

**Final Report
State of Maine
Title IV-E Foster Care Eligibility
Primary Review**

**Report of Findings for
April 1, 2015 – September 30, 2015**

Introduction

The Children's Bureau of the Administration for Children and Families (ACF) conducted a primary review of Maine's title IV-E foster care program. The title IV-E foster care review (IV-E review) was conducted during the week of June 13, 2016, in collaboration with Maine's Financial Resource Division in the Office of Child and Family Services (OCFS) and was completed by a review team comprised of representatives from Maine OCFS, Children's Bureau Central and Regional Offices and ACF Regional Grants Management Office.

Key purposes of the IV-E review are (1) to determine whether Maine's title IV-E foster care program is in compliance with 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 Maine's financial claims to ensure appropriate payments are made on behalf of eligible children.

Scope of the Review

The IV-E review encompasses a sample of the state's foster care cases in which a title IV-E maintenance payment is claimed for an activity that occurs in the six-month period under review (PUR) of April 1, 2015 – September 30, 2015. A computerized statistical sample of 100 cases (80 cases plus 20 oversample cases) was drawn from data Maine submitted to the Adoption and Foster Care Analysis and Reporting System (AFCARS) for the above period. Eighty (80) cases were reviewed, which consisted of 78 cases from the original sample plus two (2) oversample cases. The two (2) cases in the original sample were replaced because no title IV-E payment was made for a period of activity during the PUR.

In accordance with federal provisions at 45 CFR 1356.71, the state is 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) 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 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 record also is examined to ensure the foster family home or child care institution where the child resided during the PUR is fully licensed and 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 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 title IV-E maintenance 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 is claimed for the unallowable activity in either situation. In addition, underpayments are identified for a sample case when the state unintentionally has not claimed 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.

Compliance Finding

The review team has determined all of the 80 sample cases met all eligibility requirements (i.e., are deemed non-error cases) for the PUR. No case was determined to be in error.

The Children’s Bureau has determined the Maine title IV-E foster care program is in substantial compliance for the PUR. Substantial compliance in a primary IV-E review means the total number of error cases is four or fewer cases determined as not meeting eligibility requirements for the PUR. Since the state is in substantial compliance, a secondary review of 150 sample cases is not required. The next primary review will be held following the conclusion of Maine’s statewide project for a title IV-E waiver demonstration.

While no cases were in error for the PUR, 23 cases in the review sample had improper payments because the state incorrectly included in its foster care maintenance payment claims certain transportation costs that are not allowable under the federal definition of a foster care maintenance payment. These costs may be claimed and reimbursed as title IV-E foster administrative costs. We do not consider these to be error cases since the cases met all title IV-E eligibility requirements.

Case Summary

The following chart summarizes the improper payment amounts for the 23 cases and the reason for the improper payments. 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 cases.

Sample Numbers	Improper Payment Reason & Ineligibility Period April 1, 2015 – September 30, 2015 (PUR)	Improper Payments (FFP)
2, 5, 7, 23, 24, 25, 29, 31, 32, 35, 42, 44, 46, 49, 53, 60, 62, 64, 67, 68, 70, 75, 79	Payments to cover transportation costs for children to attend medical care appointments were claimed as foster care maintenance payments at the FMAP rate for the applicable year. However, these payments are allowable only as title IV-E administrative payments and must be claimed at the FFP rate of 50 percent. Four (4) sample cases had improper payments only during the PUR; 19 sample cases had improper payments prior to, during, and/or after the PUR. 45 CFR 1356.60(c); Section 475(4) of the Social Security Act	\$4,068 Maintenance payments

**Total FFP \$4,068
Maintenance
payments**

Area Needing Improvement

Findings of this review indicate the state needs to further develop and implement procedures to improve program performance in the following area. For this 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: As noted in the chart above, for 23 sample cases OCFS improperly claimed costs to transport foster children to medical care appointments as title IV-E foster care maintenance payments at the state’s FMAP rate for periods before, during and after the PUR. These transportation expenses may only be classified as title IV-E administrative costs.

Title IV-E Requirement:

Section 475(4) of the Act defines "foster care maintenance payments" as payments to cover the cost of (and the cost of providing) food, clothing, shelter, daily supervision, school supplies, and a child's personal travel to the child's home for visitation. Transportation to medical care appointments is not included in the statutory definition and, therefore, is not an allowable maintenance payment item under title IV-E.

The federal regulations at 45 CFR 1356.60(c) provide for title IV-E federal financial participation at the rate of 50 percent for allowable administrative expenditures determined necessary for the proper and efficient administration of the state’s title IV-E program. Title IV-E

foster care administration for case management activities may include costs incurred by a foster parent, volunteer, or state agency worker to transport a title IV-E eligible foster child to a medical appointment. Any such costs must be allocated through an approved cost allocation plan.

Recommended Corrective Action:

During discussions with OCFS staff at the onsite review, the review team learned that OCFS has already determined the reason for the improper claiming of these administrative costs and that the coding issues have been corrected. The Children's Bureau recommends that OCFS continue to monitor the coding of title IV-E costs to ensure claims are submitted in the appropriate cost category and at the appropriate match rate. The state may also choose to re-claim the disallowed title IV-E foster care maintenance payments as title IV-E foster care administration in accordance with its approved cost allocation plan.

Program Strengths and Promising Practices

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

Judicial Determinations:

The OCFS has collaborated with the court and the Maine Office of the Attorney General to create court orders that are child-specific and clearly reflect the case circumstances. Regular communication between OCFS and the Office of the Attorney General has resulted in timely corrective actions when potential concerns are identified with certain court orders. Court orders along with court affidavits consistently provided information about the home from which the child was removed; the circumstances in the family home and the child abuse and neglect factors which brought the case to the attention of the state and court. These court orders were timely and sufficiently documented the contrary to welfare and reasonable efforts requirements that the court must determine in a specified timeframe.

Safety Requirements:

Maine's criminal background checks system is effective. The completion of fingerprint-based checks of the national crime information database to ensure compliance with section 471(a)(20) of the Act are clearly documented in the licensing file. The OCFS has designated staff that work with state police to ensure criminal background checks are completed and processed timely.

Eligibility Determinations:

Maine operates a highly accurate title IV-E foster care maintenance payments program. The title IV-E application in the Maine automated child welfare information system (MACWIS) clearly documents the basis for eligibility determinations. Financial resource specialists have a clear understanding of the AFDC requirements concerning financial need, deprivation, and living with and removal from a specified relative and they thoroughly document the basis for the AFDC

eligibility determinations in the case record. Resource specialists also work closely with licensing staff to ensure that eligibility records contain accurate information on the licensing status of foster homes and residential facilities. MACWIS is programmed to shut payments off when a foster home becomes unlicensed; the child is placed in an unlicensed home; the fire inspection isn't timely or if the permanency hearing does not meet the required timeframe.

Disallowances

A disallowance in the amount of \$4,068 FFP is assessed for title IV-E foster care administrative cost payments that were originally claimed as maintenance payments for the 23 non-error cases.

Next Steps

The Children's Bureau Region 1 office staff is available to assist the state in identifying corrective action and obtaining support available through our national network of training and technical assistance centers to help the state address issues and concerns raised during this IV-E review.