

AMENDED IN ASSEMBLY MAY 15, 1996

CALIFORNIA LEGISLATURE—1995–96 REGULAR SESSION

**ASSEMBLY BILL**

**No. 3043**

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**Introduced by Assembly Member Takasugi**

February 23, 1996

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An act to add Section 1530.85 to the Health and Safety Code, and to amend Sections 11462, 11462.01, and 11467 of, and to add Section 11466.8 to, the Welfare and Institutions Code, relating to public social services, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 3043, as amended, Takasugi. Foster care providers.

Existing law provides for licensing group home providers for foster care children by the State Department of Social Services.

This bill would require the State Department of Social Services, after consulting with representatives group home providers, to establish incentive systems to encourage group home providers to use self-assessment guidelines adopted by the department and to become accredited or certified by a recognized third-party authority that prescribes standards of care that are in excess of minimum licensing standards.

Existing law provides for the Aid to Families with Dependent Children (AFDC) program, pursuant to which qualified families are provided with cash assistance, and includes the Aid to Families with Dependent Children Foster Care (AFDC-FC) program, through which certain needs of

eligible children in foster care are provided. The AFDC program is administered and partially funded by the counties. The AFDC program is partially funded by federal participation and is subject to federal requirements for federal participation.

Existing law provides for the establishment of various levels of group home reimbursement rates under the AFDC-FC program and requires that those providers maintain and provide to the department specified information.

This bill would revise the procedures for determining the reimbursement of those group home providers and the information those providers shall maintain.

Existing law provides for the classification of group home foster care providers according to the level of service provided by the group homes, and requires the establishment of rate classification levels 13 and 14 for those group homes that provide additional levels of service.

Existing law requires the periodical review of the placement child in foster care and requires that if it is determined that if an interagency placement committee determines that the child no longer needs or is no longer benefiting from placement in an RCL 13 or RCL 14 level of group home, the committee shall require the removal of the child and a new disposition of that child.

This bill would require the committee to report the determination to the juvenile court, and would require the court to require the removal and disposition of the child, unless the court finds that it is not in the best interest of the child to do so.

Existing law requires a group home to discover any error in the placement of a child in an RCL 13 or RCL 14 group home within 30 days of placement and to notify the county placing agency.

This bill would specify that the provider shall notify the county placing agency within 5 days of the discovery of the placement error.

Existing law requires the State Department of Social Services, in consultation with the State Department of Mental Health, county probation, social service, and mental health departments and foster care providers, to develop and



implement a level of care assessment instrument and process which shall match the assessed needs of the dependent child of the court or ward of the court and his or her family with the structure, supervision, and services provided by appropriate placement resources by July 1, 1994, and to report, jointly with the State Department of Mental Health, by January 1, 1995, to the Legislature on the requirements specified, and on the progress of plans for meeting the Legislature's intent for a level of care assessment instrument process for all dependent children of the court and wards of the court in out-of-home placement.

This bill would change that date by which the level of care assessment instrument and process shall be developed and implemented and the date by which the report shall be made to the Legislature.

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 1530.85 is added to the Welfare  
2 and Institutions Code, to read:

3 ~~1530.85. By July 1, 1997, the department shall do all of~~  
4 ~~the following, after consulting with representatives of~~  
5 ~~group home providers:~~

6 (a) ~~Establish an incentive system that will encourage~~  
7 ~~group home providers to use the licensee self-assessment~~  
8 ~~guidelines for group homes adopted by the department.~~  
9 ~~The department shall seek the advice of representatives~~  
10 ~~of group home providers in the development of those~~  
11 ~~guidelines.~~

12 (b) ~~Establish an incentive system to encourage group~~  
13 ~~homes to become accredited or certified by a recognized~~  
14 ~~third-party authority that prescribes standards of care in~~  
15 ~~excess of minimum licensing standards.~~

16 *1530.85. By July 1, 1997, the department shall, after*  
17 *consulting with representatives of group home providers,*  
18 *report to the Legislature on the advantages and*



1 *disadvantages of creating an incentive system to*  
2 *encourage group home providers to become accredited*  
3 *by a recognized third-party authority that prescribes*  
4 *standards of care in excess of minimum licensing*  
5 *standards. The report shall include information about the*  
6 *efficacy of various incentive options.*

7 SEC. 2. Section 11462 of the Welfare and Institutions  
8 Code is amended to read:

9 11462. (a) (1) Effective July 1, 1990, foster care  
10 providers licensed as group homes, as defined in  
11 departmental regulations, including public child care  
12 institutions, as defined in Section 11402.5, shall have rates  
13 established by classifying each group home program and  
14 applying the standardized schedule of rates. The  
15 department shall collect information from group  
16 providers beginning January 1, 1990, in order to classify  
17 each group home program.

