

Department of Health and Human Services

**Office of Inspector General
Projects**



**ADMINISTRATIONS FOR CHILDREN,
FAMILIES, AND AGING
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TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

Recoupment of AFDC Assistance

This nationwide review will examine State practices for recouping Aid to Families with Dependent Children (AFDC) assistance. Although the AFDC program has been repealed and replaced with Temporary Assistance for Needy Families (TANF), States must return the Federal share of AFDC recoupments to the Federal Government. A recoupment is the collection of AFDC benefits paid to eligible individuals. Certain State laws allow the recoupment of any welfare assistance provided when a recipient receives a financial windfall (such as lottery winnings or estate settlements). A review in one State disclosed that the Federal Government had not been reimbursed for its share of a substantial amount of recoupments.

OAS; W-00-02-20016; A-01-02-00000

Collecting AFDC Overpayments

We will determine whether States have reimbursed the Federal Government for its share of AFDC overpayment recoveries. Although the AFDC program has been repealed and replaced with TANF, States must return the Federal share of AFDC overpayment recoveries. A nonfederal audit in one State, as well as OIG reviews in other States, disclosed that the Federal Government had not been reimbursed for its share of recoveries. We will determine whether this situation exists in additional States.

OAS; W-00-01-20016; Various CINs

Temporary Assistance for Needy Families Time Limits

This study will evaluate States' plans for addressing the upcoming Federal TANF time limits and examine how States are working with families who have already reached State-imposed time limits. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ended welfare as an entitlement program and created the TANF program. Under the act, families have a 60-month lifetime limit on receiving Federal assistance (or less at States' discretion). Twenty States have chosen to shorten the lifetime limit for certain categories of recipients, and families have already lost their Federal benefits due to shorter State time limits in 18 States. We will describe States' difficulties and best practices in addressing the service

needs of this population. Our study will complement work conducted by the Assistant Secretary for Planning and Evaluation.

OEI; 00-00-00000

CHILD CARE

Temporary Assistance for Needy Families Funds Used for Child Care Services

We will evaluate the extent to which States use TANF funds to directly fund child care services for low-income families and compare the oversight of TANF-funded child care programs with that of Child Care and Development-funded programs. With the rapid decline in welfare caseloads and the increase in eligible low-income working families, approximately 15 million children are eligible for Federal child care support. In FY 1999, the Department estimated that only 12 percent of eligible children were receiving federally subsidized child care assistance. In addition, under the Child Care and Development Block Grant Act of 1990, all child care providers must meet basic health and safety requirements set by States. However, there are currently no departmental standards for child care providers funded by direct TANF funds. This review will provide descriptive and quantitative information on how these programs differ.

OEI; 00-00-00000

Timeliness and Validity of Child Care Development Fund Data

We will ascertain the validity and timeliness of the data that States report to the Child Care Bureau regarding the Child Care Development Fund and identify technical assistance offered to States to improve timeliness. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 appropriated new entitlement child care funds to be administered jointly with the discretionary funds of the Child Care and Development Block Grant Act of 1990. Under the 1996 act, States must collect case-level and aggregate financial data to receive Federal funds. This study will address both the difficulties encountered by States and the best practices States have used to collect accurate data and meet reporting deadlines.

OEI; 00-00-00000

CHILD SUPPORT

Customer Access to Child Support Enforcement Agencies

We will examine State efforts to provide customers with access to child support enforcement information and services. These customers primarily include custodial parents, noncustodial parents, employers, and other State and local agencies. With the passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, States were tasked to implement many new initiatives to enhance the enforcement and collection of child support payments. Customer access to child support enforcement agencies is a necessary ingredient to the success of these new initiatives. We have encountered anecdotal evidence that customer access is problematic.

OEI; 06-00-00460

Using New Hire Data to Locate Noncustodial Parents

We will describe States' use of new hire information to locate noncustodial parents and alleged fathers, highlight promising approaches, and explore any challenges or vulnerabilities. Federal law requires that State child support agencies match information in their State Case Registry to information provided by employers in the State Directory of New Hires. New hire data can provide valuable information about the location of noncustodial parents or alleged fathers in cases requiring establishment of a child support order or needing paternity establishment. During recent reviews of closed cases, we noticed several new hire matches for which no employment verification or service of process appeared to occur before the cases were closed. This occurred even when the reason for closure was an inability to locate the noncustodial parent or establish paternity of the alleged father. This study will focus on States' use of intrastate new hire data.

