

FLORIDA

TITLE IV-E FOSTER CARE PRIMARY ELIGIBILITY REVIEW

FOR THE PERIOD APRIL 1, 2006 TO SEPTEMBER 30, 2006

Introduction

During February 26 – March 2, 2007, Children’s Bureau (CB), Administration for Children and Families (ACF), staff from Central and Regional Offices, Consultant Reviewers, and State of Florida staff conducted an eligibility review of Florida’s title IV-E Foster Care Program. The purposes of the title IV-E Foster Care Primary Eligibility Review were, (1) to determine if Florida was in compliance with the eligibility requirements as outlined in 45 CFR 1356.71 and Section 472 of the Social Security Act; and, (2) to validate the basis of Florida’s financial claims to ensure that appropriate payments were made on behalf of eligible children residing in allowable homes and institutions.

Scope of the Review:

The Florida title IV-E Foster Care Primary Eligibility Review encompassed a sample of the title IV-E foster care cases that received a foster care maintenance payment during the period of April 1, 2006, to September 30, 2006. A statistical sample of eighty-eight (88) cases was drawn from data and transmitted by CB to the State agency 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.

This review was classified as a primary review as defined in the title IV-E Foster Care Eligibility Review Guide, which was transmitted to State and Territorial agencies by Information Memorandum ACYF-CB-IM-01-11, dated November 30, 2001, and revised in March 2006.

Case Record Summary:

During the primary review, eighty (80) cases were reviewed. Five (5) cases were determined to be in error for either part or all of the review period. The areas where the five (5) cases were determined to be in error relate to the following:

- Valid removal of the child from the home
- Judicial determination of contrary to the welfare
- AFDC eligibility requirement regarding financial need
- Safety requirements of the licensed foster care provider

In addition to the five cases found with errors during the period under review, the review team identified eleven (11) cases with ineligible payments occurring outside the period under review. The reasons for these errors relate to the following:

- Valid removal of child from the home
- Judicial determination of contrary to the welfare
- Judicial determination regarding reasonable efforts to finalize the permanency plan
- AFDC requirement regarding financial need
- Safety requirements of the licensed foster care provider

Attachments A and B of this report detail each sample case, the reason(s) for ineligibility and the ineligible dollar amounts associated with each case.

Program Improvement Plan:

Since the number of error cases exceeded four, CB has determined Florida 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, or warrant attention. The PIP will be developed by the State, in consultation with CB Regional Office staff, and must be submitted to the CB Regional Office for approval ninety (90) days from the receipt of the Final Report. 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 CB negotiation of the terms and length of the extension. The extension shall not exceed the last day of the first legislative session that begins after the date of the PIP. 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.

Florida is approved, effective October 1, 2006, for a title IV- E waiver for certain provisions of the Social Security Act and Federal Program Regulations. This does not negate the requirement for the State to enter into a PIP. Those areas cited as needing improvement, such as judicial findings and the safety provisions for out of home care providers, are outside of the scope of the wavier conditions. In addition, after the wavier implementation period, the State must reinstate all the requirements associated with the title IV-E maintenance payments program. However, because you are in the process of wavier implementation, you may elect, after a successful completion of the PIP, for CB to arrange for a secondary review of a sample of 150 title IV-E foster care cases. The other option for Florida is that CB conducts a primary title IV-E review of a sample of eighty cases near the close of the title IV-E waiver implementation period.

Areas Identified Onsite as Strengths in the Title IV-E Foster Care Eligibility System:

- Revenue maximization staff are knowledgeable of the title IV-E requirements
- Grounds for the issuance of court orders were often detailed with child-specific and individualized orders
- In most cases, safety considerations with respect to the staff and caretakers of the institution and foster homes were adequately addressed

- Case Plans provided to the Court contained good documentation of the agency's service provisions to families and children
- Some courts automatically provide copies of court orders to the revenue maximization staff
- The language of several court orders provided specific information regarding the agency's efforts to finalize the permanency plan
- Judicial reviews are held often to assess the agency's progress in achieving the child's permanency plan

Areas In Need of Improvement:

- The stability of the foster care placements and numerous placement moves through the foster care episode were problematic. The child's payment history and placement history were inconsistent, which brings into question the accuracy of the placement history. The State may be underreporting the number of placement moves.
- The safety checks provided by law enforcement often contained numerous date stamps, leading to confusion as to when the check actually occurred.
- The eligibility forms for IV-E determination and redetermination contained check boxes, often unchecked, and date lines not completed. The income sections on the forms were often incomplete. All forms, including the CF-ES 2626A and CIC IV-E Budget, should be revised to document the AFDC two step process for financial need.
- Agency supervision of a child in the legal custody of a relative does not equate with the agency's placement and care responsibility.
- If a specified relative has legal custody and the court removes the child from that home, or the legal related guardian signs a voluntary placement agreement, financial need can be determined based on the financial situation of the child only, unless the State had a policy in effect as of July 16, 1996, that required the specified relative's income be considered.

Findings and Disallowances:

Five (5) cases were determined not eligible for title IV-E foster care maintenance payments, and the State is ineligible to receive Federal Financial Participation (FFP) for these cases under the title IV-E foster maintenance program. The State is also ineligible for title IV-E foster care administrative costs relating to these error cases. The amount of ineligible maintenance assistance payments for these cases is \$11,844 in FFP. The respective unallowable administrative cost for these cases is \$15,981 in FFP.

During our review, we discovered 4 cases where children were eligible for title IV-E during a period of time; however, they were not paid with title IV-E funds. The State has confirmed that title IV-E is their choice in Federal funding for these cases and time periods. These underpayments are not considered in the determination of the State's substantial compliance nor are they considered disallowances. However, the expenditures may be claimed by filing an increasing adjustment on the IV-E-1 Foster Care and Adoption Assistance Report in the next quarter, but no later than 2 years after the calendar quarter in which the State agency made the expenditure. As of our February 2007 review date, underpayments identified for February 2005,

and forward are still eligible for a title IV-E claim. Information on the underpayments found during our review is reflected on Attachment C.

The State also must identify and repay any ineligible payments that occurred for these error cases subsequent to the period under review.

In addition to the above cases found with errors during the period under review, the review team identified eleven (11) cases with ineligible payments occurring outside the period under review. These additional findings were not considered in the determination of Florida's substantial compliance with Federal requirements. The State is, nevertheless, ineligible to receive FFP for these cases under the title IV-E program. The amount of ineligible maintenance assistance payments for these cases is \$175,785 in FFP. The respective unallowable administrative cost for these cases is \$249,788 in FFP.

This report constitutes our formal notice of disallowance of \$453,398 in Federal Financial Participation (FFP) for title IV-E foster care maintenance payments and related title IV-E foster care administrative costs. The standard methodologies used by CB for the computation of both of these disallowances are enclosed in Attachments A and B for your information.