

State of Illinois
Final Report
Primary Review
Title IV-E Foster Care Eligibility
Report of Findings for
April 1, 2023 - September 30, 2023

Introduction

The Children's Bureau (CB) of the Administration for Children and Families (ACF) conducted a primary Title IV-E Foster Care Eligibility Review (IV-E Review) of Illinois' foster care program under title IV-E of the Social Security Act. The IV-E Review was conducted during the week of April 15, 2024, in collaboration with Illinois and was completed by a review team comprised of representatives from Illinois Department of Children and Family Services (IDCFS), CB Central and Regional offices, and a cross-state Peer Reviewer.

Key purposes of the IV-E Review are (1) to determine whether a state's foster care program for title IV-E is in compliance with eligibility requirements as delineated in title IV-E of the Social Security Act (the Act) and in federal regulations; and (2) to validate the basis of the state's financial claims to ensure appropriate payments are made on behalf of its eligible children.

Scope of the Review

The IV-E Review encompassed a sample of Illinois' foster care cases in which a title IV-E foster care maintenance payment was claimed for an activity that occurred within the 6-month period under review (PUR) of April 1, 2023 - September 30, 2023. A computerized statistical sample of 80 cases plus 20 oversample cases was drawn from data the state submitted to the Adoption and Foster Care Analysis and Reporting System (AFCARS) for the above period. Eighty (80) cases were reviewed, which consisted of 79 cases from the original sample plus one (1) oversample case. Case number 13 was excluded from the original sample because no title IV-E foster care maintenance payment was made for a period of activity that occurred during the PUR. The state provided documentation to support excluding this case from the review sample and replacing it with a case from the oversample.

In accordance with federal statutes and regulations at 45 CFR 1356.71, the state was reviewed against 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)(ii) of the Act and 45 CFR §§1356.21(b) and (c), respectively;
- Voluntary placement agreements as set forth in §§472(a)(2)(A)(i) and (d)-(g) of the Act and 45 CFR §1356.22;
- Responsibility for placement and care vested with the title IV-E agency as stipulated in §472(a)(2)(B) of the Act and 45 CFR § 1356.71(d)(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);
- Child’s placement in a foster family home, childcare institution, or residential family-based treatment facility for substance abuse as specified in §§472(b), (j) and (k) and §475A of the Act and 45 CFR § 1356.71(g);
- Child’s placement setting is fully licensed in accordance with §§ 472(c) and (j) of the Act and 45 CFR § 1356.71(d)(1)(iv) and
- Safety requirements for the child’s foster care placement as required at §471(a)(20) of the Act and 45 CFR §1356.30 and 1356.71(d)(1)(iv).

The case record of each child in the selected sample was reviewed to verify title IV-E eligibility. The foster care provider’s record was also reviewed to ensure the foster care setting where the child resided during the PUR was fully licensed and met applicable safety requirements. Payments made on behalf of each child were examined to verify expenditures were properly claimed under title IV-E and to identify underpayments eligible for claiming.

A sample case is 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 claimed. A sample case is cited as non-error with ineligible payments when the child met eligibility requirements for the PUR, but there were periods in a child’s foster care episode for which title IV-E maintenance payments were improperly claimed. In addition, underpayments are identified for a sample case when the state unintentionally failed to claim an allowable title IV-E maintenance payment for an eligible child within the 2-year filing period specified in 45 CFR §95.7, and the filing period had not expired.

The Children’s Bureau and Illinois agreed the state could have two (2) weeks following the onsite review to submit additional documentation for a case during the onsite review that was identified as in error, in “undetermined” status, or not in error but with ineligible payments.

Compliance Finding

The Children's Bureau has determined all 80 sample cases met all eligibility requirements (i.e., are deemed non-error cases) for the PUR. No cases are determined as in error for not meeting eligibility requirements either for periods only during the PUR or for a child's entire foster care episode. One (1) non-error case met eligibility requirements for the PUR but was found to have periods in a child's foster care episode for which title IV-E maintenance payments are improperly claimed.

The Children's Bureau has determined Illinois' title IV-E foster care program is in substantial compliance with federal eligibility requirements for the PUR. Substantial compliance in a primary IV-E Review means the total number of error cases determined as not meeting eligibility requirements for the PUR is four (4) cases or less. Because the state is in substantial compliance, a secondary review of 150 sample cases is not required. The next primary review will be held in 3 years.

