Arkansas Title IV-E Foster Care Eligibility Review
Period Under Review: April 1, 2002-September 30, 2002

Introduction

During the week of June 23, 2003 Administration for Children and Families (ACF) staff from the Central and Region VI Offices and State of Arkansas staff conducted an initial primary eligibility review of Arkansas' title IV-E foster care program at the Division of Children and Family Services (DCFS) office in Little Rock, Arkansas.

The purpose of the title IV-E foster care eligibility review was (1) to determine if Arkansas was in compliance with the child and provider eligibility requirements as outlined in 45 CFR 1356.71 and Section 472 of the Social Security Act; and (2) to validate the basis of Arkansas' financial claims to ensure that appropriate payments were made on behalf of eligible children and to eligible homes and institutions.

Scope of the Review

The Arkansas title IV-E foster care review encompassed a sample of all of the title IV-E foster care cases that received a foster care maintenance payment during the period of 04/01/02 to 09/30/02. A computerized statistical sample of 100 cases could not be drawn from Adoption and Foster Care Analysis Reporting System (AFCARS) data. Instead, the cases were drawn from an alternative source: Arkansas' Statewide Automated Child Welfare Information System (AR SACWIS) IV-E-1 data. This data was transmitted by the State agency to ACF for the period under review. The child's case file was reviewed for the determination of title IV-E eligibility and the provider's file was reviewed to ensure that the foster home or child care institution in which the child was placed was licensed or approved for the period of the review.

During this initial primary review, Eighty (80) cases were reviewed. Ten (10) cases were determined to be in error for either part or all of the review period for reasons that are identified in the Case Record Summary section of this report.

Since the number of error cases exceeded eight, ACF has determined Arkansas not to be in substantial compliance. Pursuant to 45 CFR 1356.71(i), the State is required to develop a Program Improvement Plan (PIP) designed to correct those areas determined not to be in substantial compliance. The PIP will be developed by the State, in consultation with ACF Regional Office staff, and must be submitted to the ACF Regional Office by January 13, 2004. When the State has satisfactorily completed the PIP, a secondary review of a sample of 150 title IV-E foster care cases will be conducted.

Case Record Summary and Disallowance:

The review included a sample of eighty (80) cases. The sample was drawn from a universe of cases that received at least one title IV-E foster care maintenance payment during the 6-month period of 4/1/2002 to 9/30/2002. Ten (10) cases out of the eighty (80) reviewed were determined not to be eligible for funding under title IV-E foster care. Pursuant to 45 CFR 1356.71(j), a disallowance in the amount of **$67,067.04** in Federal Financial Participation (FFP) is assessed for the period of time that these cases were determined to be in error.

The following details the error cases and reasons for the error and appropriate citations:

1. Sample Case (oversample) #OS1: Lack of documentation that provider safety requirements were met before the child was placed. Section 471(a)(20), 475(1), and 45 CFR 1356.30.
2. Sample Case #18: Lack of documentation that the foster care provider safety requirements were met before the child was placed. Section 471(a)(20), 475(1), and 45 CFR 1356.30.
3. Sample Case #27: Lack of documentation that the foster child's AFDC eligibility was established. Section 472(a)(1) and (4), 45 CFR 1356.71(d)(1)(v).
4. Sample Case #29: Lack of documentation that the foster care provider was fully licensed or approved before the child was placed. 45 CFR 1356.71(d)(1)(iv), 1355.20.
5. Sample Case #50: Lack of documentation that the foster care provider was fully licensed or approved before the child was placed. 45 CFR 1356.71(d)(1)(iv), 1355.20.
6. Sample Case #55: Lack of documentation that the foster care provider was fully licensed or approved before the child was placed. 45 CFR 1356.71(d)(1)(iv), 1355.20.
7. Sample Case #57: Lack of documentation that foster care provider safety requirements were met before the child was placed. Section 471(a)(20), 475(1), and 45 CFR 1356.30.
8. Sample Case #59: Lack of documentation that the foster care provider was fully licensed or approved before the child was placed. 45 CFR 1356.71(d)(1)(iv), 1355.20.
9. Sample Case #67: Lack of documentation that the foster care provider was fully licensed or approved before the child was placed. 45 CFR 1356.71(d)(1)(iv), 1355.20.
10. Sample Case #69: Lack of documentation that the foster care provider was fully licensed or approved before the child was placed. 45 CFR 1356.71(d)(1)(iv), 1355.20.

