



# SUBSIDIZED PERMANENT CUSTODY HANDBOOK 2024



Please use this handbook as a general reference guide to the services available. The provision of services offered in Kentucky is contingent upon the needs of the child and approval through regional Department for Community Based Services staff.

The information in the handbook reflects current State and Federal laws and guidelines, which may change periodically. All changes or updates are on the electronic version of the handbook available on KY FACES.

July 2024

### **What is Subsidized Permanent Custody subsidy?**

Resources to assist relative/fictive families with meeting the needs of the children. Subsidized Permanent Custody is an option that some families choose when examining what is best for their family. The monthly subsidy is a set monthly payment not to exceed the Department for Community Based Service foster care per diem for the child.

### **What is the Subsidized Permanent Custody (SPC) Agreement?**

The SPC Agreement (DPP-1257 & DPP-1257A) are the form signed by the family and Cabinet representatives outlining the monthly subsidy and extraordinary expenses that are available to the relative/fictive family upon signing the contracts.

### **Can you renegotiate subsidy?**

There is not an option to renegotiate the subsidized permanent custody agreement.

### **Does my child qualify for medical assistance under Subsidized Permanent Custody?**

A Kentucky Medical Assistance Card is available for all children who have subsidized permanent custody. This benefit will continue until the child's 18<sup>th</sup> birthday (could extend to the child's 19<sup>th</sup> birthday or high school graduation, whichever comes first), or until the caregiver no longer has custody. If the child has Aetna Sky (prior to permanent custody), families will have to "Opt-In" for those services to continue. If a member does not want to participate in the SKY program, they can opt out of the KY SKY program. Relative/fictive families may opt in or out at any time. Please call Department of Medicaid Services at 1-800-635-2570 with questions about opting in or out of the SKY program. Members may also log on to the Medicaid self-service portal through Kynect at [www.kynect.ky.gov](http://www.kynect.ky.gov)

### **Does my child qualify for daycare assistance?**

Childcare services are available to both full-time and part-time working parents. A co-payment may be required based upon the relative/fictive parents' income. Childcare services are paid by the relative/fictive parents and reimbursed only with a paid receipt verified from the childcare provider. The rate of reimbursement is based on the age of the child and certification of the provider in accordance with the childcare regulations. Childcare reimbursement ends upon the child reaching age 13, unless documentation from a medical/mental health professional stating the diagnosed need for continuance of the childcare is provided. This documentation must be submitted every 6 months to your worker. Approved childcare rates cannot exceed the rates established by the Division of Child Care in Kentucky Administrative Regulation 922 KAR 2:160.

The Co-Payment Scale is based upon 100% of the Federal Fiscal Year estimated Kentucky income. The family's adjusted gross income is utilized to determine the co-payment amount.

A co-pay may be required based on the family's income. A copy of the front page of your 1040 Federal Income Tax Return must be provided to determine your co-payment, if any. The family's subsidy worker can assist with determining co-pays, eligibility requirements, and identifying the services available. Once the service has been approved by DCBS, a verifiable receipt along with service provider contact information is required to be submitted for reimbursement of these services. Your co-pay will be deducted from each monthly receipt that is submitted for payment. (For example: A receipt is submitted for \$100 and if you have a 10% co-pay you will be reimbursed \$90).

### **What is the Successor Caregiver?**

A Successor caregiver is a relative or fictive kin caregiver that is named in the Subsidized Permanent Custody Agreement, or most recent addendum to the agreement. This caregiver assumes custody of the child(ren) if the current caregiver becomes incapacitated or dies. It is not a requirement for a successor caregiver to be named, but doing so allows the continuation of benefits with only a short suspension while the agency assists the caregiver in completing the necessary steps in order to be awarded SPC. This information will be documented on the DPP-1257A. As a relative/fictive caregiver, you can update the successor caregiver at any time or during the annual contact form. Please contact your subsidy worker for more information.

## Is this right for my family?

**FEATURES**

**SPC**

**ADOPTION**

|                                                                                                                                        | SPC | ADOPTION |
|----------------------------------------------------------------------------------------------------------------------------------------|-----|----------|
| Subsidy                                                                                                                                | ✓   | ✓        |
| Medical Card                                                                                                                           | ✓   | ✓        |
| Daycare based on qualifications (Reimbursement)                                                                                        | ✓   | ✓        |
| Tutoring based on qualifications (required documentation)                                                                              |     | ✓        |
| Respite based on qualifications (Same)                                                                                                 | ✓   | ✓        |
| Tuition Waiver                                                                                                                         |     | ✓        |
| Educational Training Voucher (ETV) and Independent Living Services (Youth will be required to be 16 at the time the subsidy is signed) | ✓   | ✓        |
| Non-Recurring Court Cost up to \$2,000 (reimbursement)                                                                                 | ✓   | ✓        |
| Post Adoptive Placement Stabilization Services                                                                                         |     | ✓        |
| Successor Caregiver                                                                                                                    | ✓   |          |
| Support and Training Group Opportunities                                                                                               | ✓   | ✓        |
| Required termination of parental rights                                                                                                |     | ✓        |

