



THE TIERED FOSTER CARE RATE STRUCTURE

The Child Welfare Policy Roundtable

OVERVIEW

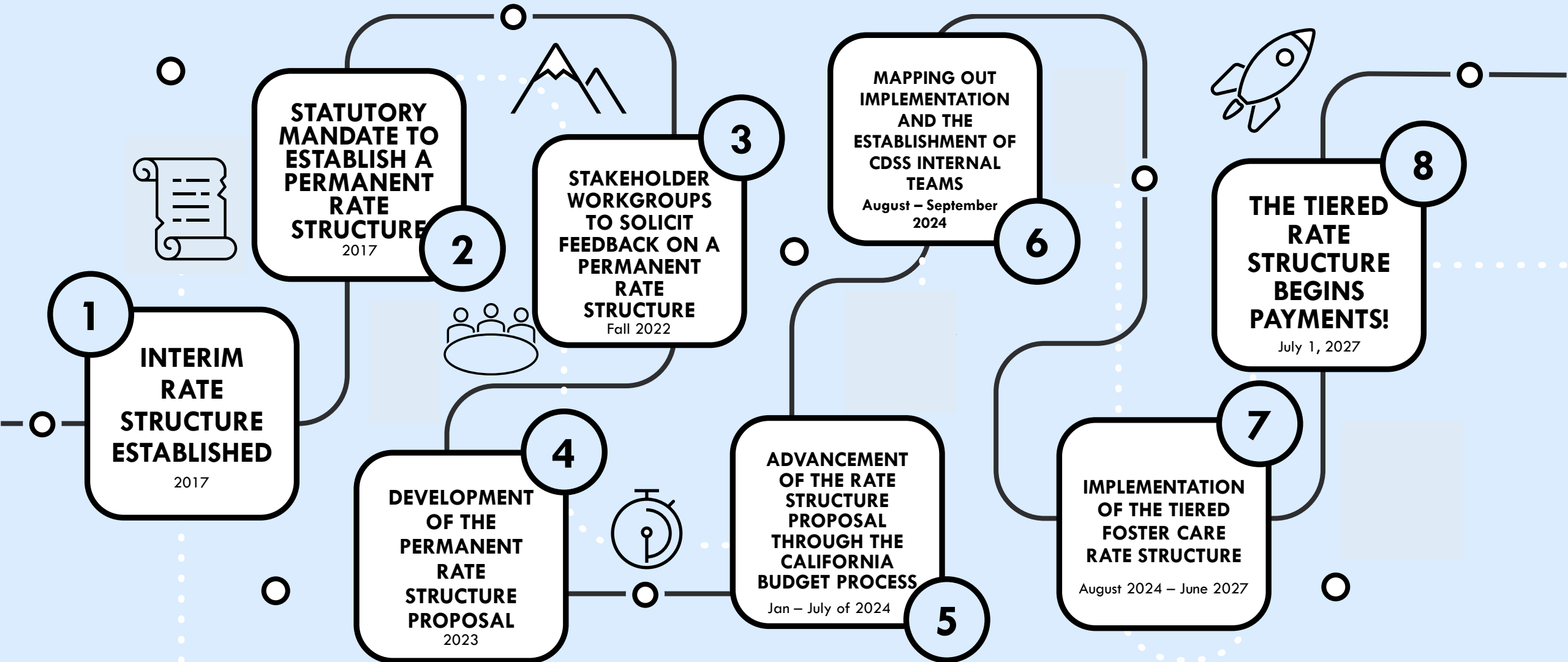
- Overview and History of the Tiered Rate Structure
- Transformational Change – Creating a Kin-Centered, Child Well-Being System
- The Strength Building Program - Overview and Impact
- The Wraparound Immediate Needs - Overview and Impact
- Care and Supervision - Creating Kin-First Culture
- Creating a Child Well-Being System - The Intersection to Prevention and Reunification

