



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

SUSAN G. OSBORNE • Deputy Secretary for Opportunity and Well-Being

September 1, 2023

DEAR COUNTY DIRECTORS OF SOCIAL SERVICES

**ATTENTION: DIRECTORS, CHILD WELFARE PROGRAM ADMINISTRATORS, MANAGERS,
SUPERVISORS, SOCIAL WORKERS, AND FISCAL STAFF**

SUBJECT: FISCAL IMPACT ON COUNTY CHILD WELFARE BUDGETS

REQUIRED ACTION: Information Only **Time Sensitive** Immediate

PURPOSE

This letter is to inform county agencies of legislative approval under Senate Bill 20 for the establishment of reimbursement rates for unlicensed kinship care providers and the continuation of the Bridge funding.

Continuation of Bridge Funding for Congregate Care

The Family First Prevention Services Act incentivizes the placement of children in family homes by decreasing the allowance of federal funding to pay for congregate care. To support counties in this transition, the General Assembly appropriated funding to cover the loss of this federal revenue. This funding, called Foster Care Bridge funding, will continue to be available for the 2023-2024 State fiscal year and the distribution will continue to follow the process already in place. County agencies should also continue to follow the original guidance provided for data entry.

Reimbursement Rates for Unlicensed Kinship Providers

The General Assembly, during the 2023 legislative session with [Senate Bill 20](#), established a reimbursement fund to assist in supporting unlicensed kinship care providers who are related by blood, marriage, or adoption and are providing foster care as defined under G.S. 131D-10.2(9).

The Senate Bill 20 legislation includes reimbursement rates set for unlicensed kinship providers. All counties are required to participate in this program and work in partnership with the State to support kinship providers in the following manner:

1. Identifying foster children affected by this new legislation.
2. Using the current Foster Care board rates based on age groups.
3. Taking one quarter (1/4) of the board rate for county participation rate.

The State reimbursement share will also be one quarter (1/4) of the board rate.

The chart below illustrates the newly increased Foster Care and Adoption Assistance Rates as of July 1, 2023. It is important to have the current board rates, as Senate Bill 20 provides that unlicensed kinship providers are reimbursed at half the board rate.

Effective July 1, 2023, the Standard Board Rate:

Child Age Group	Standard Board Rate
0-5	\$702 / month
6-12	\$742 / month
13 and up	\$810 / month

Effective November 16, 2023, the approximate half board reimbursement rates for unlicensed kinship foster care by State and county participation are displayed below:

Child Age Group	Standard Board Rate	State Participation	County Participation
0-5	\$351 / month	175.50	175.50
6-12	\$371 / month	185.50	185.50
13 and up	\$405 / month	202.50	202.50

Because this law was enacted May 16, 2023, the responsibility for the county share may be a cost for which counties did not plan. We recommend counties start identifying affected populations, developing internal processes for payment, and preparing for budgetary impacts. If you do not have a way of identifying the affected populations, we recommend using the PQA084 Quarterly Case List report. This report provides information on children's living arrangements. The affected population would typically be identified by Living Arrangements 52 and 66.

As part of the process, county agencies will be creating payments directly to the primary parent in a kinship placement. Counties will need to work with their financial support unit to establish vendors. Information should be gathered for the primary payee of the kinship family including parent name, address, and phone number. Additional information requirements should include date of birth, social security number, race, and sex of the primary payee.

DHHS will provide updates as warranted. If you have any questions, please contact your Regional Child Welfare Specialist about kinship care and your local Business Liaison about Bridge Funding.

Sincerely,



Senior Director of Human Services
Division of Social Services, Child Welfare
North Carolina Department of Health and
Human Services

cc: Adrian Daye, Deputy Director for Child Welfare Practice
Katherine Swanson, Deputy Director for Child Welfare Operations
Erin Dickmeyer, Child Welfare Financial Officer
County Managers
Child Welfare Section Chiefs and Managers
Regulatory & Licensing Team Consultants
Regional Child Welfare Consultants
Local Business Liaisons

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NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF SOCIAL SERVICES

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