

**State of Rhode Island
Department of Children, Youth and Families
Title IV-E Foster Care Eligibility
Primary Review
Report of Findings for
October 1, 2012 – March 31, 2013**

Introduction

During the week of August 19, 2013, the Children's Bureau (CB) of the Administration for Children and Families (ACF) conducted a primary review of the Rhode Island title IV-E foster care program. The review was conducted in Providence, Rhode Island in collaboration with the Rhode Island Department of Children, Youth and Families (DCYF) and was completed by a review team comprised of representatives from DCYF, CB Central and Regional Offices, and the ACF Regional Grants Management Office.

The purposes of the title IV-E foster care eligibility review were (1) to determine whether Rhode Island'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 Rhode Island'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 Rhode Island's foster care cases that received a title IV-E maintenance payment for a period during the six-month period under review (PUR) of October 1, 2012 through March 31, 2013. A computerized statistical sample of one hundred (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 from the original sample were reviewed.

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 of 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 childcare 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 information was examined to ensure the foster family home or childcare institution in which the child was placed during the PUR was licensed or approved and safety considerations were met. Payments made on behalf of each child also were reviewed to verify the expenditures were allowable under title IV-E and to identify any underpayments that were eligible for title IV-E claiming. A sample case is determined to be in error when a title IV-E payment was made for an activity or service during the PUR on behalf of a child determined not to meet the criteria for title IV-E eligibility during the foster care episode. A sample case is cited as non-error with ineligible payment when a title IV-E payment was made for an activity or service solely outside the PUR on behalf of a child determined not to meet the criteria for title IV-E eligibility. A case also may be cited as non-error with ineligible payment when the title IV-E eligibility criteria was fully met, but an unallowable title IV-E maintenance payment (e.g. for a duplicate payment; for an overpayment; or for any other unallowable program cost) is paid for an activity during or outside of the PUR. In addition, underpayments are identified for a sample case when an allowable title IV-E maintenance payment is 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 has expired.

Compliance Finding

The review team determined that seventy-eight (78) of the eighty (80) cases met eligibility requirements (i.e., were deemed non-error cases) for the PUR. Two (2) cases were determined to be in error for part of the PUR and the period of ineligibility extended to the entire foster care episode. However, DCYF claimed improper title IV-E payments for only one day in both cases. Based on these review findings, CB has determined that the Rhode Island DCYF title IV-E foster care program is found in substantial compliance with federal eligibility requirements for the PUR. The next review of Rhode Island's title IV-E eligibility program will be a primary review, conducted within three years from the date of this primary review. One (1) non-error case was also determined to be ineligible for title IV-E funding for a period of claiming. Although this case is not considered an "error case" for determining substantial compliance, the ineligible maintenance payment is subject to disallowance.

Case Record Summary

The following chart records the reason for the improper payments; improper payment amounts; and federal provisions for which the state did not meet the compliance mandates.

Error Cases

Sample Numbers	Improper Payment Reason	Ineligibility Period	Improper maintenance payment FFP	Improper administrative payment FFP
#27	Deprivation and financial need were not established for child's AFDC eligibility. [§472(a)(1)(B) and §472(a)(3)(A) of the Act; 45 CFR 1356.21(l)]	Ineligible Entire Foster Care Episode: 10/29/12-03/31/13 Reported Disallowance Period: 10/29/12 (one day)	\$26.	\$0
#47	Deprivation and financial need were not established for child's AFDC eligibility. [§472(a)(1)(B) and §472(a)(3)(A)(ii)(II) of the Act; 45 CFR 1356.21(l)]	Ineligible Entire Foster Care Episode: 11/15/12-03/31/13 Reported Disallowance Period: 11/15/12 (one day)	\$77.	\$0
N/A	N/A	N/A	Total Maintenance: \$103.	Total Administrative: \$0