Case Summary

The following charts record improper payment cases comprised of non-error cases with ineligible payments; reasons for improper payments; improper payment amounts; and federal provisions for which the state does not meet compliance mandates. Calculation of improper payment amounts is based on the dates specified in the chart and the federal financial participation (FFP) rates of maintenance payments at the state's Federal Medical Assistance Percentages (FMAP) for applicable year(s) for each sample case.

Non-Error Cases with Ineligible Payments:

Sample Number	Improper Payment Reason & Ineligibility Period April 1, 2023 - September 30, 2023	Improper Maint. Payments (FFP)	Improper Admin. Payments (FFP)
31	Judicial determination of reasonable efforts to finalize permanency plan not met timely for the PUR. The judicial finding was due by 12/31/2022 and was made on 04/12/2023. [§472(a)(2)(A)(ii) of the Act; 45 CFR §1356.21(b)(2)] Ineligible Period: 1/1/2023-3/31/2023	\$2,976	\$4,186

Overall Total FFP: \$7,162

Areas Needing Improvement

Findings of this IV-E Review indicate Illinois needs to further develop and implement procedures to improve program performance in the following areas. For each issue, there is a narrative 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: *Judicial Determinations Regarding Reasonable Efforts to Finalize a Permanency Plan.* One (1) non-error case had ineligible payments due to a late finding of reasonable efforts to finalize a permanency plan. Title IV-E foster care maintenance payments were made for a period prior to the period under review. The judicial determination regarding reasonable efforts to finalize a permanency plan was due December 2022 and did not occur until April 2023. Illinois incorporates the federal requirement for a judicial determination of “reasonable efforts to finalize a permanency plan” into its court proceeding for the 12-month permanency hearing. The permanency hearing was delayed, resulting in the state obtaining a judicial determination beyond the 12 months required by federal regulation.

Additionally, for several cases in the sample, court orders lacked clarity or details about findings. Sample cases 31 and 70 contained orders which did not list the children by their full names and instead noted the children via court-appointed code and/or coupled children within sibling groups by their last name. In addition, sample cases 17, 22, 64, and 70 contained permanency hearing orders where the court made a finding of reasonable efforts to finalize the permanency plan, but the court orders lacked specificity. For each affected case, reviewers were ultimately able to determine which order applied to each child and that the required judicial determinations had been made timely. However, this practice made the review of these cases a challenge.

Title IV-E Requirement: The judicial determination of reasonable efforts to finalize the permanency plan, pursuant to 45 CFR § 1356.21(d), must be: (1) made in a valid court order; (2) made on a case-by-case basis and be child-specific (e.g., naming the child who is the subject of the order); (3) explicitly stated in the court order (e.g., judicial finding is definitive, reviewers may not infer the court’s meaning); and (4) in conformity with federal regulatory time frames to satisfy compliance with the title IV-E requirements for court-ordered removals. The requisite judicial determination need not be tied to a permanency or other court hearing. The judicial determination may be rendered by the court at any point during the 12-month period.

For a child who is judicially removed and remains in foster care for 12 months or more, federal provisions at §472(a)(2)(A) of the Act and 45 CFR §1356.21(b)(2) require the state to obtain a judicial determination of whether the state has made “reasonable efforts to finalize a permanency plan” for the child. The judicial finding must occur at regular 12-month intervals for the duration of the foster care episode and no later than 12 months from the month in which the prior determination is obtained. If the judicial determination of “reasonable efforts to finalize” is not

made or is not timely, the child becomes ineligible from the beginning of the first month after it is due and remains ineligible until the judicial determination is made.

Recommended Corrective Action: It is recommended that Illinois provide additional monitoring that focuses on ensuring that children meet all of the eligibility requirements prior to claiming for reimbursements under the title IV-E program. The state should continue to develop and implement procedures to ensure timely judicial determinations of reasonable efforts to finalize the permanency plan. The judicial determination need not be tied to a permanency or any specific type of hearing. The CB also recommends that state staff receive training to eliminate authorizations of payments prior to establishing compliance with requirements.

