

State of Alaska

Title IV-E Foster Care Eligibility - Secondary Review

Report of Findings for October 1, 2008 – March 31, 2009

Introduction

During the week of July 20, 2008, the Children's Bureau (CB) of the Administration for Children and Families (ACF) conducted a Secondary Review of the State's title IV-E foster care program. The review was conducted in collaboration with the State of Alaska's Department of Health and Social Services, Office of Children's Services (DHSS/OCS), and was completed by a review team comprised of representatives from the State agency, Central Council Tlingit and Haida Tribes of Alaska, CB Central and Region 10 Offices, ACF Region 10 Grants Management Office and peer reviewers.

The purposes of the title IV-E foster care eligibility review were: (1) to determine whether the State of Alaska's title IV-E foster care program was in compliance with the eligibility requirements as outlined in 45 CFR §1356.71 and §472 of the Social Security Act (the Act); and (2) to validate the basis of the State's financial claims to ensure that appropriate payments were made on behalf of eligible children.

This Secondary Review was conducted as a result of the findings of the Primary Review, which was completed during the week of September 11, 2006. In that Primary review, the State of Alaska was determined not in substantial compliance with the title IV-E eligibility requirements for the period under review (PUR) of October 1, 2005 - March 31, 2006. Alaska's DHSS/OCS submitted the required Program Improvement Plan (PIP) to correct the areas found deficient in its eligibility program for foster care. The CB's approval of the PIP completion was based on the State's periodic reports of progress and final report of the planned improvements, which outlined the completion of the identified goals and action steps in the PIP. The PIP goals and activities included, but were not limited to, the following:

- Increase the number of reasonable efforts findings that are meaningful and case specific -- through the development of model court orders.
- Decrease the percentage of cases where reasonable efforts to finalize the permanency plan findings are not entered within the statutorily mandated time frames -- by scheduling permanency hearings within 11 months at the time of the hearing.
- Increase accuracy in the title IV-E eligibility re-determination process -- by changing the eligibility status whenever a finding of reasonable efforts to finalize the permanency plan is not made within the mandated timeframe, through the use of an automated "Notification of Annual Reasonable Efforts Expiring" message to eligibility technicians.
- Cease using the *Rosales v. Thompson* court decision in title IV-E eligibility determinations for children under the placement and care responsibility of the State of Alaska. The Rosales opinion was incorrectly applied to children who did not meet the AFDC criteria in the month

court action was initiated or who entered care prior to the effective date of the Rosales' provision in the State's title IV-E plan.

- Eliminate title IV-E claiming for children who are placed in homes that are not fully licensed -- by providing training, developing a "Reference Guide for Licensing Terminology" to ensure licenses consistently reflect their current status, and implementing the use of quality assurance reviews.
- Ensure residential facilities meet Federal and State safety requirements -- by developing and implementing statewide procedures to monitor all employees of residential facilities and develop a new compliance tracking tool for annual residential reviews.

During the PIP implementation period, the State strengthened practice as well as revised forms and procedures to ensure a more accurate title IV-E eligibility determination system. Key to the State's successful implementation of its PIP was the involvement of the Court Improvement Project in developing and carrying out the PIP.

Scope of the Review

The secondary review encompassed a sample of the State's foster care cases that received a title IV-E maintenance payment during the six-month PUR of October 1, 2008 – March 31, 2009. A computerized statistical stratified sample of two hundred and twenty (220) cases (150 cases plus 80 oversample cases) was drawn from a universe of title IV-E payments for the above period. The first stratum sample of children in family foster care was selected from the Adoption and Foster Care Analysis and Reporting System (AFCARS) data, which was transmitted by the State agency to the ACF for the PUR and did not include residential foster care cases. The second stratum sample of children in residential foster care was selected from an Excel file provided by the State for the period under review.

One hundred fifty (150) cases were reviewed, which consisted of 123 cases from the original sample plus 27 oversample cases. Twenty-two (22) cases were excluded from the original sample and five (5) from the oversample either because no title IV-E maintenance payment was made during the PUR or because the payment was returned to the Federal government prior to the State's receipt of the review sample. The State provided documentation to support excluding these cases from the review sample and replacing them with the cases from the oversample.