18 (2) Notwithstanding paragraph (1), foster care  
19 providers licensed as group homes shall have rates  
20 established only if the group home is organized and  
21 operated on a nonprofit basis as required under  
22 subdivision (h) of Section 11400. The department shall  
23 terminate the rate effective January 1, 1993, of any group  
24 home not organized and operated on a nonprofit basis as  
25 required under subdivision (h) of Section 11400.

26 (b) A group home program shall be initially classified,  
27 for purposes of emergency regulations, according to the  
28 level of care and services to be provided using a point  
29 system developed by the department and described in  
30 the report, "The Classification of Group Home Programs  
31 under the Standardized Schedule of Rates System,"  
32 prepared by the State Department of Social Services,  
33 August 30, 1989.

34 (c) The rate for each rate classification level (RCL)  
35 has been determined by the department with data from  
36 the AFDC-FC Group Home Rate Classification Pilot  
37 Study. The rates effective July 1, 1990, were developed  
38 using 1985 calendar year costs and reflect adjustments to  
39 the costs for each fiscal year, starting with the 1986-87  
40 fiscal year, by the amount of the California Necessities



1 Index computed pursuant to the methodology described  
2 in Section 11453. The data obtained by the department  
3 using 1985 calendar year costs shall be updated and  
4 revised by January 1, 1993.

5 (d) As used in this section, “standardized schedule of  
6 rates” means a listing of the 14 rate classification levels,  
7 the single rate established for each RCL, and the rate  
8 floor for each RCL.

9 (e) The standardized schedule of rates shall be phased  
10 in commencing July 1, 1990.

11 (1) In order to phase in the standardized schedule of  
12 rates, a “rate floor” has been established for each RCL.

13 (2) The rate floor for fiscal year 1990–91 shall be 85  
14 percent of the standard rate for each RCL. The rate floor  
15 shall be increased to 92.5 percent of the standard rate for  
16 fiscal year 1991–92 for each RCL, shall be equal to the  
17 standard rate for each RCL for the period July 1, 1992, to  
18 September 13, 1992, inclusive, and shall be 92.5 percent  
19 of the standard rate for each RCL for the period  
20 September 14, 1992, to June 30, 1993, inclusive.

21 (3) The rate floor for each RCL shall be 95 percent of  
22 the standard rate for each RCL for the 1993–94 fiscal year.  
23 The rate floor shall be equal to the standard rate for each  
24 RCL for the 1994–95 fiscal year and beyond.

25 (f) Except as specified in paragraph (1), the  
26 department shall determine the RCL for each group  
27 home program on a prospective basis, according to the  
28 level of care and services that the group home operator  
29 projects will be provided during the period of time for  
30 which the rate is being established.

31 (1) For a group home program for which the  
32 department established a rate effective prior to June 30,  
33 1990, that took into account the program’s historical costs,  
34 the department shall establish the rate for fiscal year  
35 1990–91 by determining the RCL on a retrospective basis,  
36 according to the level of care and services actually  
37 provided between July 1 and December 31, 1989, or  
38 between July 1, 1989, and March 31, 1990.

39 (2) Group home programs that fail to maintain at least  
40 the level of care and services associated with the RCL



1 upon which their rate was established shall inform the  
2 department. The department shall develop regulations  
3 specifying procedures to be applied when a group home  
4 fails to maintain the level of services projected, including,  
5 but not limited to, rate reduction and recovery of  
6 overpayments.

7 (3) The department shall not reduce the rate, establish  
8 an overpayment, or take other actions pursuant to  
9 paragraph (2) for any period that a group home program  
10 maintains the level of care and services associated with  
11 the RCL for children actually residing in the facility.  
12 Determinations of levels of care and services shall be  
13 made in the same way as modifications of overpayments  
14 are made pursuant to paragraph (2) of subdivision (b) of  
15 Section 11466.2.

