
Child Welfare Funding

Chapter XIII: Child Welfare Funding Manual

Part I - Introduction

I. Overview

North Carolina funds child welfare services through Federal, State and County funds. The combination of funds allows county Departments of Social Services to have flexibility as funding amounts shift or decline during the year.

The State and counties must follow Federal and State laws, regulations and policies in order to obtain reimbursement of these funds. State allocations are authorized by the General Assembly. While each county has its own challenges in terms of population density, tax base, industry and culture, each county Department of Social Services must abide by the laws, rules and policies developed by the State and Federal governments.

Child welfare services include prevention services such as family support services, family preservation services, intensive family preservation services, and family reunification services; child protective services; and placement services, including adoption. Not all services are funded by all funding sources. Federal law mandates States to provide child protective services, foster care and adoption services.

This manual section provides information on funding requirements and procedures for claiming reimbursement for child welfare services. Federal monies usually require matching funds from States to continue to draw down Federal funds. In North Carolina, county Departments of Social Services and the State share the costs of providing matching funds to receive Federal funds for the most part. Matching amounts vary depending on the funding source and the activities to be funded. Each funding source has different eligibility requirements and reimbursement formulas.

There are 3 types of activities funded by federal, state, and, in some instances, county monies. These are:

- Foster Care and Adoption Assistance Payments
- Training Activities
- Administrative Activities

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Administrative activities are those that social workers engage in around providing or arranging for the provision of services to children and families. These activities are documented on the DSS Form 4263-Worker Daily Report of Services, more commonly known as the daysheet. It is mainly through the daysheet that each social worker's salary is paid. Consequently, it is vital that daysheets be completed accurately and in a timely manner.

(This manual section supersedes the following Dear County Director Letters and Administrative Letters:

Dear Director Letter, dated 09-28-99, *Use of TANF Funds to Provide Child Welfare Services*

Dear Director Letter, dated 11-24-99, *TANF (TEA) Funded Foster Care Maintenance Payments*

Dear Director Letter, dated 03-03-00, *Use of Maintenance-of-Effort (MOE) Funds for Child Welfare Services*

Dear Director Letter, dated 03-19-01, *Changes to Program Code 0 (numeric)*

Administrative Letter #CS 1-01, dated 08-01-01, *New Requirements Relating to Federal AFDC-EA Settlement Agreement*

Dear Director Letter, dated 08-28-01, *Changes to TEA Verification Form*

Dear Director Letter, dated 10-25-02, *Child Welfare Program Code Changes*

Dear Director Letter, dated 11-25-02, *Funding Options for CPS Case Planning and Case Management (215) and Foster Care Case Management Services (109); Special Immigrant Juvenile Status for Children Under Juvenile Court Jurisdiction*

II. Legal Basis

Both Federal and State laws control and guide the eligibility and reimbursability determinations for children in the child welfare system.

Federal Laws:

PL. 92-672, originally passed in 1974, created Title XX of the Social Security Act and **PL. 93-647** and **PL. 97-35** further amended the Act. While originally an entitlement program, in 1980 it became a block grant now known as the **Social Services Block Grant Program**;

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PL. 96-272-Adoption Assistance and Child Welfare Act of 1980- amended Title IV of the Social Security Act and created a new part E, Federal Payments for Foster Care and Adoption Assistance. In addition to changing the funding mechanism for foster care and establishing adoption assistance for children with special needs, linkages were established between Title IV-E and Title IV-B to encourage less reliance on out of home placement and greater utilization of services directed at preventing placement and strengthening families;

PL. 99-272-Consolidated Omnibus Budget Reconciliation Act of 1985- amended IV-E to include the Independent Living Program;

PL. 100-647-Expanded the Independent Living Program;

PL 106-169 - The Foster Care Independence Act of 1999, replaced section 477 of Title IV-E with new language and renamed the program the John H. Chafee Foster Care Independence Program;

PL.104-93-The Personal Responsibility and Work Opportunity Reconciliation Act of 1996-Title IV-A-Temporary Assistance to Needy Families-began the Work First program in NC and replaced the former AFDC program nationwide;

P.L. 104-235- Child Abuse Prevention and Treatment Act (CAPTA) - was designed to help states improve practices in preventing and treating child abuse and neglect and includes a basic state grant program for improving the child protective services (CPS) system infrastructure, a discretionary grant program for research, program demonstrations, training, and other innovative activities, and a grant program focused on community-based prevention efforts.

PL 105-89-The Adoption and Safe Families Act of 1997 (known as ASFA), made safety and permanency for children the primary goals to be achieved by States. As a part of the Act, Title IV-B and Title IV-E were amended. The amendments clarified reasonable efforts to prevent out-of-home placements and reasonable efforts to finalize permanent placements for children who cannot return to their parents. In addition, the Act provided funding for adoption incentives; strengthened the ability of agencies to file Termination of Parental Rights actions swiftly, required certain data collection, required training, and recruitment of foster and adoptive parents.

P.L. 107-133-Promoting Safe and Stable Families, (PSSF), was initially created in 1993 as the Family Preservation and Support Services Program. In 1997, it was reauthorized under the Adoption and Safe Families Act and renamed PSSF. The 1997 legislation required the

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provision of two additional services which were time limited family reunification services and supportive adoption services. (material obtained online from the National Resource Center for Foster Care and Permanency Planning-at the Hunter College School of Social Work- "Information Packet – Promoting Safe and Stable Families" by Grace Antebi.) Subsequent amendments in 2001 created the Education Training Voucher (ETV) program, which amended the John Chafee Foster Care Independence Act.

P.L. 108-36, The Keeping Children and Families Safe Act of 2003 reauthorized CAPTA and reauthorized the Adoption Opportunities Act, the Abandoned Infants Assistance Act and the Family Violence Prevention and Services Act. The legislation also added new requirements to CAPTA and strengthened others.

The additions to CAPTA are as follows:

- Policies and procedures to address the needs of infants born and identified as being affected by prenatal drug exposure;
- Provisions and procedures to require CPS representatives, at the time of initial contact, advise an individual of complaints and allegations made against them;
- Provisions addressing the training of CPS workers regarding their legal duties in order to protect the legal rights and safety of children and families;
- Provisions to require a State to disclose confidential information to any Federal, State or local government entity with a need for such information.
- Implements programs to increase the number of older foster children placed in adoptive families, including a grants program to eliminate barriers to placing children for adoption across jurisdictional boundaries.
- Amends the Abandoned Infants Assistance grants program to prohibit grants unless the applicant agrees to give priority to infants and young children who:
 - (1) Are infected with or exposed to the human immunodeficiency virus or have a life-threatening illness; or
 - (2) Have been perinatally exposed to a dangerous drug.

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State Laws:

N.C.G.S. 7B-503; 7B-506; 7B-507; 7B-905; 7B-910; 108A-24; 108A-48;
108A-49; 108A-50; and 143B-153

County Requirements

County Departments of Social Services and other divisions of county government may make policies and regulations specific to their situations. It is important for child welfare staff in county Departments of Social Services to be aware of any specific limitations. None of the county policies and regulations should conflict with federal and state law, rules or policies.

III. Format of Funding Manual

This manual is set up as follows:

Part I-Child Welfare Funding-Overview, Legal Basis and Manual Format

Part II-Federal, State and County Funding for Child Welfare Services

Part III- Prevention Services

Part IV- Child Protective Services

Part V- Foster Care Funding

Part VI- Adoption Assistance Funding

Part II - Federal, State and County Funding

I. Introduction

The Social Security Act of 1935 provides the basis for all Federal funding requirements for public child welfare services throughout the country. As funding for children's services has progressed over the years, the Act has been revised in some of its major Titles. Among these are Title IV-A (formerly known as Aid to Families with Dependent Children [**AFDC**] and now known as Temporary Assistance to Needy Families [**TANF**]), Title IV-B, Title IV-C, Title IV-D and Title IV-E. These changes have been accomplished through federal legislation.

Title IV-A primarily governs monthly and other financial assistance expenditures for needy families (**TANF**). Title IV-B governs community-based programs and abuse and neglect prevention services. Title IV-C related in the past to employment programs, but has been repealed and its elements have been incorporated into the TANF program. Title IV-D relates to child support services. Title IV-E governs foster care and adoption services. Titles IV-B and IV-E requirements are interwoven with some regulations in each being contingent on compliance with the other.

All of these federal public laws have requirements that each state must meet on a consistent basis in order to continue to receive funding. Each also has its own requirements for documentation of compliance.

II. Federal Funding

A. Title IV-A-Child Welfare Services-(TANF)-(Program Codes "R", "0" and "9")

The Temporary Assistance to Needy Families (TANF) program replaced the AFDC program and is focused on helping families become economically self-sufficient through employment. North Carolina terms its TANF financial assistance program the *Work First Program*. The TANF Act contains provision for states to use these federal funds for the public assistance employment component, but also allows states to use some of the funds for other purposes. North Carolina has chosen to use some of the TANF funds for certain child welfare services.

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Federal guidelines distinguish between two types of funds in the TANF program. The first type is 100% federal TANF funds provided to states through the block grant. The second is Maintenance-of-Effort or MOE funds. MOE funds are comprised of State and County monies. Federal regulations require States to expend State funds at the State's 1995 levels. In effect, MOE constitutes the match requirement to maintain continuous receipt of the TANF Block Grant. The TANF Block Grant is a finite amount of money that each state receives annually for its cash assistance program for families and children who meet certain income and other requirements. When funds have a limit, they are referred to as funds that are "capped".

The following programs fall under the TANF Act for child welfare purposes:

- TEA (Program Code R or 0-eligibility requirements are the same for both codes)
- MOE (Program Code 9)
- TANF-Transferred-to-SSBG (Program Code V)

Some TANF funds can be used for prevention services, child protective services and foster care services.

In 1994, the AFDC program was expanded to include short-term emergency assistance (EA) in the form of services and financial assistance. Known as **AFDC-EA**, the program reimbursed States for funds expended on behalf of families who were experiencing an emergency situation and did not have the resources to meet the emergency.

AFDC-EA regulations prohibited families from receiving help for more than 364 days unless a new emergency situation occurred. In addition, regulations required that **all** anticipated services to the family be listed within the first 30 days of eligibility determination or the service could not be provided during the remaining 364 days.

In 1996, when the TANF program replaced the AFDC program, TANF requirements allowed States to use TANF funds for those services that had been approved under the former AFDC-EA program. These regulations made it possible for TANF funds to support child welfare services without triggering Work First income, work or time limits. When TANF funds are used with the same eligibility requirements as the former AFDC-EA program, the

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funds are referred to as TEA; not TANF.

TEA may be a funding source for intact families who are not involved with child welfare, for families who are receiving child welfare services and for foster care board payments. For foster care board payment eligibility, the child cannot be IV-E eligible.

The TANF legislation also allowed TANF funds to be transferred to the Social Services Block Grant (SSBG). The legislation also allowed the TANF funds to take on the characteristics of SSBG with one exception. Whereas there is no income eligibility requirement for regular SSBG, the TANF legislation specified that use of TANF-transferred-to-SSBG could only fund services to families whose income was at or below 200% of the Federal Poverty Level (FPL). Federal Poverty Guidelines can be found at <http://aspe.hhs.gov/poverty/index.shtml>.

B. Title IV-B, Sub Parts 1 and 2-(Generally do not have program codes attached as most services are not provided directly by DSS staff)

There are two parts to Title IV-B. Both parts include services to children and families at risk, and children in foster care and adoptive placements. Sub-Part 1 is subtitled "Child Welfare Services" and Sub-Part 2 is subtitled "Promoting Safe and Stable Families" (PSSF). Title IV-B funds many adoption assistance benefits as well as prevention services.

1. IV-B, Sub-Part 1-Child Welfare Services

This part of Title IV-B requires each state to develop a State Plan that must incorporate progress on how Title IV-A, Title IV-B, Title IV-E and Title XX funds will be used to provide child welfare services. In addition, continued receipt of IV-B-1 funds is based on:

- the presence of a satisfactory **case review system** required by Title IV-E;
- a service program aimed at helping children remain with their families when that is safe and that provides for **timely permanence** for children who cannot be safely returned home;
- a **pre-placement preventive program** for children at risk of coming into foster care;

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- assurances that the state has policies, administrative and judicial procedures in place for **children who are abandoned at, or shortly after, birth**, and that there are procedures in place for **timely permanence** for these children;
- a description of the specific measures the state has taken to comply with the **Indian Child Welfare Act**;
- assurances that the state has developed policies and procedures for timely compliance with **cross-jurisdictional resources to facilitate timely adoption** or other permanent placements for waiting children;
- description of activities the state has undertaken to provide **adoption and post-adoption services to children adopted in other countries**; and
- collection of data and **information on adoption disruptions and dissolutions** when the child must come into foster care as a result.

In most instances, IV-B-1 funds are not used by direct service staff in county DSS's, but are used to contract with community-based agencies for services to families. No matter how the funds are used, continuation of IV-B funds is contingent on compliance with the above requirements.

2. IV-B-Sub Part 2-Promoting Safe and Stable Families (PSSF)

The purpose outlined in Promoting Safe and Stable Families, Sub-Part 2, of Title IV-B is as follows:

PURPOSE.—The purpose of this program is to enable States to develop and establish, or expand, and to operate coordinated programs of community-based family support services, family preservation services, time-limited family reunification services, and adoption promotion and support services to accomplish the following objectives:

- (a) To prevent child maltreatment among families at risk through the provision of **supportive family services**.
- (b) To **assure children's safety within the home** and preserve intact families in which children have been maltreated, when the family's problems can be addressed effectively.

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- (c) To address the problems of families whose children have been placed in foster care so that **reunification** may occur in a safe and stable manner in accordance with the Adoption and Safe Families Act of 1997.
- (d) To **support adoptive families** by providing support services as necessary so that they can make a lifetime commitment to their children.

In addition to providing supportive services for adoptive families, the Adoption and Safe Families Act amendments to PSSF included adoption assistance for children who have been previously adopted from the child welfare system.

C. Title IV-E-Adoption Assistance and Child Welfare- (Program Code "Z")

Title IV-E focuses on foster care and adoption services to children. IV-E funds are used for foster care board payments and adoption assistance payments for eligible children. Title IV-E funds certain case management services in child protective services while the child is still in the home. IV-E also funds administrative and training activities. States are required to have a system for case reviews, regular court oversight, and other legal protections for the child and family. As stated earlier, continued receipt of IV-B funds is closely tied to compliance with IV-E requirements.

Federal IV-E reimbursement for financial assistance, administrative activities, and training is based on the percentage of IV-E eligible children in the legal custody of the State (known as the "penetration rate"). Depending on the activity claimed, the reimbursement rate is further broken down. For example, for training activities for DSS staff, the formula is 75% reimbursement of the penetration rate while for administrative costs the formula is 50% of the penetration rate. Over the past few years, federal IV-E reimbursement (based on the penetration rate) has declined as child welfare system reform in North Carolina has been successful. This success has meant, however, that county Departments of Social Services have had to look for other funding sources.

The Foster Care Program under Title IV-E is a permanently authorized entitlement ("uncapped") that provides open-ended reimbursement to States for the costs of maintaining eligible children in foster care, and associated administrative and training costs. Recently, federal law has severely restricted the use of IV-E

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administrative funds for children who are placed with relatives.

D. IV-E Waiver Demonstration Project-(Program Codes "5", "6", "7" and "8")

In July, 2004, North Carolina received federal approval to extend and expand the IV-E Waiver demonstration project. In January 2005, North Carolina began implementing Phase II of the project. This expanded waiver demonstration enables 38 counties (21 newly selected volunteer counties and 17 counties that participated in Phase I) to use federal Title IV-E foster care maintenance and administrative funds to develop and implement strategies for enhancing permanency for children in the child welfare system without jeopardizing the safety and well-being of children and families.

The 38 demonstration counties are:

Alamance, Alexander, Brunswick, Buncombe, Burke, Cabarrus, Caldwell, Chatham, Cleveland, Craven, Cumberland, Currituck, Dare, Davidson, Davie, Durham, Forsyth, Guilford, Harnett, Haywood, Lincoln, Mecklenburg, New Hanover, Orange, Pasquotank, Person, Richmond, Rockingham, Scotland, Stanley, Stokes, Swain, Transylvania, Union, Wake, Wayne, Yadkin, Yancey

Program codes 5 and 6 are to be used when the county has chosen to spend their "Reinvestment Savings" for a specific activity or service for a specific child. If the county has completed the eligibility determination process and the child is IV-E eligible, the county would use code 5. If the child has been determined not to be IV-E eligible, the county would use code 6. Both codes draw down the same reimbursement rate. The different codes help track how the waiver is being used to help non-IV-E eligible kids in addition to IV-E eligible kids.

Program codes 7 and 8 are codes to be used when a county has identified a specific activity or services for a specific child and has determined they want to use funds other than their Reinvestment funds to pay for the activity or service. Code 7 is to be used when the county has done the eligibility determination and the child has been determined to be IV-E eligible, and code 8 if the child has been determined to be not IV-E eligible. Since waiver funds can be used to keep kids out of custody, in which case most counties would not have done the eligibility determination, counties can use code 8. Both codes draw down the same reimbursement rate.

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The Waiver is intended to be child specific and activity or service specific. None of the 38 demonstration counties has been authorized to use waiver funds for every child in their caseloads. Nor are counties authorized for every worker to charge daily time to the Waiver. IV-E Waiver funds may not be used for adoption assistance payments.

The focus is for counties to provide specific services and/or activities to specific children so that they will not enter care.

The IV-E waiver Demonstration Project is set to end on June 30, 2009.

E. Title XIX-Medicaid-At-Risk Case Management Services (Targeted Case Management Services)-(Service and Program Code "395/2")

The federal Medicaid program allows states to tailor certain programs to their locales and such programs are sometimes referred to as "targeted case management". At-Risk Case Management Services (ARCMS) is such a service. ARCMS is a Medicaid reimbursable service that is used for both adults and children. **ARCMS may not be used for children in the legal custody and/or placement responsibility of a county Department of Social Services.**

F. Title XX-Social Services Block Grant-(Program Code "X")

Title XX of the Social Security Act, also referred to as the Social Services Block Grant (SSBG), is a capped entitlement program. Thus, States are entitled to their share of a nationwide funding ceiling or "cap," which is specified in federal statute. These block grant funds are given to States to help them achieve a wide range of social policy goals, which include preventing child abuse, increasing the availability of child care, and providing community-based care for the elderly and disabled. Funds are allocated to the States on the basis of population. In general, reimbursement through SSBG is 75% federal and 25% county funds.

In theory, the entitlement ceiling represents the total amount from which States are entitled to receive their authorized allotments. However, appropriation levels have not always met the entitlement ceiling, and in a few cases, have surpassed it.

The purpose of the Title XX Social Services Block Grant Program is to provide assistance to States to enable them to furnish

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services directed at one or more of five broad goals:

- Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;
- Achieving or maintaining self-sufficiency, including reduction or prevention of dependency;
- Preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating or reuniting families;
- Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; and
- Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.

States are given wide discretion to determine the services to be provided and the groups that may be eligible for services, usually low income families and individuals. In addition to supporting social services, the law allows States to use their allotment for staff training, administration, planning, evaluation, and purchasing technical assistance in developing, implementing, or administering the State social service program. States decide what amount of the Federal allotment to spend on services, training, and administration. (Above information on Social Services Block Grant funds was taken from the *Committee on Ways and Means, U. S. House of Representatives, Overview of Entitlement Programs, 2004 Green Book*)

In North Carolina, SSBG funds are used for general adult and children's services and child welfare services. As stated above, the guidelines are flexible and allow a wide number of individuals to qualify. However, because the program is capped, judicious use of these funds is necessary. In the main, SSBG money funds services to elderly and disabled adults. Compared to adult services, child welfare has several funding sources. Consequently, though most children in child welfare may qualify for services funded by SSBG, agencies must make hard decisions about extensive use of these funds for child welfare services.

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G. Permanency Planning Funds-Regular and Special-(Program Code "P")

Permanency Planning-Family for Kids funds are used to support direct services (provided by agency staff or purchased) and system reform activities aimed at ensuring permanence for children who are:

- (1) at imminent risk of entering DSS custody or placement responsibility;
- (2) in agency custody/placement responsibility for less than 12 months;
- (3) in agency custody/placement responsibility for more than 12 months and for whom the plan is NEITHER long-term foster care NOR reunification with birth parents; OR
- (4) who have left DSS custody/placement responsibility within the previous 12 months (including post-adoption services).

Reimbursement comes from a combination of Federal (75%)/State (25%) [Regular Permanency Planning] and Federal (75%)/County (25%) funds [Special Permanency Planning]. A county must budget local funds in order to secure the required local matching share when federal/State financial participation is less than one hundred percent to the county Department of Social Services. Jackson and Swain Counties receive a portion of Regular Permanency Planning funds for their Native American populations.

H. (CAPTA) Child Abuse Prevention and Treatment Act of 1974-(Generally does not have a program code because services are not directly provided by DSS staff.)

The objective of CAPTA is to support and improve State child protective services systems in one or more of the 24 program areas. CAPTA requires that states must certify they either already have policies and procedures in place, or state laws that meet these eligibility additions.

The 24 CAPTA program areas are:

1. Improving the intake, assessment, screening and investigation of reports of abuse and neglect;
2. Creating and improving the use of multidisciplinary teams and interagency protocols to enhance investigations; and

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- improving legal preparation and representation including:
- (a) procedures for appealing and responding to appeals of substantiated reports of abuse and neglect; and
 - (b) provisions for the appointment of an individual appointed to represent a child in judicial proceedings;
3. Improving case management, including ongoing case monitoring, and delivery of services provided to children and their families;
 4. Enhancing the general child protective system by developing, improving and implementing risk and safety assessment tools and protocols;
 5. Developing and updating systems of technology that support the program and track reports of child abuse and neglect from intake through final disposition and information referral systems;
 6. Developing, strengthening, and facilitating training including
 - (a) training regarding research-based strategies to promote collaboration with the families;
 - (b) training regarding the legal duties of such individuals; and
 - (c) personal safety training for caseworkers;
 7. Improving the skills, qualifications and availability of individuals providing services to children and families, and the supervisors of such individuals, through the child protection system, including improvements in the recruitment and retention of caseworkers
 8. Developing and facilitating training protocols for individuals mandated to report child abuse or neglect;
 9. Developing, implementing or operating programs to assist in obtaining or coordinating necessary services for families of disabled infants with life-threatening conditions, including:
 - (a) existing social and health services,
 - (b) financial assistance, and
 - (c) services necessary to facilitate adoptive placement of any such infants who have been relinquished for adoption.
 10. Developing and delivering information to educate the public on

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the role and responsibilities of the child protection system and the nature and basis for reporting suspected incidents of child abuse and neglect;

11. Developing and enhancing the capacity of community-based programs to integrate shared leadership strategies between parents and professionals to prevent and treat child abuse and neglect at the neighborhood level.
12. Supporting and enhancing interagency collaboration between the child protection system and the juvenile justice system for improved delivery of services and treatment, including methods for continuity of treatment plan and services as children transition between systems; and
13. Supporting and enhancing collaboration among public health agencies, the child protection system, and private community-based programs to provide child abuse and neglect prevention and treatment services (including linkages with education systems) and to address the health needs, including mental health needs, of children identified as abused or neglected, including supporting prompt, comprehensive health and developmental evaluations for children who are the subject of substantiated child maltreatment reports.
14. Policies and procedures (including appropriate referrals to child protective services systems and for other appropriate services) to address the needs of infants born and identified as affected by illegal substance abuse or withdrawal symptoms resulting from prenatal drug exposure, including a requirement that health care providers involved in the delivery or care of such infants notify the child protective services system of the occurrence of such condition in such infants, except that such notification shall not be construed to 1- establish a definition under Federal law of what constitutes child abuse; or 2-require prosecution for any illegal action.
15. The development of a plan of safe care for the infant born and identified as being affected by illegal substance abuse or withdrawal symptoms
16. Procedures for the immediate screening, risk and safety assessment, and prompt investigation of such reports.
17. Triage procedures for the appropriate referral of a child not at risk of imminent harm to a community organization or voluntary preventive service.

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18. Provisions to require a State to disclose confidential information to any Federal, State or local government entity, or any agency of such entity, that has a need for such information in order to carry out its responsibility under law to protect children from abuse and neglect.
19. Provisions and procedures for the appointment of a guardian ad litem who has received training appropriate to the role, to represent an abused or neglected child in a judicial proceeding.
20. Provisions and procedures to require that a representative of the child protective services agency shall, at the initial time of contact with the individual subject to a child abuse and neglect investigation, advise the individual of the complaints or allegations made against the individual, in a manner that is consistent with laws protecting the rights of the reporter.
21. Provisions addressing the training of representatives of the child protective services system regarding the legal duties of the representatives, which may consist of various methods of informing such representatives of such duties, in order to protect the legal rights and safety of children and families from the initial time of contact during investigation through treatment.
22. Provisions and procedures for improving the training, retention and supervision of caseworkers.
23. Provisions and procedures for referral of a child under the age of 3 who is involved in a substantiated case of child abuse or neglect to early intervention services funded under part C of the Individuals with Disabilities Education Act.
24. Not later than June 25, 2005 (two years after the enactment of Public Law 108-36), provisions and procedures for requiring criminal background checks for prospective foster and adoptive parents and other adult relatives and non-relatives residing in the household

Program Procedures

The U.S. Department of Health and Human Services provides an annual award of funds to states that submit a State Plan every five years and that meet the eligibility criteria specified in CAPTA. The State Plan specifies the area(s) of the State CPS system to be improved and indicates how the funds will be used to make

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improvements. The State plan under CAPTA has been consolidated with the comprehensive Child and Family Services Plan (CFSP) under title IV-B of the Social Security Act. This consolidation helps States to plan comprehensively for the full array of child welfare services, from prevention and protection through permanency.

Funds are allocated to States based on a formula related to the total number of children in the State. States have five years from the date of the grant award to obligate and liquidate their Basic State Grant funds.

North Carolina uses its Basic State Grant award to fund several programs through contractual agreements. The Division of Social Services has contracts with the following programs to fulfill its CAPTA State Plan:

Prevent Child Abuse North Carolina: This contract provides for the development and implementation of a comprehensive statewide public education campaign for the prevention of child abuse and neglect and a coordinated statewide and local response.

N.C. Exchange/Exchangette Foundation for the Prevention of Child Abuse: This contract provides for parent aide intervention, parenting classes, crisis lines, and public awareness services through 7 local Exchange Child Abuse Prevention Centers throughout the State.

University of North Carolina at Chapel Hill, School of Medicine, Family Support Network of North Carolina: This contract supports the Family Support Network, Foster Family Project that provides information and emotional support for foster families who are providing care for children who have special medical needs or who are medically fragile, including disabled infants.

University of North Carolina at Chapel Hill, School of Social Work, Jordan Institute for Families: This contract supports excellence in family and child welfare services across the State by assisting the Division and county social services providers in the delivery of systematic, high quality services through training, research and technical assistance activities. Contract services include new curriculum development, provision of training, and technical assistance in support of training to improve the child protection system at the county level across the State. Contracts

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with the Division of Social Services are awarded on an annual basis. Agencies submit the Division's standard contract application package.

I. Community-Based Child Abuse Prevention Services (CBCAP)

1. Purpose

As mentioned above, CAPTA has been amended several times since its original passage in 1974. One of the major amendments was the Keeping Children and Families Safe Act of 2003 (P.L. 108-36). This Act authorized a grant to states known as the Community-Based Child Abuse Prevention Services (CBCAP) Grant.

The purpose of the CBCAP program is:

- to support community-based efforts to develop, operate, expand, enhance, and, where appropriate, to network, initiatives aimed at the prevention of child abuse and neglect,
- to support networks of coordinated resources and activities to better strengthen and support families to reduce the likelihood of child abuse and neglect, and
- to foster an understanding, appreciation, and knowledge of diverse populations in order to be effective in preventing and treating child abuse and neglect

The federal program instructions issued to states in April of 2004 placed a stronger emphasis on particular areas of programs for CBCAP grantees. These changes were continued in the instructions issued in 2005. These include:

- a stronger emphasis on linking CBCAP programs with Child Welfare systems (Child and Family Services Reviews and IV-B planning),
- a stronger emphasis on parent leadership and involvement,
- a focus on evaluating outcomes of funded programs and activities, and
- linkages with other ACF Priorities (Healthy Marriage, Responsible Fatherhood, Positive Youth Development,

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Rural Initiative, and Outreach to Faith and Community-Based Organizations)

2. Target Populations

CBCAP programs have some activities available to the general population such as public awareness and education about preventing child abuse and neglect. In addition, programs also target services to vulnerable families that are at risk of abuse or neglect. These families include:

- Parents (all, new, teens, etc.);
- Parents and/or children with disabilities;
- Racial and ethnic minorities;
- Members of underserved or underrepresented groups;
- Fathers.

3. Appropriations

The appropriation for FY 2004 was \$33.2 million. Federal requirements state that of that allotment, 1% must be set aside for purposes spelled out in legislation.

These are to

- fund Indian tribes and tribal organizations and migrant programs;
- continue funding for the National Resource Center (NRC) for CBCAP; and
- continue funding for program support.

The remainder of the funds are distributed to states and territories under a formula grant. This process allows:

- Seventy percent (70%) of the funds to be allotted proportionately among the states based on the number of children under age 18 residing in each state, except that no state shall receive less than \$175,000, and
- Thirty percent (30%) of the funds to be allotted proportionately among the states based on the amount of private, State or other non-Federal funds leveraged and directed through the currently designated state lead agency in the preceding fiscal year.

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The funding allotments are estimations each year based on the variables present in determining funding amounts. Each state must provide cash match of 20% in non-Federal funding of the total allotment. The match funds may come from state or private funding.

CBCAP Funds are used for:

- (1) Family Resource Centers: Providers often offer parenting classes, parent support groups, employability activities, budgeting classes, home visiting, Resource and Referral, etc.
- (2) Special Initiatives: (Fatherhood, Healthy Marriages and Faith Based). Funds are provided to private agencies to implement these Initiatives.
- (3) Prevent Child Abuse NC to do child abuse prevention activities around public awareness and training opportunities for some of the state's prevention programs.
- (4) A small amount of funds are designated to support Community Child Protection Teams.
- (5) Promoting Safe and Stable Families (PSSF) dollars are provided to local communities for Intensive Family Preservation Services (IFPS), Respite Care, Reunification Services, Non Intensive Family Preservation and Adoption Promotion and Support Services. (We are also using IV-2 funds for this.)

J. LINKS-Chafee Independence Act-(Program Code "K")

The **John Chafee Foster Care Independence Act** replaced the Independent Living Initiative and made substantial changes in the federal efforts that target youth in the foster care system and young adults who have been discharged from foster care. The law has since been amended to include Education Training Vouchers for youth aging out of foster care and youth who are adopted after their sixteenth birthday.

North Carolina has named its Independent Living program **NC LINKS**. LINKS is not an acronym, but instead is a word that captures the purposes of the Chafee Act and the intent of North Carolina: to build a network of relevant services with youth so that they will have ongoing connections with family, friends, mentors, the community, employers, education, financial assistance, skills training, and other resources to facilitate their transition to

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adulthood.

The goal in North Carolina is for **every** youth and young adult who lives or has lived in foster care as a teenager to achieve the following outcomes by age 21. LINKS program staff should be constantly alert to ways in which they can promote accomplishment of these outcomes.

1. All youth leaving the foster care system shall have sufficient economic resources to meet their daily needs.
2. All youth leaving the foster care system shall have a **safe and stable place to live**.
3. All youth leaving the foster care system shall attain **academic or vocational/educational goals** that are in keeping with the youth's abilities and interests.
4. All youth leaving the foster care system shall have a **sense of connectedness** to persons and community.
5. All youth leaving the foster care system shall **avoid illegal/high risk behaviors**.
6. All youth leaving the foster care system shall **postpone parenthood** until financially established and emotionally mature.
7. All youth leaving the foster care system shall have **access to physical and mental health services**.

LINKS liaisons are encouraged to track and review progress toward these outcomes to provide guidance for all program activities. Strategies that are not effective should be revised.

Funding Formula

Each county with eligible youth receives a LINKS program allocation based on a per capita formula that considers both mandated and non-mandated service populations. Counties then determine how their total program allocation best meets the purposes of the youth in their county within federal and state guidelines. Program allocations and supplemental salary funds are accessed through the DSS-1571 budget process.

LINKS funds may be used **in addition to** other Federal, state, and other funds to provide services but may not be used to supplant (replace) other available Federal funds that are designated for the same purposes.

III. State Funding

A. Overview

State funds are authorized by the North Carolina General Assembly for expenditure on specified services. They may be authorized through a budget bill that includes money for many different projects or services, or through legislation specific to a particular service, population or group of services.

In most instances, State funds are used as match along with county funds to ensure continuation of federal funds. The match formula depends on the federal fund as well as the legislature's ability to provide the funding match. In other instances, county funds are used exclusively to provide the match for federal funds (ex. SSBG).

1. State Foster Home Funds

These are State funds that pay for children who need foster care placement, but who are neither IV-E nor TEA eligible. The State funds 50% of the board payment and the child's county Department of Social Services funds the other 50%. Eligibility requirements for State Foster Home Funds may be found in "Foster Care Funding" in Part VI of this manual.

2. HIV Supplemental Board Payments

HIV Supplemental Board Payments are state funds allocated for children with a Centers for Disease Control (CDC) HIV diagnosis. State funds are also used for HIV supplemental adoption assistance payments. The discussion of both these funding sources is in Part VI, "Foster Care Funding" under the "State Foster Home Funds" section of this manual.

Another State funding source is the State Funds Program which is money set aside to pay for children who are neither IV-E nor TEA eligible for foster care board payments who are placed in child caring agencies. Child caring agencies must be members of this fund and there is a formula for their reimbursement for the cost of care of foster children.

There is State funding for other adoption assistance such as vendor payments for physical, psychological and medical treatment that families have access to. These funds are

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provided based on the request by the adoptive parents and the needs of the child. They must be a part of the Adoption Assistance Agreement developed with the adoptive parents for the funds to be accessed.

3. Vendor Payments for Adopted Children

Vendor payments are state funds that are allocated for physical, psychological and/or medical services relating to conditions that existed prior to the adoption and not covered by Medicaid. These funds are provided based on the request by the adoptive parents and the documented needs of the child. The funding of vendor payments must be included in the Adoption Assistance Agreement.

4. Comprehensive Treatment Services Program

NCGS Session Law 2001-424 established the Comprehensive Treatment Services Program that includes the appropriation for At Risk funding for eligible children. Through an agreement with the Division of Mental Health/Developmental Disabilities/Substance Abuse Services, a specific amount of At Risk funding is transferred to the Division of Social Services for room and board costs not covered by other foster care funding.

The objectives of the Comprehensive Treatment Services program are two-fold: 1) To provide state supplement on behalf of eligible children who require foster care services and are in the custody of the State agency administering the program; and 2) To provide the room and board portions of payments in a residential treatment facility.

5. Medical Assistance-Medicaid

Title IV-E eligible children in out of home care are automatically eligible for medical care through Medicaid. As a general rule, in order for non-IV-E eligible children to be eligible for Medicaid, the parents' income and other income available to the child must meet certain federal poverty guidelines. When parents of children who are in foster care have private medical insurance, it must be used before Medicaid is used.

6. State Maternity Home Fund

The State Maternity Home Fund is a funding resource for any North Carolina resident experiencing a problem pregnancy,

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regardless of age or marital status, who is unable to remain in her own home during the prenatal period and whose financial resources have been determined inadequate to meet residential costs in an approved living arrangement. However, the State Maternity Home fund is **not available** for children placed in a licensed maternity home who are in the custody or placement responsibility of a county DSS who are determined to be IV-E eligible. In these cases, IV-E funds are available and will need to be claimed by the county DSS through the Child Placement and Payment System on behalf of the eligible child. In order to claim IV-E funds, the maternity home must have a facility ID number assigned by the Division of Social Services.

IV. County Funds

A. Overview

Most county funds are used either for match for federal and state funds as in the case of IV-E and State Foster Home Funds, or used to fund services that cannot be paid for with federal or state funds. An example of the latter is when a child in the legal custody of a county Department of Social Services is placed in an unlicensed foster home or facility. When that occurs, the county pays the entire cost of care for as long as the child is in that home or facility.

There are also other times when the county Departments of Social Services use funds other than the usual federal or non-federal sources. The SIS Manual lists the following relating to "Non-DSS Reimbursable":

B. Program Code (N)-Non-DSS Reimbursable

Includes activities funded by other Federal or non-Federal sources that are not normally matched by the State Division of Social Services, but are under the direct supervision of the county department of social services. Include service activities which are 1) not allowable under any of the other specific Programs listed; 2) services provided to persons not eligible under any of these programs; or 3) services provided to persons eligible under SSBG funds but that are funded by other sources.

Counties may use county funds or they may have access to local grants or foundation funds that would be used to provide services. Any other local monies that a county may have access to would

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come under the "N" program code.

C. Examples for Reporting N:

- 1) Time spent in providing County General Assistance. However, if a County General Assistance payment is initiated and provided by service staff as integral to the delivery of services, County General Assistance time need not be reported separately.
- 2) Activities in providing services to a person that are funded with a Community Based Alternative grant (or any other special grant).
- 3) The activities of completing and reviewing Form DSS-6847 (these are case management activities associated with the State Abortion Fund and coded as 385) must be coded "N" in the program column of the DSS-4263.
- 4) When reimbursement is expected from Medicaid funds for services reimbursable from the Community Alternative Programs or from Medicaid Personal Care Services.

D. "Other Non-DSS Reimbursable Services".

These codes are available for use in reporting activities in service programs that:

- 1) are funded by Federal or non-Federal funding sources not administered by the Division of Social Services, and
- 2) are under the direct supervision of the county department of social services and are provided directly to clients by service workers of the county department of social services, and
- 3) involve service activities which are not comparable to activities defined under any other service code in **SIS Manual, Appendix B.**

The definitions of "**Other Non-DSS Reimbursable Service**" codes are designated by the county department of social services. County departments of social services may designate one of these service codes for all "Other Non-DSS Reimbursable Services" or may designate one code for each "Other Non-DSS Reimbursable Service". For purposes of the Services Information System, these codes are to be used to record any "Other Non-DSS Reimbursable Service" in a Client's service plan (DSS-5027) and to report time spent by service workers in "**Other Non-DSS Reimbursable Service**" activities. Inasmuch as these codes

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represent "**Other Non-DSS Reimbursable Services**" provided directly by county staff, they are not to be used for reporting non-DSS reimbursable purchased services on the DSS-1571.

In addition to county government funds, agencies may use contributions from community partners, grants from private foundations, etc. to help maintain services to families and individuals.

Part III - Prevention Services Funding

I. Overview

Prevention Services are those services aimed at helping families to remain together, to become self-sufficient, to enhance their parenting skills and to prevent children from being abused or neglected or placed out of the home. Prevention services are designed to help families that request services, or those that are at risk for child maltreatment. The primary funding for prevention services are the Work First program and the Title IV-B program. (The Work First policy manual may be found at [http://info.dhhs.state.nc.us/olm/manuals/dss/.](http://info.dhhs.state.nc.us/olm/manuals/dss/))

Title IV-B funds direct services to families by county Departments of Social Services as well as contracts with public and private agencies that provide prevention services to families. When county Departments of Social Services provide Family Support Services, Family Preservation Services, Intensive Family Preservation Services, Adoption Promotion and Support Services, or Family Reunification Services, virtually all of the child welfare funding sources are available for reimbursement in addition to Title IV-B funds.

Title IV-B, Sub Part 1 monies fund the following activities:

- training paraprofessional staff;
- staff development and training of child welfare social workers and supervisors;
- recruitment of foster and adoptive parents;
- development of a foster child demographic tracking data system.

The purpose of Community Based Programs is to encourage and enable each state to develop and establish, or expand, and to operate a program of Family Preservation services, community-based family support services, time limited family reunification services, and adoption promotion and support services.

A. Family Reunification Services-IV-B-2-(Service Code 120)

Time Limited Family Reunification Services (TLFRS) are intended to provide services to a child who is removed from his/her home and placed in a foster family home or a child care institution. TLFRS also provides services to the parents or primary caregivers of such a child, in order to facilitate the safe and appropriate reunification of the

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family. TLFRS are delivered during the 15-month period that begins on the date that the child is considered to have entered foster care or the custody of a county Department of Social Services.

Ideally, the family will be referred for reunification services earlier rather than later in the eligible period. Agencies have discretion to develop and implement various models of reunification services that are unique and appropriate to their respective communities. The primary goal of the reunification projects is to support the family in correcting the conditions which led to the child's removal, thus enabling the parent(s) to safely parent the child in the home.

Services are similar to Intensive Family Preservation Services (IFPS) and Family Preservation Services (FPS) in that they are available 24 hours a day and take place primarily in the home of the family. The length of time that the services are provided varies according to the proposal submitted by each provider although most limit services to one year. The population of children served includes children in the custody or in the placement authority of the local Departments of Social Services. Additionally, these children will have been alleged or found to be abused, neglected or dependent; emotionally or behaviorally disturbed; undisciplined or delinquent; and/or have medical needs that, with assistance, could be managed in the home.

Families who may be served under the Reunification program are those who have one or more children (ages birth through 17 years) that have been removed from the home and placed in a foster family home or a child care institution. Services are provided to the family in order to facilitate the reunification of the child safely and appropriately within a timely fashion, but only during the 15 month period that begins on the date that the child is considered to have entered foster care.

Allowable Time-Limited Family Reunification Services are:

1. Individual, group, and family counseling;
2. Inpatient, residential, or outpatient substance abuse treatment services;
3. Mental health services;
4. Assistance to address domestic violence;
5. Services designed to provide temporary child care and therapeutic services for families, including crisis nurseries;

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6. Transportation to or from any of the services and activities described in this section.

