

APPROVED RELATIVE CAREGIVER (ARC) FUNDING OPTION PROGRAM

QUESTIONS AND ANSWERS (Q&As)

Following are Q&As that were not addressed in the All County Letter (ACL). Additional information will be provided in forthcoming departmental letters.

1) Auditing. What type of state/federal monitoring/auditing will the ARC Program be subject to?

To be determined. Discussions are ongoing about what type of monitoring/auditing should be conducted for this type of funding program.

2) CalWORKs. Will families have the option to stay on CalWORKs?

Yes, as noted in the ACL, families may choose not to participate in the ARC Program and to continue to receive CalWORKs benefits only. However, if a family is caring for an ARC-eligible child, a county representative who is familiar with the family's situation should educate the family about the advantages of an ARC payment for the child versus a straight CalWORKs payment. For example, the family may want to consider the following factors: The ARC payment will be considerably higher than the straight CalWORKs payment. In addition, the ARC payment will not be included as income when determining the relative caregiver's or other household members' eligibility for CalWORKs assistance.

3) Closed cases. Do relatives with closed cases qualify to participate in the ARC Program?

It is unclear what is meant by "closed cases." There are several possibilities, as follows:

If the term "closed case" refers to a closed CalWORKs case (e.g., the approved relative caregiver previously declined CalWORKs), then the answer is yes, the child can still participate in the ARC Program if the child meets ARC eligibility requirements. The child can qualify for the ARC Program regardless of whether or not he or she qualifies for CalWORKs. However, if the child does qualify for CalWORKs, then CalWORKs can be used to fund a portion of the child's ARC payment.

If the term "closed case" pertains to a child who is no longer a dependent or ward of the juvenile court, then the answer is no, the child cannot participate in the ARC Program. However, children who exit foster care to guardianship with a relative or adoption may be eligible to receive funding, respectively, through the Kinship Guardianship Assistance Payment Program or the Adoption Assistance Program.

Finally, an approved relative caregiver cannot be paid retroactively for care that has already been provided to an ARC-eligible child.

4) Federal foster care amounts. What is the federal basic foster care rate?

Foster care rates are adjusted yearly according to the California Necessities Index. Following are the federal basic foster care rates for Fiscal Year 2014-15:

- *Birth to four years of age: \$671*
- *Five to eight years of age: \$726*
- *Nine to 11 years of age: \$764*
- *Twelve to 14 years of age: \$800*
- *Fifteen to 20 years of age: \$838*

The ARC Program does not utilize Title IV-E federal foster care funds. However, ARC payments must be equal to the federal basic foster care rates described above.

5) Financial aspects. Please provide a description of the financial side of the ARC Program, including statistical reporting and claim requirements. What changes need to occur in order to process the changes in the funding?

Answers will be provided in forthcoming departmental letters.

6) Fiscal report. Which fiscal report will include the ARC Program?

Assuming this question is in regard to an assistance claim, the answer will be provided in a forthcoming County Fiscal Letter (CFL).

7) Foster Family Agencies (FFA). How will this approved funding affect FFA placements?

The ARC Program should not affect FFA placements. The FFAs typically derive their funding from Aid to Families with Dependent Children-Foster Care (AFDC-FC). A certified foster parent or a licensed caregiver would receive a full AFDC-FC payment on behalf of a foster child in their care. For more information about FFAs, please access www.childsworld.ca.gov/pg1346.htm.

8) Methodology. Will counties be provided with a block of funds on January 1 of each year, or will the counties claim monthly and be reimbursed from an allocation?

This information will be provided in a forthcoming CFL.

- 9) **Methodology.** How will funds be distributed? As part of realignment, or as a CalWORKs allocation or a separate allocation?

It will be a separate allocation.

- 10) **Statewide Automated Welfare System (SAWS) funding.** Is there funding for the SAWS system to implement this program?

Any programming changes to SAWS necessary to implement the ARC Program is considered a workload change and should be prioritized against other existing programming changes within the SAWS baseline budget. Additional funding to complete the ARC programming changes may be requested through the next budget cycle and is subject to the state budget approval process.

- 11) **Special needs.** Are ARC Program payments higher for children with special needs?

No. As indicated in the ACL, the ARC Program does not include a Specialized Care Increment. In addition, the monthly ARC payment itself is not higher for a child with special needs.

- 12) **State-funding reduction.** If state funding is reduced but a county wants to continue to participate, would the payment be a 100 percent local cost, or just the difference between the CalWORKs grant and the foster care rate?

If there is a budget reduction and the county wants to continue to participate in the ARC Program, the county will need to use local funds to make up the loss of state general funds. A state-budget reduction to the ARC Program would automatically trigger the opt-out of all participating counties unless a county chooses to opt-in again within 60 days of the enactment of the state budget. Such an opt-in county would likely continue to receive some ARC funds. The magnitude of the county reduction in ARC funds would depend on the magnitude of the state-budget reduction. In this situation, to cover a monthly ARC payment, the county would continue to use available ARC funds to the extent possible together with CalWORKs funds (the CalWORKs portion of the payment is not capped). If that was not sufficient to cover the monthly ARC payment, the county would be responsible for funding the rest of the payment up to the equivalent of the basic foster care rate.

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CONTACT INFORMATION

If you have policy-related questions concerning the ARC Program, please contact the Foster Caregiver Policy and Support Unit at (916) 651-7465 or ARCFO@dss.ca.gov. Questions concerning fiscal claiming, reporting and aid codes should be directed to fiscal.systems@dss.ca.gov. Questions concerning CalWORKs policy should be directed to the CalWORKs Eligibility Bureau at (916) 654-1322.

Sincerely,

Original Document Signed By:

GREGORY E. ROSE
Deputy Director
Children and Family Services Division

Attachments