Form: TH-02 April 2020



townhall.virginia.gov

Proposed Regulation Agency Background Document

Agency name	State Board of Social Services	
Virginia Administrative Code (VAC) Chapter citation(s)	22VAC40-221	
VAC Chapter title(s)	Additional Daily Supervision Rate Structure	
Action title	Review & Amend Additional Daily Supervision Rate Structure	
Date this document prepared	December 12, 2018	

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Order 14 (as amended, July 16, 2018), the Regulations for Filing and Publishing Agency Regulations (1VAC7-10), and the *Form and Style Requirements for the Virginia Register of Regulations and Virginia Administrative Code*.

Brief Summary

Provide a brief summary (preferably no more than 2 or 3 paragraphs) of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation). Alert the reader to all substantive matters. If applicable, generally describe the existing regulation.

This regulatory action will provide a comprehensive periodic review of 22VAC40-221, the Additional Daily Supervision Rate Structure regulation.

The Additional Daily Supervision Rate Structure regulation provides standards for local departments of social services (LDSS) to determine the amounts of additional daily supervision (ADS) payments for foster and adoptive parents as well as prospective relative custodians who meet the criteria for kinship guardianship assistance. As a result of the review, the regulatory action proposes that the term "enhanced maintenance payments" be changed to "ADS payments" to improve consistency, as the payments are the same and used interchangeably. Additionally, the action will require that ADS payments be offered to all foster parents based on the needs of the child, regardless of whether or not the foster family is approved through a therapeutic foster care (TFC) agency or LDSS. Other changes include simplifying, clarifying, and updating language to ensure the standards provide appropriate direction to the LDSS.

This regulatory action also proposes an amendment to extend the amount of time permitted for the uniform rate assessment tool to be re-administrated from three months to six months prior to the establishment of adoption assistance. The ADS payment amount for emergency placements will change to \$1,120 monthly as that is the current payment that is used for emergency placements by LDSS. Language will be added to incorporate the kinship guardianship assistance program which is required as a result of legislation which became effective July 1, 2018. Additional changes will be considered based on public comment received and further review.

Form: TH-02

Acronyms and Definitions

Define all acronyms used in this form, and any technical terms that are not also defined in the "Definitions" section of the regulation.

LDSS-Local departments of social services VDSS-Virginia Department of Social Services ADS-Additional daily supervision TFC-Therapeutic foster care URAT- Uniform Rate Assessment Tool

Mandate and Impetus

Identify the mandate for this regulatory change and any other impetus that specifically prompted its initiation (e.g., new or modified mandate, petition for rulemaking, periodic review, or board decision). For purposes of executive branch review, "mandate" has the same meaning as defined in Executive Order 14 (as amended, July 16, 2018), "a directive from the General Assembly, the federal government, or a court that requires that a regulation be promulgated, amended, or repealed in whole or part."

There is no mandate or impetus prompting the review. A periodic review of 22VAC40-221 revealed inconsistencies in how VDSS uses the terms Enhanced Maintenance and Additional Daily Supervision, as they are interchangeable. To provide clarity and promote statewide consistency, VDSS will use the term Additional Daily Supervision when referencing a payment determined by the Uniform Rate Assessment Tool (URAT).

Legal Basis

Identify (1) the promulgating agency, and (2) the state and/or federal legal authority for the regulatory change, including the most relevant citations to the Code of Virginia and Acts of Assembly chapter number(s), if applicable. Your citation must include a specific provision, if any, authorizing the promulgating agency to regulate this specific subject or program, as well as a reference to the agency's overall regulatory authority.

The state's legal basis for this action is § 63.2-217 of the Code of Virginia that requires the State Board of Social Services to adopt such regulations as may be necessary to carry out the purpose of Title 63.2.

Purpose

Explain the need for the regulatory change, including a description of: (1) the rationale or justification, (2) the specific reasons the regulatory change is essential to protect the health, safety or welfare of citizens, and (3) the goals of the regulatory change and the problems it's intended to solve.