B. Family Support Services-IV-B-2-(Service Code 122)

The objective of Family Support Services is to provide community-based services that promote the well-being of children and families. They are designed to increase the strength and stability of families; to increase parents confidence and competence in their parenting abilities; to afford children a stable and supportive family environment; and to enhance child development. These services may be requested and provided to any family. In most counties, these services are offered through non-profit agencies through a contract with the Division of Social Services. There are no eligibility requirements for participation in a Family Support program.

Allowable Family Support Services are:

1. Services designed to increase parenting skills;
2. Early developmental screening of children in order to assess need for services;
3. Mentoring;
4. Tutoring;
5. Health Education for youth;
6. A wide range of Family Resource Center based activities (drop-in centers, parent support groups, etc.).

C. Family Preservation Services-IV-B-2-(Service Code 121)

The objective of the Family Preservation Services program is to prevent the unnecessary placement of children away from their families by providing in-home services aimed at restoring families in crisis to an acceptable level of functioning. Services are designed to stabilize the crisis which put children at imminent risk for out-of-home placement, and keep the child, family and community safe by defusing the potential for violence (i. e. physical, sexual, emotional/verbal abuse).

Families who may be served under the Family Preservation program are those with children ages birth through 17 years who are at imminent risk of out of home placement into the social services, mental health/developmental disabilities/substance abuse, or juvenile

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justice systems.

Allowable Family Preservation Services are:

1. Individual, group, and family counseling;
2. Post-Adoptive support services;
3. Case management;
4. Counseling;
5. Day Care;
6. Inpatient, residential, or outpatient substance abuse treatment services;
7. Mental health services;
8. Domestic Violence assistance;
9. Respite care;
10. Services designed to increase parenting skills;
11. Transportation to and from the services and activities;

In addition to the above allowable activities, counties may claim reimbursement for the purchase of any other services, with prior written approval from the Division of Social Services.

Counties may claim reimbursement for travel costs to meetings and other events related to Family Preservation/Family Support.

D. Intensive Family Preservation Services-IV-B-2-(Service Code 123)

The Intensive Family Preservation Services (IFPS) model provides in-home crisis intervention services designed to help families at imminent risk of having a child removed from the home. These services help to maintain children safely in their homes (whenever possible) and prevent unnecessary separation of families. This model is characterized by very small caseloads for workers, short duration of services, 24-hour availability of staff, the provision of services primarily in the child's home or in another environment, and intensive and time-limited services.

IFPS programs funded through the Division of Social Services receive a blend of State and federal IV-B-2 funds. Changes in family functioning that enable children and families to remain together safely include improvements in environmental factors, parental capabilities,

family interactions, family safety and child well-being.

E. Adoption Promotion and Support Services (APSS)-IV-B-2

Adoption Promotion and Support Services (APSS) are intended to encourage the adoption of children who are in the foster care system. APSS first and foremost promote the best interests of children, and include such activities as pre- and post-adoptive services and activities designed to expedite the adoption process and support adoptive families.

Use of Funds

Grants are awarded by the Division of Social Services based on an independent assessment of applications. A team comprised of Department of Health and Human Services staff and outside reviewers (child advocates, parents, etc.) assess the applications. The team scores the applications and submits their recommendations to the Steering Committee on Family Centered Services. Final recommendations are sent to the Director of the Division of Social Services for approval.

When the final recommendations are approved by the Division Director, all applicants (which can include non-profit entities, local Departments of Social Services, Area Mental Health Authorities, and Juvenile Justice agencies) must submit a budget. The approved budget becomes part of a contract between the grantee and the Division of Social Services, which provides the formal grant award notification. The contract narrative will contain a listing of approved services and activities for a particular program. Each program can provide a variety of services, including intensive family and individual counseling, behavior training, parent counseling and training, life skills training, and a variety of client advocacy services.

F. Permanency Planning – Families for Kids Funds – Program Code "P"

Child Welfare Services, through the use of Permanency Planning-Families for Kids Funds, are public social services directed toward the accomplishment of the following broad purposes:

- (1) Protecting and promoting the welfare of all children, including handicapped, homeless, dependent, or neglected children;
- (2) Preventing, remedying, or assisting in the solution of problems which may result in the neglect, abuse, exploitation, or delinquency of children;

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- (3) Preventing the unnecessary separation of children from their families by identifying family problems, assisting families in resolving their problems, and preventing breakup of the family where the prevention of child removal is desirable and possible;
- (4) Restoring to their families children who have been removed, by the provision of services to the child and the families;
- (5) Placing children in suitable adoptive homes, in cases where restoration to the biological family is not possible or appropriate; and
- (6) Assuring adequate care of children away from their homes, in cases where the child cannot be returned home or cannot be placed for adoption.

Allocations for Permanency Planning - Families for Kids Funds, are made to county Departments of Social Services based on **population**. Jackson and Swain Counties receive an additional allocation for services to Native American populations.

In addition to its Permanency Planning allocation, a county Department of Social Services may seek reimbursement from the Division of Child Development, Child Day Care section, for child day care provided to prevent out-of-home placement and to reunify families or achieve another permanent placement for a child.

Eligibility

Policy for permanency planning funds, contained in the Dear County Director letter dated September 17, 1996, *Use of Permanency Planning Funds; Families for Kids Initiative*, replaced the Chapter II, Vol. I, Sec. 1000, III Permanency Planning Allocation manual instructions. The following material replaces that letter and stands as the official policy for Permanency Planning funding.

Permanency Planning-Family for Kids funds can be used to support direct services (provided by agency staff or purchased) and system reform activities aimed at ensuring permanence for children who are:

- (1) at imminent risk of entering DSS custody or placement responsibility;
- (2) in agency custody/placement responsibility for less than 12 months;
- (3) in agency custody/placement responsibility for more than 12 months and for whom the plan is NEITHER long-term foster care

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NOR reunification with birth parents; OR

(4) who have left DSS custody/placement responsibility within the previous 12 months (including post-adoption services).

Examples of reimbursable activities include:

- Intensive Family Preservation Services or other services designed specifically to prevent out-of-home placement;
- Intensive Family Reunification Services during first six months of entry into out-of-home placement;
- foster care and adoption staff time on behalf of children in the identified population;
- Post-Adoption Services and independent Living Services (LINKS)
- supportive services to family members, relatives, caretakers as needed to achieve permanence;
- recruitment and training of foster and adoptive parents;
- travel, training, and supervisory support for identified staff in accordance with the Division's cost allocation plan and Fiscal Manual instructions;
- other backlog reduction and system reform activities that are consistent with the Families for Kids goals.

Examples of non-reimbursable activities include:

- staff time or supportive services on behalf of children who have been in agency custody/placement responsibility for more than 12 months and for whom the plan is either long-term foster care or reunification with birth parents;
- any type of residential care or child care payment.

Allowable Costs

Reimbursable costs include:

- (1) Costs for Intensive Family Preservation Services or other services designed specifically to prevent out-of-home placement;
- (2) Costs for Intensive Family Reunification Services during the first six months of entry into out-of-home placement;
- (3) Costs for foster care and adoption staff time on behalf of children in the identified population;

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- (4) Costs for Post - Adoption Services and Independent Living Services;
- (5) Costs for supportive services to family members, relatives, caretakers, as needed to achieve permanence;
- (6) Recruitment and training of foster and adoptive parents;
- (7) Travel, training and supervisory support costs for identified staff in accordance with the Division's cost allocation plan and Fiscal Manual instructions;
- (8) Legal services designed specifically to achieve permanence for children;
- (9) Expenses incurred for other backlog reduction and system reform activities formally approved in writing by the Division as being consistent with the 5 Families for Kids goals.

Non-Allowable costs include:

- (1) Staff time or supportive services on behalf of children who have been in agency custody or placement responsibility for more than 12 months and for whom the plan is either long-term foster care or reunification with birth parents;
- (2) Any type of residential care or child day care payment;
- (3) Purchase of therapeutic services covered by other funding resources;
- (4) Education services;
- (5) CPS Case Planning and Case Management Services;
- (6) Data Processing services; and,
- (7) Medical services, except cosmetic services not covered by other funding sources;

Funding for reimbursement comes from a combination of Federal (75%)/State (25%) [Regular Permanency Planning] and Federal (75%)/County (25%) funds [Special Permanency Planning]. A county must budget local funds in order to secure the required local matching share when federal/State financial participation is less than one hundred percent to the county Department of Social Services.

Part IV - Child Protective Services

Child protective services are legally mandated, non-voluntary services for families that encompass specialized services for maltreated children (abuse, neglected and/or dependent) and those who are at imminent risk of harm due to the actions of, or lack of protection by, the child's parent or caretaker. Child Protective Services, provided by county Departments of Social Services, are designed to protect children from further harm and to support and improve parental/caretaker abilities in order to assure a safe and nurturing home for each child. Generally, such services provided in the home of these families are preventive, rehabilitative, and nonpunitive with efforts directed toward identifying and treating the causes of the maltreating behavior. This is accomplished through parent/caretaker cooperation and consent or, in the event conditions pose serious issues for the child's safety, through the agency's petition to the court.

All children and their families are eligible for protective services regardless of their income. The provision of services is based solely on the child's immediate or continuing need. By statute, agencies must provide protective services twenty-four hours a day, seven days a week (N.C.G.S. 7B-300).

Child Protective Services are funded by both Federal and State funds. Currently, child protective services are funded by the following funding sources:

I. CPS Intake – Service Code 211 – Program Codes R,0,9,22

A. TEA (Program Codes R and 0)

The CPS report is considered the application for services as long as an agency representative signs the CPS Intake form. For general service caseloads, the information may be communicated via the DSS 5027 since this form acts as the application for services and the client signs the form.

Since the report is considered an emergency situation for the family, and since TEA has no income requirement, service code 211 may be funded by TEA whether or not the report is accepted for investigative/family assessment. If the report is not accepted for investigative/family assessment, or if the CPS report is not substantiated/found in need of services, the family may still be eligible for TEA if the family requests or agrees to the service. Program codes R and 0 have the same eligibility requirements. Please see eligibility requirements for TEA under Investigative/Family Assessments below.

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**B. MOE - Maintenance-of-Effort in CPS In-Home Services–
(Program Code 9)**

CPS Intake (Service Code 211) may be funded by MOE. It is not necessary to establish any of the MOE eligibility requirements for CPS intake.

C. Federal Adoption Incentive Fund (Program Code 22)

North Carolina participates in the federal Adoption Incentive Fund. This Fund provides grants to states that have exceeded their baseline of adoptive placements. The Fund is a combination of IV-B and IV-E monies and is reimbursed at 100%. These funds may be used for several child welfare services in addition to adoption services.

However, North Carolina has not received federal funds and no funds have been available to the county Departments of Social Services as a result. Once the funds become available, county DSS's may use these funds for 211 services on their daysheets.

II. CPS Assessments - Service Code 210 - Program Codes R, 0, 5, 6, 7, 8, 9, & 22

A. TEA (Program Codes R and 0)

The TEA eligibility period begins with the date the child is determined eligible for any TEA service.

Child Protective Services investigative/family assessments (Service Code 210) and CPS Intake (Service Code 211) may be funded through TEA without having to assess whether the family meets eligibility requirements. By definition, all of these children are experiencing one of the emergency situations listed below (one of the three specifically related to child welfare), living with a parent or specified relative and the family does not have the resources to meet the need. **In addition, the federal prohibition from using federal funds for illegal aliens does not apply because the federal guidelines exempt CPS from the prohibition.** In these situations, the CPS Intake report constitutes the application for TEA services, as long as an agency representative signs the CPS Intake form. **The TEA eligibility period begins with the date the child is determined eligible for any TEA service, in this case the date of the CPS intake. TEA Services may only be provided for up to 364 days.** If the agency chooses another funding source to provide 210 or 211

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services, the 364 day clock begins when **TEA** eligibility for additional services is determined and documented.

If TEA is to pay for any other service, it is necessary for the agency to determine whether the family meets all three of the eligibility requirements (described below). For example, if during the investigative or family assessment, it is determined that the family requires Housing and Home Improvement Services to prevent further risk to the child, and the agency wants to use TEA funds, the agency must determine whether the family meets each of the three eligibility requirements listed below. Once a child is determined to be eligible for TEA funding, the 364 day clock begins to run. For general service caseloads, the information may be communicated via the DSS 5027 since this form acts as the application for services and the client signs the form. **Please see section III.A.1 for a discussion of TEA funding of Case planning and case management / in-home services (SIS code 215).**

Families are eligible for TEA allowable services if all eligibility requirements listed below are met. This means that TEA can fund prevention and other allowable general services in addition to those provided to families who are receiving mandated child welfare services.

Verification of TEA Eligibility form

When the agency makes an eligibility determination to fund **services** through TEA, the Verification of TEA Eligibility form must be used. (See Appendix) For foster care maintenance payments, the DSS 5120 must be used. (See Appendix)

Once eligibility has been determined, all anticipated services that the family might need during the 364 day period must be listed on the "Verification of TEA Eligibility" form. The form provides a grouping of services rather than an exhaustive list. It is important that each of these groupings be checked if the social worker believes that any of these services may be needed. For example, during the initial stages of the investigative/family assessment, it does not appear that the child will be removed from the home. However, as the assessment continues, it becomes necessary to remove the child and place the child in foster care. If the social worker has not checked "Out of Home Services" on the Verification form, TEA cannot pay for the foster care maintenance payments.

Program Codes "R" and "0" (zero) have the same eligibility

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requirements. Both of these codes refer to TEA services. They may be used interchangeably as far as eligibility requirements are concerned. However, the North Carolina Legislature has allocated funds for hiring new child welfare staff over the years and, in some cases, has stipulated that TANF funds be used for these social workers. In order for the Division to appropriately track payments for these new positions, Program Code 0 has been set up. Program Code 0 funds should be used before Program Code R funds so that the activities of social workers in positions allocated by the stipulated TANF funds may be tracked.

Eligibility Requirements for TEA

The former AFDC-EA program listed 10 emergency situations under which a family might qualify for AFDC-EA. These are:

- A crisis situation resulting from a catastrophic illness;
- A substantial loss of shelter, food, clothing, or household furnishings due to fire, flood or similar natural or man-made disaster, or a crime of violence;
- Emergency situation over which there was no control and which left the family homeless or in immediate danger of eviction or foreclosure;
- A situation in which Emergency Assistance is necessary to avoid destitution of the needy child or to provide shelter for the child;
- Emergency situation which could lead to destitution, and the destitution or need for a living arrangement did not arise because the child or a specified relative refused, without good cause, to accept employment
- Mass emergencies;
- Loss of a relative who has been responsible for support and/or care of one of his family members;
- Abuse, neglect, or dependency of children;
- Situation in which a child is at risk of removal from the home;
- Situation in which return to the home of a child who is currently separated from his family may create an emergency.

The last three mentioned above relate specifically to child welfare:

- Abuse, neglect, or dependency of children;

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- Situation in which a child is at risk of removal from the home;
- Situation in which return to the home of a child who is currently separated from his family may create an emergency.

(Typically, children who are receiving CPS services will come under the first emergency definition.

Eligibility Requirements for TEA
1. The family must be experiencing one of the above emergency situations
and
2. The child must have lived with a parent or specified relative (as defined in the former AFDC-EA program regulations) within six months preceding the determination of TEA eligibility.
and
3. The family must not have the resources to meet the emergency.

The definition of "**specified relative**" for TEA purposes is as follows:

- **a parent**-biological mother or father, legal or alleged father, or adoptive parent;
- **persons related by blood**, half blood, or adoption-brother, sister, grandparent, great-grandparent, great-great-grandparent, uncle or aunt, great-uncle or aunt, great-great-uncle or aunt, nephew, niece, first cousin, or first cousin once removed. (a first cousin once removed is defined as the child of a first cousin.)
- **step-relative**-step-parent, stepbrother, or stepsister.

A child's TEA eligibility may begin at any time the agency decides the eligibility factors are met.

TEA services may not be provided for longer than 364 days unless a different emergency situation occurs. In such a case, the agency would have closed its case with the family (including closing out the 5027) and the family would come to the attention of the agency through a new CPS report. At that time, a new 364 day period would

begin if all eligibility factors are present at that time.

B. MOE (Maintenance-of-Effort-Program Code 9)

For CPS assessments, the worker must determine the family's financial eligibility before coding Service Code 210 to MOE. The task of asking a possibly resistant family involved in a CPS investigative/family assessment for income information may be problematic. Consequently, there is no requirement that CPS staff ask families for this information **unless there is no other way to determine the financial eligibility**. Documentation of family income through agency records is preferable. When documentation is available, Service Code 210 may be coded to MOE from the date the worker determines that the family meets all 4 eligibility criteria. Eligibility may be documented as a part of the case narrative or the MOE Eligibility form (See Appendix) may be used.

Investigative assessments in residential child care facilities; residential educational facilities; day care homes or facilities; DHHS divisions, institutions or schools; or family foster homes **may not be funded through MOE**.

MOE Eligibility Requirements

Federal TANF policy requires that MOE funds be used only for eligible families that meet the four criteria discussed below:

- 1) The **first criteria** is that the family's income is at or below 200% of the Federal Poverty Level. Federal Poverty Guidelines can be found at <http://aspe.hhs.gov/poverty/index.shtml>. In determining whether a family meets this income standard, social workers may use information from agency records showing that the family receives Work First payments, Medicaid or HealthChoice, or Food Stamps. If agency records are inconclusive, the social worker may obtain this type of information from the family. The income must be documented in the record; however, it is not necessary to obtain written verification of the income amount. When a child is living in the home of a specified relative other than his parent(s), the relative's income is not considered in determining the child's eligibility. A parent's income from S.S.I. is also not counted. In that instance, the child is considered a family of one **if the only parent in the home is receiving SSI**.
- 2) The **second eligibility criteria** is that the child must be living with

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a specified relative. The definition of specified relative differs slightly from the definition stated in TEA (see italics below). The following relationships are considered specified relatives for the purposes of MOE: ***a blood or half blood relative or adoptive relative limited to: brother, sister, grandparent, great-grandparent, great-great-grandparent, uncle or aunt, great-uncle or aunt, great-great-uncle or aunt, nephew, niece, first cousin, stepbrother, stepsister; and spouses of anyone listed above even after the marriage has been terminated by death or divorce.***

- 3) The **third eligibility requirement** is that the service to be funded by MOE must meet the following TANF Purpose:

To provide assistance to income-eligible families so that children may be cared for in their own homes or in the homes of relatives.

Please note that workers must document how provision of the MOE funded service meets this TANF purpose. Such documentation may be included in the case record narrative or on the "Eligibility for MOE" form.

- 4) The **fourth eligibility requirement** concerns the citizenship status of the child. Certain non-citizens may be eligible for MOE-funded services. Families who receive Work First payments, Medicaid or HealthChoice, or Food Stamps meet the citizenship requirement for MOE. If agency records are inconclusive and the CPS worker has questions about the child's citizenship status, it is recommended that Work First staff be consulted to clarify the child's status.

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MOE Requirements (Program Code 9)
1. Family's income must be at or below 200% of FPL; and
2. Child must be living with a specified relative; and
3. Service must meet TANF Purpose related to child welfare; and
4. Child must be US citizen or qualified alien.

The eligibility period begins at the time that the family is determined eligible. There is no provision for retroactive eligibility determination. Eligibility re-determinations must be conducted annually to ensure that the family remains eligible.

Workers should document the family's receipt of public assistance when that is applicable.

C. IV-E Waiver in CPS (Service Codes 5, 6, 7, 8)

Service Codes 5, 6, 7, and 8 pertain to the IV-E Waiver. This Waiver is granted by the federal Agency for Children, Youth and Families (ACYF). The Waiver allows non-IV-E eligible as well as IV-E eligible children to obtain services whether or not those services are usually allowed by IV-E. For example, IV-E does not pay for investigative/family assessments as these are considered services and IV-E does not pay for services. For those counties that participate in the IV-E Waiver, IV-E funds can pay for such services. The Waiver is an option that county Departments of Social Services can take if they abide by the guidelines of the Waiver and are one of the approved Waiver counties.

North Carolina's demonstration project has five primary outcome goals:

- Reduce the rate of initial entry into foster care
- Reduce the length of stay in foster care
- Reduce the rate of recidivism
- Reduce the number of placements of children in foster care
- Reduce the rate of maltreatment of children in foster care

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The Waiver provides broad flexibility in the use of otherwise very restrictive IV-E foster care maintenance and administrative dollars. Participating counties can move federal IV-E foster care dollars up front to deliver preventive services or activities designed to prevent kids from coming into care. Counties can also use IV-E funds on services or activities designed to move children out of foster care sooner, or to prevent kids from coming back into care.

In addition, the Waiver allows the 38 demonstration counties to use IV-E foster care funds to provide payments (equal to foster care board rates) to non-licensed individuals for children in DSS custody. These kinship like arrangements are contingent on the providers assuming legal guardianship of the child. This provides another means for the participating agencies to secure a permanent home for children who otherwise would be hard to place. Assisted guardianship is for kids in agency custody longer than 12 months (backlog) and for whom reunification and adoption have been ruled out as a permanency option by the courts.

Program codes 5, 6, 7 and 8 have been established to facilitate the 38 demonstration counties to claim reimbursement for Waiver-related activities. The flexibility offered under the Waiver is intended to allow counties to identify specific activities or services to be used on an identified child to help prevent that child from coming into care, or to help that child exit care to permanence sooner.

Program codes 5 and 6 are to be used when the county has chosen to spend their "Reinvestment Savings" for a specific activity or service for a specific child. If the county has completed the eligibility determination process and the child is IV-E eligible, the county would use code 5. If the child has been determined not to be IV-E eligible, the county would use code 6. Both codes draw down the same reimbursement rate. The different codes help track how the waiver is being used to help non-IV-E eligible kids in addition to IV-E eligible kids.

Program codes 7 and 8 are codes to be used when a county has identified a specific activity or services for a specific child and has determined they want to use funds other than their Reinvestment funds to pay for the activity or service. Code 7 is to be used when the county has done the eligibility determination and the child has been determined to be IV-E eligible, and code 8 if the child has been determined to be not IV-E eligible. Since waiver funds can be used to keep kids out of custody, in which case most counties would not have

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done the eligibility determination, counties can use code 8. Both codes draw down the same reimbursement rate.

The Waiver is intended to be child specific and activity or service specific. None of the 38 demonstration counties has been authorized to use waiver funds for every child in their caseloads. Nor are counties authorized for every worker to charge daily time to the Waiver. IV-E Waiver funds may not be used for CPS Intake or adoption assistance payments.

The focus is for counties to provide specific services and/or activities to specific children so that they do not need to enter care.

The three categories of regulations that are waived are: **expanded eligibility, expanded services** and assisted **guardianship**.

D. Federal Adoption Incentive Fund (Program Code 22)

North Carolina participates in the federal Adoption Incentive Fund. This Fund provides grants to states that have exceeded their baseline of adoptive placements. The Fund is a combination of IV-B and IV-E monies and is reimbursed at 100%. **Currently, North Carolina has not received federal funds and no funds have been available to the county Departments of Social Services as a result. Once the funds become available, county DSS's may use these funds for 210 services on their daysheets.**

E. Title XIX-Medicaid-At-Risk Case Management Services (Service Code 395; Program Code 2)

The Division of Medical Assistance At-Risk Case Management Services policy may be accessed at the following website:

<http://www.dhhs.state.nc.us/dma/bh/12A.pdf>

While Medicaid At-Risk Case Management Services cannot be used to fund the activities contained in the provision of CPS Investigative/Family Assessments, it is available for use as a means of providing other services during the assessments.

Use of At-Risk Case Management Services (ARCMS) is only available for those children who are eligible for Medicaid services (specifically, eligible for a "blue" Medicaid card). ARCMS may be used **alongside** the provision of CPS Investigative/Family Assessments and In-Home Services, but it cannot be used in place of these. CPS Assessments (210) are a defined set of activities that involve working directly with the family and child when abuse, neglect and/or

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dependency is being evaluated or has been substantiated/family found in need of services. ARCMS is also a defined set of activities focused around the DSS social worker coordinating the provision of services by others.

NOTE: ARCMS cannot **be used** for children in the legal custody or placement responsibility of a county Department of Social Services.

1. Eligibility for At-Risk Case Management Services in CPS

- a. An at-risk child is an individual under 18 years of age, who is not institutionalized, and who meets one or more of the following criteria:
 - a child with a chronic or severe physical or mental condition whose parent(s) or caretaker(s) are unable or unwilling to meet the child's care needs and who is not receiving targeted case management for the mentally retarded/developmentally disabled; **or**
 - a child whose parents are mentally or physically impaired to the extent that there is a need for assistance with maintaining family stability and preventing or remedying problems which may result in abuse or neglect of the child; **or**
 - a child born of adolescent parents (under age 18) or of parents who had their first child when either parent was an adolescent and there is a need for assistance with maintaining family stability, strengthening individual support systems, and preventing or remedying problems which may result in abuse or neglect of the child; **or**
 - a child who was previously abused, neglected or exploited and the conditions leading to the previous incident continue to exist; **or**
 - a child where abuse, neglect or exploitation has been confirmed and the need for child protective services exists.

b. Documentation

The Division of Medical Assistance now requires that social workers who provide ARCMS enter their names and credentials for each entry pertaining to ARCMS activities they perform. "Credentials", in this case, means the state personnel title such as "SWII or SWIII"; not an educational

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degree. Medicaid also requires that the name and birthdate of each child be documented on each page of the ARCMS Service Plan/Family Services Agreement.

In documenting the activities and goals in the ARCMS Service Plan, the Family Services Agreement (FSA) may be used. However, since ARCMS is a voluntary service, the activities and goals listed should only pertain to child well being issues; not CPS issues. It is suggested that a separate section of the FSA clearly spell out that the needs, activities and goals are not part of the FSA activities and address only child well being issues. It cannot be stressed enough that **no** adverse consequences should occur to a family because the family decides not to pursue the activities or goals in the ARCMS portion of the FSA. The family has total control over whether or not they will accept ARCMS.

Documentation of ARCMS must also clearly relate the service to the needs of the child by spelling out the needs, detailing how the service will address those needs and how the child meets the ARCMS children's eligibility category/categories.

ARCMS may be billed in 15 minute intervals with each 15 minute period equaling one (1) unit. If the activity takes less than 15 minutes, the activity cannot be billed to ARCMS. County Departments of Social Services may bill for a total of 96 units per day. ARCMS may not be billed for transportation with a client unless the transportation includes a meaningful discussion of the Service Plan items. Transporting a client cannot be billed to ARCMS. Likewise, the time it takes to document the activity cannot be billed to ARCMS. If the documentation is a part of the discussion with the client, the time may be billed. The act of documenting a contact back at the office cannot be billed to ARCMS.

F. Federal Adoption Incentive Fund (Program Code 22)

North Carolina participates in the federal Adoption Incentive Fund. This Fund provides grants to states that have exceeded their baseline of adoptive placements. The Fund is a combination of IV-B and IV-E monies and is reimbursed at 100%. North Carolina has not received any funds for this program even though the state continues to place children for adoption at high rates. As soon as the program is refunded by the federal agency, counties may again use Code 22. At this writing, however, counties may not use this code.

III. CPS In-Home Services (Service Code 215, Program Code Z)

In most instances, In-Home Services are paid for through the Title IV-E program (Service Code 215, Program Code Z). The rationale for this is that each of these children would have to enter the agency's custody unless appropriate services are provided to the family. As such, each child is considered to be at imminent risk of removal from the home and placement in foster care "absent effective preventive services". The child remains a candidate for foster care placement when the Risk Assessment indicates Moderate, High or Intensive. Whenever "candidacy" exists, Program Code Z should be used.

There are times when the agency elects to keep a case open for In-Home Services when the Risk Assessment rating is Low. When that occurs, the child can no longer be considered a "candidate" for foster care because, by definition, he is not at imminent risk of removal. IV-E cannot be used to pay for these services when the Risk Assessment documents a Low risk rating. Other funding sources must be used when that occurs. "Candidacy" must be redetermined every six months.

A. Other Program Codes for CPS In-Home Services - R, 0, 9, X, N,

1. TEA (Program Codes R, 0) in CPS In-Home Services

TEA may be used when "candidacy" cannot be justified when the Risk Reassessment rating is Low. The social worker needs to determine eligibility for TEA if the agency decides to use this funding source for 215. The emergency situation continues to be abuse, neglect or dependency during provision of 215 services. If a new, valid CPS report is accepted after 215 services are closed and is substantiated, and CPS In-Home Services are provided, a new 364 day period begins with the date the child is determined eligible for any TEA service.

Funding sources that may be available for 215 services when the Risk Rating is Low are listed below (**Note: IV-E is listed in the chart because IV-E should always be used when "candidacy" can be justified.**)

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CPS Service Code 215-In-Home Services	
<i>Program Code</i>	<i>Name of Funding Source</i>
Z	IV-E (use when "candidacy" can be justified)
R	TEA -(TANF)
0	TANF CPS&FC/Adopt
9	MOE (Maintenance of Effort)
X	SSBG -(Social Services Block Grant)
N	Non-DSS Reimbursable (all county funds)
395/2	(ARCMS) At Risk Case Management Services

Once the investigative or family assessment moves into provision of In-Home Services, a formal application for TEA must be made by the family. The Family Services Agreement serves as the formal application for services post substantiation or a finding of In Need of Services.

Except in cases of alleged child abuse or neglect, the State will require that the child's parent or other responsible adult sign an application for services. In cases of alleged child abuse or neglect, the record of a report of suspected abuse or neglect may be considered the application for emergency services, if it is signed by a State agency or county official denoting that the agency is applying for EA on behalf of the child. If the suspected abuse or neglect is substantiated and emergency assistance services are provided..., the record of report (application) must be supplemented with all of the information necessary to make an

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eligibility determination. When an abused or neglected child is determined eligible for TANF-funded services..., the State agency will notify the child's parent(s) or responsible adult(s) that services have been authorized using TANF or other public funds. (Excerpt from the *Settlement Agreement between NC Department of Health and Human Services and US Department of Health and Human Services*)

Note: "Neglect" would also encompass dependency

The In-Home Services Agreement contains a statement at the bottom of each page stating that, unless otherwise indicated, all services provided to the family are paid for by public funds, including TANF funds. This meets the requirement for informing the parent or caretaker that TANF funds may be used.

Because the In-Home Services Agreement is to be completed within 30 days of the case decision, all services that may be needed during the provision of In-Home Services must be listed during that same 30 day period. However, if completion of the In-Home Services Agreement is delayed beyond 30 days, documentation of the anticipated services must be documented on the Verification of TEA Eligibility form. (See Appendix)

2. **MOE (Maintenance of Effort) in CPS In-Home Services (Program Code 9)**

As with the discussion of TEA in In-Home Services, MOE may be used in those cases where the Risk Assessment rating is low, when "candidacy" for foster care cannot be justified. The family must meet all of the eligibility requirements for MOE before coding 215 to MOE. Whenever the child meets the standard of "candidacy", IV-E **must** be used for 215.

MOE Eligibility Requirements

Federal TANF policy requires that MOE funds be used only for eligible families that meet four criteria discussed below:

- a) The **first criteria** is that the family's income is at or below 200% of the Federal Poverty Level. Federal Poverty Guidelines can be found at <http://aspe.hhs.gov/poverty/index.shtml>. In determining whether a family meets this income standard, social workers may use information from agency records showing that the family receives Work First payments, Medicaid or

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HealthChoice, or Food Stamps. If agency records are inconclusive, the social worker may obtain this type of information from the family. The income must be documented in the record; however, it is not necessary to obtain written verification of the income amount. When a child is living in the home of a specified relative other than his parent(s), the relative's income is not considered in determining the child's eligibility. A parent's income from S.S.I. is also not counted. In that instance, the child is considered a family of one **if the only parent in the home is receiving SSI.**

- b) The **second eligibility criteria** is that the child must be living with a specified relative. The definition of specified relative differs slightly from the definition stated in TEA (see italics below). The following relationships are considered specified relatives for the purposes of MOE: ***a blood or half blood relative or adoptive relative limited to: brother, sister, grandparent, great-grandparent, great-great-grandparent, uncle or aunt, great-uncle or aunt, great-great-uncle or aunt, nephew, niece, first cousin, stepbrother, stepsister; and spouses of anyone listed above even after the marriage has been terminated by death or divorce.***

- c) The **third eligibility requirement** is that the service to be funded by MOE must meet the following TANF Purpose:

To provide assistance to income-eligible families so that children may be cared for in their own homes or in the homes of relatives.

Please note that workers must document how provision of the MOE funded service meets this TANF purpose. Such documentation may be included in the case record narrative or on the "Eligibility for MOE" form.

- d) The **fourth eligibility requirement** concerns the citizenship status of the child. Certain non-citizens may be eligible for MOE-funded services. Families who receive Work First payments, Medicaid or HealthChoice, or Food Stamps meet the citizenship requirement for MOE. If agency records are inconclusive and the CPS worker has questions about the child's citizenship status, it is recommended that Work First staff be consulted to clarify the child's status.

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MOE Requirements (Program Code 9)
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- | |
|--|
| 1. Family's income must be at or below 200% of FPL; and |
| 2. Child must be living with a specified relative; and |
| 3. Service must meet TANF Purpose related to child welfare; and |
| 4. Child must be US citizen or qualified alien. |

The eligibility period begins at the time that the family is determined eligible. There is no provision for retroactive eligibility determination.

Workers should document the family's receipt of public assistance when that is applicable.

Eligibility re-determinations must be conducted annually to ensure that the family remains eligible.

3. Title XX – Social Services Block Grant in CPS In-Home Services (SSBG-Program Code X)

The Social Services Block Grant under Title XX of the Social Security Act provides money for many services including child welfare. While SSBG no longer provides funding for CPS investigative/family assessments, it does provide funding for CPS In-Home Services **only** when the risk reassessment is low and "candidacy" for the child cannot be justified.

SSBG has the broadest eligibility requirements allowing almost all individuals and families to qualify for the funding.

The purpose of SSBG is to provide assistance to States to enable them to furnish services directed at one or more of five broad goals:

- Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;
- Achieving or maintaining self-sufficiency, including reduction or prevention of dependency;
- Preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or

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preserving, rehabilitating or reuniting families;

- Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; and
- Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.

For child welfare services, SSBG funded services are provided without regard to income. The eligibility requirements are as follows:

Eligibility

- The individual is in need of the service and is in the service-specific target population;
- The service is available in the geographic area in which he lives.

Obviously, families receiving In-Home Services are in need of the service and belong to a mandated service-specific target population. All geographic areas of the state provide CPS In-Home Services. For non-child welfare services funded by SSBG, consumer contributions are requested but are not mandatory for the client to pay.

Some restrictions are placed on the use of SSBG funds. Funds cannot be used for the following:

- most medical care except family planning;
- rehabilitation and certain detoxification services;
- purchase of land, construction, or major capital improvements;
- most room and board except emergency short-term services;
- educational services generally provided by public schools;
- most social services provided in and by employees of hospitals, nursing homes, and prisons;
- cash payments for subsistence;
- child day care services that do not meet State and local standards; and

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- wages to individuals as a social service except wages of welfare recipients employed in child day care.

As mentioned above, SSBG funds are used for a variety of services other than child welfare. Therefore, agencies have to determine when and for how long SSBG monies will be used for child welfare services. Since the program is used to fund many Adult Services, agencies generally use the majority of these funds for that purpose.

4. Title XIX-Medicaid-At-Risk Case Management Services with In-Home Services (Service Code 395; Program Code 2)

At Risk Case Management Services (395/2) may be a resource for In-Home Services when the Risk Reassessment is low or moderate and "candidacy" cannot be justified. It is also important to note that ARCMS is a voluntary service and **no** adverse consequences can occur to the family if they decide not to engage in the service. In such a case, IV-E could not be used as a funding source because, by definition, the child cannot be considered a candidate for foster care because she/he is not at imminent risk of removal because no safety issues exist. In most instances, a low Risk Reassessment rating means that the case would be closed, but in those rare instances where the agency wants to keep the case open for further services and the client agrees to the service, At-Risk Case Management Services may be a resource.

We are reiterating this policy by stating, **ARCMS may be a resource in In-Home Services when the Risk Reassessment rating is low or moderate and the client agrees to the service.** There may be times when the Risk Reassessment rating is moderate, but the agency cannot justify that the child is a candidate for foster care. An **example** would be in cases where the agency has returned a delinquent child to his home and the court has directed the agency to remain involved for a period of time. While the Risk Reassessment rating may be moderate on technical grounds, when the agency can document the child's safety, ARCMS may be used. These cases will be rare. All Medicaid eligibility factors must be present and documented, including the need for the service.

At-Risk Case Management Services may be a resource when there is a finding of "Services Recommended". In such a case, again, the child is not at imminent risk of removal from the home

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because there are no safety issues present.

Service Code 215 and 395/2 may be open at the same time. The family does need to sign the DSS 5027 in order to receive ARCMS. In addition, ARCMS is a voluntary **service**. It should be remembered that ARCMS, as a voluntary service, should never be tied to completion of the Family Services Agreement items. Consequently, ARCMS should be used for child well being issues.

Finally, **Medicaid is the payer of last resort**. This means that if other sources of funding are available for a service, that funding source must be used first. In addition, if the **family** has insurance, the insurance must be assessed for possible payment. This has been long standing Medicaid policy and has also been a part of the ARCMS policy material.

This policy may **be** accessed at the following website:

<http://www.dhhs.state.nc.us/dma/bh/12A.pdf>

a. Eligibility for At-Risk Case Management Services

- An at-risk child is an individual under 18 years of age, who is not institutionalized, and who meets one or more of the following criteria:
- a child with a chronic or severe physical or mental condition whose parent(s) or caretaker(s) are unable or unwilling to meet the child s care needs and who is not receiving targeted case management for the mentally retarded/developmentally disabled; **or**
- a child whose parents are mentally or physically impaired to the extent that there is a need for assistance with maintaining family stability and preventing or remedying problems which may result in abuse or neglect of the child; **or**
- a child born of adolescent parents (under age 18) or of parents who had their first child when either parent was an adolescent and there is a need for assistance with maintaining family stability, strengthening individual support systems, and preventing or remedying problems which may result in abuse or neglect of the child; **or**
- a child who was previously abused, neglected or exploited and the conditions leading to the previous incident

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continue to exist; **or**

- a child where abuse, neglect or exploitation has been confirmed and the need for child protective services exists.

b. Documentation

The Division of Medical Assistance now requires that social workers who provide ARCMS enter their names and credentials for each entry pertaining to ARCMS activities they perform. Credentials, in this case, means the state personnel title such as "SWII or SWIII"; not their educational degree.

In documenting the activities and goals in the ARCMS Service Plan, the Family Services Agreement (FSA) may be used. However, since ARCMS is a voluntary service, the activities and goals listed should only pertain to child well being issues; not CPS issues. It is suggested that a separate section of the FSA clearly spell out that the needs, activities and goals are not part of the FSA activities and address only child well being issues. It cannot be stressed enough that **no** adverse consequences should occur to a family because the family decides not to pursue the activities or goals in the ARCMS portion of the FSA. The family has total control over whether or not they will accept ARCMS.

Documentation of ARCMS must also clearly relate the service to the needs of the child by spelling out the needs, detailing how the service will address those needs and how the child meets the ARCMS children's eligibility category/categories.

ARCMS may be billed in 15 minute intervals with each 15 minute period equaling one (1) unit. If the activity takes less than 15 minutes, the activity cannot be billed to ARCMS. County Departments of Social Services may bill for a total of 96 units per day. ARCMS may not be billed for transportation with a client unless the transportation includes a meaningful discussion of the Service Plan items. Transporting a client cannot be billed to ARCMS. Likewise, the time it takes to document the activity cannot be billed to ARCMS. If the documentation is a part of the discussion with the client, the time may be billed. The act of documenting a contact back at the office cannot be billed to ARCMS.

5. SSBG (Social Services Block Grant) and CPS In-Home Services (Program Code X)

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The Social Services Block Grant under Title XX of the Social Security Act provides money for many services including child welfare. While SSBG no longer provides funding for CPS investigative/family assessments, it does provide funding for CPS In-Home Services **only** when the risk reassessment is low and "candidacy" for the child cannot be justified.

SSBG has the broadest eligibility requirements allowing almost all individuals and families to qualify for the funding.

The purpose of SSBG is to provide assistance to States to enable them to furnish services directed at one or more of five broad goals:

- Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;
- Achieving or maintaining self-sufficiency, including reduction or prevention of dependency;
- Preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating or reuniting families;
- Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; and
- Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.

For child welfare services, SSBG funded services are provided without regard to income. The eligibility requirements are as follows:

Eligibility

- The individual is in need of the service and is in the service-specific target population;
- The service is available in the geographic area in which he lives.

Obviously, families receiving In-Home Services are in need of the service and belong to a mandated service-specific target population. All geographic areas of the state provide CPS In-Home Services. For non-child welfare services funded by SSBG,

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consumer contributions are requested but are not mandatory for the client to pay.

Some restrictions are placed on the use of SSBG funds. Funds cannot be used for the following:

- most medical care except family planning;
- rehabilitation and certain detoxification services;
- purchase of land, construction, or major capital improvements;
- most room and board except emergency short-term services;
- educational services generally provided by public schools;
- most social services provided in and by employees of hospitals, nursing homes, and prisons;
- cash payments for subsistence;
- child day care services that do not meet State and local standards; and
- wages to individuals as a social service except wages of welfare recipients employed in child day care.

