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**WELFARE AND INSTITUTIONS CODE - WIC**

**DIVISION 9. PUBLIC SOCIAL SERVICES [10000 - 18999.98]** ( *Division 9 added by Stats. 1965, Ch. 1784. )*

**PART 4. SERVICES FOR THE CARE OF CHILDREN [16000 - 16589]** ( *Heading of Part 4 amended by Stats. 1978, Ch. 429. )*

**CHAPTER 6.5. Foster Care Child and Adolescent Needs and Strengths Programs [16560 - 16567]** ( *Chapter 6.5 added by Stats. 2024, Ch. 46, Sec. 51. )*

**16560.** (a) The Legislature finds and declares all of the following:

- (1) The Continuum of Care Reform (CCR) was enacted to improve California's child welfare system and its outcomes through, in part, the selection and use of comprehensive initial child assessments.
- (2) In 2018, the department selected the Child and Adolescent Needs and Strengths (CANS) assessment tool as the evidence-based, functional assessment tool as part of the implementation of the CCR. Pursuant to Section 16523.55, the requirement under Section 16523.5 for quarterly updates to the Legislature by the department on the implementation of the CCR has included a requirement for status updates on the utilization of the CANS assessment tool.
- (3) The Legislature supports the use of a standardized CANS assessment tool completed to fidelity to guide case management and to identify trauma-informed services and supports tailored to meet the individual needs of children in foster care, with the goal of obtaining permanency and stability for every child and nonminor dependent.
- (4) The Legislature further supports a trauma-informed approach to using the CANS assessment tool to reduce the number and duplication of assessments of youth.

(b) For purposes of this chapter, the following definitions shall apply:

- (1) "Child" means a person, including an Indian child as described in subdivision (a) of Section 224.1, who is under 18 years of age and placed into foster care by a placing agency.
- (2) "Integrated Practice-Child and Adolescent Needs and Strengths" or "IP-CANS" shall have the same meaning as the IP-CANS, described in subparagraph (A) of paragraph (1) of subdivision (h) of Section 11461.
- (3) "Nonminor dependent" has the same meaning as a nonminor dependent in subdivision (v) of Section 11400.
- (4) "Placing agency" means a county child welfare agency, a county probation department, or an Indian tribe that has entered into an agreement pursuant to Section 10553.1.

(c) (1) Beginning January 1, 2026, all placing agencies shall ensure completion of IP-CANS assessments for every child and nonminor dependent placed in foster care under the care and supervision of the placing agency, in accordance with the standards and guidelines developed by the department pursuant to subdivision (d). The IP-CANS assessment shall be informed by members of the child and family team, including the child or nonminor dependent, the family of the child or nonminor dependent, and the child's tribe in the case of an Indian child.

(2) The placing agency shall ensure completion of an IP-CANS assessment and entry into the statewide child welfare information system for each child or nonminor dependent within 60 days of their entry or reentry into foster care, as defined by the department, or within 30 days in the case of an Indian child.

(3) The placing agency shall ensure completion of a new or updated IP-CANS assessment for each child or nonminor dependent at least once every six months after the IP-CANS assessment is completed pursuant to paragraph (2), and more frequently to

address the needs or changing circumstances of the child or nonminor dependent as directed by the department.

(4) The IP-CANS assessments shall determine the child's or nonminor dependent's tier for purposes of the Tiered Rate Structure established in subdivision (h) of Section 11461.

(d) (1) The department shall engage with a working group regarding guidelines and standards on the use of the IP-CANS that shall include, but not be limited to, all of the following:

(A) Outcome measures, tools, training, coaching, and other supports necessary to ensure the IP-CANS assessments are completed to fidelity.

(B) The timing and use of the IP-CANS assessments in determining a child's or nonminor dependent's tier in the Tiered Rate Structure.

(C) The conditions that trigger the completion of an updated or new IP-CANS assessment.

(D) The impact of changes in the child's or nonminor dependent's tier as determined by subsequent IP-CANS assessments, including the timing of changes in the components of the Tiered Rate Structure based on changes in the child's or nonminor dependent's tier and exceptions which will apply in order to support placement in a family home.

(2) Not later than January 1, 2025, the department shall issue guidance and instructions for this subdivision to placing agencies regarding implementation by July 1, 2025, of the guidelines and standards developed pursuant to this subdivision.

(e) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement, interpret, or make specific this chapter by means of all-county letters or similar written instructions, which shall be exempt from submission to or review by the Office of Administrative Law. These all-county letters or similar instructions shall have the same force and effect as regulations until the adoption of regulations no later than January 1, 2030.

*(Amended by Stats. 2025, Ch. 79, Sec. 30. (SB 119) Effective July 29, 2025.)*

**16562.** The Legislature finds and declares the following:

(a) (1) A coordinated, timely, and trauma-informed system of care is essential to meet the needs of children and nonminor dependents in foster care who have experienced trauma.

(2) The use of standardized, validated functional assessment tools reveal that some children and nonminor dependents have immediate needs that may become increasingly complex if intervention is delayed or if the need is left unattended.

(3) Investing in the provision of services to children and nonminor dependents in foster care by identifying and addressing immediate needs ensures that even those children and nonminor dependents with the highest level of need can be supported in every setting and, whenever possible, in the home of a relative, nonrelative extended family member or, in the case of an Indian child, an extended family member, as described in Section 224.1.

(4) Child development research establishes that a trauma-informed system of care prioritizes and supports the role of the child's or nonminor dependent's family and community of origin in meeting the needs of the child and nonminor dependent. Research also shows that children and nonminor dependents placed with relatives, or extended family members as defined in Section 224.1 in the case of an Indian child, experience better permanency outcomes, higher rates of reunification, lower rates of reentry into foster care, and greater stability while they are in care.

