

**NUMBER**

#17-32-14

**DATE**

May 16, 2017

**OF INTEREST TO**

County Directors

County Fiscal Supervisors,  
Coordinators and StaffCounty Social Services  
Supervisors and Staff

Tribal Directors

Tribal Fiscal Supervisors,  
Coordinators and StaffTribal Social Services  
Supervisors and Staff

Child Placing Agencies

**ACTION/DUE DATE**Please read information and  
use appropriate rates and  
allowance maximums**EXPIRATION DATE**

May 16, 2019

## Revised Northstar Care for Children Basic and Supplemental Payment Rates and Initial Clothing Allowance

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**TOPIC**

Basic and Supplemental payment rates for Northstar Care for Children, and Initial Clothing Allowance for all children in foster care, effective July 1, 2017 through June 30, 2018, and related fiscal considerations.

**PURPOSE**

Provide county and tribal human service agencies, private child placing agencies, and others with Northstar Care for Children payment rates for all children receiving benefits, and Initial Clothing Allowance maximums for all children in foster care.

**CONTACT**

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**SIGNED**

ALEXANDRA KOTZE  
Chief Financial Officer

**TERMINOLOGY NOTICE**

The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS) supports the use of "People First" language

## A. Policy on Basic and Supplemental Benefits, Emergency Foster Care Rate, Alternate Rates, Initial Clothing Allowance

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Northstar Care for Children employs a two-part payment structure: Basic and Supplemental. The same rates apply to Northstar Foster Care (regular and Extended Foster Care, including youth in unlicensed supervised independent living settings), and to Northstar Adoption Assistance or Kinship Assistance. However, the alternate basic and supplemental rates are used in some cases for Northstar Adoption Assistance or Kinship Assistance. More details on Northstar Care may be found in the [Northstar Care General Practice Guide](#).

An initial clothing allowance is available based on the child's individual needs during the first 60 days of the child's initial placement into foster care.

### 1. Basic Amount Based on Age

A basic payment provides for a child's food, clothing, shelter, school supplies, a child's personal incidentals, and daily supervision. It also includes typical travel to the child's home for visitation and reasonable travel for the child to remain in the school they were enrolled at the time of placement. The amount is set by a child's age, getting larger as the child gets older.

Except for children receiving Northstar Adoption Assistance who are determined to be at risk, all Northstar Care children receive a basic benefit. [Minnesota Statutes, section 256N.02, subdivision 5; and section 256N.26]

### 2. Supplemental Amount Based on MAPCY Assessment

A child may also be eligible for a supplemental payment.

Ordinarily, the MAPCY (Minnesota Assessment of Parenting for Children and Youth) assessment sets this supplemental payment amount by measuring the extra needs of a child and the parenting being provided to meet those needs. For details on the MAPCY assessment, please see the [Minnesota Assessment of Parenting for Children and Youth Practice Guide](#).

However, in the temporary absence of a MAPCY assessment, the supplemental amount may instead be based on the emergency foster care rate (see below). [Minnesota Statutes, section 256N.02 subdivision 21; sections 256N.24 and 256N.26]

### 3. Supplemental Amount Based on the Emergency Foster Care Rate

As stated above, ordinarily, the MAPCY assessment sets the supplemental payment amount.

However, a default emergency foster care rate is available to county and tribal agencies without an approved MAPCY assessment. This default emergency foster care rate consists of Level D for supplemental plus the basic payment, and may only be used for up to 30 days of a child's continuous placement. An agency may decide to conduct an assessment at any time, replacing the emergency rate.

The emergency foster care rate may apply if **at least one** of the following conditions are met:

1. The child's initial placement is in foster care in Minnesota; or
2. The child's previous placement was more than two years ago; or
3. The child's previous placement was for fewer than 30 days and a MAPCY assessment was not completed.

When a child is receiving the emergency foster care rate and the MAPCY assessment is not yet approved within the first 30 days of continuous placement, the foster care supplemental drops to Level B on day 31 and remains at that level until an assessment is approved.

