

## Schedule 3 – Payment Provisions

This Schedule sets out the payment mechanism that FACS will use to calculate the Service Payment payable to the Service Provider.

Service Provider Name	
PLA ID	
Program	Permanency Support Program

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## 1. Introduction

This Schedule operates as follows:

- (a) section 3 of this Schedule 3 is not used;
- (b) section 4 of this Schedule 3 sets out how the Service Provider will be remunerated in accordance with clause 5 of the Program Level Agreement for the relevant Service(s);
- (c) the Service Provider Declaration is set out in section 5 of this Schedule 3;
- (d) the Service Price List is set out in Appendix A of this Schedule 3; and
- (e) the Service Delivery Volume is set out in Appendix B of this Schedule 3.

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## 2. Definitions

For the purposes of this Schedule 3, the Definitions set out in the Program Level Agreement will apply as supplemented by the following definitions:

**Abatement** means any or all of the following as the context requires:

- (a) Service Activity Compliance Abatement, applicable where a Performance Failure has occurred in respect of a Service Activity Compliance KPI as set out in Appendix A of Schedule 2 of the Program Level Agreement;
- (b) Service Reporting Compliance Abatement, applicable where a Performance Failure has occurred in respect of a Service Reporting Compliance KPI as set out in Appendix A of Schedule 2 of the Program Level Agreement;
- (c) Service Provision Abatement, applicable where a Performance Failure has occurred in respect of a Service Provision KPI as set out in Appendix A of Schedule 2 of the Program Level Agreement; and
- (d) Qualified, Trained and Consistent Staff Abatement, applicable where a Performance Failure has occurred in respect of a Qualified, Trained and Consistent Staff KPI as set out in Appendix A of Schedule 2 of the Program Level Agreement.

**Actual Vacancy** means either:

- (a) the difference, if any, between a Service Provider's Contracted Volume and Actual Volume; or
- (b) where there is no Contracted Volume, a Placement that is vacant and the FACS Representative has provided written approval to fund that placement through a Placement Capacity Payment in the relevant Quarter. For the avoidance of doubt this is not applicable to Foster Care.

**Actual Volume** means the number of Children and Young People receiving a service from a Service Provider over the Service Delivery Period.

**Baseline Package** means the package based on costs to support the Child or Young Person in a Placement (Foster Care or Intensive Therapeutic Care). These costs do not change regardless of changes in the Child or Young Person's need, except where this results in a change in Placement type (e.g. from Intensive Therapeutic Care home to Foster Care).

**Case Coordination** means coordinating the provision of Services to a child, young person and family who have a Case Plan Goal Package of Family Preservation or Relative/Kinship (Preservation) or following Restoration, Guardianship or open Adoption.

**Case Plan Goal Supplement** means a temporary supplementary payment applicable during the Interim Period, to support the delivery of Services required for the Case Plan Goal of each child and young person in OOHC (does not apply to Intensive Therapeutic Care)

**Child Assessment Tool (CAT)** means the tool designed to identify the most appropriate level of care for a Child or Young Person. It focuses on the safety and wellbeing needs of the child, including developmental milestones, health and behavioural needs as well as social skill attainment. The CAT score provides an indication of the level of care required.

**Case Plan Goal Package** means each Child or Young Person will have a determined Case Plan Goal. This package includes costs based on Services required to achieve the Case Plan Goal.

**Child Needs Package** means Services required to address the specific needs of the Child or Young Person. This is determined by the Child Assessment Tool.

**Contracted Volume** means the maximum volume that the Service Provider will be contracted for as described in Appendix B.

**Emergency Establishment Payment or EEP** means a payment for the costs of establishing new Placements over and above the Contracted Volume, where the timeframe for adding to Contracted Volume is shorter than the agreed notice period for FACS to request a variation to the Contracted Volume, applicable only to Foster Care or Intensive Therapeutic Care Homes.

**Expected Vacancy** means either:

- (a) the difference between a Service Provider's Actual and Contracted Volumes as at the first date of the relevant Quarter; or
- (b) where there is no Contracted Volume, the number of vacant placements that the FACS Representative (with absolute discretion) has requested a Service Provider maintains during the relevant Quarter.

**Foster Care** means statutory care provided by authorised foster carers, prospective guardians and prospective adoptive parents generally in the carer's own home, or rarely in a home owned or rented by the Service Provider. This includes relative and kinship care provided by an extended family member or persons of significance to the Child or Young Person.

**Full Service Delivery Model or Full Reform** means the introduction of the new Service Price and Service Requirements (does not apply to Intensive Therapeutic Care)

**Immediate Placement** means a Child or Young Person is in need of Placement confirmation within four hours' notice to the Service Provider, and the Service Provider is requested to place the Child or Young Person within four hours by FACS regardless of that Child's or Young Person's need level, Case Plan Goal, age, gender or other characteristics (unless FACS agrees that there is a legitimate reason in accordance with section **Error! Reference source not found.** of the Program Level Agreement).

**Immediate Placement Plan** means a plan prepared by a Service Provider explaining why a Referral Refusal has occurred, and what actions the Service Provider has taken

and/or plans to take, ensure that Referral Refusal will not recur (i.e. that it will be able to accept Immediate Placements in the future).

