

Maryland
Title IV-E Foster Care Eligibility
Primary Review
Report of Findings for
October 1, 2013 – March 31, 2014

Introduction

During the week of August 4, 2014, the Children's Bureau (CB) of the Administration for Children and Families (ACF) conducted a primary review of the Maryland title IV-E foster care program. The review was conducted in collaboration with the Maryland Department of Human Resources (DHR) and was completed by a review team comprised of representatives from DHR, the Maryland Department of Juvenile Services, Maryland Foster Care Court Improvement Project, CB Central and Regional Office staff and ACF Regional Grants Management Office.

The purposes of the title IV-E foster care eligibility review were (1) to determine whether Maryland'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 Maryland's foster care cases that received a title IV-E maintenance payment for an activity during the six-month period under review (PUR) of October 1, 2013 through March 31, 2014. A computerized statistical sample of 100 cases (80 cases plus 20 oversample cases) was drawn from Maryland's 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 seventy-five (75) cases from the original sample plus five (5) oversample cases. Five (5) cases were excluded from the sample prior to the onsite review; four (4) cases were excluded because the identified youth were over the age of 18 during the PUR and one (1) case was excluded because no title IV-E maintenance payment was made for an activity during the PUR. 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 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 documented. Payments made on behalf of each child also were reviewed to verify the expenditures were properly claimed 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.

The CB and the state agreed that subsequent to the onsite review, DHR would have one week to submit additional documentation for a case that during the onsite review was identified as in error, in undetermined status or to have an ineligible payment.

Compliance Finding

The review team determined that 76 of the 80 cases met eligibility requirements (i.e., were deemed non-error cases) for the PUR. Four (4) cases were determined to be in error for either part or all of the PUR and 11 non-error cases were determined to be ineligible for federal funding for a period of claiming outside the PUR. Accordingly, federal funds claimed for the title IV-E foster care maintenance payments, including related administrative costs, associated with error and non-error cases with ineligible payments are being disallowed.

Because the number of cases in error is fewer than five (5), CB has determined that Maryland's title IV-E foster care program is in substantial compliance with federal eligibility requirements for the PUR.

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.

Error Cases

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
50	Foster care maintenance payment made for the period of time in which safety requirements were not met for the foster home during the PUR. [§471(a)(20) of the Act; 45 CFR §§1355.20 & 1356.30] Ineligible: 10/07/2011 to present	\$ 36,062 Maintenance \$ 32,947 Administrative
73	Child was not living with and removed from the same specified relative. [§472(a)(1) and (3) of the Act; 45 CFR §§233.20, 233.90 and 1356.21(k)&(l)] Ineligible: Entire episode 04/12/2013 to present	\$ 8,306 Maintenance \$ 17,379 Administrative
OS 5	Foster care maintenance payment made for the period of time in which safety requirements were not met for the foster home during the PUR. [§471(a)(20) of the Act; 45 CFR §§1355.20 & 1356.30] Ineligible: 04/15/2009 to present	\$131,795 Maintenance \$ 60,859 Administrative
80	Foster care maintenance payment made following 180 days of child's placement in foster care through a voluntary placement agreement when a timely judicial determination of best interest had not been made. [§§472(d),(e) & (f) of the Act; 45 CFR §1356.22] Ineligible: 05/30/2012 to present	\$ 59,702 Maintenance \$ 21,930 Administrative

Total Maintenance: \$235,865

Total Administrative: \$133,115

Grand Total: \$368,980

Non-error Cases with Ineligible Payments

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
6	Foster care maintenance payments were made for services that are outside the definition of allowable title IV-E program costs. [§475(4) of the Act; 45 CFR §92.22] Ineligible: mental health services (02/11/2009 and 02/17/2009); tutoring services (07/01/2009); and transportation expenses not detailed (02/28/2013)	\$1,569 Maintenance