When a child is receiving the emergency foster care rate, the following occurs upon approval of the initial MAPCY assessment, with SSIS automatically adjusting the effective date if appropriate:

1. If the MAPCY is approved within or after the first 30 days and the supplemental level is greater than Level D, the higher rate will become effective back to the first date of placement; or
2. If the MAPCY is approved within the first 30 days and the supplemental level is lower than Level D, the lower rate will become effective the date of the approval; or
3. If the MAPCY is approved after the first 30 days and the amount is lower than Level D, the lower rate will become effective on the 31st date of placement.

[Minnesota Statutes, section 256N.26, subdivision 6]

### 4. Alternate Rates

For a child whose eligibility determination for Northstar Adoption or Kinship Assistance is begun while the child is age five or younger, alternate rates for pre-school entry apply. Alternate rates also apply to most children who received a commissioner transition from legacy Relative Custody Assistance (RCA) to Northstar Kinship Assistance.

The alternate rate is 50 percent of the amount that a child would receive if in foster care. The basic and supplemental rates are shown in the tables below in the alternate rate columns. [Minnesota Statutes, section 256N.26, subdivision 5; and section 256N.28, subdivision 7]

## 5. Initial Clothing Allowance

An initial clothing allowance is available based on a child's individual needs during the first 60 days of a child's initial placement into foster care. The county or tribal social service agency shall approve the initial clothing allowance consistent with a child's needs. The initial clothing allowance must not exceed the monthly basic payment rate for a child's age group. [Minnesota Statutes, section 260C.4413]

## A.Changes in Basic and Supplemental Rates, Initial Clothing Allowance

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Legislative action and statutory requirements result in changes effective July 1, 2017 for Northstar Care for Children basic and supplemental payment rates for all children receiving benefits, and Initial Clothing Allowance maximums for all children in foster care.

### 1. Legislative Increase of Basic Rates

During the 2016 session, the Minnesota Legislature enacted an increase of approximately 15 percent for Northstar Care basic rates. The legislation specifies new rates for each age group, which also apply to the alternate rates. The increases are effective July 1, 2017. Please see the tables below for the revised rates.

The same legislative action suspended for one year any consideration of the USDA (United States Department of Agriculture) *Estimates of the Cost of Raising a Child* for basic amounts, the usual mechanism for revising the basic amounts.

The Northstar Care Fiscal Reconciliation process ordinarily shares costs among the federal, state, and county or tribe. This one-time increase does not work that way. To the extent that a payment is Title IV-E eligible, the federal share will increase accordingly.

The state will pay the entire nonfederal share, with no additional county or tribal share. The Northstar Care Fiscal Reconciliation process is being altered so that the increased state share during the First Fundamental Calculation will be displayed. [2016 Minnesota Laws, Chapter 189, Article 15, section 4; Minnesota Statutes, section 256N.20, subdivision 5; section 256N.26, subdivisions 3, 5 and 9; and section 256N.27]

### 2. Ordinary Revision of Supplemental Rates

Minnesota Statute calls for revision of basic and supplemental rates based on changes in the USDA *Estimates of the Cost of Raising a Child*. This is the same process that was previously used for adjusting foster care rates prior to Northstar Care. Although the 2016 Legislature suspended this action with regard to basic rates for one year, this provision still applies to supplemental rates.

Based on the USDA estimates of increasing costs, the Department has revised supplemental rates, including alternate rates, effective July 1, 2017. Please see the tables below for the revised rates.

The Northstar Care Fiscal Reconciliation process already takes into account ordinary rate adjustments such as these. The process makes use of the nonfederal share of historical county and tribal foster care payments as part of the First Fundamental Calculation. The process routinely trends forward the nonfederal share of these county and tribal foster care payments, and these prior trends already had similar historical rate increases built into them. [2016 Minnesota Laws, Chapter 189, Article 15, section 4; Minnesota Statutes, section 256N.20, subdivision 5; section 256N.26, subdivisions 4, 5 and 9; and section 256N.27]

### 3. Revised Initial Clothing Allowance

The initial clothing allowance must not exceed the monthly basic payment rate for a child's age group. The Department has revised the initial clothing allowance maximums accordingly. [Minnesota Statutes, section 260C.4413]