THE TIERED FOSTER CARE RATE STRUCTURE

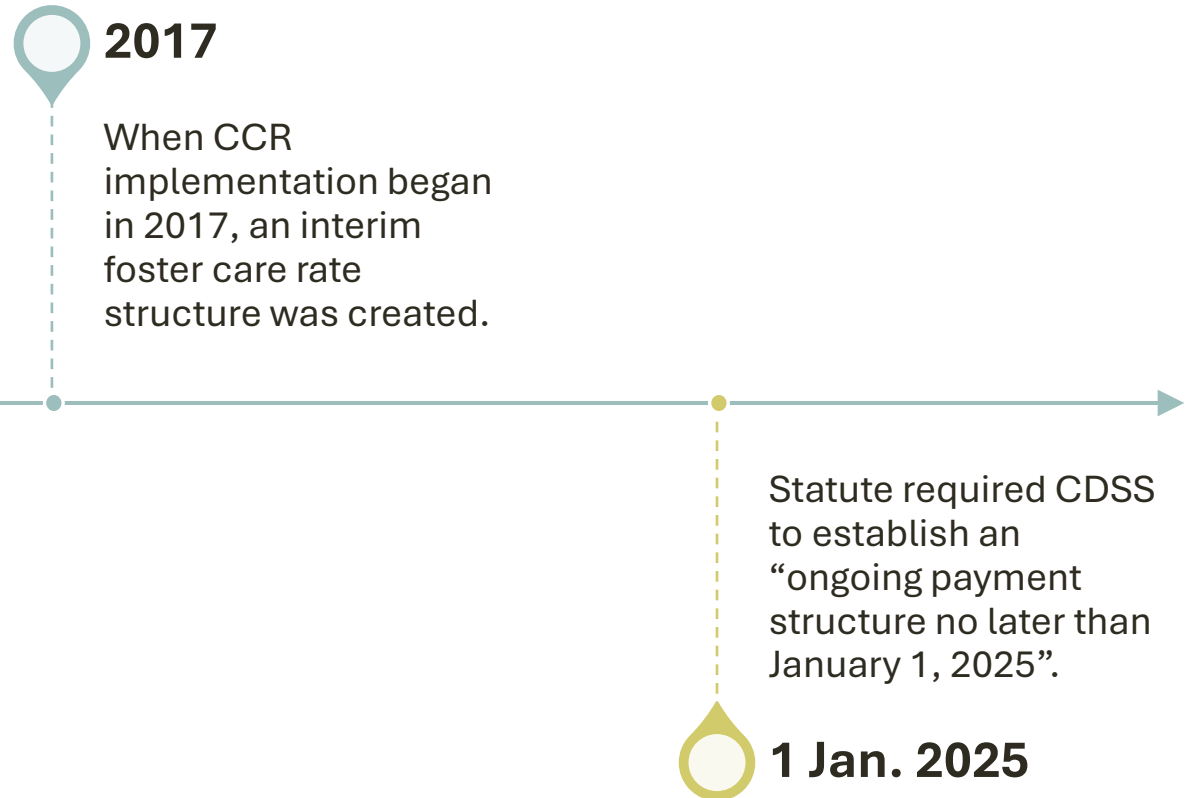
Development and
Overview



THE TIERED FOSTER CARE RATE STRUCTURE



INTERIM RATE STRUCTURE BACKGROUND





California's New Foster Care Rates Structure: Responsive & Collaborative Reform



**New Rates,
New Momentum**

Multi-Year Collaborative Process

- Over 30+ Work Groups & Listening Sessions
- Responsive to Diverse Feedback From:

- Youth
- Caregivers
- Counties
- Providers
- Tribes & Others



2023 Development Phase
←—————→—————→

2023 2026



- Engagement & Refinement
- Implementation Working Groups Continue Through 2026



The Feedback We Were Taking Into Consideration

Youth with Lived Experience

Tribes

Relative Caregivers

Resource Parents

Bio-Parents

Short Term Residential Therapeutic Programs (STRTPs)

Foster Family Agencies

County Child Welfare Departments

County Probation Departments

County Behavioral Health Departments

Youth Advocate Attorneys

Education

Regional Centers

HOW THIS PROPOSAL INTENDED TO BE RESPONSIVE TO FEEDBACK CDSS RECEIVED

Feedback from Tribes:

- Culturally responsive services should be made available for Indian children and families.
- Indian children should not have to leave their community to receive services.
- Tribes should remain involved in a child's case.