**Intensive Therapeutic Care** means services which support Children and Young People with identified high needs who are either unable to be adequately supported in Foster Care or require specialised and intensive supports to maintain stability in their care arrangements. ITC placements in ITTC, TSOP, TSIL, THBC and ITC Home ensure Children and Young People's Therapeutic Case Plans are implemented and transitions to less intensive placements with ongoing supports are facilitated. The Ten Essential Elements of Therapeutic Care guide program development and service delivery.

**Minimum Contracted Volume** means the minimum volume that the Service Provider will be contracted for as described in Appendix B.

**Other Specialist Package** means costs for the provision for other specialist packages to support 'exceptional' supports required for the Child or Young Person.

**Payment Reconciliation Date** means the date at which payments are reconciled for performance against the Service Requirements, once each Quarter.

**Performance Failure or Failure** means a failure to meet any of the Key Performance Indicators set out in Appendix A of Schedule 2.

**Placement** means the service provided by a Service Provider for a single Child or Young Person. A Placement may be either filled, in which case the Services are actually being provided, or it may be vacant, in which case the Service Provider has the necessary resources available to provide Services, but the Services are not being provided.

**Placement Establishment Payment or PEP** means a single, one-off payment that compensates Intensive Therapeutic Care Service Providers for the costs of establishing a new Intensive Therapeutic Care house where the Service Provider is requested to increase Contracted Volume.

**Placement Capacity Payment or PCP** means a payment that compensates Service Providers for the costs of resources of having a Placement immediately available.

**Prior Days in Care** will equal the number of days a Child or Young Person had been in care with the Service Provider, with their current Case Plan Goal, at the time the Contract commences. This number is applicable for the calculation of the Case Plan Goal Supplement.

**Qualified, Trained and Consistent Staff Abatement** means, in respect of an Operating Quarter, the Abatement calculated in accordance with Appendix A of Schedule 2.

**Referral Refusal** means where a Service Provider refuses or is unable to take an Immediate Placement, or where a Referral Refusal is deemed by FACS in accordance with the Permanency Support (OOHC) Program Contracting Arrangements and Business Rules

**Transition Period Referral Refusal Abatement** means the Abatement that applies where a Service Provider undertakes a Referral Refusal during the Transition Period. (does not apply to Intensive Therapeutic Care)

**Service Activity Compliance Abatement** means, in respect of an Operating Quarter, the Abatement calculated in accordance with Appendix A of Schedule 2.

**Service Delivery Period** means the period of time that a Service Provider must provide continuous care to be eligible for the Service Payment for that period.

**Service Reporting Compliance Abatement** means, in respect of an Operating Quarter, the Abatement calculated in accordance with Appendix A of Schedule 2.

**Service Payment** means an activity based payment calculated based on Actual Volume in care at the time of payment with a reconciliation of any over or underpayment that occurred in the previous Quarter.

**Service Price to apply from the Service Start Date** means the fixed price list, from which Service Providers will be paid for Services undertaken subsequent to the Service Start Date. (does not apply to Intensive Therapeutic Care)

**Service Provider** means an organisation contracted by the NSW Government to provide Permanency Support Services.

**Service Provision Abatement** means, in respect of an Operating Quarter, the Abatement calculated in accordance with section 4.8.

**Service Requirements** means a detailed set of Services to be provided by Service Provider, as set out in Schedule 1 to this Agreement.

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### 3. Service Payments during the Transition Period

- (a) The Service Payments set out in section 3 of this Schedule apply only during the Transition Period for the relevant Service(s).
- (b) During the Transition Period, Service Payments will be paid such that payment for the first two months of the quarter will be made in advance at the start of the Quarter. Payment for the third month of the Quarter will be made after the previous Quarter's reconciliation is made.
- (c) During the Transition Period, the Service Payment will consist of the following components:
  - (i) Unit Price Payment set out in Table 1 (Appendix A);
  - (ii) Case Plan Goal Supplement set out in Table 2 (Appendix A);
  - (iii) Immediate Placement Supplement set out in Table 3 (Appendix A);
  - (iv) Case Coordination Package set out in Table 1 (Appendix A), to be made in the following payment period when the permanency outcome is noted as being achieved; and
  - (v) Abatements for Performance Failures, as set out in Appendix A of Schedule 2 'Performance and Outcomes Data Reporting'.

#### 3.2 Unit Price Payment

- (a) This is an activity-based payment, calculated as the applicable fixed Unit Price Payments (Table 1 of Appendix A) multiplied by the Actual Volume of Children and Young People in care.

- (i) At the start of each Quarter, the Service Provider will receive payment for Placements that are expected to be delivered during the first two month period of the quarter. This includes both existing Placements and any placements expected to be added over the period (i.e. carer transfers or new entries).
  - (ii) In the third month of the Quarter, payment will be made for Placements expected to be delivered in that month, and reconciling the position from the previous Quarter. That is, if during the previous Quarter the Service Provider delivered either more or less Placements than what was purchased by FACS in advance, the payment in the third month of the following Quarter will be adjusted accordingly.
- (b) The Unit Price Payment is a fixed price that incorporates the Service Provider's expected organisational costs and the full range of Placement and support Services to be purchased, including casework, staff costs, client costs and accommodation costs. The quantum of the Unit Price Payment during the Transition Period (per day and per place) is provided in Table 1 (Appendix A).
  - (c) FACS has the option to make pro-rata payments of one or more of the non-client specific Unit Price components to the Service Provider where the Service Provider is required by FACS to maintain a material level of Actual Vacancies. This is intended to meet the Service Provider's unavoidable fixed costs and allow the Service Provider to continue to deliver Services at the standards set out in Schedule 1. Whether or not the level of Actual Vacancies is material, relative to the Service Provider's Contracted Volume will be determined at the discretion of FACS.