(5) Immediate needs should be addressed in a way that is culturally responsive, family centered, and permanency focused, and, for an Indian child, supports engagement with the child's tribe in ensuring the array of integrated services and supports are informed by the prevailing social and cultural conditions and way of life of the Indian child's tribe.

(6) Meeting the immediate needs of children and nonminor dependents in foster care using a coordinated, timely, and trauma-informed system of care requires partnerships between caregivers, community-based service providers, and county and tribal placing agencies responsible for providing care and supervision to children and nonminor dependents and supports and services to children, nonminor dependents, and their families.

(7) It is therefore the intent of the Legislature in enacting this chapter to identify and address the immediate needs of children and nonminor dependents in foster care, as identified through a standardized validated functional assessment tool informed by the child and family team.

(b) The Immediate Needs Program is hereby established. Beginning on the date required by paragraph (9) of subdivision (h) of Section 11461, the Immediate Needs Program shall be available to every child and nonminor dependent in foster care who, upon completion of the IP-CANS, is determined to be in Tier 2, Tier 3, or Tier 3+ as part of the Tiered Rate Structure established in subdivision (h) of Section 11461. The Immediate Needs Program shall not apply to nonminor dependents placed in a setting described in subdivision (w) of Section 11400.

(c) For purposes of this chapter, the following definitions shall apply:

(1) "Immediate Needs Program" means a program that provides an array of integrated services and supports, consistent with guidance established by the department, based on the immediate needs of eligible children who fall into Tier 2, Tier 3, or Tier 3+ of the Tiered Rate Structure established in subdivision (h) of Section 11461 as determined by the IP-CANS assessment tool. For an Indian child, the program shall support engagement with the child's tribe by ensuring that the array of integrated services and supports provided shall be informed by prevailing social and cultural conditions and way of life of the Indian child's tribe and shall be provided consistent with active efforts as described in subdivision (f) of Section 224.1.

(2) "Immediate needs" means the circumstances identified by the child's or nonminor dependent's IP-CANS assessment that interfere with the child's or nonminor dependent's age and developmentally-appropriate behavioral or emotional functioning or otherwise currently impact the child or nonminor dependent that can be treated or addressed through the provision of services and supports.

(3) "Immediate Needs Funding" means the amount of funding available as a component of the Tiered Rate Structure established in subparagraph (C) of paragraph (2) of subdivision (h) of Section 11461, and set forth in subparagraph (A) of paragraph (1) of subdivision (d), based on the child's or nonminor dependent's tier, as determined by the IP-CANS assessment. The Immediate Needs Funding shall not be used to supplant existing state or county funds utilized for the provision of Medi-Cal services, except as provided in subdivision (h), subject to clause (iii) of subparagraph (C) of paragraph (1) of that subdivision.

(4) "Immediate Needs Program Plan" means the plan that includes all the requirements of subparagraph (B) of paragraph (2) of subdivision (d) and is submitted to the department for approval.

(5) "Immediate needs provider" means a placing agency, or a provider with whom the placing agency or the department selects to provide immediate needs services and supports. Immediate needs providers shall be certified by the department to provide services and supports consistent with the standards of care framework adopted pursuant to subdivision (e). For an Indian child, the immediate needs provider shall have specialized knowledge of, training about, or experience with, tribes and the federal Indian Child Welfare Act of 1978 (25 U.S.C. Sec. 1901 et seq.).

(d) The purpose of the Immediate Needs Program is to provide an array of integrated services and supports tailored to meet the immediate needs of a child or nonminor dependent as identified by their IP-CANS as efficiently and effectively as reasonably possible. Under the Immediate Needs Program:

(1) (A) Immediate Needs Funding shall be available per child per month for each eligible child or nonminor dependent described in subdivision (b) based on the child's or nonminor dependent's tier, as determined by the results of the child's or nonminor dependent's IP-CANS assessment, according to the following tiered rate schedule:

Tier 1: \$0

Tier 2: \$1000

Tier 3: \$1500 [Ages 0-5]

Tier 3+: \$4100 [Ages 6+]

(B) To administer the Immediate Needs Program, each placing agency shall be provided funding consisting of the total amount of Immediate Needs Funding for all eligible children and nonminor dependents in Tiers 2, 3, and 3+, as set forth in subparagraph (A), who are under the placing agency's care and supervision. The methodology shall be developed by the department, in consultation with the County Welfare Directors Association of California and the Chief Probation Officers of California.

(C) Beginning on the date required by paragraph (9) of subdivision (h) of Section 11461, for new entries into foster care, and for all other children and nonminor dependents in foster care placements on July 1, 2027, including children and nonminor dependents placed in a setting described in subdivision (d) of Section 11402, the Immediate Needs Funding shall be available for each eligible child or nonminor dependent described in subdivision (b), consistent with the child's or nonminor dependent's tier, as determined by the IP-CANS assessment, pursuant to a schedule to be determined by the department.

(2) Placing agencies shall do all of the following:

(A) Provide for the immediate needs of children and nonminor dependents in Tier 2, Tier 3, and Tier 3+ as determined by the IP-CANS using the Immediate Needs Funding set forth in subparagraph (A) of paragraph (1). A description of the immediate

needs and how the funding will be used to meet the immediate needs shall be included in the child's or nonminor dependent's case plan.

(B) Ensure the caregiver of a home-based setting, including, but not limited to, a tribally approved home, has relevant, specialized training necessary for the purpose of preparing the family to meet the needs of an individual child or nonminor dependent in Tier 2, Tier 3, or Tier 3+ who is or will be placed in the home. Immediate Needs Funding may be used for this purpose but shall not supplant existing funding for training caregivers.

(C) When appropriate based on the IP-CANS assessment, the Immediate Needs Funding may be used for the child or nonminor dependent in a manner that supports reunification efforts. The Immediate Needs Funding shall not supplant existing funding used by placing agencies to provide reunification services.