In accordance with Federal provisions at 45 CFR 1356.71, the State was reviewed against the requirements of title IV-E of the Act and Federal regulations regarding:

- Judicial determinations regarding reasonable efforts and contrary to the welfare as set forth in §472(a)(2)(A) of the Act and 45 CFR §§1356.21(b)(1) and (2), and (c), respectively;
- Voluntary placement agreements as set forth in §§472(a)(2)(A) and (d)-(g) of the Act and 45 CFR §1356.22;

- Responsibility for placement and care vested with State agency as stipulated in §472(a)(2)(B) of the Act and 45 CFR §1356.71(d)(1)(iii);
- Eligibility for Aid to Families with Dependent Children (AFDC) under the State plan in effect July 16, 1996 as required by §472(a)(3) of the Act and 45 CFR §1356.71(d)(1)(v).
- Placement in a licensed foster family home or child care institution as defined in §§472 (b) and (c) of the Act and 45 CFR §1355.20(a); and
- Safety requirements for the child’s foster care placement as required at 45 CFR §1356.30.

The case file of each child in the selected sample was reviewed to verify title IV-E eligibility. The foster care provider’s file also was examined to ensure the foster family home or child care institution in which the child was placed during the PUR was licensed or approved and that safety considerations were appropriately addressed. Payments made on behalf of each child also were reviewed to verify the expenditures were allowable under title IV-E and to identify underpayments that were eligible for claiming. A sample case was assigned an error rating when the child was not eligible on the date of activity in the PUR for which title IV-E maintenance was paid. A sample case was cited as non-error with ineligible payment when the child was not eligible on the activity date outside the PUR or the child was eligible in the PUR on the service date of an unallowable activity and title IV-E maintenance was paid for the activity date. In addition, underpayments were identified for a sample case when an allowable title IV-E maintenance payment was not claimed by the State for an eligible child during the 2 year filing period specified in 45 CFR §95.7, unless the title IV-E agency elected not to claim the payment or the filing period had expired.

Compliance Finding

The review team determined that 137 of the 150 cases met eligibility requirements (i.e., were deemed non-error cases) for the PUR. Thirteen (13) cases were in error for either part or all of the PUR resulting in a case error rate of 8.67 per cent. In addition, ten (10) non-error cases were ineligible for Federal funding for a period of claiming. The total dollar value of the maintenance payments in the review sample was \$647,216.88 for the PUR of which \$29,344.37 represents maintenance payments for the 23 error and non error cases with ineligible payments. This resulted in a dollar error rate of 4.53 per cent. These data indicate that Alaska’s dollar error rate of 4.53 per cent and the case error rate of 8.67 percent are each less than 10 percent.

Based on the review findings, the Children’s Bureau has determined that the State of Alaska’s title IV-E foster care program is in substantial compliance with Federal eligibility requirements for the PUR. Substantial compliance in a secondary review is achieved when either the case error rate or dollar error rate does not exceed 10 per cent. The team also identified in the review sample four (4) underpayments for cases or costs that were eligible for payment under title IV-E.

The next review, which will be a primary review, will be held within three years.

Case Record Summary

The following charts record the error cases, non-error cases with ineligible payments, underpayments, reasons for the improper payments, improper payment amounts, and Federal provisions for which the State did not meet the compliance mandates.

Below is the summary of the findings for the cases determined to be in error:

Error Cases

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
# 1	Removal did not coincide with judicial order; child remained in removal home one week after judicial removal for FC, but the delayed physical removal was not authorized by the removal court order [45 CFR 1356.21(k)(2)] <i>Ineligible: Entire FC episode (7/25/06 to present)</i>	\$13,250.37 Maint. \$38,843 Admin.
# 4	Foster care (FC) maintenance payment made for a child who was placed with foster parents for whom the criminal records check requirements had not been met. (42 USC 672(a)(20) and 675((1), and 45 CFR 1356.30. <i>Ineligible: 8/1/08 to 4/9/09</i>	\$4,364.55 Maint. \$4,551 Admin.
# 18	Judicial determination of reasonable efforts to finalize permanency plan was not timely (due 4/30/08 and made 11/3/08). [§472(a)(2)(A)(ii) of the Act; 45 CFR §§1356.21(b)(2)] <i>Ineligible: 5/1/08 to 10/31/08</i>	\$2,445.88 Maint. \$6,826 Admin.
# 25	Removal did not coincide with judicial order; child remained in removal home one week after judicial removal for FC, but the delayed physical removal was not authorized by the removal court order [45 CFR 1356.21(k)(2)] <i>Ineligible: Entire FC episode(7/25/06 to present)</i>	\$12,017.61 Maint. \$37,826 Admin.
# 37	Foster care (FC) maintenance payment made for a child who was placed with foster parents for whom the criminal records check requirements had not been met. (42 USC 672(a)(20) and 675((1), and 45 CFR 1356.30. <i>Ineligible: 3/1/09-6/18/09</i>	\$2,083.49 Maint. \$4,552 Admin.

