

**ILLINOIS TITLE IV-E
FOSTER CARE ELIGIBILITY REVIEW
October 1, 1999 through March 31, 2000**

I. INTRODUCTION

During September 18, 2000 to September 21, 2000, staff from the Regional and Central Offices of the Administration for Children and Families (ACF) and from the Illinois Department of Children and Family Services (DCFS) conducted an eligibility review of the State of Illinois' Title IV-E foster care program. An observer from the Ohio Department of Job and Family Services was also involved in the review.

The purpose of the title IV-E eligibility review was to validate the accuracy of Illinois' claims to assure that appropriate payments were made on behalf of eligible children to eligible homes and institutions.

II. SCOPE OF THE REVIEW

The Illinois Title IV-E foster care review encompassed all title IV-E foster care cases during the period from October 1, 1999 to March 31, 2000. A computerized statistical sample of 80 cases and an eight case oversample was drawn from modified Adoption and Foster Care Analysis and Reporting System (AFCARS) data which was transmitted by the Illinois Department of Children and Family Services (DCFS) to ACF. The sampling frame consisted of cases of individual children who received at least one title IV-E foster care maintenance payment during the six-month period noted above. For each case, the child's case file was reviewed for the determination of title IV-E eligibility and to ensure that the foster home in which the child was placed was licensed for the period of the review.

During the initial primary review, 80 cases were reviewed. Two cases were determined to be in error for either part or all of the review period for reasons that are identified in the Case Record Summary section of this report. Since the number of error cases was less than nine, Illinois is considered to be in substantial compliance.

III. Case Record Summary

The following summarizes the error cases and the reasons for the errors, ineligible dollars, and appropriate citations:

Case #52 – In preparation for the review, DCFS staff conducted a pre-review. During the pre-review, DCFS determined that this case was ineligible for title IV-E Foster Care due to the child's family not meeting the deprivation requirements for the Aid to Families with Dependent Children (AFDC) program under the Illinois Title IV-A State plan that was in effect on July 16, 1996.

The case record contained clear indications that the parents were living together and that neither parent met the unemployed parent provisions of the AFDC program since the child's entry into foster care on April 21, 1999. In order to prevent errors of this type in the future, additional training for caseworkers and their supervisors on the AFDC requirements is recommended.

Since this child entered foster care on April 21, 1999, and DCFS had claimed \$2,910.82 for months prior to the end of the review period, the amount of FFP that should be adjusted on this case is \$1,455.41. Calculating this case from the end of the review period through the June 2000 claim, we note that DCFS has claimed an additional \$1,125.00 on this case and had received \$562.50 in FFP. DCFS has already initiated actions to stop the payments to the Foster Care provider; adjust the title IV-E claim to reflect the case ineligibility; and reported to the Illinois Department of Human Services (IDHS), the State's Temporary Assistance to Needy Families (TANF) agency, the potential fraud in this case.

Case #58 – In January 2000, this child received a large initial payment from the Social Security Administration under the Retirement, Survivors and Disability Insurance (RSDI) program. The receipt of the RSDI lump sum payment in January 2000 made the child ineligible for AFDC for January 2000. Beginning in March 2000, a monthly RSDI payment commenced in an amount that exceeded the AFDC income limit that was in effect as of July 16, 1996.

Since the remaining RSDI income is treated as a resource in the month after it is received and since the overall amount of the child's resources was below the resource limit for title IV-E purposes, the case was eligible for the February 2000 title IV-E payment.

Although DCFS became aware of this information and made an attempt to adjust the title IV-E claim prior to July 26, 2000, the date on which the review sample was transmitted to DCFS, the FFP adjustment has yet to occur. It appears that there was a data entry error and the payments did not get adjusted. DCFS plans to correct the error and adjust the funds on its next claim.

Errors of this type can be corrected when the adjustment process becomes entirely automated with the implementation of the Statewide Automated Child Welfare Information System (SACWIS). In the interim, additional quality control on payment inputs may reduce such errors.

For this case, DCFS had claimed \$375 in title IV-E funds for both January 2000 and March 2000. The amount of FFP that needs to be adjusted is \$375.

