



Bulletin

NUMBER

#14-32-08

DATE

May 29, 2014

OF INTEREST TO

County & Tribal Social
Service Directors

Social Services Supervisors
and Staff

Fiscal Supervisors

Financial Assistance
Supervisors and Staff

ACTION/DUE DATE

Please complete and
submit the required RCA
report by the 20th day after
the end of each calendar
quarter.

EXPIRATION DATE

May 29, 2014

Relative Custody Assistance Reporting Requirements

TOPIC

The requirements for reporting the Relative Custody Assistance (RCA) program payments now include completion of the RCA Report on a quarterly basis.

PURPOSE

This bulletin provides an updated overview of RCA reporting requirements for the new process for state reimbursement that takes effect April 1, 2014. This update includes the instructions for the RCA Report and replaces DHS bulletin #14-32-05.

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SIGNED

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Chief Financial Officer

TERMINOLOGY NOTICE

The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS) supports the use of "People First" language.

Change in Reimbursement Process

Currently, the reimbursement process for Relative Custody Assistance (RCA) payments has been based on expenditures reported on SEAGR under BRASS code 182. Effective April 1, 2014, the reimbursement process will change. This change is necessary as DHS prepares for Northstar Care for Children, which becomes effective January 1, 2015. Effective immediately, the information in this bulletin updates and replaces DHS bulletin #14-32-05 (February 6, 2014) and now includes the instructions for completing and submitting the RCA Report.

Background

The Relative Custody Assistance (RCA) program was established in 1997 to support the permanency option of transferring the permanent legal and physical custody of children in foster care to a relative. Children eligible for this program receive financial and medical support. Information about RCA benefits and details of the RCA program can be found in the DHS bulletin #13-68-09, November 21, 2013, *Relative Custody Assistance Overview and Answers to Frequently Asked Questions*.

Prior to Northstar Care, the Department of Human Services (DHS) reimbursed each county on a quarterly basis for the amount of cash payments the county paid to the relative custodians. Reimbursements are subject to the availability of state funds.

The 2013 Minnesota Legislature enacted Northstar Care for Children, under which Northstar Kinship Assistance will replace Relative Custody Assistance over time. RCA will be replaced by Northstar Kinship Assistance beginning January 1, 2015. However, children already on RCA will continue on RCA until this program is phased out.

In preparation for Northstar Care for Children, DHS will require additional reporting from counties on RCA payments beginning April 1, 2014. This will involve providing additional information on the children, relative custodians, supplemental levels, income offsets, family annual income, and payments.

Significant dates

April 1, 2014

All RCA payments must be made in SSIS beginning April 1, 2014. These payments must be supported by an effective RCA Payment Worksheet that also exists in SSIS.

July 18, 2014

The quarterly RCA Report is due 20 days after the end of the quarter. The first RCA Report is due on Friday, July 18, 2014, as July 20, 2014 is on the weekend.

November 26, 2014

The day before Thanksgiving in 2014 is the last permissible date for a Relative Custody Assistance agreement to be executed. If a Relative Custody Assistance agreement was signed by all parties on or before November 26, 2014, but the agreement was not yet in effect because the proposed transfer of permanent legal and physical custody had not yet occurred by that date, then it must be renegotiated under the Northstar Kinship Assistance and cannot become effective before January 1, 2015, when Northstar Care for Children begins.

November 27, 2014

The Relative Custody Assistance benefit is no longer available for permanent legal and physical custody transfers of a child to a relative that occurs on or after November 27, 2014. However, those children may potentially be eligible for the Northstar Kinship Assistance with an effective date no earlier than January 1, 2015.

January 1, 2015

Relative Custody Assistance will become a Pre-Northstar Care legacy program. Those families that are currently receiving RCA or enter into a Relative Custody Assistance agreement on or before November 26, 2014 will continue on RCA until the county terminates the agreement or the child turns age 18. Under some circumstances, DHS may transition a child from legacy RCA to the Northstar Kinship Assistance program. Like other Pre-Northstar Care legacy programs, RCA expenditures are subject to the Northstar Care fiscal reconciliation process beginning January 1, 2015.

Legal References

Minnesota Statutes, section 257.85, subdivisions 5(a) and 6(b)

Minnesota Statutes, section 256N.22, subdivision 12

New RCA Reporting Requirements

Beginning with the reporting quarter April 1 through June 30, 2014, DHS will require that information on the children receiving RCA payments be entered into the Social Services Information System (SSIS). Children who received payments prior to April 1, 2014 and will not continue to receive an RCA payment after April 1, 2014, are not subject to this requirement.