The proposed regulatory action makes ADS payments a requirement to be offered to all foster parents based on the needs of the child, regardless of whether or not the foster family is approved through a therapeutic foster care (TFC) agency or LDSS. The uniform assessment tool is used to determine payments that are available for a child that has a clearly-defined need that requires a parent to provide increased support and supervision based on the child's needs. This regulatory action is necessary to protect the welfare of citizens serving as foster and adoptive placements and those children being placed in foster and adoptive homes by ensuring that they receive any ADS payments that are due under the uniform rate assessment tool. Requiring the LDSS to offer ADS to all families will ensure fair and consistent treatment of foster families and provide the necessary support to ensure the health and wellbeing of children placed in their homes. The proposed regulatory action will also incorporate language specific to the administration of the uniform assessment tool for the purpose of adoption assistance by extending the timeframe for the re-administration of the uniform rate assessment tool. The proposed regulatory change will increase the timeliness of adoptions because it will allow the LDSS and the adoptive parents to use an existing uniform assessment tool that was administered within the last six months instead of the previous requirement that the uniform assessment tool be re-administered after three months. Finally, the proposed regulatory action will incorporate language specific to the kinship guardianship assistance program and the administration of the uniform assessment tool for the purpose of determining additional daily supervision payments for children who exit foster care to the custody of a relative through this recently enacted program.

Form: TH-02

Substance

Briefly identify and explain the new substantive provisions, the substantive changes to existing sections, or both. A more detailed discussion is provided in the "Detail of Changes" section below.

The agency is conducting a periodic review of the regulation as well as making amendments. The greatest substantive change under this regulatory action is the proposal to require that ADS be offered to all foster, adoptive, and kinship families regardless of their status of therapeutic or non-therapeutic and the amendment of the timeframe for the re-administration of the uniform rate assessment tool from three to six months for the purpose of determining ADS payments for adoption assistance. Language has also been added to incorporate Virginia's kinship guardianship assistance program. Additionally, it was determined that all references to the Child and Family Services Manual must be removed to make this chapter consistent with other chapters of regulation.

Issues

Identify the issues associated with the regulatory change, including: 1) the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions; 2) the primary advantages and disadvantages to the agency or the Commonwealth; and 3) other pertinent matters of interest to the regulated community, government officials, and the public. If there are no disadvantages to the public or the Commonwealth, include a specific statement to that effect.

This regulatory action poses both advantages and disadvantages to the public and the Commonwealth. The requirement to offer ADS to all foster families that have children placed in their home will have a financial impact on the LDSS that do not currently offer this to their non-TFC families. However, the proposed change to regulation will ensure that all foster families are treated equally and are properly supported to ensure the safety and well-being of every child placed in a foster home in Virginia. This will likely lead to an increase in the number of foster families across the Commonwealth. The amendments to the Additional Daily Supervision Rate Structure regulation will extend the amount of time that the uniform rate assessment tool is re-administered from three months to six months prior to establishing adoption

assistance. The primary advantage to the Commonwealth and LDSS is that this amendment will decrease the timeframe of finalizing adoption assistance for eligible foster care children because the uniform assessment tool will not have to be re-administered until six months instead of the previous timeframe of three months.

Requirements More Restrictive than Federal

Form: TH-02

Identify and describe any requirement of the regulatory change which is more restrictive than applicable federal requirements. Include a specific citation for each applicable federal requirement, and a rationale for the need for the more restrictive requirements. If there are no applicable federal requirements, or no requirements that exceed applicable federal requirements, include a specific statement to that effect.

There are no requirements in this regulatory action that exceed applicable federal requirements.

Agencies, Localities, and Other Entities Particularly Affected

Identify any other state agencies, localities, or other entities particularly affected by the regulatory change. "Particularly affected" are those that are likely to bear any identified disproportionate material impact which would not be experienced by other agencies, localities, or entities. "Locality" can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulation or regulatory change are most likely to occur. If no agency, locality, or entity is particularly affected, include a specific statement to that effect.

Other State Agencies Particularly Affected

There are no additional state agencies particularly affected by the regulatory change.

