

GAO

Report to Congressional Requesters

February 1993

FOSTER CARE

State Agencies Other Than Child Welfare Can Access Title IV-E Funds





United States
General Accounting Office
Washington, D.C. 20548

Human Resources Division

B-248186

February 9, 1993

The Honorable Robert T. Matsui
Acting Chairman, Subcommittee on
Human Resources
Committee on Ways and Means
House of Representatives

The Honorable George Miller
Chairman, Committee on
Natural Resources
House of Representatives

Nationwide, foster care caseloads grew from about 276,000 in 1985 to 390,000 in 1990, and are expected to grow to about 540,000 by 1995.¹ Faced with less money and rising caseloads, states are under pressure to transfer a greater share of foster care program costs to the federal government.

This report responds to your request that we determine (1) whether federal statutes permit federal reimbursement for foster care placements by state juvenile justice and mental health agencies, as opposed to more usual placements by child welfare agencies; if so, whether the procedural safeguards required by the Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272) apply; (2) which states are claiming reimbursement for juvenile justice and mental health agency placements and the amounts claimed during 1991; and (3) assuming statutes permit reimbursement, what barriers do states encounter in trying to claim reimbursement for these placements.

Background

Public Law 96-272, enacted in 1980, made substantial changes to the Social Security Act of 1935. It transferred the federal foster care program from title IV-A to a new title IV-E, and states' eligibility for federal reimbursement was made contingent on efforts to prevent unnecessary placements. It also amended title IV-B, providing states with additional funding, contingent on their designating a single state agency responsible for (1) developing a child welfare services plan jointly with HHS, (2) submitting reimbursement claims to HHS, and (3) implementing a variety of additional case management measures.

¹Charles P. Gershenson, "The Dynamics of the Flow of Children into Foster Care," Conference on Child Welfare Reform Experiments (Feb. 20-21, 1991).

Title IV-E is an open-ended entitlement program providing federal reimbursement for state foster care placements meeting certain eligibility requirements. State placements are eligible if the child is (1) removed from a home eligible for assistance under the Aid to Families With Dependent Children (AFDC) program, (2) placed through either a voluntary placement agreement or a court order, which says that continuation in the home would be contrary to the welfare of the child and reasonable efforts have been made to avoid removal, and (3) placed in an eligible state-licensed or approved foster care setting.² States must also agree to provide certain procedural safeguards, designed to prevent extended stays in foster care and to assure that foster care continues to be in the child's best interest, including case reviews at least every 6 months and court hearings no later than 18 months after placement. On average, states claim reimbursement for about 40 percent of their foster care placements. These claims increased from \$309 million in fiscal year 1981 to an estimated \$2.3 billion in fiscal year 1992.

Under section 427 of title IV-B, states may receive a share of annual appropriations exceeding \$141 million if they provide the title IV-E procedural safeguards and have (1) inventoried all foster care children and developed a statewide information system, (2) instituted a case plan and review system, and (3) developed reunification and permanent placement services. To qualify for these funds, states must meet the Department of Health and Human Services (HHS) compliance standards.³ Funding under this program increased from \$22.6 million in fiscal year 1981 to \$132.9 million in fiscal year 1992.

In doing our work, we reviewed literature and interviewed federal and state officials, special interest groups, and foster care consultants. We mailed a questionnaire to child welfare agencies in the 50 states and the District of Columbia; 43 states responded to our questionnaire. We did not, however, independently verify state responses. Our review was conducted from January through September 1992, in accordance with generally accepted government auditing standards. (See app. I for details on the survey methodology and app. II for a copy of the questionnaire.)

²Under section 427 (c), eligible group settings include nonprofit private institutions and public institutions accommodating no more than 25 children. Detention facilities, including forestry camps and training centers, are specifically not eligible.

³HHS compliance standards vary, depending on whether HHS is conducting an initial, subsequent, triennial, or quinquennial review. Triennial and quinquennial review standards require that at least 90 percent of sampled cases show evidence of a case plan, periodic review, court hearings within 18 months, and at least 15 of 18 procedural safeguards.

Results in Brief

The Social Security Act permits states to claim reimbursement for placements made by agencies other than child welfare. To claim, states must amend their state plan and agree to provide the procedural safeguards mandated by Public Law 96-272. In some states, juvenile justice agencies have been claiming reimbursements for years.

Over half of the states responding to our survey reported that during fiscal year 1991, they claimed reimbursement for foster care placements by their juvenile justice, mental health, or both agencies. However, few states could estimate the amount of reimbursement they received or the number of placements they claimed.

Nearly half the states reported barriers to claiming reimbursement for placements by their juvenile justice or mental health agencies. These barriers included court orders without the required judicial determinations, court-ordered placements to facilities that were ineligible for federal reimbursement, and problems meeting the procedural safeguards mandated by Public Law 96-272.

Juvenile Justice and Mental Health Agencies May Claim Reimbursement

The Social Security Act has long permitted public agencies other than child welfare, such as juvenile justice and mental health, to claim reimbursement for their foster care placements. HHS has issued several policy statements clarifying these eligibility requirements. Available data indicate that HHS, since at least 1984, has been approving reimbursements for placements made by juvenile justice agencies.

In 1980, Public Law 96-272 made major changes to federal foster care law, but did not change the ability of other agencies to claim federal reimbursement. These agencies must negotiate an agreement, for providing all procedural safeguards, with the state agency administering the federal program. This state agency, regardless of the placing agency, is ultimately responsible for submitting all reimbursement claims and assuring that procedural safeguards are provided.

HHS Policy Permits These Claims

Since the passage of Public Law 96-272, HHS has issued several policy statements on reimbursing placements by juvenile justice. A 1982 policy interpretation specifically allowed reimbursement claims for juveniles who were wards of the court. A 1988 interpretation provided further clarification, stating that placements by juvenile justice were eligible for reimbursement if the child met all title IV-E eligibility requirements and

was not placed in a detention facility.⁴ In issuing the interpretation, HHS recognized that foster care populations include delinquents served by both child welfare and juvenile justice agencies. HHS also recognized that juvenile justice agencies were placing more children in less restrictive, community-based settings that could make these placements reimbursable.

Some States Have Received Reimbursements Since 1984

HHS has reimbursed states for placements made by juvenile justice since at least 1984. When submitting their reimbursement claims, states are not required to report which agencies have placement and care responsibility. However, HHS does review custody when conducting eligibility audits.⁵ HHS's records for such audits conducted between 1984 and 1991, although incomplete, show it approved claims for at least 67 placements by juvenile justice agencies in five states; the amount reimbursed was not available. The actual number of placements claimed was most likely greater because HHS audits only a small sample of the total claims from each state.

