

Final Report
Massachusetts Secondary Review
Title IV-E Foster Care Eligibility
Report of Findings for October 1, 2017 - March 31, 2018

Introduction

The Children's Bureau (CB) of the Administration for Children and Families (ACF) conducted a secondary review of the Massachusetts's title IV-E foster care program during the week of December 3, 2018. The review was conducted in collaboration with the Massachusetts Department of Children and Families (DCF) and was completed by a review team comprised of representatives from Massachusetts DCF, CB Central and Regional offices, ACF Regional Grants Management office and peer reviewers.

The purposes of the title IV-E foster care eligibility review were (1) to determine whether Massachusetts' 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 Massachusetts' financial claims to ensure that appropriate payments were made on behalf of eligible children.

This secondary IV-E Review was conducted as a result of the findings of the primary review completed during the week of November 30, 2015. At that time, the state was found in non-substantial compliance with various aspects of the title IV-E program requirements for the period under review of October 1, 2014 - March 31, 2015 and was, therefore, required to develop and submit a program improvement plan (PIP) in accordance with federal regulations at 45 CFR 1356.71(i). Massachusetts submitted the required PIP to correct areas found needing improvement in its title IV-E program for foster care. The PIP, approved in CB correspondence to DCF dated January 17, 2017, was jointly developed by the state and CB regional office staff. The state provided periodic reports of progress and final implementation of the planned improvements. The PIP goals and activities included, but were not limited, to the following:

- Provide refresher training to title IV-E specialists on how to correctly interpret the state automated system (i-FamilyNet) licensing screens to identify whether a foster home is fully licensed and the effective date of the license.
- Update the automated title IV-E application in i-FamilyNet to improve the ability of the IV-E Specialist confirm fingerprinting dates.
- Provide refresher trainings to title IV-E specialists on background check requirements for foster homes that are closed and reopened, and utilizing ongoing quality assurance process to ensure that AFDC eligibility is being correctly determined.
- Implement a change to its i-FamilyNet application to prevent children with guardianship eligibility (or other non-foster care eligibility) from being claimed to the title IV-E foster care program, and conduct random case reviews for similar situations to ensure that i-FamilyNet enhancement is working as intended.

Massachusetts DCF strengthened its practices, enhanced i-FamilyNet automation applications, and revised forms and procedures to improve the state's title IV-E eligibility determination system. Key to the state's successful implementation of its PIP was the involvement of agency staff at all levels and the collaboration with the Department of Early Education and Care (EEC), and the

general refresher training completed by the title IV-E Specialist. The CB commends the state for these program successes and encourages continued vigilance in these areas.

Scope of the Review

The Massachusetts title IV-E foster care program secondary eligibility review encompassed a sample of the state's foster care cases that received a title IV-E maintenance payment during the six-month PUR of October 1, 2017 through March 31, 2018. This is the six-month period that follows the state's approved PIP completion date. A computerized statistical sample of 180 cases (150 cases plus 30 oversample cases) was drawn from state data submitted to the Adoption and Foster Care Analysis and Reporting System (AFCARS) for the above period. One hundred fifty (150) cases were reviewed, consisting of 147 cases from the original sample plus three oversample cases. The oversample cases were selected for review to replace cases for which no title IV-E maintenance payment was made for an activity during the PUR. The state provided documentation to support excluding these cases from the review sample and replacing them with the cases from the oversample.

In accordance with federal provisions 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) of the Act and 45 CFR 1356.21(b) (1) and (2) and (c);
- 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 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 1356.71(d)(1)(iv); and
- Safety requirements for the child's foster care placement as required at §471(a)(20)(A) of the Act and 45 CFR 1356.30.

The case record of each child in the selected sample is reviewed to verify title IV-E eligibility. The foster care provider's information is also reviewed to ensure the foster family home or child care institution where the child lived during the PUR is fully licensed and satisfactorily meets safety requirements. Payments made on behalf of each child also are reviewed to verify expenditures are properly claimed under title IV-E and to identify underpayments that are eligible for claiming.

A sample case is assigned an error rating when the child is not eligible on the date of activity in the PUR for which a title IV-E maintenance payment is claimed. A sample case is cited as non-error with ineligible payment when the child is not eligible on the activity date outside the PUR or the child is eligible in the PUR on the date of an unallowable activity and title IV-E maintenance payment (e.g. for a duplicate payment, overpayment) is claimed for the activity date. In addition, underpayments are identified for a sample case when the state agency unintentionally failed to claim for 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 has not expired. Any ineligible payments claimed for activities during the PUR are considered in the calculation of the dollar error rate for a secondary review.