Error Cases (cont.)

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
# 59	<p>Foster care (FC) maintenance payment made for a child who was placed into a foster home that was not fully licensed and the safety requirements of the provider not met (4/23/09)(42 USC 672(a)(3), (b), and (c) and 45 CFR 1356.71(d)(1)(iv), and 1355.20) . <i>Ineligible: 12/1/2008 to 6/30/2009</i></p> <p>Foster care (FC) maintenance payment made the month prior to judicial finding of contrary to the welfare and reasonable efforts to prevent removal (9/1/2006). (45 CFR 1356.21USC 672(a)(1) and 471(a)(15)(B)(i)) <i>Ineligible: 8/30/06-8/31/06</i></p>	<p>\$3,913.03 Maint. \$7,966 Admin</p>
# 70	<p>Foster care (FC) maintenance payment made for a child who was placed with foster parents for whom the criminal records check requirements had not been met. (42 USC 672(a)(20) and 675((1), and 45 CFR 1356.30. <i>Ineligible: 10/17/08</i></p>	<p>\$17.13 Maint.</p>
# 77	<p>Foster care (FC) maintenance payment made for a child who was placed into a foster home that was not fully licensed by the State. The child was placed in a fully licensed foster family home later in the month. (42 USC 672(a)(3), (b), and (c) and 45 CFR 1356.71(d)(1)(iv), and 1355.20) . <i>Ineligible: 11/1/08-11/09/08</i></p>	<p>\$ 151.94 Maint.</p>
# 96	<p>Title IVE was claimed for a month the child's income exceeded the need standard. <i>Ineligible: 3/1/09 to 3/31/09</i></p>	<p>\$ 447.31 Maint. \$1,138 Admin.</p>
# 101	<p>Title IVE was claimed even though the household income exceeded the AFDC income standard in the removal month (42 USC 672(a)(1) and (4) and 45 CFR 1356.71(d)(1)(v)) <i>Ineligible: Entire FC episode (5/1/07-9/30/08)</i></p>	<p>\$11,562.95 Maint. \$24,761 Admin.</p>
# 136	<p>Foster care (FC) maintenance payment made for a child who was placed into a foster home that had not been fully licensed. (42 USC 672(a)(3), (b), and (c) and 45 CFR 1356.71(d)(1)(iv), and 1355.20) . <i>Ineligible: 3/1/09 to 6/30/09</i></p>	<p>\$1,980.88 Maint. \$ 4,552 Admin.</p>

Error Cases (cont.)

# 145	Foster care (FC) maintenance payment made for a child who was placed into a foster home that had not been fully licensed and safety requirements of the provider not fully met. (42 USC 672(a)(3), (b), and (c) and 45 CFR 1356.71(d)(1)(iv), and 1355.20) . <i>Ineligible: 12/1/08 to 6/30/2009</i>	\$4,371.47 Maint \$ 7,966 Admin.
# OS 17	Initial AFDC financial need not established in the removal month. Case notes from 2002 indicated a discovery of this error but title IVE payments were claimed. (42 USC 672(a)(1) and (4) and 45 CFR 1356.71(d)(1)(v)) <i>Ineligible: Entire FC episode (12/22/99 to present)</i>	\$ 13,677.94 Maint. \$ 31,840 Admin

Total Maintenance FFP: \$70,284.55 (\$17,219.27 PUR)

Non-error Cases with Ineligible Payments

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
# 2	Foster care (FC) maintenance payment made for a child who was placed into a foster home that was not fully licensed. (42 USC 672(a)(3), (b), and (c) and 45 CFR 1356.71(d)(1)(iv), and 1355.20) . <i>Ineligible: 08/01/07 to 08/31/07</i>	\$389.30 Maint. \$1,028 Admin.
# 40	Foster care (FC) maintenance payments made after the month the youth turned 19. <i>Ineligible: as of 4/1/2009</i>	\$1,559.24 Maint. \$3,414 Admin.
# 44	Foster care (FC) maintenance payments made in month prior to judicial finding of contrary to the welfare (on 5/22/06). (45 CFR 1356.21USC 672(a)(1) and 471(a)(15)(B)(i)) <i>Ineligible: 4/26/06 to 4/30/06</i>	\$ 83.91 Maint.
# 53	Foster care (FC) maintenance payments made in month prior to judicial finding of contrary to the welfare (on 9/23/08). <i>Ineligible: 8/15/08 to 8/31/08</i>	\$ 441.90 Maint. \$1,138 Admin.
# 58	Judicial determination of reasonable efforts to finalize permanency plan was not timely (due by 3/31/09 and obtained in 7/2009. [§472(a)(2)(A)(ii) of the Act; 45 CFR §§1356.21(b)(2)] <i>Ineligible: 4/1/09 to 5/31/09</i>	\$ 1,313.08 Maint. \$ 3,414 Admin.
# 66	Foster care (FC) maintenance payment made for the month prior to judicial finding of contrary to the welfare on 5/23/06. <i>Ineligible: 4/12/06 to 4/30/06</i>	\$ 315.11 Maint. \$1,021 Admin.

