State of California—Health and Human Services Agency

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August 16, 2016

ALL COUNTY INFORMATION NOTICE (ACIN) NO. I-52-16E
MENTAL HEALTH AND SUBSTANCE USE DISORDER SERVICES (MHSUDS) INFORMATION NOTICE NO. 16-031E

ERRATA

TO: ALL ADOPTION DISTRICT OFFICES
ALL CHIEF PROBATION OFFICERS
ALL COUNTY ADOPTION AGENCIES
ALL COUNTY WELFARE DIRECTORS
ALL FOSTER FAMILY AGENCIES
ALL GROUP HOME PROVIDERS
ALL TITLE IV-E AGREEMENT TRIBES
COUNTY ALCOHOL AND DRUG PROGRAM ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS
CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES

SUBJECT: THERAPEUTIC FOSTER CARE (TFC) SERVICE MODEL AND CONTINUUM OF CARE REFORM (CCR)

REFERENCE: ACL 16-10 (February 17, 2016)
ACIN I-06-16 (January 12, 2016)
ACL 14-79 (October 16, 2014)
MHSUDS INFORMATION NOTICE NO. 14-036
MHSD INFORMATION NOTICE NO. 13-03

The purpose of this errata to ACIN I-52-16 and MHSUDS Information Notice 16-031 is to provide further clarification to counties, Mental Health Plans (MHPs), Child Welfare departments (CWDs), and providers with information on the Therapeutic Foster Care (TFC) service model as part of the *Katie A. v. Bontá* settlement agreement. Additional clarifications have been made to the letter and attached TFC service model to underscore the importance of this model and the connection to the Continuum of Care Reform (CCR) efforts.

BACKGROUND

As a result of the *Katie A. v. Bontá* class action Settlement Agreement in December 2011, the State of California took a series of actions to transform the way children and youth in foster care, or at risk of placement in California's foster care system, access mental health services in a more intensive array of well-coordinated, clinically-appropriate, and community-based mental health service settings. Accordingly, in 2013, California began screening, assessing, and providing children and youth with Intensive Care Coordination (ICC) and Intensive Home-Based Services (IHBS). The Settlement Agreement also includes developing a TFC service model as part of the service array available to eligible children and youth.

On September 11, 2015, the California Legislature passed Assembly Bill 403 (hereafter referred to as CCR). The CCR changes include, but are not limited to, providing services and supports to youth and families to reduce the reliance on congregate care, thereby increasing placements in home-based settings. One of the goals of CCR is to advance the shared commitments of county child welfare departments, county probation departments, and county MHPs to address the mental health needs of children and youth. One of the ways to do this is to provide certain components of Medi-Cal Specialty Mental Health Services (SMHS), provided through Early and Periodic Screening, Diagnostic and Treatment (EPSDT), as appropriate, and delivered through the TFC service model.

The Centers for Medicare and Medicaid Services (CMS) approved State Plan Amendment (SPA) 09-004 on February 16, 2016. This SPA provides a reimbursement methodology for the TFC service model.

This CMS-approved reimbursement methodology allows MHPs to claim for a combination of certain SMHS service components under one TFC rate, rather than claiming through different SMHS, as is current practice. Nothing in the reimbursement methodology approval changes the nature of the pre-existing and ongoing EPSDT service entitlement.

The TFC service model will be implemented, effective January 1, 2017.

THE TFC SERVICE MODEL

The TFC service model allows for the delivery of short-term, intensive, highly-coordinated, and individualized SMHS, to children and youth up to age 21 who have complex emotional and mental health needs and who are placed with trained, intensely supervised and supported TFC parents.

The TFC service model is intended for youth who require intensive and frequent mental health support in a one-on-one environment. The TFC service model is a home-based alternative to high-level care in institutional settings such as group homes and, in the future, as an alternative to Short-Term Residential Therapeutic Programs (STRTPs). The TFC homes may also serve as a transitional placement from STRTPs to other care levels. The TFC service model is but one service option in the continuum of care for eligible youth. Counties are encouraged to continue to further develop the resources, supports, and services needed to maintain foster youth in family-based home settings while promoting permanency for the youth through family reunification, adoption, or legal guardianship. These efforts may include the provision of ICC, IHBS, and Wraparound services, as appropriate.

Counties should use the Child and Family Team (CFT) process as outlined in the Pathways to Mental Health Core Practice Model, and as required under Assembly Bill 403 (Statutes of 2015) to determine whether the youth can benefit from the TFC service model. Additional guidance will be issued regarding the CFT process and its role in determining appropriate mental health services for children in foster care.