(D) Ensure the caregiver has the capability, willingness, and ability to meet the specific immediate needs of the child or nonminor dependent placed in the home, including by assessing the risk and compatibility of placing the child or nonminor dependent with any other children or nonminor dependents in the home and the ability of the caregiver to provide care and support for all the children or nonminor dependents in the home consistent with guidance to be issued by the department.

(E) In consultation with the local interagency leadership team established pursuant to Section 16521.6, which shall include the engagement and coordination of federally recognized tribes, the placing agency and the mental health plan shall submit to the department an Immediate Needs Program plan for approval that includes all of the following:

(i) How the placing agency will use the Immediate Needs Funding in a manner that provides, arranges for, or ensures the provision of, an array of immediate needs services and supports for individual children and nonminor dependents who are determined to be in Tier 2, Tier 3, or Tier 3+ of the Tiered Rate Structure, and, for an Indian child, how the services and supports will be conducted in a manner consistent with the prevailing social and cultural conditions and way of life of the Indian child's tribe and provided consistent with active efforts, as described in subdivision (f) of Section 224.1.

(ii) How the placing agency will ensure the services provided pursuant to the Immediate Needs Program plan or, alternatively, any immediate needs providers with whom the placing agency selects, will meet the standards of care framework established by the department in the guidelines provided under paragraph (2) of subdivision (e).

(iii) How the placing agency will ensure an adequate supply of certified immediate needs providers for children and nonminor dependents in the Immediate Needs Program, including an adequate supply of certified immediate needs provider for Indian children in the program who have specialized knowledge of, training in, or experience with, tribes and the federal Indian Child Welfare Act of 1978 (25 U.S.C. Sec. 1901 et seq.).

(iv) An agreement by the placing agency to provide data requested by the department related to children and nonminor dependents in foster care in Tier 2, Tier 3, and Tier 3+, as determined by the IP-CANS assessments.

(F) Become a certified immediate needs provider if the placing agency opts to directly provide for the immediate needs of children and nonminor dependents placed into foster care by using the Immediate Needs Funding.

(G) Use only immediate needs providers certified by the department, using agreements that are consistent with model contracts developed by the department.

(H) For a short-term therapeutic residential program or community treatment facility certified by the department as an immediate needs provider, select the short-term residential therapeutic residential program or the community treatment facility where a child or nonminor dependent in the Immediate Needs Program is placed, unless the placing agency determines it is in the best interest of the child or nonminor dependent to receive services and supports from another certified immediate needs provider.

(I) For a foster family agency certified by the department as an immediate needs provider, select the foster family agency with which a child or nonminor dependent in the Immediate Needs Program is placed, unless the placing agency determines it is in the best interest of the child or nonminor dependent to receive services and supports from another certified immediate needs provider.

(J) Facilitate the child and family team to obtain input on the development of an Immediate Needs Plan and incorporate the Immediate Needs Plan as part of the child's or nonminor dependent's case plan, as applicable, and the state's child welfare information system.

(K) Submit data and outcome measures regarding the Immediate Needs Program to the department in periodic reports, on a schedule determined by the department.

(e) The department shall be responsible for all of the following:

- (1) Oversight of the placing agencies in administering the Immediate Needs Program, including the placing agency's use of the placing agency funding for the program, the Immediate Needs Funding, and the progress and success of the program in meeting the immediate needs of children in foster care.
  - (2) Development of a standards of care framework for the Immediate Needs Program developed in consultation with persons and entities described in subdivision (f), that immediate needs providers shall be subject to regarding the services and supports to be provided to meet a child's or nonminor dependent's immediate needs as identified in the IP-CANS assessment for each child or nonminor dependent who falls into Tiers 2, Tier 3, or Tier 3+.
  - (3) Development of a process by which an immediate needs provider shall be certified by the department to provide services consistent with the standards of care framework developed pursuant to paragraph (2). The certification for immediate needs providers for Indian children shall include requirements, developed through consultation with tribes, for specialized knowledge of, training about, or experience with, tribes and the federal Indian Child Welfare Act of 1978 (25 U.S.C. Sec. 1901 et seq.).
  - (4) Provision of technical assistance to support placing agencies in developing and maintaining an adequate array of certified immediate needs providers.
  - (5) Development of model contracts that align with the standards of care framework and with which all placing agency agreements with immediate needs providers shall be consistent.
  - (6) Development of written guidance and technical support for placing agencies to support both of the following:
    - (A) Regional agreements with immediate needs providers to ensure an adequate supply of providers who are certified and able to meet the standards of care framework.
    - (B) Agreements between placing agencies to administer the Immediate Needs Program, or for building a consortium of placing agencies to jointly administer the Immediate Needs Program.
  - (7) Development of informational materials for placing agencies to provide to children, nonminor dependents, families, and caregivers, about the Immediate Needs Program. Information shall be provided in plain language, in alternative formats and alternative modes of communication and provide language access as required by state and federal law.
  - (8) Workforce development, training, and curriculum requirements on the Immediate Needs Program, including the standards of care framework and model contracting.
  - (9) Development of guidelines and training on funding resources and claiming by placing agencies and immediate needs providers, including, but not limited to, controls and documentation to determine when federal financial participation may be available if all state and federal requirements are met.
  - (10) Development of policies and procedures for statewide collection of data and outcome measures, including requirements for the placing agencies and immediate needs providers to submit needed data and reports.
  - (11) Development of guidelines describing the conditions, and the process and procedure, under which the department will need to enter into contracts regarding the Immediate Needs Program.
  - (12) Development, in collaboration with the State Department of Health Care Services and other entities specified in subdivision (f), of guidance on the implementation of the Immediate Needs Program, including, but not limited to, guidance on implementation of high-fidelity wraparound services. This guidance shall also address reducing administrative and programmatic burdens and duplication and promote consistent procedures statewide.
- (f) The department, in consultation with the State Department of Health Care Services, County Behavioral Health Directors Association of California, County Welfare Directors Association of California, Chief Probation Officers of California, tribes, child welfare advocates, providers, current or former foster children, nonminor dependents, parents, caregivers, and other interested parties, shall establish statewide minimum standards for the Immediate Needs Program and for immediate needs providers of services and supports, and shall issue guidance necessary to implement this section. The process for development of the standards of care framework relating to Indian children shall include consultation with federally recognized tribes.
- (g) The department shall consult with an Indian tribe, consortium of tribes, or tribal organization that has entered into an agreement with the state pursuant to Section 10553.1 for the purpose of the implementation of this section by the Indian tribe, consortium of tribes, or tribal organization.
- (h) (1) (A) The State Department of Health Care Services shall implement a case rate or other type of reimbursement for high-fidelity wraparound services, which is a Medi-Cal specialty mental health service for members under 21 years of age, and seek any necessary federal Medicaid approvals. This paragraph shall be implemented only if, and to the extent that, federal financial