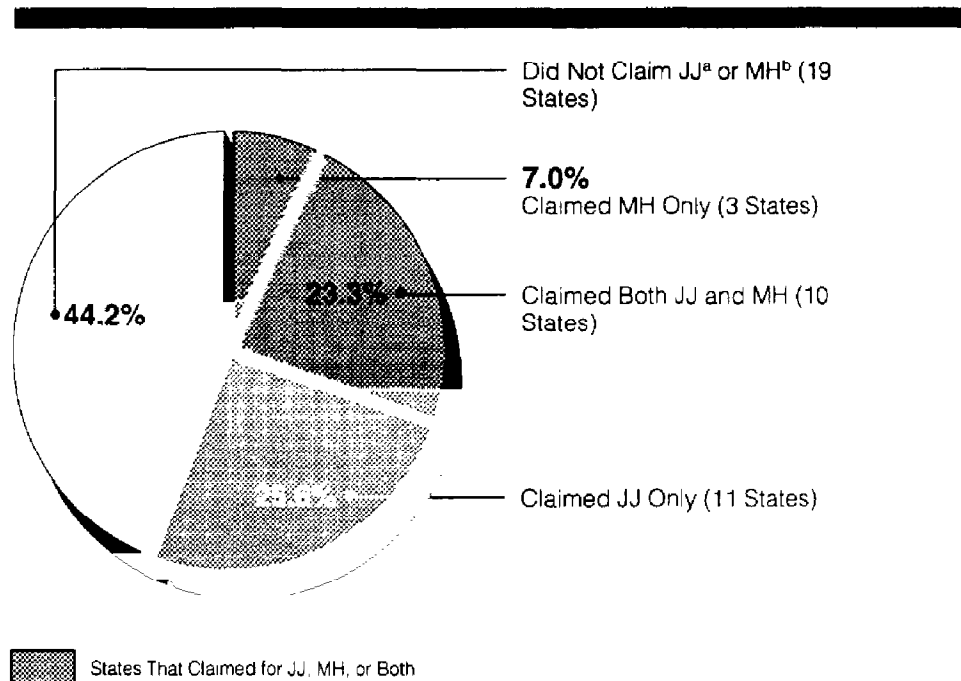
Many States Submitted Claims During Fiscal Year 1991

Of the 43 states that responded to our survey for fiscal year 1991, 21 states reported that they claimed federal reimbursement for placements by juvenile justice and 13 states claimed for placements by mental health. Of the states that reported claiming these placements, 11 claimed for juvenile justice only; 3 claimed for mental health only; and 10 claimed for both. (See fig. 1.)

⁴Detention facilities include forestry camps, training schools, or other facilities operated primarily for the detention of delinquent children.

⁵HHS periodically reviews a sample of state claims for earlier years to ensure that payments were made on behalf of eligible children placed in eligible foster care facilities.

Figure 1: Many State Reports Claiming Title IV-E Funds for Juvenile Justice, Mental Health, or Both Placements (Fiscal Year 1991)



Note: Figure 1 includes only the 43 states that responded to our questionnaire.

^aJJ = Juvenile justice.

^bMH = Mental health

Few States Track Juvenile Justice or Mental Health Reimbursements

Most states reported that they do not separately track reimbursement claims for placements by juvenile justice or mental health. However, 8 states estimated that placements by juvenile justice comprised from 35.6 percent to less than 1 percent of their fiscal year 1991 foster care maintenance claims (see table 1); 10 states estimated that juvenile justice placements made up, on average, about 3 percent of the cases they claimed as federally eligible the same year (see table 2).

Only 1 state provided reimbursement estimates for mental health. Idaho estimated that placements by mental health comprised about 4 percent of its fiscal year 1991 foster care maintenance claim. (See table 1.)

Table 1: Estimated Percentage of Federal Reimbursement Claimed for Juvenile Justice and Mental Health Placements (Fiscal Year 1991)

State	Juvenile justice	Mental health
Idaho	35.6	4.3
Louisiana	10.0	0.0
Minnesota	1.0	0.0
Nebraska	1.0	0.0
New York	<1.0	0.0
Ohio	0.9	Unknown
South Dakota	19.3	0.0
Wisconsin	2.0	Unknown

Table 2: Estimated Placements Claimed by Juvenile Justice Agencies (Fiscal Year 1991)

State	Total placements claimed	Juvenile justice placements claimed	Percent
California	72,755	3,167	4.4
Idaho	199	73	36.7
Indiana	2,000	80	4.0
Nebraska	1,266	20	1.6
New York	56,016	831	1.5
North Dakota	304	70	23.0
Ohio	11,379	34	0.3
South Dakota	205	14	6.8
Vermont	584	54	9.2
Wisconsin	4,323	47	1.1
Total	149,031	4,390	2.9

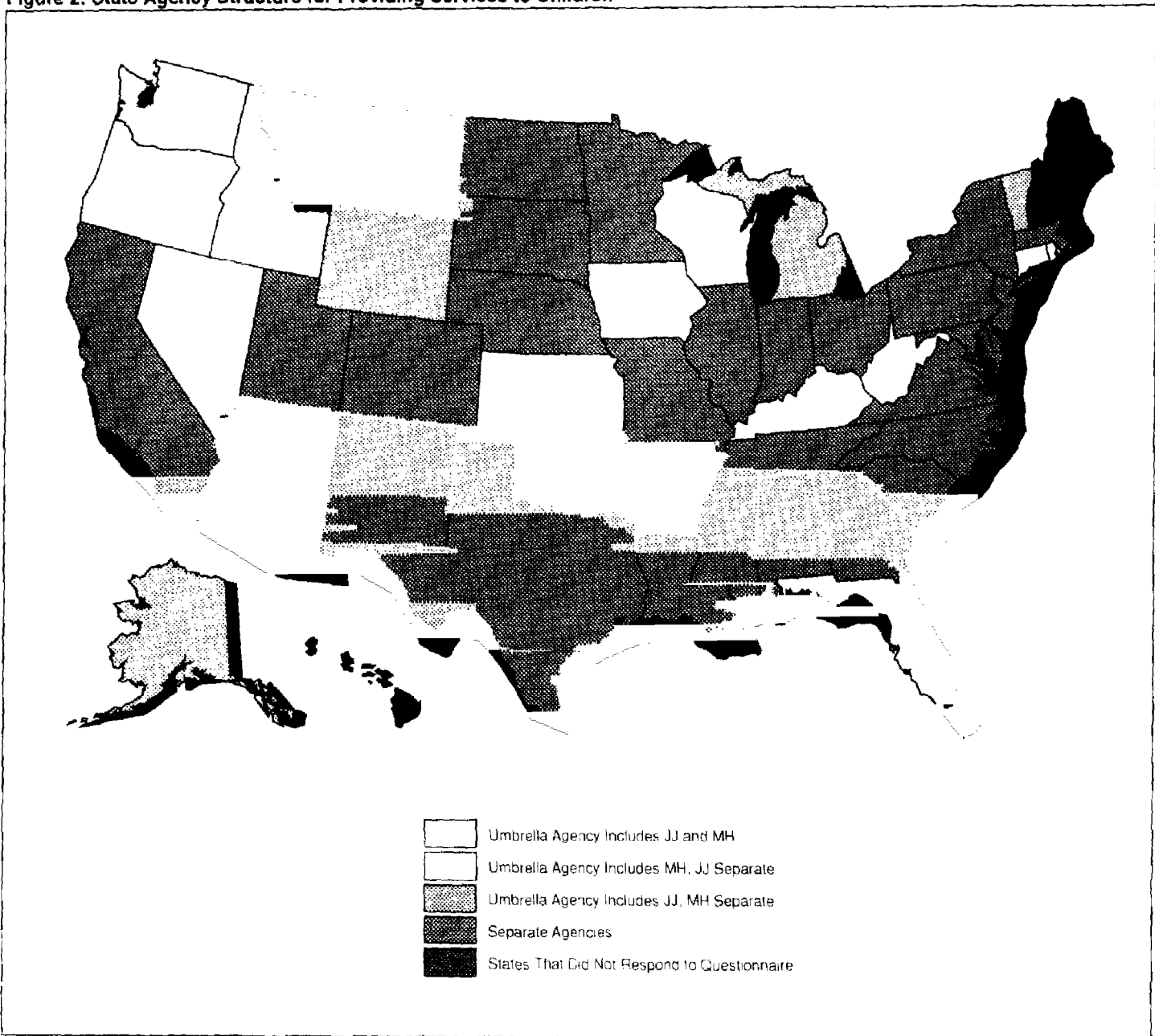
For several reasons, many states reported they were unable to estimate the amount of reimbursement or the number of placements claimed by juvenile justice and mental health during fiscal year 1991. HHS does not require states to separately identify and report this information, and many states reported that they did not collect it. Of the states that assign placement and care responsibility for all foster care children to an umbrella agency,⁶ most reported that they do not identify placements as juvenile justice and mental health. In addition, states with locally administered child welfare programs may not collect this information from their local agencies.