Localities Particularly Affected

This regulation will impact the LDSS that do not currently offer ADS to their non-TFC homes, specifically the following: Fluvanna, Goochland, Lunenburg, Middlesex, Richmond County, Cumberland, Powhatan, King and Queen, Alleghany, Craig, Halifax, Mecklenburg, Nelson, Pittsylvania, Rockbridge, Shenandoah Valley, Bland, Floyd, Grayson, Giles, Radford, Washington, Gloucester, Clarke, Frederick, Rappahannock, Spotsylvania, Warren, and Winchester.

Other Entities Particularly Affected

This regulatory action will impact prospective adoptive parents, prospective kinship guardianship assistance parents, children that are being adopted, and children who are discharged from foster care to the custody of a relative.

Economic Impact

Pursuant to § 2.2-4007.04 of the Code of Virginia, identify all specific economic impacts (costs and/or benefits), anticipated to result from the regulatory change. When describing a particular economic impact, specify which new requirement or change in requirement creates the anticipated economic impact. Keep in mind that this is change versus the status quo.

Impact on State Agencies

For your agency: projected costs, savings, fees or revenues resulting from the regulatory change, including: a) fund source / fund detail; b) delineation of one-time versus on-going expenditures; and c) whether any costs or revenue loss can be absorbed within existing resources	There is an increased cost to the Commonwealth for the proposed regulation because of the increased cost in requiring all localities to provide ADS payments on behalf of children placed in homes approved by the LDSS. The funding will come from federal funds, state funds (both CSA funds and state matching funds), and local funds. The expenditures will be ongoing.
For other state agencies: projected costs, savings, fees or revenues resulting from the regulatory change, including a delineation of one-time versus on-going expenditures.	There are no other state agencies impacted by this regulatory change.
For all agencies: Benefits the regulatory change is designed to produce.	The proposed change will decrease the timeframe of adoption because the LDSS and adoptive parents will not be required to readminister the uniform assessment tool until six months has elapsed instead of the previous requirement of three months. Additionally, it will provide for consistency to foster parents whether the foster parents are TFC parents or parents approved through the LDSS. This will also ensure the consistency of agency approved foster home placements, including kinship foster homes, to receive ADS payments based on the needs of the child throughout the state.

Impact on Localities

Projected costs, savings, fees or revenues resulting from the regulatory change.	There will be additional costs to the 30 localities that are not currently providing ADS payments on behalf of children placed in the homes approved by the LDSS. It is estimated that there would be approximately 123 additional children who would be eligible for additional daily supervision. Based on the average ages of children in the LDSS homes that do not currently provide an ADS payment, and the average payments across the state, it is estimated that the localities affected would be responsible for an additional combined \$130,129/month (\$74,824 from state funds/\$32,532 from federal funds/\$22,773 from local funds). This amount is the total amount that would be distributed among the 30 localities affected depending on the number of children they have in foster care. It is estimated that half of the children in foster care are eligible for federal funding through title IV-E and the other half will be reimbursed with CSA general funds and local funds.
Benefits the regulatory change is designed to produce.	The proposed change will decrease the timeframe of adoption because the LDSS and adoptive parents will not be required to readminister the uniform assessment tool until six months has elapsed instead of the previous requirement of three months. Additionally, it will

provide for consistency to foster parents whether
the foster parents are TFC parents or parents
approved through the LDSS. This will also
ensure the consistency of agency approved
foster home placements, including kinship foster
homes, to receive ADS payments based on the
needs of the child throughout the state.

Impact on Other Entities

Description of the individuals, businesses, or other entities likely to be affected by the regulatory change. If no other entities will be affected, include a specific statement to that effect.	This regulation will impact LDSS, prospective adoptive parents, prospective kinship guardianship assistance parents, and children that are being adopted or children who are discharged from foster care to the custody of a relative.
Agency's best estimate of the number of such entities that will be affected. Include an estimate of the number of small businesses affected. Small business means a business entity, including its affiliates, that: a) is independently owned and operated and; b) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.	120 LDSS will be affected. No small businesses will be directly impacted.
All projected costs for affected individuals, businesses, or other entities resulting from the regulatory change. Be specific and include all costs including, but not limited to: a) projected reporting, recordkeeping, and other administrative costs required for compliance by small businesses; b) specify any costs related to the development of real estate for commercial or residential purposes that are a consequence of the regulatory change; c) fees; d) purchases of equipment or services; and e) time required to comply with the requirements.	There will be no additional cost to businesses as a result of this regulation and there are no costs related to the development of real estate.
Benefits the regulatory change is designed to produce.	The proposed change will decrease the timeframe of adoption because the LDSS and adoptive parents will not be required to readminister the uniform assessment tool until six months has elapsed instead of the previous requirement of three months. Additionally, it will provide for consistency to foster parents whether the foster parents are TFC parents or parents approved through the LDSS.

