

**State of Georgia
Primary Review
Title IV-E Foster Care Eligibility**

**Report of Findings for
October 1, 2011 – March 31, 2012**

Introduction

During the week of August 20, 2012, the Children's Bureau (CB) of the Administration for Children and Families (ACF) conducted a primary review of the State's title IV-E foster care program. The review was conducted in collaboration with the State of Georgia and was completed by a review team comprised of representatives from the State title IV-E agency, CB Central and Regional Offices, ACF Regional Grants Management and peer reviewers.

The purposes of the title IV-E foster care eligibility review were (1) to determine whether Georgia'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.

Scope of the Review

The primary review encompassed a sample of the State's foster care cases that received a title IV-E maintenance payment during the six-month period under review (PUR) of October 1, 2011 through March 31, 2012. A computerized statistical sample of 100 cases (80 cases plus 20 oversample cases) was drawn from State data submitted to the Adoption and Foster Care Analysis and Reporting System (AFCARS) for the above period. Eighty (80) cases were reviewed, which consisted of 69 cases from the original sample plus 11 oversample cases. Twelve (12) cases from the sample (one being an oversample case as well) were excluded because no title IV-E foster care maintenance payment was made for a period 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 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 requirements were appropriately documented. 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 and title IV-E maintenance was paid. 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 two-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

The review team determined that 78 of the 80 cases met eligibility requirements (i.e., were deemed non-error cases) for the PUR. Two (2) cases were determined in error for part of the PUR and one (1) non-error case was ineligible for Federal funding for a period of claiming. Accordingly, Federal funds claimed for title IV-E foster care maintenance payments including related administrative costs associated with the error cases and the non-error case with an ineligible payment are being disallowed. Because the number of cases in error is fewer than four (4), Georgia Department of Human Services is in substantial compliance for the PUR.

Case Summary

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

Error Cases

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
# GA-10	Foster family home not licensed [45 CFR §§1356.71(g)] Ineligible: 7/15/11 - 12/14/11	\$4,476 Maint. \$5,567 Admin.
# GA-27	Judicial determination of reasonable efforts to finalize permanency plan not attained [§472(a)(2)(A)(ii) of the Act; 45 CFR §§1356.21(b)(2)] Ineligible: 10/01/11 – 10/31/11	\$1,836 Maint. \$1,132 Admin.

Total: \$13,011

Case with Ineligible Payment

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
# GA-21	Title IV-E payments paid for the period prior to the judicial determination of contrary to the welfare was attained) §472(a)(1) of the Act; 45 CFR §§1356.21(c)] Ineligible:3/31/11 – 3/31/11	\$ 11 Maint. \$ 37 Admin.

Total: \$48

Strengths and Effective 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.

Georgia's centralized eligibility unit was put in place to manage the eligibility determination process by overseeing the tracking and monitoring of title IV-E eligibility determination, documenting compliance and conducting quality assurance activities. The staff in this unit maintains case files to monitor eligibility. The centralization of the eligibility determination function has facilitated training on title IV-E eligibility requirements and tracking eligibility events. It also permits more accurate and consistent application of policy as well as timely issue and emerging trend identification and problem solving.

The CB found that the work of the centralized eligibility unit has been a key component in enhancing the development and availability of documentation supporting title IV-E eligibility. The CB also understands that staff in the unit work with field offices, courts, licensing staff and State agency fiscal officials to assure required actions and supporting documentation are completed timely and that title IV-E claims are submitted only for those cases meeting all applicable requirements. The eligibility staff has worked diligently to significantly increase the accuracy of title IV-E eligibility cases and implement processes to reduce error cases. It appears the oversight efforts of the eligibility staff were instrumental in reducing the number and proportion of erroneous title IV-E claims for cases documented as not meeting the eligibility criteria. We commend the joint efforts by the State title IV-E agency and the Administrative Office of Courts to make improvements in judicial determinations in court orders. These collaborative efforts are evidenced in the following results of this review.