⁶Umbrella agencies generally are formed by placing a number of human services programs under one administrative organization, integrating programs or management functions into consolidated organizational units, or establishing mechanisms within states to coordinate services among autonomous agencies.

**State Foster Care
Structures Differ**

States administer their foster care programs through a variety of organizational structures. In some states, the juvenile justice and mental health agencies are part of an umbrella agency that has placement and care responsibility for all foster care children. In other states, these agencies are autonomous. (See fig. 2.)

Figure 2: State Agency Structure for Providing Services to Children



Note: JJ = juvenile justice; MH = mental health.

In 9 of 21 states that reported they claimed reimbursement for placements by juvenile justice, the juvenile justice agency was part of an umbrella agency. In 10 states, autonomous juvenile justice agencies had agreements with the state agency administering the federal program. Two states were locally administered and reported having both autonomous juvenile justice agencies and umbrella agencies.

During fiscal year 1991, juvenile justice was autonomous in 17 of 22 states that did not claim federal reimbursement. Of these, however, 11 were taking steps to qualify their placements for fiscal year 1992: 3 states had recently negotiated agreements between their juvenile justice and the state agency administering the federal program; 5 states were in the process of negotiating agreements; and 3 states had recently reorganized to make juvenile justice part of an umbrella agency.

Thirteen states claimed reimbursement for placements by mental health during fiscal year 1991. Of these 13 states, 9 states had umbrella agencies that included mental health. In 27 of the 30 states that did not claim reimbursement, mental health was an autonomous agency.

Many States Face Barriers to Claiming

Of the 43 states responding to our survey, 19 reported barriers to claiming federal reimbursement: (1) 7 states reported barriers to claiming placements by juvenile justice; (2) 2 states reported barriers to claiming placements by mental health; and (3) 10 states reported barriers to claiming placements by both juvenile justice and mental health. For assistance in overcoming these barriers, many states have hired foster care consultants.

Of the 17 states that reported barriers to claiming federal reimbursement for placements by juvenile justice, (1) 6 reported problems obtaining court orders that removal from the home was in the child's best interest and that reasonable efforts to avoid removal were made; (2) 4 reported insufficient staff or inadequate procedures for determining if the home the child was removed from was eligible to receive AFDC payments; (3) 5 were concerned that claims by juvenile justice would not pass HHS reviews and would, therefore, jeopardize the state's eligibility for additional title IV-B funds; (4) 4 reported that they lacked sufficient state-licensed foster care facilities; (5) 2 reported problems meeting the requirement for court hearings within 18 months of removal; and (6) 3 reported that juvenile justice and the state agency administering the federal program were

having problems negotiating agreements to ensure that title IV-E eligibility requirements were met and procedural safeguards were provided.

Of the 12 states that reported barriers to claiming federal reimbursement for their mental health placements, (1) 6 reported that these placements were ineligible because the mental health agencies did not assume custody and the state plan did not permit claims for voluntary placements; (2) 3 reported insufficient staff or inadequate procedures for determining AFDC eligibility; (3) 3 reported that they lacked sufficient state-licensed facilities for foster care; and (4) 1 reported problems obtaining properly worded court orders.

Separate Juvenile Justice and Mental Health Agencies May Experience More Barriers

Many states have hired foster care consultants to overcome barriers to claiming federal reimbursement for placements made by juvenile justice and mental health agencies. States must often modify their child welfare organizations, operating procedures, and custody laws to claim reimbursement, consultants said.⁷ States with autonomous juvenile justice and mental health agencies often face more problems than states with umbrella agencies; this is because the staffs of autonomous agencies often are unfamiliar with title IV-E eligibility requirements and procedural safeguards.

Juvenile justice and mental health agencies that are part of an umbrella agency often have operating procedures and custody laws that meet federal requirements. Separate agencies, however, must often rely on their child welfare agencies or must develop new procedures for determining AFDC-eligibility, developing case planning and review procedures, and assuring that removal orders include a judicial determination that continuation in the home would be contrary to the welfare of the child and that reasonable efforts were made to prevent removal. Agencies attempting to claim costs associated with making federal eligibility determinations must also develop detailed cost allocation systems. In some states, these agencies may not be able to meet the federal requirement for 18-month court hearings unless the state is willing to modify its custody laws.

Some states are reluctant to permit autonomous agencies to claim federal reimbursement. These states fear these claims could jeopardize the state's eligibility for additional funding under title IV-B, section 427. Some states

⁷We interviewed three foster care consultants: two representing the Institute for Human Services Management and one representing the Institute for Health and Human Services, Inc.

are concerned, consultants said, that the relatively small number of juvenile justice or mental health placements could cause the compliance rate for their overall foster care caseload to fall below the minimum required.

Agency Comments

Department of Health and Human Services officials provided written comments on a draft of this report (see app. III); they agreed with our findings and suggested several technical changes that we incorporated, as appropriate.

We are sending copies of this report to the Secretary of Health and Human Services, state child welfare agencies, and other interested parties. Copies also will be made available to others on request. If you or your staff have any questions about this report, please call me at (202) 512-7215. Other major contributors to this report are listed in appendix IV.



