

THE MONTANA TITLE IV-E FOSTER CARE ELIGIBILITY REVIEW REPORT

MONTANA DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES DIVISION OF CHILD AND FAMILY SERVICES

JULY 23 – 28, 2006

I. INTRODUCTION

The Montana Department of Public Health and Human Services, Division of Child Welfare (DCW) staff, in partnership with the Administration for Children and Families (ACF) staff, conducted a IV-E Foster Care Eligibility Review, in Helena, Montana from July 23 through 28, 2006. The purpose of the Title IV-E Foster Care Eligibility Review was to evaluate the accuracy by the state in claiming Federal Financial Participation (FFP) and assure that appropriate maintenance payments were made on behalf of eligible children placed in eligible homes and institutions.

This secondary review was conducted because of the findings of the primary review that was completed during the week of June 16, 2003. At that time, the state was determined not to be in substantial compliance with the title IV-E eligibility requirements for the period under review. As required, Montana submitted a Program Improvement Plan (PIP) to correct the areas found deficient in its eligibility program for foster care. The ACF's approval of the PIP was based on the State's reports of progress and final implementation of the planned improvements. These included the establishment of a IV-E eligibility unit and implementation of an internal QA process, extensive work with the court system, and work with the tribes.

II. SCOPE OF THE REVIEW

The Montana Title IV-E Eligibility Review encompassed a sample of all Title IV-E foster care cases in the state during the period of October 1, 2005 through March 31, 2006. A computerized statistical sample of one-hundred and eighty cases (one hundred and fifty review cases and an over-sample of thirty cases subject to any review case disqualification) was drawn from the Adoption and Foster Care Analysis and Reporting System (AFCARS) data, which was transmitted by the state agency to ACF. ACF then provided a statistical sampling frame that consists of individual children who received at least one Title IV-E foster care maintenance payment during the six-month period noted previously. For each case, the child's file was reviewed for documentation which supported the determination of Title IV-E eligibility and that the foster care home and/or institution in which the child was placed was licensed during the period under review.

During the secondary review, 150 cases were reviewed. One case was determined to be in error for all of the review period for reasons that are identified in the Case Record Summary section of this report. In addition, there were six cases in which, though the case was not defined as an error case, a disallowance is taken for some period of ineligibility. There were also 11 cases in which an under-payment was identified. Since there is only one error case, ACF has determined Montana to be in substantial compliance.

The Montana IV-E Eligibility Review Team included fifteen individuals: Pam Mayer, Review Coordinator; Wanda Stout, IV-E Lead; Betsy Stimatz, Licensing Lead; Kim Moog, Fiscal Lead; Bruce Deitle (Child Welfare Bureau Chief), Kathy Ostrander, Michele Sobonya, Mick Leary, Carol Davis, Kevin Higgins, Carol Davis, Sherri Dodd, Patti Duezabou, Basil Doney, and Diana Hammond (tribal). ACF staff participating in the eligibility review included: Marilyn Kennerson, Region VIII lead; Jennifer Butler-Hembree, National IV-E Lead; Eric Busch, Team Lead; Jane Motz; Susan Blumberg; and Gloria Montgomery. Consultant Reviewers included: Henry Darrington, Texas; Cheryl Duncan, Colorado; Glenda Lacey, Wyoming; and Wes Engel, Idaho.

III. CASE RECORD SUMMARY

The following details the error and disallowance cases, the reasons for the error, and period of disallowance:

TABLE OF ERROR & NON-ERROR CASES [with disallowances]

Sequence Number	Reviewers	Errors		Type of Error	Period of Disallowance
		Child	Provider		
1. 111	G. Lacey; M. Kennerson	x		No valid removal order	12/01/01 to present
The following are non-error cases with ineligible payments					
2. 73	G. Lacey		x	Provisional License	05/01/04 to 07/31/04
3. 59	Michele Sabonya		x	Licensing	07/01/05 to 07/31/05
4. 58	Diana Hammond	x		Court (CTW)	03/01/00 to 03/31/00
5. 53	G. Lacey	x	x	licensing; late PPH	4/01/03 to 02/28/05
6. 46	Cheryl Duncan		x	ineligible provider payment	12/01/05 to 12/31/05