Non-error Cases with Ineligible Payments (cont.)

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
# 93	Foster care (FC) maintenance payment made for the month prior to judicial finding of reasonable efforts to prevent removal (1/12/07). (45 CFR 1356.21USC 672(a)(1) and 471(a)(15)(B)(i)) <i>Ineligible: 12/11/06 to 12/31/06</i>	\$ 329.79 Maint. \$1,070 Admin.
# 97	Foster care (FC) maintenance payment made the month prior to judicial findings of contrary to the welfare and reasonable efforts to prevent removal made on 2/11/08. <i>Ineligible: 1/30/08 to 1/31/08</i>	\$ 48.39 Maint.
# 99	Foster care (FC) maintenance payment made for a child who was placed into a foster home that was not fully licensed. (42 USC 672(a)(3), (b), and (c) and 45 CFR 1356.71(d)(1)(iv), and 1355.20) . <i>Ineligible: 4/1/08 to 5/31/08</i>	\$ 634.55 Maint. \$2,275 Admin.
# 126	Foster care (FC) maintenance payment made for a child who was placed into a foster home that was not fully licensed. (42 USC 672(a)(3), (b), and (c) and 45 CFR 1356.71(d)(1)(iv), and 1355.20) . <i>Ineligible: 11/9/07 to 5/8/08</i>	\$ 3,636 Maint. \$ 9,101 Admin.

Total Maintenance FFP: \$8,751.58 (\$0 PUR)

Underpayment Cases

Sample Number	Under Payment Reason & Ineligibility Period	Under Payments (FFP)
# 57	Provider was fully licensed, but incorrectly determined ineligible. Foster care maintenance could be claimed for 6/27/08 to 11/30/08.	\$2,153.21 Maint.
# 85	Eligible child in foster home that meets the provider requirements; necessary clothing purchased on 5/12/09 could be charged to title IV-E.	\$176.04 Maint.
# 116	Child meets eligibility criteria. Title IV-E foster care maintenance could be claimed for 8/1/08 to 10/13/08.	\$1,148.34 Maint.
# 140	Eligible child in foster home that meets the provider requirements; foster care maintenance could be claimed for 9/12/07-11/12/07.	\$667.33 Maint.

Total Maintenance FFP: \$4,144.92 (\$2,011.26 PUR)

Areas in Need of Improvement

The findings of this review indicate Alaska needs to further develop and implement procedures to improve program performance in the following areas. While Alaska was found in substantial compliance, the very high number of error cases (13) and ineligible cases outside the PUR (10) are concerning.

For each concern listed below, we have provided a discussion of the nature of the area needing improvement, the specific title IV-E requirement to which it relates and suggestions for corrective action Alaska should undertake. In the title IV-E cases reviewed, the following concerns were noted:

AFCARS Data Element 59:

An alternate data source was needed to provide a representative sample for the title IV-E eligibility. This was an issue for the 2006 IV-E review and should have been resolved. Alaska has not fully implemented the module in their automated information system that permits capturing title IV-E payments for a child in residential care. Residential care payments are made quarterly to each facility through the Alaska State of Accounting System (AKSAS) and the maintenance payments for the title IV-E eligible children placed in the facilities are recorded and documented through a manual reconciliation process. These transactions are maintained in a discrete Excel™ database. The children in the residential category constitute 8% of the State's foster care population. To ensure the State's total title IV-E foster care population during the PUR is included in the sampling universe, the State had to provide data from its residential care files to supplement its AFCARS data submission in order to provide a representative sample for the review. The CB statistician drew 8% of the sample from the separate file and the remaining 92% of the sample from AFCARS. The process for recording and claiming title IV-E for a child placed in residential care continues to be an unaddressed concern. The State's reason for not reporting these cases in AFCARS is unclear to Federal staff. Because the State's Statewide Automated Child Welfare Information System and AFCARS do not identify and report payments for children in residential care, the State continues to be out of compliance with both systems' reporting and functionality requirements. This issue needs to be given priority for future system updates to avoid corrective measures for non compliance.

