

Par.1.**Material Transmitted and Purpose** –Transmitted with this Manual Letter are changes to Service Chapter 447-10, Foster Care Eligibility manual. Revisions are underline and in red. Deleted verbiage is struck through and in red. If the section has several changes or the section was completely replaced, the policy issuance may be used as a reference to note the changes.

This manual letter is adding four outstanding policy issuances to the online manual for easy online viewing.

Overview of Outstanding PI's to be manualized in 447-10:

- **PI 21-26 Foster Care Eligibility – Quality Assurance**
- **PI 21-05 Foster Care Eligibility – Quality Assurance**
- **PI 21-03 CFS Eligibility Unit Roles**
- **PI 20-26 Foster Care Eligibility Determination Considering Income and Resources Availability**

PIs to be manualized:

PI 20-26 Foster Care Eligibility Determination Considering Income and Resources Available

AFDC Relatedness Test 447-10-20-15-05

3. Income

Income eligibility determination is based upon the best estimate of income, AFDC group size, and child care costs during the eligibility month, based upon available information. Past income and consideration of changes during the eligibility month should be taken into account when determining AFDC group income. Information needs to be verified. A parent's signed statement of income meets the verification requirement.

Use the household and worker's reasonable expectations and knowledge of the circumstances during the eligibility month when determining income. Document the AFDC groups earned and unearned income clearly in the case record.

Income and resources are considered available both when accessible and when the applicant or recipient has a legal interest in a liquidated sum and has the legal ability to make such sum available for support and maintenance.

To assess whether money held in a trust fund or pooled fund account must be counted in the AFDC determination, the title IV-E agency must assess whether the funds are available to the AFDC assistance unit in or for the month in which the court proceeding to remove the child is initiated.

The following three examples are based on an AFDC eligibility determination that is made in or for the month in which the court proceeding to remove the child is initiated:

- If funds are held in such account as a trust fund or pooled fund account and the funds are not available to the AFDC family unit to use for the child's (or another individual in the AFDC family unit's) support and maintenance, then the funds are not counted as income or as resources when making an AFDC eligibility determination.
- If some or all of the funds are considered available to the child, the amount of the funds that are available will be counted as income for the month in which the funds become available for purposes of an AFDC eligibility determination.
- To the extent that funds remain available in the subsequent month, the remaining amount would be considered as a resource until the entire amount disbursed has been exhausted in accordance with AFDC policy. For example, if the child was removed during the month after the month in which the AFDC family unit received the lump sum income from the trust, the remaining amount would be considered a resource during the month in which the child was removed.

For Tribal Nations, People's Fund disbursements are considered unearned income when received in the foster care eligibility month or distributed prior to the time of the child's entry into a foster care placement. Disbursements received in the months prior to and after the date of the child's legal removal from the home are not subject to proration or considered unearned income in the eligibility month. Any disbursement amount that is retained and is available to the AFDC Unit in the eligibility month is considered an asset for eligibility purposes.

PI 21-03 447-10 – Two new sections were added, sections 447-10-03 and 447-10-04, as a result of the centralization of eligibility for foster care and subsidized adoption effective February 1, 2021, into the Children and Family Services Foster Care and Subadopt Eligibility Unit.

NEW SECTION**Foster Care and Subsidized Adoption Eligibility Unit 447-10-03**

The Children and Family Services Division created the Foster Care and Subsidized Adoption Eligibility Unit, referred to as the FCSA Eligibility Unit. The FCSA Eligibility Unit is responsible for creating and updating statewide policy and procedures with an overall goal of standardizing procedures to offer consistency and efficiencies for workers, providers, and families, while reducing financial errors and overpayments for the state. The unit will provide training and technical assistance, as well as collaborate with other DHS Divisions to best meet the needs of clients statewide.

The unit will manage the

1. Eligibility determinations for foster care cases and authorization of eligible foster care payments.
2. Eligibility determinations for children seeking prevention services, also known as candidates for foster care.
3. Sub-adopt negotiation process and authorization of eligible subsidy payments.
4. Opening and closing of ND Medicaid for all foster and sub-adopt cases.

NEW SECTION**Foster Care Eligibility Staff Roles 447-10-04**

The FCSA Eligibility Unit requires planned and coordinated activities between the unit eligibility staff and foster care case managers (Zone, DJS, Tribal). Despite their interrelatedness with foster care cases, there are clearly defined distinction in roles, activities, and responsibilities.

The roles and responsibilities for foster care case managers is in policy chapter 624-05-15-30-20.

The role of the foster care eligibility worker in the FCSA Eligibility Unit is to ensure the foster care case is in compliance with federal and state guidelines for eligibility and reimbursement. The basic functions within the FCSA Eligibility Unit will require the eligibility worker to:

1. Follow the state policy chapters 447-10, Foster Care Eligibility and 623-05, Maintenance.
2. Determine a child's eligibility based on information contained on the documents in the full kit. The full-kit includes the SFN 630-Foster Care Placement Notification, SFN 641-Title IV-E/Title XIX Application-Foster Care, and removal court,

3. Determine financial need is in compliance with AFDC and Medical Assistance standards pursuant to the July 16, 1996, AFDC/FC (IV-E) guidelines (P. L. 104-193, Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 and the Adoption and Safe Families Act of 1997,
4. Determine a child's Medicaid eligibility based on the financial need and compliance with AFDC and Medical Assistance standards,
5. Notify the foster care case manager of any required Medicaid documentation needed to engage in medical services,
6. Enter payment and other information in the payment system,
7. Notify the foster care case manager of any required documentation needed to process payments on behalf of a child in a licensed foster care setting,
8. Conduct comprehensive, periodic reviews of eligibility,
9. Ensure the child in foster care meets all the eligibility requirements for ongoing reimbursement,
10. Ensure irregular payment receipts and documentation is in the eligibility file for auditing purposes,
11. Submit the SFN 630-Foster Care Placement Notification and removal court order to Child Support,
12. Ensure all required paperwork is complete when filed, and
13. Ensure file information is submitted timely, when drawn for a file review