### **3.3 Case Plan Goal Supplement**

- (a) This is an activity based payment. During the Transition Period, the Case Plan Goal Supplement may be paid to a Service Provider for each child and young person in a Placement, to support the achievement of applicable Case Plan Goal as follows:
  - (i) Preservation – support Children and Young People at home where this is considered appropriate;
  - (ii) Relative / Kinship – support Children and Young People with family where this is considered appropriate and for most Aboriginal Children and Young People; or
  - (iii) Restoration / Adoption / Guardianship – Children and Young People come into care with a plan for restoration within an identified timeframe.
- (b) The annual amount applicable for each Case Plan Goal will be inclusive of all Services and supports. The quantum is specified in Table 2 (Appendix A).

### **3.4 Immediate Placement Supplement**

- (a) This is an annual fixed payment to ensure that the Service Provider is able to accept Immediate Placements. The annual amount will be paid in advance on a quarterly basis. The quantum of the Immediate Placement Supplement is specified in Table 3 (Appendix A).

- (b) The payment will support the Service Provider to recruit and maintain a pool of carers, over and above the number of carers needed for the Service Providers' Actual Volume.

### **3.5 Adoption Legal Work Payment**

- (a) This is a fixed payment for legal adoption work undertaken by the Accredited Adoption Service Provider for Children and Young People with a Case Plan Goal of adoption.
- (b) The payment is triggered at the commencement of the court action and only applies to Accredited Adoption Service Providers. The amount will be paid in the next subsequent quarterly payment. The quantum of the Adoption Legal Work Payment is specified in Table 3 A (Appendix A).

### **3.6 Abatements**

- (a) An Abatement regime will apply to the provision of Services based on the Service Provider's against the KPIs set out in Appendix A of Schedule 2.
- (b) If at any time during the Transition Period, a Performance Failure occurs, FACS may make Abatements from any Service Payment.
- (c) Multiple Abatements will apply where the same event causes more than one type of Performance Failure.
- (d) Abatements will be applied at the time FACS becomes aware of a Performance Failure and FACS will be entitled to apply Abatements retrospectively.
- (e) A Service Provider may submit additional information which FACS may take into consideration when determining whether to apply the relevant Abatement.

### **3.7 Service Provision Abatement**

- (a) If, in a given month, the Service Provider has an Actual Vacancy and undertakes a Referral Refusal for that month, the Service Provider's payment will be abated by \$2,500 for that month (Transition Period Referral Refusal Abatement) in the following Service Payment.
- (b) The Transition Period Referral Refusal Abatement will continue to apply in following months (and will be included in subsequent Service Payments to the extent required), until the Service Provider demonstrates remediation of the issue that resulted in the Referral Refusal to the satisfaction of FACS either through:
  - (i) acceptance of an Immediate Placement; or
  - (ii) acceptance by FACS contract manager of an Immediate Placement Plan demonstrating activities that have been or will be undertaken by the Service Provider, to ensure that it will be willing and able to accept Immediate Placements in the future.
- (c) In addition, the Transition Period Referral Refusal Abatement as described above will apply where FACS suspends the Service Provider's Placements as a result of a Default Event. The Immediate Placement Supplement will only be restored once the Service Provider's Default Event has been remedied in accordance with the requirements of the Agreement.

- (d) The process for acceptance of a New Case by the Service Provider, including what constitutes a Referral Refusal, is set out in section 4.9.

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## 4. Service Payments

- (a) The Payment Arrangements set out in section 4 of this Schedule take effect in accordance with clause 5 of the Program Level Agreement for the relevant Service(s).
- (b) At the commencement of the Term, the Service Payment will consist of the following components:
- (i) applying only for Foster Care, Intensive Therapeutic Care Homes, Therapeutic Supported Independent Living, Therapeutic Home Based Care, Supported Independent Living, and Therapeutic Sibling Option Placement:
    - A. Funding Package Payment, calculated as the Service Provider's Actual Volume multiplied by the quantum of the relevant Funding Package(s), which include:
      - (i) Case Plan Goal Package (Table 5);
      - (ii) Baseline Package (Table 6, with the exception of Therapeutic Sibling Option Placement, which is determined on a case by case basis);
      - (iii) Child Needs Package (Table 7);
      - (iv) Other Specialist Packages (Table 8);
  - (ii) applying only for Foster Care and Intensive Therapeutic Care Homes:
    - A. Placement Capacity Payment, calculated as the Placement Capacity Payment amount (Table 9) multiplied by the number of Actual Vacancies as at the date on which the Service Payment is to be calculated;
  - (iii) applying only for Intensive Therapeutic Transitional Care:
    - A. Funding Package Payment for each facility (Baseline Package (Table 6));
  - (iv) applying only for Intensive Therapeutic Transitional Care and Intensive Therapeutic Care Homes:
    - A. Placement Establishment Payments (Table 10Table 10);
  - (v) Applying only for Foster Care, Intensive Therapeutic Transitional Care and Intensive Therapeutic Care Homes:
    - A. Emergency Establishment Payments (Table 11);



- (vi) applying for all Services:
  - A. Abatements for Performance Failures, as set out in Appendix A of Schedule 2; and
  - B. Adjustments to reconcile amounts paid in advance of the Service Provider's Actual Volume.