The draft "Service Model for Therapeutic Foster Care" and "Therapeutic Foster Care Service Model Parent Qualifications" are included as attachments to this information notice. The Department of Health Care Services (DHCS) and the California Department of Social Services (CDSS) continue to work closely and collaboratively with stakeholders on these documents. Please note that these documents are subject to change as DHCS and CDSS continue to partner with stakeholders. Further information on other critical components of the TFC service model will be forthcoming.

THE TFC SERVICE MODEL OVERVIEW

TARGET POPULATION

The TFC service model, will be provided to full scope Medi-Cal children and youth up to age 21 who have more complex emotional and mental health needs and therefore meet medical necessity criteria (California Code of Regulations, Title 9, Chapter 11, Section 1830.205 or Section 1830.210) for SMHS delivered through the TFC service model.

TFC SERVICE MODEL PROGRAM OPERATIONAL REQUIREMENTS

Under the TFC service model, SMHS will be delivered by resource parents under the direction of a Foster Family Agency (FFA). The FFA must meet licensure and accreditation requirements as established by CDSS. In order to operate a TFC Program, the FFA must also meet applicable specialty mental health Medi-Cal

requirements and be certified by the county MHP as a Medi-Cal provider. If the FFA is county owned or operated, DHCS will conduct the Medi-Cal certification. The FFAs must have a contract with an MHP to provide SMHS services under the TFC service model.

Alternatively, if the county does not have a FFA available or suitable to serve as a TFC provider, the county may assume the functions of the FFA. Under this approach, the county child welfare services agency may recruit, train, approve, and provide direct supervision and support of the TFC parents as resource parents. The MHP may provide a Licensed Mental Health Professional (LMHP) to provide supervision to the TFC parents. Additional instructions regarding this alternative model will be forthcoming.

ROLE OF THE AGENCY OPERATING A TFC SERVICE MODEL PROGRAM

The FFA or county agency is responsible for ensuring that resource families who become TFC parents meet the Resource Family Approval (RFA) standards established by CDSS in addition to the TFC service model training requirements and qualifications. The agency must provide support to TFC parents that includes, but is not limited to, competency-based training and on-going supervision and support. The agency will also ensure that the TFC parent, approved as a Medi-Cal service provider, meets and maintains all relevant requirements as a Medi-Cal provider and complies with Medi-Cal documentation standards. These requirements include, but are not limited to: having a National Provider Identifier, using a taxonomy code, only providing services that TFC parents are allowed to provide, completing progress notes that meet Medi-Cal specialty mental health documentation standards, participating on the child and family team; and meeting privacy and confidentiality Health Insurance Portability and Accountability Act requirements. In addition, the agency must have a qualified LMHP as part of their staff in order to provide clinical and program oversight to the TFC parent to ensure their service meets Medi-Cal and other applicable requirements.

ROLE OF THE TFC RESOURCE PARENT

The TFC parent is a key participant in the provision of trauma-informed, therapeutic treatment. The TFC parent will operate under the direction of a LMHP. The TFC parent will provide daily therapeutic services and support to the child or youth, and be available 24 hours per day, 7 days per week so that the treatment and services are timely and meet the individual needs of the child. The TFC parent will receive extensive training prior to rendering SMHS under the TFC service model, and will receive extensive support and supervision under the direction of a LMHP that is able to direct services and is employed by the FFA. The TFC resource family will also provide daily care and supervision as an approved foster care provider paid for by the child welfare agency.

The TFC parent will also need to meet the requirements of the RFA training requirements. The TFC parent activities will include participating as a member in the CFT, implementing in-home evidence-based, trauma informed interventions, in consultation with the CFT, and assisting the child or youth in accessing needed services to meet the child or youth's mental health treatment needs and achieve client plan goals (see attached TFC parent qualifications for additional details).

RATES

RATE FOR CARE AND SUPERVISION

Resource families providing care and supervision for children and youth who qualify for Aid to Families with Dependent Children-Foster Care payments will receive an enhanced rate for the board, care, and supervision of the child or youth. Additional information regarding the rate level will be provided in a forthcoming CDSS All County Letter.

RATE FOR SMHS SERVICES UNDER THE TFC SERVICE MODEL

The DHCS will reimburse the MHPs a per diem rate based upon the cost incurred by the MHP to provide SMHS under the TFC service model. The MHPs will receive an interim payment based upon an approved claim. Interim payments will be settled to the lower of the MHP's certified public expenditures or its non-risk upper payment limit as described in MHSD Information Notice 12-06.