As mentioned above, SSBG funds are used for a variety of services other than child welfare. Therefore, agencies have to determine when and for how long SSBG monies will be used for child welfare services. Since the program is used to fund many Adult Services, agencies generally use the majority of these funds for that purpose.

6. Non-DSS Reimbursable in In-Home Services (Program Code N)

Program Code N refers to funding that county Departments of Social Services use when neither federal nor state funding is available or appropriate. In some cases, Program Code N money is all county funds, but in other cases, funds may be provided by church groups or community groups. An example of when these funds might be used is when the agency needs to provide a particular service to a person who is not a US citizen or a qualified alien. Federal funds cannot be used for these persons. Because county Departments of Social Services do not have many discretionary funds, "N" funds are usually limited.

Part V - Foster Care Funding

I. Overview

Foster care services are provided in compliance with the statutory requirements of federal and state law. Federal and state law is intended to provide protections for children in foster care, who need safety and permanence, and for their families to ensure that their legal rights are maintained.

North Carolina law and policy reflect, and in some cases exceed, the federal requirements of P.L. 96-272 and its later amendments. Compliance with each requirement must be accurately and thoroughly documented in the case record as specified. Funding for foster care services is a combination of federal, state and county money. Foster care services encompass foster care administrative activities, foster care maintenance payments and training for foster care social workers and prospective foster and adoptive parents.

Standard Board Rate (SBR)

The General Assembly sets the standard for reimbursement for foster care maintenance payments. The standard is a graduated rate based upon the age of the child. The General Assembly raises the amount of these rates periodically. As of the writing of this manual, the Standard Foster Care Board Rates are:

Children 0-5	\$390
Children 6-12	\$440
Children 13+	\$490

While the General Assembly sets the amount of the foster care payments, funding for payments comes from a combination of federal, state and county money. \$15 per month per child is considered a personal needs allowance.

The county receives reimbursement for the board rate based upon the child's eligibility for IV-E, TEA or State Foster Home Funds. Federal financial participation (FFP) in Title IV-E Foster Care coincides with the state's approved Federal Medical Assistance Payment (FMAP) rate. For reimbursement of costs up to the Standard Board Rate, there is both federal and state reimbursement provided to the counties for each eligible

child. For the non-federal portion, the state reimburses half of the remaining amount and the county assumes the other half of the remaining amount. The FFP is recalculated and changed each October. To access the most current FFP amount, use the following website address: <http://www.dhhs.state.nc.us/control/socserv/reccorr.htm>. Once on the website, scroll down to "IV-E Penetration Rate".

The FFP is projected to decrease in the next few years. It is important for counties to know this percentage and to check for the current FFP rate. Counties receive monthly Preliminary and Final Payment Reports (PQA-020) which indicate, by child, the amount of state and federal funds that are reimbursed.

IV-D Child Support Enforcement Referrals

The county Director of Social Services must refer recipients of any foster care assistance payment program to the Child Support Enforcement program in **all cases unless**:

1. The establishment of paternity or the securing of support is reasonably anticipated to result in:
 - physical harm to the child; or
 - emotional harm to the child; or
 - physical harm to the foster parent or other caretaker with whom the child is living; or
 - emotional harm to the foster parent or other caretaker with whom the child is living.
2. The child for whom support is sought was conceived as a result of forcible rape or incest.
3. Legal proceedings for the adoption of the child are pending before a court of competent jurisdiction.
4. The parent(s) is currently being assisted by a public or licensed private child-placing agency to resolve the issue of whether to keep the child or relinquish him or her for adoption, and the discussion has gone on for less than three months.
5. The rights of both parents have been terminated by a relinquishment or court proceeding and the child may be legally placed for adoption by the county Department of Social Services or a licensed private

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child-placing agency.

If child support is paid through IV-D and does not go to the county DSS, then this amount is not applied to the board payment, but is proportionally assigned to the state and the county in accordance with General Statutes and the rules of the Social Services Commission.

Except in those cases specified above, referral to the IV-D agency shall be completed for all foster care assistance cases in which deprivation is caused by the absence of a parent, regardless of whether or not paternity has been established. There should be regular assessment of parent income to determine the amount of support to be deemed to a child in care.

In summary, county staff responsibilities require that each agency have a system for:

- determining and redetermining eligibility;
- completing the proper documents for claiming reimbursement and reviewing the reimbursement report to determine the correctness of the reimbursement;
- maintaining both eligibility and service records;
- assuring that the child is in a licensed facility;
- determining the appropriateness of a IV-D referral and making the referral when appropriate.

II. Funding for Foster Care Maintenance Payments

A. Title IV-A (TANF)

1. TEA Eligibility Requirements – (Program Code R and 0)

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 allowed some TANF funds to be used for services that had been approved under the state's former AFDC-EA program. In order to distinguish between TANF funds used primarily for Work First benefits, and TANF funds used for child welfare services, the term TEA

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is used for child welfare.

In order for a child to be eligible for TEA foster care services and maintenance payments, the child:

(a) must be experiencing an emergency,

The following three emergency situations apply:

- Abuse, neglect, or dependency of children;
- Situation in which a child is at risk of removal from the home;
- Situation in which return to the home of a child who is currently separated from his family may create an emergency.

The first definition may encompass children who are not part of the child welfare system or who enter the agency's legal custody during a CPS investigative/family assessment or while receiving CPS In-Home Services. The second definition encompasses those children who enter the agency's legal custody through a delinquency or undisciplined petition. The third definition is discussed in more detail below, **and**

(b) must have lived with a parent or specified relative within six months of the eligibility determination,

The child must have lived with a parent or specified relative within six months preceding the determination of TEA eligibility. A **specified relative** is:

- **Parent**-biological mother or father, legal or alleged father, or adoptive parent.
 - **Persons related by blood**, half blood, or adoption:
brother, sister, grandparent, great-grandparent, great-great-grandparent, uncle or aunt, great-uncle or-aunt, great-great-uncle or-aunt, nephew, niece, first cousin, or first cousin once removed. (A first cousin once removed is defined as the child of a first cousin.)
 - **Step-relative**-stepparent, stepbrother, or stepsister
- and**

(c) must not have the resources to meet the emergency.

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The family must not have the resources to meet the emergency.

For foster care maintenance payment eligibility, the child must be non-IV-E eligible. Note: While TEA foster care maintenance payments may not be made for a IV-E eligible child, there are times when a child may be both IV-E and TEA eligible for administrative costs.

For example, a child has been determined IV-E eligible at the time of his entry into foster care. Five months into the placement, the agency needs to provide psychological evaluations to the parents as a means of assessing the advisability of returning the child to the home. Because IV-E cannot reimburse for such services, the agency may assess the child for TEA eligibility. Because the child has lived with his parents within six months of the TEA eligibility determination, and because return of the child to the parents might create an emergency situation in the home, the child is eligible for TEA. The former AFDC-EA program allowed reimbursement for psychological evaluations of parents. Therefore, the child can receive IV-E foster care maintenance payments while the child and family can receive psychological services through TEA.

2. Other eligibility requirements

While eligibility for IV-E foster care assistance must be established at the time of the child's entry into foster care, eligibility for TEA foster care assistance may be established at the time the child enters foster care, or before, or up to six months after the child enters care.

No matter when TEA eligibility begins, the services to the child may not be authorized for more than 364 days. If the determination of TEA eligibility is made before the child is removed from the home, TEA foster care payments may be reimbursed for the time remaining in the 364 day eligibility period. (Please note that TEA does not allow reimbursement for partial months' maintenance payments.)

Within 30 days of determination of TEA eligibility, all services **anticipated** or known to be needed should be documented on the suggested form developed by the Division. (Please see

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copy of "TEA Verification Form" in Appendix).

In order for TEA foster care maintenance payments to be reimbursed, the DSS 5120 and DSS 5120A (if there is a change in the family) must be accurately and thoroughly completed.

The county DSS is required to have custody or placement responsibility in order to be reimbursed through TEA for foster care services. **VPA placements are generally not reimbursed through TEA unless there is very clear documentation of the emergency situation.** However, when an emergency situation can be clearly documented, all other requirements for a Voluntary Placement Agreement must be met including the requirement that funding availability cannot continue if the court has not reviewed and sanctioned the placement within 90 days. These restrictions should not be construed to imply that a VPA should continue for this length of time. Rather, the length of time for a VPA should be tailored to the needs of the child and family.

Judicial Determination Requirements-are identical to those outlined for IV-E with one exception. Whereas a child can never be IV-E eligible when best interest language is not included in the initial court order, subsequent orders that include the language will render the child eligible for TEA funding as long as all other judicial and TEA eligibility requirements are met. Until that language appears in an order, the child is not eligible for TEA and the **entire cost of care is the responsibility of the county. (Reminder: State Foster Home Funds also require the presence of "best interest" language and are not available to fund a foster care placement until that language appears in the court order.)**

Case Plans-In addition, for any child to receive a TEA foster care payment there must be a current, written Family Services Agreement with all applicable components completed at the appropriate intervals.

The Family Services Agreement serves as the formal application for services post CPS Substantiation or a finding of In Need of Services. Federal requirements specify that families must be informed that services provided to them during the

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provision of CPS In-Home Services or Foster Care Services will be paid for through public funds which include TANF funds.

The In-Home Services Agreement contains a statement at the bottom of each page indicating that, unless otherwise indicated, all services provided to the family are paid for by public funds, including TANF funds.

Because the In-Home Services Agreement is to be completed within 30 days of the case decision, all services that may be needed during the provision of In-Home Services must be listed during that same 30 day period. However, if completion of the In-Home Services Agreement is delayed beyond 30 days, documentation of the anticipated services must be documented on the Verification of TEA Eligibility form. (See Appendix)

Foster care maintenance payments for IV-E eligible children must continue to be made through IV-E.

TEA eligibility must be documented in the case record prior to the use of TEA funds. The child or family is not eligible for TEA unless and until all eligibility requirements are met. The date that all eligibility requirements are met is considered the date of eligibility determination.

Just as in the IV-E program, TEA funds claimed through the DSS-5094 can be used to support foster care maintenance payments only, and may not include residential treatment costs.

Retroactive eligibility determination is not allowed.

TEA Maximization-is the same as IV-E Maximization (refer to section on Maximization). Federal regulations prohibit differential payment rates for IV-E and non-IV-E children. For a TEA eligible child placed in a licensed child care facility that has an established Facility Rate, the county DSS will receive 100% TEA reimbursement of the amount that they pay, not to exceed the Facility Rate. For a TEA eligible child in a residential child care facility that has no established Facility Rate, there will be no TEA reimbursement above the Standard Board Rate. This is consistent with the IV-E reimbursement policies and procedures.

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For a TEA eligible child in a residential child care facility that has an established Facility Rate, but the county DSS does not pay up to the Facility Rate, TEA reimbursement to the county will be made only for the amount that the county actually pays. If a TEA eligible child is in a DSS family foster home, reimbursement will be made at 100% of the amount the county actually pays for care.

Child's Resources-if the child has resources that are used toward his cost of care and the county DSS enters the amount of the resources in Field 56, the amount of the resources will be deducted before any TEA reimbursements are made.

HRI-R Level Treatment Facilities-for children placed in HRI-R Level Treatment Facilities, TEA and IV-E reimbursements may be claimed only for allowable expenses, including room, board, supervision, and clothing. Treatment costs are not an allowable service. The Division of Social Services, in conjunction with the Division of Mental Health, has determined a set cost for children in these facilities (Level II, Level III, and Level IV) that is based on the level of the facility, and the number of beds in the facility.

Minor parents-A TEA eligible minor parent who is in the agency's legal custody and whose child is placed with her, may have her foster care maintenance payment increased to provide for her child's needs.

When children are eligible for TEA foster care assistance payments, the needs of sons and daughters of these children living with them in family foster homes **may** be included in the minor parent's TEA foster care assistance payment. ("Needs" is defined as the Standard Board Rate for that age child.) The amount to be included is the amount the agency pays as the standard board rate for that age child.

The child, when included in the parent's payment, is not TEA eligible. However, the fact that a TEA payment is being made on behalf of the child of the minor parent means that the child is entitled to Medicaid and can receive Title XX (SSBG) funding. (This means that administrative costs associated with the child of the minor parent may be covered by Title XX (SSBG). Such services as Health Support, etc could be funded through SSBG. The increase in the board payment

reflects an increase in the parent s needs.

If the agency obtains custody of the minor parent s child and the child meets all of the requirements of TEA, that child can receive TEA foster care maintenance payments in his/her own right even if the minor parent and child reside in the same foster home.

As with any child who comes into the legal custody of a county Department of Social Services and who enters foster care placement, the minor parent's child should be assessed for all appropriate foster care maintenance payment categories.

3. TEA Eligibility for Children Already In Foster Care

While most eligibility determinations for TEA will be made when the child first enters legal custody and/or placement responsibility, some children who have been in foster care for some time may also be eligible for TEA. **In no case may a child who has been in foster care longer than six months become eligible for TEA.** It may be appropriate to determine eligibility for TEA payments after a child is in care if a IV-E child loses his eligibility when deprivation no longer exists.

Children who have been in foster care for less than six months may be considered to be in a potential emergency situation. This emergency is related to the fact that the family conditions that led to the child's entry into foster care are still in existence (otherwise the child would already have been returned home), and if he were to be returned home at the time that eligibility is determined an emergency situation might be created.

The child who is assessed for TEA as part of the family before the child enters foster care will be eligible for TEA payments up to 364 days beginning with the date that the initial eligibility determination was made prior to the entry into foster care. When TEA eligibility is exhausted, the child becomes eligible for SFHF if all SFHF requirements are met.

The child who is assessed for TEA eligibility after being in foster care will be eligible for TEA payments for up to 364 days from the date of eligibility determination, provided the child lived with a parent or specified relative within six months of the eligibility determination.

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The child is not eligible for TEA services beyond the 364 days unless a new emergency is identified. A new emergency occurs only when the agency has been relieved of legal custody, closes the case for child welfare services and the child must enter the agency's legal custody once more. In some cases, a child who is receiving CPS In-Home Services must enter foster care because the conditions that led to the substantiation/in need of services finding have not resolved or have worsened. In such a case, there would be no new emergency. The same conditions persist that led the agency to become involved in the first place. Consequently, removal from the home is a continuation of the CPS service.

4. TEA and DSS 5094

The DSS 5094 form is used to record TEA foster care maintenance payments. The child's resources, such as SSI or SSA benefits, must be documented in Field 56. TEA reimbursement will be made to the county once the child's resources have been deducted from the reimbursement amount. TEA is reimbursed at 100%.

B. Title IV-E

Foster care eligibility determination is required for all children in the custody or placement responsibility of the Department of Social Services. Foster care assistance funding is available to provide payment for food, shelter, clothing, personal incidentals, usual school expenses, usual transportation expenses, and certain other expenses while a child is in the placement responsibility of a county Department of Social Services. This funding is available regardless of how the child comes into the agency's placement responsibility. It does not matter, therefore, whether the child came into care as a result of a Voluntary Placement Agreement, non-secure custody order, adjudication of abuse, neglect, dependency, undisciplined, or delinquency, or through relinquishment of parental rights.

The specific funding source which is available to help defray the cost of care will be established through the eligibility determination procedure. The primary funding sources for all children are IV-E foster care payments, TEA foster care payments, and State Foster Home Fund (SFHF) foster care payments. The parents' ability to meet all or part of the child's cost of care must also be assessed.

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In some cases other financial resources may be available, such as SSI, SSA, VA, etc. In addition, other specialized funding for certain categories of children may be available to supplement the aforementioned sources.

In the case of IV-E and State Foster Home Funds, the child's eligibility should be evaluated at the time the child comes into care and at periodic intervals thereafter, but no less than every 12 months. Until a complete determination of IV-E eligibility is made, the agency may not claim IV-E federal participation in the cost of a child's care. Therefore, it is imperative that eligibility determination be done swiftly and concurrent with the child's entry into care, as there is no grace period.

There may be times when the agency determines the child ineligible for IV-E in error. If it later becomes evident that the child was eligible at the time that he entered foster care placement, it is possible to go back and document how the child actually was eligible. Obviously, all IV-E requirements for IV-E would need to be evident and documented.

Eligibility for TEA payments may be determined at an earlier or later date than the child's initial entry, depending on certain circumstances. In spite of the possible availability of other funding sources, eligibility for one of the primary funding sources **must** be determined at the time that the child enters care. Eligibility for IV-E foster care should be explored first in that a child is only TEA or SFHF eligible when it has been determined that he is not eligible for IV-E foster care. SFHF or TEA foster care payments may be made until IV-E eligibility is complete since IV-E is not available until all of the eligibility requirements are in place. IV-E guidelines do allow IV-E administrative claims to be made during the establishment of the child's IV-E eligibility. However, IV-E maintenance payments may not be made until all eligibility requirements are met. Once IV-E has been ruled out as a possible funding source, either TEA or SFHF may be considered as a funding source, depending on the child's circumstances and the agency's resources.

Regardless of what resources may be available for the child, provision must be made by the county Department of Social Services that has custody or placement responsibility to provide financially for the child's basic needs, including cost of care,

medical care, clothing, special needs, etc. Accurate determination of eligibility helps not only the child, but the county DSS as well. Not only is reimbursement available for part of the cost of care, but there is federal participation available for part of the administrative costs.

1. Introduction to the Concepts of Eligibility and Reimbursability as Related to IV-E Funding

Eligibility and determination of eligibility is based on the circumstances of the child's family **at the time that he entered care**. Following the format as outlined in the DSS 5120 (Rev. 2004⁶), determination of eligibility first considers the possibility that a child will be eligible for IV-E. A child's **initial and continuing** eligibility for IV-E foster care is tied to his/her **initial** eligibility based on AFDC-connectedness **that existed at the time the child came into care** and other factors as related to the initial court order or initial Voluntary Placement Agreement.

If a child is initially eligible, he can lose and regain eligibility. If a child is **not initially** IV-E foster care eligible because of AFDC-connectedness factors, or lack of proper findings in the initial court order, he **cannot** gain eligibility during the time the agency has placement responsibility for **this removal period**. If the child is returned home and subsequently enters foster care on a new petition or VPA, a **new initial determination** of IV-E eligibility is made. If at that point the AFDC-connectedness factors and the required findings in the court orders are present, the child may be IV-E eligible for that removal period.

If a child enters foster care by way of an adoption relinquishment rather than through a court order or Voluntary Placement Agreement, the child cannot be IV-E eligible.

The child's eligibility for IV-E foster care, once established, continues as long as:

- need and deprivation (as later defined) do not change,
- the child remains in the agency's custody or placement responsibility, and

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- the court requirements are met at the required intervals in reference to findings of reasonable efforts to achieve a permanent plan.

Eligibility redetermination is required whenever need or deprivation changes, and at least every 12 months. Redeterminations of IV-E eligibility must be completed before the end of the 12th month. Until the redetermination is completed, the child is not eligible for IV-E reimbursement of foster care maintenance payments or administrative costs. If the agency has documentation that the child was eligible at the date of redetermination, the agency may conduct a retroactive eligibility redetermination. However, this should be a rare occurrence.

When court action has terminated all parental rights or when both parents have relinquished their parental rights, the child may continue to be eligible for IV-E, TEA or SFHF, if any of these were the funding source used at that time.

NOTE: Continuation of IV-E funding requires redetermination based on need even though the redetermination based on deprivation is fixed at the time of TPR or relinquishment.

Reimbursability is tied to the child's physical placement. Regardless of the funding source, reimbursability is always a function of the physical location of placement and could change with any change in placement. However, this loss of reimbursability does not permanently deprive the child of future reimbursability. Each time the child leaves a licensed facility, reimbursability ends unless the child is moved to another licensed facility. For example, if the child is placed on a trial home visit, the child is not in a reimbursable status. If the child returns to a licensed facility, reimbursability begins anew, as long as the child remains eligible.

2. IV-E Initial Eligibility

In order for a child to be initially IV-E eligible, all of the following factors must be met:

a AFDC Connectedness: Living Arrangements

Eligibility determination is based on the circumstances of the child's family at the time of the child's entry into foster

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care. For a child to be eligible for IV-E foster care assistance, the child must have AFDC connectedness, that is: AFDC would have been received for the month VPA was signed, or court proceedings leading to the removal of the child were initiated, if application had been made at that time by a specified relative with whom the child was living based on the rules for AFDC recipients. Eligibility for each child must be determined on the date of removal based on AFDC rules. Eligibility is also based on court findings, living arrangements and financial circumstances.

Note: North Carolina was granted an AFDC Waiver (1115 (a)) in 1995 which allowed the state to begin the Work First program. Therefore, AFDC rules were not in effect as of July 16, 1996. However, as noted below, AFDC rules still need to be applied in determining AFDC-connectedness for IV-E purposes. Therefore, this manual will not refer to a specific date for AFDC rules.

From the Federal Child Welfare Policy Manual

Section 108 (d) of the Personal Responsibility Work Opportunity Reconciliation Act (PRWORA) (as amended by the Balanced Budget Act of 1997, P.L. 105-33) links eligibility for Federal foster care and adoption assistance to the Aid to Families with Dependent Children (AFDC) program as it was in effect on July 16, 1996.

A State's 1115 (a) waiver of AFDC requirements ... (which existed in North Carolina on July 16, 1996) ... does not affect eligibility for title IV-E foster care maintenance or adoption assistance payments. Regardless of whether the rules and provisions of a State's section 1115 (a) waiver broaden or restrict AFDC eligibility, those waiver rules shall not be applied in making title IV-E eligibility determinations.

Note: It is not true that being removed from a Work First Family Assistance (WFFA) household with a parent, specified relative or non-relative automatically confers AFDC-connectedness.

[The definition for specified relative is:

(1) A parent includes a biological mother or father, a legal

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father or adoptive parent(s) after the issuance of the final order. (A parent's blood relationship remains intact even after a child's adoption into another family. Therefore, the biological or other biological relative may meet the kinship rule even after the child has been adopted into another family.)

(2) *An alleged father or other alleged paternal relative.*

(3) *A blood or half blood relative or adoptive relative limited to: brother, sister, grandparent, great-grandparent, great-great-grandparent, uncle or aunt, great-uncle or great-aunt, great-great uncle or great-great aunt, nephew, niece, first cousin or first cousin once removed (First cousin once removed is the relationship an individual has to his/her first cousin's child.)*

(4) *A step-relative limited to: stepparent, stepbrother, and stepsister.]*

b The Removal Home

The child must have been removed from the home which has been judicially determined to be contrary to the welfare of the child. If the child has not lived with the parent in the previous six months, then for IV-E eligibility, the removal home must be the home of the specified relative.

Example, if the child has lived in the home of a specified relative for longer than six months, and the findings of abuse or neglect are not against the specified relative, then the child cannot be IV-E eligible.

c. AFDC Connectedness-Need and Deprivation

- (1) Need refers to lack of sufficient financial means to meet the needs of the child. Deprivation refers to the absence, incapacity or unemployment of the parent(s).
- (2) When a child is removed from a specified relative other than a parent, deprivation is considered to exist categorically. The relative does not have a legal

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responsibility to provide financially for the child's care and therefore the child is in need of financial assistance.

(If the relative has legal custody of the child, the income may be taken into consideration since legal custody requires the custodian to provide for the child.)

- (3) In order for the child to have AFDC connectedness, regardless of whether or not assistance was received during the month of removal, both need and deprivation must exist.

Financial Need

The agency must establish that the child is financially needy using criteria in effect as of July 16, 1996 (disregarding the Section 1115(a) waiver that was in effect on that date in **North** Carolina), in the State's title IV-A plan (AFDC). Typically, the initial determination of need is based on the home from which the child is removed pursuant to a judicial order or a voluntary placement agreement. The composition of the AFDC family unit must be determined first in establishing whether the child is financially needy. The family unit is defined as a group of individuals whose income, resources, and needs are considered as a unit for purposes of determining AFDC eligibility.

Financial need must be established based on the circumstances that existed in the home of the family unit during the month the court proceedings leading to the child's removal were initiated or the voluntary placement agreement was signed. In accordance with 45 CFR 206.10(a)(1)(vii), the agency must include in the family unit: the child, the natural or adoptive parents, and the blood related or adoptive siblings who are otherwise eligible and who live in the same household as the child. Step-parents married under State law to the natural or adoptive parent and in the same household as the child also must be included in the family income unit. Certain individuals who live in the same household as the child must be excluded from the family unit because they are not

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eligible for the AFDC program due to other provisions of the Act. Examples of exceptions to the requirement regarding composition of the family unit include: individuals eligible to receive Supplemental Security Income (SSI), certain aliens, and individuals who are ineligible for the AFDC program due to receipt of a lump sum payment from any source. After establishing the family unit, the determination of need is made by considering all available income and resources of the individuals who are included in the family unit. Income and resources are considered available when the money or asset is accessible for use by an individual in the family unit. The income and resources of individuals who are statutorily excluded from the family unit are not considered for purposes of determining the AFDC eligibility component of need for the family unit. The financial need of a family is measured against the State's need standard, expressed in money amounts, and is in effect in the State plan as of July 16, 1996 (disregarding the Section 1115(a) waiver that was in effect on that date in North Carolina). In considering income to determine whether need exists for the family unit in establishing initial eligibility, the State must use the AFDC program's two step process:

- (1) After applicable disregards, the family's total available income is measured against 185% of the State's AFDC standard of need for a family of the same size. If the family's total income before application of certain earned income disregards exceeds 185% of the AFDC need standard, the child does not meet the eligibility requirements for the AFDC program [45 CFR 233.20 and 233.20(a)(3)]. Applicable disregards include the first \$50 per month of child support received by the family and earned income disregards for certain students.
- (2) If the family's total available income does not exceed 185% of the AFDC need standard, additional specified income disregards are applied and the family's countable income is measured against 100% of the need standard to determine AFDC eligibility. Federal law requires that certain earned income disregards be

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applied after eligibility otherwise is established. If the family's total available income exceeds 100% of the AFDC need standard, the child does not meet the eligibility requirements for the AFDC program [45 CFR 233.20(a)(3)].

In this step, in addition to the disregards described above in step one, the agency must disregard the Earned Income Tax Credit (EITC) and the following amounts of earned income:

- \$90 per month for work expenses for individuals employed full or part time;
- For full time workers, actual expenses for dependent care up to \$175 per month for each dependent child who is at least age two or each incapacitated adult, and up to \$200 per month for each dependent child who is under age two.

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TABLE 1

NUMBER IN BUDGET/FAMILY UNIT	1	2	3	4	5	6	7
*185% of Need	\$670	\$873	\$1006	\$1099	\$1199	\$1291	\$1380
**100% of Need	\$362	\$472	\$544	\$594	\$648	\$698	\$746
	8	9	10	11	12	13	14
*185% of Need	\$1428	\$1502	\$1591	\$1658	\$1750	\$1835	\$1928
**100% of Need	\$772	\$812	\$860	\$896	\$946	\$992	\$1,042

*If dependents exceed 14, add \$93 for each person in excess of 14.

**If dependents exceed 14, add \$50 for each person in excess of 14.

In considering the real and personal property to determine whether financial need exists for the family unit, the combined value of available, non-excludable resources for the family unit must not exceed \$10,000. (The Foster Care Independence Act of 1999 amended 472(a) of the Act to increase the resource limit to \$10,000.)

Resources include such things as stocks, bonds, and real property. Excludable resources include the family's place of residence, equity in an automobile, burial plots, and funeral agreements valued up to \$1,500

After a child enters foster care, the child becomes his or her own financial unit and continuing financial need is determined by looking at the income and resources available to the child. The State does not have to measure the child's income against 100% of the need standard. As long as the child's countable income does not exceed

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185% of the need standard and the child meets the \$10,000 resource limit, the child is considered to meet the financial need test under AFDC.

Deprivation

- (1) Except in cases of **unemployed parents**, continued and documented parental absence or incapacity constitutes deprivation. Eligibility ends when incapacity ends or the parent returns to the family unit.
- (2) For **unemployed 2-parent families**, need and deprivation are the same. Eligibility may end when the family no longer qualifies under the unemployed parent regulation. (An IMCW should be consulted for specific requirements).

Note: Unemployed parents are defined as the primary wage earner (PWE) in the family is working less than 100 hours a month, or exceeds the 100 hour standard in a particular month if the excess work is temporary in nature. The PWE is defined as the person who earned the most money over the previous 24 months.

From the Federal Child Welfare Policy Manual

The Administration for Children and Families (ACF) and the Centers for Medicaid and Medicare Services (CMS) amended the definition of "unemployed parent" at 45 CFR 233.101(a)(1) in 1998 in response to the replacement of the former AFDC program with the Temporary Assistance for Needy Families (TANF) program. Each State was required to establish a "reasonable standard" for measuring unemployment in order to determine whether an individual qualified for benefits under TANF or Medicaid and whether a child met the AFDC portion of title IV-E eligibility. The amended regulation specifically permits States to consider hours of work, dollar amounts earned, and family size in establishing the reasonable standard of unemployment.

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At a minimum, States are required to include as an “unemployed parent” an individual who is employed less than 100 hours per month, or exceeds that standard for a particular month if the work is intermittent and the excess work is temporary. Such work may be considered temporary if the unemployed parent worked fewer than 100 hours in the preceding two months and is expected to work fewer than 100 hours in the following month (see 45 CFR 233.101(a)(1)). States are constrained by this definition in order to preserve Medicaid and title IV-E eligibility for any individuals who would have been eligible under the AFDC rules previously in effect (see 63 FR 42270 - 42272, August 7, 1998). States are not required to establish a broader definition of “unemployed parent” but may do so. (Source/Date: 6/23/03 Legal and Related References: Public Law 104-193; 45 CFR 233.101(a)(1); 63 FR 42270-42275, August 7, 1998.)

d Placement Authority and Contents of Court Order or Voluntary Placement Agreement

(1) Contents of Court Order

The agency must have placement authority; that is, judicial approval for the child's removal from his home. This approval must be contained in a court order that has specific findings of facts and conclusions of law, which include the following provisions:

(a) Contrary to the Welfare

- Language relating to the need for the child's placement must be in the very first court order for the child to be IV-E eligible. The order must say that continuation in the home is contrary to the welfare of the child or that removal is in the best interest of the child. The specifics of the particular child's situation must be detailed in the court order even when the Administrative Office of the Courts form (AOC-J-150 Order for Non-secure Custody) is used. Such specific

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details and language must be in the initial court order which must be the non-secure order if the child is removed immediately by a non-secure order.

- In addition, the court order must state that the agency has both legal custody and placement responsibility. In instances when a child is removed as a result of a hearing on the merits of the petition, rather than a non-secure order, or pursuant to undisciplined or delinquent actions, or in a motion for review, the court order filed following those hearings must contain contrary to the welfare or best interests language because that would be the initial removal order.
- Note: If this is not accomplished, even if the findings are made at a later date and included in a subsequent order, IV-E eligibility cannot be established for this removal period. In like manner, a nunc pro tunc (now as if then) order will not satisfy this requirement.
- Further, NCGS-7B-507(a)(1) requires that orders for continued non-secure custody, dispositional orders and review orders shall contain a finding that the juvenile's continuation in or return to the juvenile's own home would be contrary to the juvenile's best interest ; and therefore this finding must be contained in all subsequent orders in which the agency retains custody, in order to satisfy NC law.

(b) Removal from the Home

- The court order must result in the actual removal of the child from the home. Because it is required to have a judicial determination that remaining in the home is contrary to the welfare of the child (or removal is in the child's best interest) for IV-E eligibility, such an order must result in a removal. If the agency has discretion regarding the timing of the removal, the court

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cannot have found that it was contrary to the welfare of the child to remain in the home. Therefore, if the agency has such discretion and exercises it by leaving the child in his home once the agency obtains custody, then another order must be entered with the required contrary to the welfare language prior to, or at the time of the child's removal from the home. This will be considered the initial removal court order for eligibility determination around placement. A subsequent court order containing the required provisions regarding contrary to welfare/best interests of the child, if not found in the initial order, will not render a child eligible. The required provisions must be in the **initial** order that triggers placement. If immediate removal is not possible due to circumstances such as not being able to find the child, then the efforts made to follow the court order must be documented.

- State law allows law enforcement or DSS social workers to take temporary custody of a child if there are reasonable grounds to believe that the juvenile is abused, neglected, or dependent and that the juvenile would be injured or could not be taken into custody if it were first necessary to obtain a court order.
- Therefore, when temporary custody of a child is taken by the agency, the subsequent petition and resulting court order must specify why it was necessary to take custody of the child prior to the issuance of a court order. An emergency situation as described above is the only time in which a court order would not be needed to take a child into legal custody. Therefore, it should be a rare occurrence that a child would remain in the home beyond a day or two.

(c) Reasonable efforts

- A finding of reasonable efforts must be made by

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the court before the child will be IV-E eligible. In order for there to be a finding of either contrary to the welfare or reasonable efforts, there must be an actual court hearing. A continuance is not a court hearing and cannot contain findings of any kind. Further, the non-secure custody petition should detail what efforts *the agency has made* to prevent placement and these efforts should be labeled as efforts to prevent placement. If no efforts were possible, the petition should state why no efforts were possible.

- The court must find that DSS, and not any other agency, made reasonable efforts to prevent the placement of the child or that it was neither reasonable nor possible for the DSS to prevent the removal because of immediate safety concerns for the child or because the agency could not locate the child. In cases where the agency is unable to locate the child, details of diligent efforts should be provided to the court.
- While the federal regulations allow a finding of reasonable efforts within 60 days of the child's entry into care, N. C. G. S. 7B-506(a) requires such a finding at the 7 day hearing (as well as all subsequent non-secure, dispositional and review hearings). Thus, a judicial determination regarding reasonable efforts must be obtained at the earliest opportunity.
- If reasonable efforts language is not in the findings of the court order within 60 days of the child's entry into care, the child will not be eligible throughout the entire removal period.
- In some instances, children with whom the DSS has not had previous contact are placed in DSS custody. Thus, a court order issued at the request of DSS within 60 days of the removal must contain findings which speak to efforts around that removal and what efforts **the**

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agency is making to work toward reunification of the child and family. The child becomes eligible from the first day of the month in which the actual order is made that details reasonable efforts, if all other requirements have been met.

- Once the child is in the legal custody of the agency and is placed outside the home, all subsequent court orders must also address reasonable efforts. The court order must specify whether reasonable efforts are being made to reunify the child and family, or, if reunification efforts are not in the child's best interest, what efforts the agency has made or is making to find permanence for the child.
- Reasonable efforts to finalize an alternate permanency plan may be made concurrently with reasonable efforts to reunify the child and the family. There must be a finding regarding reasonable efforts to finalize a permanent plan within one year of the child's placement (even if the plan continues to be reunification. If this is not done, the child will become ineligible to continue to receive IV-E funding until such findings are obtained in a court order. The specific permanent plan must be identified. (See Redetermination section for more discussion).

(d) Placement Authority

- For IV-E eligibility, the DSS must have "responsibility for the child's placement and care." This means that the agency generally decides the child's specific placement. If the court issues an order naming a specific placement, the agency and the parties must be given an opportunity to present evidence and arguments in reference to the placement. This resulting order must demonstrate that the court undertook "bona fide" consideration of the agency's position in order to preserve IV-E

eligibility. This regulation does not purport to limit a court's power, but rather specify the conditions under which an agency may be eligible to receive funds to help pay for a child's cost of care. Courts may order specific placements, but when they order such placements and do not permit the agency to offer evidence, the agency will not receive federal funds for that placement. When the court does not agree with the agency, in order for IV-E reimbursement to be available, the order must explain the court's reason for diverging from the agency's recommendation. The prohibition against court ordered placements does not apply in cases where the court order clearly indicates an endorsement or approval of the agency's placement choice.

- NOTE: In cases where the county DSS is ordered to take custody of a child pursuant to a N. C. G. S. Chapter 50 and 50A custody action and any other criminal or civil action that is not a juvenile action, the court order arising from that custody action does **not** meet the IV-E eligibility requirements. That order should be considered a **protective services report**, based on the facts leading to the judge's determination. The agency should **immediately** file a juvenile petition under chapter 7B asking for a non-secure order which includes the **contrary to the welfare** language. The county DSS will then have the opportunity to get an order from the 7 day hearing following the issuance of the non-secure custody order in which the provisions as outlined above can be included. A non-secure order must be obtained on the same date that the court order was entered in the non-juvenile hearing. If the non-secure order does not occur on that same date detailing "contrary to the welfare"/ best interests findings, the child would not be IV-E eligible. This means that the agency cannot

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place the child without a non-secure order that includes the contrary to the welfare / best interest language obtained on the same day even though they have an order to take custody. Failure to do so will preclude the child from being IV-E eligible for this removal period.

(2) Voluntary Placement Agreement (VPA)

A parent or guardian may enter into a Voluntary Placement Agreement with the DSS. Such an agreement must result in the removal of the child from his home and the child must be placed in a licensed foster care facility.

In instances where the child comes into care pursuant to a VPA, the agreement must contain the following provisions:

- The agreement was requested and signed by the child's parent or legal guardian and a representative of the agency.
- The agreement specifies why it is in the child's best interest to be placed outside the home.
- The agreement contains information about the efforts made to prevent the placement or details about why no efforts were possible.
- The agreement specifies the legal status, rights and responsibilities of all parties and contains details of the Family Services Agreement that will be fully developed with the parent or guardian in an effort to effect reunification.
- The agreement must detail a procedure for the parent to revoke the VPA and have the child returned to his home and must clarify that the parent has the right to revoke the VPA.

Placement of unemancipated minors involving a VPA may not continue more than 90 days without a judicial review [N. C. G. S. 7B-910 (c)]. A judicial review, when a juvenile petition has not been filed, is triggered by a Motion for Review pursuant to N. C. G. S. 7B-910. At

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this review, the court may continue the placement for up to 90 additional days, or order the agency to file a petition for custody, or order that the VPA be dissolved and the child returned home. A court order resulting from this review **must contain best interest language**. If the VPA is continued for a second 90 day period, the agency must renegotiate the VPA and all parties must sign. Prior to the end of the second 90 day period, the agency must file a juvenile petition and a hearing must be held prior to the 90th day or the child must be returned home.

North Carolina law requires that a VPA be reviewed by the court within 90 days. Federal regulations have different time frames. According to these regulations, in order for IV-E eligibility to continue, the court hearing must occur by the 180th day. If the court hearing does not occur, the child becomes ineligible for IV-E on the 181st day. If a court hearing occurs at a later date, the child cannot become IV-E eligible again during this removal period.

The agency may file a juvenile petition alleging abuse, neglect, and/or dependency and request custody at any point the VPA is in effect. If the VPA is nearing the end of its duration and the agency believes the child should remain in foster care, with the agency being given custody, a juvenile petition should be filed and the hearing on the petition must be held prior to the 90th day of placement.

NOTE: An emancipated minor or child over 18 years of age in foster care on the basis of a VPA/CARS Agreement is not IV-E eligible. Court reviews are not required, since these persons are not under the jurisdiction of the Juvenile Court. Requirements for these children in foster care remain in effect, including Family Services Agreements, Permanency Planning Action Team reviews, etc.

(3) Other Conditions Related to IV-E Eligibility

- In order for any child to be eligible to receive foster care assistance payments, whether placed through

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court order or VPA, there must be a current written Initial Case Plan, or Family Services Agreement in place for that child with all applicable components completed at appropriate intervals.

NOTE: IV-E administrative costs may be claimed for time social workers spend in completing Structured Decision Making Tools in the context of case planning. A critical component of case planning is the worker's assessment of the child and family. However, specialized assessments such as psychiatric, medical or educational assessments are not allowable under IV-E as they are considered medical or educational services (See Foster Care Funding for Administrative Costs).

From the federal Child Policy Manual

...a case assessment is an allowable administrative cost in the context of case planning. Section 471(a)(16) of the Social Security Act (the Act) requires the State to develop a case plan as defined at section 475(1) of the Act. The development of and ongoing updates to the case plan are allowable costs pursuant to 45 CFR 1356.60(c)(2)(iv). A critical component of case planning is the worker's assessment of the child and family. A case assessment might consider information regarding psychological, developmental, behavioral and educational factors; explore underlying or disguised issues such as family violence or substance abuse; examine the child and the family's needs, strengths, resources and existing support systems; and explore whether it is safe for the child to remain in or return to the home. Furthermore, it could include information on the child's past history, current adjustment, direct observations, and family history.

Specialized assessments such as psychiatric, medical or educational assessments are medical or educational services, respectively, and are not, therefore, allowable under title IV-E (45 CFR 1356.60(c) and Child Welfare Policy Manual Section 8.1B). Time spent analyzing specialized assessments

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to inform the case plan, however, is allowable.

(Source/Date: 6/23/03 Legal and Related References: Social Security Act - section 471(a)(16), section 475(1) and (5); 45 CFR 1356.60(c); Child Welfare Policy Manual Section 8.1B)

- FFP may be claimed from the first day of placement in the month in which all title IV-E eligibility criteria are met. Until that time, the agency may use State Foster Home Funds or TEA funds to pay for foster care maintenance payments. IV-E administrative reimbursement may be claimed for time spent in determining the eligibility of a potential IV-E child whether or not the child is found to meet IV-E requirements. However, IV-E foster care maintenance and other IV-E foster care administrative funds reimbursement may not be claimed until all IV-E eligibility criteria are met.
- The court determination must result in foster care placement, that is, removal from the home. A removal has not occurred in situations where legal custody is removed from the parent, yet the child remains in the home. If a placement is delayed beyond a day or two, a new court order should be obtained. In any case, the child's record must clearly show that every effort is being made to place the child in foster care, if removal from the home has been ordered. In cases where custody is given to the agency and placement is at the agency's discretion and immediate removal is not planned, the child is **ineligible** for IV-E foster care reimbursement if he is subsequently removed from the home. If removal becomes the plan, the child may be eligible if a new petition is filed or motion for review (if agency has custody and the issues requiring placement are already before the court) and the court order resulting from that petition contains the judicial determinations outlined above.
- A trial home visit may only extend up to six months, unless the court order specifies a period longer

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than six months. If it becomes necessary to return the child to out-of-home placement within the six months, or within the period of time specified by the court that was longer than six months, a new court order is not necessary for IV-E purposes. The child's IV-E eligibility continues and administrative funds may be used as long as all IV-E eligibility and trial home visit time frames are met. It is recommended that the court order specify that this is a trial placement and should be specific in detailing why or under what circumstances it would last less or more than 6 months. A trial home visit is intended to be a short-term option in preparation of returning the child home permanently. If it were to continue for an extended period of time, it is likely that the circumstances of the original removal would have changed. If the court order does not specify a time period for the trial home visit, it should be assumed that the trial home visit will not last longer than six months. If the case is not motioned back into court within the six month period, the child will lose IV-E **eligibility**. If the court order does not specify that the placement is a trial visit, the child will lose IV-E eligibility for this removal period.