Compliance Finding

The review team has determined 146 of the 150 cases meet all eligibility requirements (i.e., are deemed non-error cases) for the PUR. Four (4) 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. Three non-error cases meet eligibility requirements for the PUR, but are found to have periods in the foster care episode for which title IV-E maintenance payments are improperly claimed.

The review sample's case error rate for the number of cases in error for the PUR is three percent. Additional findings for the non-error cases with ineligible payments outside the PUR are not considered in determining the state's case error rate.

The Children's Bureau has determined that Massachusetts' title IV-E foster care program is in substantial compliance with federal eligibility requirements for the PUR. Substantial compliance in a secondary review is achieved when either the case error rate or dollar error rate is not more than 10 per cent (15 cases) for the review sample. The next IV-E review will be a primary review and it will be held within three years.

Case Record Summary

The following charts record the improper payment cases comprised of: error cases, 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 payments is based on the federal financial participation (FFP) rates of maintenance payments at the state's Federal Medical Assistance Percentages (FMAP) for applicable years for the sample case.

Error Cases:

Sample Number	Improper Payment Reason & Ineligibility Period PUR - October 1, 2017 - March 31, 2018	Improper Maintenance Payment FFP	Improper Administrative Payment FFP
45	Foster care provider was not fully licensed (relative). [§472(b) and (c) of the Act; 45 CFR 1356.71(d)(1)(iv)] Ineligible: 9/8/17 – 12/31/17	\$1,769	\$0
84	Foster care provider was not fully licensed (relative). [§472(b) and (c) of the Act; 45 CFR 1356.71(d)(1)(iv)] Ineligible: 6/14/17 – 10/31/17	\$1,896	\$0
89	Foster care provider was not fully licensed. [§472(b) and (c) of the Act; 45 CFR 1356.71(d)(1)(iv)] Ineligible: 12/20/17 – present Reported Disallowance: 12/20/17 – 9/15/18	\$3,489	\$7,085

Sample Number	Improper Payment Reason & Ineligibility Period PUR - October 1, 2017 - March 31, 2018	Improper Maintenance Payment FFP	Improper Administrative Payment FFP
144	Child's AFDC eligibility not determined based upon circumstances of both specified relatives living in the removal home at removal. [§§472(a)(1) and (3) of the Act and 45 CFR 233.20, 233.90 and 1356.21 (l)] Ineligible: Entire foster care episode Reported Disallowance: 8/14/14 - 11/17/17	\$15,350	\$28,012
	Subtotal	\$22,504	\$35,097

Total FFP: \$57,601

Non-error Cases with Improper Payments:

Sample Number	Improper Payment Reason & Ineligibility Period PUR - October 1, 2017 - March 31, 2018	Improper Maintenance Payment FFP	Improper Administrative Payment FFP
56	Title IV-E claimed for unallowable duplicate child care payments as maintenance payments at the FMAP rate. [45 CFR 1356.60(a) (1), 45 CFR 1355.20, 472(b)(1), and 475 (4)(A) & (B) of the Act] Ineligible Payment Period: 5/18/17 – Present Reported Disallowance: 5/18/17 – 6/30/18	\$3,886	\$0
136	Title IV-E claimed for unallowable payment to respite care provider as maintenance payment at the FMAP rate. The child was IV-E eligible in the home where actually placed during the period of the claim. [45 CFR 1356.60(a)(1), 45 CFR 1355.20, 472(c)(1), and 475 (4)(A) & (B) of the Act] Ineligible Payment Period: 12/18/17 – 1/18/18	\$50	\$0
142	State agency claimed a title IV-E maintenance payment for a day in the month prior to the PUR when the contrary to welfare and reasonable efforts to prevent removal was obtained. [45 CFR 1356.21(c); 45 CFR 1356.21 (b)(1); §471(a)(15)(B)&472(a)(2) of the Act] Ineligible Payment Period: 7/31/17	\$14	\$0
	Subtotal	\$3,950	\$0

Total FFP: \$3,950

Areas Needing Improvement

Findings of this review indicate the state agency 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: Unlicensed Foster Care Provider

Three (3) cases (#'s 45, 84 and 89) are in error with ineligible payments because the state claimed foster care maintenance payments for periods during which the children were placed with a foster family that was not fully licensed. The state agency must document that the child's foster care placement is fully licensed or approved in order for the child to be eligible under title IV-E.