Non-Error Case with Ineligible Payments

Sample Numbers	Improper Payment Reason	Ineligibility Period	Improper maintenance payment FFP	Improper administrative payment FFP
#20	Title IV-E payments were claimed for a period in the month prior to the month the judicial determinations of contrary to the welfare and reasonable efforts to prevent removal were made [§472(a)(2)(A) of the Act; 45 CFR 1356.21(b)and (c)]	Ineligible: 03/30/11-03/31/11	\$167.	\$0
N/A	N/A	N/A	Total Maintenance \$167.	Total Administrative \$0

Program Strengths & Promising Practices

The review team noted significant improvements in the state's title IV-E foster care eligibility program since the most recent title IV-E review three years ago. The following positive practices and processes have led to improved program performance and successful program operations:

- *Judicial determinations.* Since the 2010 title IV-E secondary review, DCYF has focused on ensuring that eligibility staff have a clear understanding of the judicial requirements and the documentation needed for title IV-E eligibility. As a result of this targeted focus, we found significant improvement in this area. Seventy-nine (79) out of eighty (80) cases reviewed were found to have the required judicial determinations documented and within the required timeframes. Cases were reviewed for the judicial findings that continuation in the home would be contrary to the child's welfare; reasonable efforts were made to prevent removal; reasonable efforts were made to finalize the permanency plan; and continued foster care placement was in the best interests of the child. Some of the court orders reviewed detailed the basis for the findings and were attached to supporting affidavits and petitions, which provided additional case history and context. However, there were other court orders that were not as clear on the case plan that was being addressed or did not specify the basis of the judge's decision. We recommend that DCYF continue its work with the Rhode Island Family Court to explore and implement standards to improve the overall quality of the court orders.
- *Licensing and safety checks.* Reviewers found that Rhode Island claims title IV-E foster care maintenance payments for children placed only in foster family homes and childcare facilities that are fully licensed and meet safety requirements, including fingerprint-based criminal record checks of the National Crime Information Databases (NCID). DCYF eligibility staff regularly check on the licensing status and work closely with the licensing staff to ensure that case records have current information documenting the licensing status of foster family homes and residential facilities. Title IV-E claiming procedures are supported by the licensing status and histories recorded in the Rhode Island Children Information System (RICHIST), which serves as a monitoring tool to track licensing. RICHIST data were found to be clear and current for the cases reviewed.

Criminal records checks for foster family homes were found to be thorough and completed on a timely basis. For childcare institutions, federal regulations at 45 CFR 1356.30(f) require states to establish procedures that address safety considerations with respect to the staff. For title IV-E eligibility purposes, the state must provide documentation verifying that these safety considerations are satisfied for the duration of the child's placement during the PUR. Similar to our 2010 review, we found clear and detailed documentation in the licensing files. The information was consistently documented on the Division of Licensing and Regulatory Services Employee File Check Sheet which is a monitoring tool used during regular monitoring visits and includes the name of the staff person, title of the staff person, date of hire, date of criminal check, and

date of child abuse registry check for all employees of the licensed facility or childcare institution.

- *AFDC determinations.* Although the two error cases involved claiming for a child who was removed from a home that did not meet AFDC eligibility criteria, these errors were isolated incidents involving children who were removed from homes in which they were receiving title IV-E adoption assistance payments (see discussion below). Overall, the case review found the required determinations for AFDC consistently and correctly documented in the case records. Rhode Island has maintained reliable procedures for determining financial need and deprivation of parental support according to the state's July 16, 1996 guidelines for AFDC, as required for title IV-E eligibility determinations of children removed from the home and placed into foster care. The State also routinely documents the home of removal and specified relative for purposes of AFDC determinations. The determination of AFDC eligibility is a centralized function in Rhode Island, performed by experienced and knowledgeable staff. New staff are trained and supported by more experienced title IV-E eligibility staff on these requirements regularly and as needed. This structure provides for continuity of knowledge and development of agency expertise.
- *Automation of title IV-E eligibility.* Rhode Island continues to effectively use the title IV-E application within RICHIST to determine title IV-E eligibility and document the basis for those determinations. RICHIST has the capacity to interface with other automated systems, such as the one used for the Temporary Assistance for Needy Families (TANF) program, to obtain financial and non-financial information necessary for verification in determining title IV-E eligibility. RICHIST also provides automated tools to support the State in ceasing title IV-E claims, in most instances, when a child no longer meets eligibility requirements.