From the Federal Child Welfare Policy Manual

Pursuant to 45 CFR 1356.21 (e), six months is the outside limit for a trial home visit without having to re-establish title IV-E eligibility if the child re-enters foster care, unless there is a court order extending the trial home placement beyond six months. If there is a court order extending the trial home visit beyond six months, and the trial home visit does not exceed the time frame in the court order, the child retains title IV-E eligibility upon returning to foster care following the trial home visit.

- Even if the trial visit is less than six months a new petition should be filed if the circumstances change. This is an important issue in building a case for permanency and it is important for the court to

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review and acknowledge changed circumstances. In any case, even if the 6 months has not elapsed, a motion for review should be filed and a hearing requested in order for the court to be informed of the child's placement back in foster care.

- When a child reaches 18 years of age, IV-E eligibility ends at the end of the month of his 18th birthday.
- If an unaccompanied refugee child meets age, deprivation and need, and judicial determination requirements are met, he/she is eligible for IV-E foster care assistance. (Check with IMCW to determine who meets this category)
- A resident alien child whose parent or specified relative would have been prohibited from receiving AFDC by the Immigration and Naturalization Act, but would have been otherwise AFDC eligible, will be eligible for IV-E foster care assistance if the judicial determinations criteria are met.
- Undocumented alien children are not eligible for IV-E foster care assistance.
- Undocumented alien children are eligible for SFHF or all county funds.

From the Federal Child Welfare Policy Manual

Alien children must be eligible for AFDC ... and must also meet the PRWORA definition of "qualified alien" to be eligible for Federal foster care maintenance or adoption assistance (except that children receiving adoption assistance pursuant to agreements signed before August 22, 1996 may continue to receive such assistance). (*Source/Date: ACYF-CB-PIQ-99-01 (1/14/99). Legal and Related References: Social Security Act - Titles IV-E; the Personal Responsibility Work Opportunity Reconciliation Act (PL 104-193); Balanced Budget Act of 1997 (PL 105-33)*)

(4) Related Issues

- **Medicaid** - Children receiving IV-E foster care assistance are categorically eligible for Medicaid.

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(COBRA PL 99-272) When a child is placed in another state and is eligible for IV-E foster care assistance, he is eligible for coverage under the receiving state's Medicaid program.

- **Direct Relinquishment of a Child for Adoption -**
A child who enters care by a relinquishment for adoption is not eligible for IV-E foster care assistance. This is due to the fact that a judicial determination regarding a child's entry into care is required and the court review of a child awaiting adoption, which may take place subsequent to the relinquishment, does not meet this requirement. If a child comes into care by way of a court order or VPA and is subsequently relinquished for adoption, he **may** be IV-E eligible if he meets the above eligibility criteria.
- **Child born to prison inmate or hospital patient -**
An otherwise eligible child born to a woman who is a prison inmate or a patient in a hospital, and deprived of the support of an absent father, would be eligible for the title IV-E foster care program if removed from the "home of a relative (parent)" and placed in foster care. This is true when the child is placed in foster care awaiting the mother's release or when parental rights are terminated directly after birth. The inability of the child to return to the mother during her prisoner or patient status (or for any other reason) has no bearing on the child's eligibility for title IV-E foster care.

The controlling factor in establishing initial eligibility is the deprivation of parental support. The child born to a mother who was a hospital patient or a prison inmate would be considered to be living with the parent/specified relative at the time of birth, and if placed in foster care would be removed from the home of the mother/specified relative

45 CFR 233.90 (c)(1)(v)(B) states,

A home is the family setting maintained or in process of being established, as evidenced by

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assumption and continuation of responsibility for day to day care of the child by the specified relative with whom the child is living. A home exists so long as the specified relative exercises responsibility for the care and control of the child, even though either the child or the specified relative is temporarily absent from the customary family setting. Within this interpretation, the child is considered to be 'living with' his specified relative even though:

(1) He is under the jurisdiction of the court (e.g., receiving probation services or protective supervision); or

(2) Legal custody is held by an agency that does not have physical possession of the child.

- **Delinquent/undisciplined** - Children adjudicated delinquent or undisciplined and placed by court directly into licensed foster homes may be eligible for foster care assistance if all eligibility requirements are met as detailed above. This means that the very first court order regarding the disposition of the child must contain the best interest (or contrary to the welfare) provisions [N. C. G. S. 7B-2503(1)(c)]. While a child can become IV-E foster care assistance eligible if the reasonable efforts language appears in a court order no later than 60 days from the date of removal, under no circumstances can he become IV-E eligible if the contrary to the welfare/best interest language is omitted from the first order, even if later included.

- **Runaway Child-**

From the federal Child Welfare Policy Manual

Administrative costs are allowable when a child has run away from a foster care placement. The manual states, in section 8.3c.2, Question 3, that if a State retains placement and care responsibility for a child who has run away from a foster care placement, the State must continue to

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perform title IV-E activities on behalf of such a child, including holding six-month periodic reviews and permanency hearings.

- **Minor Parents** - When children are eligible for IV-E foster care assistance payments, the needs of sons and daughters of these children living with them in family foster homes **may** be included in the minor parent's IV-E foster care assistance payment. (Need is equal to the Standard Board Rate for that age child.) The amount to be included is the amount the agency pays as the standard board rate for that age child.

The child, when included in the parent's payment, is not IV-E eligible. However, the fact that a IV-E payment is being made on behalf of the child of the minor parent means that the child is entitled to Medicaid and can also receive Title XX (SSBG) funding. (This means that administrative costs associated with the child of the minor parent may be covered by Title XX (SSBG). Such services as Health Support, etc could be funded through SSBG. The increase in the board payment reflects an increase in the parent's needs.

If the agency accepts a VPA or obtains custody of the minor parent's child and the child meets all of the requirements of IV-E, that child can receive IV-E foster care maintenance payments in his/her own right even if the minor parent and child reside in the same foster home.

If for an appropriate reason the agency accepts a VPA or gets custody of a minor parent's child and the infant is placed in a home separate from the minor parent, **at the time the VPA or custody order is issued** the infant would be IV-E eligible if all other eligibility requirements are met. The child may be eligible if the child and parent are separated in care. A determination of eligibility should be made at that point. In cases where the minor parent and the infant are placed separately

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and the eligibility is determined separately, administrative costs for the infant may be claimed if the child is IV-E eligible and receiving IV-E maintenance payments in his own right.

This means that agencies may elect to have the minor parent's child included in the minor parent's IV-E foster care maintenance payment or to determine if the minor parent's child is IV-E eligible in his/her own right. If they do elect to increase the minor parent's payment to cover the needs of the child, requirements such as case reviews and permanency hearings are not required for the child; only the minor parent. When this is the case, the child is not considered to be "in foster care" nor is the child considered to be eligible in his/her own right for IV-E. As such, requirements such as case reviews and permanency hearings are not required.

If the agency elects to determine eligibility for the minor parent and his/her child separately, they may reside in the same foster home and each is considered to be "in foster care." It is not necessary for the minor parent and his/her child to be in separate foster homes in order for the minor parent's child to be eligible for IV-E. However, the child must have been determined abused or neglected by a parent, guardian or custodian in order for the child to be considered "removed from" a parent or specified relative. The minor parent's child must meet all IV-E eligibility requirements, including judicial determinations or VPA conditions in order for the child to receive IV-E foster care maintenance payments, and the agency receive reimbursement for administrative costs.

From the federal Child Welfare Policy Manual:

If a teen mother and her child are both in the same foster family home and each has been determined to be eligible for title IV-E, the State can claim FFP under title IV-E foster care for both the teen mother and her child. This includes

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foster care maintenance payments and administrative costs. In this situation, both the child and mother have been determined eligible for title IV-E foster care, and placed in a licensed foster family home. The fact that the teen mother and her child are in the same foster home does not mean that they have been "reunified" in the statutory sense, as the foster parent and not the teen parent, is responsible for the day-to-day care and supervision of the child.

If reunification of the child with the teen mother has occurred and the child is no longer under the responsibility of the State for placement and care, the child is no longer eligible for a title IV-E payment. (We use the term "reunification" here to refer to situations in which a child is returned to the parent's control and is no longer under the care or supervision of the State.) In such situations, the State must include amounts necessary to cover the costs incurred on behalf of the child in the teen mother's title IV-E payment. (See Section 475(4)(B)(ii) of the Act, 45 CFR 1356.21(j), and CWPM 8.3.A.5) However, once the child is no longer under the responsibility of the State for placement and care, the State cannot continue to claim administrative costs on his or her behalf since s/he is not eligible for, nor a recipient of, title IV-E foster care maintenance payments.

- **SSI and IV-E Eligibility** - Children who receive SSI at the time they enter care may be IV-E eligible. While it is true that this child would not have been included in the assistance unit of an AFDC family, this child may have been able to qualify as a dependent child for the purposes of AFDC and thus, to render his parents eligible to receive AFDC. If the child is otherwise eligible for AFDC, except for the receipt of SSI, he is eligible for IV-E foster care if the other IV-E requirements are met.
- **Concurrent eligibility**

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From the federal Child Welfare Policy Manual

There is no prohibition in title IV-E against claiming Federal Financial Participation (FFP) for foster care maintenance payments or adoption assistance payments made on behalf of a child who is receiving SSI benefits.

Foster Care: Although eligibility for title IV-E foster care is tied to eligibility for Aid to Families with Dependent Children...and AFDC precluded concurrent eligibility for payments from AFDC and title XVI (section 402 (a)(24) of the Social Security Act), this preclusion rule is not transferable to title IV-E for the purposes of foster care maintenance payment eligibility determinations. A child, if eligible, may receive benefits from both programs simultaneously. In cases where the child is eligible for both SSI and title IV-E and there is concurrent receipt of payments from both programs, "the child's SSI payment will be reduced dollar for dollar without application of any exclusion", thus decreasing the SSI benefit by the amount of the title IV-E payment (SSI Program Operations Manual). To reiterate, concurrent receipt is subject to the SSI rule that the SSI payment will be reduced by the amount of the foster care payment.

3. Procedures for Determining IV-E Reimbursability

Regardless of the funding source, reimbursability is always a function of the physical location of the placement and could change with any change in placement. This loss of reimbursability does not permanently deprive the child of future reimbursability. Each time the child leaves a licensed facility, reimbursability would end unless the child is moved to another licensed facility. For example, if the child is placed in an unlicensed placement, which may include the home of a relative, a parent, a hospital, etc., the child is not in a reimbursable status. If the child subsequently returns to a licensed facility, the child would once again be in a reimbursable status as long as eligibility has been correctly re-determined.

a Type of Placement

Regardless of the category of eligibility, the child must reside in an approved, licensed foster care facility that has an ID number issued by the North Carolina Division of Social Services. There are some appropriate placements for which reimbursement may not be claimed, such as training schools or treatment hospitals, for which other sources of funding are available (for a complete discussion of approved licensed facilities, please see the Child Placement and Payment System manual).

It is not appropriate for a child to be residing in an unlicensed home or facility unless the court has specifically sanctioned such placement. Even with court approval, a child in such a placement would not be in a reimbursable status and the agency cannot receive state or federal funds for the cost of care. However, administrative costs may still be claimed.

Children can properly be placed with relatives or kin as part of concurrent planning and to prevent removal from the family system, but, as in the above instance, these children are not in a reimbursable status and foster care assistance payments are not eligible for reimbursement for the Federal or State funds unless the home is licensed. As previously stated, such relatives **must** be offered foster care licensure and if they accept, must be licensed by the agency as foster parents if licensure requirements are met.

Children who are legally free for adoption may be placed in an unlicensed adoptive home, but again, they are not in a reimbursable status and no State or Federal funds can be used for reimbursement of foster care payments. If an adoptive home is licensed for foster care, this placement qualifies for foster care payments until the Decree of Adoption at which time Adoption Assistance may begin.

TEA may not be used for Adoption Assistance payments.

NOTE: When any payment is made to an unlicensed home or facility, even if the placement is ordered by the court, the cost of care is the responsibility of the county and no state or federal reimbursement may be claimed.

b Out of State Placement

When a child in county DSS custody or placement responsibility is placed out of state with the approval of the Interstate Compact on the Placement of Children, the county DSS retains financial responsibility for that child. Reimbursability is only available if the out of state home is licensed or approved according to the standards of that state and the home is issued a facility identification number.

In order for the out-of-state home to be issued a N.C. facility identification number that will be accepted for reimbursement purposes, verification of the license, certification or approval must be received by the Division's Licensing and Policy Team. The receiving state must agree to supervise the child, and the facility must be in compliance with Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act and the Americans with Disabilities Act of 1990.

c Coordination Between Income Maintenance and Services Staff

The determination of IV-E Eligibility is a Services Function, reimbursed on the Services section of the DSS-1571. However, Income Maintenance workers must determine the AFDC-connectedness portion of eligibility. In many cases, it is not the foster care social worker that determines initial IV-E eligibility for a child; it is the child protective services social worker. There are many occasions when the child protective services social worker must complete the steps necessary to obtain legal custody and placement responsibility and place the child. It is essential that child protective services social workers, foster care social workers and income maintenance staff cooperate closely in order to ensure that an appropriate determination is made. In addition, county social work staff has responsibility for ensuring that the requirements of P.L. 96-272 are met. These requirements have been accelerated by ASFA. These provisions include, among other things, case plans, case reviews, and timely court reviews.

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Each staff person will have specific responsibilities that will ensure accurate eligibility determination. It is recommended that services staff provide the income maintenance caseworker (IMCW) with information that will allow the IMCW to determine AFDC connectedness based on the eligibility requirements in effect under the former AFDC program.

Information required to determine need may be gathered from agency records, contacts with relatives, court orders and any other relevant source. For those children for whom there is no AFDC-connectedness, documentation of the determination of SFHF or, at the agency's discretion TEA, eligibility should proceed. A partnership between services and income maintenance staff is clearly critical.

County DSS Children's Services staff retain, in concert with the IMCW, continuing responsibility for on-going redetermination as they become aware of changes in circumstances related to both eligibility and/or reimbursability.

d Use of DSS-5120

The DSS-5120 is the required form used for gathering the information, which will assist in eligibility determination. The form is initiated by the service worker, who completes Parts I, II and III, and then submits it to the IMCW for a decision regarding the AFDC connectedness. The actual eligibility determination must be made based on the combination of the AFDC connectedness and the contents of the court order or Voluntary Placement Agreement.

The 5120 form is the tool that both aids in the determination of eligibility and assures documentation of the accuracy of the determination. Each person involved in the eligibility determination process must assure that the 5120 is completely and accurately filled out at the time the child comes into care.

While the 5120 form must begin at the time the child initially comes into care, total eligibility determination may not be completed until the court order containing "reasonable efforts" language is issued. A finding of

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reasonable efforts must be included in the hearing on the non secure court order. Such a finding may be made as a part of the "day one" conference if the agreement is signed by a judge, but such a finding should be made no later than the 7 day hearing on the non-secure order. A finding of reasonable efforts must be made no later than 60 days from the date that the child enters care in order for the child to be IV-E eligible. North Carolina law requires that every court order placing or continuing the placement of a child in the legal custody of a county Department of Social Services must contain reasonable efforts language.

The first court order containing reasonable efforts language must detail the efforts the agency has made to prevent the placement of the child, or, if placement was made as a result of an emergency situation, the court order must state that no reasonable efforts were possible and why those efforts were not possible.

Subsequent court orders continuing placements of children in the legal custody of a county Department of Social Services must contain findings about what reasonable efforts the agency is making to reunify the child with his family.

Court reports prepared by the social worker should speak directly to these reasonable efforts so that the court order may reiterate verbatim the details of the court report as the court's own findings of fact. If the plan for the child is not reunification, but is placement with an adoptive family or custody with a relative, the court finding must detail specifically what reasonable efforts the agency is making to achieve a permanent plan for the child. Again, if the court report prepared by the agency social worker details the specifics of these efforts, the court can use these details as the court's own findings of fact that the agency has made "reasonable efforts to finalize a permanent plan." It is not enough merely to state that the agency has made reasonable efforts to prevent a placement, or that the agency has made reasonable efforts to finalize a permanent plan. The details of the agency's efforts in either case must be specific and relevant to the individual child's situation.

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North Carolina law requires that "reasonable efforts" language be present in any court order placing or continuing the placement of a child in the legal custody of a county Department of Social Services. Please keep in mind that continuances are likely to adversely affect the child's eligibility status. In continuances there can be no findings.

The DSS 5120 and DSS 5120a must contain accurate information in order for IV-E determinations to be accurate. Of particular importance are questions relating to dates of court orders, Voluntary Placement Agreements, living arrangements for the child, and family income. Because the DSS 5120 is the means by which justification is made for claims for IV-E, TEA and SFHF, it is essential that these dates be correct.

North Carolina may lose substantial funding if these forms are not completed correctly. (Please see copy of DSS 5120 in Appendix)

e Eligibility Redetermination (DSS-5120A)

On-going eligibility requires that case plans be developed and administrative and court reviews held in a timely manner at proper intervals. In addition, eligibility for IV-E foster care payments must be redetermined every time there is information known that will affect need or deprivation. Eligibility for IV-E must be redetermined every 12 months, at a minimum. Redeterminations of IV-E eligibility must be completed before the end of the 12th month. Until the redetermination is completed, the child is not eligible for IV-E reimbursement of foster care maintenance payments or administrative costs. If the agency has documentation that the child was eligible at the date of redetermination, but for a valid reason has been unable to complete the redetermination by the end of the 12th month, the agency may conduct a retroactive eligibility redetermination. However, this should be a rare occurrence. The agency may begin to claim IV-E beginning with the first day of the month in which all redetermination eligibility requirements are corrected. (Please see Appendix, DSS-5120A)

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SFHF eligibility continues as long as case plans, administrative and court reviews are current, the child is in the agency's placement responsibility and the child is in a licensed facility. TEA eligibility, once established, remains in effect until the agency closes the case for services or 364 consecutive days elapse, whichever comes first. TEA foster care assistance payments may continue for a maximum of 364 days. Such payments must cease at the 364th day or when custody is no longer vested in the agency, whichever comes first. Consequently, no redetermination of TEA eligibility is required.

Note: When the child is no longer TEA eligible he may be eligible for SFHF. Eligibility for SFHF would be determined at the conclusion of TEA eligibility. Thus, eligibility for continuation of SFHF would be determined as stated above.

Continuation of IV-E eligibility depends upon continuation of need and deprivation.

Need- Once the child has been removed, need is redetermined based upon the income available to that child, unless the child was removed from a two-parent family and the original determination was around unemployment/underemployment issues. Therefore, need is not necessarily related to the income of the parents after the child enters care. The child's eligibility in reference to need is based upon whether or not the child has income in his own right, which could include SSA, SSI, support provided by the parents, etc. If the income available to the child does not exceed 185% of the Standard of Need for a family of one; the child would remain eligible for IV-E foster care based upon need.

Deprivation- Deprivation refers to parental absence, incapacity, or unemployment at the time the child was removed. If the child was removed from a specified relative who is not the parent, deprivation will continue regardless of the parent's circumstances. Deprivation, when a child was removed from a specified relative other than a parent, is assumed but must be documented. If the child is removed from the home of the parent, then re-

determination is based on the continuing review of the circumstances of the parents. When deprivation was based upon the parents' separation at the time of initial eligibility determination and the parents subsequently reunite, the child loses eligibility, although it may be regained if the parents subsequently separate again. Re-determination of deprivation is not required when parental rights have been terminated through court action, voluntary relinquishment, if the parent is deceased or is permanently disabled. If a minor parent's child comes into the agency's custody or placement responsibility and is placed separately from the parent, it is likely that deprivation is the result of the child's minor mother and father not living together. If the child's parents begin to live together, deprivation would no longer exist and at that point, the child is ineligible for IV-E.

Need and Deprivation Considered as One: Need and deprivation are considered as one when the reason for the deprivation is unemployment. A parent's subsequent employment or income may impact both need and deprivation.

f Other Issues and Considerations

• **Medicaid**

As long as the child remains eligible for IV-E foster care assistance and redeterminations are done in a timely manner, the child will remain categorically eligible for Medicaid. Redetermination of Medicaid eligibility for non-IV-E children must be done according to the Medicaid regulations.

• **Free for Adoption**

A child who is IV-E eligible should remain IV-E eligible when becoming legally free for adoption. Following the legal clearance no further redetermination is required.

4 Specific Requirements of State and Federal Regulations Related to IV-E

a Case Reviews and Case Plans in IV-E

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In order for a child to remain eligible for Foster Care assistance, the following must occur for all types of payments, unless specifically noted otherwise.

(1) Case Plans

The agency service record must contain a current written Family Services Agreement with all applicable components completed at the appropriate intervals. It must be jointly developed with the parents. Family Service Agreements must be completed within 30 days of placement and reviewed and updated at least every six months until the child returns home or permanency is achieved, or until the agency is relieved of this requirement by the juvenile court.

The Family Services Agreement should include the reasonable efforts the agency has made either to reunify the child or to finalize another permanent plan. These efforts must be detailed and timely. For example, a statement that the agency's concurrent plan is "either reunification or TPR" is not correct. Termination of Parental Rights is not a plan; adoption or legal guardianship is a plan.

The Family Services Agreement must state explicitly that the plan is reunification with the parent, or concurrently, adoption (or legal guardianship, etc.) in the event that the parents fail to make enough progress within the specified time.

In order for a court to find that the agency has, indeed, made reasonable efforts to finalize a permanency plan, the agency must document the specific activities that the agency *has taken* to finalize the plan; not the parents. The court is trying to determine what help the agency has provided to the parents to help them regain the child, or concurrently, what efforts *the agency has taken* to ensure permanence for the child. In detailing these efforts, of course, the agency will be reporting on the activities of the parent, but the focus for the court is on the agency's actions to help the parent and the child.

Inclusion of detailed reasonable efforts the agency has made helps in preparing court reports and in providing the

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court with the specific information it needs to make the proper findings.

(2) Case Reviews

In order for a child to remain eligible, the agency must hold and document regular case reviews on the Family Services Agreement Review form. The Permanency Planning Action Team should conduct the review within the first 60 days of placement, within the next 90 days and once every 6 months thereafter until the child exits foster care and custody is terminated.

NOTE: This provision is in effect even for those children over age 18, (even though IV-E is not the funding source) or emancipated, or in adoptive placements until the Decree of Adoption.

(3) Court reviews

There must be a court review within 90 days of the date of disposition. The next court review must be held within 6 months thereafter. Court reviews should occur at least every 6 months when the agency retains custody of the child. The requirements for court reviews under VPAs must also be followed. Court reviews are not required for young adults participating in CARS agreements.

(4) Reasonable Efforts to Finalize a Permanency Plan

A judicial determination regarding reasonable efforts to finalize a permanency plan **must** be made

NCGS 7B-907 states that

In any case where custody is removed from a parent, guardian, custodian, or caretaker, the judge shall conduct a review hearing designated as a permanency planning hearing within 12 months after the date of the initial order removing custody and the hearing may be combined, if appropriate, with a review hearing required by G.S. 7B-906. The purpose of the permanency planning hearing shall be to develop a plan to achieve a safe, permanent home for the juvenile within a reasonable period of time. Subsequent permanency planning hearings shall be held at least every six months thereafter, or earlier as set by the

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court, to review the progress made in finalizing the permanent plan for the juvenile, or if necessary to make a new permanent plan for the juvenile.

From the Federal Child Welfare Policy Manual

Question **8.3A.9a**

The statute requires that the judicial determination of reasonable efforts to finalize/achieve a permanency plan be obtained no later than 12 months from the date the child is considered to have entered foster care and at least once every 12 months thereafter while the child is in foster care. Accordingly, States must use the date of the last judicial determination for a child to determine the date the next one is due. In no circumstance may the interval between these judicial determinations exceed 12 months. If a judicial determination regarding reasonable efforts to finalize a permanency plan is not made within the time frame prescribed above, the child becomes ineligible under title IV-E at the end of the month in which the judicial determination was required to have been made and remains ineligible until such a determination is made. Although the permanency hearing may serve as the mechanism for obtaining the judicial determination of reasonable efforts to finalize/achieve a permanency plan, there is no requirement that the judicial determination be made at a permanency hearing. The court may make such a judicial determination, based upon evidence presented to it by the State, without a formal hearing.

Source: 06/09/04

Legal Reference: Section 471(a)(15)(B) of the Social Security Act, 45 CFR 1355.20 and 1356.21(b)(2).

The court report should specify what efforts the agency has made to achieve permanence for the child. These efforts should be sufficiently detailed so that the court may

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reiterate verbatim the details in the court report as the court's own findings of fact. It is important to stress that the court will be looking at what efforts the *agency has made*; not the parents or caretakers. If the court report has sufficient details, the court can make the proper findings.

If such a hearing resulting in a court order containing language regarding the permanent plan and reasonable efforts to achieve that plan does not occur within these times frames, the child is not IV-E reimbursable from the end of the 12th month until the month in which the hearing does take place.

If the agency proceeds with a Termination of Parental Rights action, the hearing to determine whether there are grounds for such termination does not replace the regularly scheduled Permanency Planning hearing. It is, however, permissible for the hearing in which the TPR petition is heard to then proceed directly to the Permanency Planning hearing to sanction the change from reunification to adoption.

Any time a child loses IV-E or TEA eligibility, he should be considered for eligibility for State Foster Home Funds.

Note: Reimbursability is a separate issue. If a child loses reimbursability for IV-E or TEA, he may not have lost his eligibility. Reimbursability is tied to the placement and the timing of permanency planning findings. Eligibility is tied to the initial placement authority, continuing family circumstances, and income available to the child.

C. State Foster Home Funds

State foster home funds are available for foster care payment assistance for those children who are not otherwise eligible for funding through IV-E or when TEA is not appropriate either because the child is not TEA eligible or because the agency elects not to use TEA to fund the foster care assistance payment. The agency must first establish that the child is not eligible for IV-E before the child is determined eligible for State Foster Home Funds. The county DSS is required to have custody or placement responsibility through a judicial determination, Voluntary Placement Agreement, or a Relinquishment for Adoption. State

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Foster Home Funds may be available for reimbursement of foster care maintenance payments during the time the agency is determining eligibility for other funding sources for a child. Whenever SFHF's are used for foster care maintenance payments, administrative costs may be claimed from any federal source for which the child may be eligible. In most instances, funding for administrative costs will be chosen from among SSBG (program code X), TANF-transferred-to-SSBG (program code V), or TEA (program codes R or O), or any other applicable source. SFHF eligibility continues as long as case plans, administrative and court reviews are current, the child is in the agency's placement responsibility and the placement itself is licensed. SFHF eligibility continues as long as case plans, administrative and court reviews are current, the child is in the agency's placement responsibility and the child is in a licensed facility.

1. Placement Authority

a. Judicial Authority

Judicial determination requirements are identical to those outlined for IV-E with one exception. Whereas a child can never be IV-E eligible when contrary to the welfare/best interest language is not included in the initial court order, subsequent orders that include the language will render the child eligible for State Foster Home Funds as long as all other judicial and SFHF eligibility requirements are met. **Until that language appears in an order, the child is not SFHF eligible, and the entire cost of care is the responsibility of the county.**

b. Voluntary Placement Agreement.

The same provisions apply as in the IV-E eligibility discussion. In neither case does funding availability continue if placement exceeds 180 days, per Federal regulations, and the placement has not been reviewed by the court. NC statutes require a court hearing by the 90th day and that a petition be filed and heard by the 180th day. These restrictions should not be construed to imply that a VPA should continue for these lengths of time. Rather, the length of time for a VPA should be tailored to the needs of the child and family.

c. Voluntary Placement Agreement/Contractual Agreement for Continued Residential Services (CARS) with Youth

State Foster Home Funds (SFHF) may be available for youth emancipated or over age 18 who are not eligible for IV-E or TEA. Even if a youth is receiving IV-E or TEA foster care reimbursement, it must be discontinued at the end of the month of his 18th birthday, or upon emancipation. However he does become eligible for SFHF if he and the agency choose to enter into a Contractual Agreement for Young Adults between the ages of 18 and 20 who aged out of foster care or who were discharged from agency custody between the ages of 16 and 21 for any reason, including emancipation, and who wish to re-enter DSS placement authority. The young adult may request placement under a CARS agreement. State Foster Home Funds are available to pay half of the standard board rate to a licensed foster care facility if all of the following conditions are met:

The county approves and enters into the agreement with the young adult, based equally on the county's willingness to partially support the cost of placement and the youth's demonstrated willingness to accept responsibility for the use of the placement;

The young adult is enrolled in or is accepted as a full-time student for enrollment for the next school term in a program that leads to a high school diploma or equivalent; a course of college study; or a course of vocational or technical training designed to achieve gainful employment;

The young adult is placed in a licensed foster care facility. If the young adult is involved in a residential educational (such as college) or vocational program, the young adult shall have his or her placement resource available for weekend visits and vacations. A portion of the board payments may be used by the care provider to help the young adult with expenses associated with the educational/vocational program. That placement slot within the foster home would be assigned solely to the qualifying youth. Youth who participate in Teen Challenge,

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Job Corps, etc. qualify as being a full time student in a course of vocational or technical training [NCGS 108A-48(b)]. The youth's residence is the licensed or foster care facility in which he visits for weekends and vacations. The full board payment for the youth would be sent to the foster parent or residential facility who would use these funds to assist the youth with his financial needs in whatever educational or training program in which he is enrolled.

There are certain other requirements for youth who are in foster care under a Contractual Agreement for Continued Residential Services.

CARS agreements should be reviewed every six months or more often as needed to assure that the conditions of the agreement are being met and that any unanticipated problems are addressed. A suggested form is attached. While a formal Independent Living Assessment is not required for young adults participating in CARS agreements, such assessments may be useful to assure that the young adult is receiving the goods and services needed to help him prepare for self-sufficiency.

2. Other Conditions Related to State Foster Home Fund Eligibility

Family Services Agreement-For a child to be eligible to receive SFHF, there must be a Family Services Agreement for that child with all applicable components completed at the appropriate intervals.

Medicaid-Eligibility for Medical Assistance (MA) must be determined. SFHF children are neither automatically nor categorically eligible for Medicaid funds. (Undocumented alien children are specifically ineligible for MA on an on-going basis. They may be eligible in an acute medical emergency. Please refer these cases to the Medicaid section of your agency for specific eligibility determination).

Adoption Relinquishment-Children who enter agency custody by way of relinquishment of parental rights are eligible for SFHF.

Minor parents-The child of a non-IV-E or non-TEA eligible

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minor parent in foster care cannot have his/her needs included in the minor parent's SFHF payment **at this time**. Unless the child of a minor parent enters placement responsibility or custody, there is no funding available to pay for his/her placement. Payment for these children is contingent upon the minor parent signing a Voluntary Placement Agreement or assignment of custody to the agency by a judicial determination. If the minor parent and child are separated at the point the agency is vested with placement authority, the child may be IV-E or TEA eligible (if the child meets eligibility requirements as outlined in the manual section

Undocumented Alien Child-While a resident alien child is not eligible for foster care payments paid for through either IV-E or TEA, he/she is eligible for SFHF's, if all other SFHF requirements are met (e.g., court order language).

Concurrent Eligibility-A child may receive both SSI and SFHF.

Delinquent/Undisciplined Children-A child who enters the legal custody of a county Department of Social Services by way of a delinquent or undisciplined petition and who does not meet IV-E requirements, and/or TEA is not appropriate, is eligible for SFHF, if all other SFHF requirements are met (e.g., court order language).

3. State Supplement for Children Exposed to HIV/AIDS

The State also provides supplemental board payments for children in DSS foster homes or DSS-funded foster placements who are diagnosed as having been perinatally exposed to the Human Immunodeficiency Virus (HIV) or who have developed symptoms of HIV/AIDS. Counties may receive payments for eligible children retroactive to the effective date of the enabling legislation, July 1, 1994.

a. Provider Qualifications

Supplemental board payments for HIV+ children may be made to foster parents, group homes, or child caring institutions licensed by the North Carolina Division of Social Services.

b. Eligibility

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- Children eligible for HIV supplemental board rates must be:
- In the custody and placement responsibility of a North Carolina County Department of Social Services;
- Placed in foster homes or facilities licensed by the Division of Social Services;
- Diagnosed by a licensed physician as meeting one of the following diagnostic criteria.

c. Diagnostic Criteria and related DSS-5094 and DSS-5095 Codes

For children under the age of 13, Center for Disease Control case definitions for pediatric AIDS will be used. HIV infection is defined by one or more of the following:

- the identification of virus in blood or tissues;
- the presence of HIV antibody (positive screening test plus confirmatory test) regardless of whether immunologic abnormalities or signs or symptoms are present; or
- the confirmation that the child's symptoms meet the CDC case definition for pediatric AIDS. The categories listed below shall be used to determine board payments for foster children:

CDC Categories

E: Perinatally Exposed

Perinatally exposed infants age 0-24 months who cannot be classified as definitely infected, but who have antibody to HIV, indicating exposure to a mother who is infected.

N: Asymptomatic Infection

Infants, children, and youth who meet one of the CDC definitions for infection, but who have had no previous signs or symptoms that would have led to classification in Class P2.

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Children may be further subclassified on the basis of immunologic testing: A) normal immune function; B) abnormal immune function; or C) not tested.

A: Mild Infection

Infants, children, and youth meeting one or more of the above definitions and having signs and symptoms of mild infection.

B: Moderate Signs of Infection

Infants, children, or youth meeting one or more of the above definitions and having signs of moderate infection.

C: Severe Signs of Infection

Infants, children, or youth meeting one of the above definitions and having signs of severe infection.

T: Terminally Ill

Children ages 0-21 who have AIDS with life expectancy of six months or less.

d. Reimbursement Rates

Reimbursement rates are based on the age of the child and the status of the disease.

For children 0-18 months in E status, the supplemental board rate is **\$800 per month**.

For children ages 0-21 in N status, the rate is **\$1000 per month**.

For children ages 0-21 in A, B, or C status, the rate is **\$1200 per month**.

For HIV infected children ages 0-21 with a resulting diagnosed life expectancy of six months or less, the supplemental board rate is **\$1600 per month**.

e. Reimbursement Procedures

Field 16 of the DSS 5094 must be completed with one of the one-digit alpha codes listed above in order to draw down supplemental state funds. Initial and retroactive payments require verification of the child's medical status

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by a licensed physician, as well as verification of the date the child was placed in an eligible foster care placement. Following initial approval, counties must also submit verification of the child's medical status at six month intervals to Family Support and Child Welfare Services Section. Copies of these forms are included in the Appendix.

Reimbursement of supplemental foster care payments for children exposed to HIV/AIDS is currently a manual process completed by Children's Services. Claims for reimbursement for children eligible to receive these funds must be submitted each month to the Children's Services Section on the required Request for Reimbursement form (DSS 5758) prior to the 20th day of each month. A copy of form DSS 5758 is included in the Appendix.

Reimbursements are made based on the submission of the required information and verification of the child's status on the DSS 5094 and the license status of the family foster home or child care facility. If the required information is not on the child's DSS 5094 or the child is not placed in a licensed foster care placement, reimbursement cannot be made.

III. Foster Care Funding for Administrative Costs

A. TEA

TEA funds administrative costs when the child is eligible for TEA foster care maintenance payments. Some costs which IV-E cannot pay for may be funded with TEA if the child is also eligible for TEA. An example:

The plan for a child who is receiving IV-E foster care maintenance payments is to be placed with his aunt. The agency wants to prepare both the child and the aunt for some of the difficulties that both may face when the child begins living with the aunt. Some of the issues that need to be discussed are the child's behavior and what the behavior may really mean; helping the aunt to understand her own responses to the behavior in terms of helping the child to understand what his behavior is really meaning. Obviously, this will take some length of time,

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but the agency understands that this must be done if the placement is to succeed. IV-E cannot fund such counseling, but TEA may be able to pay for the time the social worker spends with the child and the aunt. Therefore, the social worker would document on the daysheet service code 390-Other Child Welfare Services, and program code R (or O).

B. MOE-Maintenance-of-Effort Funds for Children in Foster Care-(Program Code 9)

MOE funds may never be used for foster care maintenance payments for any child. MOE may be used to fund administrative costs associated with a child who is in foster care or who has been placed with a relative or who is in a licensed relative foster home.

TANF regulations restrict the use of MOE funds to one of the four distinct TANF purposes:

In general, the purpose of this part is to increase the flexibility of States in operating a program designed to:

1. provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;
2. end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
3. prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and
4. encourage the formation and maintenance of two-parent families.

A child may be eligible for MOE funded foster care services even if the child is presently in an unrelated foster home. The purpose of foster care is to change the conditions that led to his having to leave his own home so that he can return to that home or the home of a relative.

Consequently, use of MOE funded services for a child in foster care must be used for children whose permanency plan is reunification with a parent or custody/guardianship to a relative. If

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a child is in the legal custody and placement responsibility of a county Department of Social Services and is placed with a relative, the administrative costs involved in maintaining the placement may be reimbursed through MOE.

MOE Eligibility

Use of MOE funds for administrative costs for children who are in foster care requires a "means test". For example, a child who has entered foster care who has resources in his own right, cannot have resources totaling more than 200% of the current FPL for a family of one. Federal regulations require MOE funds to be used for children or families that meet the following eligibility factors:

1. Family income (or if child is in agency legal custody and placed with a relative or is in a relative licensed foster home, or an unrelated family foster home, the child is considered a family of one) cannot exceed 200% of the current FPL;
2. Child must be a US citizen or meet qualified alien requirements;
3. Child must be in the home (if child is in agency legal custody and is placed in an unrelated licensed foster home, a relative home or in a licensed relative foster home, is considered a family of one); and
4. Services provided meet TANF purpose #1.

Family's/Child's Income

When a child is living in the home of a specified relative other than his parent(s), the relative's income is not considered in determining the child's eligibility. A parent's income from SSI is also not counted. The child's own income cannot exceed 200% of the current FPL. Federal Poverty Guidelines can be found at <http://aspe.hhs.gov/poverty/index.shtml>. The income must be documented in the record. Social workers may use the MOE-Maintenance-of-Effort Verification form, but written verification from the parent of the income is not necessary.

Specified Relative

The child must be living with a specified relative or parent. In addition to the parent, a specified relative is:

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a blood or half blood relative or adoptive relative limited to brother, sister, grandparent, great-grandparent, great-great-grandparent, uncle or aunt, great-uncle or aunt, great-great-uncle or aunt, nephew, niece, first cousin, stepbrother, stepsister; and spouses of anyone listed above even after the marriage has been terminated by death or divorce.

US Citizenship

Certain non-citizens can be eligible for MOE-funded services. Families who receive Work First payments, Medicaid or Health Choice, or Food Stamps meet the citizenship requirements for MOE. If agency records are inconclusive and the worker has questions about the child's citizenship status, it is recommended that Work First staff be consulted to help clarify the child's citizenship status.

TANF Purpose

The service to be funded by MOE must meet the following TANF purpose:

To provide assistance to needy families so that children may be cared for in their own homes or the home of a relative.

Please note that social workers must document how provision of the MOE funded service meets this TANF purpose. For example only, the social worker might document the following:

"Johnny is in our legal custody because he could not be cared for safely in his own home. We are working toward reunification with his mother so that he can return to her. If this is not possible, we will work toward placement with his aunt, (grandmother, brother, etc.)."

C. TANF-Transferred-to-SSBG-(Program Code "V")

Title IV-A (TANF) allowed a portion of the TANF Block Grant to be diverted to the Social Services Block Grant (SSBG) because funding for SSBG had been cut in recent years. North Carolina refers to the fund subsequently used for child welfare services paid for through this allowance as TANF-Transferred-to-SSBG. The program code for these funds is "V". A child is eligible for "V" funding if the family income is at or below 200% of the current Federal Poverty Level (FPL) (Federal Poverty Guidelines can be found at <http://aspe.hhs.gov/poverty/index.shtml>) and meets one

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of the five broad Social Services Block Grant goals below:

- Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;
- Achieving or maintaining self-sufficiency, including reduction or prevention of dependency;
- Preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitation or reuniting families;
- Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; and
- Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.

D. IV-E Administrative Costs

Title IV-E funds may also be used for administrative time; the time that a social worker spends implementing foster care. IV-E funds only case management activities. The DSS 4263 (daysheet) is the mechanism used to obtain reimbursement for these administration costs. The rate of reimbursement for IV-E administrative funds is 50% federal funds, 25% State funds and 25% county funds. In order to claim IV-E reimbursement for administrative costs related to foster care, the child must both be IV-E eligible and in a reimbursable placement, with two exceptions. They are:

1. IV-E administrative costs may be claimed during the time a relative is being license, for a maximum of 12 months or for the average time it takes to license a relative placement, whichever is less, and
2. IV-E administrative costs may be claimed for one month for a child moving from an ineligible placement (such as a psychiatric hospital) to an eligible placement.