Alternatives to Regulation

Describe any viable alternatives to the regulatory change that were considered, and the rationale used by the agency to select the least burdensome or intrusive alternative that meets the essential purpose of the regulatory change. Also, include discussion of less intrusive or less costly alternatives for small

businesses, as defined in § 2.2-4007.1 of the Code of Virginia, of achieving the purpose of the regulatory change.

Form: TH-02

22VAC40-221 was due for a periodic review by January 1, 2018. There are no other alternatives to the proposed regulatory action, as the review of this regulation is required. The regulation provides guidance to the LDSS on the timeframe in administering the uniform rate assessment tool. This action does not impact small businesses.

Regulatory Flexibility Analysis

Pursuant to § 2.2-4007.1B of the Code of Virginia, describe the agency's analysis of alternative regulatory methods, consistent with health, safety, environmental, and economic welfare, that will accomplish the objectives of applicable law while minimizing the adverse impact on small business. Alternative regulatory methods include, at a minimum: 1) establishing less stringent compliance or reporting requirements; 2) establishing less stringent schedules or deadlines for compliance or reporting requirements; 3) consolidation or simplification of compliance or reporting requirements; 4) establishing performance standards for small businesses to replace design or operational standards required in the proposed regulation; and 5) the exemption of small businesses from all or any part of the requirements contained in the regulatory change.

There are no other regulatory methods that would accomplish the objectives of this regulatory action. The regulation is applicable to LDSS in their activities of re-administering the uniform rate assessment tool for the purposes of foster, adoptive, and kinship parent ADS and adoption assistance payments and does not have an adverse impact on small businesses.

Periodic Review and Small Business Impact Review Report of Findings

If you are using this form to report the result of a periodic review/small business impact review that is being conducted as part of this regulatory action, and was announced during the NOIRA stage, indicate whether the regulatory change meets the criteria set out in Executive Order 14 (as amended, July 16, 2018), e.g., is necessary for the protection of public health, safety, and welfare; minimizes the economic impact on small businesses consistent with the stated objectives of applicable law; and is clearly written and easily understandable.

In addition, as required by § 2.2-4007.1 E and F of the Code of Virginia, discuss the agency's consideration of: (1) the continued need for the regulation; (2) the nature of complaints or comments received concerning the regulation; (3) the complexity of the regulation; (4) the extent to the which the regulation overlaps, duplicates, or conflicts with federal or state law or regulation; and (5) the length of time since the regulation has been evaluated or the degree to which technology, economic conditions, or other factors have changed in the area affected by the regulation. Also, discuss why the agency's decision, consistent with applicable law, will minimize the economic impact of regulations on small businesses.

This regulation is essential in determining ADS payments for children in foster care, adopted youth, and youth participating in the kinship guardianship assistance program. There were no public comments during the NOIRA stage. This regulation does not overlap or conflict with federal or state laws or regulations. This regulation became effective on January 1, 2014 and this is the first comprehensive review.

Public Comment

Form: TH-02

<u>Summarize</u> all comments received during the public comment period following the publication of the previous stage, and provide the agency response. Include all comments submitted: including those received on Town Hall, in a public hearing, or submitted directly to the agency. If no comment was received, enter a specific statement to that effect.

There were no comments received following the publication of the NOIRA.

Commenter	Comment	Agency response

Public Participation

Indicate how the public should contact the agency to submit comments on this regulation, and whether a public hearing will be held, by completing the text below.

The Department of Social Services is providing an opportunity for comments on this regulatory proposal, including but not limited to (i) the costs and benefits of the regulatory proposal, (ii) any alternative approaches, (iii) the potential impacts of the regulation, and (iv) the agency's regulatory flexibility analysis stated in that section of this background document.