- Eligibility determinations were accurately completed in a timely manner.
- Child specific and timely judicial findings of Reasonable Efforts to Prevent Removal and Contrary to the Welfare were found in the court orders reviewed. Many orders contained specifics as to how each parent abused and or neglected children and specified the actions taken by the agency to prevent removals.
- Foster care provider safety requirements were met in all cases during the review period, and all but one case met the licensure requirements.
- Voluntary placement agreement requirements were met in the one applicable case reviewed.

- In all but one of the cases reviewed, during the PUR, court orders contained a timely and definitive judicial finding regarding reasonable efforts to finalize the permanency plan.

Areas in Need of Improvement

The findings of this review indicate the State needs to further develop and implement procedures to improve program performance in the following areas. For each issue, there is a discussion of the nature of the area needing improvement, the specific title IV-E requirement to which it relates and the corrective action the State should undertake.

Issue #1: Timeliness of Judicial Determinations Regarding Reasonable Efforts to Finalize a Permanency Plan. One (1) case was in error because the judicial requirement of “reasonable efforts to finalize a permanency plan” was not met for one month. Georgia's statute limits custody to one year, and in this case the court order contained an incorrect expiration date 14 months later rather than 12 months. The incorrect date was used, thereby causing the judicial determination of “reasonable efforts to finalize the permanency plan” to be late.

Title IV-E Requirement: For a child who is judicially removed and remains in foster care for 12 months or more, Federal provisions at §472(a)(2)(A) of the Act and 45 CFR §1356.21(b)(2) require the State to obtain a judicial determination of whether the State made “reasonable efforts to finalize a permanency plan” for the child. The judicial finding must occur at regular 12-month intervals for the duration of the foster care episode and no later than 12 months from the month in which the prior determination is obtained. If the judicial determination of “reasonable efforts to finalize” is not made or is not timely, the child becomes ineligible from the beginning of the first month after it is due and remains ineligible until the judicial determination is made.

Recommended Corrective Action: To address the delays in permanency hearings and the lack of definitive findings in court orders, we commend the joint efforts by the Department of Human Services and the Administrative Office of Courts that have resulted in significant improvements. The State should continue to develop and implement procedures to ensure timely judicial determinations of reasonable efforts to finalize the permanency plan. The accuracy and reliability of eligibility determinations generally are increased through training of the judiciary and other court officials to correct delays in judicial findings as well as to secure court orders that reflect title IV-E criteria on legal authority, best interests, and reasonable efforts. The State agency and Administrative Office of Courts should continue efforts to improve the Court’s documentation of judicial decisions in orders to meet title IV-E requirements. Further training will also help to ensure that eligibility staff make eligibility decisions based on the elements needed for compliance and to eliminate the authorization of payments prior to establishing compliance with the requirements.

Issue #2: Child placed in a licensed foster care facility. One (1) case was in error because title IV-E foster care maintenance payments were made for a child placed in a foster family home for which the State agency could not provide documentation that the home was fully licensed. The State agency must document that the child’s foster care placement is fully licensed or approved for the child’s placement to be eligible for title IV-E payments. The child-placing agency responsible for this foster home is no longer in business and this documentation was not available for the period under review, and the State should not have claimed before documenting eligibility.

Title IV-E Requirement: Federal provisions at §472(c) and 45 CFR §1356.71(g) require that the child's foster care setting be fully licensed or approved in accordance with the State's licensing standards. For the title IV-E eligibility review, the State must provide sufficient information to support FFP for a child's foster care placement.

Recommended Corrective Action: The State should continue to develop and implement procedures to ensure that each foster care provider is fully licensed prior to claiming title IV-E foster care maintenance payments for a child's placement. As stated above, staff training will help to ensure workers make eligibility decisions based on the elements needed for compliance and to eliminate the authorization of payments prior to establishing compliance with the requirements. Documentation of compliance with licensure requirements should be maintained by the State agency.

Issue #3: Underpayments. There were 15 cases in which it was documented that the child had met all criteria for eligibility under title IV-E but the Department of Human Services did not claim maintenance payments for the maximum amount of time that it could have claimed for each child. The underpayments occurred for the following reasons.