Area in Need of Improvement

Issue #1: Two (2) cases were found to be in error because DCYF was not able to establish AFDC eligibility for the home from which each child was removed. Both children were adopted from the foster care system and later re-entered care due to issues involving abuse and/or neglect. The DCYF Eligibility team determined that each child's adoptive parents did not meet the AFDC eligibility requirements related to deprivation and/or financial need. However, both children were receiving title IV-E Adoption Assistance payments on the date each was removed from their adoptive homes and placed in foster care. Since the RICHIST system had coded both children as title IV-E eligible, DCYF inadvertently claimed as a title IV-E payment a prorated share of the initial foster care maintenance payment for the first day of each child's foster care placement during the most recent foster care episode. These children did not meet the AFDC eligibility requirements; therefore, their entire foster care episodes are not eligible for title IV-E funding.

Title IV-E Requirement: Consistent with federal provisions at 45 CFR 1356.21(l)(2) and §472(a)(1)(b) and §472(a)(3)(A)(ii)(II) of the Act, in order for a child to be eligible for title IV-E, a

child must be determined eligible for AFDC in the home from which there is a valid removal of the child in accordance with a judicial determination that it is contrary to the welfare of the child to remain in the home. Under title IV-E, the home from which the child is removed is the home of the parent or other specified relative who is the subject of the "contrary to welfare" finding. AFDC eligibility must be based on that home for the month in which court proceedings were initiated that lead to the child's removal. In the removal home and removal month, the child must have been financially needy and deprived of parental support or care as determined based on the state's title IV-A plan in effect on July 16, 1996.

Recommended Corrective Action: Rhode Island should review the RICHIST system's title IV-E application to determine how the title IV-E eligible children under Adoption Assistance were inadvertently determined by the RICHIST system to be eligible for title IV-E foster care maintenance payments after the children returned to foster care. The State is encouraged to make any needed system modifications to prevent this situation from occurring again.

Issue #2: There was one case (1) determined to be a non-error case with ineligible payments because the required judicial determinations had not been made during the month for which title IV-E payments were made. The child was placed in foster care at the end of March 2011.

However, the judicial determinations of contrary to welfare and reasonable efforts to prevent removal were not made until the following month. As a result, maintenance payments made on behalf of the child for the month of March are not eligible for title IV-E reimbursement.

Title IV-E Requirement: Consistent with federal provisions at §472(a)(2)(A) of the Act and 45 CFR 1356.21(b) and (c) judicial determinations for "contrary to the welfare" and "reasonable efforts to prevent removal" must be made in order for a child to be eligible for title IV-E. The state may claim title IV-E funds back to the beginning of the month in which the judicial determinations have been made for an otherwise eligible child. [See 8.3A.15, Question #1 of the CB Child Welfare Policy Manual.]

Recommended Corrective Action: Rhode Island should examine its procedures for managing title IV-E claims to ensure that title IV-E funds are not claimed prior to the first of the month in which all eligibility criteria, including judicial determinations, are met. We encourage the state to make any needed policy and systems modifications and provide training for agency staff to ensure that title IV-E claims are submitted only for eligible children.

Disallowance

A disallowance in the amount of \$270 in maintenance payments is assessed for title IV-E foster care payments claimed improperly for the error and non-error cases. The State also must identify and repay any ineligible payments that occurred for these cases subsequent to the payments provided in the payment histories for this review. No future claims should be submitted on these cases until it is determined that all eligibility requirements are met. No disallowance is assessed for related administrative costs since the ineligible maintenance payments covered a period of less than 16 days in the month for which they were made.

Next Steps

As part of the State's ongoing efforts to improve its title IV-E foster care eligibility determination process, CB recommends that DCYF examine the identified areas needing improvement and develop strategies to address the problems that prevent 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 and to address general case management and documentation issues. The CB Regional Office is available to work with the State to identify and provide technical assistance.