

Massachusetts Title IV-E Foster Care Eligibility Review

Review Period October 1, 2005 to March 31, 2006

Introduction:

During the week of August 28, 2006, staff from the Regional and Central Offices of the Children's Bureau (CB), Administration for Children and Families (ACF), and the Massachusetts Department of Social Services (DSS) conducted a *secondary* eligibility review of the State's title IV-E Federal foster care program. The review was carried out at the central office of the Department of Social Services located in Boston, Massachusetts.

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

Scope of the Review:

In November 2003, CB conducted an *initial primary* eligibility review of the Massachusetts' title IV-E Federal foster care program and determined that the State was not in substantial compliance. As a result, the State was required to develop and implement a Program Improvement Plan (PIP) designed to correct the areas of non-compliance and to undergo a *secondary* review following the completion of the PIP.

This secondary review of Massachusetts' title IV-E foster care program encompassed a sample of all the title IV-E foster care cases that received a foster care maintenance payment during the period of October 1, 2005 through March 31, 2006. A computerized statistical sample of 150 cases and an over-sample of 30 cases were randomly drawn from the Adoption and Foster Care Analysis and Reporting System (AFCARS) data transmitted by the State agency to CB for the period under review (PUR).

During the on-site review in Massachusetts, a joint Federal and State review team examined 150 cases from this sample. The child's case file was reviewed for timely and appropriate court determinations, agency responsibility, and the child's dependence status based on July 16, 1996 State Plan guidelines for Aid to Families and Dependent Children (AFDC). The provider's file was reviewed to ensure that the foster home or childcare institution in which the child was placed had undergone the required criminal records and/or safety checks and was fully licensed or approved for the PUR. The findings for each case were recorded on a standardized review instrument. The detailed findings for error cases and non-error cases with improper payments are noted in the Case Record Summary section of this report.

Findings

Twenty (20) cases were determined to be in error for either part or all of the review period and an additional six(6) cases were determined to be non-error cases with improper payments. An error case is defined as a case which received a title IV-E payment during a period of ineligibility found during PUR. A non-error case is defined as an otherwise eligible case which received a title IV-E payment during a period of ineligibility found outside of PUR. As noted in the

Disallowance section of this report, the total Maintenance and Administrative costs recommended for disallowance for these twenty-six (26) cases is \$285,930 in Federal Financial Participation (FFP).

Only error cases are considered in determining a State's performance in regards to the threshold set for compliance in secondary reviews. If a State exceeds the 10% threshold for both the case error rate and the dollar error rate, the State is determined not to be in substantial compliance. While twenty (20) cases found to be in error during the Massachusetts' secondary review exceed the 10% threshold for the case error rate, the 6.38% dollar rate does not. Therefore, CB has determined Massachusetts to be in substantial compliance with the title IV-E Federal foster care program eligibility requirements.

Strengths and Model Practices

- The State has strengthened the process for determining title IV-E eligibility through the development and implementation of an automated system which facilitates more timely determinations of all removals, limits the likelihood of error, and is capable of tracking a child's eligibility while in care. This system also includes a module for an automated determination of Aid to Families with Dependent Children (AFDC) eligibility for children removed from home and placed in foster care. In addition, the system is able to interface with other State Departments, such as the Department of Transitional Assistance and the Department of Revenue, to obtain information related to the financial need and the deprivation of parental support for the child being removed from home.
- Massachusetts' criminal record check requirements for prospective foster parents are comparable to those mandated by the Federal legislation even though the State opted out of this requirement. DSS staff perform safety checks on all other parents prior to initial licensing/approval and recheck this information on an annual basis. These data are requested and the results are received on-line via FamilyNet, the MA automated (SACWIS) system.
- DSS licenses (unrelated/unrestricted) and approves (kinship) foster homes based on the same standards. Re-evaluations of licenses and approvals are conducted by Family Resource Workers on an annual basis. The results are documented in FamilyNet with a recommendation for approval by a Supervisor and/or an Area Office Manager. Reviewers found that DSS is providing a close level of scrutiny to foster homes under its purview.

Areas in Need of Improvement

However, in addition to homes licensed and approved by DSS, the Department of Early Education and Care licenses Child Placement Agencies (CPAs) which in turn, approve their own foster homes. Reviewers also received foster home studies that were incomplete, unsigned and/or undated, and unclear regarding approval by the appropriate official of the CPA. Thirteen cases had issues with untimely re-evaluations/re-approvals and/or criminal records checks of foster homes - almost all of which were foster homes of the CPAs. In addition, while we did not examine the licenses of the CPAs during this review, similar issues were found with CPA licenses during Massachusetts' initial primary review conducted in November of 2003. Clearly, these issues indicate lack of sufficient oversight by the Department of Early Education and Care and or the Child Placement Agencies.

We recommend that additional scrutiny be provided to the licensing and re-licensing of CPAs and the approval and re-evaluation of the foster home of these agencies. We strongly suggest a review of the procedures that were intended to prevent the issues found during the title IV-E eligibility review to not only ensure that title IV-E FFP is being claimed for only fully approved/re-approved foster homes, but also - and more importantly - that children are being cared for in foster homes that meet their safety, permanency and well-being needs.

