

## **Payments to Shared Family Care Providers: Innovative Family Partnerships, Inc., Milwaukee, Wisconsin**

### **Introduction**

The foster care maintenance payments to Shared Family Care (SFC) providers or host families include two components – the monthly stipend and auxiliary living expense amount. The stipend portion of the SFC provider payment recognizes the care provided by host families both children and adult parents of families in foster care. The stipend is a fixed monthly amount, with two levels of payment based on the level of care offered to adults. The auxiliary portion of the SFC provider payment recognizes additional living expenses based on the number of children and the adult parent the host family is providing residential care for. The auxiliary amount is determined for each SFC placement and may vary from month to month.

Both components of the SFC provider payments are in lieu of regular foster care maintenance payments determined under the Wisconsin uniform foster care rate structure. The SFC program uses host families to work with both the parents and children in foster care cases, with the cases presenting a variety of challenging behaviors including substance abuse, emotional disturbances and mental health issues, and the effect of domestic violence. The payment structure is designed to create and maintain SFC provider capacity as well as cover living expenses associated with placements of children and their adult parent.

The stipend ensures that host families can make long-term commitments to provide care to both the children and adult members of families in foster care, with the stipend increased for host families that can work more intensively with adults. The stipend will be paid to host families on a monthly basis once they are available to take SFC placements, including periods that the host families are preparing to take SFC placements. Without ensuring the capacity of host families to actively work with the child welfare agency in preparation for placements, the SFC program could not effectively match children and adult parents with appropriate host families in a timely manner following the entry of the children into foster care. Host families will also be sources of ongoing mentoring and support to the families they served once the families are reunified in their own homes.

The auxiliary living expense amount pays host families for variable living expenses associated with specific placements, including the expenses associated with providing housing to the adult parents. The auxiliary amount is based on the number of children and adult parents placed with host families. Both the stipend and auxiliary amount portion of the SFC provider payment are specifically for the maintenance and care of families in foster care. SFC host families will be required to track expenses to show that provider payments are used to care for children and adult parents in foster care cases.

The Wisconsin Department of Health and Family Services (DHFS) has entered into an agreement with Innovative Family Partnerships, Inc. (IFPI) to make payments to host families under the SFC program. IFPI is a provider of ongoing case management services to foster care cases in Milwaukee County under contract to DHFS. IFPI is a non-profit agency that will recruit and train host families to be SFC providers, coordinate the placement of foster care cases with the host families and manage the overall child welfare services to the family.

The SFC payment structure is designed to meet the requirements under Section 131 of the IRS Code that foster care maintenance payments are considered public assistance to the foster children and thus not taxable as income to the foster parents or host families. All SFC host families will be licensed as foster parents and meet foster parent training requirements. All SFC placements will be approved by the court and meet federal Title IV-E foster care requirements. The SFC program will be operated as a demonstration project under a Title IV-E waiver approved by the federal government, with the SFC provider payment structure specifically approved by the federal government as part of the Title IV-E waiver.

## **Stipend Payment**

There are two levels of stipend payment under the SFC program, depending on the level of care provided to the adult parents in foster care cases. Both levels of care are family focused, with the SFC host family working extensively with the adults under either level, and the stipend levels correspond with the extent of involvement with the adults. Under both levels, the SFC host family will provide residential care for the children placed with the host family.

Under the Non-Residential stipend level, the adult parent does not move into the host family's home. The parent will spend extensive amounts of time at the home, with the host family serving as a mentor to the parent, and the parent having extensive contact with the foster children. The parent may occasionally stay overnight at the home as guest, but the parent will not reside there on a full-time basis. For the Non-Residential level, the host family will receive an annual stipend of \$14,000 or approximately \$1,167 per month.

Under the Residential stipend level, the adult parent does move into the home of the host family along with the foster children. The parent will reside in the home on a full-time basis for most or all of the period the children are placed with the host family. Full time means the parents use the SFC home as their primary residence, sleep there every night, participate in the household upkeep daily, prepare and eat the majority of their meals in the home, keep their clothes in the home, etc. For the Residential level, the host family will receive an annual stipend of \$18,000 or \$1,500 per month. Host families must meet space requirements dictated by the foster home licensing codes to qualify for the Residential stipend level.