16 (4) Beginning July 1, 1994, for group homes paid at  
17 rates below the standard rate established by subdivision  
18 (g), a group home program shall remain at its current  
19 RCL if it maintains at least the level of care and services  
20 associated with that percentage of the points required to  
21 be at that RCL that equals the percentage of the standard  
22 rate used to establish the group home's rate. In no event,  
23 however, shall points per child per month be reduced  
24 more than ten points below the minimum required for  
25 the current RCL. The RCL for a program shall not  
26 increase due to the operation of this paragraph absent any  
27 program changes approved by the department pursuant  
28 to subdivision (k).

29 (5) A group home program that substantially changes  
30 its staffing pattern from that reported in the group home  
31 program statement shall provide notification of this  
32 change to all counties that have placed children currently  
33 in care. This notification shall be provided whether or not  
34 the RCL for the program may change as a result of the  
35 change in staffing pattern.

36 (g) The standardized schedule of rates for fiscal year  
37 1990-91 is:

38



		FY 1990-91	
Rate		Standard	Rate
Classification		Rate	Floor
Level	Point Ranges		(85%)
1	Under 60	\$1,183	\$1,006
2	60-89	1,478	1,256
3	90-119	1,773	1,507
4	120-149	2,067	1,757
5	150-179	2,360	2,006
6	180-209	2,656	2,258
7	210-239	2,950	2,508
8	240-269	3,245	2,758
9	270-299	3,539	3,008
10	300-329	3,834	3,259
11	330-359	4,127	3,508
12	360-389	4,423	3,760
13	390-419	4,720	4,012
14	420 & Up	5,013	4,261

21 (h) (1) For fiscal year 1990-91, the standardized  
 22 schedule of rates shall be implemented as follows:

23 (A) Any group home program which received an  
 24 AFDC-FC rate in the prior fiscal year below the standard  
 25 rate for the fiscal year 1990-91 RCL shall receive their  
 26 1989-90 rate plus an amount equal to the California  
 27 Necessities Index (CNI). The rate for fiscal year 1990-91  
 28 at which the state will participate shall not exceed the  
 29 standard rate for the RCL.

30 (B) If the CNI increase to the group home program's  
 31 fiscal year 1989-90 rate does not raise the group home  
 32 program to the rate floor for the RCL, the group home  
 33 program shall receive a rate equal to the rate floor for the  
 34 RCL.

35 (C) A group home program which received an  
 36 AFDC-FC rate for fiscal year 1989-90 at or above the  
 37 standard rate for the RCL for fiscal year 1990-91 shall  
 38 continue to receive that fiscal year 1989-90 rate.



1 (2) For the 1996–97 and 1997–98 fiscal years, the  
2 standardized rate for each RCL shall be adjusted by an  
3 amount equal to the California Necessities Index  
4 computed pursuant to the methodology described in  
5 Section 11453.

6 (A) Any group home program which received an  
7 AFDC-FC rate in the prior fiscal year at or above the  
8 adjusted standard rate for the RCL in the current fiscal  
9 year shall continue to receive that rate.

10 (B) A group home program which received an  
11 AFDC-FC rate in the prior fiscal year below the standard  
12 rate for the RCL in the current fiscal year shall receive  
13 that rate adjusted by an amount equal to the CNI. The  
14 rate for the current fiscal year shall not exceed the  
15 standard rate for the RCL and shall not be less than the  
16 rate floor for the RCL.

17 (3) Beginning with the 1996–97 fiscal year, the  
18 standardized schedule of rates shall be adjusted annually  
19 by an amount equal to the CNI computed pursuant to  
20 Section 11453, subject to the availability of funds.

21 (A) Any group home program which received an  
22 AFDC-FC rate in the prior fiscal year at or above the  
23 adjusted standard rate for the RCL in the current fiscal  
24 year shall continue to receive that rate.

25 (B) Any group home program which received an  
26 AFDC-FC rate in the prior fiscal year below the adjusted  
27 standard rate for the RCL in the current fiscal year shall  
28 receive the adjusted RCL rate.

29 (i) (1) (A) The rate for a new group home program  
30 of a new or existing provider shall be established at the  
31 rate floor for the new program's projected RCL.

32 (B) On and after the operative date of this  
33 subparagraph, the department shall not, prior to July 1,  
34 1993, establish a rate for a new group home program of a  
35 new or existing provider.