participation under Title XIX of the federal Social Security Act (42 U.S.C. 1396 et seq.) is available and all necessary federal approvals have been obtained.

(B) All children and nonminor dependents in foster care who meet the criteria to participate in the Immediate Needs Program specified in subdivision (b) and are under 21 years of age are eligible to receive high-fidelity wraparound services, consistent with state and federal Medicaid policies, as a component of the Immediate Needs Program. Placing agencies and mental health plans shall coordinate referrals for high-fidelity wraparound services and mental health plans shall provide or arrange for the provision of these services consistent with the terms of their Medi-Cal contracts.

(C) (i) Upon the Immediate Needs Program taking effect pursuant to subdivision (b), a portion of the Immediate Needs Funding shall be used as the non-federal share of Medi-Cal covered high-fidelity wraparound services provided to children and nonminor dependents in foster care who meet the criteria to participate in the Immediate Needs Program specified in subdivision (b), consistent with guidance provided by the departments.

(ii) Counties may use additional or other allowable sources of funds towards the nonfederal share of Medi-Cal covered high-fidelity wraparound services if Immediate Needs Funds are insufficient.

(iii) State and county sources of funds that were not expended because Immediate Needs Funds were used for the nonfederal share of Medi-Cal covered high-fidelity wraparound services should be used for services to children and nonminor dependents in foster care who meet the criteria to participate in the Immediate Needs Program.

(D) This paragraph does not relieve mental health plans of the obligation to provide all medically necessary specialty mental health services.

(2) Federal financial participation under the Medi-Cal program shall only be available for services and supports provided under the Immediate Needs Program if all state and federal requirements are met and the service is medically necessary.

(A) The State Department of Health Care Services may issue guidance on the conditions under which federal financial participation is available for Medi-Cal services that intersect with the implementation of this section.

(B) Medi-Cal services shall only be claimed to the extent medical assistance federal financial participation is available and is not otherwise jeopardized.

(3) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the State Department of Health Care Services may implement, interpret, or make specific this section concerning the provision of Medi-Cal services by means of plan or all-county letters, information notices, plan or provider bulletins, or other similar instructions, without taking any further regulatory action.

(i) (1) The department has authority to receive the Immediate Needs Funding on behalf of the placing agency and use the funding to award contracts for the purpose of implementing and maintaining the Immediate Needs Program under either of the following circumstances:

(A) Pursuant to a voluntary agreement reached between the department and a placing agency.

(B) If the department, pursuant to the conditions, policies, and procedures established under paragraph (11) of subdivision (e), determines a placing agency has failed to adequately administer the Immediate Needs Program or meet the immediate needs of children or nonminor dependents for whom it is responsible based on the standard of care framework established in paragraph (2) of subdivision (e).

(2) Notwithstanding any other law, contracts awarded by the department for purposes of this section shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(3) Notwithstanding any other law, contracts awarded by the department for purposes of this section shall be exempt from the Public Contract Code and the State Contracting Manual and shall not be subject to the review or approval of the Department of General Services or the Department of Technology.

(j) Placing agencies shall have authority to enter into voluntary agreements with other placing agencies to administer their Immediate Needs Program, and to form a consortium of placing agencies to jointly administer the Immediate Needs Program, provided there is compliance with the written guidance and technical support provided by the department pursuant to paragraphs (6) and (7) of subdivision (e).

*(Amended by Stats. 2025, Ch. 79, Sec. 31. (SB 119) Effective July 29, 2025.)*

**16563.** (a) If there is a child eligible for Tier 2 of the Care and Supervision component of the Tiered Rate Structure, as described in subdivision (h) of Section 11461, living in a resource family home, no more than a total of three children in foster care may be placed

in that resource family home, including the child receiving the Tier 2 rate.

(b) If there is a child eligible for Tier 3 or Tier 3+ of the Care and Supervision component of the Tiered Rate Structure, as described in subdivision (h) of Section 11461, living in a resource family home, no more than a total of two children in foster care may be placed in that resource family home, including the child eligible for Tier 3 or Tier 3+ .

(c) A county placing agency may approve placements for additional children in foster care that would result in the placement of more than three children in foster care in a home where a child eligible for Tier 2 is placed or more than two eligible children in a home where a child eligible for Tier 3 or Tier 3+ is placed in compelling circumstances, including in order to accommodate a preexisting relationship, to place a sibling group together, or to accommodate the extraordinary needs of a specific child that the resource family has a unique ability to meet. A shortage of approved resource family homes shall not be a compelling circumstance absent other factors.

(d) Approval for additional children in foster care to be placed in the home shall be determined to be in the best interest of all children in the home and shall come from the director of the county child welfare department or the chief probation officer of the county probation department, or their respective designees, of all of the county placing agencies with children placed or proposed to be placed in the home.

