



Foster Care Rate Modernization

Explained

The Big Change

Today: Child Leveling System.
Children described by service level.
Creates fiscal challenges & lacks
incentives.

Future: Children's placements are
defined by the services they need and
the settings they will live in. DFPS
purchases the service package in the
setting. Payment doesn't change. As
long as child needs that service
package in that setting, payment
remains the same.

Foster Care Rate Modernization

Foster Care Rate Modernization (FCRM) transforms the foster care system to better align and support the success of CBC by establishing:

- Clearly defined foster care models/service packages;
- New foster care rate methodology;
- A universal screening assessment and placement process to match children to the appropriate services;
- Opportunities to enhance Title IV-E claiming of federal funds.

FCRM eliminates use of the level system, replacing it with a uniform assessment tool to identify appropriate child-specific services and a consistent process to document those needs and match the child to one of 24 precisely- defined service “packages”. Each service package has a corresponding rate that is built on present-day methodology and informed by modern legacy system cost reports that more closely reflect current costs of care. Under FCRM, residential childcare providers and caregivers will specialize in providing distinct and clearly defined services. The SSCCs will develop the community’s foster care continuum of services based on the available service packages and will have the flexibility to determine how best to structure their network. The goal of FCRM is to improve outcomes for children, youth, and young adults by establishing a well-defined service continuum that meets the needs of the foster care population and compensates the caregiver for delivering high-quality services that incentivize effective, individualized care for children.

Primary Foster Care Settings

Child will be assigned one primary setting

- Basic Foster Family Care
- Short-Term Assessment & Stabilization Services
- Complex Medical Needs
- Treatment Foster Family Care
- IDD & Autism
- Sexual Aggression/Sex Offender
- Mental & Behavioral Health
- Human Trafficking
- Substance Use

ADD-ONS (Support Services)

- Transition Services for Youth/Young Adults
- Pregnant/Parenting Youth
- Kinship Care (CPA)

Each service setting has its' own unique service input requirements associated with factors such as length of services, staff credentials, need for evidence informed model etcetera.

GRO Tier I Settings

Child will be assigned one primary setting

- Basic Child Care Operation
- Emergency Assessment & Stabilization Care
- Complex Medical Needs
- IDD & Autism
- Sexual Aggression/Sex Offender
- Mental & Behavioral Health
- Pregnant & Parenting Youth
- Human Trafficking
- Substance Use

Services are designed to support community transition.
Add-ons are not an option.

Each setting has its' own unique service input requirements.

GRO Tier II Primary Settings

Child will be assigned one primary setting

- Aggression & Defiance
- Complex Medical Needs
- Complex Mental Health
- Sexual Aggression/Sex Offender
- Human Trafficking
- Substance Use

Services for youth with the highest acuity of needs.
Includes all FFPSA requirements for QRTPs.
No add-ons.

Stakeholders, Timeline and Links

Foster Care Rate Modernization represents a transformation of the foster care system, which required all stakeholders that contribute to a healthy and well-functioning child welfare system be involved in the design.

Timeline:

Rate Modernization Transition will occur in four phases:

- June 2023-December 2024: Infrastructure and System Readiness
- January 2025-August 2027: Transitions of services and children
- Full implementation by Sept 2027
- Refinement Ongoing

Links

- [DFPS Rate Modernization Webpage](#)
- [Feb 2023 HHSC & DFPS joint Rate Mod Report](#)

Provider Transition Grants

Provider Transition Grants will support and offset the upfront costs for SSCCs and residential childcare contractors to transition to a new service delivery model and supporting rate methodology.

SSCC grants will be \$350,000 for each SSCC.

An additional total of \$6M in each year of the biennium is set aside for residential childcare providers.

Rates for New Service Packages/Models, CPA Foster Family Homes

Service Model	Retainage/Passthrough/Totals	Rate
Basic Foster Care	Child Placing Agency	\$36.39
Basic Foster Care	Foster Family	\$46.90
Basic Foster Care	Total	\$83.29
Short Term Assessment & Stabilization Services	Child Placing Agency	\$77.22
Short Term Assessment & Stabilization Services	Foster Family	\$73.18
Short Term Assessment & Stabilization Services	Total	\$150.40
Complex Medical Needs	Child Placing Agency	\$94.53
Complex Medical Needs	Foster Family	\$93.27
Complex Medical Needs	Total	\$187.80
Treatment Foster Family Care	Child Placing Agency	\$188.83
Treatment Foster Family Care	Foster Family	\$139.58
Treatment Foster Family Care	Total	\$328.41
Intellectual & Developmental Disability (IDD) /Autism Support Services	Child Placing Agency	\$129.20
Intellectual & Developmental Disability (IDD) /Autism Support Services	Foster Family	\$90.78
Intellectual & Developmental Disability (IDD) /Autism Support Services	Total	\$219.98
Sexual Aggression/Sex Offender	Child Placing Agency	\$95.69
Sexual Aggression/Sex Offender	Foster Family	\$90.78
Sexual Aggression/Sex Offender	Total	\$186.47
Mental & Behavioral Health Support Services	Child Placing Agency	\$109.92
Mental & Behavioral Health Support Services	Foster Family	\$59.57
Mental & Behavioral Health Support Services	Total	\$169.49
Substance Use Support Services	Child Placing Agency	\$88.57
Substance Use Support Services	Family Foster	\$59.57
Substance Use Support Services	Total	\$148.14
Human Trafficking Services	Child Placing Agency	\$117.05
Human Trafficking Services	Foster Family	\$73.18
Human Trafficking Services	Total	\$217.26

CPA/Foster Family Support Service Add-Ons

Add-On	Retainage/Passthrough/Totals	Rate
Kinship Care Support Services	Child Placing Agency	\$38.22
Transition Support Services for Youth & Young Adults 14+	Child Placing Agency	\$11.27
Transition Support Services for Youth & Young Adults 14+	Foster Family	\$26.12
Transition Support Services for Youth & Young Adults 14+	Total	\$37.39
Youth & Young Adults who are Pregnant or Parenting Support Services	Child Placing Agency	\$24.94
Youth & Young Adults who are Pregnant or Parenting Support Services	Foster Family	\$26.28
Youth & Young Adults who are Pregnant or Parenting Support Services	Total	\$51.22

General Residential Operations, Tier I

Service Model	Rate
Basic Child Care Operation	\$270.80
Emergency Stabilization/Assessment Center	\$394.42
Services for Children, Youth and Young Adults with Complex Medical Needs	\$426.20
Services for Children, Youth and Young Adults with IDD/Autism	\$429.95
Human Trafficking Services	\$456.00
Services for Youth & Young Adults who are Pregnant or Parenting	\$382.23
Substance Use Services	\$389.67
Sexual Aggression/Sex Offender Services	\$340.59
Mental & Behavioral Health Treatment Services	\$467.55

General Residential Operations, Tier II

Service Model	Rate
Sexual Aggression & Behaviors	\$540.60
Aggression & Defiance	\$574.65
Complex Medical Needs	\$623.53
Complex Mental Health	\$583.33
Substance Use Disorders	\$633.02
Human Trafficking	\$642.02