

STATE OF WISCONSIN  
Department of Health and Family Services  
Division of Children and Family Services

To:            Area Administrators/ Human Services Area Coordinators  
                Bureau Directors  
                Child Placing Agency Directors  
                Child Welfare Agency Directors  
                County Departments of Community Programs Directors  
                County Departments of Developmental Disabilities Services Directors  
                County Departments of Human Services Directors  
                County Departments of Social Services Directors  
                Indian Child Welfare Directors  
                Section Chiefs/Licensing Chiefs  
                Tribal Chairpersons/Human Services Facilitators/Indian Child Welfare Directors

From:         Reggie Bicha  
                Administrator 

Re:            Federal Title IV-E Review

A primary review of the Title IV-E program in Wisconsin will be conducted by the U.S. Department of Health and Human Services, Administration for Children and Families (ACF), the week of August 4, 2008. The review will examine the IV-E eligibility and reimbursability of a random sample of cases of children placed in out-of-home care. This memo explains the IV-E review process, how county agencies will be involved if their cases are included in the sample, and issues affecting IV-E eligibility and reimbursability.

### **Federal Review Process**

The federal government is conducting reviews of state Title IV-E programs, examining the IV-E eligibility determination, and the reimbursability of maintenance payments for children in out-of-home care. The upcoming federal review is part of an on-going three-year review cycle. Wisconsin was last reviewed in 2005. The federal review process is specified under 45 CFR 1356 and examines the accuracy of IV-E eligibility determinations and redeterminations for children, the appropriateness of reimbursability of specific periods of out-of-home care, and the appropriate licensing of out-of-home care providers. The IV-E review is primarily fiscal in nature, examining whether states are accurately claiming IV-E funds and meeting federal requirements for IV-E reimbursement.

The review will specifically examine:

- The IV-E eligibility determinations based on AFDC income, resources, and deprivation requirements;
- Judicial findings regarding contrary to the welfare;
- Judicial findings regarding reasonable efforts to prevent removal and reasonable efforts to achieve the goal of the permanency plan;
- Voluntary placement agreements;
- Annual redeterminations of IV-E eligibility;
- Placement and care responsibility;
- The reimbursability of placements during the review period; and
- Licensing documentation, including background checks, for all providers used during the review period.

The review team, which will include both federal and state reviewers, will conduct an in-depth review of 80 cases drawn at random from the statewide out-of-home care caseload, as reported in eWiSACWIS. The cases sampled include CHIPS, JIPS, Delinquents, and Voluntary Placements for children who are IV-E eligible and reimbursable during the 6-month period of October 1, 2007 through March 31, 2008. While the review concentrates on this period, the eligibility of cases will be reviewed from the beginning of the out-of-home care episode. The licensure status of all placement providers used during the 6-month review period will also be examined.

The federal review will be conducted in Madison during the week of August 4, 2008 with local agency case files sent to the Madison central office for use by the review team. Case files need documentation of Title IV-E eligibility and compliance with Title IV-E case requirements, such as court orders with appropriate and timely judicial findings. Provider licensing information must also be submitted for the review. Cases will be examined using the on-site federal review instrument (web link provided). The Title IV-E Eligibility case files maintained by the regional eligibility units will be the primary source of information for this review; however, per federal regulations, the actual county agency case files must be available during the review week.

Based on the on-site review instrument, cases will be determined to be in compliance or in error. Missing information will result in the case being determined in error. If an error affects the Title IV-E reimbursement for a case, a case-specific disallowance for the child maintenance costs will be assessed along with the associated administrative costs for the case. Depending on the case, the disallowance can be for the entire out-of-home care episode and not be limited to the 6-month review period.

As with any federal review, the ramifications for this Title IV-E review are serious for our state. From the sample of 80 cases, if five or more cases are found to be in error, Wisconsin will be determined not to be in substantial compliance, would be required to develop a Program Improvement Plan (PIP), and would be subject to a "secondary" review. A secondary review means a larger case sample will be drawn (150 cases) and includes the possibility of larger financial penalties.