*(Added by Stats. 2024, Ch. 46, Sec. 51. (AB 161) Effective July 2, 2024.)*

**16565.** (a) The Legislature finds and declares the following:

(1) Social determinants of health, adverse childhood experiences (ACEs), positive childhood experiences, and other supports are critical determinants of life outcomes for children. Research shows that ACEs can have lasting, negative, and permanent impacts on childhood development. Many factors, including experiencing abuse or neglect, placement instability and disconnection from family and natural supports, leave children and nonminor dependents in foster care particularly vulnerable to the impact of ACEs.

(2) Research also shows that positive childhood experiences, tailored to a child's or nonminor dependent's strengths, can lessen the impact of ACEs. Through positive childhood experiences, children can develop, build, and nurture strengths and personal autonomy, which may support the successful transition to permanency and successful adulthood.

(3) Focusing on strengths building activities, by providing explicit funding for these activities, will help to prevent children and nonminor dependents in foster care from developing more complex needs and will serve to stabilize children, and, as applicable, nonminor dependents in their families, which, whenever possible and consistent with federal and state laws for placement preferences, should include placement in the home of a relative, nonrelative extended family member or, in the case of an Indian child, an extended family member as defined in Section 224.1.

(4) Strengths building activities should be culturally responsive, family centered, and permanency focused, and, in the case of an Indian child, consistent with the prevailing social and cultural conditions and way of life of the Indian child's tribe.

(5) It is therefore the intent of the Legislature in enacting this section to create a program to empower the children and nonminor dependents in foster care and their families, with support from the child and family team, to select and make decisions about the goods, services, activities, and supports needed to achieve the strengths building objectives.

(b) The Strengths Building Child and Family Determination Program is hereby established. Beginning on the date required by paragraph (9) of subdivision (h) of Section 11461, the Strengths Building Child and Family Determination Program shall be available to every child and nonminor dependent in foster care whose tier has been determined as part of the Tiered Rate Structure established in subdivision (h) of Section 11461, based on the completion of the IP-CANS assessment. In lieu of applying the Strengths Building Child and Family Determination Program to nonminor dependents placed in a setting described in subdivision (w) of Section 11400, an amount equivalent to Tier 1 of the Strengths Building Funding shall be included in their rate, as described in clause (ii) of subparagraph (B) of paragraph (6) of subdivision (h) of Section 11461.

(c) For purposes of this chapter, the following definitions shall apply:

(1) "Child and family determination" means the process established by the department to empower the child or nonminor dependent, in an age and developmentally appropriate manner and the child and family or nonminor dependent to make decisions, informed by the IP-CANS assessment tool about the mix of goods, services, activities, and supports needed to meet the child's or nonminor dependent's strengths building objectives. In the case of an Indian child, the process shall be informed by the prevailing social and cultural conditions and way of life of the Indian child's tribe.

(2) "Child and family team" has the same meaning as described in paragraph (4) of subdivision (a) of Section 16501, including, for an Indian child, a representative of the Indian child's tribe or Indian custodian, as applicable.

(3) "Family" includes the child's parents, guardian, Indian custodian, and relatives, unless a juvenile court has made an order terminating parental rights pursuant to Section 366.26. "Family" also includes resource families or tribally approved homes, and, in the case of an Indian child, a representative of the Indian child's tribe and extended family members, as defined in Section 224.1.

(4) "Spending plan manager" means the entity or entities that contract with the department to manage the Strengths Building Funding on behalf of the child or nonminor dependent. The spending plan manager shall be a partnership, whether general or limited, a corporation, whether for profit or nonprofit, a limited liability company, or an association with a valid tax payer identification number. The department shall prioritize nonprofit entities in developing these contracts.

(5) "Spending plan report" means a report of the information required in subparagraph (B) of paragraph (5) of subdivision (d), prepared by the spending plan manager, regarding the child's or nonminor dependent's Strengths Building Funding.

(6) "Strengths building" means the growth or development of characteristics of a child or nonminor dependent in an environment or through an external factor that provides the individual with meaning and wellbeing through the provision of goods, services, activities, and supports. For an Indian child, the identification of strengths shall be informed by prevailing social and cultural conditions and way of life of the Indian child's tribe.

(7) "Strengths Building Funding" means the per child per month amount paid as a rate component of the Tiered Rate Structure established in subparagraph (B) of paragraph (2) of subdivision (h) of Section 11461, as specified in paragraph (1) of subdivision (d), based on the child's or nonminor dependent's tier, as determined by the IP-CANS assessment.

(8) "Strengths Building Spending Plan" means the plan the child and family develop to use the Strengths Building Funding as provided in subparagraph (A) of paragraph (3) of subdivision (d). In the case of a nonminor dependent, the Strengths Building Spending Plan means the plan that is developed by the nonminor dependent with appropriate supports selected by the nonminor dependent.

(d) Under the Strengths Building Child and Family Determination Program:

(1) Strengths Building Funding shall be available per child per month for each eligible child or nonminor dependent described in subdivision (b) based on the child's or nonminor dependent's tier, according to the following tiered rate schedule:

Tier 1: \$ 500

Tier 2: \$ 700

Tier 3: \$ 900 [Ages 0-5]

Tier 3+: \$900 [Ages 6+]

(2) For each eligible child or nonminor dependent described in subdivision (b) Strengths Building Funding shall be available, as set forth in paragraph (1), as follows:

(A) Except as provided in subparagraph (B), beginning on the date required by paragraph (9) of subdivision (h) of Section 11461, for new entries into foster care and for all other children or nonminor dependents in foster care placements on July 1, 2027, including children or nonminor dependents placed in a setting described in subdivision (d) of Section 11402, the Strengths Building Funding shall be available consistent with the child's or nonminor dependent's tier, as determined by the IP-CANS assessment, pursuant to a schedule to be determined by the department.

