

3. Federally Funded Foster Care Maintenance Payments

3.0 PURPOSE

To provide guidance in establishing eligibility of individual foster children for the Title IV-E program, thereby enabling the Department to claim federal reimbursement for board and board related expenditures in the child's behalf, as well as for administrative costs.

3.1 AUTHORITY

- A. P.L. 96-272
- B. HRS 46-14,17
- C. [HAR 17-1617](#)
- D. 45 C.F.R. 232, 233,1356
- E. 42 U.S.C. 675

3.2 ELIGIBILITY REQUIREMENTS

3.2.1 Legal Status

- A. The child is under age 18;
- B. The child is in the placement responsibility of the Department;
- C. The child is in an approved foster or relative foster home;
- D. The child was physically removed from the home of a parent or other specified relative (as defined in 17-640);
- E. The child was removed through voluntary foster custody agreement between DHS and legal custodial parent, legal guardian or permanent custodian (eligible up to 180 days). Prior to 180 days, there is judicial determination that remaining in the family home is contrary to the child's best interests; or
- F. The child was removed by order of the family court on determination that remaining in the family home was contrary to the child's best interests and that reasonable efforts were

made to prevent removal.

3.2.2 AFDC Eligibility

- A. AFDC eligibility factors of deprivation and limited income/assets are met:
 - 1. The child, whether or not a recipient of TANF in or for the month of petition or voluntary agreement, would have qualified for AFDC according to standards in effect as of July 16, 1996;
 - 2. The child was living with a specified relative within six months prior to the month in which petition was filed or voluntary agreement was signed and would have qualified for AFDC, according to standards in effect as of July 16, 1996 if living with that relative in the month of petition or voluntary agreement had application been made.
- B. The child is an alien, disqualified from the AFDC program only because of alien status;
- C. The income and assets of the child, including parental support, in the month of petition or voluntary agreement are insufficient to meet the cost of foster care.

3.3 SCOPE OF SERVICE

- A. Refer to Chapter V, Section 2, STATE FUNDED FOSTER CARE MAINTENANCE PAYMENTS;
- B. In cases where a child placed in a foster home or child-care institution, receiving federally funded foster care maintenance payments, is the parent of a son or daughter residing in the same home or institution, payment made on behalf of the child shall include amounts necessary to cover the same items for the son or daughter.

3.4 JUDICIAL DETERMINATION PROCEDURES

3.4.1 Federal Requirements

- A. Ensure that there is a judicial finding in the first court order sanctioning removal of the child that "continuation in the *family* home would be detrimental to the welfare of the child"

or "contrary to the welfare of the child" and that "reasonable efforts were made to prevent out-of-home placement" within 60 days of the removal. File court order in case record.

- B. Or, if applicable, obtain a DHS 1568, "Voluntary Foster Custody Agreement," signed by the child's child welfare services worker, legal custodial parent(s), legal guardian(s) or permanent custodian(s), witnessed if possible, and dated. Note that **such placement is limited to 90 days**, after which child must be returned home or petition for foster custody filed. In Ohana Conference cases, a second Voluntary Foster Custody Agreement can be signed for another 90 days.
- C. Ensure that for all children who have been out of home for at least twelve months, there is a judicial determination that reasonable efforts have been made to "finalize the permanency plan" within twelve months of the date the child entered foster care and at least once every twelve months thereafter while the child is under DHS placement responsibility.

3.4.2 Referral to Child Support Enforcement Agency

- A. Inform family that referral will be made to Child Support Enforcement Agency (CSEA).

3.4.3 Referral for Eligibility Determination

- A. Make initial Referral for Eligibility Determination to the Foster Care – Income Maintenance Unit (FC-IM Unit).
- B. Every child removed from his/her home must be reviewed for Title IV-E eligibility. This also includes situations in which: child was removed from a parent who is a foster child; child was removed while under Family Supervision to DHS; child for whom DHS retained "temporary/foster custody" while living with a legal parent was later removed; and child for whom DHS retains permanent custody while living with a divested parent was later removed.
- C. "Removal" means child must have resided with a specified relative within six months or other specified relative. If child is found in a relative home, is "placed" in that home, and has not resided with parent or another specified relative within the prior 6 months, he/she is ineligible for Title IV-E.