A new RCA Report will be generated within SSIS, similar to the generation of the Title IV-E Abstract Report. Each county that makes RCA payments will be required to generate the RCA Report and submit it to DHS on a quarterly basis due 20 days after the end of the quarter.

The county may receive reimbursement from the State only through this new reporting process. If counties making RCA payments do not enter this information into SSIS, there will be no State reimbursement for the RCA payment, and these payments will not be included in the Northstar Care fiscal reconciliation process.

Basic Criteria of the RCA Report:

- All payments must be made through SSIS
- All payments must be client-specific (the child is the client on the payment)
- All payments must be made using BRASS service code 182
- A finalized RCA Payment Worksheet must exist in SSIS for any RCA payment

RCA Payment Worksheet

SSIS has added new capability to calculate RCA payments. For children receiving an RCA payment on or after April 1, 2014, SSIS will use the information entered into the RCA Payment Worksheet to calculate the monthly RCA payment amount. The RCA payment is a monthly cash grant made to the relative custodian(s) and is determined by the monthly rate based on the child's age, the family income and the amounts of monthly income received on behalf of the child. The Minnesota Family Investment Program (MFIP) amount reported on the RCA payment worksheet must be the full monthly amount the child is eligible to receive, even if the child's first month of MFIP benefit will only be a partial-month amount. Subsequent RCA payment worksheets are required annually to reflect changes in the information reported by the relative custodian(s) on the annual affidavit that is due every year on the anniversary date of the transfer of permanent legal and physical custody, even if the date of completion for the annual affidavit changes from year to year. A new RCA payment worksheet is also required for changes in the child's age when they reach a significant birthday and the RCA rates increase for the new age group.

A new screen for the RCA Payment Worksheet has been added to SSIS in version 14.1, which was distributed statewide at the end of February 2014. The new worksheet contains all of the information in the existing form plus a field for the date custody was transferred, the assessment supplemental level, and the payment worksheet status (Draft or Finalized). There is *context sensitive help* on most entry fields with the instructions embedded into the RCA Payment Worksheet to provide assistance for completion. There is also automated help for the MFIP income calculation; a separate worksheet will pop up when the MFIP Worksheet button is pressed. SSIS will look up rates and perform the calculations for the entire RCA Payment Worksheet.

The information entered into the RCA Payment Worksheet to calculate the child's monthly benefit payment should be consistent with the information set forth in the Relative Custody Assistance agreement signed by the relative custodian(s). Please refer to Attachment B for an example of a completed RCA Payment Worksheet. Attachment B shows an example of a completed RCA Payment Worksheet for a 13 year old child who was assessed at

Assessment Supplemental Level II. The **white boxes** indicate values the county worker entered. The SSIS system determined all of the other values in the **gray shaded boxes**.

Reimbursement for RCA payments beginning April 1, 2014 will be based on RCA Payment Worksheets that have:

- A worksheet effective date that is not prior to the Custody Transfer Date
- A worksheet effective date that is no more than fifteen months old
- A worksheet status of Finalized
- The finalized worksheet is effective on or before the dates of service for the payment

The RCA Report is explained in more detail in Attachment A. Attachment A is the comprehensive set of required data for the RCA Report.

Americans with Disabilities Act (ADA) Advisory

This information is available in accessible formats for people with disabilities by calling (651) 431-3777 (voice), or toll free at (800) 627-3529 or by using your preferred relay service. For other information on disability rights and protections, contact the agency's ADA coordinator.

Attachment A

REQUIRED DATA FOR THE RELATIVE CUSTODY ASSISTANCE (RCA) REPORT

OVERVIEW

The Relative Custody Assistance (RCA) Report is an electronic report required by the Department of Human Services (DHS) to provide the county data needed for processing relative custody assistance maintenance claims. The RCA Report is maintained by the Social Service Information System (SSIS). County staff enter data into SSIS and use SSIS to generate the report. The RCA Report includes claims for the current reporting period plus any supplemental claims from the four previous quarters that were not previously submitted. The purpose of this attachment is to explain the components of the RCA Report and give descriptions of the required data. The RCA Report includes two types of data:

Required Claim Data Elements

There are twenty-four elements of detailed data needed to create an RCA claim. The data for each claim is generated from the RCA payment records and a corresponding finalized RCA Payment Worksheet within SSIS.

Required Recoveries

Inclusion of this information is mandatory on every RCA report, even if a county has not received any recoveries during the quarter. Required recoveries are the information that must be reported when a recovery or refund is received during the quarter on behalf of children receiving RCA benefit payments which cannot be submitted on the current RCA report as a negative claim. If no recoveries were received, then the reported amount is zero.