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
15	Foster care maintenance payments were made for services that are outside the definition of allowable title IV-E program costs. [§475(4) of the Act; 45 CFR §92.22] Ineligible: transportation expenses not detailed (06/01/2013 -01/30/2014)	\$391 Maintenance
27	Foster care maintenance payments were made for services that are outside the definition of allowable title IV-E program costs. [§475(4) of the Act; 45 CFR §92.22] Ineligible: transportation expenses not detailed (11/15/2013-11/28/2013, 12/03/2013- 12/26/2013) and transportation for medical appointments and other purposes (01/02/2014-01/31/2014)	\$214 Maintenance
OS 2	Foster care maintenance payments were made for services that are outside the definition of allowable title IV-E program costs. [§475(4) of the Act; 45 CFR §92.22] Ineligible: transportation for counseling/therapy (10/05/2011-11/30/2011, 12/07/2011-12/26/2011, 02/01/2012-03/28/2012, 01/07/2013-01/30/2013, 02/11/2014-03/14/14, 02/21/2014, 04/19/2014-05/08/2014, and 05/10/2014-06/07/2014); and transportation expenses not detailed (02/07/2013-03/28/2013, 05/20/2013-06/25/2013, 05/30/2013, 07/01/2013-07/16/2013, 07/29/2013-08/30/2013, 09/03/2013-09/19/2013, 09/24/2013-10/22/203, 10/25/2013-10/28/2013 and 01/17/2014)	\$2,328 Maintenance
42	Foster care maintenance payments were made for services that are outside the definition of allowable title IV-E program costs. [§475(4) of the Act; 45 CFR §92.22] Ineligible: transportation of parent (02/14/2014-03/02/2014, 03/07/2014-03/09/2014, 03/12/2014-03/16/2014, 04/06/2014, 04/11/2014-04/13/2014, 04/18/2014-04/20/2014, and 05/02/2014-05/04/2014)	\$158 Maintenance
43	Foster care maintenance payments were made for services that are outside the definition of allowable title IV-E program costs. [§475(4) of the Act; 45 CFR §92.22] Ineligible: transportation expenses not detailed (02/24/2013-03/14/2013, 03/21/2013-04/24/2013,04/25/2013-05/30/2013, 05/28/2013-06/18/2013, 06/19/2013-07/10/201307/15/2013-09/16/2013, 08/12/2013-08/14/2013, 09/16/2013-10/08/2013,10/09/2013-10/30/2013, 10/30/2013-12/23/2013 and 01/13/2014-01/24/2014)	\$1,436 Maintenance

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
48	Foster care maintenance payments were made for services that are outside the definition of allowable title IV-E program costs. [§475(4) of the Act; 45 CFR §92.22] Ineligible: transportation of parents (01/14/2014-01/31/2014, 03/01/2104-03/31/2014, 04/01/2014-04/30/2014, 05/01/2014-05/31/2104 and 06/01/2014-06/30/2104)	\$288 Maintenance
52	Foster care maintenance payment was made for services that are outside the definition of allowable title IV-E program costs. [§475(4) of the Act; 45 CFR §92.22] Ineligible: transportation of parent (07/27/2012)	\$64 Maintenance
54	Foster care maintenance payments were made for services that are outside the definition of allowable title IV-E program costs. [§475(4) of the Act; 45 CFR §92.22] Ineligible: transportation of parent (07/31/2013, 08/07/2013-08/14/2013 and 08/21/2013-08/22/2013)	\$42 Maintenance
76	Foster care maintenance payments were made for the period of time following the month a judicial finding of reasonable efforts to finalize the permanency plan was due but not made timely. [§471(a)(15)(B)(ii) & (C) of the Act; 45 CFR §1356.21 (b)(2) & (d)] Ineligible: 08/01/2012-12/31/2012	\$9,254 Maintenance \$5,629 Administrative
	Foster care maintenance payment was made for services that are outside the definition of allowable title IV-E program costs. [§475(4) of the Act; 45 CFR §92.22] Ineligible: duplicate payment (08/01/2013-08/31/2013)	
77	Foster care maintenance payment was made for the month prior to judicial findings of contrary to the welfare of the child and reasonable efforts to prevent removal. [§§471(a)(15)(B) and 472(a)(2) of the Act; 45 CFR §1356.21(b)(c) & (d)] Ineligible: 04/30/2012	\$14 Maintenance