#### **4.1 Placement Capacity Payment**

- (a) The Placement Capacity Payment covers the cost of maintaining Actual Vacancies, where there is no Child or Young Person in care. A Placement Capacity Payment equal to the amount listed in Table 9 (Appendix A) (with the exception of Intensive Therapeutic Care Homes for which there is a different payment arrangement) will be paid for each unit of Actual Vacancies, not currently filled with a Placement. Actual Vacancies can occur when:
  - (i) a Child or Young Person is transitioned out of a Service Provider's care (including through achievement of permanency); or
  - (ii) there is insufficient Placement demand.
- (b) In the case of Intensive Therapeutic Care Homes, the Placement Capacity Payment will be equal to the Baseline Package for Intensive Therapeutic Care Homes listed in Table 6 (Appendix A) for the first 14 calendar days of a placement vacancy, and thereafter will be equal to the amount listed in Table 9 (Appendix A).
- (c) The total Placement Capacity Payment will be calculated in advance for each Quarterly Date, based on the number of Expected Vacancies for that Quarter. To the extent that Actual Vacancies are filled throughout the Quarter (i.e. Expected Vacancies do not eventuate, or eventuate for a shorter than anticipated period), the Placement Capacity Payment will no longer apply, and will be replaced by the applicable Funding Package Payment for the remaining days of the Quarter. A reconciliation will be undertaken at the start of the next Quarter.
- (d) Similarly, to the extent that Actual Volumes become Actual Vacancies, the Service Payment will be replaced by the Placement Capacity Payment for the number of days the Placement becomes and remains vacant in the relevant Quarter. The amount of Expected Vacancies paid for at the beginning of the Quarter will be reconciled to Actual Vacancies in the following Quarter, along with the application of any Abatement of the Placement Capacity Payment, in accordance with section 4.8.

#### **4.2 Funding Package Payment**

- (a) The Funding Package Payment is a fixed annual amount per Actual Volumes delivered by the Service Provider. The Funding Package Payment will be paid Quarterly in advance (equally weighted) but reconciled at the Payment Reconciliation Date for any over or underpayments that occurred in the previous Quarter. An adjustment to this payment may be required due to changes in Contracted Volume (i.e. the number of Intensive Therapeutic Transitional Care units).
- (b) The Funding Package Payment is an activity-based payment, calculated based on Actual Volume over the Service Delivery Period.

- (c) The Funding Package Payment will be calculated as an aggregation of the individual Child or Young Person payment (based on the Child or Young Person's circumstances) that together make up the Service Provider's Actual Volume. Individual Child payments will be made up of:
- (i) the relevant Case Plan Goal Package, which funds for the achievement of a permanency goal for each child and young person, where the quantum is specified in Table 5 (Appendix A);
  - (ii) the relevant Baseline Package, which allows for the 'baseline' costs to support a Child or Young Person in a given type of Placement, where the quantum is specified in Table 6 (Appendix A);
  - (iii) the relevant Child Needs Package, which allows for the provision of Services that address the differing needs of Children and Young People, where the quantum is specified in Table 7 (Appendix A); and
  - (iv) any Other Specialist Packages which are intended to fund for the provision of other specialist supports required for Children and Young People, by exception, where the quantum is specified in Table 8 (Appendix A).
- (d) With the exception of the Long Term Care Package, funding of the Case Plan Goal Package is time-bound to facilitate the movement of Children and Young People to permanency. In particular, the Preservation, Relative and Kinship and Restoration/Guardianship/Adoption packages are all funded for a period of up to two years from the commencement of the Case Plan Goal. The Case Coordination Package is for a period of up to six months following achievement of case plan goals for restoration, guardianship or adoptions. Extensions to time may be granted by FACS delegated approval at the Executive Director level.
- (e) Children and Young People with Case Plan Goal Package at the start of the Term will have their Case Plan Goal Packages cease at the earlier of:
- (i) two years from the start of the Case Plan Goal Package (if unknown, Placement start date); or
  - (ii) the date that the Case Plan Goal is achieved.
- (f) For Children and Young People whose Case Plan Goal is determined after the commencement of the Term, the Case Plan Goal Package will be paid on and from the commencement of the Case Plan Goal. The Case Plan Goal Package payment for each Child or Young Person will be paid with the next payment after the Child or Young Person is placed and Case Plan Goal commences.
- (g) Where the Child or Young Person's Case Plan Goal Package changes as a result of a final assessment by FACS, or change in court order, the Case Plan Goal Package will change to reflect the new Case Plan Goal, and the relevant maximum payment period will be extended from that date. The length of the extension will be determined by FACS, based on FACS' assessment of the remaining effort required to achieve the Case Plan Goal.
- (h) Where the Child or Young Person has moved to the Service Provider from another Service Provider, the maximum payment period may be extended from that date at FACS discretion. The length of the extension will be

determined by FACS, based on FACS' assessment of the remaining effort required to achieve the Case Plan Goal.