REPORTING PROCESS

The county social service agency staff will use SSIS to enter data and to create RCA Payment Worksheets and the quarterly RCA Report, beginning April 1, 2014. County staff will create RCA Payment Worksheets to calculate the amount of the monthly RCA payment. A worksheet is created when the child's permanent legal and physical custody has been transferred by court action to a relative and the RCA agreement becomes effective. A new RCA Payment Worksheet must be created annually on the anniversary date of the transfer of custody. The RCA benefit rates are based on the child's age, the child's supplemental level, family size and income. Changes affecting the rate such as a significant birthday will also require a new RCA Payment Worksheet to be created. For every quarter in which the county has made an RCA payment, county staff should generate the quarterly RCA Report. The RCA Report includes the ability to generate the report, run proofing, correct data errors, review the information included in the report, and submit the report to the Financial Operations Division (FOD). FOD will use the information on the quarterly RCA reports to reimburse the county for the state share of the eligible RCA claims. The state share is 100% for eligible RCA claims made between April 1, 2014 and December 31, 2014. Beginning January 1, 2015, the reimbursement for RCA claims will be incorporated into the Northstar Care fiscal reconciliation process.

GENERAL INFORMATION

1. All payments must be made through SSIS.
2. All payments must be client-specific (the child is the client on the payment).
3. All payments must be made using BRASS service code 182 – Relative Custody Assistance.
4. An RCA Payment Worksheet must exist in SSIS for the service dates of a RCA payment.
5. Reports are due at DHS twenty calendar days after the quarter's end.
6. Report payments for children for whom the social service agency has made an RCA payment.
7. Report payments by calendar month. Payment service dates cannot cross months.
8. Use the cash basis of accounting for this report. The expenditures and revenues are to be those actually disbursed or received during the quarter, not accruals owed or earned.
9. All figures reported must be rounded to the nearest whole dollar.
10. County social service agencies must retain RCA reports for at least three years.

REQUIRED REPORT DATA ELEMENTS

The primary function of this portion of the RCA Report is to report actual cash payments for the eligible maintenance costs of RCA benefits for eligible children for whom guardianship has transferred to a relative. Each claim requires twenty-four data elements.

- 1. CLIENT'S NAME**
The child's full legal name.
- 2. SSIS PERSON NUMBER**
The child's unique number assigned by SSIS, known as the SSIS Person number. This number must match the SSIS Person number on the RCA payment.
- 3. PMI NUMBER**
The child's identification number, also known as the PMI number. Report this number if a PMI number exists for this child.
- 4. DATE OF BIRTH**
The child's birth date, as shown on the child's birth certificate and stored on the child's person record in SSIS.
- 5. REPORTED AGE**
The child's age as of the last day of the month. Claims are computed on the rates established for the child based on the child's age as of the last day of the month. Full month reimbursement is not allowed for the month a child becomes ineligible

due to age. In the month of the child's 18th birthday, reimbursement is not allowed for the days on and following the eighteenth birthday.

6. RCA SERVICE TYPE

The RCA service type is used to identify the type of payment that has been coded to BRASS service code 182. There are two types of eligible RCA payments.

Maintenance – RCA Service Type A

RCA service type A identifies the amounts paid to relative custodians for eligible maintenance costs which are based on the calculation of the monthly RCA payment amount from the RCA Payment Worksheet. The SSIS special cost code on the payment must be blank.

Adjustments - RCA Service Type G

(SSIS special cost code 18)

RCA service type G identifies the amounts paid to relative custodians for eligible maintenance costs when an adjustment of a previous payment due to a change in the calculation of the monthly RCA payment amount needs to be submitted. The SSIS special cost code on the payment for RCA adjustments must be *18 – RCA Adjustment*.

For example, if the relative custodian was paid \$400 for the month of March 2015 and the RCA Payment Worksheet was updated for the period beginning on March 1, 2015 that resulted in the RCA payment amount of \$450, then a payment (using special cost code 18) would report the additional \$50 paid to the relative custodian.

7. SERVICE DATES

The starting and ending service dates for each month of service. Do not cross months; the beginning service date and the ending service date must both be for the same month. The service begin date must not be prior to the RCA Payment Worksheet Effective Date. RCA claims will be generated for RCA payments made for prior months, the current month, or the month immediately following the date of the RCA payment. RCA claims will not be generated for pre-payments more than one month in advance. The service end date can be after the warrant effective date, but must not be more than 62 days following this payment date.

Unit Types

The RCA benefit is a monthly benefit. The service dates should reflect the entire month, with unit type of Month. If the child's transfer of custody to a relative was during a month, the RCA payment could be for a partial month for the initial payment. Partial month payments will have a unit type of Day and use the Daily RCA Payment rate, as calculated on the RCA Payment Worksheet. Partial month payments will also occur for the month the child turns age 18.