7.	42	G. Montgomery		x	not fully licensed	01/01/04 to 12/31/04
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An analysis of the error and disallowance cases reveals that the majority of the errors relate to licensing (5), while the others (3) relate to court findings. Generally, these were cases where the IV-E claiming occurred prior to all eligibility conditions being met, such as completed criminal background checks in licensing, or claiming prior to a RE/CTW finding in the order adjudicating the case. There were also a number of underpayment cases, usually related to claiming not beginning for a month or more after all eligibility conditions were met. Overall, the state has done a complete and thorough job of addressing concerns identified in the primary review, and has made a remarkable turnaround.

IV. SUMMARY OF ISSUES

The following Summary of Issues provides indications strengths and of areas needing improvement, and the state’s awareness of and attempts to address those issues.

Strengths

- The review process was very well organized.
- Review staff were knowledgeable regarding requirements.
- Extensive staff and judicial training has been completed
- The state’s Regional Administrators have worked with their judicial components.
- The division has implemented a separate IV-E eligibility and QA system.
- The division’s IV-E eligibility unit has established separate eligibility files.
- The state is committed to continue agreements with tribes for funding IV-E eligible tribal cases.

Areas in Need of Improvement

- Licensing –File documentation and checklists/flagging could improve licensing and monitoring procedures (improvements in data system are planned.)
- Improvements in the data system will improve timely and accurate IV-E claiming.
- Other issues – there appears to continue to be an over-use of long-term foster care; there appears to be a need for ICPC training.

V. DISALLOWANCES AND UNDERPAYMENTS

The review included a sample of 150 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 April 1, 2005 to September 30, 2006. Based upon the results of the review, the state of Montana has been determined to be in substantial compliance. Seven cases were determined not to be eligible for funding under title IV-E Foster Care for some period of time during the episode

of foster care. Ten cases were found in which some period of IV-E eligibility went un-claimed within the past two years (the limit on retroactive claiming).

DISALLOWANCES

SAMPLE#	Disallowance – FFP dollars		
	Maintenance	Administration	Total FFP
111	\$4,541.41	\$5,415.00	\$9,956.30
73	1,213.04	1,007.00	2,220.04
59	143.80	352.00	495.80
58	184.05	298.00	482.05
53	3,953.55	4,099.00	8,052.55
46	1,169.84	352.00	1,521.84
42	3,809.19	3,741.00	7,550.19
Total	\$15,014.77	\$15,264.00	\$30,278.77

UNDERPAYMENTS

SAMPLE#	Underpayment – FFP dollars		
	Maintenance	Administration	Total FFP
10	\$ 73.42	\$ 1,056.00	\$ 1,129.42
11	684.13	704.00	1,388.13
13	286.44	737.00	1,023.44
17	3,540.36	3,521.00	7,061.36
42	226.94	352.00	578.94
53	344.98	369.00	713.98
64	2,158.96	2,113.00	4,271.96
72	2,178.07	671.00	2,849.07
101	291.78	1,056.00	1,347.78
130	447.23	704.00	1,151.23
OS1	330.76	369.00	699.76
Total	\$ 10,563.07	\$ 11,652.00	\$22,215.07

The disallowance amount of \$30,278.77 should be repaid by including a prior decreasing adjustment on the Quarterly Report of Expenditures (Form ACF-IVE-1), Part 1, Line 1, Columns c and d. An increasing adjustment in the amount of \$22,215.07 should be entered for the underpayments. A supplemental IVE-1 form must be submitted within 30 days of the date of the accompanying transmittal letter in order to avoid additional assessment, and sent as described in the letter. In addition, the state must discontinue claiming costs for ineligible cases after the PUR, and adjust any claims already made for these cases.