



# Bulletin

**NUMBER**

#15-32-05

**DATE**

March 4, 2015

**OF INTEREST TO**

County Directors

Social Services Supervisors  
and Staff

Fiscal Supervisors

Financial Assistance  
Supervisors and Staff

**ACTION/DUE DATE**

Please read the updated  
information, comply with  
deadlines and procedures,  
and use as a continuing  
reference.

**EXPIRATION DATE**

March 4, 2017

## **Title IV-E Foster Care Per Diem Rates for Children's Residential Facilities and Child Placing Agencies**

**TOPIC**

Title IV-E eligible children's group residential facilities and  
Rule 4 child placing agencies.

**PURPOSE**

Inform county and tribal agencies of per diem and  
percentage rates to use when claiming Title IV-E federal  
reimbursement. Provide forms for use in reporting rate  
changes, lead county contract renewals and facility closings.

**CONTACT**

Deb Jensen, Title IV-E Fiscal Management Analyst  
DHS Financial Operations Division (651) 431-3740 or  
[deb.jensen@state.mn.us](mailto:deb.jensen@state.mn.us)

**SIGNED**

ALEXANDRA KOTZE  
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.

## **BACKGROUND**

This bulletin informs county and tribal agencies of the information, per diem rates and percentages, needed to claim Title IV-E federal reimbursement for children's residential group facilities and Rule 4 child placing agencies, as well as information needed to claim Medical Assistance (MA) federal reimbursement for children's group residential facilities with mental health certification.

The per diem rates are established when the lead county establishes or amends the contract and properly notifies DHS using form DHS-2825.

DHS calculates percentages using time studies and cost reports from the participating facilities. These percentages represent the portions of the per diem which are federally reimbursable under Title IV-E. These percentages are calculated annually and will change every year on April 1.

## **CHANGES**

The Department of Human Services (DHS) will begin publishing these per diem rates and percentages on the DHS public CountyLink website. These rates will no longer be published as attachment A of the quarterly per diem bulletin. DHS will publish the per diem bulletin, which contains the instructions for reporting rate changes, lead county contract renewals and facility closings, every two years. The rates will only be found on the DHS public CountyLink website and titled "The Title IV-E Foster Care Per Diem Rates and Percentages Report" and may be obtained at the Fiscal Reporting & Accounting section of the website. The DHS public CountyLink website is [www.countylink.dhs.state.mn.us](http://www.countylink.dhs.state.mn.us).

## **Summary of the Diem Rates Report (Previously named Attachment A)**

The Title IV-E Foster Care Per Diem Rates and Percentages Report includes the various types of facilities that are reported and published on the CountyLink website. This report will continue to be published quarterly and will be updated for each quarter when new information is received. Each type of facility in the report is a separate group and reported on a separate page. The page format for all groups is the same. However, not all columns are applicable to every group so some are left blank.

### **Column Headings**

#### Facility & Program Name

Name of the IV-E approved facility and program.

County/City

Name of the county that holds the lead contract. Except on page “Group 2 – Out-of-State Facilities”, this column lists the name of the city and state where the IV-E approved program is located.

Rule Code

The code that identifies the type of claim.

DHS Lic# / Automation number

The provider code that identifies the eligibility of the provider’s licensure.

IV-E Sub Code

An additional code added to the provider code when facilities operate multiple programs under the same license.

Approved Per Diem

The per diem rate recognized in the lead county contract.

Approved IV-E Maintenance%

The percentage of the approved per diem that is eligible for Title IV-E maintenance reimbursement. Title IV-E maintenance reimbursement is currently 50 percent of the eligible maintenance cost. [The per diem rate times the Approved IV-E Maintenance% times 50% equals the IV-E reimbursement for one day.]

Approved IV-E Intake/Planning%

The percentage of the approved per diem that is eligible for Title IV-E administration reimbursement. Title IV-E administration reimbursement is 50 percent of the eligible administration cost. [The per diem rate times the Approved IV-E Intake/Planning% times 50% equals the IV-E reimbursement for one day.]