(B) Beginning on the date required by paragraph (9) of subdivision (h) of Section 11461, an amount equivalent to Tier 1 of the Strengths Building Funding shall be available to a nonminor dependent placed in a setting described in subdivision (w) of Section 11400.

(C) The Strengths Building Funding shall be considered to be owned by the state until the spending plan manager pays for goods, services, activities, and supports for the child or nonminor dependent using the funds. The child's or nonminor dependent's Strengths Building Funding shall be used within the fiscal year for which the funding is appropriated. When the child or nonminor dependent exits foster care, including, but not limited to, when the child reunifies with a parent with or without juvenile court supervision, or achieves permanency through adoption, tribal customary adoption, or guardianship, any unused portion of Strengths Building Funding shall be available for use by the child or nonminor dependent through the end of the fiscal year for which the funding was appropriated, and any unused funding may roll forward into the fiscal year immediately following the fiscal year for which the funding was appropriated.

(D) All goods, services, activities, and supports paid for by the spending plan manager using the Strengths Building Funding shall belong to or be provided for the benefit of the child or nonminor dependent, including when the child's or nonminor dependent's placement changes.



(E) Notwithstanding any other law, payments, goods, services, activities and supports made available to a child or nonminor dependent pursuant to this section shall not be considered income or resources for purposes of determining the individual's eligibility for benefits or assistance under any federal, state or local benefit or assistance program, to the extent permitted by federal law.

(3) The child and family or nonminor dependent, in exercising child and family determination, informed by the child's or nonminor dependent's strengths and needs assessment through the IP-CANS, and, for an Indian child, informed by prevailing social and cultural conditions and way of life of the Indian child's tribe, shall do both of the following:

(A) Develop a Strengths Building Spending Plan for the child or nonminor dependent.

(i) The Strengths Building Spending Plan shall detail the strengths building objectives that are to be achieved through the purchase of child- and family-directed goods, services, activities, and supports using the Strengths Building Funding pursuant to the program standards and guidelines established by the department pursuant to subdivision (e) and, for an Indian child, informed by prevailing social and cultural conditions and way of life of the Indian child's tribe.

(ii) The total amount of the Strengths Building Spending Plan shall not exceed the amount of the Strengths Building Funding for the child's or nonminor dependent's tier.

(iii) The Strengths Building Spending Plan shall not be used to supplant existing funding sources used to secure goods, services, activities, or supports for children or nonminor dependents in foster care.

(B) Choose the goods, services, activities, and supports consistent with the program standards and guidelines developed by the department pursuant to subdivision (e). These goods and services may include, but are not limited to, extracurricular activities and equipment, peer support, educational and post-secondary educational materials and supplies, and goods, services, activities, and supports that are culturally significant to the child or nonminor dependent or that help the child or nonminor dependent feel connected to their family and community of origin, or, in the case of an Indian child, the child's tribe.

(i) The child and family or nonminor dependent's choice of goods, services, activities or supports shall be presumed to be reasonable and appropriate when those choices are consistent with guidance provided by the department describing allowable uses of the Strengths Building Funding and do not otherwise create risk to the child's or nonminor dependent's health, safety, or wellbeing. Strengths Building Funding shall not be used in a manner that would violate any state or federal law or any court order.

(ii) In the case of a child whose permanent plan is reunification, the child shall be empowered, as age and developmentally appropriate, to lead decisionmaking with active support of their parent or parents receiving reunification services. In all other cases, the child shall be empowered, as age and developmentally appropriate, to lead decisionmaking with active support of their caregiver.

(iii) In the case of a nonminor dependent, the nonminor dependent shall be empowered to make decisions to expend Strengths Building Funding in a manner that supports their transition to successful adulthood.

(4) The child and family team shall be responsible for both of the following:

(A) Supporting the child's and family's or nonminor dependent's choices or interests in goods, services, activities, and supports for the Strengths Building Spending Plan and providing support or suggestions in choosing activities to fulfill the strengths building objectives that are consistent with the strengths building objectives identified by the child's or nonminor dependent's IP-CANS assessment and the program standards and guidelines developed by the department pursuant to subdivision (e) and, for an Indian child, informed by prevailing social and cultural conditions and way of life of the Indian child's tribe, and for a child who is 14 years and older, as is age appropriate, and for all nonminor dependents, supporting the child in leading and directing the decisions related to the use of the Strengths Building Funding.

(B) Working with the child and family or nonminor dependent, as applicable, and as desired by the child and family, or nonminor dependent, when goods, services, activities, and supports chosen for the Strengths Building Spending Plan fail to meet the program standards and guidelines developed by the department pursuant to subdivision (e), to help select and find goods, services, activities, and supports that comply with those guidelines and, for an Indian child, are informed by prevailing social and cultural conditions and way of life of the Indian child's tribe.

(5) Each child and nonminor dependent shall have a spending plan manager to assist the child and family and nonminor dependent with managing the Strengths Building Funding consistent with the Strengths Building Spending Plan. The spending plan manager shall do all of the following:

(A) Pay for and, if needed, otherwise enable the procurement of goods, services, activities, and supports for the child or nonminor dependent according to terms of the spending plan manager's contract with the department, the program standards

and guidelines developed by the department pursuant to subdivision (e), and any other applicable requirements under state and federal law.

(i) When necessary or appropriate, payments may be made directly to the caregiver, child and family, or a nonminor dependent, according to the terms of the spending plan manager's contract with the department, guidance provided by the department, and applicable federal and state law.

(ii) Payments shall be made timely according to the terms of the Strengths Building Spending Plan to promote the goals and objectives of the Strengths Building Child and Family Determination Program, the terms of the spending plan manager's contract with the department, guidance provided by the department, and applicable federal and state law.