Erroneous payments associated with the ten (10) error cases were calculated as follows and include all payments claimed on behalf of the child for the entire period of the error:

Sample #	FFY	ADM DISALLOW/ FED SHARE @ 50%	MP/FED SHARE	MP/TOTAL COMPUTABLE	FMAP RATE
23/OS1	2002	$730.00	$956.66	$1,316.99	0.7264
69	2002	$768.00	$1,070.23	$1,473.33	0.7264
67	2002	$251.00	$368.28	$507.00	0.7264
59	2002	$251.00	$329.30	$453.33	0.7264
55	2001	$1,337.00	$1,791.42	$2,453.33	0.7302
55	2002	$1,734.00	$2,229.50	$3,069.25	0.7264
50	2002	$458.00	$178.08	$245.16	0.7264
29	2001	$248.00	$1,780.47	$2,438.33	0.7302
29	2002	$2,657.00	$4,136.30	$5,694.24	0.7264
27	2002	$1,114.00	$2,774.33	$3,819.29	0.7264
18	2001	$1,586.00	$7,027.27	$9,623.76	0.7302
18	2002	$2,657.00	$9,313.23	$12,821.07	0.7264
57	2001	$2,630.00	$2,531.33	$3,466.63	0.7302
57	2002	$2,546.00	$13,613.63	$18,741.23	0.7264
		$18,967.00	$48,100.04	$66,122.94	

TOTAL ADM. (Fed. share)	$18,967.00
TOTAL MP (Fed. share)	$48,100.04
TOTAL ADM/MP (Fed. Share)	$67,067.04

KEY:
MP = Maintenance Payment
MP/Total Computable: Gross payments (Federal/State share)

Areas Needing Improvement and Recommendations:

- The foster home approval process should result in clearly documented approvals. At a minimum, a signature, title, and approval date should appear in every child's case file for every foster care placement and

should coincide with the Arkansas Children's Information and Reporting System (CHRIS) data.

- Court order language regarding "contrary to the welfare" and "reasonable efforts" should be used consistently and statewide.
- Court orders should be more child specific.
- Child placing agencies providing contracted child placing services must comply with foster home approval and criminal background check requirements.
- All child placement locations and their corresponding payment histories should be directly accessible through the State's SACWIS system (CHRIS) and the Adoption and Foster Care Analysis Reporting System (AFCARS) regardless of whether the child was placed by DCFS or a contracted child placing agency. Lack of this capability resulted in most of the difficulties during the preparation and implementation of this review. In addition, extensive manual research was necessary to document unallowable payments for children placed by child placing agencies.
- Residential facility staff records should be reviewed at least yearly to monitor whether safely requirements have been met. Results should be clearly documented.
- Narrative case documentation should specify the child's name and include information about the father as well as the mother of the child.
- The State should consider enhancing CHRIS to include a tickler feature to ensure eligibility redeterminations are completed timely.
- DCFS should implement training and monitoring of both DCFS field staff and child placing agencies regarding their responsibility to maintain IV-E eligibility requirements and documentation. Contracts with child placing agencies should include agreements ensuring adequate record keeping and time frames for providing requested documentation.
- DCFS should develop a communication protocol with both County offices and child placing agencies so DCFS can readily resolve eligibility issues quickly and efficiently.
- Children's case files should include all IV-E Eligibility documentation.
- DCFS should collaborate with the State Office of Chief Counsel and the Court Improvement Program in the development and implementation of the Program Improvement Plan.

Strengths and Model Practices

- IV-E eligibility staff is very knowledgeable regarding eligibility policy and procedures.
- The Office of Chief Counsel, the Court Improvement Program and DCFS management have firmly committed to improving IV-E Eligibility processes.
- The IV-E Eligibility Unit has a strong collaborative spirit and works positively and productively with both state and federal staff.

- Newer cases reviewed reflect improvements achieved before the period under review.
- Both the Child and Family Service Review Program Improvement Plan (CFSR PIP) and the Court Improvement Program (CIP) Reassessment Plan already address improvements related to this review in the areas of improving placement stability and improving judicial knowledge and skills.

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