

To: DCF Area Administrators
Child Placing Agency Directors
Child Welfare Agency Directors
County Departments of Community Programs Directors
County Departments of Human Services Directors
County Departments of Social Services Directors
Group Home Providers
Tribal Social Service/Indian Child Welfare Directors
Private Child Placing Agencies
Residential Care Center Providers
Shelter Care Providers
Tribal Chairpersons

From: Fredi-Ellen Bove 
Administrator

Re: 2017 Maximum Daily Rates for Group Homes, Residential Care Centers, and Child Placing Agencies

PURPOSE

This memo provides the established 2017 maximum daily rates for Group Homes (GHs) & Residential Care Centers (RCCs), as well as the maximum daily administrative rate for Child Placing Agencies (CPAs). This memo also outlines the procedure for providers to determine individual rates.

BACKGROUND

Wisconsin Statute Section 49.343 requires the Department to establish per client daily rates for GHs & RCCs, as well as the administrative portion of foster care daily rates paid to CPAs. The Department has established these rates using Cost & Service Report data gathered from providers who submitted their reports prior to the established deadline.

INFORMATION SUMMARY

Below are the 2017 per client maximum daily rates. The published maximum rates are effective starting January 1, 2017 through December 31, 2017 for all placements, regardless of placement date.

Provider Type	Maximum Daily Rate
Child Placing Agency	\$ 70.02
Group Home	\$ 231.04
Pregnant/Parenting Teen Group Home	\$ 261.04
Residential Care Center	\$ 378.97

On or before October 1, 2016 GHs, RCCs, & CPAs will be required to submit a 2017 proposed rate request by completing form DCF-F-2696-E (<http://dcf.wi.gov/files/forms/doc/2696.docx>) and emailing it to DCFCWLRateReg@wi.gov. Failure to meet the deadline of October 1, 2016 will result in the provider waiving the right to mediation. **If a licensee does not submit all information required under Chapters 52, 54 and 57, the department may impose sanctions and penalties under these Administrative Rules and s. 48.715, Stats, including license revocation.**

The Department will approve individual rates by November 1, 2016 for rates effective January 1, 2017. The provider agency will receive an email from the Department's Rate Regulation email account with the approved rate no later than November 1, 2016. As of January 1, 2017 all placements, regardless of placement date, will follow the Department's approved rates set for 2017. Per Administrative Rules Chapters 52, 54, and 57, an agency shall charge all Wisconsin public purchasers the same rate for the same service. If an agency negotiates a rate lower than the Department's approved rate with a Wisconsin public purchaser, this rate must be charged to all purchasers, for all placements. The agency shall notify the Department within 5 business days of a change in their rate.

Please also note that the Department has made adjustments to the maximum rate calculation methodology to allow for more flexibility regarding staff recruitment and retention efforts and changes to the Federal Fair Labor Standards Act (FLSA). If your agency intends to undertake additional staff recruitment and retention efforts or if you anticipate an impact based on the FLSA changes, that you have not already accounted for on the assumptions tab of your Provider Cost & Service Report, you may include that information when submitting your Proposed Rate Request form. Please note that you may be asked by the Department, at a future date, to verify that these costs were incurred.

Please refer to the following table that outlines the timeline of the Rate Regulation process:

Timeline for Rate Regulation	
September 1	The Department publishes 2017 maximum daily rates for each provider type.
October 1	All agencies submit proposed rate using form F-2696-E on or before this date. <i>Failure to meet the deadline will result in the provider waiving the right to mediation. If a licensee does not submit all information required under Chapters 52, 54 and 57, the department may impose sanctions and penalties under these Administrative Rules and s. 48.715, Stats, including license revocation.</i>
October 1-31	The Department reviews proposed rates submitted by agencies. Proposed rates may be negotiated during this time period with the Department and the agency.
November 1	By this date, the Department will notify agencies of their approved rate. If an approved rate is not acceptable an agency shall request mediation within 5 days of receiving the notification of the approved rate from the Department. The notification will include information on requesting mediation of the rate. If mediations are not successful the Department will order a rate. If the agency does not agree; the agency will have 30 days to appeal the decision to the Division of Hearings and Appeals
January 1	Rates are effective for all placements regardless of placement date.

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MEMO WEB SITE: <http://dcf.wisconsin.gov/cwportal/policy>

Proposed Rate Request Form Link: <http://dcf.wi.gov/files/forms/doc/2696.docx>