There are **two** situations where children who have previously been if foster care may be eligible for IV-E Administrative cost reimbursement as candidates . This would apply to children in **aftercare** and on **trial home visits**.

Aftercare

IV-E administrative funds may be used to manage service provision to a child who has returned home even if the agency no longer has custody of the child (after-care services). While the services themselves cannot be paid for, the case management activity can be reimbursed as an administrative cost. Once a case is closed, a new determination, based on the current circumstances, would have to be completed should the child come back into the agency's responsibility.

From the Federal Child Welfare Policy Manual:

8.1D TITLE IV-E, Administrative Functions/Costs,
Candidates

Question 3: Can children in aftercare be considered candidates for foster care?

A: Yes. Departmental Appeals Board Decision No. 844 permits States to consider a child who is receiving aftercare services to be a candidate for foster care. In such circumstances, services or supports provided to the newly reunited family can be considered the State agency's reasonable efforts to prevent the child's removal from the home and re-entry into foster care. The State, therefore, may claim Federal reimbursement for the allowable title IV-E administrative costs associated therewith. However, in order to consider a child who is newly reunited with his/her family a candidate for foster care, the State must document the child's candidacy pursuant to one of the approved methods. The State may, for example, develop a case plan that demonstrates its intent to remove the child from home and return him/her to foster care if the aftercare services prove unsuccessful.

Source: ACYF-CB-PA-01-02 (7/3/01)ACYF-CB-PA-01-02 (7/3/01)
Reference: Departmental Appeals Board Decision No. 844

Trial Home Visit

Agencies may claim federal IV-E administrative costs for a IV-E eligible child who is placed on a trial home visit with a specified relative for less than six months, or for longer than six months if a court has ordered a longer period. If the trial home visit extends beyond the six month period, or beyond the court ordered period

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of time, agencies may not claim IV-E administrative costs for the child.

From the Federal Child Welfare Policy Manual
8.1D TITLE IV-E, Administrative Functions/Costs, Candidates

Question 3: Can children on trial home visits be considered candidates for foster care?

A: Yes. A State often will provide supportive services to a child and family during the course of a trial home visit to facilitate the success of such visit. We believe that the services and supports provided to a child on a trial home visit can be considered reasonable efforts to prevent the child's removal from the home and return to foster care. The State, therefore, may claim Federal reimbursement for the allowable title IV-E administrative costs associated therewith. However, a child may not be simultaneously both in foster care and a candidate for foster care. In addition, the State must document the child's candidacy for foster care pursuant to one of the approved methods. For example, the State may document in the child's case plan its intent for the child to return to foster care if the services provided during the course of the trial home visit prove unsuccessful.

Source: ACYF-CB-PA-01-02 (7/3/01)ACYF-CB-PA-01-02 (7/3/01)
Reference: 45 CFR 1356. 21(e) and 1356.60

If the adoptive placement of a child disrupts **prior** to the issuance of the Final Decree of Adoption, the child continues his IV-E eligibility if he was IV-E eligible at the time of the adoptive placement. If the adoptive placement dissolves **after** the Final Decree of Adoption is issued, the circumstances of the adoptive parents at the time that the child enters the agency's legal custody determines the child's eligibility category. If, however, the child is then placed in another adoptive home and the Final Decree of Adoption is issued, his IV-E status resumes for adoption assistance purposes

E. Title XIX-At-Risk Case Management Services

Child Welfare Restrictions on ARCMS

In the report of a federal review of At Risk Case Management service provision in Oklahoma, the Centers for Medicaid and

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Medicare Services stated the following:

Case management services are integral and inseparable components of the direct services and administrative functions of the Foster Care and Child Welfare programs and may not be claimed under any other Federal program.

The interpretation relates primarily to IV-E children, but the difficulty of teasing out the differences between ARCMS and Foster Care Case Management Services prohibits the use of ARCMS when a child is in the legal custody of a county Department of Social Services. **Therefore, At Risk Case Management Services cannot be used for any child in the legal custody or placement responsibility of a county Department of Social Services.**

F. LINKS-Chafee Independence Act

1. Eligibility for LINKS Services

In North Carolina, all youth who are now 13 or older and are not yet 21 and who are or were in DSS foster care after the age of 13 are eligible for LINKS services, with two exceptions. Otherwise eligible youth are not eligible for LINKS funds if:

- they have personal reserves of more than \$10,000, or
- they are undocumented or illegal aliens.

For the purposes of this policy, being in foster care means that the:

Child was removed from the home and is receiving 24 hour substitute care, and the DSS has placement and care responsibility. Non-paid relative care is included in this definition if the child is not living in the removal home. Youth who, as teenagers, have been discharged from foster care and were reunified, placed with relatives, adopted, married, or emancipated remain eligible for LINKS services until their 21st birthday.

Note: Detention facilities, forestry camps, training schools, and any other facility operated primarily for the detention of

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children who have been determined to be delinquent are not considered foster care placements.

Youth involvement in case planning must be documented in the case record and reflected on the case plan. Youth and young adults who refuse services, who refuse to be active participants in designing the case plan, and/or who refuse to do their part in resolving problems cannot be provided LINKS services or resources.

Eligibility for LINKS services is intentionally broad, in order to permit agencies to serve youth and young adults who need the services and who are willing to do their part in resolving problems.

a. Required Services:

Counties **must** offer and provide appropriate services to youth and young adults ages 16-21 who are in DSS custody and to young adults who aged out of agency custody at age 18 and who are not yet 21. Outreach efforts are **required** for young adults who aged out of care and who are not yet 21 to determine their current situations, their interest in continued services, and their need for resources through the LINKS Special Funds program.

Eligible teens and young adults in foster care or on CARS/VPA agreements ages 16-21 **must** be offered LINKS services.

Young adults who aged out of foster care (were in foster care on their eighteenth birthday) **must** be offered any needed assistance for which they are eligible.

b. Optional Services

Each county agency may determine which (if any) optional services will be offered in addition to those mandated by Federal statute.

Services are **strongly recommended** for youth in agency custody ages 13-15 **and** for young adults between the ages of 18 and 21 who did not age out of custody, but were in custody as teens and are now requesting services.

Services are **recommended** for youth who were in custody

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as teens, have been discharged, and who are now between the ages of 13 and 18.

c. Other Program Elements of NC LINKS

- The State is required by law to make LINKS benefits and services available to American Indian children in the state on the same basis as other children. North Carolina interprets this responsibility to include all Native American children, regardless of Federal recognition status.
- Illegal and Undocumented Alien Youth

No federal funds can be applied to assistance or services for illegal and undocumented aliens.

If an otherwise eligible youth is disqualified from LINKS because of residency status, the agency can serve him or her so long as no Federal funds are used to provide those services. Once legal residency is established, LINKS funds may be used to provide services.

Youth with personal reserves of \$10,000 or more.

Youth are not eligible for LINKS funds if they have personal reserves of more than \$10,000. Services may be provided if no additional LINKS funds are used to provide the service and if no eligible youth is denied services because of participation by the ineligible youth

2. Allowable Expenditures of LINKS funds

Use of County Program Allocation Funds

- **Resource Development**

Counties may use LINKS program allocations to purchase or rent program materials, supplies and equipment for the establishment, continuation, implementation or revision of the county LINKS program, and/or for evaluation of the effectiveness of the program. Counties must follow cost allocation or direct charge procedures to purchase equipment

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for the LINKS program such as computers, printers, scanners, cameras, copiers, televisions, DVDs or VCRs. Direct charges to the LINKS program allocation are only allowed if the equipment purchase is designated for the sole use of the LINKS program. For information on direct charge, expensing, and cost allocation procedures, please refer to the April 28, 2003 Dear County Director Letter from Pheon Beal, Division Director.

Go to the following link for instructions and the form.

http://info.dhhs.state.nc.us/olm/manuals/ooc/fsc/man/FSCs3-01.htm#P1518_51863

The explanation, with the original signature of the county Director and the form, should be sent to:

Mr. Jack W. Chappell
Department of Health and Human Services
2019 Mail Service Center
Raleigh, North Carolina 27699-2019

A copy of these documents should be sent to the DSS Budget Office at 2417 Mail Service Center, Raleigh N.C. 27699-2417.

- Youth Incentives

Funds may be used to provide reasonable incentives (cash, gift certificates, food, etc.) to youth to encourage program participation or goal achievement. Incentives are offered to

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encourage a youth to reach toward a goal, as a part of the formal or informal service agreement with the youth. The effectiveness of the incentive should be determined periodically to ensure its continued use as a motivator. For example, a financial incentive may be offered to a youth to pull up his grades from failing to passing, but if the youth continues to fail, other strategies should be tried. Financial incentives should be used only as a short-term motivational tool, since other motivators should become present in the natural course of events. For example, if a youth receives a cash or other similar incentive to handle his behavior so that he maintains his placement for a significant period of time, he should begin to experience other benefits in the course of his efforts: improved relationships with his caregivers and friends, increased opportunities to participate in activities of interest, stability in his school setting, etc.

- Goods or Services for Individual Youth/Young Adults

A county may use some or all of their program allocation to pay for goods or services on behalf of one or more individual youth or young adults, so long as doing so does not undercut funding needed by other youth/young adults in the mandatory services groups. Note: LINKS Special Funds are also available to reimburse counties for expenditures made on behalf of pre-registered youth and young adults. Instructions for accessing LINKS Special Funds are found later in this section.

Note: Program allocations may not ever be used for rent, rent deposits, or other dwelling costs for any youth or young adult. Only Transitional Housing Funds, available through the LINKS Special Funds for young adults who aged out of foster care, may be used for rent, rent deposits, down payments on housing, or room and board arrangements.

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- Program Operations

A county may use a portion of its program allocations for staff positions, for contracted services, or for time spent on the planning and delivery of services.

3. Expenditures not allowed

Any expenditure that does not meet the principles for the use of LINKS funds is not allowed.

- LINKS funds may not be used to take the place of (supplant) Federal or state funds that are otherwise available for the same purposes. Federally funded day care, subsidized housing, foster care administration and training, adoption assistance, TANF, Child Protective Services, etc. are federally funded programs that may also touch LINKS-eligible youth and young adults.
- LINKS funds may not be used to match other Federal funds. Extreme caution should be exercised when using LINKS funds to assure that supplantation does not occur. If a worker is considering using LINKS funds for an expense that would have been paid from other sources were these funds not available, supplantation should be ruled out prior to proceeding.

4. LINKS Special Funds:

LINKS Special Funds are reimbursed to the county for expenditures made on behalf of eligible foster teens and young adults up to age 21 who are or were in foster care as teens. LINKS Special Funds are available to promptly reimburse counties for additional expenditures on behalf of eligible youth and young adults. These funds are in addition to the county LINKS. Eligibility can be cumulative: one young

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adult may be eligible for both categories of funding, for a total of as much as \$3250 per year.

Once eligibility is determined, the county may pre-authorize all or some of the youth as they prefer. Eligibility, once established, remains in effect until the youth achieves his or her 21st birthday, unless the county discontinues the eligibility status. The amount renews annually on October 1 to the maximum available amount. Unspent funds from the prior Federal fiscal year do not carry over to the ensuing Federal fiscal year.

Note: Sales tax paid by the county DSS should not be included in the request for reimbursement.

Purpose of Special Funds

The purpose of LINKS Special Funds, as with all LINKS funds, is to help youth successfully transition to self-sufficiency by reducing barriers to achieving that goal. LINKS Special Funds were created to help to assure that every eligible youth or young adult will have timely, equal access to financial resources regardless of county of residence. There are two categories of Special Funds:

- **Housing Funds** are **only** available to young adults who aged out of foster care at 18 but are not yet 21 years of age. Up to \$1000 per individual per year is available to help with transitional housing costs, which is defined as rent, rent deposits, or room and board arrangements that include meals as a part of a rental agreement. Utility costs are not included in this fund, but those types of costs may be paid from LINKS Transitional Funds. Funding is intended to help youth get moved into a permanent home, not to prolong unnecessary dependency nor to pay for continued residential treatment. An eligible young adult

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who is participating in a CARS Arrangement may use these funds to transition to their independent living arrangement.

A youth “ages out” of foster care if he/she is in foster care on his or her 18th birthday. To be eligible, the young adult must have been in DSS custody on his or her 18th birthday and must have been living in a licensed foster care facility or with a relative that was not the removal home or in other court-approved placement. Youth who are in secure facilities specifically designed for correctional purposes on their 18th birthdays are specifically excluded from receiving transitional housing assistance but are eligible for other LINKS funds and services.

Youth who are under the age of 18 and young adults who did not age out of foster care are not eligible for Transitional Housing Funds, and no other LINKS funds can be used to procure housing for them. The Chafee Act is very specific on this point, and until the law is changed, there is no LINKS money to pay for rent, rent deposits, or down payments on dwellings for youth who did not age out of care.

- **LINKS Transitional Funds (up to \$2250)** are available to help any youth or young adult ages 13 through 20 who, because of life circumstances, behaviors, or lack of needed resources is evaluated by the county DSS to be at risk of not making a successful transition to self-sufficiency unless appropriate intervention is initiated. LINKS Transitional Funds may not be used for rent, rent deposits, room and board, or down payments on housing.

LINKS Special Funds may only be used to assist the youth or young adult to achieve one or more of the seven

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following outcomes: 1) economic self-sufficiency; 2) safe and stable housing; 3) academic or vocational achievement; 4) connections to a personal support network; 5) postponed parenthood; 6) avoidance of high risk behaviors and/or 7) access to needed health care not covered by Medicaid or public health insurance.

Procedure to Access LINKS Special Funds

Note: LINKS Special Funds are a limited resource, not a right. Counties will need to be careful to use only what is needed in order to assure that the funds last through the fiscal year. Once the Special Funds are expended, counties cannot be reimbursed for their expenditures. County LINKS Staff will be notified if the funds are being exhausted ahead of schedule.

In order to qualify for reimbursement from LINKS Special funds, a youth or young adult must be at least 13 years of age and must be or have been in foster care as a teenager. Eligibility for LINKS Special Funds and services ends on the young adult's 21st birthday. Youth and young adults 13-21 who have been discharged as teens, were adopted, have moved out of state, have been emancipated, or have married remain eligible for these resources if they are needed to address barriers to self-sufficiency. The custodial County Department of Social Services determines eligibility for the various funding sources and documents the basis for that eligibility in the case record. Receipts or other proofs of purchase are maintained at the county level. The county then forwards information on the form Authorization for Access to LINKS Special Funds establishing eligibility to the NC LINKS Coordinator, either by FAX to (919) 715-0766 or by mail to 325 North Salisbury Street, MSC 2409, Raleigh, N.C. 27699-2409. One or more youth may be registered on a single form indicating eligibility for one or more of the funds by checking the appropriate boxes. The information is then entered into a data base at the office of the State LINKS Coordinator.

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When the county establishes the need for access to the Special Funds, the county advances funds for the expenditure and then requests reimbursement directly through the LINKS Coordinator, using the Request for Reimbursement form. The request specifies the types and amount of funds that should be charged for each youth/young adult, up to the maximum amount available, along with a brief explanation of the purpose of the expenditure. In addition, the county staff must indicate which of the seven outcomes will be furthered by the use of the expenditures. For example, if the expenditure is for tutoring, the staff would write tutoring-3 in the purpose box to indicate that the expenditure is intended to help the youth's educational preparation. If the expenditure was to help an overweight youth by purchasing a gym membership, the staff would write gym membership-7, 5 to indicate that funds are being used to promote preventive health practices and avoidance of high risk behaviors. Paying for work clothes furthers the goal of 1, economic self-sufficiency. Expenditures that do not further the accomplishment of one or more of the seven outcomes will not be approved. Case documentation should reflect the purpose of the expenditure and its relationship to the desired outcomes.

The county LINKS coordinator or designee is responsible for tracking expenditures to assure that the county does not request more funds than are available for the individual youth. The NC LINKS Coordinator checks the data base to assure that eligibility has been established and spot checks to assure that youth have not used more than the allotted maximum. The State Coordinator then forwards all requests to the Controller's office on a monthly basis on the 15th of the month. Counties are reimbursed by Electronic Funds Transfer (EFT) the first week of the following month. In order to assure timely reimbursement, counties are asked to submit their requests to the LINKS Coordinator by the 14th of the month. Requests for reimbursement should be faxed to (919) 715-0766, to the attention of the state LINKS Coordinator.

If a county is serving a youth or young adult whose eligibility is

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based on their history with another North Carolina county DSS, the county that had custody and has validating case documentation must verify eligibility for LINKS special Funds. The Division will reimburse either county for its allowable expenditures on behalf of the eligible youth or young adult, based on arrangements made by the two counties.

Youth ages 13 to 18 who are placed in North Carolina from other states and who request LINKS services are not eligible for LINKS Special Funds but are eligible for LINKS services. The sending state is required to develop the Independent Living component of the plan and should pay for additional costs for serving the youth. Young adults who aged out of custody of another state and who have moved to North Carolina must be provided services by the county in which they now reside. The home state's Independent Living policy will determine whether or not that state will assist with the costs of those services.

If a young adult who aged out of foster care from another state is seeking Independent Living services, contact the NC LINKS Coordinator to determine how services will be funded. Young adults who were placed as minors in North Carolina under the Interstate Compact, who aged out of foster care, and are remaining in North Carolina qualify for all LINKS benefits available to any North Carolina resident.

Forms

Forms used to register youth and young adults for Special Funds, and to request reimbursement are found in Appendix I.

The agency does not request reimbursement for sales tax that it pays. The agency should maintain receipts in the case record. It is not necessary to submit receipts with the request for reimbursement except as necessary to verify that expenditures were made prior to a young adult's 21st birthday or after their 18th birthday, if the funding source is dependent on age.

Education Training Vouchers

Legislation authorizing Education Training Vouchers was a separate section of the Chafee Act, authorized effective October of 2003. Use of these funds has no impact on LINKS county allocations or LINKS Special Funds except that young adults receiving ETV s may not access other Chafee Funds for expenses covered by the ETV, even after the \$5000 limit is exhausted.

Qualifying schools

The term "institution of higher education" is defined in Sections 101 and 102 of the Higher Education Act (HEA) of 1965, as amended. The U.S. Department of Education, Office of Postsecondary Education, can help States determine which institutions meet the law's criteria. In general, the term includes three different types of institutions: public and nonprofit institutions of higher education; proprietary institutions of higher education; and postsecondary vocational institutions. A public or nonprofit institution of higher education must meet the following criteria (section 101(a) and (b) of HEA):

- a. admits as regular students only persons with a high school diploma or General Equivalency Degree (GED), OR students above the age of compulsory school attendance in the State where the institution is located;
- b. is authorized by the State to provide postsecondary education;
- c. provides an educational program for which the institution awards a bachelor's degree or at least a two-year program (e.g., an associate s degree) that is acceptable for full credit toward such a degree OR provides at least a one-year training program to prepare students for gainful employment in a recognized occupation; and
- d. is accredited by a nationally recognized accrediting agency

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or association, recognized by the Department of Education, or has been granted pre-accreditation status by the agency or association, and the Secretary has determined that there is a satisfactory assurance that the institution will meet the accreditation standards of the agency or association within a reasonable time.

A proprietary (for-profit) institution of higher education must provide a training program to prepare students for gainful employment in a recognized occupation and meet the same criteria as described in (1) and (2) above for public or nonprofit schools. In addition, the institution must: be accredited by an agency or association recognized by the Department of Education; be in existence for at least two years; and, have at least 10 percent of its funding come from sources other than title IV of HEA (section 102(a)(1)(A) and 102(b) of HEA).

A postsecondary vocational institution must be a public or nonprofit school in existence for at least two years, which provides a training program to prepare students for gainful employment in a recognized occupation. The school must also meet the criteria described in (1), (2) and (4) above (section 102(a)(1)(B)) and 102(c) of HEA).

Certain institutions may not be considered an "institution of higher education" without obtaining special Secretarial approval if they have a high percentage of distance learning classes or students, incarcerated students and students without a high school degree, or have previously filed for bankruptcy or have been convicted of fraud using HEA funds (section 102(a)(3) and (a)(4) of HEA). Schools outside of the United States cannot be considered institutions of higher education for the purposes of the Educational and Training Voucher program (section 102(a)(1)(C) of HEA).

Eligibility of Students

- The **student** must be eligible for the NC LINKS program.
- **Students** younger than 18 may be approved for ETV if they were in foster care after their 17th birthday and have finished high school or their GED and/or have been accepted into a qualifying college or vocational training

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program.

- A **student** adopted from foster care after his/her 16th birthday (date of finalization) is also eligible for ETV.
- Adult **students** who are attending GED/Adult High School at the same time that they are participating in postsecondary classes may qualify for an ETV for the costs of the postsecondary classes if the postsecondary school qualifies.
- Eligibility can continue until age 23 for students who were receiving vouchers on 21st birthday if they are making satisfactory progress toward completion of their certificate or degree.

Eligible costs

The amount of the ETV grant is based on the Cost of Attendance, which is the total amount it will cost a student to go to school, usually expressed as a yearly figure. Includes:

- Tuition, fees and other equipment or materials required of all students in the same course of study;
- Books, supplies and an allowance for transportation costs and miscellaneous personal expenses, including computers;
- Room and board (which may vary depending on whether the student lives at home, in student-housing or an apartment);
- Child care expenses for a student who is a parent;
- Accommodations related to the student's disability, such as a personal assistant or specialized equipment that is not paid for by another source;
- Expenses related to the youth's work experience in a cooperative education program; and
- Student loan fees or insurance premiums on the student loan.

The student's cost of attendance is determined and evaluated with their existing Federal financial awards in order to determine how much money they can get. A student may receive both the Pell Grant and the ETV, if, when combined,

are equal to or less than the cost of attendance.

Note: A student is not required to be participating in a CARS/VPA to qualify for assistance through the ETV.

Procedures:

Student Application: The student applies on line over the internet. The web address is www.statevoucher.org. Once into the web site, the student should click on the North Carolina state outline to get to the home page and the application form. The student is required to fill out the application, to submit a brief essay about their future plans, and to send a copy of their financial award letter to the contracting agency, Orphan Foundation of America (OFA). The application requires a budget, contact information for the DSS and information about the student s interests. This web site has a number of links to other valuable information that can be accessed from the site. Information on other scholarships, study habits, time management, budgeting, and supports for former foster youth, etc. is available.

Note: the college student will need his or her own email account while in college, since contact from the ETV administrator and volunteer mentors will be primarily over the internet. If necessary LINKS Special Funds can be used to help purchase basic internet services. Free email accounts are available through several vendors.

Referral from agency:

The county refers their eligible young adults using the state voucher web site. The referral is completed by clicking on the Social Worker Student Referral form (left column) The user ID is nc- and the referring county s name (e.g. nc-Dare); the password is a unique 4 digit number, available from either OFA or the state LINKS coordinator. The referral is the agency s certification that the student meets eligibility criteria.

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This referral also prompts contact from OFA to the student. Agency codes should never be given to unauthorized users, including students. The data base has been constructed to provide access to the authorized county worker regarding the application status, funds distributed, and frequency of contact between the ETV administrator and the student.

It is important that social workers in foster care and adoptions be aware of this resource and be assisted to complete these referrals and to use the database for case management purposes.

Administration: Currently, all North Carolina ETV vouchers are being administered by Orphan Foundation of America. The Foundation will send checks directly to third party providers or, in some circumstances, directly to the youth for approved budgeted expenses. If the DSS incurs ETV expenses prior to the student's approval for a training voucher, the student should be instructed to include that amount in their budget and to request reimbursement from OFA to the DSS.

IV. FOSTER CARE REIMBURSEMENT BASICS #1

A. Optimization

For reimbursement of foster care costs above the Standard Board Rate, county Departments of Social Services which incur these costs may claim reimbursement on behalf of eligible IV-E or TEA children depending on several factors.

These factors include:

1. the amount paid by the county above the SBR **and**
2. the facility or child-placing agency having a Facility Rate established by the Division of Social Services, **or**
3. the child is placed in a family foster home, which is under the auspices of a county Department of Social Services.

The Child Placement and Payment System is programmed to ensure that federal funds used to reimburse county Departments of Social Services for IV-E or TEA eligible children do not exceed the FFP of an agency's Facility (cost of care) Rate. Counties paying foster care costs higher than the

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Standard Board Rate receive monthly Payment Reports (PQA-022) indicating, by child, the amount of federal funds which are reimbursed. State funding is not available to County Departments of Social Services for reimbursement of foster care costs above the Standard Board Rate. County Departments of Social Services, other local funding agencies or the service providers are responsible for assuming the non-federal share of costs incurred that are greater than the Standard Board Rate.

B. State Foster Home Funds/State Foster Care Benefits Program

State Funds Program

The State Funds Program was originally established as a Grant-in-Aid to Private Child Caring Agencies to supplement a portion of the costs for non-IV-E eligible children placed with member agencies. Agencies become members of this program only through state legislative action, which has limited the number of non-IV-E or TEA children who benefit from this source of funding. State Funds members must contract with the Division of Social Services in order to receive reimbursements directly from the Division of Social Services. The amount of reimbursement received by a member agency is based on an agency's Facility (cost of care) Rate less any monies paid by a county Department of Social Services on behalf of an eligible child. The amount of reimbursement to member agencies varies according to the amount of funds available and the number of claims made each month. Current funding levels allow reimbursements to the member agencies directly from the Division of Social Services up to 63% of the difference between the Facility Rate and the amount that is paid by a county Department of Social Services. The Division and the Association for Child Caring Agencies are currently studying alternate methods of funding and as soon as these methods are finalized, they will be included in this manual. In the meantime, county Departments of Social Services should proceed according to existing policy.

County Departments of Social Services may refer to the annual Facility Rate Dear County Director Letter for a listing of the member agencies. Member agencies are indicated with an asterisk (*).

C. Vendor Payments

Vendor payments for children in licensed foster care placements are derived from Social Services Block Grant monies for services provided to eligible children with special needs in which costs are incurred over and above the Standard Board Rate. Counties must enter into a Vendor Agreement with foster parents, document the child's special needs in the child's case record, as well as any special training required by the foster parents to meet the child's identified need. The standard fixed rate for foster care services is up to \$150.00 per month. A unit of service is one day and up to 30 units of service could be provided to a child per month. Vendor payment rates, policies and forms are found in Volume VI: Services Administration Manual, Chapter IV: Appendix B and are titled: Foster Care Services for Children--Special Services (Code 104).

D. Other Funding That May be Available

1. Medical Assistance

Title IV-E and TEA eligible children in out of home care are automatically eligible for medical care through Medicaid. As a general rule, in order for non- IV-E or TEA eligible children to be eligible for Medicaid, the parents' income and other income available to the child must meet certain federal poverty guidelines. When parents of children who are in foster care have private medical insurance, it must be used before Medicaid is used.

In some cases, a child under the age of 21 may be eligible for Medicaid regardless of the income of the legal custodian if the anticipated length of stay in the institution or group home is planned to be more than 12 months. In these situations, the child is considered a budget unit of one, and only his income is taken into consideration for eligibility purposes. Refer to the Family and Children's Medicaid Manual, Section 3200 for specific instructions regarding eligibility.

Under the Medicaid program, county Departments of Social Services may receive financial reimbursement for contractual arrangements with foster parents or others for providing transportation for children for medical purposes. Reference may also be made to the Family and Children's Medicaid

Manual for specific information regarding documentation and reporting requirements.

2. State Maternity Home Fund

The State Maternity Home Fund is a funding resource for any North Carolina resident experiencing a problem pregnancy, regardless of age or marital status, who is unable to remain in her own home during the prenatal period and whose financial resources have been determined to be inadequate to meet residential costs in an approved living arrangement. However, the State Maternity Home fund is not available for children placed in a licensed maternity home who are in the custody or placement responsibility of a county DSS who are determined to be IV-E eligible. In these cases, IV-E funds are available and will need to be claimed by the county DSS through the Child Placement and Payment System on behalf of the eligible child. In order to claim IV-E funds, the maternity home must have a facility ID number assigned by the Division of Social Services that is compatible with the Foster Care Facility Licensing System and the county DSS must enter the required data in Sections VIII, IX and X on the child's DSS 5094.

A number of the state's licensed maternity homes have a Facility (cost of care) Rate established by the Division of Social Services, contract with the Division of Social Services and are thus eligible to receive reimbursements directly from the Division of Social Services. County DSS that utilize these maternity homes, therefore, are also eligible to receive IV-E reimbursements for eligible children above the SBR when the county DSS makes payments to the maternity home above the SBR.

County DSS may refer to the annual Facility Rate Dear County Director letter for a listing of maternity homes which have Facility Rates established. A list of licensed maternity homes is available from the Division of Social Services Family Support and Child Welfare Services Team at (919) 733-2580.

V. Foster Care Reimbursement Basics #2

Foster care reimbursements are made monthly to county DSS's for the prior month of service for each child in out of home placement. These payments are automatically calculated and generated via the Child

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Placement and Payment System based on information on the DSS 5094. (A DSS 5094 form is required for every child who is in the custody or placement authority of a county DSS **whether or not foster care maintenance payments are made.**) Reimbursements made both to county Departments of Social Services and to eligible child care agencies that have a Facility Rate are dependent on the timely and accurate entry of data into the Child Placement and Payment System.

The county DSS social worker is the staff designated to complete the DSS 5094, including the information regarding **Placement** under **Sections VIII and IX**, and **Eligibility** under **Section X**, when a child is placed out of his home. It is the social worker who is responsible for ensuring that the DSS 5094 is opened and updated as soon as possible after each change in placement occurs.

County DSS's enter the total amount for which they are claiming reimbursement in Field 50 on the child's DSS 5094. (The Child Placement and Payment System has an edit in place to ensure compliance with federal fiscal policies which will not allow IV-E reimbursements greater than the federal portion of the Facility Rate.) Data-entry in this field ensures that the county DSS's receive the correct reimbursement for the costs which they incur as well as the service providers which have a state established Facility Rate. If the child has resources for which the county DSS does not request reimbursement, the amount of these resources should be entered in Field 56 on the DSS 5094. Refer to the section on **Child's Resources** below.

County DSS data entry staff receives the DSS 5094 from the social worker and keys this information into the Child Placement and Payment System. On the night of the 5th working day of each month, a Foster Care Payment Report is generated by the system and is available on the Report Management Distribution System (RMDS).

Best practice dictates that the required data and needed updates to the DSS 5094 for the prior month's service be entered by the 5th working day of the following month to ensure that the preliminary report will include a complete payment report. This report shows the amount of reimbursement due the county DSS based on the data entered on the DSS 5094 and identifies the reasons for any adjustments by displaying error messages.

On the 16th calendar day of each month, a second Preliminary Report is produced in order for counties to determine if the needed changes have been accepted by the system and whether subsequent changes are

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needed. Following this second preliminary report, county DSS's have until the 20th calendar day of the month (or if the 20th day of the month falls on a holiday or weekend, the cut-off date becomes the last working day prior to the 20th day of the month) to make corrections to the appropriate record which may have resulted in a payment adjustment or to add or delete information on children, if necessary.

On the next working day after the 20th, a final version of the Payment Report is created in RMDS to inform the county DSS of the actual reimbursement amount by child for the month. Payment information is then transmitted to the Warrant Calculation System and reimbursements are made to the agency or agencies that incurred the costs.

A. Partial Month Payment

When a child resides in a family foster home for less than a full month, the county may elect to pay the family foster home the full month's payment and will be reimbursed for the days the child was not in care. However, when a child resides in a residential child care facility and the facility has a state established Facility (cost of care) Rate, the county Department of Social Services should make every effort to ensure partial month payments are calculated and entered in Field 51 of the DSS 5094 to ensure that the county is not over reimbursed on behalf of an eligible child. It is the county's responsibility to establish a standardized system for its reimbursement policy.

B. Concurrent Payments

Concurrent payments of foster care maintenance and Work First (TANF) benefits in the initial month of a child's placement are permissible under Title IV-E. This means a child who otherwise meets the eligibility criteria for IV-E foster care may have payment authorized the date he comes into care even if the child's family received a Work First (TANF) cash assistance grant for his care during the month he was removed from the home. Current policy states that if any portion of the cost of care of a IV-E eligible child is being reimbursed with Title IV-E funds, the county DSS may use the IV-E Code-Z to claim administrative time (109). Claiming IV-E reimbursement, therefore, allows the county DSS to also claim IV-E administrative costs for social workers' administrative time during the first month of the child's placement. In addition, if a

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child is placed in a facility with a Facility Rate, IV-E reimbursement above the Standard Board Rate will be available to the agency that incurs the cost up to the agency's Facility Rate.

If the county DSS chooses to claim IV-E maintenance payments for a child's initial month of placement, overpayment of Work First (TANF) may occur and recovery may be necessary. In any case, the family's eligibility for Work First (TANF) cash assistance will need to be redetermined.

C. Child's Resources

The county DSS must be aware of all resources available to a child, which may include a child's unearned income from sources such as Supplemental Security Income (SSI), Social Security Survivor's benefits, trust funds, endowments, or child support paid directly to the agency. When a child is IV-E eligible, the agency **must** use the child's resources as part of the cost of care and the agency's IV-E claim for reimbursement must be reduced by the amount of the resource. For a child who is SFHF eligible, the child's resources **may** be used as part of the cost of care. The amount of the child's resources that is paid toward a child's cost of care should be entered in Field 56 of the DSS 5094.

As the U. S. Department of Health and Human Services allows concurrent eligibility for IV-E and Title XVI (SSI), if a child has been determined to be eligible for both, (IV-E foster care assistance and SSI), both IV-E foster care assistance and SSI payments may be received as long as the cost of care is greater than the amount of the SSI payment. In cases in which a county DSS chooses to receive both IV-E foster care assistance and SSI for an eligible child placed in a DSS family foster home, the county DSS should notify the local Social Security office to request that the child's SSI payment be reduced dollar-for-dollar by the amount of the IV-E payment being made. In cases in which a IV-E eligible child is placed with a service provider that has a State established Facility Rate, and the cost of care is greater than the SSI payment, either the County DSS or the service provider is eligible to receive reimbursement based on which agency incurs the additional cost. In order to claim and receive reimbursement for the costs incurred up to the Facility (cost of care) Rate, the county DSS must complete Sections XII, IX and X of the child's DSS 5094.

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If a county DSS chooses to pay for a child's cost of care and claim IV-E foster care reimbursement, rather than utilize SSI payments, the county DSS may request from the local Social Security office that the child be placed on inactive status. A child may be placed on inactive status for up to one year, without having to re-qualify for SSI. The advantage to concurrent eligibility is that the child will have available to him income immediately following discharge from foster care placement. Having the SSI payment reinstated without reestablishing the child's SSI eligibility is particularly advantageous for children who are being reunited with their families, who are being placed with relatives or kin, or who are being emancipated prior to their eighteenth birthday.

The child's resources do NOT affect eligibility for programming paid through IV-E Independent Living Funds.

D. Use of Unlicensed Foster Care Facilities

Federal and state foster care reimbursements are available to agencies that incur the costs for eligible children in licensed family foster homes or residential child care facilities. North Carolina's IV-E Plan assures the federal agency that North Carolina does not make foster care reimbursements for children in unlicensed family foster homes or child care facilities.

If a child's placement is ordered by the court and the court also orders that the home of placement be studied for licensure, the county Department of Social Services will be responsible for the financial support of the child until the home becomes a licensed family foster home. Both state and federal foster care reimbursement are effective the date the home is licensed or approved by the North Carolina Department of Health and Human Services.

If not sanctioned by the court, the placement of a child in an unlicensed family foster home or child care facility, jeopardizes the receipt of ALL federal and state foster care reimbursement to a county Department of Social Services.

Refer to the Children's Services Manual, Chapter IV: Child Placement Services, Section 1201: Foster Care Services, Section V: Placement Decision-Making (pgs. 57-59) regarding placement with relatives and other homes approved by the court.

E. Retroactive Foster Care Payment Request

It is State policy that a retroactive foster care payment request will be approved in the case of a State error, however, a request for a retroactive foster care payment will not generally be approved due to a county DSS error which results in the denial of or incorrect payment for an eligible child to either a county DSS or an eligible child care agency. The county DSS may contact the Family Support and Child Welfare Services Section's Financial Resources Coordinator at (704) 462-2686 to determine if a request for a retroactive foster care payment may be considered.

When a retroactive payment is being requested, a Request for Adjustment to Foster Care Assistance Payment form must be completed and submitted to the Financial Resources Coordinator in the Family Support and Child Welfare Services Section either by the county DSS or the Foster Care Licensing Consultant. A copy of the form is included in the Appendix and can be found at <http://www.dhhs.state.nc.us/dss/forms/docs/Adjustment%20Form.xls>.

In every case, the county DSS should research the county's payment reports before submitting the request, in order to document that an underpayment has occurred. A copy of the child's DSS 5094 and county's payment report must be attached to the request to the Family Support and Child Welfare Services Section.

Note that the Deficit Reduction Act of 2005 eliminated the reimbursement of administrative costs for children placed in any unlicensed facility, except for the period of time on average that it takes to license a foster home or 12 months, whichever is less; or for one month for a child moving from an ineligible facility to an eligible placement. The exception for the licensing period only applies if the agency is actively pursuing licensure of the placement.

F. Payment issues

Payment rates for specific children depend on a number of factors, including, but not limited to:

- availability of funding sources,
- the child's special needs,

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- the child's current placement,
- the child's eligibility for other specialized programs and funding, etc.

However, there are common issues related to all children in reference to payments with which social services staff need to be knowledgeable.

1. Service Fees

The cost of care for certain children may depend upon the facility in which the child is placed.

In the past, when a child was placed in out of home care, the placement resource accepted the county DSS board payment. For the most part, this practice no longer reflects the child placement or admission standards of eligible child care agencies today. Most of these agencies have Fees for Services and charge daily rates. These fees for services and daily rates usually coincide with the agencies Facility Rate and as such, more accurately reflect the true cost of care. County DSS will need to determine whether the full cost of care will be charged by the service provider or whether a lesser amount will be negotiated. Regardless of the cost, best practice by the county DSS includes obtaining this information up-front and reviewing the financial agreement by the social work supervisor before the child is placed and the agreement signed.

A Dear County Director letter is published annually which lists the Facility Rates that have been established by the Division of Social Services.

2. Establishing Facility Rates = Optimizing Foster Care Payments

The Division of Social Services began establishing Facility Rates in July, 1992. The implementation of this program established a formal process for foster care cost-finding for qualified residential child care facilities and private child-placing agencies. The initiation of this program was part of the Department of Health and Human Services' overall plan to optimize federal child welfare funds, including federal foster care assistance payments for eligible children placed in

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licensed non-profit residential child care facilities or private foster family homes under the auspices of licensed child-placing agencies.

Currently, the Division of Social Services, the Controller's Office and private agencies are developing a different method for establishing these facility rates. Once the procedures are developed, this manual will incorporate them. In the meantime, Facility Rates continue to be established as noted below.

Optimizing federal foster care funds was made a reality in North Carolina in 1992 based on the state receiving federal approval for the methodology utilized to establish cost of care rates. In order for North Carolina to maintain federal approval, North Carolina's cost finding methodology must comply with federal fiscal policies, including the establishment of a single set of standards to establish Facility Rates. In addition, North Carolina's cost-finding methodology must comply with federal program policies which define the types of agencies for which rates may be established and allowable foster care costs. In order to qualify to participate, applicants must be willing to submit annual audited financial information, as well as participate in a month long time study to document federally-defined foster care allowable or non-allowable social services activities.

Since initial implementation, state program requirements have essentially remained unchanged. Membership the first year (92-93) included 31 agencies. These original agencies were recipients of State Grant-in-Aid to Private Child Caring Institutions (now titled State Funds), as initial implementation was contingent on the appropriation of State funds for non IV-E children. Subsequently, in September, 1993, the Department of Health and Human Services provided North Carolina a written, expanded interpretation of foster care maintenance allowable costs. With one exception, no other changes have occurred in federal regulations since that time. In August, 1996, a change in federal law allowed for the inclusion of for-profit residential child care facilities.

From the Federal Policy Manual:

Formerly, title IV-E foster care maintenance payments for

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placements in child-care institutions were restricted to public or private nonprofit institutions. Effective August 22, 1996 with the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act, title IV-E reimbursement became available for State foster care maintenance expenditures incurred through placements made in eligible private "for-profit" child-care institutions.

Source/Date: ACYF-CB-PA-97-01 (7/25/97) **Legal and Related References:** Social Security Act - section 472 (c)(2).

3. Application Process

In order to have a Facility Rate established by the Division of Social Services, agencies must comply with Division of Social Services' requirements, including the following:

- (1) submission of a completed application OR, IF THE AGENCY IS A DUKE MEMBER, submission of the agency's most recent completed Duke Endowment Application, along with any additional fiscal information required;
- (2) submission of a the agency's most recent financial audit OR, IN THE CASE OF A PUBLIC AGENCY, audited financial statements;
- (3) submission of a signed and completed FORMULA FOR COMPUTING TITLE IV-E ALLOWABLE COSTS WORKSHEET_for each type of care;
- (4) submission of a completed CERTIFICATION OF ALLOWABLE RECREATION EXPENSE FORM, and
- (5) for agencies which employ staff who perform social services tasks and activities, participation in a month long time study during February.

Agencies are requested to submit the required information and forms by the middle of April each year. During the month of May, the Division of Social Services calculates the Facility Rates for all types of care for every agency. After the Facility Rates have been calculated, a committee of the North Carolina Association of Residential Child Care and Family Services meets to establish a ceiling or cap on each type of care in accordance with state mandated cost containment measures. New Facility Rates become effective July 1 of each

year, for the June month of service.