- (i) If a Child or Young Person is not in care, a Case Coordination element has been incorporated to prevent the breakdown of permanency outcomes. This will also be continued for a period of up to six months after the Case Plan Goal has been achieved for restoration, adoptions and guardianship.
- (j) Case Coordination can be incorporated at the start of and throughout the duration of Case Plan Goal packages for Preservation or Relative/Kinship.
- (k) The applicable Child Needs Package is determined by FACS. Child Needs Packages are time-bound for a period of up to two years, but may be varied by FACS if and when the assessed needs of the Child or Young Person change. Differential needs package amounts recognise that Children and Young People will have differing needs, requiring different intensity of support. Child Needs Package is no longer applicable once the Case Plan Goal is achieved.
- (l) To access Other Specialist Packages, the Service Provider must receive written approval from the FACS contract manager per item requested. Each specialist package is specifically designed to cater to requirements that are not covered in the other packages listed above. Funding for Other Specialist Packages will only be made available after approval is granted. If written approval is not received, no payment will be made.
- (m) Funding Package Payments will be made to Service Providers on a Quarterly basis in advance, and subsequently reconciled at the [Payment Reconciliation Date – final date to be incorporated at transition] for any over or underpayments that occurred in the previous Quarter. An adjustment may be required due to either:
  - (i) changes in volumes (including adjustments made by FACS in accordance with PLA clauses 9.5 to 9.7 during the Quarter); or
  - (ii) any Abatements applying.
- (n) The Funding Package Payment will be reconciled to the Service Delivery Period to ensure the correct level payment is made based on actual Service delivered.

### **4.3 Emergency Establishment Payment**

- (a) The Emergency Establishment Payment provides compensation in recognition of the costs of rapidly establishing new places over and above Contracted Volume, in a shorter timeframe than the 40 Business Day notice period for FACS to request an increase. The EEP will be a one-off amount paid in recognition of the additional costs of establishing a new contracted place more rapidly than the notice period usually allows for. The quantum of the EEP is specified in Table 11 (Appendix A). The payment will not apply where a Service Provider moves existing Placements to a new ITTC facility or ITC Home, unless at the request of FACS.
- (b) This payment only applies to Foster Care, Intensive Therapeutic Care Homes, and Intensive Therapeutic Transitional Care.

#### **4.4 Placement Establishment Payment**

- (a) The Service Provider will be funded a Placement Establishment Payment for each new:
  - (i) Intensive Therapeutic Transitional Care unit contracted for; or
  - (ii) Intensive Therapeutic Care house contracted for,that is over and above Contracted Volume.
- (b) The quantum of the Placement Establishment Payment is specified in Table 10 (Appendix A).
- (c) The Placement Establishment Payment amount will be a one off amount, paid in recognition of the costs of establishing a new ITTC unit or ITC house within the notice period. The PEP will be paid, pro rata, for up to 2 months between when additional capacity is requested by FACS and the ITTC unit is established. The payment will not apply where a Service Provider moves existing Placements to a new ITTC facility or ITC Home, unless at the request of FACS.

#### **4.5 Adoption Legal Work Payment**

- (a) This is a fixed payment for legal adoption work undertaken by the Accredited Adoption Service Provider for Children and Young People with a Case Plan Goal of adoption.
- (b) The payment is triggered at the commencement of the court action and only applies to Accredited Adoption Service Providers. The amount will be paid in the next subsequent quarterly payment. The quantum of the Adoption Legal Work Payment is specified in Table 12 (Appendix A).

#### **4.6 Cultural Care Plan (Aboriginal) Payment**

- (a) In respect of Cultural Care Plan payments for Aboriginal Children and Young People, the Service Provider will be paid:
  - (i) either of:
    - A. a one-off payment intended for all Aboriginal Children and Young People entering care to:
      - 1) Develop and establish an individual cultural care plan and support participation in cultural activities; and
      - 2) Support comprehensive family finding and genealogy work including family group conferencing and participation of family and kin in establishing genealogy trees and relationship maps; or
    - B. a one-off payment intended for Aboriginal Children and Young People transitioning to the new service delivery model. This funding is provided to ensure these children are supported by the same type of family finding and genealogy work that is being provided for Children and Young People entering care; and

- (ii) a support payment in each subsequent financial year to support review of cultural plans and participation in cultural activities.

The quantum of the Cultural Care Plan (Aboriginal) payment is specified in Table 8 (Appendix A).

#### **4.7 Abatements**

- (a) An Abatement regime will apply to the provision of Services based on the Service Provider's KPIs set out in Appendix A of Schedule 2.
- (b) If at any time subsequent to the commencement of the Term, a Performance Failure occurs, FACS may make Abatements from any Service Payment.
- (c) No reduction in Abatements shall be permitted where the same event causes more than one type of Performance Failure.
- (d) Abatements will be applied at the time FACS becomes aware of a Performance Failure and the FACS Representative has received approval to apply that abatement from FACS' delegated decision maker at the Executive Director level (or equivalent or higher).
- (e) FACS will be entitled to apply Abatements retrospectively.
- (f) A Service Provider may submit additional information which FACS may take into consideration when determining whether to apply the relevant Abatement.