(B) Provide the child, family, nonminor dependent, placing agency, foster family agency, and short-term residential therapeutic program, as applicable, with a spending plan report, consisting of at least an itemized monthly statement with a description of the goods, services, activities, and supports purchased using the Strengths Building Funding in the previous 30-day period, the amount spent for each good, service, activity, and support in the previous 30-day period, and the amount of funding that remains available under the Strengths Building Spending Plan.

(C) Comply with the duties prescribed in the terms of the contract with the department, including, but not limited to, ensuring the Strengths Building Funding is available to the child or nonminor dependent for its intended use, consistent with the Strengths Building Spending Plan.

(e) The department shall be responsible for all of the following:

(1) Oversight of the contract or contracts with spending plan managers for spending plan management services, including the expenditure of the Strengths Building Funding.

(2) Development of program standards including, but not limited to, the following:

(A) A standards of care framework for the program, including standards that promote increased child and family determination over decisions about the goods, services, activities, and supports that will best meet the strengths building objectives identified in the child's or nonminor dependent's IP-CANS assessment and, for an Indian child, that are consistent with prevailing social and cultural conditions and way of life of the Indian child's tribe, and that are consistent with active efforts as described in subdivision (f) of Section 224.1.

(B) Comprehensive guidance for child- and family-centered planning that supports the child and family in developing their Strengths Building Spending Plan and, for an Indian child, supports engagement with the child's tribe in ensuring the Strengths Building Spending Plan is informed by prevailing social and cultural conditions and way of life of the Indian child's tribe, and for a child who is 14 years and older, as is age appropriate, and for all nonminor dependents, support the child or nonminor dependent in leading the decisions related to the use of the Strengths Building Spending Plan.

(C) Education or training and informational materials, for the child and family or nonminor dependent, the child and family team, placing agencies, foster family agencies, court-appointed advocates, and the spending plan manager, about the Strengths Building Child and Family Determination Program to ensure understanding of the principles of child and family determination, strengths building, comprehensive child- and family-centered planning, the planning process, self-determination principles in adolescent and young adult development, and the management of budgets, services, and staff and, for an Indian child, understanding of prevailing social and cultural conditions and way of life of the Indian child's tribe. Any materials or information provided for children and nonminor dependents shall be age-appropriate and shall assist in preparing them for the child's and family's or nonminor dependent's development of the Strengths Building Spending Plan.

(D) Guidelines and training on funding resources for spending plan managers and providers of strengths building goods, services, activities, and supports, which shall include, but not be limited to, controls and documentation to determine when federal financial participation may be claimed if all state and federal requirements are met.

(E) A description of the nature and scope of allowable or approved goods, services, activities, and supports designed to achieve strengths building objectives identified in the child's or nonminor dependent's Strengths Building Spending Plan.

(F) The qualifications of the entity or entities who are eligible to contract with the department to manage Strengths Building Funding to ensure their ability to effectively serve as a spending plan manager.

(G) A process by which the child and family team, consistent with clause (vi) of subparagraph (A) of paragraph (4) of subdivision (a) of Section 16501, shall assist with the resolution of disputes that may arise regarding the selection of goods, services, activities, and supports for the Strengths Building Spending Plan at the request of any member of the child and family team.

(3) Consultation with the State Department of Health Care Services, County Welfare Directors Association of California, Chief Probation Officers of California, tribes, child welfare advocates, providers, current or former foster children, nonminor dependents, caregivers, and other interested parties, in the development of the informational materials and guidelines described in paragraph (2). The development of the standards of care framework, educational, informational, and training materials, and guidelines relating to Indian children shall include consultation with federally recognized tribes.

(f) The placing agency shall do both of the following:

(1) Document the Strengths Building Spending Plan and the spending manager report in the child's or nonminor dependent's case plan, and the statewide child welfare information system, and provide a copy of the report to members of the child and family team, caregivers, the foster family agency, or short-term residential therapeutic program, if applicable, and for an Indian child, to the Indian child's tribe.

(2) Provide information and support to the child and family or nonminor dependent, upon request, regarding goods, services, activities, and supports available in the community, and, if needed, support the child and family or nonminor dependent in accessing those goods, services, activities, and supports. The placing agency shall inform the child and family or nonminor dependent when the placing agency is legally responsible for covering the cost of goods, services, activities, and supports purchased with Strengths Building Funding and assist the child and family or nonminor dependent in selecting other goods, services, activities, and supports, including those of the nature and scope described in guidance provided by the department, that achieve the strengths building objectives identified in the child's or nonminor dependent's IP-CANS assessment.

(g) The department shall consult with an Indian tribe, consortium of tribes, or tribal organization that has entered into an agreement with the state pursuant to Section 10553.1 for the purpose of the implementation of this section by the Indian tribe, consortium of tribes, or tribal organization.

(h) The department, as it determines necessary, shall adopt regulations to implement the procedures set forth in this section in accordance with the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(i) The department may award contracts for the purpose of implementing and maintaining the Strengths Building Child and Family Determination Program.

*(Added by Stats. 2024, Ch. 46, Sec. 51. (AB 161) Effective July 2, 2024.)*

**16567.** (a) It is the intent of the Legislature to assess the impacts of the Tiered Rate Structure on children, nonminor dependents, families, placing agencies, and providers. This shall be done through the department providing updates on the ongoing implementation status of the Tiered Rate Structure, including, but not limited to, development of associated contracts, guidance, forms, training and status of technology infrastructure necessary to implement the rates structure, and an automation timeline, as specified below.

(b) As required by this section, to the extent reasonably possible, and if the necessary information is provided to the department by its state, county, and provider partners, the department, in collaboration with the State Department of Health Care Services when necessary, shall provide information to the Legislature on key stages of planning, preparation, and implementation efforts and outcomes associated with the Tiered Rate Structure.