Federal regulations for the establishment of a Facility (cost of care) Rate include the requirement for staff who perform social services activities to participate in a month long time study each year at a prescribed time. North Carolina conducts the time study annually during the month of February. The purpose of the time study is to document social services activities that the federal regulations specify are either allowable or non-allowable IV-E reimbursable activities. Federal guidelines emphasize that it is not the title or position of the performer, but rather the [social services] activity being performed that determines the staff who should participate in the time study. Division of Social Services' foster care services definitions are utilized for the time study in order for agencies to determine the staff who are required to participate and the tasks and activities that must be documented.

The month long time study entails the completion of daily time sheets by the eligible child care agencies. Prior to the beginning of the time study, the participating agencies are provided information about state and federal requirements, the application process, the timesheets and instructions and the foster care social services definitions of allowable/non-allowable activities. Upon completion of the time study, the Division of Social Services enters the data and computes the percentage of time spent in allowable/non-allowable social services activities. This percentage is then utilized in the cost finding process as one of the steps in determining the agency's Facility Rate.

G. Contracting with the Division of Social Services

Facilities under the auspices of county government are not required to contract with the Division. Agencies that wish to contract with the Division of Social Services must comply with Department of Health and Human Services' contract requirements. Information and materials about the contracting process are also provided to agencies annually, at the same time that Time Study materials are provided. The contract year is based on the state's fiscal year which is from July 1 to June 30 and contracts are required to be renewed on an annual basis.

When an agency has met contract requirements and the contract

is approved, the eligible child care agency receives foster care reimbursements directly from the Division for eligible children. Payments are made monthly to participating agencies for the preceding month of service through the Child Placement and Payment System. The amount of reimbursement is based on the agency's Facility Rate less the amount received from the county DSS and any resources a child may have. Each contracting agency also receives, monthly, both preliminary and final payment reports, (PQA-120), which list the children for whom reimbursements are claimed.

H. IV-E Maximization Program

For those child caring agencies that have established facility rates, IV-E reimburses the county Department of Social Services for the amount of IV-E dollars that the Federal and State spend for the care. If a facility in NC has an established facility rate, but the county only pays a portion of the established facility rate, the facility may claim IV-E reimbursement for the difference between what the county paid and the actual facility rate.

For example, Agency X has a Facility Rate of \$4000.00 per month per child. The county DSS pays Agency X a \$1000.00 monthly foster care payment for a IV-E eligible child. \$1000.00 is entered in Field 50 (Monthly Rate) on the DSS 5094. The county DSS receives federal and state reimbursement for the standard board rate (SBR) and also receives federal reimbursement for the difference between the amount entered in Field 50 of the DSS 5094 and the SBR. The calculation is: $\$1000.00 \text{ SBR} \times \text{federal participation rate (say, 63.07\%)} = \text{federal reimbursement received by the county DSS for payment made above the SBR}$. In addition, Agency X receives federal reimbursement for the difference between the amount paid by the county DSS and the Facility Rate. The calculation is: $\$4000.00 - \$1000.00 = \$3000.00 \times \text{federal participation rate reimbursement for the SBR and also federal reimbursement for the difference between the amount they paid and the SBR } (\$1000 - \$415 = \$585 \times 63.07\% = \$368.96)$. Agency X does not receive any federal IV-E Maximization reimbursement in this example.

Example 2: Agency X has an established Facility Rate of \$1000.00 per month. The county DSS pays Agency X a \$1000.00 monthly foster care payment for a IV-E eligible child. \$1000.00 is

entered in Field 50 (Monthly Rate) on the DSS 5094. Since the county DSS paid the full amount of the Facility Rate, the DSS receives state and federal reimbursement.

Documentation Requirements

Both IV-E and TEA permit maximization for eligible children in these facilities. Documentation must support IV-E or TEA requirements.

I. **EXCLUSION from High Risk Intervention-Residential Mental Health Services**

The exclusion from HRI-R applies only to facilities with a maximized IV-E Facility Rate when serving a IV-E eligible child.

1. **For IV-E Eligible Children in Child Caring Agencies which participate in the Maximization of IV-E Program:** Effective October 1, 1998, HRI-R will no longer be an available service for IV-E eligible children residing in child caring agencies which participate in the Maximization of IV-E Program, in accordance with the policy outlined in a Dear County Director letter dated May 14, 1998. If an eligible child caring agency offers mental health services which are provided by professional level staff (social workers, psychologists, psychiatrists, etc.), then an area program may, at its discretion, contract for those services and use periodic services billed to Medicaid to support the contracts. It is expected that these services will be limited in nature.
2. **For IV-E Eligible Children in Child Caring Agencies which DO NOT participate in the Maximization of IV-E Program:** Area programs may contract for the provision of HRI-R services in agencies which do *not* have a maximized IV-E Facility Rate established by the Division of Social Services. Additional professional level mental health services may also be contracted.
3. **For non IV-E, Medicaid-eligible** children being served in Child Caring Agencies that participate in the Maximization of IV-E Program and those that do not, Local Management Entities (LME-formally known as Area Programs) may contract for the provision of HRI-R and/or professional level mental health services.

J. Contracting for Mental Health Services

The Division of Medical Assistance has vested the LME (MH/DD/SA Programs) with the responsibility of determining when children, who are Medicaid recipients, are in need of certain specified mental health services as defined in the Rehabilitation Plan. When a Medicaid eligible child, who is being served in a child caring agency, has been determined by the Area LME MH/DD/SA Program to be in need of mental health services, the area program may request that the child caring agency provide, under contract, the specified mental health services. If the child caring agency has a Facility Rate established by the Division of Social Services through the IV-E Maximization program, special care must be taken to ensure that the federal government is not billed twice for the same service.

K. Assignment of H Facility Identification Numbers

In order for county DSS to receive foster care reimbursement for an eligible child placed in a mental health therapeutic home or residential treatment center licensed by the Division of Facility Services, the facility must have a license identification number that is compatible with the Foster Care Facility Licensing System. The facility must apply for this identification number by contacting the Division of Mental Health at (919) 733-0598 and providing a copy of the current license and supplying the necessary information to that Division. A copy of the application form is included in the Appendix. Division of Mental Health staff review the completed application and license and, if approved, assign an identification number, complete a DSS 5015 and submit the form to Family Support and Child Welfare Services Section for entry into the Foster Care Facility Licensing System.

In order for these facilities to remain current in the Foster Care Facility Licensing System, the facility must submit a copy of the new license to the Division of Mental Health when the former license expires.

L. Establishing Agency Policies For Payment Of Foster Care For Children In Out Of Home Care

Federal foster care regulations prohibit the discrimination in service provision based upon the funding category of the child. Therefore, in order for a county DSS to justify foster care

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maintenance payments and reimbursement claims above room and board, the county DSS should establish policies regarding the foster care expenses that will be covered. Federal fiscal policies require that such policies must be inclusive of all children placed in out of home care, regardless of the funding category. It is recommended that the county DSS establish separate policies for the payment of foster care expenses for children placed in residential child care facilities, private agency specialized family foster homes, as well as county DSS family foster homes.

County DSS policy for children placed in residential child care facilities should address at a minimum that the amount of the payment to be negotiated will be based on Service Fees or actual costs of care for clearly definable services. The policy should include a statement that the amount of the payment to be negotiated will not exceed 100% of the total cost of care (the Facility Rate) from all funding sources. The policy should specify that for a IV-E eligible child, the federal share will include, but not exceed, the FFP of the Facility Rate. For non-IV-E eligible children, the policy should specify that if the service provider is a member of the State Funds program, the payment will include this resource for the child before the payment of county funds. Such a policy would assure compliance with federal fiscal and foster care program policies.

County DSS policy for children who are placed in specialized family foster homes under the administrative auspices of licensed private child-placing agencies should specify that the amount of payment to be negotiated will be based on Service Fees or actual costs of care for clearly definable services. The policy should include a statement that the amount of the payment to be negotiated will not exceed 100% of the total cost of care (the Facility Rate) from all funding sources. The policy should specify that for a IV-E eligible child, the federal share will include, but not exceed, the FFP of the Facility Rate. For non-IV-E eligible children, the policy should specify that if the service provider is a member of the State Funds program, the payment will include this resource for the child before the payment of county funds. Such a policy would assure compliance with federal fiscal and foster care program policies.

County DSS policy for children who are placed in county DSS family foster homes should include such claimable foster care

expenses that are included in Title IV-E allowable costs. The policy would most likely include the payment of graduated board payments for children based on age, graduated difficulty of care payments based on special physical, emotional or mental needs of a child, semi-annual clothing allowances, specific personal incidentals, respite care, some transportation expenses and certain day care expenses. The day care provider who provides a foster child daily supervision in the foster parent's stead must be licensed or approved by the state in order to claim IV-E foster care reimbursement. **[Currently, day care expenses for eligible IV-E children for their foster parent to work outside the home are claimed by the State, thus these expenses are not claimed on an individual child's DSS 5094.]**

Additional day care expenses which may be covered under IV-E foster care maintenance payments, include day care costs which facilitate the foster parent's attendance at activities which are beyond the scope of ordinary parental duties. These include informal and episodic day care and baby-sitting costs paid for the foster parent's attendance at:

- administrative case and judicial reviews without the child,
- mandated case conferences and team meetings without the child, and
- foster parent training.

M. EXCLUDED from reimbursement as an allowable IV-E foster care maintenance cost are day care or baby-sitting costs paid for:

- illness of a foster parent,
- foster parent's attendance at a school conference or pupil evaluation,
- foster parent visits with a child who is temporarily out of the home, that is a child who is hospitalized or at camp,
- enhancement of social skills/ peer relationships/ socialization, EXCEPT WHEN RECREATIONAL ACTIVITIES CLEARLY SUBSTITUTE FOR OTHERWISE NECESSARY DAILY SUPERVISION, THAT IS FOR CHILD CARE DURING THE FOSTER PARENT'S WORKING HOURS, and

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- special needs of child best met in a day care setting, i.e.; therapeutic day care.

Transportation

Most transportation expenses for a foster child are presumed to be included in the basic maintenance payment. Transportation costs which may be included as part of the IV-E foster care maintenance expenses, and which county DSS may want to include as such in county policy include travel expenses of a child to and from the following activities:

- allowable day care;
- extracurricular activities that substitute for daily supervision;
- reasonable and occasional sports and cultural events; and
- to a child's home for visitation.

The following transportation expenses may be specifically allowable per federal policy as a separate maintenance expense. Should the county want to claim reimbursement for this expense, they should insure that all children's transportation needs are treated the same since IV-E guidelines require that children may not be treated differently based on their funding source.

Transportation of the foster child in the following situations may be considered a separate maintenance expense.

- Visitation with siblings, other relatives, or other caretakers, but not for the transportation costs of a relative visiting with a child.
- In addition, reasonable transportation costs for visits at locations other than the child's home, e.g., at the child welfare office or other location deemed appropriate by the agency. These costs do not include the costs of a biological parent or other relative visiting with the child.

Transportation expenses for the above situations may be claimed via the DSS 5094 in the same way that clothing allowances are claimed. The foster parents will receive the reimbursement through the temporarily increased amount of the foster care board payment.

If social workers are used to provide transportation that is allowable under IV-E, the expenses for these workers may be claimed via the DSS 1571. Counties should be aware that these

costs and reimbursements must be tracked separately. Counties are advised to contact their Local Business Liaisons to obtain further specifics on claiming these costs.

N. EXCLUDED from reimbursement as an allowable IV-E foster care maintenance expense is transportation for:

- a foster parent s and/or a child s attendance at administrative reviews, judicial reviews, case conferences, team meetings, and foster parent training. (County DSS may claim these expenses, with the exception of training, as allowable Title IV-E administrative expenditures. Transportation to provide for a foster parent s attendance at mandatory foster parent training may be claimed as allowable IV-E training expenditures.)
- a child s travel to and from school;
- pre-placement visits (placement activities are allowable Title IV-E administrative expenditures);
- medical purposes (transportation for medical purposes may be claimed under Medicaid); and
- foster family trips

According to the Internal Revenue Code, qualified foster care payments made to qualified foster parents by qualified agencies are not considered taxable income if certain conditions are met. The primary condition is that if these payments are to be considered nontaxable, the foster parents may **NOT** claim the children in their care as dependents. In addition, if foster parents incur un-reimbursed expenses in excess of the amount they receive as room and board payments and difficulty of care payments, that excess amount may be taken as a charitable contribution on their Itemized Deduction Schedule.

The Internal Revenue Code defines qualified foster care payment as an amount which is paid to reimburse the foster parent for the expenses of caring for a qualified foster child in the foster parent s home, or difficulty of care payment .

Difficulty of care payment is defined in the Internal Revenue Code as compensation for providing the additional care of a qualified foster child which is required by reason of a physical, mental or emotional handicap to which the State has determined that there is a need for the additional compensation

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and provided in the home of the foster parent. (PL97-473:
Sec.131 CERTAIN FOSTER CARE PAYMENTS. eff. 1/1/83.)

Part VI - Adoption Assistance Payments

I. Overview

In years past, many children were deemed to be "un-adoptable" and languished in foster care, in part due to a lack of financial resources available to support them in an adoptive home. Beginning as early as 1968, some states started a program in which cash benefits were provided to families who adopted special needs children. North Carolina was among these pioneering states that provided state funded adoption assistance. However, there was a financial disincentive for these states (and others who were considering the programs) since the states issuing adoption subsidies were solely responsible for meeting costs. Federal programs only offered financial assistance to children in foster care. This changed dramatically in 1980 with the passage of P.L. 96-272, the Adoption Assistance and Child Welfare Act of 1980. The Act required all states to establish an adoption subsidy program, removing the financial disincentive to states by providing federal dollars to be used as a portion of the cost.

The federal program participates in adoption subsidy payments for children previously eligible for the Title IV-E foster care program. North Carolina continues to participate in the cost of adoption subsidy for non-IV-E children. The subsidy program has proven to be a very important tool in the placement of many special needs children. Subsidies enable a whole new population of families to consider special needs adoption, and there are many, many lives that have changed dramatically because of it.

II. Adoption Assistance Funds

A. Eligibility

Adoption Assistance is available for all special needs children when certain criteria are met.

The *federal* adoption assistance program is limited to those adoptive children who meet the eligibility criteria for the AFDC program or the Supplemental Security Income (SSI) program. In addition, North Carolina counties use state and local funds (without federal reimbursement) to provide assistance to adoptive children with special needs who do not meet the federal eligibility criteria and to provide benefits that are not covered by the federal

program.

All of the worker's time spent in **adoption** activities, including time spent in evaluating a child's need for Adoption Assistance, in establishing his eligibility, in negotiating an agreement with the adoptive parents, in determining when it is appropriate to initiate both monthly cash and vendor payments, and in accomplishing annual review of the Adoption Assistance Agreement is viewed as service time. Use SIS codes on daysheets to claim reimbursement for worker s time.

B. Who is Eligible

Eligibility for subsidy is determined by the status of the child involved and by that child's special needs. A child for whom adoption is the plan, or who has already been adopted, may be determined eligible for Adoption Assistance if certain conditions are present:

1. The child has been removed from his parents by a Voluntary Placement Agreement subject to judicial review or by a court order that includes language **that indicates that it was contrary to the child's welfare to remain in the home.**
2. The child is in the placement responsibility of a **local department of social services or North Carolina licensed child placing** agency authorized to place children for adoption, **or** was, at the time of the filing of the adoption petition, in the custody of a **local department of social services or North Carolina licensed child placing** agency **or** had been in the placement responsibility of ~~an~~ **a local department of social services or a North Carolina licensed child placing** agency that subsequently placed the child in the custody of a person now pursuing adoption of that child. (This criterion does not apply to foreign born children brought into this country for purposes of adoption by private agencies since the intent of the adoption assistance statute [G.S. 108A-50] and [10A NCAC 70M .0402] is to reduce the number of hard-to-place children growing up in the foster care system. If a foreign born child enters the foster care system due to abuse, neglect, dependency, adoption disruption or adoption dissolution, that child's eligibility is determined in the same way as any other child); **and**
3. It has been determined that the child cannot or should not be

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returned to his parents. This means that the state must have reached that decision based on evidence by a court order legally clearing the child through TPR, or the existence of a petition for TPR, or a relinquishment by the parent to a child-placing agency, or, in the case of an orphan child, verification of the death of the parents **and**

4. The child has special needs. A child is considered a child with special needs when the state has determined:
 - That there exists, with respect to the child, a specific factor or condition (such as his/her ethnic background, age, membership in a minority or sibling group, or the presence of factors such as medical conditions or physical, mental, or emotional handicaps)
 - because of which it is reasonable to conclude that such child cannot be placed with adoptive parents without providing adoption assistance or medical assistance.

These specific factors or conditions include:

1. *Handicap* - Known and diagnosed medical, mental, or emotional condition that will require periodic treatment or therapy of a medical or remedial nature. (Separation trauma due to child's age at removal from birth parent's care, number of substitute placements, and children who are known or suspected to be victims of sexual abuse would be considered to be in this category.)
2. Child's Situation:
 - member of a family group to be placed together;
 - ethnicity or membership in certain minority groups;
 - age of child
3. Need for Placement with Known and Approved Family
Such family would find the child's care an undue financial burden without Adoption Assistance. This includes relatives, **other than biological parents**, with whom a child has a close attachment, foster parents with whom a child has established a positive psychological bond and emotional tie, or other approved adoptive applicants deemed well suited to meet all but the financial component of the child's needs.

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4. *Potential Handicap*-This is a special circumstance that allows eligibility to be established prior to placement without triggering the subsidy at the time the Decree of Adoption is issued. A potential handicap is a hereditary condition, congenital problem or other documented high risk factor leading to substantial risk of future disability.

When this is the only basis for the child's eligibility for subsidy, benefits may begin only at the point of the manifestation of the handicapping condition. When there are other special needs issues, the child would qualify in another category (see above). Documentation of the manifestation of the handicap shall be requested from the adoptive parent(s) and shall become a part of the child's adoption subsidy record.

Note: In an effort to avoid the disruption of existing placements of children who were previously in DSS custody, children receiving assistance under this category will continue to receive the benefits if they are still the responsibility of their adoptive parents(s), even if manifestation of the handicapping condition has not occurred.

5. *Finally*, there must be a demonstration that a reasonable, but unsuccessful effort has been made to place the child with appropriate adoptive parents without providing adoption or medical assistance. (This requirement is waived when it would be against the best interests of the child because of such factors as the existence of significant emotional ties with prospective adoptive parents while in the care of such parents as a foster child **or when the child is being adopted by relatives.**)

NOTE: Federal guidance has clarified the requirement for reasonable but unsuccessful efforts to make placements without the subsidy. It was the intent of Congress, with the establishment of the adoption assistance program, to increase significantly the number of children placed in permanent homes. Thus, it is reasonable to conclude that it was not the intent of Congress to force agencies to "shop" for a family which might be less suitable, but is willing to adopt the child without a subsidy, if it has already found a suitable placement for the child.

In an effort to find an adoptive home for a child, the agency should first look at a number of families in order to locate the most

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suitable family for the child [*unless the child is already residing with family who will be adopting*]. Once the agency has determined that placement with a certain family would be the most suitable for the child, full disclosure should be made of the child's background, as well as known and potential problems.

If the child meets the State's definition of special needs with regard to specific factors or conditions, then the agency can pose the question of whether the prospective adoptive parents are willing to adopt without a subsidy. If they say that they cannot adopt the child without a subsidy, the agency would meet the requirement that there be a reasonable, but unsuccessful, effort to place the child without providing adoption assistance

C. Financial Criteria

The financial criteria for federal adoption assistance eligibility addresses the circumstances of the **child rather than the adoptive parents**. An income requirement or a means test cannot be imposed to restrict eligibility for adoption assistance. In regard to children with an income, such as, but not limited to, Social Security benefits, Veteran's benefits, Supplemental Security benefits, the receipt of such income shall not arbitrarily, or automatically generate a denial, termination, or reduction in the receipt or amount of Adoption Assistance monthly cash payments.

If a child receives SSI prior to the adoption, the SSI may or may not continue when the child is adopted because the child's eligibility will be based on the income of the adoptive parent(s). The adoptive parent(s) must apply for SSI for the child. In cases where the income and resources of the adoptive parent(s) do not affect the child's eligibility for SSI, the Social Security Administration will count dollar-for-dollar the amount of Title IV-E adoption assistance paid to the parent(s), thus decreasing the SSI benefit by the amount of the adoption assistance payment.

It is important for potential adoptive parent(s) to understand that the child's receipt of SSI benefits following the adoption will depend on the adoptive parent(s) income.

1. Establishing Eligibility

Eligibility for Adoption Assistance benefits should be

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established prior to a child's placement for adoption but **must be established prior to the finalization of the adoption.**

AFDC eligibility must be documented at the time of removal only. . This requirement applies to any child whose adoption was finalized on or after October 1, 2005.

Determination of eligibility and administration of the benefits are the responsibility of the child's resident county Department of Social Services regardless of whether the child is in the custody of the county Department of Social Services or is in the placement responsibility of a private child-placing agency.

If North Carolina residence cannot be established for a child who is the placement responsibility of a North Carolina private child-placing agency, (for example, if neither of his birth parents is a resident of the state), the Department of Social Services in the county of the private agency's main office shall be the agency to determine the child's eligibility and to administer the program.

Eligibility for assistance is based upon the child's special needs status. Approval for assistance must include the criteria which documents that reasonable, but unsuccessful efforts, have been made to place the child with adoptive parents without providing adoption assistance (**See previous discussion of Federal guidance regarding adoption assistance**).

All children for whom adoption is the plan must be considered for eligibility for adoption assistance. Failure to find a child eligible when he meets the categorical criteria may be the basis for an appeal that could result in a finding that would require an agency to make retroactive adoption assistance payments and other related benefits.

Establishing the eligibility for adoption assistance is a task of the services staff of a child's resident agency. The agency is required to use the Adoption Assistance Eligibility Checklist (DSS-5012). Documentation sufficient to establish eligibility can be in the form of statements of diagnosis and/or prognosis from physicians, psychiatrists, speech and other therapists, etc. Documentation in reference to high risk potential should be supported by information about the child's and birth

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parents' background. This documentation shall be attached to the DSS-5012.

The final step in the eligibility process is to have a completed, signed adoption assistance agreement with the adoptive parents. This can be entered into anytime after placement, but **must be signed before the Decree of Adoption**. Once eligibility has been determined, there is no need for further redetermination. Agencies must send a yearly notice to adoptive parents to determine the status of the child. (See sample letter.)

Note: If an agency has not established eligibility or has determined incorrectly that a child is ineligible, a request for a hearing on this matter from the adoptive parents shall provide the opportunity for the county to reverse an earlier decision in reference to making adoption assistance benefits available. In effect, this allows agencies to begin adoption assistance any time after the adoption is final following a request from the adoptive parents regardless of whether or not the above eligibility process had been followed prior to the adoption.

2. Benefits Available

North Carolina offers benefits in the categories listed below. In order to offer these benefits, an adoption assistance agreement with the adopting parents must be in place. Any individual child may qualify for all types. Also, if a subsidy is in place for one type of benefit, additional types may be added in the future if the circumstances warrant it. **Specific types of subsidy include:**

Monthly Cash Benefits

G.S. 108-49 was rewritten in 1999 and states that a county Department of Social Services shall pay, at a minimum, the monthly graduated adoption assistance payment for eligible children as set by the General Assembly. A county Department of Social Services may make adoption assistance payments in excess of the monthly graduated rates, but cannot make adoption assistance payments in excess of the amount that the child received as a foster child.

For example, children who are HIV positive may receive additional payments while in foster care and may receive

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these additional benefits as part of the adoption assistance payment. Other children may receive additional money for their therapeutic needs while in foster care, and the county may choose to continue this supplement when the child is adopted. If a county has agreed to participate in the Special Children Adoption Incentive Fund, the state will share in the supplemental payment when the child is adopted.

The **Special Children Adoption Incentive Fund** was established by the General Assembly in the 2000 legislative session. The Fund is capped at \$500,000 and is available on a first come, first served basis to a child who qualifies and is in the custody of a county Department of Social Services that has agreed to participate in the Fund. The purpose of the Fund is to make adoption a possibility for children with very special needs who would otherwise remain in the foster care system because of the financial loss to foster parents. Counties who participate in the Special Children Adoption Fund must commit to provide 50% of the cost of the incentive; the state provides the other 50%. The entire amount of the supplement is paid to the adoptive parents by the state and the state charges the county for its share of the cost.

Procedure for Monthly Payments to Adoptive Parents

(1). Standard Monthly Cash Payments

The General Assembly changes the amounts of foster care maintenance payments from time to time. Adoption Assistance payments are tied to the foster care board rates and go up or down with changes in legislation.

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\$390	0-5 years
\$440	6-12 years
\$490	13-18 years

(Current as of 04-01-06)

Standard monthly cash payments are issued from the Division of Social Services' Controller's Office from information entered on the DSS-5095. The deadline for entry is the 3rd to the last working day of the month.

Failure to meet the deadline is a county's responsibility and that agency is responsible for the payment to the adoptive parent(s).

The system will automatically increase the adoption assistance payment as a child ages into a higher payment category.

Since it is the county's responsibility to enter data for receipt of the **standard** cash payments, questions by adoptive parents regarding **these** payments should be answered by the county. It is inappropriate to advise adoptive parents to call the Division if cash payments, **including the HIV supplemental payments and the Special Children Adoption Incentive Fund payment**, have not been received or have been misplaced. Contacts on matters regarding adoption assistance benefits should be between adoptive parents and the county, then the county and the state office. **This is most important because a check cannot be tracked without the SIS identification number. It is the responsibility of the agency to provide this number to the Division.** In no instance, should adoptive parents be advised to call the Division of Social Services' budget office regarding cash payments.

(2). **HIV Payments**

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HIV supplemental payments are made in separate payments to the adoptive parent(s). For initial eligibility, DSS-5159 form and a copy of the physician's statement must be submitted. No supplemental payments will begin until a copy of the physician's letter confirming the child's current diagnosis is received. The county must make monthly requests for the continuation of HIV payments.

Requests should be received by the 15th of the month. Positive or negative changes in medical status which result in a change in the HIV supplemental adoption assistance amount shall be reported on the DSS-5159 form within 30 days of the date of agency notification by the physician. Counties will be responsible for making adjustments for overpayment in the event of seroreversion or death of the child. Maintenance of letters and records verifying eligibility status will be subject to county audit.

The HIV Diagnostic Classifications from the National Center for Disease Control have been used to determine the amount of supplemental HIV payment for a child. The chart below provides the amounts and diagnoses:

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Code	Value	AMOUNT
E	Perinatally exposed infant 0-24 mos. who cannot be classified as definitely infected, but who has antibody to HIV, indicating exposure to an infected mother.	\$800.00
N	Infant, child or youth who meets one of the CDC definitions for infection but who has no previous signs or symptoms of HIV.	\$1000.00
A	Infant, child or youth who shows mild signs or symptoms of HIV.	\$1200.00
B	Infant, child or youth who shows moderate signs or symptoms of HIV.	\$1200.00
C	Infant, child or youth who shows severe signs or symptoms of HIV.	\$1200.00
T	Child aged 0-21 with laboratory evidence of HIV infection who has a resulting terminal diagnosis with a life expectancy of less than six mos.	\$1600.00

(3). Special Children Adoption Incentive Fund (only applies to counties that participate in this Fund).

Special Children Adoption Incentive payments are determined on an individual basis. These supplemental payments are also made in separate payments to the adoptive parent(s). Monthly requests from counties are not required for the continuation of these payments to the adoptive parents. After approval is given by the Division for a child to receive payments from the Special Children Incentive Fund and the Decree of Adoption has been entered, the Division will submit the payment requests to

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the Controller's office. Monthly payments will continue until the county advises the Division to terminate the payments. The following procedure must be followed before a child is approved and payments begin.

Submit the following forms to establish **the child's potential eligibility of the child** for monthly payments from the ~~fund~~ **Fund to:**

Adoption Program Coordinator

North Carolina Division of Social Services

325 North Salisbury Street, Suite 715

2409 Mail Service Center

Raleigh, NC 27699-2409

- 1. DSS-5213 Verification of Child's Need for Daily Supervision**
- 2. DSS-5214 Agency's Verification of Legal Custody and Child's Living Arrangement for Past Six Months**
- 3. DSS-5215 Verification of Child's Health Condition**

It is always very helpful to include a letter from the adoptive parent(s) regarding the daily needs of the child.

Once these forms are received, the Division **will determine the child's eligibility and will provide** written notification **immediately to the requesting agency.** **If approved,** the agency will have 60 days, unless a written request is approved for an extension, to submit the following documents:

- 1. DSS-1814 Decree of Adoption**
- 2. DSS-5013 Adoption Assistance Agreement**
- 3. DSS-5211 Special Children Adoption Incentive Fund-Request for Payment**
- 4. DSS-5212 Special Children Adoption Incentive Fund- Supplemental Adoption Assistance Agreement**

5. DSS-5095 Child Placement and Payment System
showing that child's payment has begun.

When the final documents are received, and the agency has entered a DSS-5095 for the child to receive the standard adoption assistance rate, the Division will submit information to the controller's office for the supplemental checks to be sent to the adoptive parent(s). These checks are usually sent out after the 10th of the month.

D. Vendor Payment to Medical or Therapeutic Providers

Vendor payments provide assistance for services or treatment for handicapping conditions which existed prior to the time of the child's placement for adoption. It is not necessary for these conditions to have been identified prior to the placement, but rather to have existed.

An example

If a child is adopted, and breaks his spine as a result of an accident, he is handicapped but the condition did not exist prior to placement and he may not use vendor benefits to pay for his care related to that condition.

If, however, after placement, the child is diagnosed as having had a degenerative bone disease which becomes known only after placement, he may use vendor benefits for this condition, as it existed, but was not known to anyone, prior to the adoptive placement.

Vendor payments may be provided up to a maximum of \$2400 per year for any combination of medical and/or non-medical services or treatment not covered by any medical insurance program, such as Medicaid or private insurance. This means the total amount of \$2400 may be used for medical services; the total amount of \$2400 may be used for non-medical services; or the total amount of \$2400 may be used for a combination of medical and non-medical services.

Non-medical services include any service that helps to alleviate a condition that existed prior to the adoptive placement. Based on the individual needs of a child, non-medical may include psychological, therapeutic, or any service that remedies a condition that is a result of a condition that existed prior to the adoptive placement.

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Examples include, but are not limited to,

- tutorial service,
- tuition,
- specialized day care,
- orthopedic appliances (braces, special shoes, etc.),
orthodontic appliances (braces, retainers, etc.),
- repair of broken glasses, eyeglasses, wheelchairs, hearing
aids, computers and other learning aids,
- respite care, and
- specialized clothing or equipment.

Agencies must obtain documents to support the needs of an individual child.

Counties make payments directly to the provider or the adoptive parents and request reimbursement through the use of the DSS-5095. The DSS-5115, Adoption Assistance Program Payment Instructions, should be used to document these transactions.

E. Non-recurring Expenses

Parents adopting special needs children are eligible for reimbursement of non-recurring costs of the adoption. The non-recurring expenses for the adoption of a special needs child must be reimbursed by the state agency responsible for the administration of the adoption subsidy program. This is true whether the adoption is an independent placement or one facilitated by a public or private agency. It should be noted that the child is eligible under the criteria established for children receiving adoption assistance, with the exception of the requirement that the child be in the custody or placement responsibility of a child-placing agency.

Reimbursable costs include adoption fees, court costs, attorney fees, and other expenses that are directly related to the legal adoption of a child with special needs, which are not incurred in violation of state or federal law and which are not reimbursed from other sources or other funds.

These expenses can include such costs as the pre-placement

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assessment, including physical and psychological examinations, transportation and reasonable costs of lodging and food for the child and/or the adopting parents when necessary to complete the placement or adoption process, and supervision of the placement. In cases where siblings are placed and adopted either separately or together, each child is treated as an individual with separate reimbursement for non-recurring adoption expenses up to the maximum amount allowable for each child. If parents have reimbursable expenses that are allowable, the reimbursement of these expenses must not depend on the income and resources of the parents.

There can be no limit placed on either the amount in any type of nonrecurring expenses or the number of types of nonrecurring expenses for which a child may be eligible. The only allowable limit is for the total amount of incurred expenses of \$2,000 per child.

Payments are available to parents participating in **intercountry adoptions as long as** it can be determined that :

- the child cannot or should not return to the home of his or her parents;
- there exists a specific factor or condition because of which it is reasonable to conclude that the child cannot be placed with adoptive parents without providing assistance; and
- a reasonable, but unsuccessful effort was made to place the child with appropriate parents without providing adoption assistance.

If these conditions are met and the parents request payments prior to the finalization of the adoption, nonrecurring payments must be made. (ACYF-CB-PA-01-01).

Non-Recurring costs must be requested by the adoptive parents and approved prior to the entry of the Decree of Adoption.

Counties make direct payments and request reimbursement from the State on the DSS-5095.

F. Medicaid

In North Carolina, children who receive adoption assistance must be evaluated for eligibility for Medicaid benefits. IV-E eligible children are categorically eligible and the Medicaid should

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automatically be triggered by an application filed by the social worker on the child's behalf. The county with custodial responsibility is responsible for the Medicaid application. Non IV-E children **are** eligible for Medicaid coverage if they have **been made eligible for adoption assistance** and the child's income is below allowable limits.

Financial eligibility is determined based upon the child's income and resources only. Income and resources of the adoptive parents are not counted. As federal requirements specify that these children meet Categorically Needy income and resource requirements, they must be eligible under M-AF criteria. **(Refer to Family and Children's Medicaid Manual, effective 10-1-99 03-01-2002?).**

G. Interstate Compact on Adoption and Medical Assistance

North Carolina joined the Interstate Compact on Adoption and Medical Assistance (ICAMA) in October 1999, thereby becoming one of several states that provide Medicaid for non IV-E children who receive adoption assistance benefits. Refer to policies and procedures established by the Division of Medical Assistance (Family and Children's Medicaid Manual Section 3230 Chapter IV).

H. Social Services Benefits

Children who are recipients of adoption subsidy are eligible for services without regard to income. This provides an opportunity for the social worker and family to identify a set of post-adoption services that may be helpful in keeping the new family system intact.

III. Funding Sources

A. IV-E

There are four ways that a child can be eligible for title IV-E adoption assistance.

- Child is AFDC eligible and meets the definition of a child with special needs. Adoption assistance eligibility that is based on a child's AFDC eligibility is predicated on a child meeting the criteria for such at the time of removal.
- Child is eligible for Supplemental Security Income (SSI)

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benefits and meets the definition of a child with special needs. The child's SSI eligibility must be established **by the time the adoption petition is filed**. A child does not have to be in agency custody to qualify for assistance if he is SSI eligible and meets the definition of a child with special needs.

- Child is eligible as a child of a minor and meets the definition of a child with special needs. A child is eligible in this circumstance if the child's parent is in foster care and receives IV-E foster care payments that cover both the minor parent and the child at the time the adoption petition is initiated, and prior to the finalization of the adoption.
- Child is eligible due to prior IV-E adoption assistance eligibility and meets the definition of a child with special needs. In situations where a previous adoption has dissolved or the adoptive parents die, the child is treated as though his or her circumstances are the same as those prior to the previous adoption. Since IV-E adoption assistance eligibility need not be re-established in subsequent adoptions, the manner of a child's removal from the adoptive home, including whether the child is voluntarily relinquished to an individual, a public or private agency is irrelevant.

Funding for IV-E adoption assistance cash payments is a combination of federal, state, and county funds.

Child's Immigrant Status

Alien children must be AFDC eligible under the State's July 16, 1996 plan and must also meet the PRWORA definition of "qualified alien" to be eligible for Federal adoption assistance. Benefits for alien children not eligible for Federal adoption assistance come from IV-B funds.

B. IV-B

Children found eligible for monthly cash benefits who are not IV-E eligible are eligible to receive monthly cash payments from IV-B funds. Funding is derived from federal IV-B funds, (North Carolina has retained the discretion to use and has opted to make available for non IV-E children), **state** and county funds.

C. SAF

The State Adoptive Fund is available for children **in the legal**

custody of a North Carolina licensed private agency and who are not SSI eligible. If the child receives SSI, the funding source is IV-E.

Funding for this category of children is provided from IV-B funds and state funds. No county funds are required as match, with the exception of the Medicaid.

D. Vendor payments

Adoptive parents will be expected to explore and use available resources other than these benefits for payment of services related to alleviating the child's special needs. However, for children also approved for assistance after adoption from the Children's Special Health Services, Division of Maternal and Child Health, Department of Environment, Health and Natural Resources, benefits from the vendor categories of Adoption Assistance are to be exhausted before the family turns to children's Special Health Services for assistance. Vendor payments are not included in the requirements of PL 96-272 for a subsidy program. Therefore, whether the children are IV-E or IV-B eligible, the funding source is IV-B and county funds and the county share is the same. SAF-eligible children receive vendor payments reimbursed through IV-B funds.

E. Medicaid Category

For IV-E eligible children, Medicaid should automatically be triggered by an application filed by the social worker on the child's behalf. For IV-B children Medicaid, the determination of whether the child has special medical needs is made by the child's Adoption Assistance worker in the county. Once the child is initially determined as Medicaid eligible under special needs criteria, the eligibility determination is binding as long as adoption assistance remains in effect (unless the child begins receiving income other than adoption assistance.

Redetermination of eligibility is required to ascertain if the child remains eligible based on income.) A redetermination of financial eligibility is not required. Coverage terminates at age 18 or whenever the adoption assistance is terminated.

Medicaid will be provided for IV-E eligible children if the adoptive parents reside in another state at the time of the finalization of the adoption or move to another state after the Decree of Adoption

has been entered. The receipt of Medicaid for non IV-E eligible children who reside in another state is dependent on whether or not the other state is a member of the Interstate Compact on Adoption and Medical Assistance (ICAMA) and has agreed to provide reciprocity to other states for Non IV-E eligible children.

F. Non-Recurring

Non-recurring adoption expenses are considered an administrative expenditure of the Title IV-E adoption assistance program. Federal reimbursement is available at a 50% matching rate for state expenditures up to \$2,000 for any adoption. The child is eligible for this benefit and reimbursement is available under this program regardless of whether or not the child is IV-E eligible. The county's share of these expenses is 25 %.

G. Funding Source for Readopted Children after the Dissolution of a Prior Adoption

The Adoption and Safe Families Act of 1997 extends eligibility of Title IV-E Adoption Assistance benefits to a child who was determined eligible for Adoption Assistance benefits and is available for adoption due to dissolution of the prior adoption. Dissolution may have occurred because the parental rights of the adoptive parents have been terminated, the adoptive parents have relinquished rights to an agency, the adoptive parents have given consent for an independent adoption, or the adoptive parents have died.

In order to maximize the benefits of Title IV-E for all children, it is important to assess each child's eligibility for IV-E at the time of the re-adoption.

For children who return to the custody of a Department of Social Services, these guidelines should be followed:

If the child was not IV-E eligible in the prior adoption, but due to the circumstances of the adoptive parents at the time of the dissolution would meet the eligibility criteria for the AFDC program, or is a recipient of Supplemental Security Income (SSI), the child would be IV-E eligible for the re-adoption.

If the child was IV-E eligible in the prior adoptive placement, but would not be IV-E eligible due to the circumstances of the adoptive parents at the time of the dissolution, then the child's

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eligibility category for adoption assistance would revert to the IV-E eligibility status of the prior adoption.

If the child were SAF eligible in the prior adoptive placement, but would not be IV-E eligible due to the circumstances of the adoptive parents at the time of the dissolution, the child's eligibility category for adoption assistance would be IV-B.

For children who are returned to the custody of a private agency, or placed in the custody of a private agency, these guidelines should be followed:

If the child's previous eligibility category was SAF, and the child is not a recipient of SSI, the eligibility category is SAF.

If the child receives SSI, the eligibility category is IV-E.

If the child was IV-E eligible in the prior adoption, the eligibility category would be IV-E.

If the child was IV-B eligible in the prior adoption, the eligibility category would be IV-B unless the child is a recipient of SSI. If the child receives SSI, the eligibility category would be IV-E.

If the child was placed independently by the prior adoptive parents, the eligibility category for the re-adoption would be the same as in the prior adoption.

Responsible Agency

If the child is placed in the custody of a Department of Social Services where the adoptive parents resided when the dissolution occurred, it is the responsibility of that agency to determine eligibility, to provide adoption assistance benefits, and to manage the adoption assistance case when the child is readopted.

If the child is placed in the custody of a private agency, it is the responsibility of the county where the adoptive parents resided when the dissolution occurred to determine eligibility, to provide adoption assistance, and to manage the adoption assistance case when the child is readopted.

If a child is placed independently, it is the responsibility of the original county to provide adoption assistance and to manage the adoption assistance case when the child is readopted.

Note: This extension of eligibility is only for adoption assistance

when a child is readopted. When a child returns to agency custody and is placed in foster care, the process of determining eligibility for foster care has not changed. It is most important to keep applications and documentation for the different funding sources in the record.

IV. Adoption Assistance Agreement (DSS-5013)

A. The Agreement

The Adoption Assistance Agreement (DSS-5013) must be completed before adoption assistance benefits can be provided. This agreement must be a written instrument that is binding on all the parties. It is entered into by the prospective adoptive parent(s) and the child's agency (the agency responsible for determining eligibility).

The agreement must spell out all of the responsibilities of the parties and detailed financial reporting requirements. The agreement must specify the types and amounts of assistance, the types of services available, and the conditions under which benefits or services may be increased or decreased. The agreement must specify the date for beginning and ending benefits and services. ***(The agreement must state the beginning month and year rather than indicating “a month after the Decree of Adoption”. If the exact month and year are not known, it is permissible to give a date when assistance is reasonably expected to begin.)*** The agreement must include specific discussion of what will happen if the adoptive family moves out of state or if the adoptive parents die. The agreement must describe the procedure for requesting a fair hearing. Provisions of the agreement can be changed only after negotiation with the adoptive parents.