Jane L. Ross
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Income Security Issues

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Abbreviations

AFDC	Aid to Families With Dependent Children
HHS	Department of Health and Human Services

Methodology for the Survey of State Child Welfare Agencies

Between January and August 1992, to obtain data on state use of title IV-E maintenance funds by juvenile justice and mental health agencies, we conducted a survey of the 50 states and the District of Columbia. To ensure that the data collected were consistent, we administered a mail questionnaire (see app. II). The questionnaire was designed to collect data on the number of states able to claim title IV-E funds for their juvenile justice and mental health placements, the amount of federal reimbursement claimed during fiscal year 1991, and barriers states experienced trying to claim federal reimbursement for these placements.

In February and March 1992, we pretested the questionnaire in California and the District of Columbia. As a result, minor modifications were made to the questionnaire. During the first week of April, copies of the revised questionnaire were mailed to child welfare agencies in the 50 states and the District of Columbia. We obtained our mailing list of title IV-E focal points, in state child welfare agencies, from the American Public Welfare Association.

Responses From 84 Percent of States

A total of 43 states, 84.3 percent, responded to our questionnaire. These states represented 97.7 percent of the total federal foster care maintenance claims filed during fiscal year 1991.

Eight states did not respond to the questionnaire despite repeated attempts through telephone calls and a second mailing. States that did not respond indicated they (1) did not have the information we requested; (2) had insufficient staff to prepare a response; or (3) had to complete other data requests that were higher priority.

Some Juvenile Justice Populations Exclude Status Offenders

Juvenile justice placements in some states responding to our questionnaire may be understated because status offenders are not counted as part of their juvenile justice populations. Status offenders are juveniles who commit offenses that would not be crimes if they were older, for example, curfew violation, truancy, or running away from home. These offenders make up the segment of the juvenile justice population most likely to be placed in foster care and eligible to receive title IV-E funds. State juvenile justice populations have historically included status offenders and delinquents. The latter are children who commit crimes in violation of state or federal law.

Appendix I
Methodology for the Survey of State Child
Welfare Agencies

Increasingly, status offenders are being included in child welfare populations, according to a July 1990 report by the National Conference of State Legislatures.¹ Two-thirds of the states the conference surveyed provided services to status offenders through child welfare agencies; the remaining one-third used juvenile justice agencies. Nine states serve status offenders through both agencies.

Our questionnaire was designed to obtain information on the number of placements made by juvenile justice agencies. We did not attempt to determine which states place status offenders through their child welfare agencies.

¹"Putting the Pieces Together: Survey of State Systems for Children in Crisis," National Conference of State Legislatures (July 1990).

GAO Questionnaire Sent to State Child Welfare Agencies

U.S. General Accounting Office

Questionnaire on the Use of IV-E Funds by
State Mental Health and Juvenile Justice Agencies

Definitions

Foster care: The publicly funded system of services organized to provide 24-hour care to children whose parents are not caring for them at home. These services include those provided by foster parents, and those provided in residential group homes and institutions.

Juvenile justice or mental health agency foster care placements: Any placement where the state or local juvenile justice or mental health agency is responsible for placement and care of the child.

Juvenile justice children: Children under the jurisdiction of the state or local juvenile justice agencies.

Mental health children: Children under the jurisdiction of the state or local mental health agencies.

The United States General Accounting Office (GAO) is studying the extent to which state or local juvenile justice and mental health agencies are using federal funds for foster care placements. As part of this study, we are surveying the state welfare agency in each of the 50 states and the District of Columbia to obtain information on IV-E claims for foster care.

We ask that you complete and return this questionnaire to us within the next two weeks. A pre-addressed business reply envelope is enclosed for your convenience. Alternatively, you may fax your completed questionnaire to us on (916) 974-1202.

If you have any questions or comments about this questionnaire, please call Wayne Marsh or Deborah Moberly on (916) 974-3341. In the event that the business reply envelope is misplaced, please return the questionnaire to the:

U.S. General Accounting Office
Attn: Mr. Wayne Marsh
Federal Office Building
2800 Cottage Way, Room W-2326
Sacramento, CA 95825

1. Does your state, or any localities within your state, have a juvenile justice agency?

- 1. [43] Yes
- 2. [0] No (GO TO QUESTION 5.)

2. For the entire period from October 1, 1990 to September 30, 1991, was your IV-B/IV-E agency responsible for all foster care placements of juvenile justice children?

- 1. [12] Yes (GO TO QUESTION 5.)
- 2. [31] No

Appendix II
GAO Questionnaire Sent to State Child
Welfare Agencies

3. During that period, did your state's IV-E plan include a provision that allowed your state to claim federal reimbursement for providing foster care to children who were under the jurisdiction of your state or local juvenile justice agencies? (CHECK ONE.)

1. [13] Yes, a provision for children under the jurisdiction of the state juvenile justice agency (GO TO QUESTION 5.)

2. [4] Yes, a provision for children under the jurisdiction of the local juvenile justice agencies (GO TO QUESTION 5.)

3. [15] No
 [11] No response

4. For what reasons, if any, was there no provision in your state's IV-E plan that allowed your state to claim federal reimbursement for children under the jurisdiction of your state or local juvenile justice agencies?

[15] _____

5. Does your state, or any localities within your state, have a mental health agency?

1. [42] Yes
2. [1] No (GO TO QUESTION 9.)

6. For the entire period from October 1, 1990 to September 30, 1991, was your IV-B/IV-E agency responsible for all foster care placements of mental health children?

1. [15] Yes (GO TO QUESTION 9.)

2. [27] No
 [1] No response

7. During that period, did your state's IV-E plan include a provision that allowed your state to claim federal reimbursement for providing foster care to children who were under the jurisdiction of your state or local mental health agencies? (CHECK ONE.)

1. [3] Yes, a provision for children under the jurisdiction of the state mental health agency (GO TO QUESTION 9.)

2. [0] Yes, a provision for children under the jurisdiction of the local mental health agencies (GO TO QUESTION 9.)

3. [27] No
 [13] No response

8. For what reasons, if any, was there no provision in your state's IV-E plan that allowed your state to claim federal reimbursement for children under the jurisdiction of your state or local mental health agencies?

[27] _____

**Appendix II
GAO Questionnaire Sent to State Child
Welfare Agencies**

9. Listed below are different types of agencies.

In PART A, please estimate the total number of foster care placements, if any, each type of agency made from October 1, 1990 to September 30, 1991.

In PART B, please estimate the number of foster care placements, if any, each type of agency made from October 1, 1990 to September 30, 1991, for which IV-E reimbursement was claimed and the number, if any, for which IV-E reimbursement was not claimed.

Then, in PART C, please estimate the percentage of these placements for which IV-E reimbursement was claimed that were group care placements and that were family foster care placements. Also, estimate the percentage of these placements for which IV-E reimbursement was not claimed that were group care placements and that were family foster care placements.

If any of the above information is not available, please check "DK" for "Don't know."