36 (2) The department shall not establish a rate for a new  
37 program of a new or existing provider unless the provider  
38 submits a recommendation from the host county, the  
39 primary placing county, or a regional consortium of  
40 counties that the program is needed in that county; that



1 the provider is capable of effectively and efficiently  
2 operating the program; and that the provider is willing  
3 and able to accept AFDC-FC children for placement who  
4 are determined by the placing agency to need the level  
5 of care and services that will be provided by the program.

6 (3) The department shall encourage the  
7 establishment of consortia of county placing agencies on  
8 a regional basis for the purpose of making decisions and  
9 recommendations about the need for, and use of, group  
10 home programs and other foster care providers within  
11 the regions.

12 (4) The department shall annually conduct a  
13 county-by-county survey to determine the unmet  
14 placement needs of children placed pursuant to Sections  
15 300 and Section 601 or 602, and shall publish its findings  
16 by November 1 of each year.

17 (j) The department shall develop regulations  
18 specifying ratesetting procedures for program  
19 expansions, reductions, or modifications, including  
20 increases or decreases in licensed capacity, or increases or  
21 decreases in level of care or services.

22 (k) (1) For the purpose of this subdivision, “program  
23 change” means any alteration to an existing group home  
24 program planned by a provider that will increase the  
25 RCL or AFDC-FC rate. An increase in the licensed  
26 capacity or other alteration to an existing group home  
27 program that does not increase the RCL or AFDC-FC  
28 rate shall not constitute a program change.

29 (2) (A) Prior to July 1, 1993, the rate for a group home  
30 program shall not increase, as the result of a program  
31 change, from the rate established for the program  
32 effective June 30, 1992. For rate increases as a result of a  
33 program change which became effective between July 1,  
34 1992, and the effective date of this paragraph, the  
35 department shall adjust rates downward as necessary to  
36 comply with this chapter. Notwithstanding any other  
37 provisions of law, a group home provider shall be allowed  
38 to change a group home program to reflect a decrease in  
39 services due to the provisions of this paragraph.



1 (B) For the 1993–94 fiscal year, the rate for a group  
2 home program shall not increase, as the result of a  
3 program change, from the rate established for the  
4 program effective July 1, 1993, except as provided in  
5 paragraph (3).

6 (C) For the 1994–95 fiscal year and the 1995–96 fiscal  
7 year, the rate for a group home program shall not  
8 increase, as the result of a program change, from the rate  
9 established for the program effective July 1, 1994, except  
10 as provided in paragraph (3).

11 (3) (A) For the 1993–94 fiscal year, the 1994–95 fiscal  
12 year, and the 1995–96 fiscal year the department shall not  
13 establish a rate for a new program of a new or existing  
14 provider or approve a program change for an existing  
15 provider that either increases the program’s RCL or  
16 AFDC-FC rate, or increases the licensed capacity of the  
17 program as a result of decreases in another program with  
18 a lower RCL or lower AFDC-FC rate that is operated by  
19 that provider, unless both of the conditions specified in  
20 this paragraph are met.

21 (i) The licensee obtains a letter of recommendation  
22 from the host county, primary placing county, or regional  
23 consortium of counties regarding the proposed program  
24 change or new program.

25 (ii) The county determines that there is no increased  
26 cost to the General Fund.

27 (B) Notwithstanding subparagraph (A), the  
28 department may grant a request for a new program or  
29 program change, not to exceed 25 beds, statewide, if (i)  
30 the licensee obtains a letter of recommendation from the  
31 host county, primary placing county, or regional  
32 consortium of counties regarding the proposed program  
33 change or new program, and (ii) the new program or  
34 program change will result in a reduction of referrals to  
35 state hospitals during the 1993–94 fiscal year, the 1994–95  
36 fiscal year, or the 1995–96 fiscal year.

37 (l) Group home providers shall maintain all cost data  
38 related to the following categories for a period of not less  
39 than five years:

40 (1) Child care services.



1 (2) Social work activities.

2 (3) Food.

3 (4) Shelter.

4 (5) Buildings and equipment.

5 (6) Utilities.

6 (7) Vehicles and travel.

7 (8) Child-related costs.

8 (9) Program support. Program support shall include  
9 case management costs related to children, including, but  
10 not limited to, staff training, collateral ~~contracts~~ *contacts*,  
11 supervision of child care staff, required case reports, and  
12 communications with the court and public agencies on  
13 behalf of the child.

