

No. 1991-30

AN ACT

HB 1143

Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An act to consolidate, editorially revise, and codify the public welfare laws of the Commonwealth," further providing for reimbursements to counties for certain services for children and youths.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 704.1(a) and (f) of the act of June 13, 1967 (P.L.31, No.21), known as the Public Welfare Code, added July 9, 1976 (P.L.846, No.148), are amended to read:

Section 704.1. Payments to Counties for Services to Children.—

(a) The department shall reimburse county institution districts or their successors for expenditures incurred by them in the performance of their obligation pursuant to this act and the act of December 6, 1972 (P.L.1464, No.333), known as the "Juvenile Act," in the following percentages:

(1) Eighty percent of the cost of an adoption subsidy paid pursuant to subdivision (e) of Article VII of this act.

(2) No less than seventy-five percent and no more than ninety percent of the reasonable cost including staff costs of child welfare services, informal adjustment services provided pursuant to section 8 of the act of December 6, 1972 (P.L.1464, No.333), known as the "Juvenile Act," and such services approved by the department, including but not limited to, foster home care, group home care, shelter care, community residential care, youth service bureaus, day treatment centers and service to children in their own home and any other alternative treatment programs approved by the department.

(3) Sixty percent of the reasonable administrative costs approved by the department except for those staff costs included in clause (2) of this section as necessary for the provision of child welfare services.

(4) Fifty percent of the actual cost of care and support of a child placed by a county child welfare agency or a child committed by a court pursuant to the act of December 6, 1972 (P.L.1464, No.333), known as the "Juvenile Act," to the legal custody of a public or private agency approved or operated by the department other than those services described in clause (2). The Auditor General shall ascertain the actual expense for fiscal year 1974-1975 and each year thereafter by the Department of Public Welfare for each of the several counties and each city of the first class whose children resident within the county or city of the first class directly received the benefit of the Commonwealth's expenditure. The Auditor General shall also ascertain for each Commonwealth institution or facility rendering services to delinquent or deprived children the actual average daily cost of providing said services. The Auditor General shall certify to each county and city of the first class the

allocated Commonwealth expenditures incurred on behalf of its children and notify the Secretary of Public Welfare and each county and city of the first class of same.

(5) Fifty percent of the reasonable cost of medical and other examinations and treatment of a child ordered by the court pursuant to the act of December 6, 1972 (P.L.1464, No.333), known as the "Juvenile Act," and the expenses of the appointment of a guardian pendente lite, summons, warrants, notices, subpoenas, travel expenses of witnesses, transportation of the child, and other like expenses incurred in proceedings under the act of December 6, 1972 (P.L.1464, No.333), known as the "Juvenile Act."

(6) *Effective July 1, 1991, the department shall reimburse county institution districts or their successors one hundred percent of the reasonable costs of providing adoption services.*

(7) *Effective July 1, 1993, the department shall reimburse county institution districts or their successors eighty percent of the reasonable costs of providing foster home care, community residential care, supervised independent living and community-based alternative treatment programs.*

(8) *The department shall reimburse county institution districts or their successors for the reasonable costs of institutional services for dependent and delinquent children other than detention services for delinquents in accordance with the following schedule:*

(i) *Effective July 1, 1992, fifty-five percent.*

(ii) *Effective July 1, 1993, sixty percent.*

* * *

[(f) The department shall prescribe the time at, and the form on which county institution districts or their successors shall submit to the department annual estimates of who will be served and the cost of such service under each category of service set forth in subsection (a).]

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Section 2. Section 709 of the act is repealed.

Section 3. The act is amended by adding sections to read:

Section 709.1. Needs-Based Budgeting Process.—(a) Prior to September 15, 1991, and August 15 each year thereafter, counties shall submit to the department a needs-based budget in a form prescribed by the department containing their annual client and budget estimates and a description of proposed changes in their annual plan for the fiscal year beginning the following July 1.

(b) Representatives of the department shall meet with representatives of each of the counties to discuss the needs-based budgets and proposed changes in annual plans and shall make a thorough review of county submissions. County submissions shall clearly distinguish funding supported by section 704.1(a) from grants authorized by section 704.1(b). On the basis of the discussions and review, the department shall make its determination of each of the counties total costs and reimbursable costs and the amount allowed each of the counties in accordance with section 704.1(a).

(c) The total of the amounts allowed for each county pursuant to section 704.1(a) as determined by the department shall be the aggregate child

welfare needs-based budget. The determination of the aggregate child welfare needs-based budget and the child welfare needs of each county along with supporting documentation shall be submitted to the Governor by November 15, 1991, and November 1 each year thereafter.

(d) Contemporaneously with the submission of the General Fund budget, the Governor shall submit the aggregate child welfare needs-based budget and the child welfare needs of each county along with supporting documentation to the Majority Chairman and the Minority Chairman of the Appropriations Committee of the Senate and the Majority Chairman and the Minority Chairman of the Appropriations Committee of the House of Representatives. The department may modify the calculation of the aggregate child welfare needs-based budget any time prior to May 1 of each year, provided that such revision is based on receipt of actual data or adopted regulatory changes which, when compared to previously calculated projected data or regulation, requires the revision.

