

**State of Louisiana
Primary Review
Title IV-E Foster Care Eligibility
Report of Findings for
October 1, 2012 through March 31, 2013**

Introduction

During the week of November 3, 2013, the Children's Bureau (CB) of the Administration for Children and Families (ACF) conducted a primary review of the Louisiana title IV-E foster care program. The review was conducted in collaboration with the Department of Children & Family Services (DCFS) and was completed by a review team comprised of representatives from DCFS, CB Central and Regional Offices, a Peer Reviewer, the Office of Juvenile Justice (OJJ), and the ACF Regional Office of Grants Management.

The purposes of the title IV-E foster care eligibility review were (1) to determine whether the Louisiana DCFS 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 the state'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 the state's foster care cases that received a title IV-E maintenance payment for the six-month period under review (PUR) of October 1, 2012 - March 31, 2013. 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 included 76 from the initial sample. Four (4) oversample cases were reviewed when four (4) sample cases were excluded from the original sample draw because no title IV-E maintenance payments were made for the child for a period during the PUR. The state provided documentation to support excluding the 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 according to 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 title IV-A 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.

Case file information of each child in the selected sample was reviewed to verify title IV-E eligibility. The foster care provider's file was examined to ensure the foster family home or child care institution where the child resided during the PUR was licensed or approved and that safety requirements were appropriately documented. Payments made on behalf of each child were reviewed to verify that the expenditures were allowable under title IV-E and to identify underpayments that were eligible for additional claiming. A sample case was assigned an error rating if 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 an 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 allowable title IV-E maintenance costs were not claimed by the state for an eligible child during the two 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 79 of the 80 cases met eligibility requirements (i.e., were deemed non-error cases) for the PUR. One case was identified as in error for the entire foster care episode for the reason identified below in the Case Summary. Accordingly, federal funds claimed for title IV-E foster care maintenance payments and administrative costs associated with the error case are being disallowed. Because the number of cases in error is fewer than four (4), Louisiana DCFS is in substantial compliance for the PUR.

In addition to the one error case, 24 non-error cases were identified as having improper payments.

Case Summary

The following charts record the single error case, the 24 cases with ineligible payments, reasons for the improper payments, improper payment amounts, and federal provisions for which the state did not meet the compliance mandates.

Error Case

Sample Number	Improper Payment Reason	Ineligibility Period	Improper maintenance payment FFP	Improper administrative payment FFP
13	The child had not been living with the specified relative within six months of the initiation of court proceedings. §472(a)(1) and (3); 45 CFR §1356.21(k) and (l).	Ineligible for entire foster care episode. Reported Disallowance Period 07/01/2011 – 8/31/2013.	Maintenance \$14,195.94	Administrative \$3,405.24

Total: \$17,601.18

Non-error Cases with Ineligible Payments (24)

Sample Number	Improper Payment Reason	Ineligibility Period	Improper Payments (FFP)
01	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 8/3/11 – 8/6/11	Maintenance \$68.04
02	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Multiple days, intermittently during the period – 12/02/10 – 5/21/11	Maintenance \$133.68
03	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Multiple days, intermittently during the period – 11/20/11 – 2/10/12.	Maintenance \$52.34
04	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Multiple days, intermittently during the period – 9/5/9 – 7/19/10.	Maintenance \$177.01

Sample Number	Improper Payment Reason	Ineligibility Period	Improper Payments (FFP)
15	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 3/05/07 – 3/07/07.	Maintenance \$59.00
17	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Multiple days, intermittently during the period – 8/01/10 – 7/20/11.	Maintenance \$438.69
18	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 7/23/12 – 7/25/12.	Maintenance \$104.67
23	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 1/23/11 – 1/29/11	Maintenance \$132.42
35	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Multiple days, intermittently during the period – 4/11/06 – 7/29/07.	Maintenance \$191.92
40	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Multiple days, intermittently during the period – 12/24/08 – 11/26/2011.	Maintenance \$967.55
41	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Multiple days, intermittently during the period – 11/24/10 – 12/31/10.	Maintenance \$118.00

Sample Number	Improper Payment Reason	Ineligibility Period	Improper Payments (FFP)
43	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 7/09/12 – 7/12/12.	Maintenance \$69.78
47	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 10/28/11 – 10/29/11.	Maintenance \$34.89
51	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Multiple days, intermittently during the period – 10/07/05 – 5/31/13.	Maintenance \$1327.10
53	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 6/7/2013 – 6/15/2013.	Maintenance \$147.40
55	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 7/19/11 – 7/27/12.	Maintenance \$327.98
59	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 12/03/2011 – 12/10/2011.	Maintenance \$139.56
64	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 04/27/13 – 04/28/13.	Maintenance \$32.76