Total Maintenance: \$15,758

Total Administrative: \$5,629

Grand Total: \$21,387

Underpayment Cases

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
2	<p>Foster care maintenance payment not claimed for a period of the eligible child's placement with a fully licensed foster care provider. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 01/29/2013</p> <p>Foster care maintenance payment not claimed for transportation of a child for visitation for a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 01/09/2013-01/11/2013, 02/11/2013, 03/11/2013, and 04/10/2013-04/24/2013</p>	\$64 Maintenance
3	<p>Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 06/12/2014</p>	\$100 Maintenance
7	<p>Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 04/15/2014</p>	\$75 Maintenance
8	<p>Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 10/25/2012</p>	\$148 Maintenance
18	<p>Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 04/23/2013-05/23/2013, 09/06/2013-10/06/2013 and 02/06/2014-03/06/2014</p>	\$450 Maintenance
21	<p>Foster care maintenance payment not claimed for a period of the eligible child's placement with a fully licensed foster care provider. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 09/16/2013-09/30/2013</p>	\$206 Maintenance

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
27	<p>Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 10/02/2013-10/02/2013</p> <p>Foster care maintenance payment not claimed for a period of the eligible child's placement with a fully licensed foster care provider. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 10/02/2013-10/31/2013, 11/02/2013-11/30/2013, 12/01/2013-12/31/2013 and 03/01/2014-03/14/2014</p>	\$1,489 Maintenance
28	<p>Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 04/28/2014-05/28/2014</p>	\$122 Maintenance
30	<p>Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 08/20/2013</p> <p>Foster care maintenance payment not claimed for a period of the eligible child's placement with a fully licensed foster care provider. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 09/16/2013-09/30/2013</p>	\$996 Maintenance
35	<p>Foster care maintenance payment not claimed for transportation of a child for visitation during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 05/01/2013-05/31/2013</p> <p>Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 05/10/2013-06/28/2013</p> <p>Foster care maintenance payment not claimed for food expenses during a period in which the child was e eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 07/29/2013</p>	\$270 Maintenance
OS2	<p>Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 12/10/2012 and 12/12/2012</p>	\$58 Maintenance

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
45	Foster care maintenance payment not claimed for a period of the eligible child's placement with a fully licensed foster care provider. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 01/01/2014-01/31/2014	\$425 Maintenance
51	Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 06/11/2013	\$50 Maintenance
54	Foster care maintenance payment not claimed for the baby of minor parent eligible for title IV-E maintenance payment. [§472(h)(2) of the Act; 45 CFR 1355.20(a)] Eligible: 07/01/2012-07/31/2013 and 03/01/2014-05/31/2014	\$6,286 Maintenance
65	Foster care maintenance payment not claimed for personal incidental (birth certificate) during a period in which the child was e eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 03/12/2013	\$24 Maintenance
69	Foster care maintenance payment not claimed for personal incidental (birth certificate) during a period in which the child was otherwise eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 03/05/2013	\$244 Maintenance
	Foster care maintenance payment not claimed for a period of the eligible child's placement with a fully licensed foster care provider. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 01/17/2014	
71	Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 06/12/2014	\$100 Maintenance
75	Foster care maintenance payment not claimed for a period of the eligible child's placement with a fully licensed foster care provider. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible:12/01/2013-12/20/2013	\$261 Maintenance

Sample Number	Improper Payment Reason & Ineligibility Period	Improper Payments (FFP)
78	Foster care maintenance payment not claimed for clothing expenses during a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)] Eligible: 02/06/2013-02/20/2013	\$100 Maintenance