OEI; 00-00-00000

Insurance Intercept Program

We will determine the adequacy of State procedures for identifying and intercepting insurance payments from parents with child support debts. In region I, two States recently implemented highly successful insurance intercept programs; one State established a first-in-the-Nation Internet site to enable insurers to quickly check any child support debt before making payment. We will determine which States have enacted and implemented insurance intercept legislation and identify best practices that can be shared with other States. We will also examine the

program's effectiveness in interstate cases and, if appropriate, the potential for improving collections using a national database or website.

OAS; W-00-02-20005; A-01-02-00000

Financial Institution Data Matches

We will describe the progress of the Office of Child Support Enforcement (OCSE) and States in implementing the financial institution data match and highlight promising approaches to maximize child support collections. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 required that State child support agencies develop agreements with in-State financial institutions, and the Child Support Performance and Incentive Act of 1998 simplified data matches with multi-State financial institutions. The agreements among States, financial institutions, and OCSE allow for quarterly matches of customer information supplied by financial institutions against the names of delinquent obligors. When a match occurs, States may attach and levy the assets of a delinquent obligor, and the financial institution is required to freeze or surrender the assets. A number of difficulties have delayed full implementation of this data match, requiring OCSE and States to adapt their processes as they work with various institutions.

OEI; 00-00-00000

Expected Issue Date: FY 2003

Availability of Health Insurance for Title IV-D Children Through SCHIP

This nationwide review will determine whether children under the Child Support Enforcement Program are receiving State Children's Health Insurance Program (SCHIP) benefits because private health insurance is unavailable or unaffordable to noncustodial parents. We will also determine whether States could establish alternative insurance arrangements that would allow noncustodial parents to meet their responsibility to provide health insurance while reducing SCHIP expenditures. A similar review involving Medicaid found that noncustodial parents in one State could afford to pay \$11.4 million (Federal and State share combined) of the Medicaid per capita premiums for their children.

OAS; W-00-01-20005; A-01-01-02500

State Child Support Case Closure Activities

We will describe State case closure activities, highlight successful strategies, and explore any challenges or vulnerabilities. Since 1989, Federal regulations have required that State child support agencies have a system for closing old and duplicate cases and cases lacking enough information to proceed. In March 1999, OCSE issued revised regulations intended to balance the concern that all children receive the child support help they need with the administrative

concern that State caseloads include only those cases in which there is adequate information or likelihood of successfully providing child support. Given the present incentive payment system, which rewards States for successfully providing certain service, such as creating a support order, some advocates fear that States may close some workable cases and deny needed services to families.

OEI; 06-00-00470

INVESTIGATIONS

Child Support Enforcement Task Force Model

The OIG's Office of Investigations and OCSE developed a task force model that is being implemented in Columbus, Ohio; Baltimore, Maryland; Dallas, Texas; New York, New York; Sacramento, California; and Atlanta, Georgia. It calls for the Office of Investigations, the Federal Bureau of Investigation, U.S. Marshals, U.S. Attorney Offices, local law enforcement, local prosecutors, State child support agencies, and other interested parties in 25 States and the District of Columbia to join forces in creating a coordinated effort to identify, investigate, and prosecute criminal nonsupport cases. Because the task forces investigate intrastate as well as interstate cases, the involvement of local law enforcement and prosecutors is critical. Depending on resources, additional task forces will be established in the future.

FOSTER CARE

Foster Care Children's Access to Medicaid

We will examine the extent to which foster care children have access to Medicaid services. Foster care children are entitled to Medicaid benefits, including early and periodic screening, diagnosis, and treatment services.

OEI; 02-00-00360

Child Abuse and Neglect in Foster Care

This review will assess the process used by States to investigate reports of abuse and neglect of foster care children and the impact on child safety. We will gather information on States' efforts in (1) maintaining and sharing information from the child abuse and neglect central registry, (2) conducting central State registry background checks on all persons having contact

with children in foster care, and (3) encouraging child placement agencies to exchange information on foster and adoptive parents who move from one agency to another.

OAS; W-00-02-20008; A-06-02-00000

Protections for Foster Children in Juvenile Justice Cases

We will assess the extent to which children in Title IV-E foster care-funded juvenile justice cases receive the protections required under law. Federal foster care funding primarily supports child welfare placements. However, Federal guidelines to States allow the use of foster care funds to support juveniles who are wards of the court and who are placed in family foster care arrangements. Juvenile justice cases account for approximately 4 percent of all children supported by foster care funds. According to the General Accounting Office, about \$300 million, or 10 percent of all foster care funding, was spent on juvenile justice placements in FY 1998. This study will complement other recent OIG work.

