paid using general funds. Program instruction regarding the impact to Child Care Fund policy and the Annual Plan and Budgets will be sent directly to counties, courts, and tribes.

To begin receiving payments, a primary relative caregiver must be registered in SIGMA and enrolled in Bridges. Payments can only be issued to the primary relative caregiver and cannot be split between two or more payees; the primary relative caregiver must be the same in MiSACWIS, Bridges and SIGMA.

When foster care maintenance payments begin, unlicensed relatives will no longer be eligible to receive ineligible grantee funds through the Family Independence Program (FIP). Additionally, food assistance payments (FAP), Child Development and Care payments (CDC), and child support payments that are made to a relative for care of a temporary court ward may require adjustments, which must be determined by the assistance payments (AP) specialist.

Receipt of foster care maintenance payments may also impact SSI/RSDI benefits. If the unlicensed relative of a temporary court ward is currently receiving SSI or RSDI, he/she may choose to continue

receiving the benefit **OR** begin receiving foster care maintenance payments by allowing MDHHS to apply as the payee for the SSI/RSDI benefit. Beginning 4/1/19, MDHHS will automatically initiate action to become the SSI/RSDI payee for new placements and the unlicensed relative will receive foster care maintenance payments. SSI Medicaid will be maintained.

CPS and foster care workers are responsible for advising their unlicensed relative caregivers that these changes are forthcoming. CPS and foster care staff must also work with the AP specialist to ensure the necessary closures/modifications to existing benefits are made prior to the 4/1/19 implementation date. A query identifying affected relatives will be provided to assistance payments and child welfare county offices to review and make the appropriate payment adjustments.

The following steps must occur by 3/18/19 for an unlicensed relative to begin receiving payments effective 4/1/19. If the following are not completed by 3/18/19, payments will begin once the following steps are completed:

1. **BENEFIT CHANGES/CLOSURE:** Any current FIP, FAP, CDC, or child support benefits must be reviewed and appropriately closed or modified by the AP specialist **effective 3/31/19** to accurately reflect provision of foster care maintenance payments beginning 4/1/19. Nothing in writing is required by the relative for the AP specialist to make changes associated with Family Independence Program funds; the worker must work in conjunction with the relative and AP specialist to ensure other benefits are appropriately closed/modified.
2. **SSI/RSDI DETERMINATION:** If the relative is **currently** receiving SSI or RSDI, he/she must choose to 1) continue receipt of this benefit by forgoing foster care maintenance payments or 2) allow MDHHS to apply for and become the payee of the SSI/RSDI benefit so foster care maintenance payments can begin. Changes to these benefits must be made via completion of the DHS-3205, *Foster Care/Juvenile Justice Benefit Eligibility Record*. The worker must contact the Government Benefits Unit at MDHHS-GovtBenefits@michigan.gov to ensure necessary changes are completed as requested by the relative.
3. **DHS-3130A APPROVAL:** Ensure that a DHS-3130A, *Children's Foster Care Relative Placement Home Study*, is completed and approved in MiSACWIS.
4. **SIGMA REGISTRATION:** If not already registered, the relative must register on SIGMA Vendor Self Service Website:
<https://sigma.michigan.gov/webapp/PRDVSS2X1/AltSelfService>. Use attached *VSS Job Aid for Individuals*. Workers can use the attached *VSS Job Aid for Workers* to assist relatives in this process. Vendor Self Service can be contacted at 888-734-9749 for questions with this process.
5. **BRIDGES ENROLLMENT:** MDHHS Central Office staff will be manually enrolling relatives in Bridges for those relatives who have an approved DHS-3130A in MiSACWIS **AND** are enrolled in SIGMA prior to 4/1/19. A query identifying any relative caregivers in question will be sent to the field for verification before manual enrollment in Bridges occurs. Enrollment in Bridges occurring after 4/1/19 should be completed utilizing the current process involving completion of the 2351X form.

Beginning on 4/1/19, workers will be able to record a paid placement for a relative who is appropriately enrolled in Bridges and SIGMA, and who is in approved status. This is the same process currently required for adding a paid relative placement for children funded through State Ward Board and Care (SWBC).

No updates are needed for those unlicensed relatives who are receiving payments for a state ward. Payments will continue as usual for this population.

The following teleconferences, hosted by Federal Compliance Division and MiSACWIS, will be available to provide further information and address any questions related to the information provided above:

- Feb. 4, 1-2pm – (877)411-9748; 1865038# for BSC 1, 2, 3, 4 and PAFC L-Z
- Feb. 5, 8:30-9:30am – (877)411-9748; 1865038# for BSC 5 and PAFC A-K

A follow-up CI will be sent with additional details, including a Frequently Asked Questions (FAQ) document, as implementation approaches.

It is requested that additional questions be consolidated by office/agency and submitted to their BSC or CWSS Analyst for a combined submission to Federal Compliance Division at MDHHS-federalcompliance@michigan.gov. Consolidation of questions will ensure that a timely response is provided and will be beneficial in the creation of an FAQ document for future dissemination to the field.