	PART A Total number of placements from October 1, 1990 to September 30, 1991 (ENTER NUMBER. IF NONE ENTER "0".)	PART B Number of placements from October 1, 1990 to September 30, 1991 for which IV-E reimbursement was claimed and number of placements for which IV-E reimbursement was not claimed (ENTER NUMBER. IF NONE ENTER "0".)	PART C Percentage of placements that were group care and percentage of placements that were family foster care (ENTER PERCENTAGE FOR EACH. IF NONE ENTER "0".)	
			Group care (1)	Family foster care (2)
1. State or local juvenile justice agency	0 - 9318 N=14 Mdn=242.5 or [21] DK	0 - 3167 IV-E claimed N=26 Mdn=0 or [6] DK->	0 - 100 % N=13 Mdn=38% or [10] DK	0 - 63 % N=12 Mdn=8.5% or [10] DK
		22 - 6151 IV-E not claimed N=12 Mdn=250 or [18] DK->	0 - 97 % N=13 Mdn=66% or [16] DK	0 - 62 % N=14 Mdn=8.5% or [15] DK
2. State or local mental health agency	0 - 137 N=7 Mdn=0 or [21] DK	0 - 3 IV-E claimed N=18 Mdn=0 or [5] DK->	0 - 33 % N=6 Mdn=0% or [10] DK	0 - 67 % N=6 Mdn=0% or [10] DK

Appendix II
 GAO Questionnaire Sent to State Child
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	PART A Total number of placements from October 1, 1990 to September 30, 1991 (ENTER NUMBER. IF NONE ENTER "0".)	PART B Number of placements from October 1, 1990 to September 30, 1991 for which IV-E reimbursement was claimed and number of placements for which IV-E reimbursement was not claimed (ENTER NUMBER. IF NONE ENTER "0".)	PART C Percentage of placements that were group care and percentage of placements that were family foster care (ENTER PERCENTAGE FOR EACH. IF NONE ENTER "0".)	
			Group care (1)	Family foster care (2)
2. (continued) State or local mental health agency		5 - 137 IV-E not claimed N=3 Mdn=6 or [17] DK-->	0 - 33 % N=3 Mdn=0% or [17] DK	0 - 100 % N=5 Mdn=0% or [16] DK

**Appendix II
GAO Questionnaire Sent to State Child
Welfare Agencies**

9. (Continued)

	PART A Total number of placements from October 1, 1990 to September 30, 1991 (ENTER NUMBER. IF NONE ENTER "0".)	PART B Number of placements from October 1, 1990 to September 30, 1991 for which IV-E reimbursement was claimed and number of placements for which IV-E reimbursement was not claimed (ENTER NUMBER. IF NONE ENTER "0".)	PART C Percentage of placements that were group care and percentage of placements that were family foster care (ENTER PERCENTAGE FOR EACH. IF NONE ENTER "0".)	
			Group care (1)	Family foster care (2)
3. State IV-B/IV-E agency	424 - 94,562 N=42 Mdn=5171 or 1 DK	123 - 69,588 IV-E claimed N=41 Mdn=2059 or 1 DK-->	2 - 52 % N=31 Mdn=16% or 10 DK	48 - 98 % N=31 Mdn=84% or 10 DK
		200 - 24,974 IV-E not claimed N=41 Mdn=2924 or 1 DK-->	5 - 76 % N=29 Mdn=22% or 12 DK	24 - 95 % N=29 Mdn=78% or 12 DK
4. Other state agencies	0 - 269 N=8 Mdn=0 or 16 DK	0 - 199 IV-E claimed N=8 Mdn=0 or 5 DK-->	0 - 5 % N=6 Mdn=0% or 9 DK	0 - 95 % N=6 Mdn=0% or 10 DK
		0 - 100 IV-E not claimed N=3 Mdn=70 or 10 DK-->	0 - 24 % N=2 Mdn=12% or 13 DK	0 - 76 % N=2 Mdn=38% or 12 DK

Appendix II
GAO Questionnaire Sent to State Child
Welfare Agencies

10. Please estimate the total dollar amount of title IV-E reimbursement your state claimed from October 1, 1990 to September 30, 1991, regardless of when the placements occurred. (ENTER DOLLAR AMOUNT. IF NONE, ENTER "0". IF THE INFORMATION IS NOT AVAILABLE, PLEASE CHECK "DON'T KNOW.")

\$321,912 - 436,300,000.00 N=43 Mdn=\$6,761,700.00 or [0] Don't know

11. Consider the total dollar amount of title IV-E reimbursement your state claimed from October 1, 1990 to September 30, 1991, regardless of when the placements occurred. In your opinion, about what percentage of this amount, if any, was reimbursement for providing foster care to children who were under the jurisdiction of each agency listed below? (ENTER PERCENTAGE FOR EACH. IF NONE, ENTER "0". IF THE INFORMATION IS NOT AVAILABLE, PLEASE CHECK "DON'T KNOW.")

1. 0 - 35.6 % state or local juvenile justice agencies N=23 Mdn=0% or [8] Don't know

2. 0 - 4.3 % state or local mental health agencies N=21 Mdn=0% or [8] Don't know

3. 60.1 - 100 % IV-B/IV-E agency N=36 Mdn=100% or [4] Don't know

12. Regardless of when the placements occurred, please estimate the total amount of state dollars spent from October 1, 1990 to September 30, 1991 for the care of foster children, for whom IV-E reimbursement was not claimed. (ENTER DOLLAR AMOUNT. IF NONE, ENTER "0". IF THE INFORMATION IS NOT AVAILABLE, PLEASE CHECK "DON'T KNOW.")

\$375,425 - 292,285,667.00 N=36 Mdn=\$19,636,442.00 or [7] Don't know

13. Regardless of when the placements occurred, consider the total amount of state dollars spent from October 1, 1990 to September 30, 1991 for the care of foster children for whom IV-E reimbursement was not claimed. In your opinion, about what percentage of this amount, if any, was spent for providing foster care to children who were under the jurisdiction of each agency listed below? (ENTER PERCENTAGE FOR EACH. IF NONE, ENTER "0". IF THE INFORMATION IS NOT AVAILABLE, PLEASE CHECK "DON'T KNOW.")

1. 0 - 63 % state or local juvenile justice agencies N=15 Mdn=0% or [17] Don't know

2. 0 - 4.3 % state or local mental health agencies N=12 Mdn=0% or [17] Don't know

3. 37 - 100 % IV-B/IV-E agency N=29 Mdn=100% or [11] Don't know

**Appendix II
GAO Questionnaire Sent to State Child
Welfare Agencies**

14. The Adoption Assistance and Welfare Act of 1980 (P.L. 96-272) states that to receive additional funding under section 427 of the Social Security Act, a state must provide certain foster care protections and services including a written case plan for each child, periodic reviews every six months, and a dispositional hearing no later than 18 months after placement. These protections are to be extended to any child for whom IV-E reimbursement is claimed and states may extend them to other children in foster care as well.