14 (10) Administration.

15 ~~(m) General unrestricted or undesignated private~~  
16 ~~charitable donations and contributions made to~~  
17 ~~charitable or nonprofit organizations shall not be~~  
18 ~~deducted from the cost of providing services pursuant to~~  
19 ~~this section. Expenditures made on behalf of children~~  
20 ~~from any source other than AFDC-FC shall not be~~  
21 ~~considered in any determination of maximum~~  
22 ~~expenditures the department may set.~~

23 *(m) (1) It is the intent of the Legislature that the*  
24 *same expenditure shall not be reimbursed from more*  
25 *than one source.*

26 *(2) General unrestricted or undesignated private*  
27 *charitable donations and contributions made to*  
28 *charitable or nonprofit organizations shall not be*  
29 *deducted from the cost of providing services pursuant to*  
30 *this section. Reasonableness standards shall only apply to*  
31 *expenditures paid by AFDC-FC funds.*

32 (n) The department shall, by October 1 each year,  
33 commencing October 1, 1992, provide the Joint  
34 Legislative Budget Committee with a list of any new  
35 departmental requirements established during the  
36 previous fiscal year concerning the operation of group  
37 homes, and of any unusual, industrywide increase in costs  
38 associated with the provision of group care which may  
39 have significant fiscal impact on providers of group  
40 homes care. The committee may, in fiscal year 1993-94



1 and beyond, use the list to determine whether an  
2 appropriation for rate adjustments is needed in the  
3 subsequent fiscal year.

4 (o) This section shall become operative on July 1, 1995.

5 SEC. 3. Section 11462.01 of the Welfare and  
6 Institutions Code is amended to read:

7 11462.01. (a) Commencing July 1, 1994, a group  
8 home program shall be classified at RCL 13 or RCL 14 if  
9 the program meets all of the following requirements:

10 (1) The group home program is providing, or has  
11 proposed to provide, the level of care and services  
12 necessary to generate sufficient points in the ratesetting  
13 process to be classified at RCL 13 if the rate application  
14 is for RCL 13 or to be classified at RCL 14 if the rate  
15 application is for RCL 14.

16 (2) (A) (i) The group home provider shall agree not  
17 to accept for placement into a group home program  
18 AFDC-FC funded children, including voluntary  
19 placements and seriously emotionally disturbed children  
20 placed out-of-home pursuant to an individualized  
21 education program developed under Section 7572.5 of the  
22 Government Code, who have not been approved for  
23 placement by an interagency placement committee, as  
24 described by Section 4096. The approval shall be in  
25 writing and shall indicate that the interagency placement  
26 committee has determined the child is seriously  
27 emotionally disturbed, as defined by Section 5600.3 and  
28 subject to Section 1502.4 of the Health and Safety Code,  
29 and that the child needs the level of care provided by the  
30 group home.

31 (ii) For purposes of clause (i), group home providers  
32 who accept seriously emotionally disturbed children who  
33 are assessed and placed out-of-home pursuant to an  
34 individualized education program developed under  
35 Section 7572.5 of the Government Code shall be deemed  
36 to have met the interagency placement committee  
37 approval for placement requirements of clause (i) if the  
38 individualized education program assessment indicates  
39 that the child has been determined to be seriously  
40 emotionally disturbed, as defined in Section 5600.3 and



1 subject to Section 1502.4 of the Health and Safety Code,  
2 and needs the level of care described in clause (i).

3 (B) (i) Nothing in this subdivision shall prevent the  
4 emergency placement of a child into a group home  
5 program prior to the determination by the interagency  
6 placement committee pursuant to subclause (i) of  
7 subparagraph (A) if a licensed mental health  
8 professional, as defined in the department's AFDC-FC  
9 ratesetting regulations, has evaluated, in writing, the  
10 child within 72 hours of placement, and determined the  
11 child to be seriously emotionally disturbed and in need of  
12 the care and services provided by the group home  
13 program.

14 (ii) The interagency placement committee shall,  
15 within 30 days of placement pursuant to clause (i), make  
16 the determination required by clause (i) of subparagraph  
17 (A).

18 (iii) If, pursuant to clause (ii), the placement is  
19 determined to be appropriate, the committee shall  
20 transmit the approval, in writing, to the county placing  
21 agency and the group home provider.