Approved IV-E Training%

The percentage of the approved per diem that is eligible for Title IV-E training reimbursement. Title IV-E training reimbursement is 75 percent of the eligible training cost. [The per diem rate times the Approved IV-E Training% times 75% equals the IV-E reimbursement for one day.]

Approved MA%

The percentage of the approved per diem that is eligible for Medical Assistance service reimbursement. Medical Assistance reimbursement is currently 50 percent of the eligible MA cost. [The per diem rate times the Approved MA% times 50% equals the MA reimbursement for one day.]

Current Contract

The effective dates for the current Lead County contract.

NOTE:

The total of the approved percentages do not equal 100%. The difference between 100% and the total of the approved percentages is the portion of the per diem that is not eligible for any federal reimbursement.

## **Page Titles**

Children's residential facilities and child placing agencies which have been reviewed and approved as Title IV-E eligible programs appear on one of these pages:

### Group 1 – Children's Group Residential Facilities with Mental Health Certification

These are the programs that are licensed by DHS as "Children's Group Residential Facilities" with "Mental Health Treatment." This also includes specific out-of-state mental health treatment programs that are located in a state that borders Minnesota and that have met all of the requirements for Minnesota Statutes, section 256B.0945.

### Group 1 – Group Residential

These are the programs that are licensed by DHS as "Children's Group Residential Facilities."

### Group 1 – Other Facilities

These are the programs that are licensed by either the Minnesota Department of Corrections or by a tribal government as "Children's Group Residential Facilities."

### Group 2 – New Facilities

These are all of the new programs that have been approved for Title IV-E reimbursement but have not yet participated in a DHS time study which determines the facility-specific percentages. This group uses median percentages.

### Group 2 – Other Facilities

These are the programs that are licensed by DHS as independent living programs.

### Group 2 – Out-of-State Facilities

These are the programs that are licensed by other states as children's group residential facilities.

### Group 4 – Rule 4 – Child Placing Agencies

Group 4 is used to recognize the "administrative" per diems of eligible Rule 4 (Minnesota Rules, Parts 9545.0755-9545.0845) child placing agencies. These child placing agencies appearing in Group 4 have chosen to participate in the Placing Agency Time Study (PATS), and therefore a portion of the "administrative fee" charged to counties for children placed in family foster homes through these child placing agencies is eligible for Title IV-E reimbursement.

**NOTE:**

Some programs will move from the *Group 2 – New Facilities* page to an appropriate Group 1 page when the new program has completed one year of participation in a DHS time study and has had its own facility-specific percentages calculated.

The *Group 1 -Children’s Group Residential Facilities with Mental Health Certification* programs are eligible for MA reimbursement as well as Title IV-E. The “Approved MA%” is the percentage of the per diem eligible for MA reimbursement. This data is not included on Title IV-E claims. MA claims must be submitted to MMIS separately. The MA information is published to assist counties in claiming federal MA reimbursement.

## **OVERVIEW OF ATTACHMENT B**

### **Notice of Contracted Per Diem Rates**

Attachment B, form **DHS-2825**, is required when submitting information about facilities and/or programs regarding contracts and per diem rates. It is also required for all changes and renewals for existing programs and all new programs, or new facilities. This form is available in an electronic format on CountyLink under eDocs.

## **OVERVIEW OF ATTACHMENT C**

### **Title IV-E Checklist**

Attachment C, form **DHS-6634**, is required and must be submitted when requesting Title IV-E eligibility approval for new facilities and/or programs. This form is available in an electronic format on CountyLink under eDocs.

## **LEGAL REFERENCES**

Social Security Act, Title IV, Part E

Title 45, Code of Federal Regulations, Part 1356.10 to 1356.71

Minnesota Statutes, section 256.01

Minnesota Statutes, section 256.011

Minnesota Statutes, section 256.0112

Minnesota Statutes, section 256.82

Minnesota Statutes, section 393.07

Minnesota Statutes, section 256B.0945

## **ACTION REQUIRED**

- **Use Current Per Diem Rates**

Title IV-E claims must reflect the per diem rates shown in the Title IV-E Foster Care Per Diem Rates and Percentages Report for service dates that correspond to the effective dates for the report.