Does your state extend these protections to any juvenile justice children in foster care, for whom your state does not claim IV-E reimbursement?

- 1. [18] Yes
- 2. [18] No
- 3. [7] Don't know or Not applicable

15. Does your state extend these protections to any mental health children in foster care, for whom your state does not claim IV-E reimbursement?

- 1. [7] Yes
- 2. [16] No
- 3. [20] Don't know or Not applicable

16. To assure that section 427 protections are provided to children placed in foster care by either your state or local juvenile justice or mental health agencies, does your state use each of the following methods?
(CHECK ONE FOR EACH.)

	Yes (1)	No (2)
1. Your IV-B/IV-E agency periodically reviews case files of state or local juvenile justice agency placements.	[18]	[17]
2. Your IV-B/IV-E agency periodically reviews case files of state or local mental health agency placements.	[7]	[24]
3. Your IV-B/IV-E agency provides education on section 427 protections for case workers and probation officers responsible for state or local juvenile justice agency placements.	[24]	[11]
4. Your IV-B/IV-E agency provides education on section 427 protections to case workers and others responsible for state or local mental health agency placements.	[7]	[24]
5. Your IV-B/IV-E agency provides education on section 427 protections to juvenile court judges.	[31]	[8]
6. Other (PLEASE SPECIFY.)	[4]	[3]

Appendix II
 GAO Questionnaire Sent to State Child
 Welfare Agencies

17. Consider all juvenile justice children who were placed in foster care at any time from October 1, 1990 to September 30, 1991, who did not qualify for IV-E reimbursement. In your opinion, about what percentage of these children, if any, did not qualify for IV-E reimbursement because they were not AFDC eligible? About what percentage of these children, if any, did not qualify for IV-E reimbursement because their AFDC eligibility could not be determined? About what percentage of these children, if any, did not qualify for IV-E reimbursement even though they were AFDC eligible? (ENTER PERCENTAGE FOR EACH. IF NONE, ENTER '0'.)

- a. 0 - 100 % not AFDC eligible N=20 Mdn=38.5%
- b. 0 - 100 % AFDC eligibility not determined N=21 Mdn=10%
- c. 0 - 65 % AFDC eligible N=20 Mdn=2%

100% - Total who did not qualify

18. Now, consider only those AFDC eligible juvenile justice children who were placed in foster care at any time from October 1, 1990 to September 30, 1991, who did not qualify for IV-E reimbursement. Please estimate the percentage of these AFDC eligible children for whom each of the following was the primary reason that they did not qualify for IV-E reimbursement. (ENTER PERCENTAGE FOR EACH. IF NONE, ENTER '0'.)

Primary reason children did not qualify was that...

- 1. court orders were not worded properly. 0 - 100 % N=10 Mdn=2.5% or [13] Don't know
- 2. they were placed in a foster care facility that was not licensed or approved. 0 - 60 % N=12 Mdn=0% or [10] Don't know
- 3. they were in a detention facility or a "locked" facility. 0 - 100 % N=10 Mdn=12.5%
or [13] Don't know
- 4. Other (PLEASE SPECIFY.)
_____ 0 - 40 % N=7 Mdn=0% or [12] Don't know
_____ 0 - 20 % N=7 Mdn=0% or [9] Don't know

100% - Total AFDC eligible
 who did not qualify
 for IV-E reimbursement

**Appendix II
GAO Questionnaire Sent to State Child
Welfare Agencies**

19. Consider mental health children who were placed in foster care at any time from October 1, 1990 to September 30, 1991, who did not qualify for IV-E reimbursement. In your opinion, about what percentage of these children, if any, did not qualify for IV-E reimbursement because they were not AFDC eligible? About what percentage of these children, if any, did not qualify for IV-E reimbursement because their AFDC eligibility could not be determined? About what percentage of these children, if any, did not qualify for IV-E reimbursement even though they were AFDC eligible? (ENTER PERCENTAGE FOR EACH. IF NONE, ENTER "0".)

- a. 0 - 95 % not AFDC eligible N=13 Mdn=0%
- b. 0 - 100 % AFDC eligibility not determined N=14 Mdn=22.5%
- c. 0 - 30 % AFDC eligible N=13 Mdn=0%

100% - Total who did not qualify

20. Now, consider only those AFDC eligible mental health children who were placed in foster care at any time from October 1, 1990 to September 30, 1991, who did not qualify for IV-E reimbursement. Please estimate the percentage of these AFDC eligible children for whom each of the following was the primary reason that they did not qualify for IV-E reimbursement. (ENTER PERCENTAGE FOR EACH. IF NONE, ENTER "0".)

Primary reason children did not qualify was that...

- 1. court orders were not worded properly. 0 - 100 % N=6 Mdn=0% or [13] Don't know
- 2. they were placed in a foster care facility that was not licensed or approved. 0 - 10 % N=8 Mdn=0% or [10] Don't know
- 3. they were in a detention facility or a "locked" facility. 0 - 10 % N=7 Mdn=0% or [11] Don't know
- 4. Other (PLEASE SPECIFY.)
- _____ 0 - 100 % N=5 Mdn=80% or [9] Don't know
- _____ 0 - 0 % N=4 Mdn= 0% or [9] Don't know

100% - Total AFDC eligible
who did not qualify
for IV-E reimbursement

Appendix II
GAO Questionnaire Sent to State Child
Welfare Agencies

21. Has your state experienced any difficulties obtaining title IV-E funds for children for whom your state or local juvenile justice or mental health agencies have responsibility for placement and care? (CHECK ONE.)

1. 5 Yes, for juvenile justice children only
2. 2 Yes, for mental health children only
3. 11 Yes, for both juvenile justice and mental health children
4. 18 No (GO TO QUESTION 23.)

22. Please describe the difficulties your state has experienced obtaining title IV-E funds for children for whom your state or local juvenile justice or mental health agencies have responsibility for placement and care?

[25] _____

23. Please enter any other comments you might have about placements made by your state's juvenile justice or mental health agencies, or the use of federal foster care funds for these placements.

[16]

Thank you.

Comments From the Department of Health and Human Services



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Inspector General

Washington, D.C. 20201

JUN 9 1983

Ms. Jane Ross
Associate Director,
Income Security Issues
United States General
Accounting Office
Washington, D.C. 20548

Dear Ms. Ross:

Enclosed are the Department's comments on your draft report, "Foster Care: State Agencies Other Than Child Welfare Can Access Title IV-E Funds." The comments represent the tentative position of the Department and are subject to reevaluation when the final version of this report is received.

The Department appreciates the opportunity to comment on this draft report before its publication.

Sincerely yours,

A handwritten signature in cursive script that reads "Bryan B. Mitchell".