3.5 INITIAL ELIGIBILITY DETERMINATION

3.5.1 Documentation

- A. To be completed by Title IV-E eligibility determination (FC-IM) workers:
1. The CWS unit worker notifies the FC-IM Unit via DHS 1567, "Notification of Foster Care Placement and Removal," that a child has been removed under DHS placement responsibility and needs review. This should be processed within 48 hours of initial removal;
 2. In addition to the information on DHS 1567, the following information/documentation is needed by the eligibility worker and should be in the hard copy of CWS case record, in the section indicated in parentheses:
 - a. Name and address of child's legal parent(s) (Part II);
 - b. Name/address of alleged or presumed biological father if applicable (Part II);
 - c. Name of person(s) from whom child was physically removed, relationship, and how long child resided with this person(s) prior to removal (Part II);
 - d. Copy of Income/Assets declaration form from Family Court if available (if child was removed from a legal or biological parent) (Part I);
 - e. If known, was child receiving any financial assistance or income (per CAP1 and 2) at time of removal (Part II);
 - f. Birth Certificate of child (vital to defining paternity for AFDC linkage) (Part IV);
 - g. Police Booking sheet if child was taken into police protective custody (Part I);
 - h. DHS 1568, "Voluntary Foster Custody Agreement,"

- if applicable (Part I);
 - i. Either copy of petition for TFC/FC showing date on which petition was filed with Family Court or copy of other document, filed with Family Court, that informs the court of the child's removal (Part I);
 - j. All court orders for hearings held within the first 6 months of the child's removal or within the first 6 months after petition was submitted subsequent to a voluntary placement (Part I).
- 3. Assistance from the CWS unit/worker may be needed by the FC-IM worker to clarify information in the case record. This information should be provided in a timely manner.
 - 4. Upon final determination of a child's Title IV-E eligibility status, the FC-IM worker will complete part 2 of the DHS 1567 and send copies to the CWS unit and Foster Home Licensing Unit (FHLU) for inclusion in the case record and follow up as needed

3.5.2 Determining Categorical (Financial) Eligibility for Title IV-E

- A. Eligibility Standards: For children removed:

On or after February 1, 1997, use AFDC eligibility standards in effect on July 16, 1996 (Refer to IMW Manual).

- B. The following forms need to be completed:

- 1. For children removed on or after February 1, 1997, complete a DHS 1577A, "IV-E Determination of AFDC Relatedness." This includes children in HAWI as AF participants in the month of initiation of court proceedings or voluntary removal, as TANF standards differ from the July 16, 1996 AFDC standards utilized by Title IV-E.
- 2. For children removed prior to February 1, 1997, complete the DHS 1577A, "IV-E Determination of AFDC Relatedness" only for those who were not AF participants

in the month of initiation of court proceedings or voluntary placement per HAWI.

- C. Retrieve the case record from the CWS unit.
 - 1. The following information is needed to determine the person(s) through whom the AFDC linkage needs to be made:
 - a. Name of person(s) with whom the child was residing at time of removal and their relationship to the child;
 - b. Name of any person(s) with whom the child was living within 6 months prior to removal and their relationship to the child if different from above;
 - c. Name of father identified on child's birth certificate to determine if he is a "presumed" father, or a "legal" father based on marriage to mother at time of child's birth or identified on child's birth certificate after July 1, 1999;
 - d. Court order showing adjudication of paternity; or information on CSEA KEIKI system indicating adjudication.
 - 2. **IMPORTANT:** Prior to March 27, 2000, there must be a **physical removal of the child** from the home of the specified relative through whom the AFDC linkage is determined.

Effective March 27, 2000, the removal of the child can be either a physical or a constructive removal. "Constructive removal" means a non-physical removal of custody from a legal parent with whom the child resided within six months of the constructive removal.

Effective October 1, 2003, determine Title IV-E eligibility for foster care based on whether a child is eligible for AFDC as it was in effect on July 16, 1996 either in the child's home of removal or in the home of any specified relative with whom the child lived up to six months prior to or at the time of removal.

- D. Check HAWI to determine if the child is currently receiving any assistance benefits (financial, medical or food stamps):
 - 1. If the child is currently active and has been placed out of the home, the IM worker is notified of the removal, asked to remove the child from the active household's case, and to determine any overpayment, If needed;
 - 2. If the FC-IM worker has knowledge such as an "absent" parent in the home, this information is relayed to the BESSD worker for follow-up;
 - 3. In those situations where the information in HAWI regarding household composition differs from what the social worker has documented In the case record (e.g., father of the child may be "absent" in HAWI but is living in home) the FC-IM worker should determine eligibility based on the actual household situation;
 - 4. For children removed prior to July 1, 1997, who were participants in an AF case, screen prints of the CAP1, CAP2 and HOSU screens are sufficient to verify categorical eligibility.
- E. Contacts with the child's parent(s) to determine AFDC linkage and/or to review child support requirements should be done in the most efficient manner. Obtain information via telephone contact whenever possible. If needed, a one-time notice to the parent(s) asking them to make contact can be mailed to the parent(s) if no telephone number is found (refer to sample letter in this section). When attempts to contact the parent(s) have failed, CWS worker is to ask the Court, at the next hearing, to order the parent(s) to cooperate.
- F. Other sources of information which may be used if needed are:
 - 1. UIB and DMV systems to access information on employment history, income and resources (vehicles, real property);
 - 2. The Family Court Special Service Officers in every circuit have been authorized to provide access to the "Financial Statement or Statement of Income and Assets" forms, which are submitted with the parents' "Application for