Anyone wishing to submit written comments for the public comment file may do so through the Public Comment Forums feature of the Virginia Regulatory Town Hall web site at: https://townhall.virginia.gov. Comments may also be submitted by mail, email or fax to Traci B. Jones, Adoption Program Manager, 801 East Main Street, Richmond, Virginia 23229, Phone: 804-726-7537, FAX: 804-726-7895, traci.jones@dss.virginia.gov. In order to be considered, comments must be received by 11:59 pm on the last day of the public comment period.

A public hearing will not be held following the publication of this stage of this regulatory action.

Detail of Changes

List all regulatory changes and the consequences of the changes. Explain the new requirements and what they mean rather than merely quoting the text of the regulation. For example, describe the intent of the language and the expected impact. Describe the difference between existing requirement(s) and/or agency practice(s) and what is being proposed in this regulatory change. Use all tables that apply, but delete inapplicable tables.

If an <u>existing VAC Chapter(s)</u> is being amended or repealed, use Table 1 to describe the changes between existing VAC Chapter(s) and the proposed regulation. If existing VAC Chapter(s) or sections are being repealed <u>and replaced</u>, ensure Table 1 clearly shows both the current number and the new number for each repealed section and the replacement section.

Table 1: Changes to Existing VAC Chapter(s)

Current chapter-	New chapter- section	Current requirements in VAC	Change, intent, rationale, and likely impact of new requirements
section	number, if	VAO	impact of new requirements
10	applicable	The term additional daily supervision is defined.	Combines the definition of additional daily supervision and enhanced maintenance payment as it is the same definition. The enhanced maintenance payment definition was removed.
		The term adoption assistance agreement is defined.	Clarifies the definition of adoption assistance.
		The term additional daily supervision payment is defined	Adds the definition for the additional daily supervision payment.
		The term adoption assistance agreement is defined.	Clarifies that the adoption assistance agreement in binding on the parties to the agreement, the department, and other relative agencies and specifies the nature of the payment and services. It also adds that the agreement shall remain in effect regardless of the state in which the adoptive parents reside.
		The term foster care maintenance payment is defined.	Clarifies that the foster care maintenance payment includes additional daily supervision when supported by the identified, documented needs of the child.
		Enhanced maintenance payment is defined.	This tem and its definition have been removed as the payment is referred to additional daily supervision.
		Definition for Kinship Guardianship Assistance has been added.	Virginia's Kinship Guardianship Assistance Program went into effect per the Code of Virginia July 1, 2018. Definitions have been added to incorporate the new program.
		Definition for Kinship Guardianship Assistance Agreement has been added.	Virginia's Kinship Guardianship Assistance Program went into effect per the Code of Virginia July 1, 2018. Definitions have been added to incorporate the new program.
		A uniform rate assessment tool is used to determine additional daily supervision.	Defines the term uniform rate assessment tool as it is used in the regulation.

20	The LDSS staff and other public child-serving agency individuals may be trained to administer the tool in accordance with the Child	Replaces "may" with "shall" as it is a current practice requirement that LDSS and other public staff are trained to administer the tool.
	and Family Services Manual, Chapter E Foster Care, Section 14, 2011.	The reference to the Child and Family Services Manual is deleted in order to make this chapter consistent with other chapters of regulation and because guidance can change frequently and should not be incorporated into regulation.
		Replaces the name of the payment from "enhanced maintenance payments" to "additional daily supervision payments" to effectively describe the type of payment.
	The rate assessment tool shall be administered if the LDSS chooses to make an additional supervision payment for children in non-TFC homes. The re-administration of the uniform rate assessment tool	The language has been changed to make it a requirements that the LDSS administer the assessment for every child placed in a foster home, including both TFC homes and non-TFC (LDSS) homes.
	is not required, so long as the adoption assistance agreement is signed within three months of a prior ADS assessment. The kinship guardianship	The re-administration period of the tool will change to six months to decrease the timeframe of obtaining permanency for foster care children with the goal of adoption.
	program is not addressed.	
	The rate assessment tool shall be re-administered when:	Virginia's Kinship Guardianship Assistance Program went into effect per the Code of Virginia July 1, 2018. Language has been added to incorporate the new program.
		Language has been added to clarify when the child's needs shall be reassessed using the uniform rate assessment tool.
25	The child-specific team shall consider the services provided to the child that may reduce the additional daily supervision portion of the foster care maintenance payment.	This section has been removed to maintain consistency with practice.
30	The child-placing agency shall monitor and document	The reference to the Child and Family Services Manual is deleted in order to