### **Impact on Local Agencies**

The sample of 80 cases and an oversample of 20 cases will be selected by the federal government using the 2008A AFCARS report that will be submitted on May 15, 2008. By June 12, 2008, county agencies **with cases included in the sample** will be notified by letter of the cases selected for the review. County agencies are responsible for identifying the placement providers used during the period of October 1, 2007 through March 31, 2008 for the children in the selected cases.

County agencies may be contacted by Area Administration staff and the Milwaukee Ongoing Case Management agencies by the Bureau of Milwaukee Child Welfare (BMCW) in June to confirm that social service case files and provider licensing information are submitted to DCFS. It is essential that social service case files are complete, including all court orders and documentation necessary for IV-E eligibility, so county agencies must review the case files to ensure that all necessary information, such as recent court orders, are included.

Depending on the circumstances of specific cases, it may be necessary to work with the court system to obtain copies of signed court orders and copies of transcripts to clarify that necessary court findings were made. DCFS staff will work with the Director of State Courts Office and circuit courts to assist in obtaining necessary court documents.

The full case file must be submitted by county agencies to the Madison central office for the federal review. Files must be submitted by **June 24, 2008** using the process that will be outlined in the letter sent to the counties on June 12, 2008. Case files will be returned to local agencies by mid-August. If local agencies have case activity requiring use of files during the time the files will be at the Madison central office, arrangements can be made to minimize the inconvenience for agencies.

Provider licensing information, including licenses and evidence of background checks, is also needed for the review. For family and treatment foster homes licensed by county agencies or the Bureau of Milwaukee Child Welfare (BMCW), all licensing and safety information regarding providers used during the period under review must be included as part of the case file submission. For foster homes and treatment foster homes licensed by child placing agencies and group homes and residential care centers, the DCFS Bureau of Regulation and Licensing will obtain the necessary licensing information.

For each case selected for the review, county agencies will be asked to identify a contact person who can work with IV-E eligibility staff on the case. DCFS central office and Maximus staff may contact the county contact persons in July as cases are reviewed in preparation for the federal review. DCFS also asks that the local contact persons be available during the week of August 4, 2008 in the event that the federal review team has questions about a case that require additional information. All information about cases must be presented to the review team while they are on-site in the state, so questions will need to be resolved quickly.

### **Major Issues Affecting IV-E Eligibility and Reimbursability**

Preparation for the review will focus on issues concerning the findings of Contrary to the Welfare (CTW), Reasonable Efforts to Prevent Removal (REPR), Reasonable Efforts to Achieve the Goals of a Permanency Plan (REPP), Placement and Care Responsibility, AFDC eligibility process, proper application of legal removal policy, and avoidance of errors or gaps in out-of-home care licenses and safety requirements.

In order to successfully navigate this federal review process, collaboration between the state and county agencies is critical. Proper preparation for this review will ensure that Wisconsin is found to be in compliance with federal Title IV-E regulations so that we can avoid financial sanctions that would reduce our capacity to provide services to children and families throughout our state.

REGIONAL OFFICE CONTACT: Area Administrator

CENTRAL OFFICE CONTACT: David Timmerman  
Office of Policy, Evaluation and Planning  
1 W. Wilson, Street, Room 550  
Madison, WI 53708  
Phone: (608) 261-8895  
Email: [david.timmerman@wisconsin.gov](mailto:david.timmerman@wisconsin.gov)

MEMO WEB SITE: [http://dhfs.wisconsin.gov/dcfs\\_info](http://dhfs.wisconsin.gov/dcfs_info)

ON-SITE REVIEW INSTRUMENT AND INSTRUCTIONS:

[http://www.acf.hhs.gov/programs/cb/cwmonitoring/general\\_info/instrument.pdf](http://www.acf.hhs.gov/programs/cb/cwmonitoring/general_info/instrument.pdf)