



**CABINET FOR HEALTH AND FAMILY SERVICES  
DEPARTMENT FOR COMMUNITY BASED SERVICES**


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**Contract Correspondence Transmittal (CCT)**

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<b>Attachments/Forms:</b>	

The Family First Prevention Service Act of 2018 (FFPSA or Act) signed into law on February 9, 2018, as part of the Bipartisan Budget Act of 2018, Pub. Law 115-123, provides a groundbreaking opportunity for states to invest in prevention services for families prior to a child's entry into foster care. As a condition of the new funding flexibility, the Act requires enhanced oversight of foster children placed in congregate care settings due to clinical need, including provision of services during their transition to a family-like setting.

Kentucky is committed to seizing these opportunities and implementing the Act at the earliest time in October 2019. There are unique barriers to first implementers of the Act and assistance from our federal partners with removing those barriers has been sought by Kentucky leadership.

The Act allows Title IV-E foster care maintenance payments for foster children who are placed either in a family setting or in a specific alternative setting, including a Qualified Residential Treatment Program (QRTP). According to recent guidance provided to Kentucky from the Centers for Medicare and Medicaid Services (CMS) Region IV office, QRTPs, as defined in FFPSA, are defined as Institutions for Mental Diseases (IMDs) if the facility is over 16 beds. When QRTP services are provided in facilities that have more than 16 beds but are not Psychiatric Residential Treatment Facilities (PRTFs), these facilities cannot be an IMD in order to access Medicaid funding. Prohibiting states from accessing Medicaid funding for the care of children in residential settings has directly impacted Kentucky's ability to establish QRTP requirements for a congregate care setting used for caring for foster children.

Kentucky leadership has been working diligently in communication with its Congressional delegates as well as the Administration for Children and Families (ACF) in attempt to resolve this



barrier to implementation of QRTP requirements in congregate care settings. To date, no resolution has been reached.

The absence of clarification and resolution of this matter at the federal level by ACF or Congress has impeded Kentucky's ability to successfully implement QRTP requirements beginning on October 1, 2019. We are hopeful that this matter will be resolved in an expedited manner to allow QRTP requirements to be a standard of care for children in Kentucky.

Kentucky will still proceed with implementation of FFPSA prevention services as of October 1, 2019. This will result in Kentucky foregoing a Title IV-E foster care claim for youth, not in an identified specialized exception category, that enter congregate care settings as of implementation date until resolution of this issue is resolved or until an alternative option is identified. In the interim, we will continue to work in collaboration with our provider community to prepare a congregate care system in accordance with the QRTP requirements of FFPSA.

Many residential providers recently submitted responses to our QRTP guide to demonstrate how they are meeting QRTP requirements. A committee at DCBS has already reviewed these thoughtful responses to determine which agencies are currently meeting QRTP requirements, and which may be able to meet those requirements with additional supports. Please be assured that DCBS is committed to moving forward with identification of Kentucky's QRTP providers, in preparation for implementation as soon as these challenges are resolved. In keeping with that commitment, DCBS will be following up with individual providers regarding their responses in the coming weeks.

If you have any questions regarding this communication, please contact Jessica Brown at [JessicaL.Brown@ky.gov](mailto:JessicaL.Brown@ky.gov) or Christa Bell at [Christa.Bell@ky.gov](mailto:Christa.Bell@ky.gov).