22 (iv) If, pursuant to clause (ii) the placement is  
23 determined not to be appropriate, the child shall be  
24 removed from the group home and referred to a more  
25 appropriate placement, as specified in subdivision (f).

26 (C) Commencing December 15, 1992, with respect to  
27 AFDC-FC funded children, only those children who are  
28 approved for placement by an interagency placement  
29 committee may be accepted by a group home under this  
30 subdivision.

31 (3) The group home program is certified by the State  
32 Department of Mental Health pursuant to Section 4096.5.

33 (b) The department shall not establish a rate for a  
34 group home requesting a program change to RCL 13 or  
35 RCL 14 unless the group home provider submits a  
36 recommendation from the host county or the primary  
37 placing county that the program is needed and that the  
38 provider is willing and capable of operating the program  
39 at the level sought. For purposes of this subdivision, "host  
40 county," "primary placing county," and "program



1 change” mean the same as defined in the department’s  
2 AFDC-FC ratesetting regulations.

3 (c) The effective date of rates set at RCL 13 or RCL 14  
4 shall be the date that all the requirements are met, but  
5 not prior to July 1 of that fiscal year. Nothing in this  
6 section shall affect RCL 13 or RCL 14 ratesetting  
7 determinations in prior years.

8 (d) Any group home program that has been classified  
9 at RCL 13 or RCL 14 pursuant to the requirements of  
10 subdivision (a) shall be reclassified at the appropriate  
11 lower RCL with a commensurate reduction in rate if  
12 either of the following occurs:

13 (1) The group home program fails to maintain the  
14 level of care and services necessary to generate the  
15 necessary number of points for RCL 13 or RCL 14, as  
16 required by paragraph (1) of subdivision (a). The  
17 determination of points shall be made consistent with the  
18 department’s AFDC-FC ratesetting regulations for other  
19 rate classification levels.

20 (2) The group home program fails to maintain a  
21 certified mental health treatment program as required  
22 by paragraph (3) of subdivision (a).

23 (3) ~~In the event of a determination under paragraph~~  
24 ~~(1) or (2), the group home may appeal the finding or~~  
25 ~~submit a plan of correction. The appeal process specified~~  
26 ~~in Sections 11466.6 and 11468.6 shall be available to RCL~~  
27 ~~13 and RCL 14 group home providers. (1), the group~~  
28 ~~home may appeal the finding or submit a plan of~~  
29 ~~correction. The appeal process specified in Sections~~  
30 ~~11466.6 and 11468.6 shall be available to RCL 13 and RCL~~  
31 ~~14 group home providers. In the event of a determination~~  
32 ~~under paragraph (2), the group home may appeal the~~  
33 ~~findings or submit a plan of correction to the mental~~  
34 ~~health agency providing the original certification. During~~  
35 ~~an appeal or plan of correction, the department shall~~  
36 ~~ensure that the group home maintains the appropriate~~  
37 ~~level of care.~~

38 (e) The interagency placement committee shall  
39 periodically review, but no less often than that required  
40 by current law, the placement of the child. If the



1 committee determines that the child no longer needs, or  
2 is not benefiting from, placement in a RCL 13 or RCL 14  
3 group home, the committee shall report its finding to the  
4 juvenile court, which shall ~~not~~ require the removal of the  
5 child and a new disposition, unless the court finds that it  
6 is not in the best interest of the child to do so.

7 (f) (1) (A) If, at any time subsequent to placement in  
8 an RCL 13 or RCL 14 group home program, the  
9 interagency placement committee determines either  
10 that the child is not seriously emotionally disturbed or is  
11 not in need of the care and services provided by the group  
12 home program, it shall notify, in writing, both the county  
13 placing agency and the group home provider within 10  
14 days of the determination.

15 (B) The county placing agency shall notify the group  
16 home provider, in writing, within five days from the date  
17 of the notice from the committee, of the county's plan for  
18 removal of the child.

19 (C) The county placing agency shall remove the child  
20 from the group home program within 30 days from the  
21 date of the notice from the interagency placement  
22 committee.

23 (2) (A) If a county placing agency does not remove a  
24 child within 30 days from the date of the notice from the  
25 interagency placement committee, the group home  
26 provider shall notify the interagency placement  
27 committee and the department, in writing, of the  
28 county's failure to remove the child from the group home  
29 program.

