



DEPARTMENT OF HEALTH & HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES
West-Central Hub
1301 Young St, Room 914
Dallas, TX 75202

October 16, 2001

Secretary Renea Austin-Duffin
Office of the Secretary
Department of Social Services
State of Louisiana
P.O. Box
Baton Rouge, Louisiana


Dear Secretary Austin-Duffin:

The final report of the findings obtained from the review of Louisiana's title IV-E foster care program is enclosed. The purpose of the title IV-E foster care eligibility review was to validate the accuracy of Louisiana's claims to assure that appropriate payments were made on behalf of eligible children, to eligible homes and institutions, at allowable rates.

The total claimed for the two ineligible cases was \$4,289.38 [\$3,025.30; federal share @ FY2001 FMAP rate of 70.53%]. On October 4, 2001, our title IV-E team leader contacted OCS Assistant Secretary Carmen Weisner and secured the agreement that the State would make the adjustment in the Prior Quarterly Adjustments section of Form ACF-IV-E-1. State staff concurred with the findings and agreed to make the adjustment on the September 30, 2001, Foster Care (title IV-E) Quarterly Report of Expenditures and Estimates, which is due October 31, 2001.

Should you have any questions, please contact your title IV-E eligibility review team leader, Thurston "T.J." Jones, Children and Families Programs Specialist, at 214.767.4158, Office of State and Tribal Programs.

Sincerely,


Leon R. McCowan
Regional Hub Director

Enclosure

- Final Report

cc: Carmen Weisner
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REPORT
TITLE IV-E ELIGIBILITY REVIEW

**LOUISIANA TITLE IV-E
FOSTER CARE ELIGIBILITY REVIEW
OFFICE OF COMMUNITY SERVICES
DEPARTMENT OF SOCIAL SERVICES
STATE OF LOUISIANA
SEPTEMBER 24-28, 2001**

PERIOD OF REVIEW: October 1, 2000 - March 31, 2001

I. INTRODUCTION

During the week of September 24-28, 2001, West Central Hub/ Dallas Office and State of Louisiana staff conducted an eligibility review of the Office of Community Services/Department of Social Services [OCS/DSS] title IV-E foster care program. The entrance and exit conferences were conducted on September 24, 2001, and September 28, 2001, respectively.

The purpose of the review was to validate the accuracy of the OCS/DSS title IV-E claims to assure that appropriate payments were made on behalf of eligible children, to eligible homes and institutions, at allowable rates.

II. SCOPE OF THE REVIEW

The Louisiana foster care eligibility review was conducted in the OCS/DSS state office in Baton Rouge, Louisiana. The review encompassed all title IV-E foster care cases during the period October 1, 2000, to March 31, 2001. A computerized statistical sample of eighty (80) cases was drawn from the federal Adoption and Foster Care Analysis and Reporting System (AFCARS). The sample was transmitted from the Children's Bureau on June 26, 2001, to OCS/DSS. The review sample consisted of cases of individual children who received at least one title IV-E foster care maintenance payment during the six-month review period. For each sample case, the case file was reviewed for the accuracy of the title IV-E eligibility determination, for determining whether the foster home in which the child was placed was licensed, and for determining whether criminal background checks had been completed.

III. TYPES OF REVIEWS AND COMPLIANCE REQUIREMENTS

During an **initial primary review**, eighty (80) cases were reviewed. Since the number of ineligible cases did not exceed eight (8), a finding of "**in substantial compliance**" was made. Disallowance was assessed for the two (2) ineligible cases. The next title IV-E eligibility review will occur in September 2004, i.e., a **subsequent primary review** with eighty (80) cases being reviewed. In three years, reviewers will apply a more stringent compliance standard, i.e., not more than five (5) ineligible cases and a dollar error exceeding ten percent.

If nine or more cases had been determined to be ineligible, a finding of "**noncompliance**" would have resulted. The State would have been required to develop a Program Improvement Plan and to undergo a required **secondary review**. That review would encompass a larger sample (150) and potential for extrapolation of disallowances to the universe.

