



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 15-0067, **Version:** 1

Receive and approve a recommendation from the Department of Social Services (DSS) to “Opt-In” to implement the approved Relative Caregiver Program (ARC).

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Receive and approve a recommendation from the Department of Social Services (DSS) to “Opt-In” to implement the approved Relative Caregiver Program (ARC).

SUMMARY/DISCUSSION:

The Department of Social Services (DSS) received a Board Referral on January 13, 2015 from Supervisor Parker requesting a recommendation on whether or not to participate in the Approved Relative Caregiver Program (ARC) - an optional program for counties established pursuant to SB855, the Budget Act of 2014. Currently, under State and Federal law, relative caregivers for non-federally eligible foster children are paid a CalWORKs non-needy caretaker grant which is significantly less than the Foster Care rate. The CalWORKs non-needy caretaker rate is approximately \$395/month while the Foster Care basic rate is approximately \$764/month (there are variations to the basic Foster Care rate based on the age of the child.) Foster children are considered non-federally eligible when the resources of the home from which they were removed exceed eligibility standards for the old AFDC program as it existed in 1996.

The optional ARC program allows counties to address this disparity by providing a supplemental payment to approved relative caregivers when children are placed in their homes by DSS or Probation under the jurisdiction of the California juvenile court. When combined with the CalWORKs non-needy grant, this supplemental payment brings the assistance level to the same amount as the Foster Care basic rate. It should be noted that the ARC program only provides payment up to the foster care basic rate and does not include any further supplements for special needs or annual clothing allowances.

By electing to operate this county optional program, the county agrees to pay all approved relative caregivers, who are caring for an eligible child placed by either Monterey County DSS or Monterey County Probation, a per-child, per-month rate equal to the basic rate paid to foster care providers pursuant to W&I Code section 11461(g). The county must notify the state department of social services (CDSS) prior to March 1, 2015 of its decision to opt in to the program. If at a future date the State legislature does not fully fund the ARC Program the county may elect to “opt-out” of the program.

Your Board’s approval of recommended actions will make it possible for Monterey County to implement the ARC Program effective April 1, 2015. This program will improve the Department’s ability to encourage placement of foster children with relative caregivers, facilitate the continuance of permanent family relations, and address the disparities discussed above.

OTHER AGENCY INVOLVEMENT:

This Board report has been reviewed by the County Administrator's Office - Community Engagement and Strategic Advocacy and County Counsel.

FINANCING:

The Legislature has appropriated \$15 million in the current year and \$30.3 million in the budget year for ARC with a yet to be determined allocation methodology. The Budget Act provides that funds will be distributed to counties to fully cover the costs of transitioning all children who were potentially eligible as of July 1, 2014. That amount of reimbursement will be augmented annually to address any State COLAs in the foster care basic rate. Growth in the caseload is to be funded from savings in the existing foster care program that result when children who otherwise would be placed in non-relative foster care placements are cared for by relatives. While DSS believes that the allocation received will be sufficient to meet the increased costs associated with this program, there is a risk for increased county costs if growth in ARC placements exceeds foster care saving. All the scenarios that have been examined show the GFC impact as small and in many cases there is GFC savings.

Currently a relative receiving a CalWORKs payment for a child placed in their care receives \$395 per month while federally eligible children residing with relatives receive a foster care payment which averages \$764 per month. Foster care payments for the care of children is based on age. It is estimated that Monterey County has 40 children who would be eligible for the increase payment of approximately \$395 per month. Costs for these children through June 30, 2015 are estimated to be \$63,200. For 2015-16 the estimated cost would be \$207,000.

As a result of lower than anticipated growth in the Foster Care Program, sufficient appropriations are available in the FY 14/15 Budget. Revenues from the state budget for ARC will be sufficient to offset current year costs. Future year costs will be funded through continuation of the state's ARC budget and savings in Foster Care. It is not anticipated that the ARC program will result in any increased costs of general fund contributions as the state funds we will most likely cover the additional expenses at least through 2015-16 and beyond.

Prepared by: Wendy Russell, Deputy Director, x4431

Approved by: Elliott Robinson, Director, x4434