Stakeholder feedback CDSS received:

- Rates need to account for services/supports, as well as care and supervision.
- Rates should follow the child and not the placement type.
- Assessment should identify the child's level of need, not where the child should be placed.
- The current rates are inadequate across all placement settings.



OVERVIEW OF THE TIERED FOSTER CARE RATE STRUCTURE



A Child-Centric Shift in Care

Old System:
Placement-Based Funding



Funding Follows the Child
Rates are determined by child needs, not whether they live in a home or facility.

Needs-Based Assessment via IP-CANS



Individual tiers are assigned using the Latent Class Analysis (LCA) of assessment data.



Advancing Equity and Kinship

Higher funding levels now apply to relative caregivers to help keep families together.

The Three-Tier Funding Framework

Tier 1
(74% of youth)

Strengths Building Funding:
Universal funding for all tiers to support enrichment and skill-building activities.



Care & Supervision:
\$1,788
Strengths Building:
\$500



Tier 2
(19% of youth)



Immediate Needs Funding:
Extra support for Tiers 2 and 3 to address urgent services and interventions.

Care & Supervision:
\$3,490
Strengths Building:
\$700
Immediate Needs:
\$1,000



Tier 3/3+
(7% of youth)



Care & Supervision:
\$6,296
Strengths Building:
\$900
Immediate Needs:
Up to \$4,100



Go-Live Date: July 1, 2027

Planning in 2024

Payments beginning in 2027

THE TIERED FOSTER CARE RATE STRUCTURE

Development and Overview

New Rates: Basis and Methodology

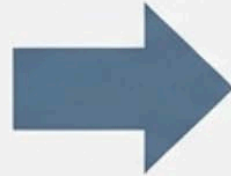
1. The Tool (IP-CANS)



Integrated Practice-Child and Adolescent Needs and Strengths.

Captures the youth's story via 50 indicators of need (school, home, relationships) + 13 trauma indicators.

Completed by the Child and Family Team (CFT).

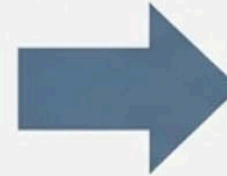


2. The Analysis (Latent Class Analysis)

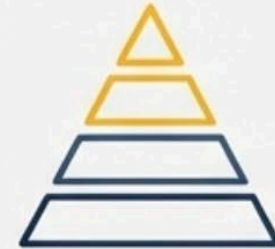


Machine Learning (AI) identifies distinct groups of children with similar patterns.

Moves beyond simple diagnoses to understand the 'whole child' profile.



3. The Assignment (Decision Support Model)



Objective model assigns youth to a Tier based on IP-CANS profile.

Ensures consistency across the state.

Anatomy of the Monthly Rate: Three Distinct Funding Streams



1. Care & Supervision (The Foundation)

Paid to caregiver for daily living/housing.

Tier 1: **\$1,788** Tier 2: **\$3,490** Tier 3/3+: **\$6,296**



2. Strength Building (The Normalcy)

Dedicated funds for enrichment/well-being.