(c) The department shall provide the Legislature, no later than January 10, 2026, with an analysis of the identified needs of children and nonminor dependents in Tier 2, Tier 3, and Tier 3+, the types of services necessary to address those needs, reasonable administration and operational activities necessary for providers to address those needs, and a cost analysis of those services. This cost analysis shall be based on engagement with stakeholders, including, but not limited to providers, current and former foster children and nonminor dependents, relative caregivers, resource families, and county child welfare agencies, which shall occur no later than winter of 2024. The analysis shall include the estimated breadth and duration of needed services, any factors related to the need for additional supervision, and other factors. It is the intent of the Legislature in adopting this subdivision that the rates for children and nonminor dependents in all placement settings, including those receiving services from foster family agencies and short-term residential therapeutic programs, be adequate to ensure the availability of services to children and nonminor dependents who need them.

(d) No later than April 30, 2025, the department shall update the Legislature on the planning progress, with trend data, as appropriate, toward the implementation of the Tiered Rate Structure, which shall include a written status update regarding all of the following:

(1) The Care and Supervision component of the Tiered Rate Structure, which shall include the development of criteria and capacity for placing agencies to timely conduct IP-CANS assessments to fidelity for all children and nonminor dependents in foster care.

(2) The Immediate Needs Program, which shall include an update on working groups to inform the department's guidance regarding the minimum standards for the program and the requirements, standards, and process by which an immediate needs

provider shall be certified by the department.

(3) A summary of findings from the CANS workgroup and fidelity of IP-CANS and the IP-CANS and child and family team completion, including IP-CANS and child and family team timeliness, progress towards implementing shared IP-CANS, and trend data.

(4) The Strengths Building Program, which shall include an update on the request for proposal contract development for Strengths Building Program spending plan managers and the development of working groups to inform the department's guidance for the Strengths Building Program. The department shall also provide information, informed by working groups that include foster youth with lived experience, caregivers, placing agencies, tribes, and other advocacy organizations, related to strengths building and outcomes, including, but not limited to:

(A) The process by which children and families or nonminor dependents will be supported to select services that meet program standards and guidelines.

(B) A streamlined referral process to a spending plan manager, the scope of duties of the spending plan manager, and the process by which disputes may be resolved.

(C) A process to resolve disputes over the choice of strengths building activities, and questions about appropriateness of activities.

(5) A written report on all of the following:

(A) The outcome of engagement with counties, tribes, and stakeholders to ensure the latent class analysis and Tiered Rate Structure reflect the needs and supports for children, nonminor dependents, and their caregivers.

(B) Any planned updates to the IP-CANS to ensure the full needs and strengths of children, nonminor dependents, and caregivers are considered in the statistical analysis and rate setting, including for youth in foster care supervised by probation.

(C) How the department and the State Department of Health Care Services will collaborate on use of the IP-CANS assessment tool to minimize duplication of assessments and increase data sharing across local agencies.

(D) Workload and cost impacts to the state and counties.

(e) Beginning October 2025, and on a quarterly basis thereafter until the implementation date of the Tiered Rate Structure, the department shall update the Legislature on the preparation progress toward the implementation of the Tiered Rate Structure, with trend data, as appropriate. The updates provided in April and October shall be in writing. Each update shall include, but need not be limited to, updates from the previous update period and the status of all of the following:

(1) Implementation status of the Immediate Needs Program standards to be developed by the department and the certification of immediate needs providers.

(2) When available, outcome measures for the Immediate Needs Program, including changes in the IP-CANS assessments and tiers for children and nonminor dependents over time.

(3) The status of contracts with Strengths Building Program spending plan managers.

(4) An update on all of the following:

(A) The outcome of engagement with counties, tribes and stakeholders to ensure the latent class analysis and Tiered Rate Structure reflect the needs and supports for children and their caregivers.

(B) Any planned updates to the IP-CANS to ensure the full needs and strengths of children, youth and caregivers are considered in the statistical analysis and rate setting, including for probation youth.

(C) How the department and the State Department of Health Care Services will collaborate on use of the IP-CANS assessment tool to minimize duplication of assessments and increase data sharing across local agencies.

(D) Workload and cost impacts to the state and counties.

(E) Automation activities, milestones met, and updated timelines toward implementation readiness.

(f) Beginning October 2027, and on a quarterly basis thereafter, for 18 months from the implementation date of the Tiered Rate Structure, the department shall update the Legislature on the progress of implementation of the Tiered Rate Structure, with trend data, as appropriate. After 18 months from the implementation date of the Tiered Rate Structure, updates shall be provided only on a

biannual basis. Updates provided in April and October shall be in writing. Each update shall include, but need not be limited to, updates from the previous update period and the status of all of the following:

(1) Identified changes to the number of children in Tier 1, Tier 2, Tier 3, and Tier 3+, placed in home-based family settings and congregate care following implementation of the Tiered Rate Structure.

(2) Information regarding the utilization of the Immediate Needs Funding, as well as the percentages of timely completion of IP-CANS, and child and family teams for children and nonminor dependents in foster care.

(3) Information regarding the utilization of Strengths Building Funding, including but not limited to, the timeliness with which funds are disbursed, the types of goods, services, activities, and strengths that foster children and nonminor dependents are participating in, the average cost of services, the amount of funding that remains available at the end of each year, and outcome measures reflecting the degree to which the funds are impacting the strengths of children and nonminor dependents in foster care.

(g) (1) This section shall become inoperative on December 1, 2032, and, as of January 1, 2033, is repealed.

(2) It is the intent of the Legislature to review the need for a possible extension of the inoperative date specified in paragraph (1) as it approaches.

*(Added by Stats. 2024, Ch. 46, Sec. 51. (AB 161) Effective July 2, 2024. Inoperative December 1, 2032, by its own provisions. Repealed as of January 1, 2033, by its own provisions.)*