30 (B) The group home provider shall make the  
31 notification required by subparagraph (A) within five  
32 days of the expiration of the 30-day removal period. If  
33 notification is made, a group home provider shall not be  
34 subject to an overpayment determination due to failure  
35 of the county placing agency to remove the child.

36 (3) Any county placing agency that fails to remove a  
37 child from a group home program under this paragraph  
38 within 30 days from the date of the notice from the  
39 interagency placement committee shall be assessed a  
40 penalty in the amount of the state and federal financial



1 participation in the AFDC-FC rate paid on behalf of the  
 2 child commencing on the 31st day and continuing until  
 3 the child is removed.

4 (g) (1) If any RCL 13 or RCL 14 group home provider  
 5 discovers that it does not have written approval for  
 6 placement of any AFDC-FC funded child placed on or  
 7 after December 15, 1992, from the interagency  
 8 placement committee, it shall notify the county placing  
 9 agency, in writing, and shall request the county to obtain  
 10 approval from the interagency placement committee or  
 11 remove the child from the group home program. A group  
 12 home provider shall have 30 days from the child's first day  
 13 of placement to discover the placement error and to  
 14 ~~notify the county placing agency within five days after~~  
 15 ~~discovery of the placement error.~~ *notify the county*  
 16 *placing agency.*

17 (2) Any county placing agency that receives  
 18 notification pursuant to paragraph (2) of subdivision (f)  
 19 shall obtain approval for placement from the interagency  
 20 placement committee or remove the child from the  
 21 group home program within 30 days from the date of the  
 22 notice from the group home provider. The program shall  
 23 not be reclassified to a lower RCL for a violation of the  
 24 provisions referred to in this paragraph.

25 (3) (A) If a county placing agency does not have the  
 26 placement of a child approved by the interagency  
 27 placement committee or removed from the group home  
 28 within 30 days from the date of the notice from the group  
 29 home provider, the group home provider shall notify the  
 30 county placing agency and the department, in writing, of  
 31 the county's failure to have the placement of the child  
 32 approved or remove the child from the group home  
 33 program.

34 (B) The group home provider shall make the  
 35 notification required by subparagraph (A) within five  
 36 days after the expiration of the 30-day approval or  
 37 removal period. If notification is made, a group home  
 38 provider shall not be subject to an overpayment  
 39 determination due to failure of the county placing agency  
 40 to remove the child.



1 (C) Any group home provider that fails to notify the  
2 county placing agency pursuant to subparagraph (A)  
3 shall be assessed a penalty in the amount of the AFDC-FC  
4 rate paid to the group home provider on behalf of the  
5 child commencing on the 31st day of placement and  
6 continuing until the county placing agency is notified.

7 (4) Any county placing agency that fails to have the  
8 placement of a child approved or to have the child  
9 removed from the group home program within 30 days  
10 shall be assessed a penalty in the amount of the state and  
11 federal financial participation in the AFDC-FC rate paid  
12 on behalf of the child commencing on the 31st day of  
13 placement and continuing until the child is removed.

14 (h) The department shall develop regulations to  
15 obtain payment of assessed penalties as provided in this  
16 section. For audit purposes and the application of  
17 penalties for RCL 13 and RCL 14 programs, the  
18 department shall apply statutory provisions that were in  
19 effect during the period for which the audit was  
20 conducted.

21 (i) (1) Nothing in this subparagraph shall prohibit a  
22 group home classified at RCL 13 or RCL 14 for purposes  
23 of the AFDC-FC program, from accepting private  
24 placements of children.

25 (2) In cases where a referral is not from a public  
26 agency and no public funding is involved, there shall be  
27 no requirement for public agency review or  
28 determination of need.

29 (3) Children subject to paragraphs (1) and (2) shall  
30 have been assessed as seriously emotionally disturbed, as  
31 defined in Section 5600.3 and subject to Section 1502.4 of  
32 the Health and Safety Code, by a licensed mental health  
33 professional, as defined in Sections 629 to 633, inclusive,  
34 of Title 9 of the California Code of Regulations.

35 (j) A child shall not be placed in a group home  
36 program classified at an RCL 13 or RCL 14 if the  
37 placement is paid for with county-only funds unless the  
38 child is assessed as seriously emotionally disturbed, as  
39 defined in Section 5600.3, subject to Section 1502.4 of the  
40 Health and Safety Code, by a licensed mental health



1 professional, as defined in Sections 629 to 633, inclusive,  
2 of Title 9 of the California Code of Regulations.