○ **Follow Procedures for Submitting Documentation for All Facilities and All Programs**

**New Title IV-E Facility/Program**

When counties apply for a new Title IV-E facility and/or new Title IV-E program, they must submit the following information to DHS:

- Form DHS-2825 (Attachment B)
- Form DHS-6634 (Attachment C)
- License
- Description of program services

**Renewal for Title IV-E Facility/Program**

Documentation we need for the renewal of an existing Title IV-E facility and/or Title IV-E program:

- Form DHS-2825 (Attachment B)
- License

**New MA Facility/program**

When counties apply for a new MA facility and/or new MA program, they must submit the following information to DHS:

- Form DHS-2825 (Attachment B)
- Form DHS-6634 (Attachment C)
- License
- Description of program services
- MA Unique Minnesota Provider Identifier (UMPI) number or MA National Provider Identifier (NPI) number

**Renewal for MA Facility/program**

Documentation we need for the renewal of existing MA facility and/or MA program:

- Form DHS-2825 (Attachment B)
- License

**New Out-of-State Title IV-E facility /program**

When counties apply for a new Out-of-State Title IV-E facility and/or Out-of-State Title IV-E program they must submit the following information to DHS:

- Form DHS-2825 (Attachment B)
- Form DHS-6634 (Attachment C)
- License
- Description of program services
- Letter of IV-E eligibility from state of location

**Renewal for Out-of-State Title IV-E facility /program**

Documentation we need for the renewal of an existing Out-of-State Title IV-E facility and/or Title IV-E program:

- Form DHS-2825 (Attachment B)
- License

**New Out-of-State Children's Mental Health Treatment facility /program**

When counties apply for a new Out-of-State Children's Mental Health Treatment facility and/or new Out-of-State Children's Mental Health Treatment program bordering Minnesota they must submit the following information to DHS:

- Form DHS-2825 (Attachment B)
- Form DHS-6634 (Attachment C)
- License
- Description of program services
- Letter of IV-E eligibility from state of location
- MA provider UMPI or NPI number
- Documentation demonstrating satisfactory completion of inspection by the Licensing Division of the Department of Human Services and current certification by the Minnesota Department of Corrections as substantially meeting Minnesota's standards applicable to children's residential mental health treatment programs (under Minnesota Rules, chapter 2960).

**Renewal for Out-of-State Children's Mental Health Treatment facility /program**

Documentation we need for the renewal of an existing Out-of-State Children's Mental Health Treatment facility and/or Out-of-State Children's Mental Health Treatment program:

- Form DHS-2825 (Attachment B)
- License
- Description of program services
- Documentation demonstrating satisfactory completion of inspection by the Licensing Division of the Department of Human Services and current certification by the Minnesota Department of Corrections as substantially meeting Minnesota's standards applicable to children's residential mental health treatment programs (under Minnesota Rules, chapter 2960).

**New Rule 4 Placing Agency/Program**

When counties apply for a new Rule 4 Placing Agency and/or new Rule 4 program, they must submit the following information to DHS:

- Form DHS-2825 (Attachment B)
- License
- Description of program services

**Renewal for Rule 4 Placing Agency/Program**

Documentation we need for the renewal of an existing Title IV-E Rule 4 Placing Agency and/or Rule 4 program:

- Form DHS-2825 (Attachment B)
- License

NOTE:

The eligibility determination process can take time; therefore, DHS recommends that lead counties submit the required materials within the first 30 days of the calendar quarter.

If all requested documentation has been received within the first 30 days of the quarter, determination can generally be made in that same quarter. Approval or denial notifications, with an explanation for denials, will be sent to the lead county.

In some instances, further research or follow up may be required to determine eligibility. If this is the case, it may delay the determination process and result in a later effective date.

o **Notify DHS of Per Diem Rate Changes**

County agencies must notify DHS of per diem rate changes involving approved children's group residential facilities and Rule 4 child placing agencies. For Title IV-E claiming purposes, DHS will implement changes in per diem rates after the notice of the rate change has been received. Although the county may renew a contract and back-date the effective dates on the contract, those dates might not be the effective dates that DHS uses when publishing the quarterly Title IV-E Foster Care Per Diem Rates and Percentages Report. All changes need to be received within the same calendar quarter that the proposed change will become effective.