Court Activity

In some cases (when the child was still considered a Child in Need of Aid (CINA) case), court oversight did not take place until weeks after the child's removal from home. Although these cases were not out of compliance with Federal mandates and State policy, there are concerns that this practice gives the appearance that the safeguards accorded to court-ordered removals are not being provided to parents in the CINA cases and effectively gives case workers the authority to remove children from parental care without a court order. We suggest reviewing this policy to ensure adequate procedural protections to preserve parental rights in regards to removal and placement decisions are being provided to families. We also suggest working with the State's Court Improvement Project on this issue.

There are many cases experiencing judicial delays due to hearings being continued particularly for the first hearing.

Courts could be more thorough in the documentation of their review of the State's reasonable efforts to finalize the permanency plan in their court orders. Reviewers noted some court orders indicated an outdated goal and they expressed concerns goals were not changed in a timely fashion consistent with the child's best interests and need for permanency.

Payment Issues

Five cases were found to have ineligible payments outside the PUR when title IVE funding was claimed prior to the required court determinations (4 prior to a finding of contrary to the welfare and 1 prior to a finding of reasonable efforts to prevent removal). States may claim FFP from the first day of placement in the month in which all title IV-E eligibility criteria are met. Following this principle, title IV-E maintenance payments may not be made before all eligibility criteria are met. The State should provide staff training, implement electronic system edits and conduct periodic monitoring of eligibility decisions to eliminate and prevent improper claiming of title IV-E funds.

AFDC Eligibility

AFDC-relatedness was not always determined using the correct eligibility month. Eight sample cases required correcting the initial eligibility determination for the right month. Fortunately, the children in these sample cases met the AFDC eligibility criteria and no periods of ineligibility were determined. Consistent with §472(a)(3) of the Act, AFDC eligibility is based on the AFDC family unit's circumstances in the month of, but prior to, the court proceedings leading to the removals are initiated or the voluntary placement agreement is signed. If a petition is filed to initiate proceedings in a judicial removal, the filing month should be used as the initial eligibility month. Additional training and instructional aides should be provided to strengthen the initial eligibility determination process so that it is clear to the eligibility technicians which month to use.

Licensure & Safety

The highest number of error cases (4) and other improper payment cases (3) identified in this review was due to homes not being fully licensed and or not meeting the safety requirements. Compliance with the Federal licensing and safety requirements also was an issue in the title IV-E eligibility review in 2006. The children in these cases are being determined title IV-E eligible even though they are placed with providers who do not meet the full licensing requirements and/or criminal background check requirements.

The license status of foster homes changes often, with a number of licenses issued, then reissued with conditions (not fully licensed) and then issued again (fully licensed). Alaska should review licensing policies and procedures to include provisions that allow sufficient time to resolve changes in a foster family home that do not cause non-compliance with licensing standards or require issuance of a different type of license. The often multiple changes to the status of a

license create considerable additional work for licensing staff and make tracking provider license status challenging for the eligibility technicians. The frequent changes also may be a factor in the number of children who are being incorrectly determined title IV-E eligible even though they are placed with providers who do not meet the full licensing requirements and/or criminal background check requirements during the period of the title IV-E payment. However, as stated previously, Title IV-E foster care maintenance payments should be claimed only for eligible children. A child is considered eligible at the point the child meets all title IV-E eligibility criteria, which includes satisfying the licensure and safety requirements for the child's placement.

The turnaround time for processing FBI checks has improved, but still poses a barrier to timely foster home licensing.

Reviewers reported several instances of informal relative placements, when the case worker encouraged a family to place their child with relatives outside of the State child welfare system. Safety issues related to these placements were not assessed or addressed. It is imperative that a child's safety is of paramount concern when considering placement options regardless of the child's residence and regardless of whether title IV-E maintenance payments are made on behalf of the child.

The process for monitoring residential care providers needs further development to ensure the safety of children in these facilities. The current process consists of a checklist and lacks an analysis component to determine whether or not the facility is safe based on the results of the licensing agency's review. In addition, the form reviewing the completion of staff criminal background checks, alone, does not clearly indicate whether a check was completed and the results of that check. There are no clear procedures for follow-up to ensure safety requirements are met for staff or the facility. However, the State was able to satisfactorily document for the eligibility review that the safety checks for residential facilities were completed consistent with Alaska's policy.