Bryan B. Mitchell
Principal Deputy Inspector General

Enclosure

Appendix III
Comments From the Department of Health
and Human Services

COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES
ON THE U.S. GENERAL ACCOUNTING OFFICE'S DRAFT REPORT, "FOSTER
CARE: STATE AGENCIES OTHER THAN CHILD WELFARE CAN ACCESS
TITLE IV-E FUNDS" REPORT NO. HRD-93-6

General Comments

We find that this report reflects our own anecdotal information, gathered in the course of conducting title IV-E fiscal and eligibility reviews throughout the country over the last nine years.

In an effort to summarize the complex legislative requirements of titles IV-B and IV-E, the draft report makes several statements which could cause readers to underestimate the full extent and complexity of the statutory requirements which the Department is responsible for enforcing.

The following comments pertain to the "Background" section of the draft:

1. Public Law 96-272 requires States to implement a variety of measures. The changes in title IV-B brought about by Public Law 96-272 include but go well beyond "case management measures." States must have a plan for child welfare services that has been developed jointly by HHS and the designated State agency and which meets several requirements stated in Section 422 of Public Law 96-272.
2. Footnote number 2 should be revised to conform to Section 472(c) of the Social Security Act. The Act does not include "nondetention facilities" among eligible group settings, although it does specifically exclude detention facilities and cites examples.

Change incorporated (see pp. 1-2).

Change incorporated (see p. 2)

**Appendix III
Comments From the Department of Health
and Human Services**

Change incorporated (see p. 2).

Page 2

3. Footnote number 3 is incomplete. The Departmental section 427 compliance standards vary depending on whether the Department is conducting an Initial, Subsequent, Triennial, or Quinquennial Review. The percentage of cases which must meet the case plan, periodic review, and dispositional hearing requirements are 66 percent for Initial Reviews, 80 percent for Subsequent Reviews, and 90 percent for Triennial and Quinquennial Reviews. Of the 18 remaining section 427 protections, States must have provided and documented at least 13 for the Initial and Subsequent Reviews, and at least 15 for Triennial and Quinquennial Reviews.

No change.

The report should point out, perhaps through another footnote to the middle paragraph on page 4, that the information about the number of claims made by the juvenile justice system is based only on the data from a very small sample of cases that the Administration on Children, Youth and Families (ACYF) had actually reviewed and that the actual number could very easily be much higher; we just do not know on the basis of the information available.

No change. No explanation given. We did not independently verify responses.

Lastly, while we do not know the numbers to be inaccurate, we are somewhat surprised by the high percentage of placements by the juvenile justice system in the States of Idaho and North Dakota (see page 6) and ask if any explanation could be given for it.