Lead county human service agencies must notify DHS of per diem rate changes for all facilities and programs appearing in the Title IV-E Foster Care Per Diem Rates and Percentages Report. Form DHS-2825 (Attachment B) is to be used for this purpose. It is recommended that lead counties negotiate per diem rate changes to be effective on the first day of a quarter and that these changes cover the entire quarter. Counties should then notify DHS using form DHS-2825 within the same calendar quarter that the proposed change will become effective. This will maximize federal Title IV-E revenue to all counties. Form DHS-2825 must be signed by the director of the lead county or an official authorized to sign for the director.

EXAMPLE 1: The lead county contract specifies a new rate effective January 1, 2015 and DHS receives the notice of the rate change (DHS-2825) on or before March 31, 2015. The new per diem becomes effective for Title IV-E claims for service dates beginning January 1, 2015. Please note that the SSIS IV-E group provider database will not be updated until after the notice of rate change or contract renewal is received. This may cause some IV-E eligible payments to be ineligible at the time the payment is processed, as the provider does not have a current contract in place at the time of the payment. Once SSIS has been updated with the new contract information, these payments can be edited during the proofing process when the Title IV-E claims are generated to allow these payments to become IV-E eligible and IV-E reimbursable.

EXAMPLE 2: The lead county contract specifies a new rate effective January 1, 2015 and DHS receives the notice of the rate change (DHS-2825) on April 1, 2015. The new per diem does *not* become effective for Title IV-E claims until April 1, 2015.

EXAMPLE 3: The lead county contract specifies a new rate effective January 2, 2015 and DHS receives the notice of the rate change (DHS-2825) on or before January 30, 2015.

The new per diem will become effective for Title IV-E claims on January 2, 2015. However, if there is a gap between the date that the prior contract expired and the effective date for the new contract, there will be dates that will be ineligible for Title IV-E reimbursement.

○ **Notify DHS of Lead County Contract Renewal**

Lead county human service agencies must notify DHS if a new lead county contract has been negotiated, even when the per diem rate has not increased, or if an existing contract is extended. The *Notice of Contracted Per Diem Rates*, form DHS-2825, is to be used for this purpose.

○ **Notify DHS of Closed Facilities**

County agencies are asked to submit written notification to DHS when a group facility or placing agency has closed or is in the process of closing including the date of closure.

○ **Procedures for Out-of-State Facilities**

To keep accurate records of out-of-state facilities, DHS requests that the lead county submit the DHS-2825 (Attachment B) along with documentation identifying the facility as Title IV-E approved by its home state, and include a copy of the facility's current license(s) and program description. To keep the list of out-of-state facilities current, submit copies of all license renewals. If the license expires, the facility will be removed from the list.

○ **Procedures for Out-of-State Facilities that Border Minnesota**

Counties that hold the lead county contract with a facility that is located in a state that borders Minnesota, and this facility has already been certified by the Minnesota Department of Corrections (MnDOC) as operating a program consistent with Minnesota children's residential mental health treatment standards, in compliance with Minnesota Statutes, section 256B.0945, should submit the DHS-2825 (Attachment B) along with a copy of the facility's current license(s), a copy of the MA certification document that includes the date of certification, and information on the facility and its programs. If this is a new program that has not previously been approved for Title IV-E reimbursement, the lead county must also submit documentation identifying the facility as Title IV-E approved by its home state. An updated form DHS-2825 and a current facility license will be required every year. The DHS Licensing Division maintains a list of DHS licensed children's residential facilities located in states that border Minnesota that have been inspected by DHS and certified by MnDOC. Facilities and programs that do not appear on this list are not eligible for MA reimbursement for Minnesota counties.

