Washington Title IV-E Foster Care Eligibility Review
October 1, 2003 through March 31, 2004

Introduction

The Region X Administration for Children and Families (ACF) conducted a primary review of the State of Washington's Title IV-E program in Olympia, Washington, from September 20 through September 23, 2004. The onsite review team was composed of six staff from ACF Region X, one from ACF Region IX, one from ACF Central Office and four from Washington.

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

Scope of the Review

The Washington Title IV-E foster care review encompassed a sample of all of the Title IV-E foster care cases that received a foster care maintenance payment during the period of October 1, 2003 through March 31, 2004, the Period under Review (PUR). A statistical sample of 80 cases was drawn from the Adoption and Foster Care Analysis and Reporting System (AFCARS) for the PUR. The child's 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 fully licensed or approved for the PUR.

Of the 80 cases reviewed, seventy nine (79) cases were determined eligible for Title IV-E and one (1) case was determined to be in error for all or part of the PUR. Since the number of error cases was no more than four (4), the ACF has determined Washington to be in substantial compliance for this primary review.

Case Record Summary

Below is a summary of the findings for the case determined to be in error:

- Sample #29 - Title IV-E was claimed for foster care for a child residing in a home with an expired license. 42 USC 672 (c), 45 CFR 1355.20 and 45 CFR 1356.71(d).

Strengths

In the Title IV-E cases reviewed, the following strengths were noted:

- "Contrary to the welfare" judicial determinations were consistently found in the initial court orders.

- "Reasonable efforts to prevent placement" judicial determinations were consistently found in the initial court orders in those cases for which Title IV-E was claimed.

- "Reasonable efforts to finalize the permanency plan" judicial determination, at least annually and sometimes more frequently, were included in the court orders of cases where Title IV-E was claimed.

- Some court orders included judicial determinations with good case-specific findings.

- Some eligibility determinations included good narrative regarding eligibility factors, including AFDC-relatedness.

- Washington completes re-determinations of eligibility on a timely basis. Each eligibility determination includes an assessment of eligibility for each month in the past period.

- Cases reviewed had full licenses; no initial or probationary licenses were used.

- Eligibility specialists kept licenses in title IV-E eligibility files and tracked licenses for out-of-state placements.

- Criminal records checks were completed prior to placement and licensing. Checks included an extensive process to assess any criminal record identified including non-disqualifying crimes.

- Washington utilizes a specialized criminal records check unit to ensure completion of all criminal check requirements.

- Washington has conscientious eligibility staff who try to ensure Title IV-E is claimed only for eligible children.

Areas in Need of Improvement

In the Title IV-E cases reviewed, the following areas needing improvement were noted:

- Some court orders should be improved or more thoroughly completed to make more meaningful, individualized judicial determinations.
- Initial court orders for Indian children should consistently include “active efforts” determinations.
- Voluntary placement agreements should be thoroughly completed.
- Documentation of eligibility determinations, including AFDC–relatedness should include more narrative documentation.
- The time from submittal of a licensing reapplication to the time of license renewal should be shortened.
- Washington needs to strengthen procedures for monitoring safety checks in facilities to ensure such monitoring is on a regular basis and is sufficient to ensure safety checks are completed in a timely manner.

Payment Issues

Miscellaneous Ineligible Payments

The review identified the following miscellaneous ineligible payments:

- One case (Sample #1) included a payment during the PUR (November 2003) that was claimed prior to attaining the "reasonable efforts to prevent removal" judicial determination. Title IV-E must not be claimed prior to satisfying all applicable eligibility requirements. The amount of the ineligible payment is $98.80 ($49.40 FFP).
- Duplicate Days: The State's payment system allowed payments to be made for more days than are in a month. Sample # 67 included payments for 32 days in March 2004, with 25 days paid for the FC Basic Rate and 7 days for receiving care. State staff indicated that edits are not in place to prevent this situation especially if it’s a change in service type. The amount of the ineligible payment is $12.04 ($6.02 FFP).

  Action Required: The State must implement changes to its payment system to prevent duplicate days to be paid. Additionally, these ineligible amounts must

be returned to the federal government, and have been included in the disallowance calculation below.

Maintenance Payment Definition: The IV-E Maintenance Payment definition at Section 475 (4) of the Social Security Act is defined as "…payments to cover the cost of (and the cost of providing) food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable travel to the child's home for visitation…".

Behavioral Rehabilitation Services (BRS) Contracts: Sample # 61 and 65 included payments to the Chance Program. We could not reconcile the payments to the contracted amounts as the contracted rates are paid by both Children's Administration (CA) and the Division of Mental Health (DMH), with CA paying the maintenance payment portion. The documentation to support the maintenance payment amounts was weak; however, the amounts paid were substantially less than the contracted rates.

Action Required: The State must improve its requirements to document the allowability of the amount paid as maintenance payments costs.

Exceptional Cost Form: Documentation for Sample #40 utilized an Exceptional Cost Form (FCP), Form #05-210(X), revised September 2002, to support the amount paid. This form included the following cost categories under the maintenance portion, which do not or potentially would not meet the IV-E definition for allowable maintenance costs: respite care, and special equipment/furniture. State staff indicated that this form version may have been developed by that specific region.

Action Required: The State must ensure that respite care and some forms of special equipment/furniture are not claimed. Additionally, the Regional Office will be conducting further review in this area.

Disallowances

Based on the results of the review, the State of Washington has been determined to be in substantial compliance as only one case was determined ineligible for funding under Title IV-E foster care.

The disallowed payments associated with the error cases and the non-error cases with ineligible payments were calculated as indicated on the following chart. Ineligible payments associated with the case reflect all periods of ineligibility through the service period ended March 31, 2004. All service periods after March 31, 2004 must be removed from the IV-E claims. (Note: No disallowance was calculated for administrative costs as we are not currently adjusting administration for unlicensed foster homes).

Additionally, all claims made on behalf of other IV-E children in the unlicensed provider's home must be adjusted for the entire period of the provider's ineligibility.

Summary of Ineligible Payments				
	FY 03	FY 04	Total	Source
Summary of Ineligible Maintenance Payments:				Attachment A
Sample #29	2,492.97	1,368.30	3,861.27	
FFP	1,246.49	684.15	1,930.64	
Summary of Ineligible Miscellaneous Payments:				Attachment B
Sample #01		98.80	98.80	
Sample #67		12.04	12.04	
Total		110.84	110.84	
FFP		55.42	55.42	
Total FFP	1,246.49	739.57	1,986.06	