

ARIZONA TITLE IV-E FOSTER CARE ELIGIBILITY REVIEW
October 1, 1999 - March 31, 2000

A. INTRODUCTION

During the week of August 28, 2000 – September 1, 2000, Administration for Children and Families' (ACF) staff from the Regional and Central Offices and State Federal Policy Unit staff conducted an eligibility review of Arizona's Title IV-E foster care program.

The purpose of the Title IV-E eligibility review was to validate the accuracy of Arizona's financial claims to assure that appropriate payments were made on behalf of eligible children, to eligible homes and institutions, at allowable rates.

B. SCOPE OF THE REVIEW

The Arizona Title IV-E foster care review, which was conducted in Phoenix, encompassed all Title IV-E foster care cases during the period from October 1, 1999 to March 31, 2000. A computerized statistical sample of 88 cases (80 cases and 8 over sample cases) was drawn from the Adoption and Foster Care Analysis and Reporting System (AFCARS) data which was transmitted by the State Agency 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 this initial primary review, 80 cases were reviewed. The team determined that 74 cases were eligible for Title IV-E and six (6) cases were ineligible for Title IV-E. For a State to be determined to be in substantial conformity on an initial primary review, no more than eight (8) cases can be found in error. As a result, Arizona has been determined to be in substantial conformity for the initial primary review. Therefore, no secondary review will be required and the only financial penalty to be taken will be for the payments on the six (6) ineligible cases amounting to the total value of \$186,062 and the Federal Financial Participation (FFP) is \$122,171.

C. CASE RECORD SUMMARY

Below is a brief summary of the findings for each of the six (6) ineligible cases.

Sample number 14: Child was placed by juvenile justice. Temporary order did not provide a judicial determination that the continuation in the home would be contrary to the child's welfare and reasonable efforts were provided to prevent removal or to reunify child and family (sections 472(a)(1) and 471(a)(15)(B)(i) of the Social Security Act).

Sample number 20: Child was placed with an unlicensed provider (sections 471(a)(10) 472(a)(3), (b) and (c) of the Social Security Act).

Sample number 49: Child was placed by juvenile justice. There was no judicial determination that the continuation in the home would be contrary to the child's welfare (section 472(a)(1) of the Social Security Act).

Sample number 60: Child is over age 18 and is not in a secondary school or its equivalent (section 402(a)(2)(A) & (B) of the Social Security Act).

Sample number 61: No documentation that the provider was licensed for the entire time of the child's placement (sections 471(a)(10) 472(a)(3), (b) and (c) of the Social Security Act).

Sample number 72: AFDC eligibility cannot be made on an illegal alien child (section 472(a)(4) of the Social Security Act).

D. STRENGTHS AND MODEL PRACTICES

There are several areas that we saw as strengths and/or as best practices. They are as follow:

1. Judicial determinations that the State Agency provided reasonable efforts to prevent removal or reunify the child with the family were completed in less than 60 days in the cases reviewed and individualized efforts were reflected in the court orders (checklist element number 13).
2. In some of the cases reviewed, the State is already meeting the new requirement regarding judicial determinations be made on the reasonable efforts of the State Agency in achieving the permanency plan within 12 months of the date the child is considered to have entered foster care, effective March 27, 2000 (checklist element numbers 17 and 18).
3. The State's 90-day time frame on voluntary placement agreements reflects Arizona's efforts to expedite permanency for children in out-of-home care in a timely manner. The Federal standard for a voluntary placement agreement is no more than 180 calendar days and if it is still in the best interest of the child to remain in foster care, there must be a judicial determination before the 181st day (checklist element number 16).
4. The State has written procedures and a system in place to ensure that institutions are meeting the safety requirements (checklist element number 36).
5. In the area of AFDC eligibility determinations (checklist numbers 19 – 25), there was a yellow form number 230A used to document eligibility, but unfortunately its use has been discontinued. This form was useful because it documented financial resources and deprivation factors used to determine eligibility. Perhaps a screen providing similar information can be incorporated into the CHILDS system.

E. AREAS IN NEED OF IMPROVEMENT

Four main areas were identified for improvement and these were discussed during the exit conference.

1. AFDC Linkage

- State needs to clearly identify the month used to make the eligibility determination, the home for which eligibility is based (parent or other relative), and whether it is an initial or a redetermination of eligibility.
- Staff need to be trained on when an initial eligibility determination should be made and when to do a redetermination. Such as when a child is under State custody and is initially placed with a relative in an unpaid placement and then moved to a paid placement. The initial eligibility needs to be done when the child is brought into State custody regardless of whether it is a paid or non-paid placement.
- State needs to improve documentation on how it determined financial resources and deprivation (the CHILDS system only reflects checks on the screen but not the source of the information).
- State needs to better document when the child last lived with the parent or other relative that the child is being removed from.

2. Licensing and Safety

- State needs to ensure that the safety requirements for a childcare institution are also applied to institutions licensed by the Department of Behavioral Health.
- Provisional licenses were found for a couple of the cases, but they are no longer allowed under the Final Rules and would cause the case to fail during the next review.
- State needs to document that fingerprint checks have been cleared and not just submitted for clearance.
- State should include a system edit that would prevent a Title IV-E payment if a home is not fully licensed.
- State should assure that an individual placement site license is not mixed up with the corporate license.

3. Court Orders

- Court orders must be signed documents. Court orders are available electronically (without a signature) but are numbered after the order is signed. Advances in technology have made this a policy question that the Administration for Children, Youth and Families will need to consider for purposes of maintaining documentation conformity in the future.
- Contrary to the welfare determinations must be in the first court order removing the child from his home and bringing the child into care effective March 27, 2000.

In addition, individualized language will also be needed in the court order (no longer will wording such as “contrary to the welfare of the child to remain in the home or an emergency situation existed” be allowed).

- Reasonable efforts were frequently noted in court orders issued within 60 days of entry into care. However, in future reviews court orders must clearly describe specific reasonable efforts made in individual cases.
- At the permanency plan hearing, the permanency goal must match the reasonable efforts statement in the permanency hearing court order (i.e., both must be for reunification) and the court must make a determination on the efforts of the State agency in achieving the permanency goal for the child.
- If the permanency hearing is not held within 12 months of the child’s entry into care, the case is ineligible until the permanency hearing is held (continuances could result in ineligible cases).

4. Voluntary Placements

- State needs to ensure a seamless process for voluntary placement agreements. Since the State only allows 90 days per agreement, State must assure that either a new agreement or that a judicial determination is made timely. Lapsed voluntary agreements, with no timely judicial determination, will make the case ineligible.
- State law terminates 18 year olds regardless of whether they are attending school and expect to graduate by age 19. Currently the State has the child sign him or herself into State care under a voluntary placement agreement. If the child is emancipated under State law, can he sign himself into State care in order to be eligible for Title IV-E foster care maintenance payments? The Administration for Children, Youth and Families is presently developing guidance on this issue.

F. DISALLOWANCE

The review included a sample of 80 cases. It was determined that 74 cases were eligible for Title IV-E and six (6) cases were ineligible. The financial penalty for the six (6) ineligible case payments amounts to the total value of \$186,062. The Federal Financial Participation (FFP) is \$122,171. See attachment 1 for the financial details on the six (6) ineligible cases.

Based upon the results of the review, Arizona did not exceed the 10 percent error rate. Arizona has been determined to be in substantial conformity and will undergo another primary review in three years.