Massachusetts acknowledged the need for strengthened oversight of these foster homes and has recently developed procedures requiring CPAs to agree to enter all future home study and licensing information into FamilyNet. DSS plans to expand the use of web and scanning services to minimize the difficulties of implementing this requirement. To ensure better accountability, DSS also intends to have FamilyNet maintain home study and licensing information for all family resources - regardless of whether the resources are DSS (kinship or unrestricted) foster homes or CPA (contracted) foster homes. The result will be a standardization of the documentation for licensed/approved homes for all family resources.

DSS also recognized the need to have all family resource responsibilities rest within one unit of the organization. In this effort, DSS has moved the oversight and monitoring of CPA (contracted) foster care to the Foster Care and Adoption Division under the DSS Assistant Commissioner, Mary Gambon. DSS received State funds to hire additional staff to provide the necessary resources for this new level of oversight.

Case Record Summary

The chart on the following page details the error cases and non-error cases with improper payments, reasons for ineligibility, ineligible periods and amount for each ineligible claim. The rate for determining the disallowance is the 50% Federal Medicaid Assistance Percentage (FMAP) for Massachusetts.

Individual Case Findings					
Error Cases:					
Sample #	Case ID	Reason*	Period	Disallowance (FFP)	
				Maint.	Adm.
1	3357150	6	1/14/04 - 3/31/06	\$6,042	\$9,744
10	3279772	7	9/11/05 - 10/3/05	\$2,014	\$363
12	3291954	1	12/2/05 - 12/12/05	\$318	\$0
15	3371157/2861575	5	02/28/06 - 3/31/06	\$135	\$380
31	2876933	1	02/24/06 - 3/30/06	\$158	\$380
37	2831964	1	10/26/05 - 11/30/05	\$439	\$0
50	3426946	1	01/27/05 - 03/31/06	\$3,874	\$760
56	3323090	8	11/01/05 - 01/26/06	\$1,058	\$1,139
96	3325742	9	05/01/05 - 03/31/06	\$8,873	\$4,093
996	3422059	8	10/19/05 - 11/30/05	\$462	\$380

101	2835404	9	04/25/05 - 03/31/06	\$13,631	\$4,093
104	3426796	1	01/27/06 - 03/28/06	\$387	\$0
105	3394182	1 & 3	09/27/06 - 10/31/05	\$2,853	\$0
109	3405785	5 & 6	01/23/04 - 03/31/06	\$8,832	\$9,398
120	3328414	2 & 5	11/05/04 - 03/31/06	\$3,361	\$6,269
125	3299293	1	12/23/05 - 01/31/06	\$788	\$0
137	2965564	10	07/20/05 - 10/24/05	\$1,220	\$1,106
144	3417889	5	03/01/06 - 03/31/06	\$129	\$380
149	2905533	4	10/27/95 - 03/31/06	\$131,367	\$39,701
OS-7	2832599	2 & 5	10/01/03 - 03/31/06	\$7,287	\$10,781
SUB-TOTAL				\$193,228	\$88,967
Non-Error Cases:					
28	3440002	1	07/22/05 - 09/23/05	\$144	\$0
39	3391379	1	06/01/05 - 07/31/05	\$9	\$0
51	3331379	1	11/06/04 - 08/31/05	\$2,623	\$0
65	2900573	1	07/01/05 - 07/31/05	\$149	\$0
68	2843650	4 & 5	02/04/03 - 02/11/03	\$54	\$0
150	3346763	1	06/17/05 - 07/31/05	\$756	\$0
SUB-TOTAL				\$3,735	\$0

*** Ineligible Codes for Error and Non-Error Cases:**

- 1.) Provider not fully licensed according to the requirements at 45 CFR 1355.20.
- 2.) Child not living with and removed from "specified relative" according to the requirements at 45 CFS 13356.21(k) and (l).
- 3.) Criminal Record Checks and/or safety checks of provider not completed according to requirements at 45 CFS 1356.30.
- 4.) Contrary to Welfare court determination not met according to requirements at 45 CFR 1356.21(c).
- 5.) Reasonable Efforts court determination not met according to requirements at 45 CFR 1356.21(b).
- 6.) AFDC eligibility not met according to requirements at 45 CFR 1356.71(d)(1)(v).
- 7.) Judicial determination regarding child's best interest not timely per requirements at 45 CFS 1356.22.
- 8.) Child no longer under the care and responsibility of the title IV-B/IV-E agency per requirements at 45 CFR 1356.71(d)(1)(iii).
- 9.) Child turned 19 during the PUR but foster care payments continued per requirements at 45 CFR 1356.71(d)(1)(v).

10.) Child living in ineligible facility (independent living apartment) according to the requirement at 45 CFR 1355.20.

Disallowances

Pursuant to 45 CFR 1356.7(j), a total disallowance in the amount of \$285,930 in Federal Financial Participation (FFP) is assessed for ineligible payments claimed for error and non-error cases.

The erroneous maintenance payments and administrative costs associated with the twenty (20) error cases \$282,195 (FFP) include all payments claimed on behalf of the child for the entire period of time that each case was determined ineligible for title IV-E payments. No future claims should be submitted on these error cases until it has been determined that all eligibility requirements are met.

Reviewers identified an additional (6) cases that contained payments that were claimed improperly. Although these cases are not considered "error cases" for determining substantial compliance, the ineligible maintenance payments and associated administrative costs, \$3,735 (FFP), are also subject to disallowance.

Next Review

CB will conduct a *subsequent primary review* in Massachusetts during Federal Fiscal Year 2009. At that time, the review team will examine 80 cases. To be found in substantial compliance as a result of a *subsequent primary review*, the State must not exceed the threshold of four (4) error cases.