Sample Number	Improper Payment Reason	Ineligibility Period	Improper Payments (FFP)
67	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Multiple days, intermittently during the period – 10/28/11 – 11/13/11.	Maintenance \$122.12
69	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 7/25/11 – 7/25/11.	Maintenance \$68.04
72	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 9/07/12 – 9/29/12.	Maintenance \$69.78
76	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 8/15/12 – 8/18/12.	Maintenance \$69.78
80	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Ineligible period: 7/01/13 – 7/07/13	Maintenance \$114.64
OS1	Title IV-E maintenance claimed for two providers for the same period. [§475(4) of the Act; 45 CFR §1356.60 (a)(1)(i)] Duplicate payments made for respite and foster care maintenance.	Multiple days, intermittently during the period – 7/12/12 – 6/30/12.	Maintenance \$209.35

Ineligible Payments Total: \$5,176.50

Areas Needing Improvement

The findings of this review indicate the state needs to further develop and implement procedures to improve program performance in the area listed below. For each issue there is a discussion regarding 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. *Living with/Removal from Same Specified Relative:*

One case was found in error because the child was not living with the specified relative within six months of the date the court proceedings were initiated to judicially remove the child from that relative. The removal court order determined it was contrary to the child's welfare to remain in the mother's home. Following the judicial removal, the child was physically removed from an aunt who the child had lived with for over six months and who held legal guardianship of the child. Although the eligibility determination regarding financial need and deprivation was correctly completed on the home of the mother, the state did not document the child had lived with the mother within six months of the date the court proceedings were initiated to remove the child. The title IV-E eligibility requirement that the "living with" and "removal from" requirements be satisfied by the same specified relative's home was not met. This is because the child was judicially removed from the mother and the child was living with an interim caregiver, the child's primary caregiver, longer than 6 months. Therefore, the "removal from" requirement was met by the mother's home and the "living with" requirement was met by the aunt's home.

Title IV-E Requirement:

The error in this sample touches two parts of eligibility, both the judicial finding to the effect that continuation in the home from which removed would be contrary to the child's welfare and the requirements related to the AFDC eligibility home. When making determinations for title IV-E eligibility, these two requirements must be congruent. For the purposes of meeting the requirements of §472(a)(1), (2)(A)(ii) and(3) of the Act, the removal home and the AFDC eligibility home is the home of the specified relative who is the subject of the "contrary to welfare" judicial determination or who signs the voluntary placement agreement for the removal. Federal regulations at 45 CFR §1356.21(1) require the child to have been living with the specified relative within six months of the month of the initiation of court proceedings or voluntary placement agreement, and the child to have been AFDC eligible in that month as if the child still had been living in that home.

The "living with" and "removal from" requirements must be satisfied by the same specified relative and AFDC eligibility must be based on that relative's home. Following the court's sanctioning of the child's physical or constructive removal from the home of a specified relative, the state must then verify that the child lived with and was in the primary care and control of that specified relative within six months of the initiation of the court order, and that the child would have qualified for AFDC in that home in the month the court proceedings were initiated. Federal regulations at 45 CFR §233.90(c)(1)(v)(B) provide, in part, that the home is the customary family setting of the relative who exercises primary responsibility for the daily care of the child even

when the child or relative is temporarily absent. These requirements were reiterated and clarified in the CB Program Instruction ACYF-CB-PI-06-06

Recommended Corrective Action:

There were numerous discussions with state staff throughout the review week on this case and other cases with this same eligibility issue. We noted that a case was in error during the 2007 review for the same eligibility reason. In that instance, the child was physically removed from grandparents in whose home she had lived for one year, while the “contrary to the welfare” and eligibility determinations were completed on the home of the child’s mother. Like the current error case, the “living with” and “removal from” requirements were not met by the same specified relative. From the discussions, it became clear there is misunderstanding among state staff about the title IV-E eligibility requirements related to determining the AFDC eligibility home and the removal home.