Total: \$11,468

Areas in Need of Improvement

Issue #1: Safety Considerations for Foster Family Homes

The review team found two cases in error because two child placing agencies submitted claims to the state for title IV-E funds on behalf of children who were placed with foster parents whose criminal background checks revealed criminal charges. In both cases, the child placing agency did not verify whether the criminal charge was for a prohibited felony pursuant to the Social Security Act prior to the period for which title IV-E payments were made. For one (1) case found to be in error, the criminal records check found that the prospective foster parent had a felony conviction for assault with intent to rape. In the other case cited, though the completed criminal records check revealed undetermined convictions for both prospective foster parents, the child placing agency failed to confirm the nature of the offenses in order to clearly verify that neither had been convicted of any of the prohibited felonies listed at 471(a)(20)(A)(i) and (ii) of the Act.

We note that safety requirements were met timely in all of the DHR licensed foster family homes that were in the sample.

Title IV-E Requirement: As specified in section 471(a)(20) of the Act and 45 CFR §1356.30(f), the licensing file of a state or its contracted child placing agency must contain documentation which verifies that criminal records checks are conducted with respect to the foster family homes in order for a child placed in the home to be eligible for title IV-E funding. The documentation must verify the foster parent has not been convicted of any of the prohibited felonies listed under § 471(a)(20)(A)(i) and (ii) of the Act. For homes newly licensed on or after October 1, 2008, the state must ensure that the criminal records check completed on these providers includes a fingerprint-based check of the National Crime Information Database (NCID). The state must provide for the title IV-E review documentation validating that these safety considerations are satisfied for the duration of the child's placement during the PUR for which title IV-E foster care maintenance payments are claimed.

Recommended Corrective Action: Maryland should review its child placing agency licensing and monitoring processes to determine whether there are sufficient controls in place to prevent children from being placed in potentially unsafe foster family homes and to ensure claims for reimbursement are submitted only on behalf of eligible children.

Issue #2: AFDC Eligibility

During the onsite review, the review team evaluated sample cases to determine compliance with the requirements for the Aid to Families with Dependent Children (AFDC) program as it was in effect on July 16, 1996. One (1) case was identified as in error because the child was not living with the specified relative from whom the child was removed within six (6) months of the initiation of court proceeding leading to the judicial removal. Additionally, DHR determined the child's financial need based upon the circumstances of the relative with whom the child had been residing at the time of the child's physical removal rather than the home of the specified relative that was the subject of the contrary to the welfare judicial determination.

Title IV-E Requirement: A child must have been physically or constructively removed from the home of a specified relative either through a court order or voluntary placement agreement and must have lived with that same specified relative within six months of removal according to §472(a)(2)(A) and (a)(3) of the Act. The AFDC determination must be based upon the circumstances of the home of the specified relative from whom the child was removed.

In accordance with 45 CFR §1356.21(l)(1), financial need must be established based on the circumstances that existed in the home of the family unit during the month the court proceedings leading to the child's removal were initiated or the voluntary placement agreement was signed. It must be determined a child would have been AFDC eligible in the month the removal petition was filed, or the voluntary placement agreement was signed, using the State's AFDC plan as in effect on July 16, 1996.

Recommended Corrective Action: The state should ensure that eligibility workers review court findings prior to determining whether a child is living with and removed from the same specified relative. The DHR also should consider providing additional training and guidance for workers on the title IV-E requirement that a child lived with the specified relative from whom the child was removed within six (6) months of removal. This guidance and training should specify how to verify and document compliance with this AFDC requirement.

Issue #3: Voluntary placement agreements and judicial finding regarding child's best interest

One (1) case was in error because there was not a judicial determination that it was in the best interest of the child to remain in foster care within 180 days of the child's placement. The required finding was made on the 181st day. The reviewer noted that although the Voluntary Placement Agreement used by the agency specifies a 180-day timeframe for making the required judicial finding, both the petition and shelter care order referenced a six-month timeframe to do so. As a result, it appears that DHR did not count the days properly and therefore missed the deadline.

