

AMENDED IN ASSEMBLY MARCH 30, 1998

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

ASSEMBLY BILL

No. 1724

Introduced by Assembly Member Richter

February 2, 1998

~~An act to repeal and add Section 11462 of, and to repeal Sections 11462.01, 11462.05, and 11462.06 of, the Welfare and Institutions Code, relating to human services, and making an appropriation therefor.~~
An act to add Section 11462.12 to the Welfare and Institutions Code, relating to human services, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1724, as amended, Richter. Foster care rates.

Existing law provides for the Aid to Families with Dependent Children-Foster Care (AFDC-FC) program, under which payments are provided to foster care homes on behalf of low-income children.

Under existing law, the State Department of Social Services sets AFDC-FC rates for foster group homes, in accordance with specified requirements.

~~This bill would transfer this ratesetting authority to each county~~ *require the department to authorize the establishment of 5-year pilot projects in no less than 3 counties, at the discretion of the counties, for the purpose of testing the efficiency and cost-effectiveness of an alternative group home program structure, including county authority to establish group home payment rates and staffing requirements.*

Since state funds are continuously appropriated to pay for a share of the cost of AFDC-FC payments, the bill would, by allowing counties to increase *group home payment* rates, constitute an appropriation.

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

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

1 ~~SECTION 1. Section 11462 of the Welfare and~~
2 ~~Institutions Code is repealed.~~

3 *SECTION 1. Section 11462.12 is added to the Welfare*
4 *and Institutions Code, to read:*

5 *11462.12. (a) The department shall authorize the*
6 *establishment of five-year pilot projects in no less than*
7 *three counties, at the discretion of the counties, for the*
8 *purpose of testing the efficiency and cost-effectiveness of*
9 *an alternative group home program structure, including*
10 *county authority to establish payment rate and staffing*
11 *requirements that meet the needs of children requiring*
12 *out-of-home placement. Each participating pilot county*
13 *may negotiate payment rates with individual group*
14 *homes, as defined in subdivision (h) of Section 11400,*
15 *based on program design and measurable service*
16 *delivery outcomes for identified special groups of*
17 *children.*

18 *(b) For purposes of determining reimbursement to*
19 *the county pursuant to subdivision (c) of Section 15200,*
20 *the department shall be bound by a group home's*
21 *reimbursement rate negotiated with a pilot county*
22 *pursuant to subdivision (b).*

23 *(c) The department shall seek approval from the*
24 *United States Department of Health and Human Services*
25 *for any amendment or waiver to the state plan under*
26 *Subtitle E (commencing with Section 470) of Title IV of*
27 *the federal Social Security Act (42 U.S.C. 670) necessary*
28 *to ensure federal financial participation for children*
29 *placed in group homes pursuant to this section.*

30 SEC. 2. Section 11462 is added to the Welfare and
31 Institutions Code, to read:



1 11462. Each county department of social services
2 shall, on an annual basis, negotiate a rate with those group
3 homes with which they wish to place children. These
4 rates shall be based upon the needs of the county, for
5 services to their dependent and neglected children, and
6 actual and allowable cost, as provided for in Subtitle E
7 (commencing with Section 470) of Title IV of the federal
8 Social Security Act (42 U.S.C. 670 et seq.)).

9 SEC. 3. Section 11462.01 of the Welfare and
10 Institutions Code is repealed.

11 SEC. 4. Section 11462.05 of the Welfare and
12 Institutions Code is repealed.

13 SEC. 5. Section 11462.06 of the Welfare and
14 Institutions Code is repealed.