OAS; W-00-02-20008; A-02-02-00000, -03-02-00000
OEI; 00-00-00000

Foster Home License Renewal Procedures

This nationwide review will examine the timeliness of States' renewal of foster care home licenses. We will also determine whether any health and safety violations remain undisclosed and uncorrected when foster homes are not relicensed on a timely basis. Although Federal law provides the States with individual discretion when establishing standards on licensing and relicensing foster homes, States must enforce such standards to be in compliance with their State plans. In one State whose standards called for annual relicensing of foster homes, we found that some homes had not been relicensed for as long as 12 years, and over half of the homes that had not been relicensed in over 3 years had at least one safety violation (such as contaminated water, fire code violations, or substantiated child abuse). We also noted that required annual fire inspections had not been performed.

OAS; W-00-02-20008; A-01-02-00000

Training Costs

We will determine whether training costs charged to Title IV-E were in accordance with applicable laws, regulations, and program policies. A survey in one State identified training costs that benefited State-funded foster care programs but were charged to Title IV-E. Also, the State failed to reclassify some staff members from trainees to protective service workers

when their training was completed. As a result, Federal reimbursement was claimed at a higher rate. Depending on the results of this review, we may expand our work to other States.

OAS; W-00-02-20008; A-05-02-00000

HEAD START

Head Start Teacher Credentialing

We will examine Head Start grantees' efforts to meet teacher degree requirements specified in the Head Start Act Amendments of 1998 and the effect of turnover on these efforts. We will also identify any problems and vulnerabilities in meeting the academic requirements for 50 percent of Head Start teachers by FY 2003.

OEI; 07-01-00560

Mental Health Services

We will review how well Head Start grantees follow Administration for Children and Families (ACF) requirements in identifying children and families needing mental health services and how well they provide services to meet these needs. Head Start performance standards require grantees to perform appropriate screening within 45 calendar days of a child's entry into the program. However, studies show that grantees have had difficulty in meeting screening standards and providing appropriate mental health services. To some extent, these problems have been constant throughout Head Start's history, but starting in the mid-1990s, reports have shown an increase in the level of need and stress among many Head Start children, families, and staff. This study will focus on identifying ways to provide appropriate mental health services for Head Start enrollees.

OEI; 00-00-00000

Lead Screening

We will assess how effectively Head Start grantees ensure that children receive adequate screening and treatment for lead poisoning and determine what efforts are made to ensure that facilities are inspected and lead-free. Recent research indicates that while the average blood lead levels in children aged 1 to 5 years have decreased significantly since the late 1970s, elevated levels remain more common among low-income children, urban children, and those

living in older housing. The research found that the primary sources of childhood lead exposure were deteriorated lead paint and contaminated soil and dust in old housing.

OEI; 00-00-00000

Expected Issue Date: FY 2003

Construction and Renovation of Head Start Facilities

This followup review will evaluate ACF's procedures for reviewing, approving, and accounting for the construction and renovation of facilities by Head Start grantees. A prior OIG report made various recommendations to ACF for improving its oversight of facility acquisitions under the Head Start Improvement Act of 1992.

OAS; W-00-02-20009; A-09-02-00000

Grantee Terminations

We will review grantee terminations for the past 5 years to determine the effectiveness of program oversight through independent nonfederal audits and through grantees' governing bodies. In past years, most of the Head Start grantees that were terminated from the program were removed after long periods of noncompliance with fiscal and program requirements. In most cases, a lack of involvement by the grantees' boards of directors and advisory councils allowed managers to operate the program without the required oversight. We also noted some cases in which nonfederal audits and program monitoring efforts did not disclose these issues.

We will evaluate the actions taken by grantees and by program management and determine whether management should take additional actions to avoid these problems in the future.

OAS; W-00-02-20009; A-12-02-00000

OTHER ISSUES

Government Information Security Reform Act

As required by the Government Information Security Reform Act of 2000, we will evaluate ACF's security program and any critical systems. The results of this effort will be included in the Department's annual report to the Office of Management and Budget (OMB) and the Congress, as required by law.

The purpose of the Government Information Security Reform Act is to provide a comprehensive framework for establishing and maintaining effective controls over the information resources that support Federal operations and assets. It also creates a mechanism for improved oversight of Federal agency information security programs to ensure compliance

with applicable laws and regulations regarding computer security. The law has two requirements for the OIG: to conduct reviews of each operating division's security program and to test an appropriate subset of the Department's critical systems.

OAS; W-00-02-40016; A-12-02-00000

Protection and Advocacy Programs for Persons With Developmental Disabilities

We will review the activities of protection and advocacy programs in ensuring that persons with developmental disabilities receive a standard of care in accordance with State and Federal policies. The Developmental Disabilities Protection and Advocacy Program provides \$30 million in grants for State programs to protect the legal and human rights of persons with developmental disabilities. Although protection and advocacy programs have traditionally focused on problems in intermediate care facilities for the mentally retarded, they have recently begun to address community-based issues.