B. PERIODIC REVIEWS

Once a child has been determined eligible for adoption assistance, no redetermination of his eligibility is necessary; however, the child's agency must review the adoption assistance agreement on periodic basis to ensure that the child remains in the financial responsibility of the adoptive parent(s). As long as

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the parents remain financially and legally responsible, even if the child is out of the home, adoption assistance can continue. (Examples: child runs away, child is in treatment or incarcerated and parents are expected to provide support.)

According to ACFY-CB-PA-01-01 dated 1-23-01, “A parent is considered no longer legally responsible for the support of a child when parental rights have been terminated or when the child becomes an emancipated minor, marries, or enlists in the military”. “Support” is defined as various forms of financial support. This includes, but is not limited to, payments for family therapy, child support, tuition, clothing, maintenance of special equipment in the home, or services for the child’s special needs.

C. NON-RECURRING

Because reimbursement of non-recurring costs is available to children who will not be eligible for other adoption assistance benefits, a separate application (DSS-5145) must be completed for this program. In the event the child was not the placement responsibility of an agency, the adoptive parents must provide the documentation to the county department of social services to justify the child's eligibility as a special needs child.

When eligibility for reimbursement of non-recurring adoption expenses has been established, the responsible county department of social services shall enter into a **one-time** only Agreement (DSS-5146) with the adoptive parents to indicate the items and amounts approved for reimbursement, provided the total reimbursed expenses shall not exceed \$2,000. The agreement shall be signed by the adoptive parents and by the Director of the county department of social services and must be dated. One copy of the Agreement is to be given to the adoptive parents and one copy is retained in the child's file.

Non-recurring costs for international adoptions has been addressed earlier, but it is important to emphasize the federal guidelines (ACYF-CB-PA-01-01) regarding international adoptions. The federal statute does not categorically exclude these children from participation in the Title IV-E adoption

assistance program. (See earlier discussion in Section II E, Non-Recurring Expenses)

V. Beginning and Terminating Benefits - pre and post Decree of Adoption

Benefits become available after the entry of the Decree of Adoption except for those children who are eligible due to a potential handicap. Benefits for those children are available at the time manifestation of the handicap is documented.

A. FOSTER CARE AND/OR MEDICAID BENEFITS PRIOR TO THE ENTRY OF THE DECREE OF ADOPTION

In many cases, agencies will make foster care payments and/or provide Medicaid benefits during the supervision period, but prior to the entry of the Decree of Adoption. In cases where Medicaid benefits are the only ones being received, authorization for medical assistance should be done in accordance with procedures contained in the Division of Medical Assistance manual material.

When foster care board payments are also to be received, the adoptive home must be licensed.

B. BEGINNING MONTHLY CASH PAYMENTS AFTER THE DECREE OF ADOPTION

Children approved to receive Adoption Assistance benefits become eligible to receive these benefits the first month following the month in which the Decree of Adoption is issued. The child's social worker is responsible for assuring that the proper information is entered into the Child Placement and Payment System. (See Child Placement and Placement System Manual.)

There may already be a DSS-5095 because non-recurring benefits were paid using the child's name and SIS number for foster care. Close any existing DSS-5095 and DSS-5094.

Complete a new DSS-5095 in the child's adoptive name according to the instructions in the CPPS manual for all children for whom on-going adoption assistance benefits will

be made.

Any request for cash payments following the entry of the Decree of Adoption requires a fair hearing (See section on Appeals). Payments are to be made only for benefits or services provided on or after the effective date of the Adoption Assistance Agreement. *Therefore, when retroactive payments are approved the date on the Adoption Assistance Agreement must cover the period for the retroactive payment.*

Benefits of this program cease at the time of the child's 18th birthday or at the time the adoptive parents no longer have financial and/or legal responsibility for the child. In cases where adoption assistance terminates before a child's 18th birthday, the adoptive parents must be given the right to appeal any decision to terminate the assistance. Adoptive parents must be informed that they are responsible for notifying the child's agency if the child is no longer eligible for adoption assistance and they will be responsible for reimbursement to the agency in the event they receive a payment after the child's eligibility ceases.

C. BEGINNING VENDOR BENEFITS

Vendor benefits are available to providers of medical, psychological, therapeutic and/or remedial services either through direct payments or through reimbursement to the adoptive parents. These payments for service are available for conditions the child had when placed in his adoptive family and for which he has or will be found eligible. The social worker will provide the adoptive parents with instructions for payment to providers (Form DSS 5115).

A request for vendor benefits may be made at any time following the entry of the Decree of Adoption if the child's adoptive parents can provide documented proof that the child's condition existed prior to the adoption.

VI. Benefits for Children who Move or Live in Another County

All benefits, including cash payments, vendor payments, and Medicaid are the responsibility of the **county Department of Social Services agency**

that is responsible for the child s adoption assistance agreement, regardless of the residency of the child. The county where the child resides after the entry of the Decree of Adoption is responsible for post-adoption services.

VII. Benefits for Children who Move to or Live in Another State

Cash payments and vendor payments are the responsibility of the **county Department of Social Services agency that is responsible for the child s adoption assistance agreement. Post adoption services are the responsibility of the state where the child resides.**

If the child is IV-E eligible and lives in or moves to another state, Medicaid will be provided by the state in which he lives. This is not an automatic process so the placing county must apply for these benefits on behalf of the child by completing the necessary paperwork. Even though some states will provide Medicaid benefits without the completion of the Interstate Compact on Adoption and Medicaid Assistance (ICAMA), it is important to complete this paperwork in every case when a family moves to another state.

If the child s adoption assistance benefits are funded by State Option (IV-B or SAF), the continuation of Medicaid in another state will depend on whether or not that state has joined the Interstate Compact on Adoption and Medicaid Assistance (ICAMA) and has chosen the option to provide reciprocity. There are states that may provide Medicaid for these children even though they are not members of ICAMA. Therefore, it is important that applications are made for every child who lives in another state.

Policies and procedures established by the Division of Medical Assistance must be followed in order for a child to receive Medicaid in another state. (See DMA Family & Children Medicaid Manual Section 3230 Chapter IV). The ICAMA forms must be completed for all children living in other states. North Carolina joined ICAMA in 1999, and there may be some children who have been previously denied benefits because our state was not a member of the ICAMA. Applications should be made for these children.

The adoption must be finalized before the Interstate Compact on Adoption and Medicaid Assistance (ICAMA) paperwork can be completed. Once the Decree of Adoption has been issued, all paperwork

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must be sent to the Interstate Office to be forwarded to the child's state of residence. **Submit all documents in triplicate.**

1. Complete all sections of Form 6.01 (DSS-5249)
 - In Section A, No. 6, circle the basis for Medicaid Eligibility. The State Option category includes all children whose assistance is funded by IV-B or SAF.
 - In Section D, the referral source is:
 - Interstate Compact Administrator
 - DHHS, DSS
 - Family Support and Child Welfare Services
 - 325 N. Salisbury Street
 - 2409 Mail Service Center
 - Raleigh, NC 27699-2408
 - Section E must be completed by an agency representative.
 - Attach a copy of the signed adoption assistance agreement and a copy of the Decree of Adoption.
2. Form 6.02 (DSS-5248) is notice to the adoptive parent(s). The county should send the family a completed ICAMA Form 6.02 (DSS-5248), a copy of the ICAMA Form 6.01 (DSS-5249) that was sent to the receiving state, and a copy of the child's Adoption Assistance Agreement.
3. Form 6.03 (DSS-5250) is a Report of Change/Family Status. This form should be completed and should accompany the Form 6.01 (DSS-5249) **and** is to be used whenever you are aware of a change in status.

VIII. Responsibilities of States in Interjurisdictional Adoptions (ACYF-CP-PA-01-01)

If the State agency has responsibility for placement and care of a child, that State is responsible for entering into the adoption assistance agreement and paying the title IV-E adoption subsidy, even if the child is placed in an adoptive home in another State. If the State agency does not have responsibility for placement and care, it is the adoptive parents State of residence where the adoption assistance application should be made. In that event, the public child welfare agency in the adoptive parents State of residence is responsible for determining whether the child meets the definition of special needs, entering into the adoption assistance agreement and paying the subsidy, consistent with the way public benefits are paid in other programs.

Likewise, if a title IV-E adoption dissolves or the adoptive parents die and the child is placed with a State agency that assumes responsibility for placement and care, it is the placing State's responsibility to determine whether the child meets the definition of special needs, and pay the subsidy in a subsequent adoption. If, however, a public child welfare agency is not involved in the subsequent adoptive placement of a child, it is the public child welfare in the subsequent adoptive parents State of residence that is responsible for determining whether the child meets the definition of special needs, entering into the adoption assistance agreement, and paying the subsidy. The State of the child's initial adoption or the State that pays the title IV-E adoption assistance in the child's initial adoption is irrelevant in a subsequent adoption.

IX. Death of Adoptive Parents or Dissolution of Adoption.

In a single parent family, if the parent dies, or in a two-parent family if both parents die, the adoption assistance benefits must be terminated. Adoption assistance cannot be transferred to another person. If the child is readopted by a family member or an unrelated person, the child is eligible for adoption assistance after the re-adoption occurs. The child does not have to return to agency custody in order to receive adoption assistance after the re-adoption occurs. If the child enters the custody of a department of social services or a licensed child placing agency, his

category of adoption assistance in a re-adoption is based on the eligibility status of the previous adoption.

If an adoption dissolves by a relinquishment or a termination of parental rights, the child is eligible for adoption assistance only when the child is readopted.

X. Adoption Assistance Case Record

When a child is placed into an adoptive home, a new file must be created which will reflect adoption assistance information and documentation. This file is to be in the child's adoptive name. The file must contain a cross-reference to the child's original file so that should the case be audited, documentation establishing the child's eligibility for benefits can be made readily available to the auditors. The new Adoption Assistance case file is to be given a new county case number in accordance with standard agency procedure.

A. ORIGINAL CASE FILE (THE FOSTER CARE RECORD)

The agency must retain the original file of all children eligible for adoption assistance at least until the child becomes 18. **This is not exclusive to files pertaining to children who are eligible for adoption assistance only. The original file of all children the agency placed for adoption should be retained.** This file must contain documentation of eligibility for the original funding program (foster care), either IV-E or SFHF, and thus will provide a complete audit trail.

At a minimum, this file shall contain background information of the child and his biological family, placement history, the child's medical, psychological and/or psychiatric information, educational **information** (i.e. child's pre-placement summary), documentation to support eligibility for adoption assistance and documentation of the child's legal clearance for adoption. While the primary purpose of this file is to create an audit trail, it is critical to remember that this serves as a repository of information to be shared with the child when he reaches his majority to enable him

to understand the reasons and process of his placement.

B. CONTENTS OF THE CHILD'S ADOPTION ASSISTANCE CASE FILE

Assistance Case File **must** contain the following:

1. Adoption Assistance Eligibility Checklist (DSS-5012). This form must indicate those components of **the** program for which the child is eligible or may be eligible under the category of potential handicap.
2. Medical records, psychologicals, etc. that are needed in cases in which documentation of a handicapping condition must be provided. At the time the new case file is set up, every effort must be made to delete any identifying information contained on such documents such as the child's original name, names of siblings, other relatives, etc.
3. Copies of **the** Adoption Assistance Agreement (DSS-5013) and Periodic Review Letters.
4. Copy of **Petition** for Adoption.
5. Copy of **Decree** of Adoption.
6. **Service** Client Information Change Notice (DSS-5027).
7. **Child** Placement and Payment System Form (DSS-5095).
8. **Copies** of statements from vendors, if applicable.
9. EIS forms related to Medicaid, as need and eligibility indicate, according to instructions in the EIS User's Manual.
10. All **correspondence** pertaining to the child's receipt and termination of Adoption Assistance benefits.

XI. Adoption Assistance Appeals.

Adoptive parents, or prospective adoptive parents, of a child with special needs have the right to appeal the agency's denial, failure to inform them of the availability of assistance, the amount, a decrease, or termination of Adoption Assistance benefits for the child. If applicants or potential recipients of financial benefits or service programs believe they have

been wrongly denied financial assistance, not informed of the availability of a program of assistance, or excluded from a service program, they have a right to a hearing. It is the responsibility of a fair hearing officer to determine whether extenuating circumstances exist and whether the applicant or recipient was wrongly denied eligibility.

A. PROCESS OF APPEALS

Policy requires that eligibility for Adoption Assistance monthly cash payments be established prior to the child's placement for adoption and requires, also, that the Adoption Assistance Agreement be signed prior to entry of the Decree for Adoption. Requests for monthly cash assistance made for children not covered under the provisions described above must follow the appeals process for resolution. The Adoption Assistance appeals process is the same as that used for other Public Assistance appeals and would be resolved through the same channels. The county department of social services staff member assigned to hear Public Assistance appeals is the person who should conduct the hearing. (At no time shall someone in a decision-making capacity regarding the child's eligibility serve as hearing officer.)

The following procedures should be followed when a parent requests adoption assistance cash payments:

1. The **adoptive** parents should be advised to submit a written request to the child's agency for adoption assistance monthly cash payments.

Within five days notification, the county department of social services must notify the parents that a hearing will be held and hold the hearing. **NOTE: If the adoptive parents request benefits that have previously not been provided, and the agency agrees that the child should have been found eligible, the agency may not administratively change its eligibility determination, but may avoid a trial-type evidentiary hearing. The undisputed documentary evidence could be presented to the hearing officer for his**

or her review and determination made on the written record (ACYF-CB-PA-01-01).

2. At the hearing, the agency may make a determination as to whether or not sufficient information **has** been presented to substantiate that, based on eligibility requirements in place prior to adoptive placement, the child could have been found eligible for Adoption Assistance monthly cash payments at that time.
3. If the agency finds the child to be eligible negotiations can be made at that time with the adoptive parents **to determine the beginning date and amount of payment for the child. If the agency and** the parents cannot reach an agreement, the agency shall advise the parents of their right to appeal the agency's decision in regard to the amount and beginning date. The parents should be advised to notify the agency of their decision to appeal within fifteen days of the mailing of the agency's letter.

If the agency determines that the child would not have been found eligible, the adoptive parents must be notified of this by the agency in writing. The agency shall advise the adoptive parents of their right to appeal the denial of assistance within 15 days of the mailing of the agency's letter.

4. If the parents wish to appeal the agency's decision, the agency completes the Request for State **Appeal** form (DSS-1473). When completed, the form and other required materials are sent to the State Hearings and Appeals Section, Division of Social Services.

The State Hearings Officer will make arrangements with the parents and agency for the date and **time** of the hearing, which will be held in the agency.

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Following the hearing, the State Hearings Officer will notify the parents of the decision in regard to **Adoption** Assistance. If the parents are dissatisfied with the decision, their appeal for review can be submitted to the Chief of the Hearings and Appeals Section, Division of Social Services.

5. Final decisions of the Hearings and Appeals Section, if not to the satisfaction of the parents, **can** be appealed to the Superior Court in accordance with G.S. 108A79 (k), provided such appeal is filed within thirty (30) days of the date of receipt of the final decision. The decision by the Chief Hearing Officer is the final decision for the agency.

B. RESULTS OF SUCCESSFUL APPEALS

If the child is found eligible for Adoption Assistance, the county department, in **conjunction with the State Division of Social Services**, is responsible for negotiating with the parents to establish the **effective** date of initiating benefits, unless the date is otherwise established by the State Hearings Officer or the Superior Court.

A guide to an **appropriate** retroactive beginning date would be either:

the month following entry of the Decree of Adoption in the case of a child with a known physical, **mental**, emotional, or other condition creating on-going expense for proper care/treatment at that time: or

the month in which the adoptive parents first request the monthly cash payment, based on the child's **needs**. This could be soon after the Decree of Adoption was filed or it could be several years later.

An Assistance Agreement must be prepared and backdated to the beginning date of the retroactive payments. This is important because adoption assistance cannot be given without an agreement to cover the period in which it is given.

The county department shall notify the Division of Social Services of the decision in writing. The letter should include the adoptive parent's address and social security numbers, the child's SIS I. D. number, the funding source, a copy of the decision as a result of the appeal, the beginning date for retroactive payments, and the monthly and yearly break-down of payments

Payment will be issued from the Division, with a sight draft sent to the county department for its share of the payment. (The state may claim Federal Financial Participation for IV-E eligible children from the earliest date of eligibility as reflected in the signed agreement).

For continuing payments to the adoptive parents the adoption assistance information must be entered on the DSS-5095.

XII. Lost or Stolen Adoption Assistance Check

If for some reason the check is not delivered to the adoptive parent(s), it is returned to the county office. It is important to see if the check has been returned to the county before requesting a replacement check. A request for a replacement check, Form 8129, must be completed by the agency if a check is lost or stolen and mailed to:

DHHS- Controller's Office
Program/Benefit Payments Section
2019 Mail Service Center
Raleigh, NC 27609-2409

The controller's office will not issue a replacement check until it has been shown that the original check has cleared. Therefore, adoptive parents must be advised that a request for a replacement check cannot be made before the 10th of the month. Replacement checks are mailed to the agency and not to the adoptive parent. If an adoptive parent is in desperate need for cash assistance, the agency may provide the payment and request reimbursement from the adoptive parent when the

replacement check is issued. This agreement must be between the adoptive parent and the agency. The controller's office will not issue replacement checks payable to the agency.

XIII. Overpayment of Adoption Assistance

When it is determined that an overpayment to an Adoption Assistance recipient has occurred, the county should establish a repayment agreement and repayment schedule with the family at that time. When payments are made by the family, the county should complete a DSS-1656, Refund Receipt, and send a copy of the receipt and a county check to the following address:

DHHS Controller's Office
Program/Benefit Payments Section
2019 Mail Service Center
Raleigh, NC 27699-2019

The repayment will be credited to the child's check history screen in the Child Placement and Payment System. You may verify the adjustment through your PQA 403, Cash Adjustment Register.

XIV. Other Issues Related to Adoption Assistance

A. CRIMINAL RECORD CHECKS

Effective January 1, 1999 criminal record checks must be included in pre-placement assessments before approval can be given for the adoption of a child who is or was in the **custody** of a department of social services. Adoption assistance cannot be provided if field #29 is not completed on the DSS-5095. When approval is given for retroactive payments for adoptions that were finalized prior to January 1, 1999, enter the date of the decision of the appeal hearing and note in the record that the adoption was finalized prior to 1999.

B. TAX BENEFITS FOR ADOPTION

Refer to IRS publication 968 for detailed information on tax benefits to adoptive parents. This publication can be found at <http://www.irs.ustreas.gov>. Adoption assistance payments for children with **special** needs are not countable income for tax purposes. Adoptive parents should keep records, including adoption assistance agreement, to provide proof that the child receives adoption assistance because of his or her special needs.

C. AUTOMATIC BANK DEPOSIT

Adoption assistance **checks** cannot be automatically deposited in the adoptive parent s bank account. When/if this becomes a possibility, agencies and adoptive parents will be notified.

D. WORKING WITH PRIVATE AGENCIES

The private agencies must depend on the departments of social services to determine eligibility and **provide** adoption assistance benefits to children who are relinquished to the custody of private agencies. Therefore, it is incumbent on the departments of social services to provide timely services to these agencies so placements will not be delayed. When a request is made to an agency, the eligibility determination should be completed within 30 days of the referral. Private agencies should not have to make repeated calls to the departments of social services asking for action on the request.

As stated in Section II C 1-Establishing Eligibility, the determination and administration of the benefits are the responsibility of the child s resident county department of social services. The child s resident **county** is the county where the mother resided at the time of the child s birth. The permanent address of the mother is indicated on the DSS-1804, Relinquishment of Minor for Adoption by Parent or Guardian.

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It is the responsibility of the departments of social services to obtain the necessary documents for the determination of eligibility from the referring private agencies. The departments of social services shall not set higher standards for documentation from the private agencies than are required for children in agency.

Appendix

Appendix A – Physician Letter Regarding HIV Status of Child

Date:
Worker:
Address:

Dear:

I am responding to your request for information regarding _____
DOB: _____

(To the Physician: Please check the appropriate boxes below)

<input type="checkbox"/> Initial Diagnosis
<input type="checkbox"/> Six-Month Update
<input type="checkbox"/> Change in Status Since Last Report

Based on accepted diagnostic procedures, the above named foster child has the following classifications:

Levels (Corresponding to classification established by the National Center for Disease Control)

- E Perinatally exposed infant 0-24 months who cannot be classified as definitely infected, but who has the antibody to HIV, indicating exposure to an infected mother.
- N Infant, child or youth, who meets one of the CDC definitions for infection, but has no previous signs or symptoms of HIV.
- A, B, C A=Mild Signs/Symptoms
B=Moderate Signs/Symptoms
C=Severe Signs/Symptoms
- T Child aged 0-21 with laboratory evidence of HIV infection who has a resulting terminal diagnosis with a life expectancy of less than six months.
- Seroreversion Infant, formerly classified as E who has achieved at least age 18 months, has not developed HIV infection and is no longer considered to be at risk of infection from perinatal exposure.

Physician's Signature _____, M.D.
Address _____

**Appendix B – [DSS 5758](#) Request for Reimbursement:
Supplemental Board Payment HIV Positive Foster
Children**

**REQUEST FOR REIMBURSEMENT
SUPPLEMENTAL BOARD PAYMENT HIV POSITIVE FOSTER CHILDREN**

COUNTY NAME _____ BENEFIT MONTH AND YEAR _____

For IV-E Eligible Children:

Client Name	Client ID#	Client Date of Birth	Payment Amount	HIV Code	Facility ID Code Number
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____
4. _____	_____	_____	_____	_____	_____
5. _____	_____	_____	_____	_____	_____
6. _____	_____	_____	_____	_____	_____

For State Funds Eligible Children:

Client Name	Client ID#	Client Date of Birth	Payment Amount	HIV Code	Facility ID Code Number
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____
4. _____	_____	_____	_____	_____	_____
5. _____	_____	_____	_____	_____	_____
6. _____	_____	_____	_____	_____	_____

For each child, attach the Statement of Qualifying Diagnosis from the child's physician verifying each child's medical status.

Submit form to:
Children's Services Section, Division of Social Services
325 N. Salisbury Street
Raleigh, NC 27603
Courier # 56-20-25
Telephone # (919)733-9467
Fax # (919) 715-0024

Appendix C – Request for Adjustment to Foster Care Assistance Payment

REQUEST FOR ADJUSTMENT TO FOSTER CARE ASSISTANCE PAYMENT

Claimant Information

Agency: _____ CCI?
Name: _____
Date: _____
Phone: _____
E-Mail: _____

<u>Over</u>	<u>Retro</u>	<u>Child's Name</u>	<u>DOB</u>	<u>State ID</u> <u>(SIS)</u>	<u>Fund</u>	<u>Service</u> <u>Month</u>	<u>Gross Claim</u> <u>Amount</u>	<u>Net Claim</u> <u>Amount</u>	<u>Facility</u> <u>ID#</u>

Over = Overage: To return funds received in error
Retro = Retroactive: To receive payments denied

FUNDS: IVE, SFH, TEA, IVEW

DESCRIPTION: _____

Documentation Required:
5094 Form or PQA Report
Payment History
Supporting Justification

Mail Claim and Documentation to:
DSS Children and Family Services
Tina Bumgarner
Post Office Box 10063
Hickory, NC 28603

REQUEST FOR ADJUSTMENT TO FOSTER CARE ASSISTANCE PAYMENT – EXAMPLE FORM

Claimant Information

Agency: NC DHHS CCI? No
 Name: Tina Bumgarner
 Date: 9/20/2004
 Phone: (704) 462-2686
 E-Mail: Tina.Bumgarner@ncmail.net

<u>Over</u>	<u>Retro</u>	<u>Child's Name</u>	<u>DOB</u>	<u>State ID (SIS)</u>	<u>Fund</u>	<u>Service Month</u>	<u>Gross Claim Amount</u>	<u>Net Claim Amount</u>	<u>Facility ID#</u>
	X	Jimmy	01/02/04	20099999999	SFH	06/2004	490.00	245.00	H99999M
X		Jimmy	01/02/04	20099999999	IVE	06/2004	490.00	398.99	H99999M
X		Sue	06/08/92	20088888888	SFH	06/2004	376.00	188.00	H99999M
X		Jane	10/07/93	20007777777	SFH	06/2004	376.00	188.00	H99999M
X		George	08/06/92	20032323232	IVE	07/2004	2,862.00	1,798.77	H99999M
X		George	08/06/92	20032323232	IVE	08/2004	2,957.40	1,858.73	H99999M
X		George	08/09/92	20032323232	IVE	09/2004	2,862.00	1,798.77	H99999M

Over = Overage: To return funds received in error

FUNDS: IVE, SFH, TEA, IVEW

Retro = Retroactive: To receive payments denied

DESCRIPTION: Jimmy – Client not eligible for IVE Funding
Sue & Jane - Reviews were not complete, clients not eligible for SFH funding
George - Maximization received in error, client was in level 2 facility and received HRI funding

Documentation Required:
 5094 Form or PQA Report
 Payment History
 Supporting Justification

Mail Claim and Documentation to:
 DSS Children and Family Services
 Tina Bumgarner
 Post Office Box 10063
 Hickory, NC 28603

Request for Adjustment to Foster Care Assistance Payment

Instruction Sheet

Step 1 Complete Claimant information:

- Provide information for contact person who can answer specific questions concerning the adjustment.

Step 2 Determine Adjustment Type To Request

- Overage Request - This request is to return funds received in error.
- Retroactive Request - A request to receive payments not previously paid due to problems with entry or licensure

Step 3 Document Client Information

- Name
- Date of birth
- State identification number (SIS)
- Funding source: IVE, SFH, TEA or IVEW

Step 4 Document claim information

- Service Month
- Gross Claim - The gross claim amount should be the correcting amount.

	<u>Field & Description</u>	<u>Reported</u>	<u>Actual</u>	<u>Gross Amt</u>
<i>Example A</i>	DSS payment of	\$ 500	\$ 500	
	#56 - Clients Resources of	\$ -	\$ 564	
	#50 - Reported payment	\$ 500	\$ -	\$ (500)
	SER for Facility	\$ 2,090	\$ 2,090	
	Maximization to Facility	\$ 1,590	\$ 1,526	

	<u>Field & Description</u>	<u>Reported</u>	<u>Actual</u>	<u>Gross Amt</u>
<i>Example B</i>	DSS payment of	\$ 500	\$ 500	
	Clients Medicaid Resources of	\$ -	\$ 2,900	
	Reported payment	\$ 500	\$ -	
	SER for Facility	\$ 2,090	\$ 2,090	
	Maximization to Facility	\$ 1,590	\$ -	\$ (1,590)

- Net Claim - The net claim is the adjustment after funding percentages apply

		<u>Gross</u>	<u>Percentage</u>	<u>Net</u>
<i>Example A</i>	IVE Client (13 Yrs Old)	\$ 490	81.43%	\$ 398.99
		\$ 10	62.85%	\$ 6.29
		<u>\$ 500</u>		<u>\$ 405.28</u>
SFH Client (13 Yrs Old)	\$ 490	50.00%	\$ 245.00	
	\$ 10	0.00%	\$ -	
	<u>\$ 500</u>		<u>\$ 245.00</u>	

		<u>Gross</u>	<u>Percentage</u>	<u>Net</u>
<i>Example B</i>	IVE Client (13 Yrs Old)	\$ 1,590	62.85%	\$ 999.32

Step 5 Provided adequate and descriptive documentation for claim.

- Include payment information (reports or client payment history from state system)
- Include justification for adjustment with a description of the actual versus the reported amounts

Step 6 Submit claim and documentation to the State Division of Social Services.

**Appendix D - NC DIVISION OF SOCIAL SERVICES CHILDREN'S FACILITY
LICENSE INFORMATION**

DSS PROCEDURES FOR ID# APPLICATIONS FOR DFS FACILITES

For new facilities that are licensed by DFS for which you need an ID#, please mail a completed application along with a copy of the DFS license to me at the address below. Please do not fax. New numbers will be assigned at least once a month before the cut-off date for payment. If the DFS license is valid for the month of the current month of service, the ID# will be made effective for the current month of service. For example: A completed application and license is received on March 3rd, and the DFS license is effective January 1, 2002, then the effective date of the ID# will be February 1, 2002.

If at all possible, please allow at least 20 working days for the review and approval of new ID #s. In addition to reviewing and approving ID #s, we are also setting up files, filing and entering data into the FCFL system, along with other assignments. It is recommended that as soon as you receive the license, you immediately submit the necessary documents to the state DSS.

For facility ID#s that are due to be updated, please submit a completed application along with the renewed DFS license and mail to me at the address below. You will need to complete this pocess anytime there is a change to you license, INCLUDING renewal of licensure. Please do not fax. Be sure and write the ID# on both the application and the DFS license, as these numbers do not change as long as the home remains with your agency.

Angelina Spencer
Children's Services NC Division of Social Services
Black Mountain Center, Building 17
932 Old US 70 Hwy. West
Black Mountain, NC 28711

Attached is a copy of the latest version of the application. Please use this version and please discard any earlier versions you may have. Thanks you.

Note:

No new Therapeutic Homes will be licensed by DFS effective July 18, 2002. For licensure of therapeutic homes after that date or when the current DFS license expires, licensing material must be submitted by the supervisory agency to Angelina Spencer, whose office is also located at Black Mountain Center.

Appendix E – Verification of TEA Eligibility

VERIFICATION OF TEA ELIGIBILITY

Child Name: _____ Case Number _____

Date of Birth: _____

Persons to receive services (including child):

Client Name _____ Client ID# _____

Client Name _____ Client ID# _____

Client Name _____ Client ID# _____

Check all criteria as follows:

_____ A child must be experiencing an emergency and the family does not have sufficient resources to meet the need. State the emergency that the child/family is experiencing:

_____ The child must have lived with a specified relative within the six months prior to being assessed for the emergency. Identify the specified relative and state the relationship with the child:

_____ Identify the service(s) needed (must be on the approved list of services):

_____ The services can be provided for up to 364 days only. In the space below, give the end date for services.

Signature of worker _____

Date of Authorization _____

Last day of Eligibility (364th day) _____

***SERVICES**

Services provided to the child must be documented within the first 30 days of TEA eligibility determination. The service provided must come under one of these broad headings.

- In-Home Services, including Assessment; Case Management/Service Planning and Coordination, Counseling and Treatment Services; Family Support/Family Preservation; Day Support Services; and, Psycho-Educational Services.
- Out-of-Home Services, including Residential Placement, Care and Treatment in a Family Setting; and, Care and Treatment in a Group Setting.
- Other Services, including Consultation and Education; Other Child Welfare Services; and, Transportation.

Appendix F – MOE Eligibility Documentation Forms

**Maintenance-of-Effort
Eligibility Documentation Form for Child Welfare Services**

Date Eligibility Determined: _____

Social Worker Signature: _____

1. Is the family's income at or below 200% of FPL? Yes _____ No _____

What is source?

(Family receives Work First, Medicaid/Health Choice, Food Stamps?)

2. Identify the specified relative with whom the child lives and state the relationship.

3. How does provision of service meet TANF purpose?

(TANF purpose related to child welfare: to provide assistance to income-eligible families so that children may be cared for in their own homes or in the homes of a relative)

4. Is child a US citizen or qualified alien? (Please check one)

Yes: _____

No: _____

For MOE Redeterminations Only

NOTE: MOE Redeterminations of eligibility must be documented annually.

Does the family continue to meet: (1) income eligibility requirements, (2) specified relative requirements, (3) the TANF purpose and (4) citizenship status? Yes: _____ No: _____

HOW?

(1) _____

(2) _____

(3) _____

(4) _____

Date Redetermination Completed: _____

Social Worker Signature: _____

Appendix G – [DSS-5120](#) Title IV-E Eligibility Determination

**DETERMINATION OF
ELIGIBILITY DOCUMENTATION/VERIFICATION FOR FOSTER CARE ASSISTANCE BENEFITS AND/OR MEDICAL ASSISTANCE ONLY**

_____ COUNTY DEPARTMENT OF SOCIAL SERVICES

PART I: CHILD INFORMATION

A. 1. SOCIAL SECURITY NUMBER	2. SIS I.D.	3. INDIVIDUAL EIS ID	4. CO. CASE NUMBER

B.
1. CHILD'S NAME _____ **2. RACE** _____ **3. SEX** _____

C.
1. DATE AND PLACE OF BIRTH _____ **2. METHOD OF VERIFICATION** _____
 (copy of birth certificate is preferred, but parent's statement may be used until birth certificate is obtained)

**D.
RESIDENCE AND CITIZENSHIP**

	YES	NO	DATE & METHOD OF VERIFICATION (there must be documentation of verification of citizenship status)
U.S. Citizen?			
Legal Alien?			
Undocumented Alien			Explain

Decision Point:

If child undocumented alien, not IV-E eligible or TEA eligible. Go to Part VI and mark funding source.

PART II. INITIAL REMOVAL
AUTHORITY

AUTHORITY	DATE			
1a. Judicial Determination-in reference to best interest/ contrary to welfare (Give date of first court order that contains contrary to welfare/best interest language. Child is not IV-E eligible unless such language is in the very first court order.)		Does the initial court order giving agency custody and placement of child include a judicial finding that remaining in the home is contrary to the welfare of the child, or removal is in the best interest of the child?	YES	NO
1b. Judicial Determination in reference to Reasonable Efforts findings (Give date of court order that contains reference to reasonable efforts. Child not eligible until this language is obtained.)		Is there an order within 60 days of removal that finds that "reasonable efforts have been made to prevent removal from the home" (court order must specify what efforts the agency made to prevent removal) <u>or</u> that none were possible. (In no case will child be IV-E eligible if this language is not obtained within 60 days of the child's entry into foster care.)		
2. Voluntary Agreement with Parent or Guardian (Give date VPA signed by agency.)		If removed by VPA, were efforts addressed in the document? (All IV-E requirements outlined in law and policy must be met in order for the child to be IV-E eligible. Until all requirements are met, child cannot be IV-E eligible.)		
3. Relinquishment as the reason for Placement (Give date of parental consent for all applicable parents.)		(NOTE: This child is only eligible for SFHF or TEA Go to Part, IV).		

Decision Point:

If either Part II 1a or 1b is No, child is not IV-E eligible and will never be during this removal period.

Child may be TEA or SFHF. Agencies may elect to proceed with an immediate determination of TEA eligibility. If so, go to Part IV to determine if TEA eligible and continue.

If Part II 1a and 1b are Yes continue to Part III.

PART III: REMOVAL INFORMATION

1. With whom was child living at time of removal?: (check one)

Parent: _____ Non Relative: _____ Relative: _____
 (Go to 4a and 4b) (Go to 3 and then follow directions) (Complete 2a and 2b).

2a. If child removed from **relative**, complete the following:

Name	Address	Relationship

2b. Was this a specified** relative? Y _____ N _____

**** The following Relationships meet the kinship rule:**

(1) A parent includes a biological mother or father, a legal father or adoptive parent(s) after the issuance of the final order. (A parent's blood relationship remains intact even after a child's adoption into another family. Therefore, the biological or other biological relative may meet the kinship rule even after the child has been adopted into another family.)

(2) An alleged father or other alleged paternal relative.

(3) A blood or half blood relative or adoptive relative limited to: brother, sister, grandparent, great-grandparent, great-great-grandparent, great-great-great grandparent, uncle or aunt, great-uncle or great-aunt, great-great uncle or great-great aunt, nephew, niece, first cousin or first cousin once removed (First cousin once removed is the relationship an individual has to his/her first cousin's child.)

(4) A step-relative limited to: stepparent, stepbrother, and stepsister.

Decision Point:

If YES to Part III question 2b, proceed to Part IVA and continue. If NO to Part III question 2b, proceed to Part III question 3 and continue.

3. If child removed from a non-relative complete the following for the six months preceding removal. (child must have lived with parent or other specified relative within six months of entering care or child is not IV-E or TEA eligible.)

Child was living with:	Relationship	Date (From-To):	Date & Method of Verification
Name & Address			
Name & Address			
Name & Address			

If any of the living arrangements in the preceding six months were with a parent, complete Part III 4a, 4b and proceed to Part IV in its entirety. If any of the living arrangements in the preceding 6 months were with a specified relative, proceed to Part IVA (note that the home of the parent or specified relative must be the home home which has been judicially determined to be contrary to the welfare of the child).

Decision Point:

If child removed from a non-specified relative or non-relative and did not live with either a parent or specified relative in the preceding six months, child is NOT IV-E or TEA eligible. Child is eligible for SFHF. Go to Part VI and mark accordingly.

4a. Family Composition (Indicate all persons living in Parent's Home during month of removal).

Name	Relationship	Date of Birth

4b. At the time the agency received placement authority, did parental deprivation exist for one of the following reasons:

- | | | |
|---------------------------------------|-------|-------|
| | Yes | No |
| • absence | _____ | _____ |
| • disability | _____ | _____ |
| • Unemployment of primary wage earner | _____ | _____ |

Decision Point:

If 4b is Yes in any category, continue

If 4b is No in all categories, child is not IV-E eligible. Child may be TEA or SFHF. Proceed to Part V to determine if TEA eligible and continue.

PART IV-FINANCIAL ELIGIBILITY

A. Child’s Income and Reserve

1. Current Income for the Child:

Source of Income	Amount	Date and Method of Verification
Child Support Payments		
Social Security Benefits Claims #		
Dividends from Stocks, Bonds, Other Investments, Trust Funds		
Wages (Less Deductions)		
Other (Specify)		
TOTAL COUNTABLE INCOME:		
SSI (not countable, but shown)		

2. Current Reserve for Child

Assets	Amount	Bank, Company, Acct. #, etc.	Date and Method of Verification
Bank Account			
Stock and Bonds			
Other (specify)			
TOTAL RESERVE			

3. Were child’s income and reserve less than the amount allowed for one? Y_____N_____ (This must be completed by person qualified to do eligibility determination).

Decision Point:

If answer to Part III, 2b is yes, thus indicating child was removed from a specified relative other than parent, and Part IV A3 is yes, child would have been eligible for AFDC had an application been made. Therefore, this child is IV-E eligible, go to Part VI and mark accordingly. If answers in Part III indicate the child was removed from a parent, complete remainder of Part IV.

PART IV B: PARENT INFORMATION-Complete all information in detail even if B1,B2 and B3 do not reside in removal home.

B1. MOTHER			
Name:		SIS ID Number	
Current Address:			
Telephone Numbers	Date of Birth	Race	
Social Security Number:		Employed (Yes/No)	
Name of Employer:			
Address of Employer:			
Amount of Monthly Income (From Employment):		Date and Method of Verification-can be parent's word unless reason to doubt	
Amount of All Other Monthly Income Including SSA, VA, Unemployment (List sources): Do not count SSI			
Child care Expense			

B2. LEGAL FATHER			
Name:		SIS ID Number	
Current Address:			
Telephone Numbers	Date of Birth	Race	
Social Security Number:		Employed (Yes/No)	
Name of Employer:			
Address of Employer:			
Amount of Monthly Income (From Employment):		Date and Method of Verification-can be parent's word unless reason to doubt	
Amount of All Other Income (List sources): Do not count SSI			
Number of dependents under 18 and any other additional expense			

B3. PUTATIVE FATHER			
Name:		SIS ID Numbers	
Current Address:			
Telephone Numbers	Date of Birth	Race	
Social Security Number		Employed (Yes/No)	
Name of Employer:			
Address of Employer:			
Amount of Monthly Income (From Employment):		Date and Method of Verification-can be parent's word unless reason to doubt	
Amount of All Other Income (List sources): Do not count SSI			
Number of dependents under 18 and any other additional expense			
Paternity Legally Established		Yes No ____	

C1. Current Reserve

Assets	Amount	Bank, Company, Acct. #, etc.	Date and Method of Verification
Bank Account			
Stock /Bonds			
Other (specify)			
TOTAL RESERVE			

C2. Current Reserve

Assets	Amount	Bank, Company, Acct. #, etc.	Date and Method of Verification
Bank Account			
Stock /Bonds			
Other (specify)			
TOTAL RESERVE			

C3. Current Reserve

Assets	Amount	Bank, Company, Acct. #, etc.	Date and Method of Verification
Bank Account			
Stock /Bonds			
Other (specify)			
TOTAL RESERVE			

Send to IMCW to complete budget sheet, page 6, and determine AFDC-connectedness.

Part IV E Addendum-Complete if stepparent resides in removal home (income is considered based on the AFDC Need Standard)

1.

STEP PARENT	
Name:	SIS ID Number
Current Address:	
Telephone Numbers	Date of Birth
Social Security Number:	Employed (Yes/No)
Name of Employer:	
Address of Employer:	
Amount of Monthly Income (From Employment):	Date and Method of Verification
Amount of Monthly Income (List sources): Do not count SSI	

2.

Amount of Alimony and/or Child Support paid to dependents.
--

3.