For most of the error cases, we noted that the DCF eligibility and claiming processes are successful in preventing the claiming of room and board payments to the unlicensed foster care provider. However, other miscellaneous payments such as clothing, and food were improperly claimed during ineligible periods. In addition, there was one out-of-state placement, (sample case 89), that title IV-E maintenance payments were made for the months prior to full licensure of the relative foster family home by the receiving state.

Title IV-E Requirement: Federal provisions at §472(b) and (c) of the Act; 45 CFR 1356.71(d)(1)(iv) and 1355.20 permit FFP for the costs of foster care maintenance for otherwise eligible children placed in licensed or approved foster family homes or childcare institutions. These provisions require that the child's foster care setting be fully licensed or approved in accordance with the state's licensing standards where the foster family home is located. For the title IV-E review, the state must provide sufficient information to support FFP for a child's foster care placement during the PUR.

Recommended Corrective Action: The state should determine why certain payments are being erroneously claimed under title IV-E. A foster care provider must meet all state licensing criteria for the period of the state's claiming of any title IV-E maintenance payments on behalf of a child placed in the foster care setting. We recommend that DCF enhance its eligibility monitoring procedures to ensure that no title IV-E maintenance payments are claimed for children placed with caregivers, including relatives, until the caregivers have been fully licensed.

Issue #2: Title IV-E Requirements related to AFDC

Title IV-E payments were made improperly in case #144 because the AFDC determination was not completed on both specified relatives against whom the "contrary to welfare" judicial determination was made. Case information showed that both parents were living in the removal home with the child in the month court proceedings were initiated for the removal. However, the eligibility determination worksheets did not consider the father as a member of the AFDC household and did not provide a justification for excluding him. The DCF did not provide subsequent information documenting AFDC eligibility was established based upon the circumstances of both specified relatives in the removal home.

Title IV-E Requirement: Federal regulations at 45 CFR §206.10(a)(1)(vii) and 206.10(b)(2) provide that the agency must include in the family unit the child, the natural or adoptive parents of

the child, and the minor, blood-related (or adoptive) siblings of the child who live in the same household as the child. As such, the parent is a mandatory member of the AFDC family unit, unless a title IV-A plan exclusion exists, and the parental circumstances are included in the determination to establish AFDC eligibility. Consistent with §472(a)(3) of the Act and 45 CFR 1356.71(d)(1)(v), the state agency must establish the child's AFDC eligibility pertaining to the specified relative from whom the child was removed using the criteria in effect as of July 16, 1996 in the state's title IV-A plan.

Recommended Corrective Action: Additional training for eligibility staff related to making AFDC determinations in accordance with the state's 1996 AFDC plan is recommended, specifically regarding establishing the correct household composition. The emphasis should be placed on ensuring that circumstances of all mandatory members in the AFDC household are considered and verified and that appropriate documentation is used as a reference for verifying eligibility.

Issue #3: Improper payments for non-error cases

One (1) case, #142, was determined to be a non-error case with an improper payment prior to the PUR because the state agency claimed a title IV-E maintenance payment in the month prior to the month in which the contrary to welfare and timely reasonable efforts to prevent removal determinations were obtained. One (1) case, #136, was determined to be a non-error case with an improper payment because the state agency claimed a title IV-E maintenance payment for a foster care provider where the child no longer resided while the actual foster care provider received an allowable title IV-E payment covering the same date. Finally, one (1) case, #56, was determined to be a non-error case with improper payments because duplicate IV-E claims were made for the same allowable foster care maintenance payments.

Title IV-E Requirement: Consistent with section 472(a)(2) of the Act and 45 CFR 1356.21, the state agency may not claim title IV-E reimbursement for any month prior to obtaining judicial determinations of contrary to the welfare and timely reasonable efforts to prevent removal. In addition, in accordance with 45 CFR 1356.60(a), states may not claim duplicate title IV-E reimbursement and states may not claim title IV-E reimbursement for more than one foster care provider on the same date.

Recommended Corrective Action: The state should determine whether modifications are needed to the management information system to ensure that all eligibility criteria are met for the period that a title IV-E payment is claimed. State eligibility determination staff should consider reviewing all cases determined eligible and take appropriate action to ensure that title IV-E maintenance payments are not claimed prior to the first day of the month in which all eligibility requirements are met and title IV-E claiming procedures should be strengthened to prevent duplicate claiming.