In addition, because the accuracy and reliability of eligibility determinations generally are increased through training of the judiciary and other court officials, the Children's Bureau suggests the state agency work jointly with the Administrative Office of the Illinois Courts (AOIC) to ensure that court orders are clear and adequately reflect the judge's ruling as well as meet the eligibility criteria related to judicial findings in cases of children for whom the State claims financial reimbursement under title IV-E.

Program Strengths and Promising Practices

The following positive practices and processes of Illinois' title IV-E program were observed during the IV-E Review. These approaches seem to have led to improved program performance and successful program operations.

Licensing: IDCFS delegates licensing of foster family homes to the IVE-agency's licensing division as well as to private agencies. Upon the recommendation of the IV-E agency's licensing division or the private agency, a foster family home license is issued. The IDCFS Licensing Division oversees these licensing entities by conducting regular reviews of the licensing agencies' practices to ensure the reliability of the licensing process and provide technical assistance, when required. During the on-site review of licensing records for foster family homes the following were noted:

- Licenses clearly documented the foster parents' names and dates of licensure.
- At time of renewal, the appropriate documentation was provided to support the renewal.
- Home of Relative and Fictive Kin Providers were provided the necessary trainings and supports to become licensed providers.

Safety Requirements for Foster Homes: IDCFS renews foster family home licenses every four (4) years; therefore, during the review all foster family homes that were reviewed were licensed

on or after October 1, 2008. In all cases the safety requirements of the provider were met. During the on-site review it was noted that:

- Fingerprint-based checks of the national crime information database were completed timely and satisfactorily for all foster parent(s).
- Illinois also completes a fingerprint-based checks for all adult household members as part of their licensing process.
- FBI clearances were clearly documented in the file and hits were addressed when and where applicable.
- A check of the Child Abuse and Neglect Tracking System is conducted on all members of the household that are 13 years of age and older.

Title IV-E Eligibility Determinations: Illinois has developed and refined its eligibility process and that was evident during the review. All the documentation needed indicating the child's eligibility regarding AFDC, full licensure of the child's placement for title IV-E foster care and judicial determinations were present in the file. During the onsite review, the review team noted the following:

- Eligibility narrative was helpful, concise, and provided good detail. AFDC worksheets demonstrating the path to eligibility were complete and easy to read.
- Deprivation and dependency were well-documented in the files.
- Documentation supporting financial need of the family unit was detailed and complete.
- The Illinois Continuous Quality Improvement process within the eligibility unit was evident to the review team.

Responsibility for Placement and Care: In order for a child to be eligible for title IV-E reimbursement, the State title IV-E agency (or another public agency, including an Indian Tribe, with which the title IV-E agency has a written agreement that is in effect) must maintain responsibility for the child's placement and care for the entire time that he or she is in an out-of-home placement. In all 80 cases that were reviewed, Illinois' court orders explicitly vested placement and care responsibility with the appropriate Illinois public agency: IDCFS. Despite the variability in court orders, placement and care was clearly stated.

Disallowances

A disallowance in the amount of \$2,976 in maintenance payments and \$4,186 in related administrative costs of FFP is assessed for title IV-E foster care payments that were claimed for

the non-error case with ineligible payments. The total disallowance as a result of this IV-E Review is \$7,162 in FFP.

Illinois also must identify and repay any ineligible payments for the non-error case that occurred for periods prior and subsequent to the PUR that are beyond those identified in this report for the improperly paid cases. No future claims can be submitted on these cases until it is determined all eligibility requirements are met.

Next Steps

Since Illinois was found to be in substantial compliance, no formal corrective action plan is required in follow-up to this review. We commend the state for its ongoing efforts in examining program deficiencies and implementing measures that have resulted in improvements to its title IV-E program. As part of the state's continued efforts to improve its title IV-E foster care eligibility program, the Children's Bureau recommends that Illinois examine identified program deficiencies and develop measurable, sustainable strategies that target root causes of issues and concerns hindering the state from operating an accurate foster care eligibility program.

Appropriate corrective action must be taken in instances of noncompliance with federal laws, regulations, and policies. The Children's Bureau Region 5 staff is available to assist the state in identifying corrective action and obtaining support available through our capacity building centers to help the state address issues and concerns raised during this IV-E Review.