The misconceptions were exacerbated by removal orders (Instant Order) in some judicial jurisdictions that contained vague language or were missing details regarding the home in which the court determined it was contrary for the child to remain and from which removal was necessary. With those orders, eligibility workers had to research available records and make assumptions as a last resort to establish which home the court intended to specify as the removal home. Such assumptions are in conflict with regulatory requirements that mandate judicial determinations in court-ordered removals be made on a case-by-case basis, child-specific and explicitly stated in the court order or court transcript. The lack of specificity in the Instant Order about the home that is the basis of the “contrary to the welfare” judicial determination leads to confusion about which home is considered for the purposes of determining AFDC eligibility when a child is removed from a specified relative within 6 months of having lived with an interim caregiver. In more than one sample case, DCFS was given the opportunity to re-determine AFDC eligibility on the specified relative’s home when the original eligibility determinations were made on the incorrect one. This remedy is not possible for the error case.

The review findings indicate DCFS needs to further develop and implement procedures to review the AFDC linkage requirements for title IV-E eligibility with the eligibility specialists on a continuous basis. The agency should consider using a mechanism by which it can share policy questions and answers with all staff so that they can learn from each other’s experiences. The DCFS also must ensure proper steps are taken to correctly determine the removal home in accordance with 45 CFR §233.90(c)(1)(v)(B) and document that determination before making its decision about the child’s eligibility. This must include steps to ensure the court’s findings regarding the removal home are clearly stated in court orders.

Issue 2, Non-Error Cases with Improper Payments:

The review found 24 non-error cases with ineligible claims for federal funding for a period of claiming. The ineligible payments were identified as the agency claiming foster care maintenance payment for a period when the agency also was claiming respite care payments

for the child. The respite care was provided by licensed foster parents. Duplicate payments in 22 cases also were identified in the 2011 eligibility review.

The state's payment histories in both reviews indicated the information system does not have the ability to start and stop tracking of title IV-E claims within the same service period and lacks the ability to easily make and track prior period adjustments.

Title IV-E Requirement:

Section 475(4) of the Act permits a state to claim allowable title IV-E foster care maintenance payments for an eligible child placed with a licensed foster care provider who is a temporary respite placement. However, the state may not claim title IV-E reimbursement for payments it made to the foster parent and the respite provider for the same time periods. [See 8.3B1, Question 10 of the CB Child Welfare Policy Manual]

Recommended Corrective Action:

The following recommendations would help prevent these kinds of ineligible payments.

- The Tracking Information and Payment System (TIPS) is DCFS' automation system that tracks payments to foster care providers. The DCFS should review TIPS to determine whether financial controls are adequate and properly functioning to identify any procedural inconsistencies that may arise; to improve the claiming processes and procedures; and to prevent ineligible payments. For example, an edit in TIPS that links a child's TIPS number with service date and amount can prevent claiming a title IV-E maintenance payment twice when another title IV-E payment is claimed for the same child and same payment activity for the same time frame. A system module should be designed to assign eligibility as of the first day of the month the child meets all title IV-E eligibility criteria. An automated quality assurance module also should be included to periodically review and track payments for accuracy and compliance with federal requirements. Processes also must be developed and implemented to provide for timely adjustment of federal funds when claimed incorrectly. When an improper payment occurs despite safeguards, it must be corrected through a prior period adjustment reported on the Form CB-496 during the state's next quarterly submission to ACF.
- The DCFS should develop a continuous quality improvement process that consists of a periodic review of eligibility decisions in cases. The systematic case review can ensure ongoing, accurate compliance with all federal requirements statewide and provide early notice if areas of the state are experiencing difficulty achieving compliance. The CB's *Title IV-E Foster Care Eligibility On-Site Review Instrument and Instructions* can be used to help determine required actions and supporting documentation are completed timely. In addition, the document can help the state ensure title IV-E claims are submitted only for those cases meeting all applicable requirements and the claims for these cases are submitted only for allowable program expenditures at the fullest payment level permitted.

Additional Observations of Strengths, Promising Practices and Other Areas for Improvement

The following positive practices and processes of the DCFS title IV-E foster care eligibility program were observed during the review.

Eligibility Staff:

The utilization of specialized eligibility staff to complete the title IV-E eligibility determination process is an asset for DCFS. The DCFS has a trained, knowledgeable, and tenured eligibility staff. The eligibility staff is housed throughout the state in regional offices. A program specialist and financial specialist support the regional staff from the agency's central office. The eligibility staff works well with the foster care and investigation staff throughout the state to ensure that the case files and documentation is thorough and complete. With the exception of the specific issues noted above, we found that the eligibility staff have a clear understanding of title IV-E foster care eligibility requirements regarding the AFDC-related requirements; judicial determinations regarding removal, placement authority and ongoing permanency planning; and foster care provider requirements regarding licensure and safety. The dedication of specialized staff resources to the program reduces the possibility of ineligible or erroneous title IV-E foster care maintenance payments, as reflected in the cases in the sample without an eligibility issue identified during this review. Timely and thorough completion of the state's Financial Assessment and Tracking Forms (FAST Forms) by caseworkers and eligibility specialists has facilitated thorough, consistent documentation of the eligibility determination process. Reviewers were able to understand key decision making points in determining eligibility. The addition of the month of eligibility being clearly documented on the FAST V by staff contributes to improved documentation as did the automation of the FAST V.

