



What is Treatment/Therapeutic Family Care (TFC)?

Treatment Family Care (formerly treatment/therapeutic foster care) is therapeutic treatment care for children and youth with special medical, psychological, emotional and social needs who can accept and respond to the close relationships within a family setting, but whose special needs require intensive or therapeutic services. TFC is, therefore, distinguished from “traditional” foster care, “kinship” foster care, and “specialized” (homes contracted with Department of Developmental Disabilities) foster care, where the fundamental need is a need for placement. Eligibility for TFC treatment services is regulated by each state and their individually set Medicaid/medical necessity criteria.

Treatment Family caregivers must meet rigorous application qualifications and requirements for pre-service and on-going training. They must be certified in de-escalation techniques, and they must comply with the same Medicaid documentation requirements as a residential or institutional treatment center.

Treatment Family Care is the least restrictive form of out-of-home therapeutic placement for children with severe emotional disorders. TFC keeps children out of in-patient hospitals, congregate care, and group homes, which are more expensive for State budgets to fund. According to research available, youth in TFC have equal or better therapeutic outcomes when compared to similar youth in institutional treatment or traditional foster care.

TFC children are referred by state child welfare agencies for services due to complex problems and special needs for which those same state agencies are unable to provide needed, specialized care. Estimates are that about 10% of the 446,000 children in out-of-home care nationally are in TFC care for a total of around 44,000.

Current Payment Streams for TFC for Children and Youth in Foster Care

States seek to respond to the needs of these youth through a mix of funding streams. For youth in state care, many states utilize the Title IV-E entitlement program to cover basic maintenance of eligible children and youth in treatment family care. Medicaid reimburses for clinical services (not for room and board or for other maintenance of care costs).

Despite the restrictive eligibility requirements for Title IV-E for children in state care, virtually all foster and/or ‘special needs’ children are eligible for Medicaid, either through IV-E, another mandatory category, or as a result of the states’ discretion to expand eligibility to additional, needy populations.

Payment Streams for TFC for Children and Youth who are “Candidates” for Foster Care

For youth who are deemed ‘candidates for care’, family prevention and reunification services as defined in FFPSA can be provided to youth with high behavioral and mental health needs through a state’s authority to access IV-E funds for those youth at risk of foster care.

States also have the option to provide the broad TFC level of treatment services to bio-families, kinship families, and adoptive families paid through Medicaid for non-foster care youth if preferred.

The Need for a Uniform Definition of Treatment Family Care (TFC)

While all states provide TFC or an equivalent, there is no clearly defined core set of TFC services accessible for qualified youth. A uniform, national definition would clarify an existing practice by identifying core services and adding a professional quality baseline for treatment family care programs that provide intensive, individualized treatment for seriously emotionally disturbed or otherwise troubled children in a specially trained and supported family setting. Such a definition should also provide transparency in funding for treatment services utilizing clinically validated programs and treatment protocols which are individualized for each child or youth while maintaining the authority of individual state Medicaid entities to determine medical necessity criteria coverage for other services and supports.