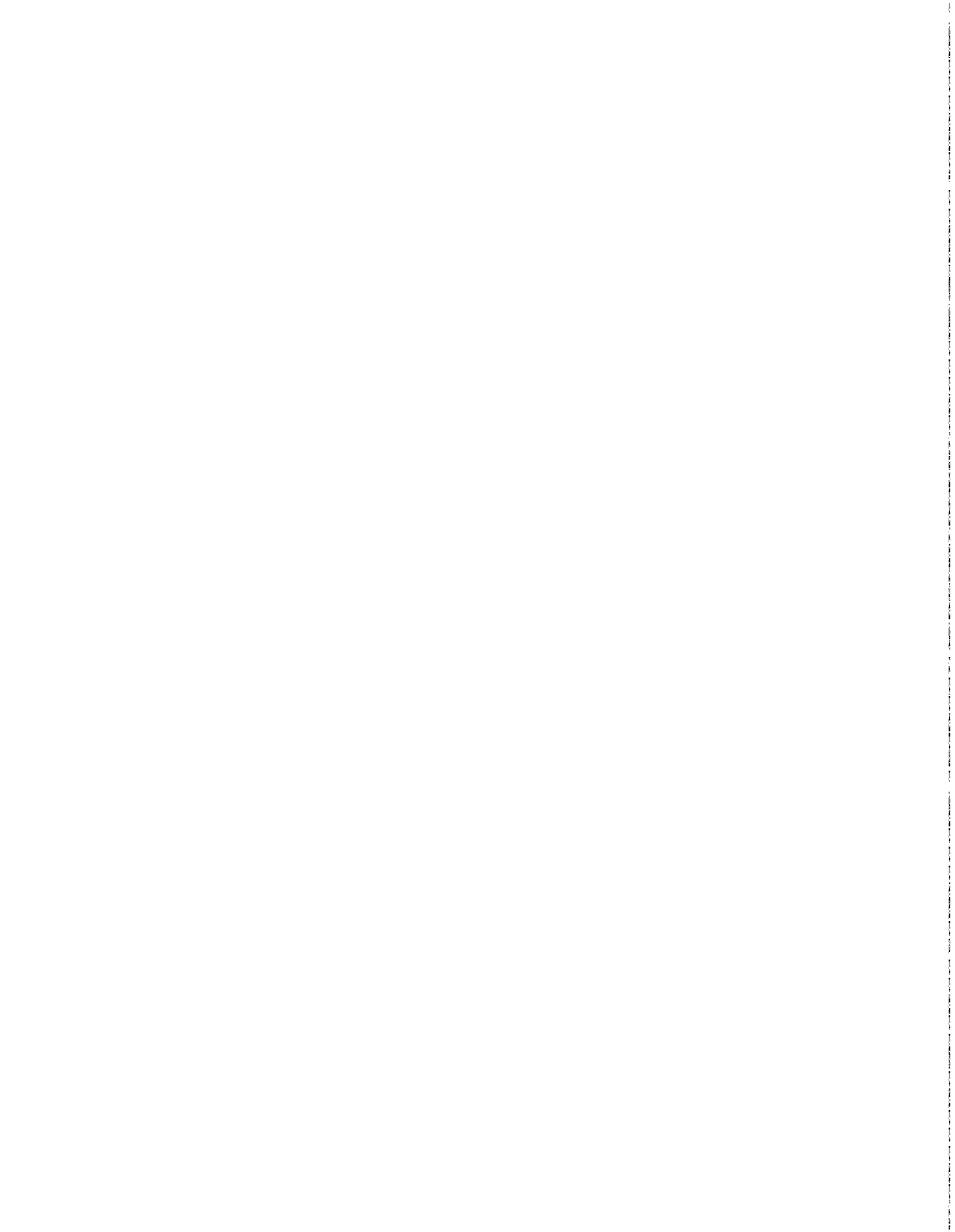
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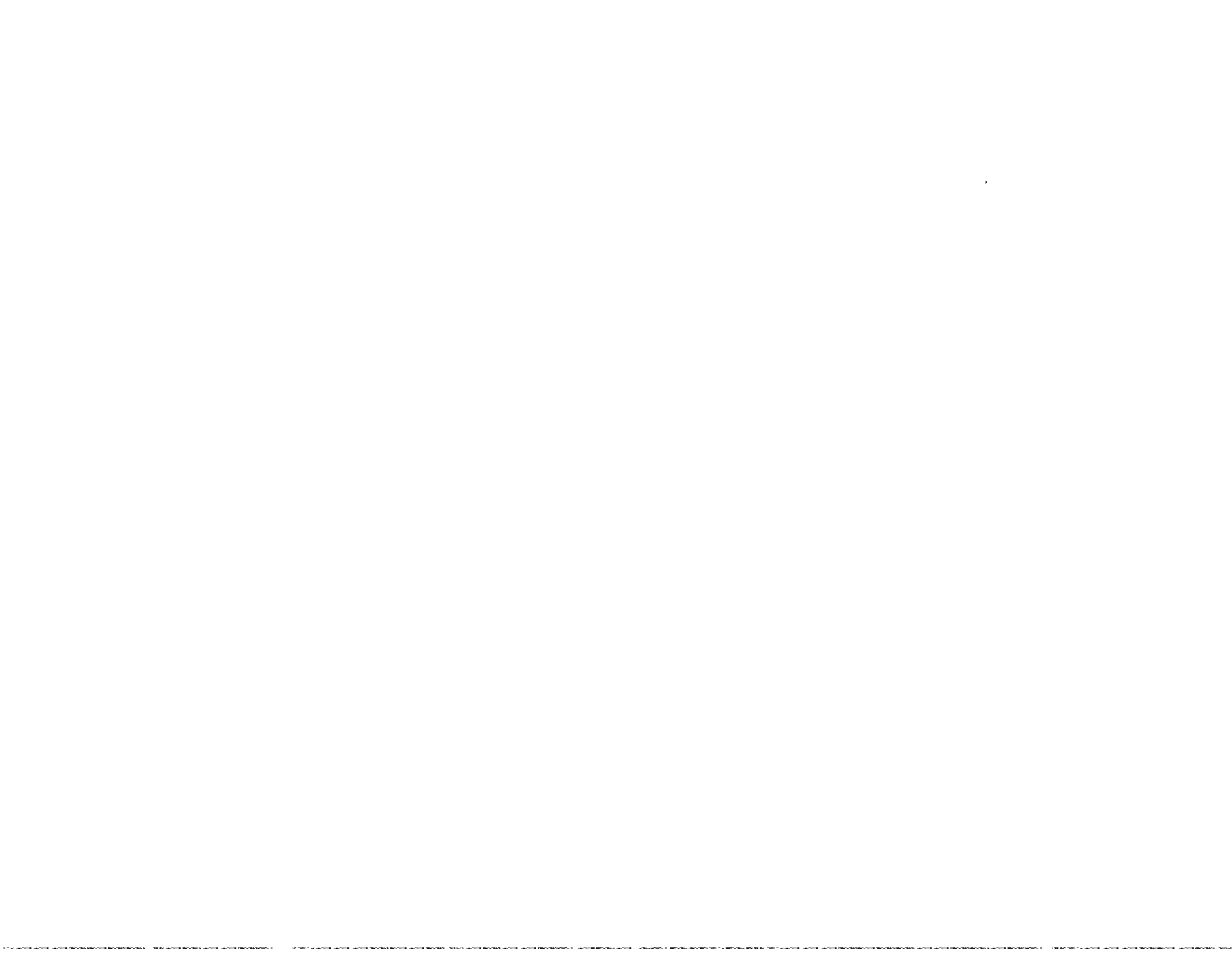
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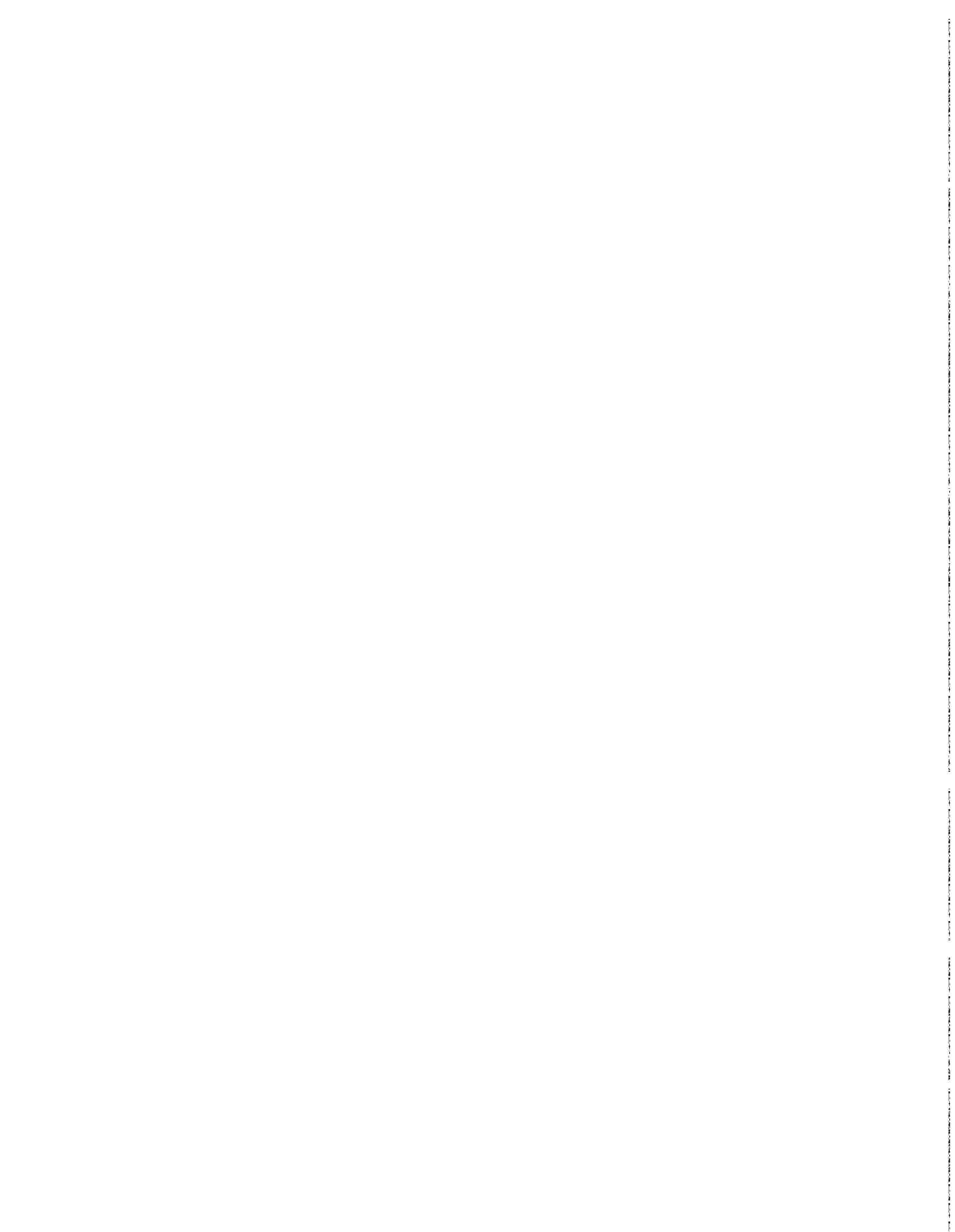
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