During this title IV-E review, we learned some experienced title IV-E eligibility staff would be retiring soon. We also were told training for new title IV-E eligibility staff is ad hoc and inconsistent. Training for new caseworkers on title IV-E eligibility is encapsulated in one short module in the lengthy new worker training. There has been no cross-review of the DCFS and OJJ eligibility determination policy or processes to assure they are consistent. Currently, quality assurance practices for eligibility cases are limited due to staff shortages. Eligibility staff in six regions are supervised by staff whose responsibilities extend beyond title IV-E eligibility requirements. In only three regions eligibility staff report to a supervisor whose sole responsibility is to operate the title IV-E eligibility program. This organization set-up leads to inconsistency in training, eligibility determination procedures, quality control and communication with other staff and stakeholders.

All of the above issues can result in DCFS experiencing difficulty in maintaining the level of performance it has shown during this review. A succession plan for the positions soon to be vacated due to retirement will reduce the chance of errors in eligibility determinations and claim reimbursements. A statewide procedures manual for both DCFS and OJJ eligibility staff will increase consistency, simplify training, and aid the agency during times of staffing changes. Consistent oversight and quality assurance of the work of all title IV-E eligibility staff with

supervisors whose major responsibility is title IV-E eligibility management in each region or in state office will improve consistency in training, eligibility determination, quality control, communication, and aid the agency during times of staffing change. Developing and publishing a title IV-E eligibility procedure manual, particularly while tenured staff are available to provide input and review would benefit training, continuity and statewide consistency. Including title IV-E eligibility cases in the DCFS continuous quality improvement plan will help identify and address any weaknesses that might develop in the future.

Documentation of Judicial Determinations:

The review found that DCFS has built a viable partnership with the state Court Improvement Project (CIP) that has helped broaden the judiciary's understanding of title IV-E requirements and furthered its continued assistance to the state in meeting federal requirements. The DCFS has worked closely with the CIP to train and support judges, attorneys, and other court staff; to monitor timeliness of judicial findings; and to ensure court orders are provided timely to document eligibility for the DFS and OJJ cases.

Affidavits: Affidavits were detailed regarding case circumstances, often providing an extensive case history of the family including the actual date the child was removed from the home, efforts made by the agency to prevent removal or facts in support of why such efforts were not reasonable; and the facts to support a "contrary to the welfare" finding for the children in the home. The information in the affidavits was comprehensive and adequately established the foundation from which the court could make important judicial determinations that were specific to the child's circumstances. They also provided important information for the eligibility determinations.

Court Orders: All cases reviewed had court orders that included the required judicial findings of "contrary to the welfare," "reasonable efforts" and the agency's authority for placement and care of the child. Reviewers noted that about half of the DCFS court orders were child-specific clearly outlining the circumstances of removal, the services provided to prevent the removal, or services to finalize the child's permanency plan. The other orders were not child-specific and, along those lines, provided limited, vague, or rote language for the determinations. The differences in the quality of the court orders seemed to be by judicial district. Explicitly supported determinations are a key to the agency establishing a child's eligibility for title IV-E foster care maintenance funds, and are restricted to the court to protect the rights of both the family and the child. Judicial findings that were vague and non-specific required the eligibility staff to rely on other documents or court hearings to identify the removal home. Consistent with the Department of Health and Human Services Appeals Board's Decision No. 1998, there must be an expressed statement in the court order or court transcript that can be clearly understood as a determination that the required judicial finding is made, and on whose home. The eligibility worker may not infer a judicial ruling or presume the court's intent in making one.

Noteworthy were the court orders for the children in OJJ care. Instanter Orders giving custody to OJJ were uniformly consistent and specific about the home the court found contrary to the child's welfare. After the last title IV-E review, OJJ revised and automated the Instanter Order

templates to ensure custody orders specify the person from whom the child was removed, the required judicial determinations, and the facts surrounding the removal. Automation of the orders facilitates their timely and thorough completion with accurate information. Since the last review, OJJ has implemented a quality assurance process that entails a program specialist reviewing cases on a monthly basis to verify the eligibility decisions. The OJJ also has instituted a training program with an experienced program specialist providing individualized training after the initial in-service training to insure each staff member knows what is required for accurate title IV-E eligibility determinations. The staff training, programmatic changes, and systematic monitoring that the agency has accomplished since the last review have resulted in improved performance in this review. All of the OJJ sample cases met the title IV-E eligibility and payment requirements. The agency's work to strengthen program effectiveness in these areas is commended.