## B. Revised Rate and Allowance Tables

The following tables show rates and allowance maximums **effective July 1, 2017 through June 30, 2018**. [Minnesota Statutes, section 256N.26; and section 260C.4413]

### 1. Revised Northstar Care Basic Rate Table

<b>Child's Age</b>	<b>Monthly Basic Rate</b>	<b>Alternate Monthly Basic Rate</b>	<b>Daily Basic Rate</b>	<b>Alternate Daily Basic Rate</b>
<b>Birth - 5</b>	\$ 650	\$ 325	\$ 21.37	\$ 10.68
<b>6 - 12</b>	\$ 770	\$ 385	\$ 25.32	\$ 12.66
<b>13 - 20</b>	\$ 910	\$ 455	\$ 29.92	\$ 14.96

## 2. Revised Northstar Care Supplemental Rate Table

<b>Supplemental (MAPCY) Level</b>	<b>Monthly Supplemental Rate</b>	<b>Alternate Monthly Supplemental Rate</b>	<b>Daily Supplemental Rate</b>	<b>Alternate Daily Supplemental Rate</b>
<b>Level B</b>	\$ 0	\$ 0	\$ 0.00	\$ 0.00
<b>Level C</b>	\$ 102	\$ 51	\$ 3.35	\$ 1.68
<b>Level D</b>	\$ 204	\$ 102	\$ 6.71	\$ 3.35
<b>Level E</b>	\$ 306	\$ 153	\$ 10.06	\$ 5.03
<b>Level F</b>	\$ 408	\$ 204	\$ 13.41	\$ 6.71
<b>Level G</b>	\$ 510	\$ 255	\$ 16.77	\$ 8.38
<b>Level H</b>	\$ 612	\$ 306	\$ 20.12	\$ 10.06
<b>Level I</b>	\$ 714	\$ 357	\$ 23.47	\$ 11.74
<b>Level J</b>	\$ 816	\$ 408	\$ 26.83	\$ 13.41
<b>Level K</b>	\$ 918	\$ 459	\$ 30.18	\$ 15.09
<b>Level L</b>	\$1,020	\$ 510	\$ 33.53	\$ 16.77
<b>Level M</b>	\$1,122	\$ 561	\$ 36.89	\$ 18.44
<b>Level N</b>	\$1,224	\$ 612	\$ 40.24	\$ 20.12
<b>Level O</b>	\$1,326	\$ 663	\$ 43.59	\$ 21.80
<b>Level P</b>	\$1,428	\$ 714	\$ 46.95	\$ 23.47
<b>Level Q</b>	\$1,530	\$ 766	\$ 50.30	\$ 25.15

### 3. Revised Foster Care Initial Clothing Allowance Maximum Table

Child's Age	Maximum Initial Clothing Allowance
Birth - 5	\$ 650
6 - 12	\$ 770
13 - 20	\$ 910

## C. Contacts

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### Northstar Care or Title IV-E fiscal processes:

Phyllis Meath, DHS Financial Operations Division  
(651) 431-3740 or [phyllis.meath@state.mn.us](mailto:phyllis.meath@state.mn.us)

### Policy and practice for MAPCY assessments:

Jody McElroy, DHS Child Safety and Permanency Division  
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### Policy and practice for foster care:

Deborah Beske Brown, DHS Child Safety and Permanency Division  
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### Policy and practice for adoptions, transfers of permanent legal and physical custody, Northstar Adoption Assistance or Kinship Assistance, and Relative Custody Assistance:

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### Policy and practice for federal Title IV-E:

Tarita Tyson, DHS Child Safety and Permanency Division  
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### Social Service Information System (SSIS):

SSIS Helpdesk  
(651) 431-4801 or [dhs.ssishelp@state.mn.us](mailto:dhs.ssishelp@state.mn.us)

## **Americans with Disabilities Act (ADA) Advisory**

This information is available in accessible formats for people with disabilities by calling (651) 431-3777 (voice) (division's general information phone number) or toll free at (800) 627-3529 or by using your preferred relay service. For other information on disability rights and protections, contact the agency's ADA coordinator.