

# **Alabama Title IV-E Foster Care Eligibility Review For the period April 1, 2002 to September 30, 2002**

## **Introduction**

During July 14-17, 2003, the Administration for Children and Families (ACF) staff from the Central and Regional Offices and State of Alabama staff conducted an eligibility review of Alabama's title IV-E foster care program.

The purpose of the title IV-E foster care eligibility review was (1) to determine if Alabama was in compliance with the child and provider eligibility requirements as outlined in 45 CFR 1356.71 and Section 472 of the Social Security Act; and (2) to validate the basis of Alabama's financial claims to ensure that appropriate payments were made on behalf of eligible children and to eligible homes and institutions.

## **Scope of the Review**

The Alabama title IV-E foster care review encompassed a sample of all of the title IV-E foster care cases that received a foster care maintenance payment during the period of April 1, 2002 to September 30, 2002. A statistical sample of eighty cases was drawn from data which was transmitted by the State agency to the ACF for the period under review. Each child's case file was reviewed for the determination of title IV-E eligibility, and the provider's file was reviewed to ensure that the foster home or child care institution in which the child was placed was licensed or approved for the period of the review.

## **Case Record Summary**

During the primary review, eighty cases were reviewed. Twenty-three (23) cases were determined to be in error for either part or all of the review period. Appendix A of this report details each sample case, the reason(s) for ineligibility, requirement citations, and the ineligible dollar amounts associated with that case.

During the onsite review numerous identified errors were due to the lack of required judicial determinations regarding reasonable efforts to finalize the permanency plan (19 cases). Other errors resulting in IV-E ineligibility were: the lack of a judicial determination regarding "contrary to the welfare" (1 case); the lack of a judicial determination regarding reasonable efforts to prevent removal (1 case); the lack of initial determination of AFDC eligibility (1 case); placement in a home or facility that was not fully licensed (2 cases); and failure to appropriately conduct criminal records checks (2 cases).

## **Program Improvement Plan**

Since the number of error cases exceeded four, ACF has determined Alabama not to be in substantial compliance. Pursuant to 45 CFR 1356.71(i), you are required to develop a Program Improvement Plan (PIP) designed to correct those areas determined not to be in substantial compliance. The PIP will be developed by the State, in consultation with ACF Regional Office staff, and must be submitted to the ACF Regional Office for approval by March 17, 2004. The PIP is not to extend beyond one year unless State legislative action is required. In such instances, an extension may be granted with the State and ACF negotiation of the terms and length of the

extension. The extension shall not exceed the last day of the first legislative session after the date of the PIP. Once the State has satisfactorily completed the PIP, a secondary review of a sample of 150 title IV-E foster care cases will be conducted. The format of the PIP may vary, but it must include the following components:

- Specific goals;
- Action steps required to correct each identified area in need of improvement;
- A date by which each of the action steps is to be completed; and
- A description of how progress on the plan will be evaluated by the State and reported to the Regional Office, including the frequency and format of the evaluation process.

## Areas in Need of Improvement

During the review, the following areas were identified as areas that are in need of improvement. All of these areas must be addressed in the PIP.

1. **Judicial determination in removal order addressing Contrary to the Welfare.** The State must obtain a court order that addresses Contrary to the Welfare. For a child who enters care on or after March 27, 2000, the judicial determination regarding Contrary to the Welfare must be made in the *first* order that sanctions the child's removal from home.
2. **Judicial determination of Reasonable Efforts to Prevent Removal.** The State must obtain a court order that addresses Reasonable Efforts to Prevent Removal or to Reunify a Child and Family. If a child entered care after March 27, 2000, the judicial determination that reasonable efforts to prevent removal were made (or were not required) must be made no later than 60 days from the date of the child's removal from home.
3. **Judicial determination of Reasonable Efforts to Finalize a Permanency Plan.** The State must obtain a court order that contains a judicial determination that the State agency has made reasonable efforts to finalize the permanency plan that is in effect within twelve months of the date the child is considered to have entered foster care and at least once every twelve months thereafter while the child is in foster care. A copy of the judicial determination must be maintained in each child's IV-E foster care eligibility file.

To address items 1 - 3 above, we recommend that collaboration continue with the judicial community regarding the link between judicial findings and IV-E eligibility. Efforts should continue to encourage each court to issue timely court orders reflecting judicial consideration of each child's individualized needs and conditions, as well as judicial determinations regarding the State agency's activities and efforts to finalize permanency plans.

In many of the cases reviewed, a variety of form court orders contained a check-off format, but without an option to check for addressing reasonable efforts to finalize the permanency plan. Many of these form orders only contained reasonable efforts to reunite the child. We also found several court orders with incorrect language or conflicting language.

In addition, in some cases reviewed, documentation existed of judicial determinations of reasonable efforts to finalize the permanency plan, but they were not timely, yet the agency continued IV-E payments. We recommend closer monitoring to avoid ineligible claims.

4. **Eligibility for AFDC at removal.** The State agency must document that the child was removed from a specified relative, and that the child was financially needy and deprived

of parental support in the month the voluntary placement agreement was signed or the month in which the petition that resulted in a court-ordered removal was filed. The one case in which this was found to be an error was an ICPC case of a child who was never eligible to receive payments from Alabama, yet payments were authorized in error.

5. **Placement in a licensed home or facility.** A provider must be *fully* licensed or approved during the child's placement that falls within the period under review. The license must show that the home or facility is licensed during the child's placement there.
6. **Satisfactory completion of criminal record check.** Unless the State has opted out of the criminal record check requirement, the State must provide documentation that criminal record checks have been conducted with respect to prospective foster and adoptive parents. The licensing file must document the results of the record check as evidence that the State agency has complied with the regulatory safety requirements for foster family and adoptive placements and that the foster or adoptive parent has not been convicted of any of the felonies enumerated in section 471(a)(20)(A) of the Social Security Act.

## Strengths

A strength for Alabama is dedicated centralized staff with the responsibility of determination of title IV-E foster care eligibility. This was found to be beneficial to the review process. The staff of the Alabama Department of Human Resources, Office of Child Welfare Eligibility, insured the review process was well organized. All case records included in the sample were available, and the required information was easily located. Staff of the State office was most receptive to the technical assistance provided during the review.

We found that the eligibility staff has a good understanding of AFDC eligibility determination and re-determination, and in most of the cases reviewed we found documentation that the child was financially needy and deprived of parental support at the time of removal, using criteria in effect in the State's July 16, 1996 IV-A State Plan. However, we recommend that the form used contain the dates of the period of eligibility to make the documentation clearer.

All but one case reviewed met the requirements for the court order that removed a child from home by containing proper language regarding the judicial determination that continuation in the home is contrary to the child's welfare. Also, all but one case contained the judicial determination of reasonable efforts to prevent removal.

We found documentation in court orders for the agency responsibility for placement and care. In most cases, we also found good practice in licensure and safety, except we noted licenses were not dated as to when homes were actually licensed. We found only the period the license covered.

Voluntary placement requirements were met in the one applicable case reviewed.

## Disallowance

The review included a sample of eighty cases. The sample was drawn from a universe of cases that received at least one title IV-E foster care maintenance payment during the 6-month AFCARS period of April 1, 2002 to September 30, 2002. Based upon the results of the review, the State of Alabama has been determined to be not in substantial compliance. Twenty-three (23) cases were determined not to be eligible for funding under title IV-E foster care. Therefore, a disallowance in the amount of \$169,797.26 in Federal Financial Participation (FFP) is assessed for the entire period of time that these cases were determined to be in error. The enclosed Attachment B provides to you the formula calculations spread sheet for the disallowance.