#### **4.8 Service Provision Abatement**

- (a) If, in a given month, the Service Provider has an Actual Vacancy and undertakes a Referral Refusal for that month, the following Quarterly payment will be abated by the Placement Capacity Payment amount paid in advance for that month (the Quarterly amount paid in advance, divided by three) for the relevant vacant placement for ITC Home, TSIL, SIL and THBC.
  - (i) a pro rata of the monthly Baseline Package which have been paid for the relevant facility for ITTC. The pro rata will be determined as the proportion of Referral Refusals undertaken in that month relative to the maximum capacity of the facility, where:
  - (ii) one Referral Refusal in a six Person facility will result in an abatement of one-sixth of the total monthly payment; and
  - (iii) one Referral Refusal in a four Person facility will result in an abatement of one-quarter of the total monthly payment.
- (b) Abatement of the Placement Capacity Payment will be calculated monthly.
- (c) The Abatement will continue to apply in following months, calculated monthly as above, until the Service Provider demonstrates remediation of the issue that resulted in the Referral Refusal to the satisfaction of FACS either through:
  - (i) acceptance of an Immediate Placement; or
  - (ii) acceptance by the FACS Representative of an Immediate Placement Plan demonstrating activities that have been or will be undertaken by the Service Provider, to ensure that it will be willing and able to accept Immediate Placements in the future.

- (d) In addition, the Placement Capacity Payment Abatement as described above will apply where FACS suspends the Service Provider's Placements as a result of a Default Event, the Placement Capacity Payment will only be restored once the Service Provider's Default Event has been remedied in accordance with the PLA, section 10.2.
- (e) The process for acceptance of a case by the Service Provider, including what constitutes a Referral Refusal, is discussed at section 4.9.

#### **4.9 Process for referral and acceptance of cases**

- (a) The Service Provider will be required, upon notification by FACS, to accept referrals up to its number of Actual Vacancies. The process for referral and acceptance of cases has a different application of this principle, depending on the Service provided.
- (b) Service Providers offering Foster Care:
  - (i) will at any given point in time, be expected to accept Immediate Placements, with the exception of Aboriginal providers, who may nominate only to accept Aboriginal Children or siblings of Aboriginal Children.
  - (ii) that have contracted places available and refuse or are unable to take on an Immediate Placement, will have a Referral Refusal recorded (subject to clause 4.1c of the Agreement) and an abatement of the Service Payment will apply.
- (c) Placement matching will be undertaken by agreement. The agreement will include a three-way exchange of information as follows:
  - (i) If the referral originates in an ITTC, the ITTC Service Provider will advise FACS on a recommended exit pathway. FACS will use this recommendation as a basis for the referral to another Service Provider (e.g. ITC Home, Foster Care etc.). Otherwise, FACS will make the referral to the Service Provider based on the information available about the Child or Young Person's circumstances.
  - (ii) FACS and the Service Provider will then agree whether the Placement is in the best interest of the Child or Young Person:
    - A. if the parties agree the match is appropriate, the Placement is made
    - B. if the parties don't agree the Placement is appropriate, an alternative Placement will be sought; and
    - C. should a Service Provider not agree to accept the Placement, and FACS, acting reasonably, is not satisfied that there is a legitimate reason for the case not to be accepted, FACS may determine that a Service Provider has undertaken a Referral Refusal – leading to abatement.

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## 5. Service Provider Declaration

I have read, understood and agree with the Schedule 3 Payment Provisions as it relates to the Program Level Agreement.

### **Service Provider:**

Delegated Signatory

Name: \_\_\_\_\_

Position in Organisation: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

### **Department of Family and Community Services:**

Delegated Signatory

Name: \_\_\_\_\_

Position in Organisation: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

# Appendices

## Appendix A: Service Price List

The subsequent three sections of this Appendix set out the:

- (a) Unit Price Payments;
- (b) Case Plan Goal Supplement Payments; and
- (c) Immediate Placement Supplement Payments,

which apply during the Transition Period for Foster Care and Intensive Therapeutic Care Service Providers.

### Unit Price Payments during the Transition Period

**Table 1: Unit Price Payments during the Transition Period**

	Units	Day <sup>1</sup>	Annual <sup>2</sup>
General Foster Care (GFC)	per Child or Young Person	\$117.27	\$42,803.55
General Foster Care 2 (GFC2)	per Child or Young Person	\$148.96	\$54,370.40
Intensive Foster Care (IFC)	per Child or Young Person	\$278.92	\$101,805.80
Case Coordination <sup>3</sup>	per Child or Young Person	\$43.97	\$16,049.05
Intensive Therapeutic Care Homes	Not used		
Supported Family Group Home	Not used		
Supported Independent Living	Not used		

### Case Plan Goal Supplement Payments during the Transition Period

**Table 2: Case Plan Goal Supplement during the Transition Period**

	Units	Annual
Preservation (applicable for new places from agreed Transition Period Start Date, does not apply to Children in OOHC)	per Child or Young Person	\$39,508
Relative / Kinship(Preservation) (applicable for new places from agreed Transition Period Start Date, does not apply to Children in OOHC)	per Child or Young Person	\$22,615
Restoration/Guardianship/Adoption	per Child or Young Person	\$26,984

<sup>1</sup> Note daily rates are rounded to the nearest cent.

<sup>2</sup> Note annual rate is calculated by 365 days multiplied by the daily rate.

<sup>3</sup> A Case Coordination package will allow Service Providers to deliver case management and other services to children, young persons and their families for up to six months following transition to permanency (restoration, guardianship and adoption)



## Immediate Placement Supplement during the Transition Period

**Table 3: Immediate Placement Supplement during the Transition Period**

	Units	One-off
Immediate Placement Supplement	lump sum per Service Provider	\$30,000 for providers with less than or equal to 150 cases at the Transition Start Date; \$60,000 for providers with more than 150 but less than or equal to 500 cases at the Transition Start Date – Appendix B of this Schedule

## Adoption Legal Work Payment during the Transition Period

**Table 4A: Legal Work for Adoptions during the Transition Period**

	Units	One-off
Adoption Legal Work	per Child or Young Person	\$11,500

## Service Prices from the Service Start Date

The subsequent four sections of this Appendix set out the component parts of the Permanency Support Program’s Service Price:

- (d) Funding Package;
- (e) Placement Capacity Payment;
- (f) Placement Establishment Payment; and
- (g) Emergency Establishment Payment

which apply subsequent to the Service Start Date for Foster Care, and at the Commencement of the Term for Intensive Therapeutic Care and Intensive Therapeutic Transitional Care Service Providers (as appropriate).