OEI; 00-00-00000

Cash and Medical Assistance

This review will determine if States have controls in place to prevent the payment of cash and medical assistance funds after refugees' eligibility periods expire. Federal regulations allow Refugee and Entrant Assistance Program funds to be used for cash and medical assistance for the 8-month period after a refugee's entry into the United States. A nonfederal audit disclosed that in about 17 percent of the cases tested, these benefits were provided for periods ranging from 1 to 5 months beyond the time allowed by Federal regulations.

OAS; W-00-02-20019; A-04-02-00000

Discretionary Grants

This nationwide review of discretionary grants will assess grantees' (1) performance in achieving project objectives and complying with the terms and conditions of the grants and (2) accountability for Federal funds. Prior OIG reviews of one ACF program identified problems with Federal oversight and grantee performance. However, some grant programs have received little or no coverage. To gain a broader perspective of ACF discretionary grants, we plan to review a sample of grants by the Administration on Children, Youth, and Families; the Office of Community Services; and the Office of Refugee Resettlement. We will assess the need for better screening of potential grantees, technical assistance to current grantees, and Federal oversight.

OAS; W-00-01-20019; A-12-01-00007

Data Used to Support Performance Measures

We will examine ACF's use of State-supplied data for performance measurement in one or more major programs. In passing the Government Performance and Results Act, the Congress emphasized that the usefulness of agency performance reports was largely dependent on congressional confidence in the reported data. We will determine whether ACF has taken adequate steps to validate State data.

OAS; W-00-01-20002; A-12-01-00060

State Agency Child Welfare Information System

We will determine the appropriateness of costs charged to a State Agency Child Welfare Information System for activities conducted by the system development contractor. This HHS-financed computer system (75-percent matching for implementation) is designed to allow child welfare workers online access to other State human service and health programs, such as TANF, child support, and Medicaid. The system is intended to help with case management, thus allowing child welfare workers more time for supporting the needs of children and their families. By FY 2003, Federal and State costs for the system will total about \$1.6 billion nationally.

OAS; W-00-01-20002; A-02-01-02001

Joint Work With State Auditors/Comptrollers

We will provide the expanded Partnership Plan to all State Governors and State auditors and invite them to work with us in reviewing ACF State-administered programs. The OIG developed the Partnership Plan to provide broader coverage of the Medicaid program by conducting joint reviews with State auditors. Our planned expansion could cover such issues as child protective services, State contracting, program and financial systems, child placement agencies, subrecipient accountability of Federal funds, child care, Head Start, and the reliability of Government Performance and Results Act data. A recent Ohio Statewide audit identified administrative cost exceptions related to child placement agencies. By partnering with Ohio and other State auditors, we can expand coverage on this issue nationwide. We also hope to begin joint work with State auditors on the licensing of foster care homes and requiring noncustodial parents to contribute toward Children's Health Initiative Program premiums for their children.

OAS; W-00-01-20002; A-12-01-00011

ADMINISTRATION ON AGING

Government Information Security Reform Act

As required by the Government Information Security Reform Act of 2000, we will evaluate the Administration on Aging's (AoA) security program and any critical systems. The results of this effort will be included in the Department's annual report to OMB and the Congress, as required by law.

The purpose of the Government Information Security Reform Act is to provide a comprehensive framework for establishing and maintaining effective controls over the information resources that support Federal operations and assets. It also creates a mechanism for improved oversight of Federal agency information security programs to ensure compliance with applicable laws and regulations regarding computer security. The law has two requirements for the OIG: to conduct reviews of each operating division's security program and to test an appropriate subset of the Department's critical systems.

OAS; W-00-02-40016; A-12-02-00000

Funding the Aging Network

We will describe the response of State units on aging and area agencies on aging to a static funding level under the Older Americans Act and the effect on services to older Americans. The AoA funding to the aging agency network has remained essentially unchanged at about \$850 million since the early 1990s. In response to level funding and an increased demand for services, State units on aging have sought funding from other Federal sources. We will determine how the additional funding sources have changed the service package offered to the traditional AoA population.

OEI; 00-00-00000

Elderly Caregivers With Developmentally Disabled Children

We will assess how State developmental disability councils and other State agencies address the needs of elderly caregivers who take care of their adult developmentally disabled children. The shift in caring for developmentally disabled children at home rather than in institutions has now matured to the point that the parents are becoming elderly. For FY 2001, the Congress appropriated \$125 million for the National Family Caregiver Support Program. This program was a component of the reauthorized Older Americans Act, which became law in November 2000. The act mandates that States give priority to services for older individuals

with the greatest social and economic need and older individuals who provide care and support to persons with mental retardation and related developmental disabilities.

OEI; 00-00-00000