Number of step-parent's dependents under age of 18 who live in the house
--

BUDGETS TO DETERMINE "WOULD HAVE BEEN ELIGIBLE" for AFDC as of July 16, 1996 since all eligibility is based on AFDC requirements as in effect on July 16, 1996 (disregarding the Section 1115(a) waiver that was in effect on that date in NC), all families will qualify as "would have been eligible". Status must be determined. It is not categorical

Complete 1 Budget For Each Natural/Legal Parent In The Removal Home That Does Not Receive SSI

Gross Monthly Earned Income
(Weekly gross X 4.3, or bi-weekly gross X 2.15) _____

Less Work-Related Expenses _____

Less Actual Childcare Paid _____

Also Convert To Monthly Amount _____

Net Earned Income _____

Add Unearned Income of Parent and/or His Children, Such as SSA, Child-Support, Unemployment, VA
DO NOT COUNT SSI _____

TOTAL NET INCOME _____

Is Reserve Within Allowable Limit. Yes _____ No _____

Complete For A Stepparent In The Removal Home That Does Not Receive SSI

Gross Monthly Earned Income
(Weekly gross X 4.3, or bi-weekly gross X 2.15) _____

Less Work-Related Expenses _____

Less Actual Child-Support or Alimony Paid To Dependents Who Live Outside the Home _____

Net Earned Income _____

Add Unearned Income of Stepparent and/or His Children, Such as SSA, VA, Unemployment.
DO NOT COUNT SSI _____

Less the Need Standard For the Stepparent And All His Dependents Under age 18 Who Live In The Home. _____

TOTAL NET INCOME _____

Add parent'(s) and/or stepparent's TOTAL NET INCOME together. Have this reviewed by IMCW to determine if there is a deficit, then determine if they would have been eligible for AFDC as of 7/16/96 (disregarding the Section 1115(a) waiver that was in effect on that date in NC) if they had applied. Complete page 7 and proceed to Part VI and mark funding source.

IMCW

DATE

DECISION POINT:

If it has been determined that family does not meet AFDC-connectedness because of lack of need or deprivation, child may be SFHF or TEA. If agency elects to determine TEA eligibility at this time, proceed to Part V to determine TEA eligibility

C. CHILD SUPPORT:

Are any of the named parents paying court ordered child support? Yes _____ No _____

If Yes, indicate:

Amount _____

Frequency _____

By whom _____

If No, Do you want to pursue child support? Yes _____ No _____

If No, why not _____

D. HEALTH INSURANCE: Do the Parents have health/medical insurance for this child?

Policy Holder Name	Group Name	Insurance Company Name	Insurance Policy/Certificate Number

PART V. TEA ELIGIBILITY DETERMINATION (County decides whether and when to make TEA eligibility determination)

1. Did child reside with a parent or specified relative within the 6 months prior to removal. Yes _____ No _____
(this should be documented in Part III 3).

DECISION POINT:

If no to Part V question 1, not TEA eligible. Go to Part VI and mark SFHF. If yes to Part V question 1, child may be TEA. Complete 2 and 3.

Appendix G – [DSS-5120A](#) Title IV-E Eligibility Redetermination

FOSTER CARE AND/OR MEDICAID REDETERMINATION

Child s Name _____ DOB _____ Case # _____

Original Placement Authority Type _____ Date _____

Current Funding Source _____

This form must be completed at least every 12 months or at any time when the agency receives information that would affect any questions listed below. This form is completed for both funding source and Medicaid eligibility. Original Placement Authority refers to how the child entered foster care for the present removal period. Current funding source refers to the category for which payments are being made up to this redetermination date. Children who came into care on a relinquishment are eligible for SFHF (or all county funds) only. This should be reflected in the redetermination.

1. Has the child reached his 18th birthday? Y _____ N _____

Note: If Yes, Child is only eligible for SFHF. See question 8.

2. Answer **a or b** for children under 18 years of age.

a. If court review was required during this eligibility period, did it occur within the mandated time frames, and does the resulting court order contain the required reasonable efforts to achieve the permanent plan language.

Y _____ N _____ Date of court review _____

b. If child s placement continues based on a Voluntary Placement Agreement, has the court review been held at the mandated time and does the resulting court order either

1) allow VPA to continue? **or**

2) contain the required best interest and reasonable efforts language Y _____ N _____

3) Give court date _____

3. Does the child s situation in reference to private health insurance remain the same as in the last review? Y _____ N _____ How verified? _____

If no , discuss any additional private health insurance available to the child, including the name of the insurance company, the address where the claims

should be mailed, and the name and social security number of the person who carries the insurance. Or discuss the loss of any health insurance.

4. Has IV-D been given a referral, or additional information, as appropriate?
Y____N____

If no, discuss reason

5. Has child been terminated from TEA after 364 days?
Y_____N_____NA_____

6. Does the child's income and reserve remain the same as at previous review?
Y_____N_____ How verified? _____

If "no", describe _____

ANSWER ONLY FOR IV-E CHILDREN REMOVED FROM THE HOME OF THE PARENT(S)

7. Does the deprivation continue because the parents remain absent, unemployed or disabled or have parental rights been terminated?
Y_____N_____

How verified? _____

8. ANSWER ONLY FOR CHILDREN TURNING 18 OR ALREADY 18, OR EMANCIPATED MINORS WHO REMAIN IN CARE FOLLOWING AN EMANCIPATION

NOTE: If child presently IV-E, child must be changed to SFHF at 18th birthday

- a. Has child signed a VPA to remain in foster care? Y_____ N_____
Give date signed _____

b. Is child in school or approved training program? Y_____ N_____
How verified _____

NOTE: If answer is No to either 8a or 8b, child not eligible for SFHF or TEA.

If answers to all questions above are "yes", the child's eligibility continues in the category for which foster care reimbursement has been made except for TEA which should have been converted to SFHF after no more than 364 days, i.e. the current funding source as reflected on page 1. (Note the exception above for those turning 18). If answer to any question is "no" you must consult with an IMCW for a possible re-determination of a new payment and/or Medicaid category.

9. Is child currently in a licensed placement (approved facility or foster home)?
Y____N____ Give facility or foster home license period _____

If answer to 9 is "yes", child is reimbursable in the category for which eligibility has been re-established.

If answer to questions 2 and/or 8 is "no", child eligible for All County Funds only. May be eligible for Medicaid. Refer to IMCW for Medicaid eligibility determination. If answers to 6 and/or 7, is "no" refer to IMCW to determine correct funding source.

Check if referred to IMCW because there were questions with no answers _____

IMCW will use this form to document funding source, reason for change, if any, and sign this form.

Social Worker Date

FOR IMCW USE IF REFERRAL MADE:

Describe change and reason: _____

IMCW Date

Funding Source (check one) Medicaid Category _____
IV-E _____ (if applicable)
SFHF _____
ALL COUNTY _____

Appendix H – Adoption Forms

[DSS-5115](#) Adoption Assistance Program Payment Instructions

[DSS-5012](#) Adoption Assistance Eligibility Checklist

[DSS-5013](#) Adoption Assistance Agreement

[DSS-5145](#) Application for Reimbursement of Non-Recurring Adoption Costs

[DSS-5146](#) Agreement for Reimbursement of Non-Recurring Adoption Costs

Special Children Adoption Assistance Fund Forms

[DSS-5211](#) Request for Payment

[DSS-5212](#) Supplemental Adoption Assistance Agreement

[DSS-5213](#) Verification of Child's Need for Daily Supervision

[DSS-5214](#) Agency Verification of Legal Custody and Child's Living Arrangement for Past Six Months

[DSS-5215](#) Verification of Child's Health Condition

ICAMA Forms

[DSS-5248](#) ICAMA Form 6.02 Notice of Action

[DSS-5249](#) ICAMA Form 6.01 Notice of Medicaid Eligibility/Case Activation

[DSS-5250](#) ICAMA Form 6.03 Report of Change in Child(ren)/Family Status

**ADOPTION ASSISTANCE PROGRAM
PAYMENT INSTRUCTIONS**

AFFIX
Department of Social Services
Address Label

County																				
SIS Number																				
<table border="1"> <tr> <td> </td><td> </td> </tr> </table>																				
County Case Number																				

Child's Adoptive Name	Adoptive Parent Name
-----------------------	----------------------

This child is eligible for Adoption Assistance Vendor payment for any combination of psychological, therapeutic, remedial and/or medical services. Adoption Assistance will provide payment, not to exceed \$2,400.00 per year, for services related to the treatment of the following condition(s): Describe child's special needs: _____

In compliance with NC General Statute 108A-50, the claim must represent only the amount due after all health insurance claims have been processed.

Please attach two (2) copies of your bill.

SECTION I - PROVIDER'S INFORMATION

Name		
Mailing Address		
City	State	Zip Code
Telephone Number	E-mail Address	
Signature of Provider	Date	

SECTION II - DEPARTMENT OF SOCIAL SERVICES INFORMATION

Signature of Director or Agency Representative	Position
Telephone Number	Fax Number

Use of Form: This form is used to request payment for psychological, therapeutic, remedial and/or medical services by provider. The DSS ??? is to be provided to the adoptive parents to give to each provider of psychological, therapeutic, remedial or medical services.

Instructions to Providers: Complete PROVIDER'S Section and mail to the Department of Social Services for reimbursement.

ADOPTION ASSISTANCE ELIGIBILITY CHECKLIST

Child's Name

Date of Birth

Race

Sex

Date Adoption Became the Plan

Date of TPR and/or Relinquishment

If not legally free for adoption, specify steps taken to secure legal clearance and document the determination that the child cannot return to his own home.

1. Date child became the placement responsibility of the Agency:

Authority and reason for Placement:

2. Is child eligible for or a recipient of: *(Check all that apply)*

IV-E Foster Care

SSI

SFHF

Child *had* been in the placement responsibility of an agency authorized to place children for adoption.

Other source of income *(specify)*: _____

3. Specify efforts made to locate a suitable adoptive placement or document why present placement is appropriate.

4. Specify child's special needs. *(Attach documentation to support special needs as it relates to child's present physical, medical, psychological, psychiatric or therapeutic needs.)*

5. If child does not presently have a special need, does child have a potential handicap? If yes, specify reason for potential handicap.

On the basis of information provided above and in supporting documents as required, the following eligibility decision has been made:

ADOPTION ASSISTANCE ELIGIBILITY CHECKLIST

Child's Name

Date of Birth

Race

Sex

- a. Not eligible to receive Adoption Assistance benefits (*Specify Reasons*):
- b. Eligible

1. Status

- Present Potential (If potential, state reason) _____

2. Benefits (*Check all that apply*)

- Non-recurring Adoption Expenses** (Complete DSS-5145 and DSS-5146)
- Monthly payment**—Funding source for cash payment
- IV-E** (Child is IV-E foster care or SSI. AFDC eligibility must be determined at time of the removal only.)
- IV-B** (Child is SFHF foster care and does not receive SSI, or agency gave custody or guardianship to a person who is now adopting the child.)
- SAF** (Child was placed by a private agency.)
- Vendor payments for medical and/or therapeutic services**
If the child will receive vendor benefits, attach statement of the condition for which benefits will be paid.
- Medicaid** (*See MA Manual, Section MA-3454 for non IV-E children*)
- Social Services** (Post Adoption Services that may be helpful in keeping the family system intact.)

Date Completed	Signature of Agency Representative
Date Adoption Assistance Benefits were discussed with Adoptive Parent(s).	
Adoptive Parent(s) state they cannot adopt child without adoption assistance.	
_____ Initial of Adoptive Father	_____ Initial of Adoptive Mother
Signature of Adoptive Parent(s)	
_____ Adoptive Father	_____ Adoptive Mother

NORTH CAROLINA ADOPTION ASSISTANCE AGREEMENT

_____ County Department of Social Services

This Adoption Assistance Agreement has been entered into by and between the _____
County Department of Social Services, _____
Address
_____, North Carolina _____ (_____)
City Zip Code Telephone Number

hereafter called the "Agency" and _____
Adoptive Parent(s)
_____,
Mailing Address

_____, North Carolina _____, (_____),
City Zip Code Telephone Number

hereafter called the "Adoptive Parent(s)," for the purpose of facilitating the adoption of _____
Child's First Name

born on _____, and to aid the adoptive family in providing proper care for this child.
Date of Birth

I/We, the prospective adoptive parent(s) agree(s) that I/we: intend to adopt have adopted
_____ and have signed this document prior to after finalization of
Child's First Name
the adoption so that this child can receive Adoption Assistance and other benefits to which s/he is entitled.

PROVISIONS OF THIS ADOPTION ASSISTANCE AGREEMENT

I/We, the Adoptive Parent(s), and the Agency agree to the provisions of those benefits checked below for
which _____ is eligible:
Child's First Name

This child is eligible for :

- IV-E Benefits
- IV-B Benefits
- State Adoptive Fund Benefits

A. ASSISTANCE

1. Monthly Cash Payment No Yes If "yes" \$ _____
Monthly Amount

Begin Date for Monthly Cash Payment: _____
Month Year

- Month following Decree of Adoption;
- When parent(s) request payment, based on child's needs; or
- In potential handicap category, when documentation is given to support request for payment.

2. Vendor Payment for any combination of medical and/or therapeutic services

No Yes Maximum Amount: \$2,400 per year

I/We and the Agency agree that vendor payments in item 2 above are to be provided *only* for services or treatment related to the following condition(s).

Vendor payments for the above condition(s) and Medicaid will be available *only* after the adoptive parent(s) medical insurance has paid or has refused payments of a claim.

- If the child is eligible for Title IV-E Adoption Assistance benefits, s/he is also entitled to Medicaid benefits as provided under Title XIX of the Social Security Act and they will be available to her/him in accordance with the procedures of the State in which s/he and the adoptive family live. In addition, if the child is eligible for Title IV-E Adoption Assistance benefits, s/he will be entitled to services in accordance with the provisions of the Title XX program of the State in which s/he and the adoptive family live. An application for Medicaid on behalf of the child needs to be made.
- If the child is eligible for Title IV-B benefits or State Adoptive Fund benefits, s/he is eligible for Medicaid coverage if s/he has special medical or rehabilitative needs and the child's income and resources are below allowable limits. Financial eligibility is determined by the child's income only.

For the child receiving a monthly cash payment, I/We and the Agency understand and agree that it is based on the needs of the child. The amount of payment does not exceed the amount of foster care payment for _____ if s/he were to remain in a
Name of Child

foster family home. Adjustments in monthly cash payments may be made with the concurrence of the Adoptive Parent(s) and the Agency, based on changes in the needs of the child, circumstances of the adoptive family, or changes in the maximum allowable adoption assistance payment. Documentation of changes in the child's needs or family's circumstances may be required.

B. POST-ADOPTION SERVICES

I/We and the Agency agree that post-adoption services will be provided in accordance with the availability of services and resources in the agency and community. I/We understand that post-adoption services is not a continuation of supervision but an agency service given as needed and requested by any of the parties involved in the adoption.

C. ADOPTION ASSISTANCE BENEFITS FOR CHILDREN IN OTHER STATES

1. If the child is eligible for Title IV-E benefits, medical benefits as provided under Title XIX of the Social Security Act (Medicaid) and Social Services as provided under Title XX of the Social Security Act will be available to _____ in accordance with the procedures of the State in which the child resides.

Name of child
2. If the child is eligible for Title IV-B or State Adoptive Fund benefits and the family resides in a state that is a member of the Interstate Compact on Adoption and Medical Assistance (ICAMA), s/he may be eligible for Medicaid coverage in accordance with the provisions of the State in which s/he and the adoptive parents live.
3. The following procedures are necessary to assure the child's protection in receipt of medical care (Title XIX) and social services (Title XX) for North Carolina children living in a state in other than North Carolina. These procedures are applicable regardless of whether the child moves prior to or following finalization of the legal adoption process.
 - (a) The Adoptive Parent(s) must provide the Agency with their complete out-of-state mailing address including names of the Adoptive Parent(s) and child.
 - (b) The Agency will provide the appropriate authorities in the resident state with the Adoptive Parent(s)' address and documentation of the child's eligibility for Adoption Assistance. **This includes the completion of the necessary forms for the Interstate Compact on Adoption and Medical Assistance (ICAMA).** The Agency will request that the resident state notify the Adoptive Parent(s) of the agency to contact and the steps needed to apply for Medicaid and Title XX services **as provided by the State.**
 - (c) The Adoptive Parent(s) will be responsible for following through with the required application process to assure that medical care and social services will be provided to the child in accordance with the procedures and provisions of the resident state.

D. NOTIFICATION OF CHANGE

1. The Adoptive Parent(s) will immediately notify the Agency, in writing, of any address change so that receipt of benefits will not be delayed.
2. The Adoptive Parent(s) will immediately notify the Agency, in writing, if they are no longer legally responsible for the care and custody of the child or are no longer providing financial support for the child. This includes, but is not limited to, removal from the home and placement into out of home care due to a substantiated report of child abuse or neglect, child's marriage, death, or entry the military service.

3. The Agency will immediately notify the Adoptive Parent(s), in writing, of changes in Adoption Assistance payments resulting from increases or decreases in allowable benefits. Other adjustments will be made upon a request from the Adoptive Parent(s) at the time of the request.

E. TERMINATION OF ADOPTION ASSISTANCE BENEFITS TO THE CHILD

Adoption Assistance benefits to the child will be terminated in any of the following circumstances upon written notice to the adoptive parents(s):

1. Upon the Adoptive Parent(s)' request;
2. Upon the child's reaching the age of eighteen years;
3. Upon the child's death;
4. Upon the death of the adoptive parent(s) of the child (one, in a single parent family and both , in a two-parent family);
5. Upon termination of legal responsibility for the child by the Adoptive Parent(s); and
6. Upon determination by the state that the Adoptive Parent(s) are no longer providing any support for the child. "Any support" is defined as various forms of financial support such as paying for family therapy, tuition, clothing, maintenance of special equipment in the home, or paying someone else to provide for the child.

F. NOTICE OF RIGHT TO APPEAL

I/We, the Adoptive Parent(s) may appeal the Agency's decision to reduce, change, or terminate Adoption Assistance benefits in accordance with rules and procedures of North Carolina's fair hearing and appeal process.

Information as to procedures to follow in filing an appeal may be requested from this Agency or any North Carolina county department of social services.

G. DURATION

This Agreement shall remain in effect regardless of the State of residence of the child and Adoptive Parents(s) at any given time. This Agreement will expire permanently on the child's eighteenth birthday unless termination occurs earlier as a result of one or more of the conditions set forth in Section E, Termination of the Adoption Assistance Agreement.

**STATE OF NORTH CAROLINA
APPLICATION FOR REIMBURSEMENT OF
NON-RECURRING ADOPTION COSTS**

CONFIDENTIALITY STATEMENT: The personal information requested on this form will be used to determine entitlement to non-recurring adoption costs under the Title IV-E Adoption Assistance Program administered by the North Carolina Department of Health and Human Services. All personal information on this form will be treated as confidential pursuant to N.C.G.S. 48-9-102.

COUNTY OFFICE USE ONLY

Case Number	Date of Application	Received By
-------------	---------------------	-------------

SECTION I – APPLICATION INFORMATION

Name of Adoptive Mother (<i>first, middle, last</i>)		Social Security Number
Name of Adoptive Father (<i>first, middle, last</i>)		Social Security Number
Address (<i>house number, street, city, ZIP code</i>)		County
Name of child for whom application is being made (<i>first, middle, last</i>)	Date of Birth	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female
Social Security Number		

SECTION II – ELIGIBILITY DETERMINATION

We (I), the undersigned, apply for reimbursement of non-recurring costs for affecting the adoptive placement of the above named child who has been determined as “a child with special needs”. We (I) understand that reimbursement is limited to a maximum of \$2,000.00. We (I) understand that approval of our (my) request is based on meeting the following three (3) eligibility requirements:

- A. The child must meet all three (3) of the requirements listed below to be determined as “special needs”.
1. The child is considered to be a child with special needs and in need of adoption assistance due to one or more of the following conditions: (*Check which apply.*)
 - Child is member of a sibling group needing placement together;
 - Age of child;
 - Ethnicity or member in certain minority groups; or

Child has one or more of the following handicaps as determined and documented by a licensed physician:

 - Medical Condition; Physical Handicap; Mental Handicap; or Emotional Handicap
 - High-risk for medical, physical, mental or emotional handicap due to heredity, congenital or other documented factor
 2. Complete either (a) or (b) below depending upon whether reasonable efforts were or were not made.
 - (a). Reasonable but unsuccessful efforts have been made to place the child *without* providing adoption assistance. (*Check which apply.*)
 - Reviewed available approved adoptive families;
 - Child registered on NCKIDS or other appropriate adoption exchanges;
 - Featured child using various recruitment techniques (TV, newspaper, poster, adoption picnic, adoption parties etc.);
 - Lack of available approved, appropriate, interested families able to meet the child’s need without adoption assistance;
 - Utilized the services of State Contract Agencies; or
 - Other (*please specify.*) _____
 - (b) Reasonable efforts were not made to place the child without the use of adoption assistance because to do so would be against the best interest of the child. (*Check which apply.*)
 - Child has developed a significant emotional attachment to the foster parent(s);
 - Foster parent(s) has expressed a willingness to adopt the child, and the child meets eligibility requirements;
 - An appropriate relative became available
 - Other (*please specify.*) _____
 3. The child adopted or to be adopted cannot or should not be returned to the home of the biological parent(s). Check one for each biological parent. (*Attach copy of documents*)
 - (a). Biological Mother

<input type="checkbox"/> Court Ordered Termination of Parental Rights;	<input type="checkbox"/> Death of Parent;
<input type="checkbox"/> Relinquishment by Biological Mother; or	<input type="checkbox"/> Decree of Adoption
 - (b) Biological Father

<input type="checkbox"/> Court Ordered Termination of Parental Rights;	<input type="checkbox"/> Death of Parent;
<input type="checkbox"/> Relinquishment by Biological Mother; or	<input type="checkbox"/> Decree of Adoption

B. If an interstate placement was made, it was done in accordance with Federal, State and local laws and in compliance with the Interstate Compact on the Placement of Children or any other applicable state law regarding the interstate placement of children. Yes No

EXPENSES INCURRED BY ADOPTIVE PARENT(S)
 (Reimbursement shall not exceed \$ 2,000.00. Attach verifying documents)

Expense	Amount	Expense	Amount
Attorney Fees	\$	Adoption Agency Fees	\$
Psychological Examination	\$	Court Fees	\$
Lodging (subject to State guidelines)	\$	Meals <i>(subject to State guidelines)</i>	\$
Birth Certificate	\$	Mileage <i>(subject to State guidelines)</i>	\$
Medical Examination	\$	Other Adoption related expenses <i>(specify. Use additional paper to list expenses, if necessary)</i>	\$

We (I) verify that the expenses listed above are reasonable and necessary adoption costs which were directly related to the legal adoption of the above named child with special needs. The reported expenses were incurred by the adoptive parent(s) and are not in violation of state or federal law. No reimbursement has been made from other sources or funds. We (I) claim reimbursement for the total amount of \$ _____ in completing this adoption.

Signature of Adoptive Mother _____ Social Security Number of Adoptive Mother _____ Date _____

Signature of Adoptive Father _____ Social Security Number of Adoptive Father _____ Date _____

Authorized Payee(s) _____

COUNTY OFFICE USE ONLY

I do affirm to the best of my knowledge that _____ has has not met eligibility requirements and
 Name of Child
 has has not been determined as a child with "special needs".

Signature of Social Worker _____ Title _____

Adoption Agency _____ Date _____

DISPOSITION OF REIMBURSEMENT CLAIM

Approval of claim reimbursement Denial of claim reimbursement

Reason for denial of claim reimbursement: _____

Signature of Agency Representative _____ Date _____

FOR ADOPTIVE PARENT REIMBURSEMENT

MAIL COMPLETED FORM AND VERIFICATION DOCUMENTS TO:

(Affix DSS Address Mailing Label or Complete Information)

_____ Department of Social Services

_____ Mailing Address

_____ City _____ State _____ Zip Code

**STATE OF NORTH CAROLINA
AGREEMENT FOR REIMBURSEMENT OF
NON-RECURRING ADOPTION COSTS**

After receiving and approving the application for non-recurring costs, the following agreement has been entered into by the _____ County Department of Social Services, hereafter called the Agency, and _____ for the purpose of facilitating the legal adoption of _____ Name of Adoptive Parent(s) _____ . Born on _____ Date of Birth _____ and placed in the _____ Name of Adoptive Child _____ Date of Placement _____ adoptive home on _____ .

AMOUNT OF REIMBURSEMENT APPROVED	
The amount of reimbursement has been determined through discussion and agreement between the Adoptive Parent(s) and the Agency. While not limited as to the number of items and services eligible for reimbursement, the total amount of reimbursement shall not exceed \$ 2,000.00 and shall be provided to adoptive parent(s) and/or other designated individual(s) indicated on the application.	
Expense	Amount
Attorney Fees	\$
Psychological Examination	\$
Lodging	\$
Amended Birth Certificate	\$
Medical Examination	\$
Adoption Agency Fees	\$
Court Fees	\$
Meals	\$
Mileage	\$
Other Adoption related expenses (<i>specify</i>)	\$
TOTAL REIMBURSEMENT	\$
Signature of Adoptive Mother	Date
Signature of Adoptive Father	Date
Address of Adoptive Parent(s) (<i>number, street, city, state, zip code</i>)	
Signature of Agency Director or Representative	Date

STATE OF NORTH CAROLINA

_____ COUNTY

SPECIAL CHILDREN ADOPTION INCENTIVE FUND

REQUEST FOR PAYMENT

Department of Social Services responsible for Adoption Assistance: _____

Signature of Director or Designee: _____

CHILD INFORMATION

SIS IDENTIFICATION NUMBER	LAST NAME	FIRST NAME	MI

**PAYMENT AMOUNT *OVER*
STANDARD ADOPTION ASSISTANCE RATE**

EFFECTIVE DATE					MONTHLY AMOUNT			
M	M	-	Y	Y				
		-						

PAYEE INFORMATION

FIRST NAME	MI	LAST NAME	SOCIAL SECURITY NUMBER											
						-			-					
ADDRESS														
CITY										STATE		ZIP CODE		

SUBMIT FORM TO:

**FAMILY SUPPORT AND CHILD WELFARE SERVICES
Foster Care/Adoption Policy Team
2409 Mail Service Center
Raleigh, NC 27699-2409**

STATE OF NORTH CAROLINA

_____ COUNTY

SPECIAL CHILDREN ADOPTION INCENTIVE FUND

SUPPLEMENTAL ADOPTION ASSISTANCE AGREEMENT

This Supplemental Adoption Assistance Agreement has been entered into by and between the _____
County of Social Services, _____,
Address

(_____) _____ thereafter called the "Agency" and _____
Telephone Number Adoptive Parents
_____, (_____) _____
Address Telephone Number

hereafter caller the "Adoptive Parent(s)", for the purpose of facilitating the adoption of _____
Child's First Name

born on _____, and to aid the adoptive family in providing proper care of this child.

I/We, the prospective adoptive parent(s), agree(s) that I/we intend to adopt _____
Child's First Name

and have signed this document prior to the finalization of the adoption so that this child can receive a supplemental payment from the Special Children Adoption Incentive Fund. I/We have already signed the regular Adoption Assistance Agreement on behalf of this child.

I/We agree(s) to accept payments from the Special Children Adoption Incentive Fund in the amount of \$ _____ per month as a supplement to the standard adoption assistance benefits.

I/We understand(s) that the Special Children Adoption Incentive Fund benefits are not an entitlement and are subject to the continuing availability of state and county funds.

I/We, the Adoptive Parent(s), and we, the Agency, have read, understand, and agree to the terms and provisions of this Supplemental Adoption Assistance Agreement.

_____	_____
Adoptive Mother	Date
_____	_____
Adoptive Father	Date
_____	_____
Authorized Agency Director's Signature	Date

A signed copy of the Supplemental Adoption Assistance Agreement was given/sent to the adoptive parent(s) on _____
Date

STATE OF NORTH CAROLINA

_____ COUNTY

SPECIAL CHILDREN ADOPTION INCENTIVE FUND

VERIFICATION OF CHILD'S NEED FOR DAILY SUPERVISION

I certify that I am a licensed health, mental health or developmental disability practitioner directly involved in the care of _____.
Name of Child

This child has a health condition which requires *eight or more hours* of daily direct supervision from a foster parent, health professional and/or special education teacher to meet personal health needs or prevent self-destructive or assaultive behavior. The child's daily supervision needs include the following:

Signature

Position/Title

Date

STATE OF NORTH CAROLINA

_____ COUNTY

SPECIAL CHILDREN ADOPTION INCENTIVE FUND

**AGENCY VERIFICATION OF LEGAL CUSTODY AND
CHILD'S LIVING ARRANGEMENT FOR PAST SIX MONTHS**

I, the undersigned declare that I am _____ of
Director of Social Services

_____ Department of Social Services, and I verify that

_____ is in the legal custody and placement authority
Name of child for whom incentive fund will be made

of the _____ Department of Social Services. I further verify

that the said child has resided in the licensed foster care home of

Name of licensed foster parent(s)

Mailing address of licensed foster parent(s)

City

State

Zip Code

for the previous six consecutive months on a continuous basis and that the foster parent(s) have received monthly cash assistance from a governmental source in excess of the standard board rate established by the General Assembly for the previous six months on a continuous basis. The foster parent(s) have stated a willingness to adopt this child if the monthly cash assistance that they have received as foster parents is not terminated. The amount of monthly cash assistance **above the standard board rate established by the General Assembly** that is being received by the foster parent(s) is \$ _____.

This is the amount of monthly cash assistance the parent(s) will receive, subject to continuing legislative authorization, from the Special Children Adoption Incentive Fund **above the standard board rate established by the General Assembly** following the issuance of the Decree of Adoption.

Signature

Date

STATE OF NORTH CAROLINA

_____ COUNTY

SPECIAL CHILDREN ADOPTION INCENTIVE FUND

VERIFICATION OF CHILD'S HEALTH CONDITION

I certify that the child, _____, has the following health condition, and this health condition is expected to result in significant impairment in the child's ability to function in the home, school or community and to endure throughout his/her childhood. The child's health condition and resulting impairment are:

Physician's Signature

Date

**ICAMA FORM 6.02
NOTICE OF ACTION**

SECTION A.		NOTIFICATION				
TO: ADOPTIVE PARENT(S): _____ Name(s) of Adoptive Parent(s)						
ADOPTIVE PARENT(S) CURRENT ADDRESS						
Mailing Address		City	State	Zip Code		
County		Telephone Number ()				
We have been notified that your child(ren) will be living at the address below on _____. Date						
ADOPTIVE PARENT(S) NEW RESIDENCE ADDRESS						
Mailing Address		City	State	Zip Code		
County		Telephone Number ()				
CHILD A	First Name	MI	Last Name	Type of Adoption Assistance		
					<input type="checkbox"/> IV-E <input type="checkbox"/> State Funded	
CHILD B	First Name	MI	Last Name	Type of Adoption Assistance		
					<input type="checkbox"/> IV-E <input type="checkbox"/> State Funded	
CHILD C	First Name	MI	Last Name	Type of Adoption Assistance		
					<input type="checkbox"/> IV-E <input type="checkbox"/> State Funded	
FROM:	Compact Administrator's Name		Telephone Number			
	Mailing Address					
	City		State	Zip Code		
	FAX Number		Email Address			
	Today's Date					
SECTION B		STATUS OF NEW RESIDENCE STATE				
New residence state <input type="checkbox"/> IS <input type="checkbox"/> IS NOT a member of the Interstate Compact on Adoption and Medical Assistance (ICAMA).						

**ICAMA FORM 6.02
NOTICE OF ACTION**

SECTION C CHILDREN RECEIVING IV-E ADOPTION ASSISTANCE

1. ICAMA Form 6.02 notifies you, the adoptive family, that this office has sent the necessary information to your new State of Residence informing it that your child(ren) is/are eligible to receive Medicaid in that State so that Medicaid Identification may be issued.
2. Contact your child(ren)'s new Residence State Adoption Compact Administrator named in **Section D** of the attached ICAMA Form 6.01 to determine what steps, if any, you need to take in order to receive a Medicaid Identification Card in your new State of Residence.
3. You may be instructed by the Compact Administrator to contact the Medicaid Office to obtain a new Medicaid Identification. You may be asked to complete an assignment of rights for medical support and payment. You may also be asked to provide other necessary information. Your new Medicaid Office will also be able to provide you with information about the benefits available in the (new) residence State.
4. If you are moving to a State that is not a member of ICAMA as indicated above, you may need to go to your local Medicaid Office in the new State of residence with these forms to apply for Medicaid on behalf of your child(ren). If you encounter a problem, contact the Compact Administrator listed on this form.

SECTION D CHILDREN RECEIVING STATE-FUNDED ADOPTION ASSISTANCE

1. If your child is receiving state-funded adoption assistance as indicated in Section A of this form, then your child(ren) is/are not automatically eligible to receive Medicaid in the new State of Residence.
2. If your State of residence is a member of ICAMA as indicated in Section B of this form, then contact the Compact Administrator in the new State of residence as identified on **Form 6.01**.
3. If your new State of residence is not a member of ICAMA, you need to go to the local department of social services in the new State of Residence and inquire about receiving medical assistance. If you have questions, contact your state's adoption assistance Compact Administrator as identified in **FORM 6.01, Section D**.

**ICAMA FORM 6.01
NOTICE OF MEDICAID ELIGIBILITY/CASE ACTIVATION**

8. DATE REQUESTED FOR MEDICAID OPENING *(First day of the month the child is living in the receiving state.)*

CHILD A	CHILD B	CHILD C
----------------	----------------	----------------

SECTION B MEDICAID COVERAGE FOR STATE-FUNDED CHILDREN

1. The Adoption Assistance State **DOES** **DOES NOT** provide Medicaid to children with state-funded adoption assistance as an optional Medicaid group.
2. The Adoption Assistance State **DOES** **DOES NOT** provide Medicaid to children receiving state-funded adoption assistance from another ICAMA member state if the child was eligible to receive it in the adoption assistance state

SECTION C OTHER MEDICAL COVERAGE

1. Does child continue to be eligible for other medical assistance from the adoption assistance state?

CHILD A <input type="checkbox"/> Yes <input type="checkbox"/> No	CHILD B <input type="checkbox"/> Yes <input type="checkbox"/> No	CHILD C <input type="checkbox"/> Yes <input type="checkbox"/> No
--	--	--
2. Does child have other third party coverage through any program, organization, or person?

CHILD A <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown	CHILD B <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown	CHILD C <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown
---	---	---
3. List sources of medical coverage or benefits.

CHILD A:	<input type="checkbox"/> SSI	<input type="checkbox"/> SSA	<input type="checkbox"/> CHAMPUS	<input type="checkbox"/> PRIVATE INSURANCE
CHILD B:	<input type="checkbox"/> SSI	<input type="checkbox"/> SSA	<input type="checkbox"/> CHAMPUS	<input type="checkbox"/> PRIVATE INSURANCE
CHILD C:	<input type="checkbox"/> SSI	<input type="checkbox"/> SSA	<input type="checkbox"/> CHAMPUS	<input type="checkbox"/> PRIVATE INSURANCE

SECTION D REFERRAL INFORMATION

FROM:	Compact Administrator's Name		Telephone Number	
	Mailing Address		City	State Zip Code
	FAX Number	Email Address		
TO:	Compact Administrator's Name		Telephone Number	
	Mailing Address		City	State Zip Code
	FAX Number	Email Address		

State Status: Current residence state **IS** **IS NOT** the Adoption Assistance state.

SECTION E CERTIFICATION

This is to certify that the records of my office show the above named child(ren) to be eligible for the Medicaid Identification document(s) in his/her/their new residence state in accordance with the information contained herein, the attached Adoption Assistance Agreement(s) and the Interstate Compact on Adoption and Medical Assistance.

In addition, I hereby certify that the attached copy/ies of the most current Adoption Assistance Agreement(s) for the named child(ren) in the files of my office is/are true.

Signed at _____ this _____ day of _____, _____
City State Month Year

Signature _____ Print Name _____

Title _____ Agency _____ Date _____

Distribution: *Send original with one (1) copy of current adoption assistance agreement to (new) Residence State, one (1) copy to adoptive parent(s) and one (1) file copy issuing office.*

**ICAMA FORM 6.03
REPORT OF CHANGE IN CHILD(REN)/FAMILY STATUS**

SECTION D CHANGE IN CASE STATUS)					
CHILD A		CHILD B		CHILD C	
Effective Date of Change:		Effective Date of Change:		Effective Date of Change:	
<input type="checkbox"/> Active <input type="checkbox"/> Closed		<input type="checkbox"/> Active <input type="checkbox"/> Closed		<input type="checkbox"/> Active <input type="checkbox"/> Closed	
Effective Date of Closing:		Effective Date of Closing:		Effective Date of Closing:	
Reason for Closing case:		Reason for Closing case:		Reason for Closing case:	
SECTION E CHANGE IN ADDRESS					
Anticipated Moving date :					
ADOPTIVE PARENT(S) CURRENT ADDRESS					
Mailing Address			City	State	Zip Code
County			Telephone Number ()		
ADOPTIVE PARENT(S) NEW RESIDENCE ADDRESS					
Mailing Address			City	State	Zip Code
County			Telephone Number ()		
SECTION F CHANGE IN ADOPTION STATUS					
CHILD A		CHILD B		CHILD C	
1. Effective Date of Change:		1. Effective Date of Change:		1. Effective Date of Change:	
2. Adoption Assistance Agreement		Adoption Assistance Agreement		Adoption Assistance Agreement	
(a) Adoption Assistance State:		(a) Adoption Assistance State:		(a) Adoption Assistance State::	
(b) Original Agreement:		(b) Original Agreement:		(b) Original Agreement:	
Effective Date:		Effective Date:		Effective Date:	
Expiration Date:		Expiration Date:		Expiration Date:	
(c) Current Agreement:		(c) Current Agreement:		(c) Current Agreement:	
Effective Date:		Effective Date:		Effective Date:	
Expiration Date:		Expiration Date:		Expiration Date:	

ICAMA FORM 6.03
REPORT OF CHANGE IN CHILD(REN)/FAMILY STATUS

3. Final Adoption Decree	Final Adoption Decree	Final Adoption Decree
CHILD A	CHILD B	CHILD C
Pending: <input type="checkbox"/> Yes <input type="checkbox"/> No	Pending: <input type="checkbox"/> Yes <input type="checkbox"/> No	Pending: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of Adoption Decree:	Date of Adoption Decree:	Date of Adoption Decree:
ICPC Notification made via 100B? <input type="checkbox"/> Yes <input type="checkbox"/> No	ICPC Notification made via 100B? <input type="checkbox"/> Yes <input type="checkbox"/> No	ICPC Notification made via 100B? <input type="checkbox"/> Yes <input type="checkbox"/> No
4. Adoption Terminated	Adoption Terminated	Adoption Terminated
CHILD A	CHILD B	CHILD C
Has Adoption terminated? <input type="checkbox"/> Yes <input type="checkbox"/> No	Has Adoption terminated? <input type="checkbox"/> Yes <input type="checkbox"/> No	Has Adoption terminated? <input type="checkbox"/> Yes <input type="checkbox"/> No
If "yes", give date:	If "yes", give date:	If "yes", give date:

DISTRIBUTION: Prepare original and two (2) copies. Reporting state retains original one (1); recipient state retains one (1); and adoptive parent(s) receive(s) one (1).

Appendix I – [DSS-5216](#) LINKS AUTHORIZATION FOR FUNDS ACCESS

COUNTY _____
 COUNTY NUMBER _____

Eligibility Criteria- Special Funds

Housing Funds (HOU)	LINKS Transitional Funds (LTF)	Educational/Training Vouchers (ETV)
<ol style="list-style-type: none"> 1. Now between 18 and 21 (has not had 21st birthday), and 2. Was in DSS custody on 18th birthday and at that time was living in a licensed foster care living arrangement <u>or</u> was placed with a relative (not the removal home) <u>or</u> in other court-approved foster placement, and 3. Was not incarcerated in a correctional facility or other secure facility on 18th birthday. 	<ol style="list-style-type: none"> 1. Age 13 to 21 (has not had 21st birthday). 2. Financial assistance, combined with planned LINKS services, is needed to help the youth achieve one or more of the 7 program outcomes and has a reasonable chance of making a difference 	<ol style="list-style-type: none"> 1. Was in DSS custody on or after 17th birthday and at that time was living in a licensed foster care living arrangement <u>or</u> was placed with a relative (not the removal home) <u>or</u> in other court-approved foster placement or 2. was adopted from DSS foster care after 16th birthday, and 3. is now under the age of 21 (has not had 21st birthday) and has been accepted for enrollment in a qualifying postsecondary educational or vocational training program. 4. If enrolled in a qualifying postsecondary program, is making satisfactory progress toward completion of the course of study. <p>Note: All ETV expenditures are handled directly through the ETV Contractor.</p>

X - Individual is eligible to be authorized for the funds indicated

* - Individual is already authorized for these funds

COUNTY _____
 COUNTY NUMBER _____

**REQUEST FOR REIMBURSEMENT
 LINKS SPECIAL FUNDS**

Please reimburse (Total amount due) _____ to the _____ County Department of Social Services for funds spent on behalf of the following individuals. I certify that the individuals listed below are 1) eligible under the guidelines specified by the LINKS program; 2) were pre-authorized for access and 3) that expenditures for which reimbursement is claimed were allowable and appropriate according to LINKS policy.

Certified by _____, Position _____
 Date _____

PLEASE PRINT INFORMATION CLEARLY

			HOU	LTF	
<u>NAME</u>	DOB	<u>SIS ID</u>	<u>Housing</u> Rent, rent deposits, room and board, or down payments on dwellings for aged out young adults 18 to 21 (up to \$1000)	<u>LINKS Transitional Funds</u> Reimbursement for expenditures directly related to achievement of LINKS positive outcomes. Ages 13 to 21. (up to \$2250)	<u>Purpose of Expenditure/Outcome (required for reimbursement) and outcome goal #</u> 1. Economic self-sufficiency 2. Safe and stable place to live 3. Academic/vocational preparation 4. Personal support network of 5+ caring adults 5. Avoidance of high risk behaviors 6. Postponed parenthood 7. Access to needed health care

X - Individual is eligible to be authorized for the funds indicated

* - Individual is already authorized for these funds