Based on our review of 80 cases there are a number of judicial jurisdictions that have found ways to provide detailed language in court orders that specifically identify the child and family circumstances that led to the child's removal from home. Working to improve the quality of services to children and families requires collaboration across the entire community. We recommend DCFS work with those judicial jurisdictions through the state's CIP and collaborate with OJJ to improve the quality of the court orders in all jurisdictions. With input from these stakeholders and continued work with the CIP, a targeted strategy should be developed to ensure all court orders are comprehensive, child-specific, and include the required judicial determinations. To assist in this work, CB identified and shared with DCFS during the review several exemplary court orders on which to model continued statewide improvement efforts.

Recommendations for Further Improvement

The findings of this review indicate the state could move further towards achieving excellence in its program operations involving foster care maintenance eligibility and claiming. Additional attention to the areas below will support continued positive outcomes in future reviews.

Safety Requirements of Providers:

There were no cases in error or with ineligible payments due to non-compliance with the safety requirements for foster family homes and child care institutions placements; however, process and procedural concerns were noted pertaining to the child care institution placements. Sufficient documentation that ensures safety considerations for caregiver staff working in child care institutions was not readily available during the onsite review. This issue was identified in the 2010 primary title IV-E review and remained an issue during this review. The sparse details in the provider documentation necessitated DCFS staff spending a considerable amount of time before and during this (and the previous) review gathering information on the provider for each child in the sample residing in a child care institution during the PUR. Consistent with 45 CFR §1356.30(f) and §1356.71(g), the state must provide for the eligibility review documentation that demonstrate the care giving staff of the child care institution fully meets the safety criteria that the state establishes and that these safety considerations are fully satisfied for the period of the title IV-E maintenance payment in the PUR. The documentation must specify, at a minimum,

the safety measures completed for each employee, the date completed, the evidence reviewed, by whom, and the date the employee was cleared to work directly with children. The employee's hire date also must be included with the documentation because the DCFS licensing agency determines a child care institution's compliance based on an annual survey of the facility's tenured employees and those hired since the last compliance survey.

The DCFS child welfare division must let the DCFS licensing division know the type of information needed to substantiate a child's eligibility connected to the child's foster care placement and both DCFS divisions must work together to ensure the child welfare division receives complete documentation that shows compliance with federal regulation and state policy. The CB again urges DCFS to establish and maintain a uniform process to monitor and document that safety requirements have been fully met. Lastly, CB recommends DCFS routinely maintain comprehensive documentation of compliance with the safety requirements as part of its business practice to ensure the information is readily available for all critical purposes; not just for the IV-E review.

In addition to the documentation issues, there are concerns about the licensing agency's policy to annually examine the safety records of a sample of the child care institution's tenured employees to verify compliance with the state's safety checks. While a sample monitoring protocol is permissible it is a lower standard than the policy followed by many other states that requires annual safety checks for each employee. Sampling to determine compliance with the safety requirements could cause overlooking serious safety risks of an employee having frequent contact with a child, resulting in an unsafe condition for children in the employee's care. An examination of each employee's annual safety check is one preventative way to protect children from potential safety risks.

Disallowances

A disallowance in the amount of \$19,372.44 in maintenance payments is assessed for title IV-E foster care payments claimed improperly for the one(1) error case and the 24 non-error cases with improper payments. The associated unallowable administrative cost for the error case is \$3,405.24. The total disallowance as a result of this review is \$22,777.68. Since the amount of disallowed funds was previously included in federal payments made to the state, DCFS must repay these funds by including a prior period decreasing adjustment on the quarterly report of expenditures, Form CB-496, "Title IV-E Programs Quarterly Financial Report," Section A, line 1, Columns (C) and (D). Form CB-496 must be submitted within 30 days of the date of this letter in order to avoid the assessment of interest. The state also must identify and repay any ineligible payments that occurred for the error and non-error cases subsequent to the PUR. No future claims should be submitted on these cases until it is established all eligibility and payment requirements are met.

Next Steps

The CB Region VI staff will continue to monitor the issues identified in this report and remain available to provide technical assistance as requested by the state.