

**Pennsylvania Title IV-E Foster Care  
Primary Eligibility Review  
Final Report  
October 1, 2006 – March 30, 2007**

**INTRODUCTION**

During the week of July 30, 2007, staff from the Children's Bureau (CB), Central and Regional Offices, a consultant peer reviewer and the Pennsylvania Department of Public Welfare (DPW) staff conducted a primary eligibility review of Pennsylvania's title IV-E foster care program. The purpose of the title IV-E foster care eligibility review was to determine if Pennsylvania was in compliance with eligibility requirements outlined in 45 CFR 1356.71 and Section 472 of the Social Security Act; and to validate the basis of Pennsylvania's financial claims to ensure that appropriate payments were made on behalf of eligible children to their placements in licensed or approved foster family homes and child care institutions.

**SCOPE OF THE REVIEW**

Pennsylvania's primary title IV-E foster care eligibility 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 October 1, 2006 through March 31, 2007. A computerized statistical sample of 100 cases (80 cases plus 20 over sample cases) was drawn from the Adoption and Foster Care Analysis and Reporting System (AFCARS) data submission which was transmitted by the State agency to CB for the period under review. Of the 20 over sample cases, five cases were selected for the review to replace cases in which it was found that Pennsylvania had not made title IV-E foster care maintenance payments during the period under review (PUR).

During the on-site review each child's case file in the selected sample was reviewed to determine title IV-E eligibility. The foster care provider's file was examined to ensure that the foster home or child care institution in which the child was placed during the PUR was licensed or approved and that safety considerations were appropriately addressed. Payments made on behalf of each child were also reviewed to verify that the expenses were allowable under title IV-E. Efforts were made to identify any underpayments that may exist in the reviewed sample cases. In addition, CB and DPW agreed that, subsequent to the on-site review, Pennsylvania would have several weeks in which to submit additional child and provider documentation for any case that was found to be in error, in undetermined status, or to have an ineligible payment. As a result of the provision of additional documentation, a number of case and payment determinations were modified.

For a primary review, substantial compliance means that the number of case errors does not exceed four. As a result of the primary title IV-E foster care eligibility review conducted in Pennsylvania, eleven cases were found to be in error for either part or all of the PUR for reasons that are identified in the Case Record Summary section of this report. Therefore, Pennsylvania is considered not in substantial compliance with title IV-E child eligibility requirements as outlined in 45 CFR 1356.71 and Section 472 of the Social Security Act.

In addition to the eleven cases with errors, three cases were identified that contained ineligible payments. Although these cases are not considered error cases for determining substantial compliance, the ineligible maintenance payments and the associated administrative costs are subject to disallowance. A disallowance in the amount of \$72,206 Federal Financial Participation (FFP) for maintenance payments and \$14,144 FFP for administrative costs are assessed for the error and non-error cases with ineligible payments. The total disallowance, as a result of this review, is \$86,350 FFP. Please refer to the letter transmitted with this report for further information on the disallowance and to the Disallowance section of this report.

## CASE RECORD SUMMARY

### Error Cases

The following chart provides details for the eleven cases containing errors, the reasons for ineligibility, the appropriate Federal citations, the dates of ineligibility, and the total disallowance amounts.

Case Number	Reason For Ineligibility Ineligibility Period	Federal Citation	Maintenance Payment FFP*	Administrative Cost FFP*
6	Safety Requirements for Foster Care Provider (3/19/07 – 3/28/07)  Provisional License for Provider (01/01/07 – 03/28/2007)	471(a)(20) 1356.30  472(b) and(c) 1356.71(d)1(iv), 1355.20	\$10,113	\$1,004
7	Ineligible Title IV-E Facility, Boot Camp (12/04/06 – 03/31/07)  Safety Requirements for Foster Care Provider (12/11/06 – 12/14/06) and (03/26/07 - 03/31/07)	472(b) and(c) 1356.71(d)1(iv), 1355.20  471(a)(20), 1356.30	\$8,118	\$1,338
17	Ineligible Title IV-E Facility, Boot Camp (10/27/06 – 03/31/07)  Safety Requirements for Foster Care Provider (10/27/06 – 03/31/07)	472(b) and(c) 1356.71(d)1(iv), 1355.20  471(a)(20), 1356.30	\$8,034	\$1,673
22	Ineligible Title IV-E Facility, Forestry Camp, Outdoor Program (07/03/06 – 01/16/07)	472(b) and(c) 1356.71(d)1(iv), 1355.20	\$14,175	\$1,974
24	Safety Requirements for Foster Care Provider (03/26/07 – 03/31/07)	471(a)(20), 1356.30	\$141	\$0
45	Ineligible Title IV-E Facility, Boot Camp (01/31/07 – 03/31/07)	472(b) and(c) 1356.71(d)1(iv), 1355.20	\$4,210	\$669
52	Ineligible Payments made while	472		

