

**Wisconsin Department of Children and Families  
Primary Review Title IV-E Foster Care Eligibility  
Report of Findings for  
October 1, 2010– March 31, 2011**

**Introduction**

During the week of August 29, 2011, the Children’s Bureau (CB) of the Administration for Children and Families (ACF) conducted a primary review of the State’s title IV-E foster care program. The review was conducted in collaboration with the State of Wisconsin Department of Children and Families (DCF) and was completed by a review team comprised of representatives from the State agency, State court improvement project, CB Central and Regional Offices, ACF Regional Grants Management and peer reviewers.

The purposes of the title IV-E Foster Care Eligibility Review are (1) to determine whether title IV-E foster care maintenance payments were made on behalf of eligible children and to qualified homes and institutions in accordance with 45 CFR 1356.71 and Sections 471 and 472 of the Social Security Act (the Act); (2) to identify improper payments (e.g., overpayments, underpayments,); and (3) to identify promising practices and/or needs for training and technical assistance.

**Scope of the Review**

The primary review encompassed a sample of the State’s foster care cases that received a title IV-E maintenance payment during the six-month period under review (PUR) of October 1, 2010 through March 31, 2011. A computerized statistical sample of 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 were reviewed, which consisted of 75 cases from the original sample plus 5 oversample cases. Five (5) cases were excluded from the original sample because no title IV-E foster care maintenance payment was made during the PUR. The State provided documentation to support excluding these cases from the review sample and replacing them with 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 also was examined to ensure the foster family home or childcare institution where the child was placed during the PUR was licensed or approved and that safety requirements were appropriately documented. Payments made on behalf of each child also were reviewed to verify the expenditures were allowable 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 unallowable activity. 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.

## **Compliance Finding**

The review team determined that all of the 80 cases met eligibility requirements (i.e., were deemed non-error cases) for the PUR. No cases were determined to be in error for either part or all of the PUR. However, one (1) non-error case was ineligible for Federal funding for a period of claiming. Accordingly, Federal funds claimed for title IV-E foster care maintenance payments associated with the non-error case with ineligible payments are being disallowed. In addition, three (3) non-error cases were identified to have periods of eligibility during the period under review, and one (1) case outside the period of review for which the State did not claim allowable title IV-E maintenance payments. Because the number of cases in error is fewer than four (4), the Department of Children and Families is found to be in substantial compliance for the PUR. The State is commended for its excellent programmatic efforts that have resulted in successful review performance from its past review finding of non-substantial compliance in 2002 (23 error cases, primary review) to substantial compliance findings in 2005 (1 error, secondary review), in 2008 (0 errors, primary review) and in the current primary review (0 errors).

## **Case Summary**

The following charts record the non-error case 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.

**Non-error Cases with Ineligible Payments**

| <b>Sample Number</b> | <b>Improper Payment Reason &amp; Ineligibility Period</b>  | <b>Improper Payments (FFP)</b> |
|----------------------|--|--------------------------------|
| 06                   | Foster care maintenance payment was made twice for the same period. The county worker entered the payment twice for the same service and this caused a duplicate payment.<br>[§475(4) of the Act; 45 CFR 1356.60(a)(i)]<br>Ineligible: 01/01/2011-01/31/2011 | \$291.00 Maint.                |

Total: \$291.00

**Underpayment Case**

| <b>Sample Number</b> | <b>Improper Payment Reason &amp; Ineligibility Period</b>   | <b>Improper Payments (FFP)</b> |
|----------------------|---|--------------------------------|
| 08                   | State did not initiate title IV-E when SSI for a title IV-E eligible child was discontinued.<br>Eligible: 03/01/2010-12/31/2010   | \$3,785.37 Maint.              |
| 21                   | Claiming did not begin when the child was moved to the facility meeting the foster care requirements.<br>Eligible: 03/30/2011- 03/31/2011   | \$102.72 Maint.                |
| 61                   | Waukesha County did not enter information into the statewide data system correctly, consequently there was no claiming.<br>Eligible: 09/17/2009-02/13/2011  | \$8,691.03 Maint.              |
| 18                   | A gap in title IV-E claiming occurred because the State initially identified the home as not being licensed. However, it was verified that the home was licensed continually since 1989.<br>Eligible: 10/01/09-12/31/2009 | \$1,047.00 Maint.              |

Total: \$13,626.12

**Areas in Need of Improvement**

Although there were no error cases, the findings of this review indicate the State needs to further develop and implement procedures to improve program performance in the following areas. For each issue, there is a discussion of the nature of the area needing improvement, the specific title IV-E requirement to which it relates and the corrective action the State should undertake

Issue #1: Unallowable Payments. It was determined during the review that there was one (1) case where foster care maintenance payments were made twice for the same period resulting in a improper payment. The ineligible payment amounted to a total of \$291.00. The county changed the foster care rate setting in the beginning of February. Thinking the adjustment to the rate wouldn't take effect in January, the county worker entered a one-time payment of \$291.00. However, the change did take effect when the checks were automatically sent out for January 1

to January 3, 2011. This caused a duplicate payment for the same service. Foster care maintenance payments may not be made twice for the same period.