Tier 1: **\$500** Tier 2: **\$700** Tier 3/3+: **\$900**



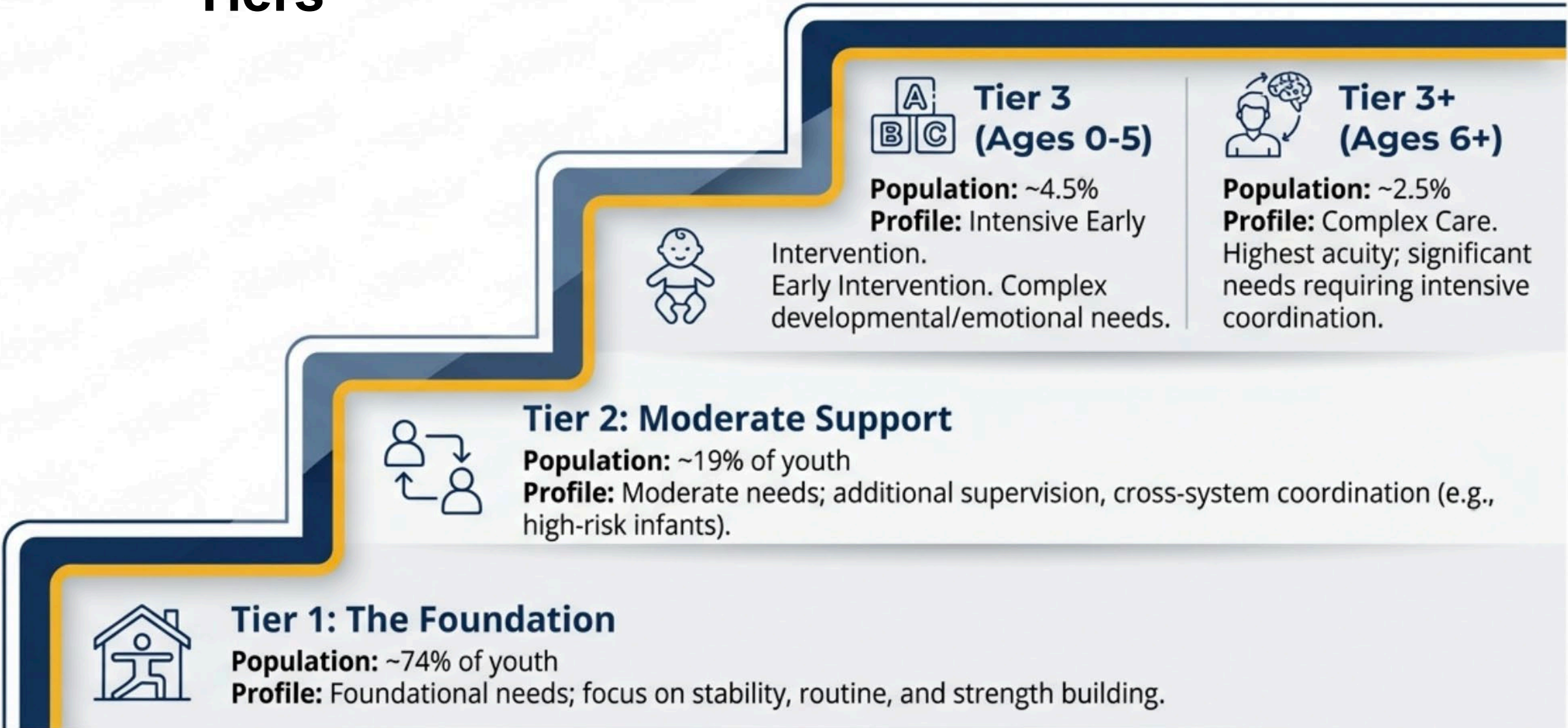
3. Immediate Needs (The Intervention)

Funds intensive services & crisis support (Tiers 2, 3, 3+ only).

Tier 2: **\$1,000** Tier 3: **\$1,500** Tier 3+: **\$4,100**

Note: Separate rates exist for FEA/STRTP Administration (e.g., Tier 3+ Admin is \$7,213).

New Rates and Tiers



The Shift: Moving from a system that “houses” children to one that heals them.

- **For Youth:** Funding for normalcy and needs, regardless of placement.
- **For Caregivers:** Real-time support, coaching, and respite.
- **For the State:** Broken silos and efficient resource use.