Section 709.2. Review of County Submissions.—(a) The department shall promulgate guidelines for reviewing and determining county-submitted needs-based budgets. The guidelines for the 1992-1993 fiscal year shall be published as a bulletin. Guidelines for approving 1993-1994 fiscal year needs-based budgets shall be adopted by regulation no later than July 1, 1992, but shall not be adopted as emergency regulations pursuant to section 6(b) of the act of June 25, 1982 (P.L.633, No.181), known as the “Regulatory Review Act.”

(b) The department determination shall consider whether the county’s budget is reasonable in relation to past costs, projected cost increases, number of children in the county and the number of children served, service level trends and projections of other sources of revenue.

(c) To the extent that county staffing patterns are less than that required to meet department staffing regulations, the department determinations shall permit a requesting county to hire sufficient staff to meet the minimum staffing regulations. A determination may disallow expenditures for additional staff if the functions for which the staff is to be hired already meets the minimum required by department regulations.

(d) No determination by the department may be based on payment standards that have not been adopted as of the time of the review in accordance with the “Regulatory Review Act.”

Section 709.3. Limits on Reimbursements to Counties.—(a) Reimbursement for child welfare services made pursuant to section 704.1 shall not exceed the funds appropriated each fiscal year.

(b) The allocation for each county pursuant to section 704.1(a) shall be calculated by multiplying the sum of the Social Security Act (Public Law 74-271, 42 U.S.C. § 301 et seq.) Title IV-B funds and State funds appropriated to reimburse counties pursuant to section 704.1(a) by a fraction, the numerator of which is the amount determined for that county’s child welfare needs-based budget and the denominator is the aggregate child welfare needs-based budget.

(c) If the sum of the amounts appropriated for reimbursement under section 704.1(a) during the fiscal year is not at least equivalent to the aggregate child welfare needs-based budget for that fiscal year:

(1) Each county shall be provided a proportionate share allocation of that appropriation calculated by multiplying the sum of the amounts appropriated for reimbursement under section 704.1(a) by a fraction, the numerator of which is the amount determined for that county's child welfare needs-based budget and the denominator is the aggregate child welfare needs-based budget.

(2) Notwithstanding subsection (a), a county shall be allowed reimbursement beyond its proportionate share allocation for that fiscal year for expenditures made in accordance with an approved plan and needs-based budget, but not above that amount determined to be its needs-based budget.

(d) For the purpose of this section, an appropriation shall be considered equivalent to the aggregate child welfare needs if it is equivalent to the result obtained by calculating the aggregate child welfare needs minus the county share of Youth Development Center costs and minus the Social Security Act Title IV-B funding, provided, however, an appropriation shall be deemed equivalent if it is equal to eighty-two percent of the result in 1991-1992, ninety percent of the result in 1992-1993 and ninety-five percent of the result in 1993-1994.

(e) The department shall, by regulation, define allowable costs for authorized child welfare services, provided that no regulation relating to allowable costs shall be adopted as an emergency regulation pursuant to section 6(b) of the act of June 25, 1982 (P.L.633, No.181), known as the "Regulatory Review Act."

Section 709.4. Children Services Advisory Committee.—(a) There is hereby created a temporary Children Services Advisory Committee consisting of thirteen persons as follows:

(1) The Secretary of Public Welfare.

(2) Three persons selected by the Secretary of Public Welfare to represent county children and youth programs, private community services and private institutional services.

(3) The Majority Chairman and the Minority Chairman of the Aging and Youth Committee and the Majority Chairman and the Minority Chairman of the Appropriations Committee of the Senate and the Majority Chairman and the Minority Chairman of the Aging and Youth Committee and the Majority Chairman and the Minority Chairman of the Appropriations Committee of the House of Representatives, each of whom may select a temporary or permanent designee who need not be a member of the General Assembly.

(4) The chairman of the Juvenile Court Judges' Commission.

(b) The purpose of the committee shall be to study and report to the Governor and the General Assembly by December 31, 1992, on subjects which shall include, but not be limited to:

(1) Uniform children and youth service definitions.

(2) A methodology or alternative methodologies for the calculation of standardized rates based on uniform service definitions.

(3) The impact of variable reimbursement rates for different types of services on the nature of the services provided to children and youth and the desirability of any change in those reimbursement rates from those enacted into law or implemented by the department.

(c) The Children Services Advisory Committee shall remain in existence until it has submitted its report or December 31, 1992, whichever shall first occur. The Children Services Advisory Committee shall be initially convened by the Secretary of Public Welfare on or before October 1, 1991.

Section 4. This act shall apply to services rendered on or after July 1, 1991.

Section 5. This act shall take effect immediately.

APPROVED—The 5th day of August, A. D. 1991.

ROBERT P. CASEY