○ **MA Reimbursement for Out-of-State Children's Mental Health Treatment Facilities Bordering Minnesota**

The criteria for Out-of-State Children's Mental Health Treatment Facilities that wish to participate in Minnesota's Mental Health Certified Facility quarterly time study and be included in the Title IV-E Foster Care Per Diem Rates and Percentages Report are as follows:

- 1) The out-of-state facility bordering Minnesota must become certified by the Minnesota Department of Corrections and licensed the Department of Human Services as an out-of-state children's mental health treatment facility (Minnesota Rules, chapter 2960.0580 to 2960.0700) and pay the \$5,000.00 inspection fee.
- 2) The out-of-state facility bordering Minnesota must enroll as an MA provider for Minnesota clients and receive a UMPI number from the Department of Human Services or have an already established NPI number. (Each program per diem must have a separate UMPI number.)
- 3) The out-of-state facility bordering Minnesota must sign a lead county contract with a Minnesota county.
- 4) The out-of-state facility bordering Minnesota must agree to participate in Minnesota's Mental Health Certified group facility quarterly time study.
- 5) The lead county holding the contract with the out-of-state facility bordering Minnesota must submit paperwork to the Financial Operations Division at the Department of Human Services to have this facility added to the Mental Health Certified quarterly time study and the quarterly Per Diem Bulletin, per instructions in this bulletin.

**NOTE:**

Facilities will not be listed in the Title IV-E Foster Care Per Diem Rates and Percentages Report until all documentation is received by DHS and the program is approved for federal reimbursement.

**QUESTIONS**

Questions about submitting per diem rate changes or lead county contract renewals, adding a new facility, facility closing notifications, rule codes, sub codes, or other questions about Title IV-E claims should be directed to:

Deb Jensen

(651) 431-3740; or e-mail at [deb.jensen@state.mn.us](mailto:deb.jensen@state.mn.us)

Questions about calculation of the approved percentages, or participation in a time study for child caring facilities should be directed to:

Bridgit Olson

(651) 431-3800; or e-mail at [bridgit.olson@state.mn.us](mailto:bridgit.olson@state.mn.us)

Questions about the process for inspection and certification of out-of-state facilities bordering Minnesota should be directed to:

Tom Ruter

(651) 431-3687; or email at [thomas.ruter@state.mn.us](mailto:thomas.ruter@state.mn.us)

**Send the required documentation to DHS using any of these methods:**

- By U.S. mail: Deb Jensen  
Minnesota Dept. of Human Services  
Financial Operations Division  
PO Box 64940  
St. Paul, MN 55164-0940
- Or By FAX: (651) 431-7480  
Attn. – Deb Jensen
- Or By e-mailing PDF documents: [deb.jensen@state.mn.us](mailto:deb.jensen@state.mn.us)

**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

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The per diem rates and percentages information previously found on Attachment A in previous per diem bulletins is now only available and published on the DHS public CountyLink website, at the Fiscal Reporting & Accounting section.

The DHS public CountyLink website is [www.countylink.dhs.state.mn.us](http://www.countylink.dhs.state.mn.us)

**NOTICE OF CONTRACTED PER DIEM RATES**

**For Title IV-E and MA Approved Children's Group Residential Facilities (GRF)  
and Title IV-E Approved Rule 4 Child Foster Care Placing Agencies**

1. Agency Name \_\_\_\_\_  
(as indicated on the Per Diem Bulletin)

2. Lead County \_\_\_\_\_

- \* A copy of the facility's license, Attachment C and program description of services must be attached to this document.
- \* If applying for bordering state MA, a copy of the DOC certification document must also be attached.

**Please answer each of the following:**

	<b>Yes</b>	<b>No</b>
New Contract	<input type="checkbox"/>	<input type="checkbox"/>
Renew Contract	<input type="checkbox"/>	<input type="checkbox"/>
New Facility	<input type="checkbox"/>	<input type="checkbox"/>
New Program	<input type="checkbox"/>	<input type="checkbox"/>
Bordering State MA	<input type="checkbox"/>	<input type="checkbox"/>

  