## **What is respite and do I qualify?**

One day of reimbursed respite care per child, per month, is included in the per diem for children approved for the Basic or Advanced rate; therefore, families receiving these rates are not eligible for additional respite reimbursement. Children approved for Medically Complex or Care Plus Home rates may be approved for two respite days per child per month. Children approved for the Specialized Medically Complex rate may be approved for three respite days per month per child. Respite is not cumulative and respite days must be submitted monthly for reimbursement, and receipts must be submitted.

## **Do I have to complete regular training?**

You are not required to attend ongoing training. If you would like some support, please go to: [www.iitkentucky.org](http://www.iitkentucky.org) or <https://ceu.uky.edu/kinship-virtual-interaction-program/>

## **What about court costs with SPC (Subsidized Permanent Custody)?**

Families can request up to \$2,000.00 reimbursement for nonrecurring SPC court expenses such as, attorney fees, filing fees, GAL fee, etc. Receipts and documentation will be required.

## **Will there be annual contact after permanent custody?**

While home visits will end when permanent custody is achieved, DCBS will **REQUIRE** an annual contact form (DPP-1257C) each July. Relative/fictive caregiver will need to complete the annual contact form and return it to the local DCBS office. Financial information, (i.e., income verification) is required only for families receiving extraordinary medical expense reimbursement. The co-pays are determined with this information. Verification of employment may be required for families receiving childcare. **Any address, phone number, or custody changes must be reported to your subsidy worker within 3 business days.**

**If you don't return the annual contact form, your subsidy will be suspended. You will not get backpay for any time period of which you didn't return the form.**

## **Can subsidy extend past the 18<sup>th</sup> birthday of a child I have permanent custody of?**

Yes, subsidy can continue after the age of 18 if a child is determined by the Social Security Administration or by a Cabinet Medical Review Team (MRT) to have a disability. Disability includes an inability to engage in any substantial gainful activity due to any medically determined physical or mental impairment(s) that can be expected to last continually for at least 12 months or to result in death. The medical card will continue until age 21 for title IV-E funded subsidies approved for continuation beyond age 18. The family must submit required documentation 6 months prior to the child's 18<sup>th</sup> birthday.

## **Is my child eligible for survivor benefits if there is a deceased parent?**

Yes, if the deceased parent has worked enough quarters, and there is money in their Social Security Administration account.

## **What if my child is eligible for disability now?**

If the child is eligible for disability because of a biological parent, then the relative/fictive placement can apply for benefits. If the child is eligible for SSI, the relative/fictive family can apply but they have to report the SPC funds and disability will apply the SPC funds as income for the child and they most likely will not be eligible.

### **When will I get paid? How often?**

All assistance payments are set up through an automated system and are generated automatically once each month through the finance department. You will not be required to submit a monthly form to be paid, unless you are submitting childcare or respite.

***Payments are not considered late until after the last working day of the month. If the payment is lost, or not received, contact your subsidy worker regarding the status of the***

### **How will subsidy affect my income taxes?**

It is a reimbursement but you need to discuss your financial information with your tax professional.

### **When does subsidy assistance end?**

- A. At the written request of the relative/fictive parent
- B. When the child reaches age 18; or upon high school graduation, or the child's 19th birthday, whichever comes first
- C. When the child reaches age 21 if the state determines that the child has a mental or physical disability that warrants continuation of assistance
- D. If the biological parent gains custody back.
- E. If there is no successor named and the relative/fictive kin parent is no longer caring for the child

### **What can cause discontinuance of subsidy?**

The Cabinet for Health and Family Services (CHFS/Cabinet) determines:

- A. Child is no longer receiving financial support from the permanent caregiver;
- B. The permanent caregiver(s) legal responsibility to the child has ended;
- C. Custody is reassigned to a successor caregiver;
- D. In the event the state legislature fails to appropriate funds to support the Subsidized Permanent Custody program and;
- E. In the event of a new Subsidized Permanent Custody agreement

Caregiver and Child:

- A. At the request of the permanent caregiver(s);
- B. Upon the death of the permanent caregiver(s);
- C. Upon the child's death, marriage or military service;
- D. When the child reaches eighteen (18); or youth over the age of eighteen (18) who is no longer meeting the eligibility requirements for subsidized permanent custody monthly maintenance payments and;
- E. Upon high school graduation or the child's nineteenth (19<sup>th</sup>) birthday, whichever comes first. **If your youth is still in high school or home school, please contact your subsidy worker before your child's 18<sup>th</sup> birthday.**