IV. Areas in Need of Improvement

- Under the DCFS licensing procedures, new employees of group homes and institutions can report for work, prior to the finalization of all criminal record checks, as long as they are not left alone with children. Unless the area where the new employees are working is physically segregated from the children in the agency's care, it is almost impossible to guarantee that these employees will never be alone with children.

DCFS has tried to implement a policy that balances the safety of the children against the needs of agencies to have a fully staffed workforce. DCFS has a process in place to expedite the criminal records checking process and usually achieves the completion of the needed check within two weeks of the request being made. DCFS conducts all background checks expeditiously. Delays sometimes do occur when there is a need for a follow-up with the Federal Bureau of Investigation (FBI) or when an out of state check is necessary.

We encourage DCFS to follow up on the plan to analyze the indicated Child Abuse and Neglect (CA&N) reports to determine how many indicated reports can be traced to group home and institutional employees for whom the criminal background checks had not been completed. We also encourage DCFS to contact the National Association of Foster Care Managers to determine how other States address this issue. Finally, we suggest that DCFS work with the provider community to discuss initiating and completing the criminal record checks on the final group of job applicants being considered prior to making an offer of employment.

- Section 10-65 of the Illinois Administrative Procedure Act [5 Illinois Compiled Statutes (ILCS)] states that, "when a licensee has made timely and sufficient application for the renewal of a license or a new license with reference to any activity of a continuing nature, the existing license shall continue in full force and effect until the final agency decision on the application has been made unless a later date is fixed by order of a reviewing court."

Although the licensees had made timely and sufficient application for the renewal of a license, in at least four (4) of the eighty cases reviewed (five percent), the licensing period had elapsed. DCFS has a process in place to assure that the necessary Child Abuse and Neglect Tracking System (CANTS) and criminal records checks occur expeditiously in the licensing process, but the re-issuance of a license is sometimes delayed in Family Foster Home (FFH) situations until all of the training requirements are fulfilled.

We recommend that an analysis be conducted to determine the exact causes of any licensing delays. Providing licensees with additional opportunities to complete the necessary training, adding additional licensing staff, beginning the licensing reapplication process earlier, or converting aspects of the license reapplication process to a redetermination procedure are all possible solutions for reducing any delays.

- ACYF-CB-PIQ-85-06 stated that while there is no statutory requirement under title IV-E concerning the frequency of eligibility redeterminations, such a procedure should be carried out periodically in order to assure FFP is claimed properly. Section 471(a)(1) of the Social Security Act (The Act) allows for FFP for foster care maintenance payments only in accordance with the requirements in section 472 of The Act, therefore, the State must assure that the child meets those eligibility requirements. In ACYF-PIQ-82-14, we had advised State agencies, that an appropriate period for redeterminations would be every six months, at which time factors subject to change, such as continued deprivation of parental support and care and the child's financial need (section 406(a) or 407 of the Act) would be reviewed and documented.

Although we were able to find documentation of an acceptable redetermination in all cases, we were only able to clearly determine that 38 cases had a redetermination during the review period. In six additional cases, no redetermination was due during the review period.

In addition to the formal redeterminations, DCFS has many other beneficial processes in place for assuring that cases are eligible for title IV-E. In addition to regular and administrative redeterminations, the DCFS Eligibility Determination Unit (EDU) staff works daily on change notices, in addition to monthly reports, that result in ongoing payment adjustments.

Under the existing DCFS policy, redeterminations are supposed to be conducted every six months. There is a backlog both on completing the redeterminations and in inputting the information into the Management Information System (MIS). We concur with DCFS that the best approach may be to enhance the existing EDU processes so that these processes will qualify as a full redetermination.

- Although such alternative language is allowable, many cases used “immediate and urgent necessity” when addressing the “contrary to the welfare” requirements in judicial determination orders. Language specific to the child’s need to be removed from home would be more appropriate in the removal order.

There were also cases in which the court order used the surname rather than addressing each child individually in the order. It was clear from the rest of the court file that the orders were referring to all of the children in the household who had been removed from the family and placed into DCFS custody. We encourage DCFS to continue to work closely with the Administrative Office of the Illinois Courts (AOIC), the Illinois Court Improvement Program (CIP) grantee, to assure that all court personnel receive the necessary training on the title IV-E requirements.