Alaska may be able to improve its current rate (44%) of children who are title IV-E eligible by addressing some of the systemic areas of concern that are mentioned above, such as continuing to improve on timeliness of court orders, and ensuring more homes are fully licensed with timely completion of criminal background checks.

Program Strengths & Promising Practices

The following positive practices and processes of the title IV-E foster care eligibility program were observed during the review. These approaches seem to have led to improved program performance and successful program operations.

In the title IV-E cases reviewed, the following strengths were noted:

Judicial Determinations

“Contrary to the welfare to remain in the home” (CTW) was addressed as a finding in the first removal order. Reviewers commented they saw CTW findings that were case specific, especially when the newer court order templates were used. For instance, orders were more child-specific where forms provided a space for “other” information.

“Reasonable efforts to prevent removal” findings were timely and were usually addressed in the first removal order. Appropriate findings were made when no reasonable efforts could be provided prior to removal.

The new court order templates are helpful in encouraging more case-specific detail. These forms also include separate sections to address provisions of the Indian Child Welfare Act (ICWA) for ICWA and non-ICWA cases, which the reviewers found effective for child-specific rulings.

Petitions were of high quality and provided good information about the circumstances of the removal, such as with who was the child was living. These were clearly well researched by the case workers. Including the petition in the eligibility record provides a more comprehensive account of the removal episode and helps to document information pertinent to determining compliance with certain requirements related to AFDC and judicial determinations.

“Reasonable efforts to finalize the permanency plan” determinations met the timeframes, as the next hearings are now scheduled at the time of the hearing to be held in 11 months.

AFDC Eligibility

Eligibility files contained clear documentation of income, resources, and deprivation. Reviewers found good documentation of eligibility technician decisions. Six of the 50 cases in the 2006 eligibility review were in error because title IV-E maintenance payments were claimed even though the household income exceeded the AFDC income standard in the eligibility month. Two of the 150 cases in the current review had AFDC-related improper payments. This decrease may be attributed to the targeted strategies implemented through the PIP process following the 2006 eligibility review.

Redeterminations of eligibility were completed in a timely manner (and were generally early), and a new redetermination is made every time a change is warranted. Eligibility is also re-done at the point of adoption to make sure the child has been eligible since the beginning of the case.

Alaska has corrected the problems with incorrect claiming under the former Rosales provision. There were no cases identified in this review with issues related to the former Rosales provision. In the 2006 eligibility review, it was determined AFDC-relatedness was not consistently determined using the correct eligibility month and the correct home. The Rosales court decision was incorrectly applied to children who entered care prior to the 07-01-2003 effective date of the provision in the State title IV-E plan. The Rosales provision also was incorrectly applied to children who did not meet the AFDC eligibility criteria in the month court action was initiated.

Program Administration

The new quality control (QC) process is very effective in reducing the number of errors pertaining to eligibility determinations and payments. Reviewers noted the QC process properly identified and fixed mistakes for both over claiming and under claiming.

Alaska has dedicated knowledgeable eligibility specialists who make consistent determinations with support from knowledgeable central office staff.

Reviewers commented on the effectiveness of the new ORCA system in supporting the work of the eligibility technicians, particularly in regard to the automated tickler system regarding due dates for court hearings and noting placement changes.

Disallowance

For a State in substantial compliance following a secondary review, a disallowance is assessed on the basis of the amount of ineligible maintenance payments and applicable administrative costs made during and outside of the PUR for individual sample cases.

ACF has determined that \$17,219 in title IV-E Federal Financial Participation (FFP) funds were inappropriately claimed as foster care maintenance payments for the PUR and are thereby disallowed. The proportionate share of associated administrative dollars of FFP also is disallowed. The total disallowance for error cases is \$70,285 in FFP for Maintenance, and \$170,820 for associated administrative costs. For non-error cases with ineligible payments, \$8,752 in FFP Maintenance funds were inappropriately claimed, as well as \$22,461 in associated FFP administrative costs. Based on the results of the above determinations for Alaska's secondary title IV-E eligibility review, the total disallowance is \$272,318 in FFP. The State must identify and repay any ineligible payments that occurred for the error and non error cases subsequent to the PUR. Also, no future claims should be submitted on these cases until it is determined that all eligibility requirements are met.