Title IV-E Requirement: Consistent with §472(e) of the Act, there must be a judicial determination within 180 days of the day a child is physically placed in foster care finding that continued out-of-home placement is in the child's best interest, thereby extending foster care placement through the voluntary placement agreement. If a child is constructively removed, the required finding must be made within 180 days of the date the voluntary placement agreement is signed by all parties.

Recommended Corrective Action: The DHR should consider collaboration with the courts to develop tracking procedures to ensure timely findings. The state could consider seeking assistance from the Court Improvement Program in this area. The DHR should also revise the current internal tracking process so that claims for title IV-E foster care maintenance payments are stopped if the judicial finding is not timely. Both DHR and court staff should be trained on the voluntary placement agreement 180-day requirement.

Underpayments

Underpayments in accordance with §475(4) of the Act and 45 CFR 1356.60(a)(1)(i) were identified in nineteen (19) cases reviewed. The predominant underpayment issue found in twelve (12) cases was the failure to claim title IV-E funds for clothing for an eligible child. There were seven (7) underpayments identified where title IV-E funds were not claimed for a child residing with a foster care provider that was fully licensed at the time of child's placement. The remaining cases had underpayments for food, birth certificates, room and board for the child of a title IV-E eligible minor parent and eligible transportation services for the child. Additionally, child care costs were noted to be inconsistently charged to either state or federal funds for the same provider within the same case. Child care costs charged to state funds were not identified as underpayments since the licensure status of the child care providers could not be verified, and if not licensed, the claims may have been appropriately charged to state funds. With the exception of the underpayments related to a licensed foster care provider, underpayments were a result of data entry issues and the manner in which services are selected by the worker in the statewide automated child welfare information system.

It is recommended that Maryland enhance the continuous quality improvement system to include the review of title IV-E cases to ensure that the state is claiming title IV-E foster care maintenance payments in all appropriate circumstances on behalf of eligible children, including claiming for eligible child care providers and children in fully licensed placements. This will help the state identify gaps and ensure complete and proper claiming.

Unallowable Program Costs

In eleven (11) non-error cases, it was determined that title IV-E payments were made for items outside the definition of foster care maintenance payments at section 475(4) of the Act. Maryland provided documentation demonstrating that costs were claimed for ineligible expenses including mental health services, tutoring and unallowable transportation services. This was an area of concern during the title IV-E foster care eligibility review in 2011 and remains an issue. Title IV-E foster care policy permits reimbursement for costs of transporting a child for visits with parents and siblings or to the child's school of origin as maintenance payments. Transportation costs for parents, or for the child to be transported for any other reasons including therapy and medical appointments, may not be claimed for such federal financial participation (FFP). Title IV-E foster care maintenance payment for parents' transportation was the improper payment most frequently identified during this review. Title IV-E foster care policy does not permit reimbursement for mental health services such as bonding or psychological evaluations and therapy, nor does it permit for reimbursement of educational costs. Additionally, there were

instances where multiple services were identified under one payment; not all of the identified services were eligible for reimbursement, but DHR was unable to disaggregate the costs to identify which, if any, were allowable.

We recommend that the state clearly define the services, particularly as related to transportation, which may be appropriately claimed as title IV-E foster care maintenance assistance. Following Maryland's last review, we recommended that DHR train staff to accurately enter transportation services into Maryland's statewide automated child welfare information system, the Children Electronic Social Service Exchange (CHESSIE). Since the issue has not been resolved through training, we suggest that DHR review whether it should change its coding system so that services are accurately charged. It is also recommended that only one service be entered per transaction as there were cases where both allowable and unallowable costs were claimed under the same request. Maryland should work with the title IV-E eligibility, fiscal and CHESSIE staff to develop financial edits that will prevent payments for unallowable program costs. Maryland may use title XX, title IV-B funds or other appropriate funds to cover the costs of items and services not allowable under title IV-E.