To qualify for the Residential level, host families must agree to allow the adult parents to reside in their home on a full-time basis. The determination of whether a host family qualifies for the Residential level will be determined by IFPI based on the willingness of the host family to allow parents to reside full-time in their home and IFPI's assessment of the host family's capacity to provide more intensive, residential mentoring to parents. The Non-Residential level will generally be the beginning level of stipend until the host family has demonstrated to IFPI their willingness and capacity to be Residential providers.

The stipend to SFC host families can be increased from the Non-Residential to the Residential level at the time of new SFC placements. The stipend level can also be increased during the course of an existing SFC placement, if residing in the home on a full-time basis is appropriate for the adult parent in the foster care case and the parent's rights and responsibilities agreement is updated to address residential care. To sustain the Residential level of stipend, host families must continue to accept adult parents as part of SFC placements and provide residential care to the parents. In situations where parents move out of the host family's home or are dropped from the SFC program for reasons not related to the performance of the host family as residential care providers, the host family will continue to receive the Residential level of stipend.

Stipend payments can commence to host families once they have completed the foster home licensing process and begin the specialized training for the SFC program. The training will be designed to make the host families available to take SFC placements within one month. Stipend payments will continue to host families following the completion of a SFC placement while IFPI works with the host families on their next SFC placements.

### **Auxiliary Amount**

In addition to the stipend, host families will receive an auxiliary amount for living expenses based on the number of children and adult parents in the foster care case. The auxiliary amount is \$300 per month for each child and \$400 for the adult parent. The maximum amount of the auxiliary amount is \$2,000 per month. The auxiliary amount will be paid only for months when families in foster care are placed with the host family, with payments prorated for partial months of care. The \$400 parent auxiliary amount will be paid to host families providing the Residential level of care only for those months when the parent is residing at the host family's home on a full-time basis. The parent amount will be suspended or prorated for periods of time when the adult parent is not living with the SFC host family.

The auxiliary amount is a flat allowance per child and will not be adjusted to reflect the difficulty of care for any individual child. No supplemental or exceptional foster care maintenance amounts will be paid for children in SFC placements. The difficulty of caring for families in the SFC program is reflected in the stipend to the host family. During periods prior to the SFC placement or following the SFC placement, if the children are placed with another foster care provider, IFPI will complete the foster care rate analysis for the children in accordance with the uniform foster care rate structure. Other foster care providers will be paid regular foster care maintenance payments, including supplemental and exceptional amounts if appropriate, based on the foster care rate analysis. The SFC payment structure applies only to periods when children are placed with SFC providers.

The auxiliary amount is designed to cover variable living expenses for the members of the foster care cases, including food, clothing, transportation, etc. The stipend payment is primarily for fixed living expenses such as rent and utilities, but the stipend is also for other expenses of providing care. Since actual living expenses may fluctuate from month to month, host families are expected to use their stipend payment to cover variable living expenses as well as the auxiliary allowance.

IFPI will develop a budget with each host family to help the host family manage expenses and update that budget with each SFC placement. The host family will provide IFPI with receipts of their expenses at the end of each month. IFPI will monitor host family expenses to ensure that the host family stays within its budget.

### **Tracking Provider Payments**

SFC provider payments will be issued separately from other foster care payments for purposes of tracking costs for waiver demonstration project evaluation and cost neutrality. IFPI will charge the costs of stipend and auxiliary payments to the CARS system cost reporting line 570200 set up for the SFC program. IFPI will maintain records available for DHFS review showing by month the amount of stipend and auxiliary payments to each SFC provider charged to the CARS line.

The SFC payment structure does not affect the clothing allowance that can be paid in addition the maintenance payments. SFC host families will be eligible to receive a clothing allowance the same as regular foster parent. Clothing allowances paid to SFC host families will be counted as part of the foster care maintenance expenses for SFC cases and clothing allowances should be charged to the cost reporting category established for SFC, the same as stipends and auxiliary amounts.

While foster care cases are in the SFC program, the SFC Program Coordinator will authorize the SFC provider payments. Cases will be recorded in the WiSACWIS data system as placements with the SFC provider, but no provider payments will be issued through the WiSACWIS system. The SFC Program Coordinator will follow up with ongoing case managers to ensure that SFC cases are recorded properly in WiSACWIS. All other foster care maintenance payments, either prior or after the SFC placement, will be issued through the WiSACWIS system.

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