Case Number	Reason For Ineligibility Ineligibility Period	Federal Citation	Maintenance Payment FFP*	Administrative Cost FFP*
	Child Was on Runaway Status. (11/28/06 – 11/30/06)	CWPM Section 8.1B, Question #24	\$216	\$0
68	Ineligible Title IV-E Facility, Boot Camp (08/11/06 – 01/16/07)  Safety Requirements for Foster Care Provider (08/11/06 – 01/16/07)	472(b) and(c) 1356.71(d)1(iv), 1355.20  471(a)(20), 1356.30	\$10,981	\$1,985
74	Ineligible Title IV-E Facility, Psychiatric Facility (04/24/06 – 03/31/07)	472(b) and(c) 1356.71(d)1(iv), 1355.20	\$5,077	\$3,624
75	Safety Requirements for Foster Care Provider (02/26/07 – 03/05/07)	471(a)(20) 1356.30	\$600	\$0
77	Ineligible Title IV-E Facility, Boot camp – Outdoor program (11/20/06 – 02/20/07)	472(b) and(c) 1356.71(d)1(iv), 1355.20	\$8,440	\$1004
Total			\$ 70,105	\$13,271
<b>Grand Total for Error Cases</b>			<b>\$83,376</b>	

\*Amounts rounded to nearest dollar.

### Ineligible Payment Cases

The following chart provides details for three cases containing ineligible payments, the reasons for ineligibility, the appropriate citations, the dates of ineligibility, and the disallowance amount.

Case Number	Reason for Ineligibility	Federal Citation	Maintenance Payment FFP*	Administrative Cost FFP*
24	Safety Requirements for Foster Care Provider (05/15/06 – 05/19/06) (03/13/06 – 03/16/06)	471(a)(20) 1356.30	\$214	\$0
31	Title IV-E payments claimed for the period before requirements met for Reasonable	472(a)(1), 471(a)(15)(B)(i), 1356.21(c),	\$913	\$873

	efforts, Contrary to the Welfare (09/09/03- 11/30/03)			
75	Title IV-E Ineligible Facility (08/30/06 – 09/11/06)	472(b) and(c) 1356.71(d)1(iv), 1355.20	\$973	\$0
	Total		\$ 2,101	\$873
<b>Grand Total</b>			<b>\$2974</b>	

\*Amounts rounded to nearest dollar.

### Underpayment Cases

The following chart provides details for the two cases containing underpayments in which the child was title IV-E eligible, but title IV-E maintenance was not claimed by the State. Pennsylvania may file a claim for these cases once they verify that all eligibility criteria were met. Reimbursement for these cases may be requested only for claims that are within the two-year time limitation as described in 45 CFR 95.7.

Case Number	Maintenance Payment FFP
32	\$388
65	\$236
<b>Total FFP</b>	<b>\$624</b>

### AREAS OF CONCERN

The review also identified some areas that DPW should focus attention on to further improve the program. These issues include the following:

