

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

<p>1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected</p>	<p>2. Date 11/15/22</p>
<p>3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) DCF 61, Qualified Residential Treatment Programs</p>	
<p>4. Subject Qualified residential treatment programs</p>	
<p>5. Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S</p>	<p>6. Chapter 20, Stats. Appropriations Affected</p>
<p>7. Fiscal Effect of Implementing the Rule <input type="checkbox"/> No Fiscal Effect <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Could Absorb Within Agency's Budget</p>	
<p>8. The Rule Will Impact the Following (Check All That Apply) <input type="checkbox"/> State's Economy <input checked="" type="checkbox"/> Specific Businesses/Sectors <input checked="" type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input checked="" type="checkbox"/> Small Businesses (if checked, complete Attachment A)</p>	
<p>9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$Indeterminate</p>	
<p>10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>11. Policy Problem Addressed by the Rule The proposed rule specifies the requirements for the establishment, certification, operation, and monitoring of, and the placement of a child in, a qualified residential treatment program under s. 48.675, Stats.</p>	
<p>12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments. The department solicited comments from county and tribal human and social services agencies; licensed residential care centers for children and youth, group homes, and shelter care facilities; and the Wisconsin Association of Family and Child Agencies.</p>	
<p>13. Identify the Local Governmental Units that Participated in the Development of this EIA. Chippewa County Department of Human Services and Milwaukee County Department of Health and Human Services</p>	
<p>14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred) Chapter DCF 61 allows DCF to certify a residential care center, group home, or shelter care facility to operate a qualified residential treatment program for children and youth (QRTP) if it determines that the facility meets federal QRTP requirements (42 USC 672 (k) (4)). There are costs associated with establishing certification, licensing, and monitoring QRTPs that can be absorbed with current staff and budget. Once established, the Department may claim federal reimbursement for youth placed in facilities certified as QRTPs.</p> <p>Since September 29, 2021, federal reimbursement for the care and maintenance of a child placed in a residential care center for children and youth, group home, or shelter care facility, is only available for the first 2 weeks in care, unless the child is placed in a qualified residential treatment program or other federally-authorized treatment program. DCF claimed \$8.2 million in FFY 2019 and \$8.3M in FFY 2020 for Title IV-E congregate care placements. Absent these rules in place, DCF would receive significantly reduced title IV-E reimbursement on these claims. Projected claiming reimbursement totals under these rules are indeterminate due to a number of factors, including the number of QRTPs</p>	

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certified and number of placements across different settings.

The Department is able to absorb the costs to certify (DCF 61.04), review (DCF 61.05), and monitor compliance of (DCF 61.06-61.09) QRTPs using existing budget and staff. These rules are required under federal law. In turn, DCF will receive increased federal reimbursement on claims for children and youth placed in these settings (under 42 USC 672 (k) (1) and (2)). The Title IV-E reimbursements for placements (and all eligible foster care placements) are directly part of the funding mix provided to counties via the Children and Families Allocation.

Further, DCF 61.03 (2) requires that certified QRTPs have a registered nurse or licensed practical nurse staff and other clinical staff who meet a number of conditions. The Department has established a centralized nursing service contract to meet these required conditions using existing federal funds and GPR for SFY22 and SFY23. QRTPs certified by the Department under this chapter are able to use this nursing service to satisfy this requirement.

DCF 61 was implemented by emergency rule effective September 29, 2021. In general, QRTP certified facilities are charging higher rates for their services compared to facilities that are not certified. However, this rule does not require facilities to become certified. Placement and aftercare services are paid by county and tribal human and social service agencies, the Division of Milwaukee Child Protective Services, and licensed child-placing agencies, however this rule does not require that these agencies place children in QRTP certified placements.

15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

Federal reimbursement of costs for the care and maintenance of a child placed in a residential care center for children and youth, group home, or shelter care facility, is only available if the child is placed in a qualified residential treatment program or other federally-authorized treatment program, unless the placement is less than 2 weeks.

16. Long Range Implications of Implementing the Rule

17. Compare With Approaches Being Used by Federal Government

The requirements in the rule are the same as the requirements in 42 USC 672 (k) (4) with minor additions necessary for implementation.

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

All states are implementing qualified residential treatment programs that incorporate the requirements of federal law. Minnesota's QRTP rule also specifies conditions of the required trauma-informed treatment model related to the process for identifying and addressing trauma in youth; the provision of services; the physical, social, and emotional environment; staff training requirements; and the program's policies and procedures.

19. Contact Name

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20. Contact Phone Number

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This document can be made available in alternate formats to individuals with disabilities upon request.

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ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

Congregate care facilities that chose to become certified to operate a qualified residential treatment program may incur additional costs and may charge higher rates for their services.

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

NA

3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

NA

4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

NA

5. Describe the Rule's Enforcement Provisions

NA

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes No
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