Seven cases had the correct start date for reimbursement on re-rate forms, but there was no documentation that re-rate forms were sent to accounting. In five cases, eligibility staff did not follow state policy on when title IV-E eligibility is met and claiming title IV-E reimbursement using the first day of the month in which eligibility was met. In one case, there was an issue of timing of the court order being uploaded into SHINES (SACWIS). In one case, the Federal reviewer judged an order as meeting the reasonable efforts requirement whereas the eligibility staff had not. Another case had been re-rated to non-title IV-E for a lapse in the permanency orders and was not re-rated back to title IV-E when the orders were received. Of these 15 cases, payments for 11 cases can be reclaimed because a State can claim expenditures within two years after the calendar quarter in which the State made the expenditure, in accordance with 45 CFR 95.7. The total amount that can be reclaimed for these 11 cases is \$27,962.19. The other four cases' payments are past the two-year claiming period.

Title IV-E Requirement: Federal regulations at 45 CFR §1356.60 provide that title IV-E foster care maintenance payments may be claimed for allowable costs of expenditures that are covered by the Federal definition of foster care maintenance found at §475(4) of the Act. Under §472 of the Act, title IV-E maintenance payments may be claimed from the first day of the foster care placement in the month in which all title IV-E eligibility criteria are met. The payment may be claimed for the entire month when an eligible child has resided in the foster care placement for the entire month. However, if the eligible child is placed on a date in the month other than the first of the month, title IV-E funds may be claimed for the period beginning with the actual date of foster care placement. ACYF-CB-PIQ-91-05 (8/15/91)

Recommended Corrective Action: The CB has been advised that the Department of Human Services has conducted the following activities to address the issues cited above:

- All underpayments have been corrected and documented in case records.
- Statewide training has been scheduled for November 27, 2012, for refresher training on:
 - ▲ First day of eligibility;
 - ▲ Clarification of procedures for eligibility staff on completion of re-rates in SHINES and Form 529 (paper re-rate form) for regional accounting; revision of Form 529 to include date forwarded to accounting; training and instructional guide on completion of the revised re-rate

form;

- ▲ New procedures for submission of forms to accounting for posting, including a tracking and follow-up report between eligibility supervisors and accounting on date posted, re-rate begin date and accounting staff posting re-rate;
- ▲ Schedule of maintenance for retention of Re-Rate Tracking Reports by eligibility supervisor; review of Re-Rate Tracking Report and follow-up included in the Quality Assurance review of supervisor;
- ▲ Reinforcement of supervisory review of individual SHINES "To-Do lists" to catch oversight of Alerts and Notices of Change received through SHINES.

The Department of Human Services should continue to identify the systemic factors underlying the occurrence of improper payments and develop an action plan to correct them. In addition to the steps the agency has already taken, this process would help to reduce or eliminate future underpayments and increase the State's ability to maximize reimbursements for allowable costs of care for eligible children by using funding available under title IV-E. In addition to the underpayments, the State's claim for title IV-E payments for the two error cases indicate the State should continue the above process, which should include regular quality control checks. This would help determine whether adequate financial controls and edits are in place and properly functioning to prevent payments for ineligible children or unallowable program costs.

Disallowances

A disallowance in the amount of \$6,312 in maintenance payments and \$6,699 in related administrative costs of Federal Financial Participation (FFP) is assessed for title IV-E foster care payments claimed for the error cases. An additional amount of \$11 for a maintenance payment and \$37 in related administrative costs of FFP are disallowed for title IV-E foster care payments claimed improperly for the non-error case. The total disallowance as a result of this review is \$13,059 in FFP. The State also must identify and repay any ineligible payments that occurred for the error and non-error cases subsequent to the PUR.

Next Steps

As part of Georgia's ongoing improvement plans for its title IV-E foster care eligibility process, CB recommends Georgia examine identified program deficiencies and develop sustainable strategies to administer a more accurate foster care eligibility program. Appropriate corrective action must be taken in instances of noncompliance with Federal laws and regulations. We encourage the State to request assistance from the Regional Office as needed. The next primary eligibility review will be held in three years.