

Note: the finding of “not in substantial compliance” and disallowances have been revised since the 2008 Final Report. Please see the file entitled [Missouri 2008 Revised Findings and Disallowance Letter](#) for more information.

**Missouri Title IV-E Foster Care Eligibility Review (Primary)
For the Period October 1, 2007 through March 31, 2008
September 22 - 25, 2008
Jefferson City, Missouri**

Introduction:

During the week of September 22, 2008, the Children's Bureau (CB), within the Administration for Children and Family (ACF), conducted an eligibility review of Missouri's title IV-E foster care program. The review team consisted of ACF staff from the Central and Regional Offices and staff from the State of Missouri. The purposes of the title IV-E Foster Care Primary Eligibility Review were (1) to determine whether Missouri was in compliance with the eligibility requirements as outlined in regulation and statute at 45 CFR 1356.71 and section 472 of the Social Security Act (the Act), and (2) to validate the basis of Missouri's financial claims to ensure that appropriate payments were made on behalf of eligible children residing in licensed or approved foster family homes and child care institutions.

Scope of the Review:

The Missouri title IV-E Foster Care Primary Eligibility Review encompassed a sample of the title IV-E foster care cases that received a foster care maintenance payment during the period of October 1, 2007 thru March 31, 2008. A statistical sample of 80 cases, plus an over-sample of 20 cases, was drawn from data submitted to the Adoption and Foster Care Analysis and Reporting System (AFCARS) for the period under review and transmitted by the Children's Bureau (CB) to the State agency. Each 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 and the safety requirements were met.

During the primary review, eighty (80) cases were reviewed (including 20 over-sample cases). Five (5) cases were determined to be in error for either part or all of the review period for the reasons that are identified in the Case Record Summary section of the report below. Since the number of error cases exceeded four (4), CB has determined Missouri 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 CB Regional Office staff, and must be submitted to CB's Regional Office no later than 90 days from the date of the cover letter. Once the State agency has completed the PIP, a secondary review of a sample of 150 title IV-E foster care cases will be conducted.

Case Record Summary:

The reasons that five cases were found to be in error are discussed below:

- Case #33 – This case was not in compliance because the child was not removed from the home of a specified relative as required by 472(a)(1) of the Act and 45 CFR 233.90. Specifically, the child was judicially removed from an unrelated legal guardian. These ineligible title IV-E maintenance payments included payments made during the period under review.
- Case #42 – This case was not in compliance because the child was placed in a pre-adoptive home that was not licensed as a foster care provider as required in section 472 (b) and (c) of the Act. These ineligible title IV-E maintenance payments included payments made during the period under review.
- Case #73 – This case was not in compliance because payments were made after the child was no longer placed in a licensed or approved foster home as required by section 472 (b) and (c) of the Act. Specifically, the child was placed on a trial home visit with the mother and payments continued to be claimed for that relative placement. These ineligible title IV-E maintenance payments included payments made during the period under review.
- Case #80 – This case was not in compliance because the judicial determination regarding contrary to the welfare (CTW) was not made for this child as required by section 472(a)(2)(A) of the Act. These ineligible title IV-E maintenance payments included payments made during the period under review. The required CTW finding was not made in the court order of March 27, 2001 or in the transcript of the court hearing on that date. The March 27, 2001 order stemming from the court proceeding is considered the first court order that removed (constructively) the child from the parents and granted the State the authority to place the child in foster care upon the child’s return to the State. In the March 27, 2001 order, the court granted “protective custody, care and control” of the child “to the Missouri Division of Family Services for appropriate placement,” but did not make a CTW finding. At the time of the court hearing, the child was in Great Britain.
- Over Sample Case #2 – This case was not in compliance because payments were made when the responsibility for placement and care was not vested with the State agency or another public agency with which the State agency has a title IV-E agreement as required by section 472(a)(2). Specifically, a payment was made to a facility for a period after the child’s case was closed. These ineligible title IV-E maintenance payments included payments made during the period under review.

The review team also identified three (3) eligible cases with ineligible payments occurring outside the period under review.

- Case #8 – The judicial determination regarding reasonable efforts to finalize the permanency plan was not made for this child as required in 45 CFR 1356.21(b)(2). This resulted in ineligible title IV-E funds being claimed for April 1, 2001 through September 30, 2002 and December 1, 2002 through April 30, 2004.
- Case #16 – A title IV-E foster care maintenance payment was made to a hospital in the amount of \$35.79. Consistent with 45 CFR 1355.20, hospitals are not title IV-B eligible facilities under title IV-E foster care.
- Care #54 – The child was placed in an unlicensed foster care facility. Title IV-E funds were subsequently claimed for unallowable costs from May 1, 2007 through May 31, 2007.