- There were several cases in the review that involved children placed in facilities that were licensed as boot camps and outdoor camps which resulted in error cases during the PUR. It was determined that these facilities were operated primarily for the detention of delinquent youth and the facilities may have been restricted and secure if not by physical means, by isolation and remoteness. Facilities used primarily for the purpose of detention are not eligible for title IV-E funding.
- As required by the Social Security Act, the State agency is required to conduct a criminal records check for prospective foster and adoptive parents. The State must also provide documentation that the prospective foster or adoptive parent has not been convicted of any of the felonies enumerated in §471(a)(20) of the Act. For childcare institutions, States are

required to set procedures that address safety considerations with respect to the staff of these facilities. The State agency must provide documentation verifying that safety considerations with respect to the staff of the institutions are satisfied for the duration of the child's placement for the PUR. In addition, the documentation must demonstrate that the staff of the childcare institution meets the safety criteria that the State establishes. If the childcare institution does not meet the safety requirements of the State, title IV-E foster care payments cannot be made on behalf of a child who is placed in the foster care facility. In several of the cases reviewed, the staff in these child care institutions were hired and began working in the childcare facility before the safety checks were completed. In several cases involving Vision Quest and George Jr. Republic facilities, staff and management personnel had been working in the child care facility for several weeks, months or years before the safety checks were requested and completed. This is a serious safety problem and indicates that the State is not monitoring the safety requirements for these providers to ensure that safety considerations are addressed. These cases were counted either as errors or ineligible payments for the period of time in which the safety requirements were not addressed for the staff at the facility.

- We also identified a problem with the Pennsylvania Child Protective Services Law which allows staff in child care facilities to work as provisional employees for a period of up to 30 days, or for out-of-state applicants, a period of 90 days while the state police, child line or FBI checks are being conducted. Pennsylvania's Child Protective Services Law mandates that the applicant cannot work alone with children and that the applicant must be in the vicinity of a permanent employee. This provision has serious implications which may place children at risk. Staff should be prohibited from having any contact with children until such time as background checks have been completed and approved. This is a serious safety concern as Pennsylvania cannot ensure the safety requirements are met under current State law. We strongly recommend that Pennsylvania review its Child Protective Services law to determine which amendments are necessary to provide optimal protection for children.
- During the review we observed problems with court orders in a few counties using check boxes where the judge did not clearly make an affirmation that reasonable efforts to finalize a permanency plan was completed. There were no errors found, however, these orders involved check boxes followed by a sentence that reasonable efforts were made or were not made to finalize a permanency plan. The judge is supposed to check the appropriate box to affirm the ruling. In some reviewed cases, the judge did not check either box. Only in cases where the reasonable efforts were not completed did the judge check the "did not" box. This practice would lead one to assume that if the "did not" box was not checked then the requirement was met by default. During the title IV-E eligibility review, the reviewer may not presume the judge's intent regarding a judicial finding. We recommend that Pennsylvania review the practice of judges in checking the appropriate boxes on court orders and provide guidance as necessary.

## **STRENGTHS AND MODEL PRACTICES**

- The case record review found that judicial determinations of contrary to the welfare and reasonable efforts to prevent removal were made on a timely basis for all cases. In general,

newer court orders were clear, child-specific and documented specific reasons for the child's removal.

- A judicial determination regarding reasonable efforts to finalize the child's permanency plan must be made annually to maintain title IV-E eligibility while the child is in foster care. During the review, it was found that the judicial determinations on the child's permanency plan, particularly for the PUR, were issued timely and more frequently than are required under title IV-E regulations. The permanency plan was thorough and specific and related to the goals in the case plan.
- The initial AFDC eligibility determinations and redeterminations were well documented regarding sources of income and assets to establish financial need. Also, deprivation of parental support or care was well documented in the reviewed cases.
- The licensing information for foster care placements was clearly documented indicating the child's foster care placement was fully licensed during the PUR. Family foster homes were fully approved and licensed. Licensing information covering the periods prior to and after the PUR was contained in the case files. Group homes were also clearly licensed. The licenses and approval letters covered the exact periods for which the foster home or facility were licensed.

## **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 foster care maintenance payment during the six-month AFCARS period of October 1, 2006 through March 31, 2007. Based on the results of the review, Pennsylvania has been found not in substantial compliance. Eleven cases were determined in error and three additional cases were identified as having ineligible payments. Therefore, a disallowance in the amount of \$83,376 in Federal Financial Participation (FFP) for title IV-E foster care maintenance payments and related administrative costs for the cases determined to be in error is being assessed for the entire period of time that these cases were determined to be in error. An additional disallowance of \$2,974 in FFP is being assessed for title IV-E foster care payments claimed improperly for the cases determined to be non-error cases. The total disallowance as a result of this review is \$86,350 FFP.

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