8. CLAIM AMOUNT

The amount of the payment made to the relative custodian, rounded to the nearest dollar. The payment amount should match the Monthly RCA Payment Amount from the RCA Payment Worksheet that is in effect for the dates of service for this payment.

9. WARRANT EFFECTIVE DATE

The date of the warrant for the RCA payment that was made to the relative custodian.

10. SERVICE VENDOR NAME (Name of relative custodian)

The name of the relative custodian(s) that is the service vendor on the RCA payment.

11. SERVICE VENDOR'S SSIS BUS ORG NUMBER

The unique identification number assigned to the service vendor name when the service vendor record is created in SSIS.

12. WORKSHEET EFFECTIVE DATE

The effective date from the RCA Payment Worksheet that is in effect for the dates of service for the RCA claim. The RCA Payment Worksheet must be effective on or before the service start date and have a worksheet status of Finalized. If more than one RCA Payment Worksheet exists for a Worksheet Effective Date, the latest revision will be used.

13. CUSTODY TRANSFER DATE

The date of the court order establishing permanent legal and physical custody of the child with a relative, as reported on the RCA Payment Worksheet.

14. ASSESSMENT SUPPLEMENTAL LEVEL

The level assessed for supplemental needs that exceed the basic maintenance assistance for the RCA program. The levels are coded as Basic Only, Level I, Level II, Level III or Level IV. Each supplemental level will correspond to an increase in the monthly RCA maintenance benefit.

15. MONTHLY CHILD INCOME OFFSETS

Monthly payments that are received on behalf of the child must be reported as income offsets for the following benefit programs:

MFIP – The cash portion of the monthly Minnesota Family Investment Program (MFIP) benefit that the child received, or would be eligible to receive, as reported on the RCA Payment Worksheet.

SSI - The monthly Supplemental Security Income (SSI) benefit that the child received, as reported on the RCA Payment Worksheet.

Veterans Benefits (VA) - The monthly Veterans Benefits (VA) that the child received, as reported on the RCA Payment Worksheet.

RSDI - The monthly Retirement Survivor Disability Insurance (RSDI) benefit that the child received, as reported on the RCA Payment Worksheet.

Railroad Retirement Benefits - The monthly Railroad Retirement benefit that the child received, as reported on the RCA Payment Worksheet.

Black Lung Benefits - The monthly Black Lung benefit that the child received, as reported on the RCA Payment Worksheet.

Applicable Child Support - The monthly Child Support benefit that the child received, as reported on the RCA Payment Worksheet.

Other Income - The monthly amount of other income that the child received, as reported on the RCA Payment Worksheet.

Total Offsets - The total of the monthly child income offsets, as reported on the RCA Payment Worksheet.

16. ANNUAL FAMILY GROSS INCOME

The amount of the family's annual gross income, as reported on the RCA Payment Worksheet.

17. HOUSEHOLD SIZE

The number of people making up the family (including the child), as reported on the RCA Payment Worksheet.

18. MONTHLY RCA PAYMENT AMOUNT

The monthly rate calculated for the RCA payment, as reported on the RCA Payment Worksheet. This rate is used for all RCA payments with unit type equals Month.

19. ELIGIBLE AMOUNT

The payment or portion of a payment equal to or less than the calculated Monthly RCA Payment Amount. The total of all eligible amounts for the same month cannot exceed the calculated Monthly RCA Payment Amount. This amount will receive reimbursement and will be included on the Northstar fiscal reconciliation report.

20. NON-ELIGIBLE AMOUNT

The payment or portion of a payment that exceeds the Monthly RCA Payment Amount. This amount will not receive reimbursement and will not be included in the Northstar Care fiscal reconciliation process.

- 21. RCA CLAIM NUMBER**
The unique identification number assigned to this RCA claim in SSIS when the RCA claim record is created by the RCA Report.
- 22. PAYMENT NUMBER**
The unique identification number assigned to the payment.
- 23. ORIGINAL RCA CLAIM NUMBER**
The original unique identification number assigned to the RCA claim that needs to be backed out. This field is only used when creating a negative claim.
- 24. ORIGINAL PAYMENT NUMBER**
The original unique identification number assigned to the payment that needs to be backed out. This field is only used when creating a negative claim.

CORRECTIONS and REVISIONS OF RCA PAYMENTS

Sometimes the data that was submitted in a prior quarter was in error. Here are some ways to correct or revise prior quarter claims.