For the avoidance of doubt, eligibility for the five component parts of the Service Price has been summarised in Table 4 below.

The amounts in this section include indexation for 2017/18, and so further indexation will not apply in that financial year.

**Table 4: Overview of eligibility for payments**

Component parts	Eligibility for payment
<p><b>1) Service Payment</b>, comprising of:</p> <ul style="list-style-type: none"> <li>a) Case Plan Goal Package (section 3.1),</li> <li>b) Baseline Packages (section 3.2),</li> <li>c) Child Needs Packages (section 3.3); and</li> <li>d) Other Specialist Packages (section 3.4).</li> </ul>	<p>For Intensive Therapeutic Care, Foster Care and Preservation Service Providers, the Service Payment is comprised of:</p> <ul style="list-style-type: none"> <li>a) Case Plan Goal Package;</li> <li>b) Baseline Packages;</li> <li>c) Child Needs; and</li> <li>d) Other Specialist.</li> </ul> <p>For Intensive Therapeutic Transitional Care Service Providers, the Service Payment comprises the Baseline Package.</p>
<p><b>2) Placement Capacity Payment</b></p>	<p>This payment is for Intensive Therapeutic Care Homes and Foster Care Service Providers only.</p>
<p><b>3) Emergency Establishment Payment</b></p>	<p>This payment is for Foster Care, Intensive Therapeutic Care Homes, and Intensive Therapeutic Transitional Care Service Providers.</p>
<p><b>4) Placement Establishment Payment</b></p>	<p>This payment is for Intensive Therapeutic Transitional Care and Intensive Therapeutic Care Homes Service Providers only.</p>
<p><b>5) Adoption Legal Work Payment</b></p>	<p>This payment is for accredited Adoption Service Providers only.</p>

The quantum and units for payments described above are set out below.

## Case Plan Goal Package

**Table 5: Case Plan Goal Package**

	Units	Day	Annual
Family Preservation	per Child or Young person	\$108.24	\$39,507.60
Relative / Kinship (Preservation)	per Child or Young person	\$61.96	\$22,615.40
Restoration/Guardianship/Adoption	per Child or Young person	\$73.93	\$26,984.45
Long Term Care	per Child or Young person	\$30.98	\$11,307.70

## Baseline Packages

**Table 6: Baseline Packages**

	Units	Day	Annual
Intensive Therapeutic Transitional Care (for Facilities with a maximum capacity of <u>six</u> Children or Young People at any one time)	per Facility	\$6,748.21	\$2,463,096.65
Intensive Therapeutic Transitional Care (for Facilities with a maximum capacity of <u>four</u> Children or Young People at any one time)	per Facility	\$5,630.97	\$2,055,304.05
Intensive Therapeutic Care Homes	per Child or Young person	\$786.36	\$287,021.40
Therapeutic Sibling Option Placement	per Child or Young person	Determined on a case by case basis by the FACS Contract Manager (acting in its absolute discretion). The quantum of the Baseline Package will be calibrated to make the Service Provider whole for the cost of Service delivery and accommodation only.	
Therapeutic Supported Independent Living	per Child or Young person	\$275.93	\$100,714.45
Supported Independent Living	per Child or Young Person	\$231.86	\$84,628.90
Therapeutic Home Based Care	per Child or Young Person	\$364.61	\$133,082.65
Foster Care	per Child or Young person	\$109.92	\$40,120.80
Aboriginal Foster Care – only applicable to OCG accredited Aboriginal Organisations	per Child or Young person	\$113.92	\$41,580.80
Case Coordination	per Child or Young person	\$43.97	\$16,049.05

## Child Needs Packages

**Table 7: Child Needs Packages**

	Units	Day	Annual
Low needs	per Child or Young Person	\$12.58	\$4,591.70
Medium needs	per Child or Young Person	\$19.75	\$7,208.75
High needs	per Child or Young Person	\$30.76	\$11,227.40

## Other Specialist Packages

**Table 8: Other Specialist Packages**

Package	Conditions	Service Price Per Package
Complex Care Payment	<p>Exceptional circumstances where greater Services and supports may be required to address for an individual Child or Young Person's needs.</p> <p>Service Provider to provide competitive price and FACS may wish to obtain alternative quote if initial price appears</p>	Case by case and for the required period determined.