V. Strengths and Model Practices

- Although it was not a direct focus of the review, there were many indications that the requirements of the Adoption and Safe Families Act of 1997, Public Law 105-89 (ASFA) are being implemented in Illinois. During 2000, Illinois achieved a significant turning point - the number of children receiving either an adoption assistance or a Subsidized Guardianship (SG) payment exceeded the number of children in DCFS custody. The number of indicated CA&N reports and the number and rate of children going into Foster Care placements are also much lower than in the past. The DCFS caseload has dropped from 51,331 at the end of State Fiscal Year (SFY) 1997 to 32,362 as of May 31, 2000.

The number of DCFS wards who have been adopted has increased every year, from 714 in SFY 1987 to 7,275 in SFY 1999. From July 1, 1999 through March 31, 2000, there were 4,148 SFY 2000 finalized adoptions. Illinois has a Federal title IV-E waiver, which allows SG as a federally reimbursed permanency option, which is not available to most of the other States. Between May 1, 1997 and May 10, 2000 courts have transferred 4,435 children from DCFS custody to private guardianship under the SG waiver authority. Under the recent federally approved title IV-E Alcohol and Other Drug Abuse (AODA) waiver, the goal of DCFS is to assure that the reunification rate increases. In our eighty case sample, eleven children were adopted, three went into SG and one returned home either during or subsequent to the review period. This means that 18.75% (15 of 80) of the sample cases have achieved permanency.

- The efforts of DCFS in preparing for the review are worthy of replication by other States. If not for the DCFS pre-review, case number 52 would not have been found in error at such an early date.
- The DCFS EDU staff are very experienced in conducting quality assurance (QA) type activities that are very comparable to the title IV-E Foster Care review process. In addition to quarterly compliance reviews, DCFS do regular mini-reviews of cases when the field support staff visit private agencies.

- The centralized EDU appears to help and many improvements in the QA process have been made over time. A plan is also in place to implement a QA process that will mirror the Federal Child and Family Services Reviews (CFSRS).
- There were significant improvements noted in the periodicity and quality of the judicial determination processes. Under Illinois statute, a temporary custody hearing is held within 48 hours of a child's removal from home. Permanency planning is in place. Judges personalize the hearings for children. There is much better organization of court orders with the use of a checklist approach that can be individualized.
- Due to the Illinois permanency initiative, the new 45 CFR 1356.21 requirements for a judicial determination of the reasonable efforts to finalize a permanency plan are already in place and were evidenced during the case record review.
- The quality and organization of the records were excellent and were much better than in previous reviews of a comparable nature.
- Systems have been put in place to address non-performing agencies. The extensive QA and performance based contracting processes that DCFS has implemented help achieve accountability and results.
- Although we previously have addressed areas of the licensing process that can be improved, all of the following aspects of the DCFS licensing system are worthy of replication:
 - Six months before a license is due to expire, an alert is generated to the licensee and to the responsible agency that action is needed;
 - If a timely response is not received, a tickler is sent;
 - Listings are sent to agencies about expiring licenses;
 - Licensing workers visit licensees every six months;
 - Fingerprint identifiers are on file on all existing licensees; and,
 - There is an automated interface with the Illinois State Police that allows the generation of a detailed criminal record history report.
- Even though there are plans in place to fully implement a SACWIS, the existing MIS is already very sophisticated. One example of this sophistication was that there were no cases that had to be dropped from the review sample.

Additional aspects of the MIS that are worthy of replication include:

- The Child and Youth Centered Information System (CYCIS) includes information on all Foster Care providers with detailed identifying information and payment rate histories that the review team was able to access on every case;
- There is an automated interface between the CYCIS and the Management Accounting and Reporting System (MARS) that generates payments to the Foster Care providers;
- There is an automated interface between DCFS and the Cook County Juvenile court; and,
- There is the previously noted automated interface between DCFS and the Illinois State Police.

VI. Disallowance

The review included a sample of 80 cases. The sample was drawn from a universe of cases that received at least one title IV-E maintenance payment during the six month AFCARS period of October 1, 1999 to March 31, 2000. Based upon the results of the review, two cases were not eligible for funding for at least part of the review period under title IV-E foster care.