Areas Identified Onsite as Strengths in the Title IV-E Foster Care Eligibility System:

The following areas were noted as strengths during this review:

Court Orders

- Court orders were child-specific for each child within sibling groups.
- Permanency hearings were held frequently in most Court Circuits; sometimes at 30, 60, or 90 day increments. This permitted the court to remain updated on the child's progress and changes in efforts toward permanency.
- Court orders contained details about services that were provided to children and families and indicated whether the agency was doing what needed to be done to reach the permanency plan.
- Court orders examined the applicability of the Indian Child Welfare Act (ICWA) and specified whether ICWA had been addressed.

Aid to Families with Dependent Children (AFDC) Determinations

- Eligibility decisions were well documented. There was evidence in the file of agency efforts to verify income and resources.
- Frequent re-determination reviews were completed when necessary to assess changes in eligibility and were well documented.

Other

- Background checks on foster care providers were timely and very thorough. The checks included fingerprint-based registry checks as well as checks at the local, State and Federal levels. Facilities, staff and other adults in the foster family homes were checked.

Areas In Need of Improvement:

Court Orders

- Most of the Court Circuits in the State utilized check boxes to ensure the required judicial determinations were included in the order. One reviewed order contradicted itself as the boxes ordering and releasing custody were both checked. Other language in the order clarified the findings, but this is still seen as a concern about the accuracy of the court orders.
- Multiple orders included language that was not clear enough to determine the court's judgment of reasonable efforts. This led to error findings on two cases; one of which was resolved after reviewing the court transcript.

System and Payments

- Missouri must ensure that it is submitting accurate Adoption and Foster Care Analysis and Reporting Systems data. The sample included numerous cases that did not have

service dates and/or payments during the period under review. A specified quality assurance process for both the State's FACES (Missouri's Statewide Automated Child Welfare Information System) and vendor systems would be useful.

- Payment histories were confusing and contained frequent and numerous instances of recoupment of payments. The overpayments were backed out, but the State needs to review the reason so many payments are initially being made on ineligible cases.
- The placement history in the State's new FACES system is not user friendly and it also allows case managers to erase or modify data, such as a placement, from the record without edit checks.

Overall Observations:

- Case organization was good. Generally, the files had most of the information necessary to determine case compliance.
- The review was well organized.
- State staff were responsive in securing additional documentation when needed.

Findings and Disallowances:

In the five (5) cases determined not to be eligible for title IV-E foster care maintenance payments during the period under review, the State is ineligible to receive Federal Financial Participation (FFP) under the title IV-E foster care maintenance payments program. The State also is ineligible for title IV-E foster care administrative costs relating to these error cases. The amount of ineligible maintenance payments for these cases is \$8,658.97 in FFP. The associated unallowable administrative costs for these cases are \$16,393.00 in FFP. The State also has an obligation to identify and repay any ineligible payments that occurred for these error cases subsequent to the period under review.

In addition to the above cases found with errors, the review team identified three (3) eligible cases with ineligible payments occurring outside the period under review. These additional findings were not considered in the determination of Missouri as not being in substantial compliance with Federal requirements. The State is, nevertheless, ineligible to receive FFP for these cases under the title IV-E program. The amount of ineligible maintenance assistance payments for these cases is \$1,977.52 in FFP. The associated unallowable administrative costs for these cases are \$2,642.00 in FFP.

Case Record Summary – Ineligible Payments (Chart 1)

Sample No.	Federal Matching Amount	Federal Administrative Costs	Nature of Ineligible Payment	Dates of Ineligibility	
MO-8	\$2,900.09	\$1,540.00	Reasonable efforts to finalize not met.	4/1/2001	10/1/2002
	\$831.00		Reasonable efforts to finalize not met.	12/1/2002	5/1/2004
MO-16	\$35.79	\$551.00	Payment made to hospital. Hospitals are not allowable facilities under title IV-E foster care.	9/28/2007	9/28/2007
MO-33	\$829.50	\$3,926.00	Child was not removed from the home of a specified relative.	6/1/2007	1/7/2008
MO-42	\$521.73	\$574.00	Pre-adoption placement not licensed as foster care facility.	3/1/2008	3/31/2008
MO-54	\$188.16	\$551.00	Placed in unlicensed foster facility.	5/1/2007	5/31/2007
MO-73	\$414.70	\$574.00	Ineligible placement.	2/7/2008	2/28/2008
MO-80	\$11,301.90	\$10,745.00	Contrary to welfare not met.	3/1/2001	9/30/2008
MO OS-2	\$4,250.10	\$574.00	Care of child not vested with the State.	1/3/2008	1/31/2008
Total	\$10,636.49	\$19,035.00			
	TOTAL	\$29,671.49			