Program Strengths & Promising Practices

Subsequent to the primary IV-E Review in federal fiscal year 2016, the state has provided refresher training to its title IV-E specialists and hired paralegals to support accurate AFDC eligibility determinations; provided refresher training on its automated system (i-FamilyNet) to help correctly identify whether a foster home is fully licensed in accordance with licensing requirements; updated the online automated title IV-E application in i-FamilyNet to support accurate confirmation of

fingerprint checks; reprogrammed i-FamilyNet to help ensure claiming for title IV-E foster care payments cease when a child exits foster care and the agency no longer has placement and care responsibility; and implemented an ongoing quality assurance process to verify compliance with title IV-E eligibility procedures.

In addition to the program enhancements, unlike in previous IV-E Reviews, complete case records were available onsite for each sampled case in this review. The DCF provided screen prints of relevant eligibility information from i-FamilyNet along with paper case files to document eligibility requirements related to AFDC, judicial determinations, agency placement and care responsibility and the child's foster care placements. Reviewers also were able to access i-FamilyNet information with assistance from staff if additional information was required. Access to the complete case information on the child and child's placement assisted reviewers in properly assessing the state's eligibility documentation, eligibility decisions and FFP claims.

These approaches seem to have led to improved program performance and successful program operations in the following areas and to a successful IV-E Review outcome:

- The state has a well-integrated automated system which provides access to demographic information from DCF's i-FamilyNet and family financial information through the TANF and Medicaid automated systems operated by other state agencies. Title IV-E eligibility determinations are completed in the Title IV-E Application within i-FamilyNet and are documented in summary form on the automated worksheets. Overall the automated worksheets provide clear, thorough documentation of the eligibility decision, basis for the decision, and period of eligibility.
- Eligibility determinations were completed timely and financial and deprivation factors were clearly and easily indicated, with the exception of one sample case in which additional research was required. Clearer documentation, than in previous reviews, also was available that identified the specified relative from whom the child was removed, the month of initial eligibility and whom "best interest" judicial findings were being made against.
- Court orders explicitly documented the "contrary to welfare" and "reasonable efforts" judicial findings. There were a few cases in which the judicial requirement was not met timely regarding "reasonable efforts to finalize the permanency plan"; however, the agency did not claim title IV-E maintenance payments for the ineligible period(s). Agency placement and care was properly documented for the period of title IV-E claims in the PUR for all cases in the review sample. The removal court orders were obtained from the court the next business day following removal if an emergency removal occurred after hours. The agency has maintained its close collaboration with the courts and worked to educate the judiciary to promote timely and quality judicial findings.
- The state has made improvements in documenting the licensure of foster care placements as all foster homes are fully licensed during the PUR, except for three cases--- one of which is an out-of-state placement. The safety requirements for each child's placement were sufficiently documented as being met for the period of the child's stay in a family foster home or childcare institution during the PUR. The state uses "LiveScan" to obtain and request fingerprint-based checks of criminal databases. Results of federal and state criminal background checks are electronically transmitted by the Massachusetts State

Police's automated computer system to the state agency via the terminals of the state agency's Background Records Check Unit. Documentation of fingerprint-based background checks has improved greatly as the actual results are securely stored in i-FamilyNet.

- The automated claiming process contains edits that are intended to stop payments to a placement provider if the provider's license is not valid. The automated process appears to work well in most instances. As noted, the state should continue to explore whether modifications to the management information system or additional measures are needed to ensure all eligibility criteria are met for the period that a title IV-E payment is claimed. The system produced a payment history for the IV-E Review that was comprehensive and captured necessary data on the child, provider, payment amounts, funding sources, service codes and activity dates.

Disallowances

A disallowance in the amount of \$26,454 in maintenance payments and \$35,097 in related administrative costs of FFP is assessed for title IV-E foster care payments claimed for the error cases and non-error cases with ineligible payments. The total disallowance as a result of this review is \$61,551 in FFP. The state also must identify and repay any ineligible payments that occurred for the error cases and other ineligible cases subsequent to the payments provided in the payment histories. No future claims should be submitted on these cases until it is determined that all eligibility requirements are met.

Next Steps

As part of the state's ongoing efforts to improve its title IV-E foster care eligibility determination process, CB recommends that DCF examine identified payment errors and develop measurable, sustainable strategies that target the root cause of problems that hinder state efforts to operate 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.

Massachusetts's next title IV-E Review will be a primary review in which 80 cases will be reviewed. That review will occur in approximately three years.