	the contractor's performance if they choose to contract out the activities in subsections A and B of this section in accordance with the department's Child and Family Services Manual, Chapter E Foster Care, Section 14, July 2011.	make this chapter consistent with other chapters of regulation and because guidance can change frequently and should not be incorporated into regulation.
	Additional training shall be provided to the foster parents receiving an additional daily supervision payment based on the needs of the foster parent and the children in care. Foster parents and adoptive parents prior to finalization of the adoption receiving additional daily supervision payments shall be consulted on their training needs.	Changes the name of the payment from "enhanced maintenance payments" to "additional daily supervision payments" to effectively describe the type of payment.
	The foster care service plans developed for a child for whom additional daily supervision payments are paid. The kinship guardianship program is not addressed.	Changes the name of the payment from "enhanced maintenance payments" to "additional daily supervision payments" to effectively describe the type of payment.
	Expectations for foster parents receiving additional daily supervision payments is not addressed.	Virginia's Kinship Guardianship Assistance Program went into effect per the Code of Virginia July 1, 2018. Language has been added to incorporate the new program. Requirements of foster parents receiving additional daily supervision payments is added.
50	Additional daily supervision payments for the initial emergency placement of a child shall be based on a monthly per diem.	Changes the name of the payment from "enhanced maintenance payments" to "additional daily supervision payments" to effectively describe the type of payment.
		Changes the monthly per diem from \$1,600 to \$1,120 which corresponds to the amount being utilized since October 1, 2012.
70	Additional daily supervision payments shall be made available to adoptive parents after the adoption has been	Changes the name of the payment from "enhanced maintenance payments" to "additional daily supervision payments"

	finalized when the criteria is met.	to effectively describe the type of payment.
	Additional daily supervision payments shall be made available to adoptive parents after the adoption has been finalized pursuant to the department's Child and Family Services Manual, Chapter E Foster Care, Section 17, April 2013.	The reference to the Child and Family Services Manual is deleted in order to make this chapter consistent with other chapters of regulation and because guidance can change frequently and should not be incorporated into regulation.
	The documented needs of the child shall be the basis for a decision to provide additional daily supervision and the payments shall be documented in an adoption assistance agreement addendum.	Changes the name of the payment from "enhanced maintenance payments" to "additional daily supervision payments" to effectively describe the type of payment. Clarifies what is considered the appropriate documentation necessary to support the request for adoption assistance.
80	Kinship guardianship program is not addressed	Virginia's Kinship Guardianship Assistance Program went into effect per the Code of Virginia July 1, 2018. The new section specifically addresses kinship guardianship agreements that have been finalized to incorporate the new program.

If a <u>new</u> VAC Chapter(s) is being promulgated and is <u>not</u> replacing an existing Chapter(s), use Table 2.

Table 2: Promulgating New VAC Chapter(s) without Repeal and Replace

New chapter- section number	New requirements to be added to VAC	Other regulations and laws that apply	Change, intent, rationale, and likely impact of new requirements

If the regulatory change is replacing an **emergency regulation**, and the proposed regulation is <u>identical</u> to the emergency regulation, complete Table 1 and/or Table 2, as described above.

If the regulatory change is replacing an **emergency regulation**, but <u>changes have been made</u> since the emergency regulation became effective, <u>also</u> complete Table 3 to describe the changes made <u>since</u> the emergency regulation.

Table 3: Changes to the Emergency Regulation

Emergency	New chapter-	Current emergency	Change, intent, rationale, and likely
chapter-	section	requirement	impact of new or changed

Town Hall Agency Background Document

section number	number, if applicable	requirements since emergency stage