3 (k) This section shall become operative on July 1, 1994.

4 SEC. 4. Section 11467 of the Welfare and Institutions  
5 Code is amended to read:

6 11467. (a) The Legislature finds and declares the  
7 following:

8 (1) That there is a need to ensure the safety of children  
9 placed in out-of-home care.

10 (2) That the process of assessing and ensuring the  
11 safety needs of a child is closely tied to assessing and  
12 meeting the needs of a child for structure, supervision,  
13 and services.

14 (3) That the level of care assessment process,  
15 including instrument and program statements, should  
16 identify the needs of a child and match them with an  
17 appropriate level and type of placement.

18 (4) That, therefore, it is appropriate for the level of  
19 care assessment process to be utilized to address the  
20 safety needs of a child in relation to the structure,  
21 supervision, and services provided by the placement, and  
22 in relation to other characteristics of children placed in  
23 the facility, as defined in the program statement.

24 (b) It is the intent of the Legislature that dependent  
25 children of the court and wards of the court in need of, or  
26 at risk of, out-of-home care are appropriately placed with  
27 caregivers that meet their needs. This can initially be  
28 accomplished by developing and implementing a level of  
29 care assessment process and instrument or instruments  
30 that identify the child's needs for structure, supervision,  
31 and services, and matches those needs to program  
32 statements for group homes, foster family agencies, and  
33 small family homes that identify the level of structure,  
34 supervision, and services provided by the facility.  
35 Ultimately, the goal of the level of care assessment  
36 process is to ensure that all dependent children of the  
37 court and wards of the court are appropriately placed by  
38 matching assessed needs to the full range of placement  
39 resources.



1 (c) By July 1, 1994, the State Department of Social  
2 Services, in consultation with the State Department of  
3 Developmental Services, county probation, social  
4 service, and mental health departments and foster care  
5 providers, shall develop a standard form for program  
6 statements for ratesetting, community care licensing, and  
7 county placement purposes for all of the following facility  
8 types, in the order listed:

- 9 (1) Group homes.
- 10 (2) Foster family agencies.
- 11 (3) Small family homes.

12 (d) By January 1, 1997, the State Department of Social  
13 Services, in consultation with the State Department of  
14 Mental Health, county probation, social service, and  
15 mental health departments and foster care providers,  
16 ~~shall develop and implement a level of care providers,~~  
17 *shall develop and begin the implementation of a level of*  
18 care assessment instrument and process which shall  
19 match the assessed needs of the dependent child of the  
20 court or ward of the court and his or her family with the  
21 structure, supervision, and services provided by  
22 appropriate placement resources, as determined by the  
23 standard program statements established pursuant to this  
24 section. The level of care assessment instrument and  
25 process shall consider the needs of the child for safety and  
26 compatibility with other characteristics of children  
27 placed in a facility, as defined in the program statement.

28 (e) The level of care assessment instrument  
29 developed pursuant to subdivision (d) shall include  
30 specified indicators of a child's need for mental health  
31 treatment, for purposes of placement determination. The  
32 department shall annually analyze, on a sampling basis,  
33 the indicators of mental health need specified on the level  
34 of care assessment instrument for all dependent children  
35 of the court and wards of the court in out-of-home  
36 placement, in order to determine their unmet mental  
37 health services needs, and shall make that information  
38 available to the Legislature, on request.

39 ~~(f) No later than July 1, 1997, the~~



1 (f) *No later than July 1, 1998, the* department and the  
2 State Department of Mental Health, jointly, shall report  
3 to the Legislature on the requirements specified, and on  
4 the progress of plans for meeting the Legislature's intent  
5 for a level of care assessment instrument process for all  
6 dependent children of the court and wards of the court  
7 in out-of-home placement.

8 SEC. 5. This act is an urgency statute necessary for the  
9 immediate preservation of the public peace, health, or  
10 safety within the meaning of Article IV of the  
11 Constitution and shall go into immediate effect. The facts  
12 constituting the necessity are:

13 In order that foster children may be properly assessed  
14 for the level of care they are receiving and that they  
15 experience the best care possible while in a group home  
16 placement, it is necessary that this act take effect  
17 immediately.