Title IV-E Requirement: Consistent with the Federal provision at 45 CFR 1356.60(a)(i), title IV-E foster care maintenance assistance payments may be claimed only for the cost of providing certain expenditures covered within the Federal definition of foster care maintenance at §475(4) of the Act. The State must document that foster care maintenance payments claimed for title IV-E reimbursement are for allowable expenditures in accordance with the statutory definition, are in amounts conforming to the State established rates of payment for the type and level of care provided, and reflect non-duplicative amounts of the costs of daily maintenance.

Recommended Corrective Action: It is recommended that the State provide ongoing training to its counties on the use of the State's automated title IV-E eligibility system with a focus on proper data entry. The State should also establish more careful controls to monitor proper entry of payment information. In addition, it is recommended that the State have close administrative oversight of the counties' title IV-E eligibility claiming. The State should actively supervise the various activities subject to title IV-E that are performed by the counties. This supervision should include making sure the counties adhere to the requirements of the Social Security Act, Federal rules, regulations, and policy interpretation in the operation of the State's foster care maintenance program. Consistent with §471(a)(2) and §472 (a)(2)(B) of the Act, the State ultimately is responsible for proper operation of the foster care program.

Issue #2: *Appropriate Data Entry into SACWIS System.* It was determined during the review that there were four (4) cases that the State did not claim title IV-E maintenance payments for periods in which the State was entitled. These underpayments amount to a total of \$16,069.12 in allowable claims. In all four (4) cases, these underpayments were due to incorrect or no claim made into the Wisconsin Statewide Automated Child Welfare Information System (SACWIS).

Recommended Corrective Action: It is recommended that the State provide ongoing training to its counties on the use of the Wisconsin SACWIS with a focus on proper data entry and careful controls of information being entered into the system. In addition, it is recommended that the State have close administrative oversight of the counties' title IV-E eligibility claiming. The State should actively supervise the various activities subject to title IV-E that are performed by the counties. Special attention should be paid to accurate licensing information being entered and used. This supervision should include making sure the counties adhere to the requirements of the Act, Federal rules and regulations, and policy interpretation in the operation of the State's foster care maintenance program. Consistent with §471(a)(2) and §472 (a)(2)(B) of the Act, the State ultimately is responsible for proper operation of the foster care program.

## **Strengths and Promising Practices**

The following positive practices and processes of the title IV-E foster care eligibility program were observed during the review. These approaches seem to have led to improved program performance and successful program operations.

- The collaborative efforts between the State child welfare agency and the court system have resulted in timely judicial findings and explicit documentation of these findings. The language in court orders and petitions was specific and distinct to each individual case, including those under the purview of the Indian Child Welfare Act (ICWA). In addition:
  - Most court orders and judicial determinations of reasonable effort to prevent placements were found in the first order along with the judicial determinations of whether remaining at home was contrary to the child’s welfare.
  - Findings of reasonable efforts to finalize permanency generally were done more frequently than required. This increased oversight can lead to better tracking of the timeliness of case decisions and progress made to finalize plans for children.
- Uploading of court orders and petitions on the State’s automated data system allows for more efficient recordkeeping, as well as further clarity and availability of information. In addition, DCF has improved its process for determining title IV-E eligibility by updating its automated data system to determine AFDC eligibility.

## **Disallowances**

The total disallowance as a result of this review is \$291.00 in Federal financial participation (FFP). This amount is disallowed for the title IV-E foster care maintenance payments claimed improperly for the non-error case. The State also must identify and repay any ineligible payments that occurred for the non-error case subsequent to the PUR.

## **Next Steps**

As part of the State’s ongoing efforts to improve its title IV-E foster care eligibility program, CB recommends that DCF examine identified program deficiencies and develop measurable, sustainable strategies that target the root cause of any areas hindering the State from operating an accurate foster care eligibility program. The CB Regional Office is available to assist the State in identifying strategies and obtaining existing technical assistance to support in the proper and efficient administration of the DCF title IV-E foster care maintenance program. Appropriate corrective action should be taken in instances of noncompliance with Federal laws and regulations.