Negative RCA Claims

Negative RCA claims are used to back out all or part of a claim when a refund is received, a warrant is cancelled, a claim was submitted with information that needs to be corrected or for a claim that should not have been submitted at all.

- **Money returned within the same quarter it was paid**
If an entire expenditure was refunded or canceled in the same quarter as the original expenditure, then the expenditure and the refund or cancellation will cancel each other and would not be included on the RCA report.
- **Money returned for a previous quarter**
If a full or partial refund of an expenditure is received for money disbursed in a prior quarter, the refund can be submitted on the current RCA report as a negative RCA claim. These negative claims can only be made if the original payment date was within the four previous quarters and the dates of service are not older than two years. If the original payment date occurred prior to April 1, 2014 or is more than four previous quarters ago and/or the dates of service are older than two years, the refund would then be treated as a recovery in the current quarter, as described in the following section for *Required Recoveries*.
- **Incorrect information on the original payment**
Create an Adjustment Reversal and Correcting Entry Adjustment in SSIS on the original payment if the payment information is incorrect, such as the wrong client was selected on the payment, or the claim should not have been submitted at all. If a new claim for the Correcting Entry Adjustment should not be submitted, create an Exclusion for the RCA Report on the Correcting Entry Adjustment.

- **Changes made on the RCA Payment Worksheet**

Create an Adjustment Reversal and Correcting Entry Adjustment in SSIS to correct the information on a claim if a change has been made to the RCA Payment Worksheet used for a claim or a new worksheet has been created that is effective for the service dates of a previous RCA claim.

For example, the original RCA payment was for an amount that exceeded the monthly RCA payment amount on the RCA Payment Worksheet. The RCA claim for this payment will have a Non-Eligible Amount for the portion of the payment that exceeded the monthly RCA payment amount calculated on the RCA payment worksheet. A new RCA Payment Worksheet was created that is effective for the same service dates as the original RCA claim and the new monthly RCA payment amount now matches the amount of the previously claimed RCA payment. The “Non-Eligible Amount” needs to be reversed on the RCA Report to correct the amount that will now be eligible. The negative claim for the Adjustment Reversal will back out the previously reported Eligible and Non-Eligible Amounts and will recalculate the values on the claim for the Correcting Entry Adjustment.

- **Child was not eligible or is no longer eligible for RCA**

For claims that were submitted in a prior quarter and later were found to be for a child that was no longer eligible for the RCA benefit, the claim must be submitted on the current RCA report as a negative RCA claim. If a new claim for the Correcting Entry Adjustment should not be submitted, create an Exclusion for the RCA Report on the Correcting Entry Adjustment.

REQUIRED RECOVERIES

The primary function of this portion of the RCA Report is to report actual cash received during the quarter on behalf of eligible children for whom RCA payments have been made which cannot be submitted on the current RCA report as a negative claim. Recoveries include adjustments that must be reported to return money for a previously reimbursed RCA claim where the original payment date was prior to April 1, 2014 or is more than four previous quarters ago and/or the dates of service are older than two years. One amount for the total cash received and necessary adjustments is reported.

TIME LIMITATIONS

Social service agencies have up to one year from the original due date to submit a supplemental claim for the RCA program.

Example: The January - March 2015 quarterly report was due at DHS on April 20, 2015. Therefore, social service agencies have until April 20, 2016 (one year from the original due date) to submit a supplemental claim for the January - March 2015 quarter.

ATTACHMENT B

RCA PAYMENT WORKSHEET

Client Name	Lastname, Firstname				
Date Of Birth	11/15/2000	Calculated Age	13	PMI#	9999999
Custody Transfer Date	12/15/2009	Assessment Supplemental Level	Level II		
Worksheet Effective Date	12/1/2013	Revision	0	Worksheet Status	Finalized

Rate Computation

1. Base Assistance Rate	\$307
2. Supplemental Assistance Rate	\$275
3. Maximum Assistance Rate	\$582

Monthly Child Income Offsets

4. MFIP	\$195	MFIP Worksheet
5. Supplemental Security Income (SSI)	\$157	
6. Veterans Benefits (VA)	\$0	
7a. RSDI	\$0	
7b. Railroad Retirement Benefits	\$0	
7c. Black Lung Benefits	\$0	
7d. Child Support	\$0	
7e. Other Income	\$0	
8. Total Offsets	\$352	

Payment Computation

9. Net Maximum Assistance Rate	\$230
10. Annual Gross Family Income	\$57,352
11. Household Size	5
12. Applicable Federal Poverty Guideline	\$27,570
13. Gross Family Income Percentage	208%
14. RCA Percentage	80%
15. Monthly RCA Payment Amount	\$184
16. Daily RCA Payment Rate	\$6.05