Program Strengths and Promising Practices

Maryland has demonstrated marked improvement in the operation of an accurate title IV-E eligibility program since the secondary title IV-E foster care eligibility review in 2011. All cases reviewed contained the required judicial determinations and within the required timeframes. Court orders were individualized to be child-specific. The narratives in several jurisdictions provided comprehensive details about the reasonable efforts made to prevent removal and to finalize the permanency plan. In addition, most orders clearly stated the reason for the removal and identified the subject of the contrary to the welfare finding. These child and case-specific details help provide clarity for establishing eligibility.

In contrast to the secondary review, findings of reasonable efforts to finalize the permanency plan were found to occur frequently, approximately every six months. Though all the findings during the period under review were timely, the issue of continuances or hearings that do not address reasonable efforts to finalize the permanency plan was noted for the metropolitan area again in this review.

Foster care provider licensing was significantly improved since the last review. There were no identified lapses in licensure and all homes were fully licensed; there were no provisional licenses found. It was also noted that many children are being placed with relatives. A very small number of children in the sample were placed in group homes and residential facilities. This demonstrates the success of Maryland's "Place Matters" initiative; one of the goals of the initiative is to place more children with relatives or resource families as appropriate and reduce the use of congregate care.

Maryland has also demonstrated improvement in monitoring safety requirements for staff of congregate care facilities. The process for reviewing the criminal background and CPS checks for all new hires on a quarterly basis will continue to ensure that children are placed in safe environments. During the course of the review process, however, we learned that there is no

state law requiring criminal records checks or safety checks to be completed for Department of Health and Mental Hygiene (DHMH) facilities. We strongly encourage DHR to collaborate with DHMH to ensure the safety of children placed in DHMH facilities.

Determining a child's eligibility for AFDC was found to be an area needing improvement in the 2011 title IV-E review. Maryland revised its model court orders and provided training to staff and the judiciary in regard to the "living with" and "removed from" a specified relative requirements. The state is commended for the improvements made in this area. All but one (1) case reviewed included appropriate determinations of the child's AFDC eligibility. Financial need was appropriately established for all cases reviewed. Cases included evidence that title IV-E eligibility workers and DHR caseworkers are communicating well to document income and resources to determine a child's eligibility. Reviewers were able to understand key decision-making points regarding income, resources and required judicial findings in determining eligibility.

The DHR collaborates with many partners to better serve children and families in the title IV-E foster care program. Representatives from the Department of Juvenile Services and Maryland Foster Care Court Improvement Program participated in the review. This participation as reviewers helped to broaden their understanding of title IV-E requirements and to further their continued assistance to the state in meeting federal requirements.

Disallowance

A disallowance in the amount of \$235, 865 in maintenance payments and \$133,115 in related administrative costs of FFP is assessed for title IV-E foster care payments claimed for the error cases. An additional amount of \$15,758 in maintenance payments and \$5,629 in related administrative costs is disallowed for the title IV-E foster care payments claimed improperly for the non-error cases. The total disallowance as a result of this review is \$390,367 in FFP.

Maryland must identify and repay any ineligible payments that occurred for the error and non-error cases subsequent to payment histories for the review. No future claims should be submitted on these cases until it is determined that all eligibility requirements are met.

Next Steps

As part of Maryland's ongoing efforts to improve its title IV-E foster care eligibility determination process, CB recommends that Maryland examine identified program deficiencies and develop measurable, sustainable strategies that target the root cause of problems hindering the state from operating a fully accurate foster care eligibility program. Appropriate corrective action should be taken in instances of noncompliance with federal laws and regulations. The CB Region 3 office will continue to provide technical assistance to Maryland in these efforts.