

**FINAL REPORT
MINNESOTA TITLE IV-E
FOSTER CARE ELIGIBILITY REVIEW
April 26-30, 2004**

INTRODUCTION

Administration for Children and Families (ACF) staff from the Chicago Regional Office and the Department of Human Services (MDHS) staff conducted an eligibility review of Minnesota's title IV-E foster care program in St. Paul April 26-30, 2004. The purpose of the title IV-E Foster Care Eligibility Review was to determine whether payments were made on behalf of eligible children to eligible homes and institutions in accordance with 45 CFR 1356.71 and Section 471 and 472 of the Social Security Act (Act).

SCOPE OF THE REVIEW

The Minnesota 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 under review, that is, April 1, 2003 to September 30, 2003. A computerized statistical sample of 100 cases was drawn from the Adoption and Foster Care Analysis and Reporting System (AFCARS) data, which was transmitted by the State agency to ACF for the period under review. The 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 for the period under the review.

Eighty cases were reviewed during the initial primary review. Two cases were determined to be in error for either part or all of the review period for reasons that are identified in the Case Record Summary section of the report. Since the number of error cases did not exceed eight, ACF has determined Minnesota to be in substantial compliance. States which are determined to be in substantial compliance must undergo a subsequent review after a minimum of three years.

CASE RECORD SUMMARY

In order to obtain 80 eligible cases and an oversample of eight cases the ACF statistician had to pull 100 cases. Of the 80 eligible cases, two were error cases and one was an ineligible payment case. The total amount of Federal dollars associated with the error and ineligibility cases was \$18,578. The error cases dealt with initial eligibility, timeliness of a permanency plan hearing and no substitute care agreement in place between a county and tribe.

Error case #37 dealt with initial eligibility issues. Initial eligibility determination did not take into consideration the mother's wage verification report which was

received one month after the eligibility decision. Therefore, the child was not title IV-E eligible for the foster care episode. Payments continued to be claimed after documentation was received. Relevant and regulatory citations that support the determination that this case was in error are Section 472(a) (1) (4) of the Act and 45 CFR 1356.71(d) (1) (v).

Error case #64 dealt with two issues – a permanency plan hearing was supposed to be rescheduled, but was not rescheduled timely and there was no substitute care agreement in effect between a county and a tribe. It should be noted that services to the family did continue. Relevant and regulatory citations that support the determination that this case was in error are Section 472(a)(1), 471(a)(15)(B)(ii) and (C) of the Act; 45 CFR 1356.21(b)(2); and Section 472(a)(2) of the Act and 45 CFR 1356.71(d)(1)(iii), respectively.

Ineligibility case #2 dealt with the child aging out of foster care and graduating yet payments continuing to the provider.

STRENGTHS

MDHS staff are an excellent resource. Throughout the review process State staff were ready and willing to discuss case records to further enhance an understanding of Minnesota's practices. The collaboration and cooperation of the State, county, court and licensing staff were truly outstanding and provided a seamless team effort. The success of the review was due in no small part to all of the above.

MDHS goes beyond Federal requirements as seen in the redeterminations that are done every six months instead of the required 12 months.

Minnesota statutes have stricter disqualifications for foster care providers which enhances the safety factor for children.

MDHS and the Department of Corrections (DOC) have an interagency agreement for technical assistance and training of DOC staff on foster care requirements for juvenile justice children.

The preparation for this review was clearly demonstrated through the well-organized cases and well-prepared State reviewers.

DISALLOWANCES

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 April 1, 2003 to September 30, 2003. Based upon the results of the review, Minnesota has been determined to be in substantial compliance. Three cases (two error cases and one ineligible payment case) were determined not to be eligible for funding under title IV-E foster care. Therefore, a disallowance in the amount of \$18,578 in Federal

Financial Participation (FFP) is assessed for the entire period of time that these cases were determined to be in error.

Moreover, it is noteworthy that the above-referenced disallowance only encompasses the period of ineligibility, ending with the last day of the period under review, September 30, 2003. It does not encompass any disallowances that may be associated with the error cases claimed against the title IV-E foster care program after September 30, 2003. Therefore, we request that Minnesota review its records with respect to the three cases referred to above and ascertain whether any additional ineligible maintenance payments and related administrative costs were claimed against the title IV-E foster care program after September 30, 2003.

To the extent that ineligible maintenance payments and administrative costs associated with the above cases were claimed against the title IV-E program subsequent to September 30, 2003, we recommend that Minnesota make the appropriate decreasing title IV-E foster care maintenance payment and administrative cost adjustments on its next regularly scheduled Quarterly Report of Expenditures (Form ACF IV-E-1) Report ending June 30, 2004. Minnesota should identify the adjustments by Federal fiscal year, by quarter, and by case number when making these adjustments on Part 2, Section B: Decreasing Adjustments of the Form ACF IV-E-1.