



**CABINET FOR HEALTH AND FAMILY SERVICES  
 Department for Community Based Services  
 Division of Protection and Permanency**

**Andy Beshear**  
 Governor

275 East Main Street, 3E-A  
 Frankfort, KY 40621  
 502-564-6852  
[www.chfs.ky.gov/agencies/dcbs](http://www.chfs.ky.gov/agencies/dcbs)

**Eric C. Friedlander**  
 Secretary

**Marta Miranda-Straub**  
 Commissioner

**Contract Correspondence Transmittal (CCT)**

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<b>Attachments/Forms: CRP-7</b>	

The intent of this correspondence is to provide guidance to private child caring (PCC) and private child placing (PCP) agencies on the changes to 922 KAR 1:360 and reflected in the state fiscal year 2023 PCC and PCP agreements. <https://apps.legislature.ky.gov/law/kar/titles/922/001/360/REG/>

Changes have been made to the assessment and leveling process that the Cabinet uses in determining the most appropriate, least restrictive placement setting for a child in the Cabinet’s custody. These changes represent a shift from a behavior-based system to a system that responds to identified service and treatment needs. The Level of Care (LOC) system will decrease from five levels to three levels upon the Utilization Review that occurs on or after July 1, 2022. Please note that the minimum therapy sessions for children placed in therapeutic foster care (TFC) has changed. Children in TFC assigned a level of care III must receive a minimum of three therapy sessions per month and children assigned a level of care II must receive a minimum of two therapy sessions per month. These changes increase provider requirements for clinical services to address trauma symptoms of youth placed in PCP or PCC placement.

Changes to the regulation adjust daily rates to offset the costs of additional requirements for both TFC and residential providers. For TFC providers, the new daily rate will go into effect once the new LOC is assigned on or after July 1, 2022. Children placed in TFC will receive a rate reflective of the assigned level of care. Children placed in a congregate care setting will either receive the QRTP rate or the non-QRTP rate depending on whether the program is designated as a QRTP. Non-QRTP’s will receive the new rate effective July 1, 2022. The rate was increased for those designated as QRTP on January 1, 2022.

The Children's Review Program (CRP)-7 Application for Level of Care Payment (ALP) has been updated and providers can begin using this form on July 1, 2022.

If you have further questions, please contact Holly Davis at [hollyc.davis@ky.gov](mailto:hollyc.davis@ky.gov) or Sherry Postlewaite at [Sherry.Postlewaite@ky.gov](mailto:Sherry.Postlewaite@ky.gov).

Please forward this communication to relevant agency staff.