Package	Conditions	Service Price Per Package
	unreasonable. Future price direction will be informed by information on Complex Needs Policy (to be prepared).	
Cultural Plan (Aboriginal)	One off Payment for new Aboriginal Child or Young Person entering care to support cultural care planning, participation in cultural activities, family finding and genealogy work.	\$3,500
	One off payment for existing Aboriginal Child or Young Person to support family finding and genealogy work.	\$1,900
	One off payment for an existing Aboriginal or Young Person transitioning to new contracts from 1 July 2018 to support implementation of the Cultural Plan.	\$415
	Annual payment for Aboriginal Child or Young person in each subsequent year in care (paid in the following year after the first year of cultural plan package) to support review of cultural plans and participation in cultural activities.	\$415
CALD	To support culturally appropriate recruitment and training. One off payment.	\$1,421
15+ Years Old Reconnect	To support young people 15 years and older who have no family contact whilst in care to support reconnection (where safe to do so). Annual payment for three years, based on Future Plan submitted to FACS.	\$1,935
Leaving Care	To support young people 15 years and older preparing to exit long term care. Annual payment for three years, based on future Care Plan submitted to FACS.	\$1,277
4+ Siblings Options Placement	Additional payment to support the ongoing infrastructure costs to establish sibling group alternative Placements. Annual payment for the collective sibling group, the period and timing of payment be determined by FACS in consultation with the Service Provider.	\$20,334

## Placement Capacity Payment

**Table 9: Placement Capacity Payment**

	Units	Day	Annual
Foster Care	per Actual Vacancy	\$31.78	\$11,599.70
Intensive Therapeutic Care Homes	per Actual Vacancy	\$615.41	\$224,624.65

## Placement Establishment Payment

**Table 10: Placement Establishment Payment**

	Units	One off
Intensive Therapeutic Care Homes	One off payment per new home	\$12,900
Intensive Therapeutic Transitional Care	One off payment per new home	\$12,900

## Emergency Establishment Payment

**Table 11: Emergency Establishment Payment**

	Units	One off
Foster Care	One off payment per new contracted place	Case by case
Intensive Therapeutic Care Homes	One off payment per new home	\$4,000
Intensive Therapeutic Transitional Care	One off payment per new home	\$4,000

## Adoption Legal Work Payment

**Table 12: Legal work for Adoptions**

	Units	One off
Adoption Legal Work	per Child or Young person	\$11,500

## Appendix B: Service Delivery Volume

- (a) Appendix B sets out the Service Provider's Minimum Contracted Volumes for Intensive Therapeutic Care Homes, Intensive Therapeutic Transitional Care and Foster Care Services and location(s) during the term of the Permanency Support Program. Contracted Volumes will not be set for Therapeutic Sibling Option Placements, Therapeutic Supported Independent Living, Therapeutic Home Based Care, or Supported Independent Living. The FACS Contract Manager will formally request the Respondent to provide a number of placements by placement type and location as the need arises for these placement types. These placements will be paid based on actuals.
- (b) The parties acknowledge and agree that the Minimum Contracted Volume and Contracted Volume set out in this Appendix may be varied by FACS in accordance with section 9.5 (Variation to increase the Contracted Volume), section 9.6 (Emergency Contracted Volume Increase) or section 9.7 (Variation to decrease Contracted Volume) as set out in the Program Level Agreement.
- (c) The number of Case Coordination Packages at any particular point of time will be determined based on the number of Children and Young People who move out of Foster Care to a Permanency Outcome, and the dates on which each Child or Young Person moves. FACS may in some circumstances allocate the Case Coordination package to a different Service Provider to the Service Provider managed the Child or Young Person's last Foster Care Placement or choose to transfer Case Coordination responsibility to FACS.

**Table 13: Intensive Therapeutic Care Homes (ITCH) Minimum Contracted Volumes and Contracted Volumes**

Quarter / ITC Locations	Gosford	Lismore	Blacktown	Liverpool	Newcastle	Orange	Queanbeyan	Wollongong	Tamworth
Minimum Contracted Volume	0	0	0	0	0	0	0	0	0
Q1 2018/19	0	0	0	0	0	0	0	0	0
Q2 2018/19	0	0	0	0	0	0	0	0	0
Q3 2018/19	0	0	0	0	0	0	0	0	0
Q4 2018/19	0	0	0	0	0	0	0	0	0
Q1 2019/20	0	0	0	0	0	0	0	0	0
Q2 2019/20	0	0	0	0	0	0	0	0	0

Quarter / ITC Locations	Gosford	Lismore	Blacktown	Liverpool	Newcastle	Orange	Queanbeyan	Wollongong	Tamworth
Q3 2019/20	0	0	0	0	0	0	0	0	0
Q4 2019/20	0	0	0	0	0	0	0	0	0
2020/21	0	0	0	0	0	0	0	0	0
2021/22	0	0	0	0	0	0	0	0	0

Table 14: Intensive Therapeutic Transitional Care (ITTC) Minimum Contracted Volumes and Contracted Volumes

Quarter / ITC Locations	Gosford	Lismore	Blacktown	Liverpool	Newcastle	Orange	Queanbeyan	Wollongong	Tamworth
Minimum Contracted Volume	0	0	0	0	0	0	0	0	0
Q1 2018/19	0	0	0	0	0	0	0	0	0
Q2 2018/19	0	0	0	0	0	0	0	0	0
Q3 2018/19	0	0	0	0	0	0	0	0	0
Q4 2018/19	0	0	0	0	0	0	0	0	0
Q1 2019/20	0	0	0	0	0	0	0	0	0
Q2 2019/20	0	0	0	0	0	0	0	0	0
Q3 2019/20	0	0	0	0	0	0	0	0	0
Q4 2019/20	0	0	0	0	0	0	0	0	0
2020/21	0	0	0	0	0	0	0	0	0
2021/22	0	0	0	0	0	0	0	0	0