The interim per diem rate under the TFC service model depends upon whether or not the FFA is a contractor of the MHP or is county owned and operated.

- If the FFA is a contractor of the MHP, the FFA will be paid by the MHP a rate that is negotiated between the MHP and the FFA. The MHP submits a claim to DHCS for federal reimbursement based upon the per diem rate the MHP paid the FFA. After approving the claim, DHCS will reimburse the MHP the federal share of the approved amount.

- If the FFA is county owned and operated, DHCS will reimburse the MHP the federal share of the MHP's interim rate. The county interim rate is currently set at $87.40 per day. Each county's interim rate will be updated annually based upon its most recently filed cost report.

CCR AND RFA

To advance the implementation of CCR, CDSS has formed additional workgroups and is actively completing early development of structures and processes required by CCR, including but not limited to licensure, audits, protocols, a new rate structure, and identification of Core Services.

The CDSS released ACL 16-10 on February 17, 2016, to provide information about the RFA process, a new foster caregiver approval process that improves the way related and non-related caregivers are approved by preparing families to better meet the needs of vulnerable children and youth in the county child welfare and/or probation systems. The process is streamlined and unifies approval standards for all caregivers regardless of the child's case plan, thereby eliminating process duplication.

The CDSS and DHCS are mindful of the need for counties to have as much time as possible to implement these approaches in time to meet the January 1, 2017 statewide implementation date for CCR, RFA, and the TFC service model. Counties should continue preparing for implementation while additional guidance is finalized. At a minimum, county MHPs, child welfare departments, and probation departments should discuss how fiscal and programmatic decision makers will engage one another to determine local application and impact of the myriad changes underway. Some topics for decision makers to consider include: revenue sharing, client and program data, information sharing, child and family teaming, and interagency policy and management.

The DHCS and CDSS strongly encourage counties to review the Pathways to Mental Health Core Practice Model Readiness Assessment and Service Delivery Plans submitted in accordance with the Katie A. Settlement Agreement[1] and consider updating the information to reflect planning for TFC service model implementation and integrating any relevant content into their RFA readiness assessment and implementation plans prior to submitting to CDSS. Many of the elements of the RFA readiness assessment and planning tools, such as the Workload Data Analysis, Placement Resources Action Plan, and the tasks and timeframes described in the RFA/CCR Implementation Guide for Counties, can be applied to the efforts of a multi-agency county team to prepare for TFC implementation in a manner that coordinates with CCR and RFA. Counties and providers may find the following resource documents helpful in early planning and implementation at the local level:

[1] See Mental Health Services Division Information Notice 13-03.

- Continuum of Care Reform Communications Toolkit – A series of 11 fact sheets that provide an overview of each primary area of impact under CCR.

- County Child Welfare/Mental Health Implementation Toolkit – A library of tools and forms for counties to use in assessing their readiness for implementation of the TFC service model within the CPM. The Planning Tools section includes the Overview of the Integrated Core Practice Model: Pathways to Well-Being—Implementation as Intended, the Pathways to Well-Being Implementation Planning Tool, and the Initiative, Program, or Intervention Readiness Assessment Tool.

- Resource Family Approval Program – This website includes information and updates on the RFA Program, readiness assessments and planning tools, a link to the California Social Work Education Center RFA Implementation Toolkit, and resources from early implementing counties.

    - RFA/CCR Implementation Guide for Counties – A framework to guide planning and implementation of RFA within CCR, including suggested committees or workgroups, tasks, and timeframes. Multi-agency county teams including CWS, MHP, and Probation may be able to leverage the activities described in this document to guide preparation for TFC service model implementation.

County welfare departments, probation departments and mental health authorities are encouraged to develop policies, procedures, and practices, such as support and training for caregivers that establish a shared and collaborative recruitment strategy. These strategies should include recruiting and preparing Resource Parents to also serve as TFC parents and mobilization of local resources that can assist resource parents of all types to become "TFC ready." These strategies may include providing access to services for the parents such as General Education Diploma preparation courses, and TFC specific trainings including documentation and Health Insurance Portability and Accountability Act requirements. Having these services and supports in place can facilitate the acceptance of a child or youth that needs SMHS delivered by way of the TFC service model. This will facilitate the process for resource parents to become TFC parent's sooner than if they were not prepared for this role in advance.

Please address questions regarding this information notice to the Department of Health Care Services, Mental Health Services Division, at (916) 322-7445 or email KatieA@DHCS.ca.gov or the CDSS, Children and Family Services Division, Integrated Services Unit, at (916) 651-6600 or email KatieA@DSS.ca.gov.

Sincerely,

Original signed by

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Attachments