PI 21-05 and PI 21-26 Foster Care Eligibility – Quality Assurance are both specific to manual chapter 447-10-18. A second revision was made under PI 21-26 prior to PI 21-05 being manualized. The final revision is as follows:

Foster Care Eligibility Quality Assurance Reviews 447-10-18

All foster care eligibility files are managed and maintained by the Children and Family Services Foster Care and Sub Adopt (FCSA) Eligibility Unit. The FCSA Eligibility Unit files are subject to initial and ongoing quality assurance in the phases detailed below
~~To ensure accurate eligibility determination and proper payments, a State Review team comprised of State and county eligibility workers will review a random stratified sample of foster care eligibility cases each year. All match codes will be pulled into the sample to ensure a comprehensive understanding of issues impacting Title IV-E eligibility. The case draw methodology will remain on file with Decision Support Services and can be made available upon request.~~

Quality Assurance Phases

1. Phase 1: Initial Eligibility Determination

- a. An initial review of information submitted to the unit to ensure documents for eligibility determination are complete prior to assigning the case.
- b. Probationary Employees: Secondary oversight and review by a unit lead worker will be completed on 100% of the initial eligibility determinations. This will ensure eligibility was determined accurately by the assigned worker.
- c. Non-Probationary Employees: Secondary oversight and review by a unit lead worker will be completed on a minimum of two newly determined eligibility cases per month. The cases reviewed will be at the discretion of the lead worker. This will ongoing accuracy in policy application by the assigned worker.
- d. Eligibility determination errors will be corrected by the assigned eligibility worker within 7 working days following the identification. If select unit staff continue to have case files with identified errors, additional training and support will be provided by the lead worker and tracked as part of each employee annual performance evaluation. Unit staff with more than 2 errors effecting an eligibility outcome in three consecutive months, will be placed on a three-month FCSA Eligibility Unit defined probationary period.

2. Phase 2: Monthly Payment Review

- a. A unit lead worker will review the previous month's foster care payment report in the first week of the following month to identify inconsistencies and possible errors in payment. Findings will be tracked on the foster care payment report.
- b. A unit lead worker will monitor 100% of the overpayments to ensure balances are repaid timely. Findings will be tracked on the overpayment report.
- c. Payment errors will be corrected by the assigned eligibility worker within 7 working days following the identification. If select unit staff continue to have case files with identified errors, additional training and support will be provided by the lead worker and tracked as part of each employee annual performance evaluation.

3. Phase 3: Biannual (twice per year) Peer File Review

- a. A peer eligibility file review will be completed biannually (twice per year) to include a random stratified sample of foster care eligibility cases quarterly.

b. The department has defined a methodology to include a file sample of all public agencies (Zones, Tribal Nation or DJS) and all match codes will be pulled into the sample to ensure a comprehensive understanding. The methodology will provide a diverse sample of cases to identify issues or barriers impacting foster care eligibility. The case draw methodology will remain on file with Decision Support Services is maintained by the department's data analyst and can be made available upon request.

c. Any identified error will be corrected by the assigned eligibility worker within one month following the file review. If select unit staff continue to have case files with identified errors, additional training and support will be provided by the lead worker and tracked as part of each employee performance evaluation.

~~The review will focus on the initial eligibility determination and payments authorized during a specific period under review. County agencies will receive notice of selected files 2—3 weeks prior to the scheduled review. Feedback will be provided to the financial county within 30 days following the review. If an error is discovered, the State Review Team will provide the financial county with an explanation of the error. The financial county must rectify correctable errors within 30 days from notification. If an error cannot be rectified within 30 days from notification, an extension may be requested prior to the corrective action due date. A request for an extension must be submitted via email to the department and include an explanation of the circumstances causing the delay. The approval and length of an extension is at the discretion of the department. The financial county must provide the State Review Team with documentation of the corrective action and the date of completion.~~

~~A financial county that is found to be out of compliance with State statutes, rules, or policies, or federal statutes and regulations when determining foster care eligibility or authorizing foster care payments will be required to submit a corrective action plan to Children and Family Services. The financial county will be required to refund payments made that are not in compliance with Service Chapter 447-10 Title IV-E Foster Care and Service Chapter 623-05 Foster Care Maintenance Payments. Reimbursement arrangements will be secured between the financial county and Department through the Corrective Action Plan~~

Monitoring Custodial Agency Risk

The FCSA Eligibility Unit will conduct ongoing tracking of custodial agency (Zone, DJS, Tribe) overpayments monthly. Each month in which an overpayment is identified, the agency director will receive notice from the FCSA Eligibility Unit. If overpayment satisfaction exceeds 90 days, the agency will be required to refund payments that the

Department cannot remedy through auto-recoupment or direct recoupment from the provider.

If an agency creates more than five foster care overpayments in a quarter, the agency director will receive a written notice from the FCSA Eligibility Unit supervisor. The agency will be required to submit a corrective action plan detailing how they plan to reduce overpayments. Part of the corrective action will require each agency to review policy, document what day the training was held and identify which staff participated. The corrective action plan must be submitted to the FCSA Eligibility Unit within 30 days of receipt from the unit.

If the custodial agency continues to be out of compliance for three consecutive months following corrective action plan submission, the FCSA Eligibility Unit will notify the NDDHS Executive Office to determine next steps.