IV. REVIEW FINDINGS

This review resulted in determining that there were two (2) ineligible cases, and a finding of *“in substantial compliance.”* The reasons for the ineligibility determinations are discussed in the Case Record Summary section of this report. Reviewers also identified strengths (Part B) and improvement areas (Part C).

A. Case Record Summary

The following narrative details the ineligible cases and reasons for ineligibility, ineligible dollars and appropriate citations:

Case ID Number LA#6 (953092514/Lake Charles Region) involved a child who was removed from the home on November 11, 1998, and for whom title IV-E funding was claimed. All title IV-E eligibility criteria were met except placement in a licensed home. The child was placed with a provider whose license was approved for the period August 16, 1995 through February 28, 2001. The period of ineligibility for title IV-E began on March 1, 2001 and ended March 31, 2001. The amount of funding claimed was **\$341.93 [federal share \$241.16; based on the FY2001 FMAP (70.53%)]**. State staff concurred with our findings and agreed to make the appropriate financial adjustment in the September 30, 2001, IV-E-1 quarterly expenditure report due in the regional office by October 31, 2001. For audit purposes, the adjustment will refer to the September 24-28, 2001 title IV-E eligibility review.

Case ID Number LA#35 (950595867/Orleans Region) involved a child who was removed from home on April 13, 1992, and for whom title IV-E funding was claimed. All title IV-E eligibility criteria were met except placement in a licensed home. The child was placed with a provider who was not licensed. The period of ineligibility for title IV-E began on October 1, 2000 and ended March 31, 2001. The amount of funding claimed was **\$3,947.45 [federal share \$2,784.14; based on the FY2001 FMAP (70.53%)]**. State staff concurred with our findings and agreed to make the appropriate financial adjustment in the September 30, 2001, IV-E-1 quarterly expenditure report due in the regional office by October 31, 2001. For audit purposes, the adjustment will refer to the September 24-28, 2001 title IV-E eligibility review.

B. Identified Strengths

1. Timely redeterminations of title IV-E eligibility.
2. Office of Community Services system of policy issuance relating to compliance with the Adoption and Safe Families Act. Examples: OCS Policy Procedure Memorandum 00-20 (August 4, 2000) and OCS Program Policy/Manual Revision No. 00-33 (August 17, 2000).
3. Progressive improvement in "post-ASFA" court orders. This can be attributed to the collaborative efforts of OCS and the Louisiana Supreme Court (Court Improvement Program). We encourage continued efforts to work with the judiciary to assure ASFA compliance and uniformity to the extent possible. We also encourage enhanced efforts with district attorneys.

C. Improvement Areas

1. Recommend the use of license and internal audit forms that document that DSS/OCS staff have received criminal background checks.
2. Recommend modification of the quality assurance evaluation instrument (licensure and safety considerations for providers) by including a section to check if the evaluation standard is met. Currently, the instrument's only focus is on deficiencies.
3. Consistency needed in notification of certification/re-certification of foster parents. Recommend OCS/DSS-required statewide use of Form 604 and a "paper license" with a copy of the originals (initial certification and subsequent re-certifications) included in case record.
4. Consistency is needed in recording the certification (re-certification) period for foster care parents, i.e., the period should be recorded as MM/DD/YY rather than MM/YY.
5. Pending LAKIDS implementation, determinations and re-determinations of title IV-E eligibility would be greatly facilitated if a standardized format for maintenance of case records would be instituted. EXAMPLE: Placing judicial orders, AFDC eligibility, certification (re-certifications), and criminal background checks in a single file with color-coded tabs.
6. While the review did not seek detailed validation of income verification, concern was raised concerning the use of the pro forma "no income" entry without explanation of how the family was being sustained. Having such explanation may be beneficial to the agency when reviewed by other audit agencies, i.e., Office of the Inspector General/Department of Health and Human Services and General Accounting Office (GAO).
7. Because the matter is becoming a national concern, OCS is encourage to be mindful of cases involving the removal of children from the homes of incarcerated parent(s).