Type of license (Rule)  **4**  **5**  **8**

Other \_\_\_\_\_

NPI or UMPI # \_\_\_\_\_

**3. Old Per Diem Rates**

**4. New Per Diem Rates**

**GRF Per Diem: Program** \_\_\_\_\_  
(as indicated on the Per Diem Bulletin)

Other (specify) \_\_\_\_\_

Other (specify) \_\_\_\_\_

Other (specify) \_\_\_\_\_

**Rule 4 Standard Administrative Fee** \_\_\_\_\_  
(as indicated on the Per Diem Bulletin)

Other (specify) \_\_\_\_\_

Other (specify) \_\_\_\_\_

Other (specify) \_\_\_\_\_

5. Contract Dates : ( from ) \_\_\_\_\_ (to) \_\_\_\_\_

- REQUIREMENTS:**
- \* Signature by Lead County Director or other authorized official.
  - \* Per diem must be effective on first of day of quarter. Effective dates other than the first day of the quarter will not be recognized for Title IV-E reimbursement purposes until the following quarter.
  - \* Received by DHS Financial Operations on timely basis for Title IV-E Purposes. All DHS-2825 forms must be received no later than 30 days into the quarter.

- PURPOSE:**
- \* Provide per diem information when new lead county contract is negotiated.
  - \* Provide per diem information when new contract is signed even if per diem has not changed.
  - \* Provide per diem information when contracting parties agree to extend existing contracts beyond the end of existing contract period.

Please mail or fax this form to: Minnesota Department of Human Services  
Financial Operations Division  
P.O. Box 64940  
St. Paul, MN 55164-0940  
FAX: (651) 431-7480  
**Attention: Deb Jensen**

<b>DHS USE ONLY</b>	
License	_____
Group	_____
Rule	_____

Director's Signature \_\_\_\_\_

Prepared by \_\_\_\_\_ Phone \_\_\_\_\_

**TITLE IV-E CHECKLIST** (Not required for Rule 4 Child Placing Agencies)

Facility Name: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Directors Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

County: \_\_\_\_\_ County Submitting Request: \_\_\_\_\_

Prepared By: \_\_\_\_\_ Phone Number: \_\_\_\_\_

- **IN-STATE facilities and/or programs** – Please complete this form and submit to DHS the form DHS-2825, this checklist, a copy of the current license, and promotional material, for consideration and approval.
- **OUT-OF-STATE facilities and/or programs** – Please complete the top portion of this form. There is no need to complete the questions listed below. Please submit to DHS the documentation of Title IV-E eligibility from the host state, promotional material, a current license and form DHS-2825, for consideration and approval.

<b>I.</b>	Is the facility and/or program provides 24 hour out-of-home care of children, Is the facility and/or program:	<b><u>YES</u></b>	<b><u>NO</u></b>
	1. in a foster family home or family group home?	_____	_____
	2. in a private, non-medical group home or residential care facility?	_____	_____
	3. in a public, non-medical group home or residential care facility that has a licensed capacity of 25 or fewer children?	_____	_____
	4. an independent living assistance for youth?	_____	_____

**If all answers for section I (1) through (4) are “NO”, the facility and/or program is not Title IV-E eligible.**

**If “YES” is checked for any of (1) through (4) above, please continue to section II.**

<b>II.</b>	Is the facility and/or program licensed:	<b><u>YES</u></b>	<b><u>NO</u></b>
	1. by Department of Human Services?	_____	_____
	2. by Department of Corrections?	_____	_____
	3. or approved by Tribal government?	_____	_____

**If all answers for section II (1) through (3) are “NO”, the facility and/or program is not Title IV-E eligible.**

**If “YES” is checked for any of (1) through (3) above, please continue to section III.**

<b>III.</b>	Is the facility and/or program:	<b><u>YES</u></b>	<b><u>NO</u></b>
	1. in a <u>medical facility</u> licensed by the Department of Health?	_____	_____
	2. in a <u>primarily</u> “secure”, physically restricting detention facility licensed by the Department of Corrections?	_____	_____

**If the answer to section III (1) or (2) is “YES”, the facility and/or program is not Title IV-E eligible.**

**If all of the answers are “NO” in section III, please submit this form and the required documentation to DHS for consideration and approval.**