Court Appointed Counsel", for the purposes of IV-E eligibility determination upon request of the eligibility worker or other designated CWS worker. Some circuits may require signed consent of the parent(s) to release;

3. Child Support Enforcement Agency (CSEA).
- G. Preponderance of Evidence Method (POEM) for financial eligibility. Complete Steps A through F. If no verifiable employment, income or assets have been found and/or if the parent(s) or specified relative(s) cannot be located or are uncooperative (i.e. fail to respond to the Income/Asset verification request), the FC-IM worker will review all case information and factors that are available. If all evidence indicates that it is a reasonable assumption that the employment information may be questionable or that income/assets are insufficient and that there is no verifiable evidence to the contrary, then the FC-IM worker should determine the case to be "Title IV-E eligible." The FC-IM worker completes the form DHS 1554 "AFDC DETERMINATION BASED ON PREPONDERANCE OF EVIDENCE" indicating the steps that were followed to acquire or otherwise verify income and asset information for the case.

Preponderance of evidence means that a reasonable person, after reviewing all of the available information would logically assume that the child is federally eligible if there is no VERIFIED evidence to the contrary. Hearsay and second-hand information that is not verifiable is not considered when making the eligibility determination.

Some examples of situations where POEM is the "reasonable assumption" and the correct approach to use in determining foster care eligibility for Title IV-E are as follows:

1. The primary wage earner may claim employment (self employment or otherwise). If this information cannot be verified through any of the databases available to the eligibility worker, then the information is not included in the eligibility determination.

EXAMPLE: A claim of employment by a homeless family living on the beach (or similar poor living conditions as documented in the case records), but not verifiable through regular databases together with their sub-

standard living conditions would lead a reasonable person to assume that this family does not have the income or assets needed to support their family in terms of providing rent, food, clothing, etc. POEM would say that this family is federally eligible if all other eligibility factors are met.

2. A member of the family unit may claim to have assets such as real property for which there is no verification and the family member fails to sign the state's income and asset verification form. If the property is not found in data sources available to the State or the person fails to return a signed statement of income and assets, the State is under no obligation to take such statements as fact especially if the other factors of the family's circumstances such as living conditions or chronic unemployment would not logically bring you to the conclusion that this family has real property assets. It also cannot be assumed that such property – if it exists – is unencumbered or has an equity value above the asset valuation limit unless verifiable evidence or a signed statement exists.

EXAMPLE: A mother living with children in sub-standard living conditions and no employment claims to "have property on the Big Island." However, her claim of property cannot be verified and she fails to return a signed income/asset verification form. All other eligibility factors are met. For the purpose of eligibility determination, an unverified claim of property cannot be assumed to actually exist or to have a specific value. Therefore, using POEM, there is no evidence of the existence of this asset (i.e. property) and for purposes of eligibility determination, the worker does not include the statement. The conclusion is that this family has insufficient liquid resources to be able to provide food, clothing and shelter for their family and the unverified property is not considered.

3. Chronic unemployment, homelessness, and arrests/incarceration may cast doubt on whether someone is actually working or has sufficient income and assets.

EXAMPLE: Case information indicates that a parent is

unable to keep a job for more than a few days or weeks at a time due to mental instability, treatment for substance abuse or other factors, or does not show up for work on a regular basis because the parent is often arrested and/or incarcerated. Some families may display a trend of regular episodes of homelessness or eviction for non-payment of rent. In the absence of any verifiable employment or income information, it is reasonable to conclude that the primary wage earner is not able to work sufficient hours or earn enough money in any one month to be able to reliably provide for the family's basic needs. In the absence of verifiable information to the contrary, the eligibility worker should use such factors as strong evidence that sufficient income and assets are probably not present.

4. The fact that a person has never applied for or received welfare should not be construed as the person/family having sufficient income and assets. Many people get assistance from relatives or friends, from illegal sources, or simply will not apply for welfare for personal reasons no matter how destitute they may be.

EXAMPLE: A parent may not apply for welfare because it will disgrace the family. However, they will live with an uncle and his family, the mother may clean the house and make meals for free food, and the children's clothing may be all hand-me-downs from members of the local church. Using POEM a reasonable person cannot conclude that the absence of welfare assistance in the past or even denial of assistance in the past means that the parent is gainfully employed and/or generating income on their own at the time of removal of the child(ren).

5. Mere hearsay of illegal income, such as prostitution, drugs, should not be considered as it is unverifiable.

EXAMPLE: The father claims to be self-employed although he has been suspected of being a drug dealer and/or has a recent and consistent history of criminal activities through various reliable sources including police reports. Although the family's employment cannot be verified through any state resources and any other "legitimate" income and assets cannot be

identified. Using POEM a reasonable person can conclude that, although the family does not appear to be destitute, no source of employment or income can be located. Additionally, based on case information and police reports, it is also reasonable to conclude that the family's source of financial support may be generated from suspected illegal activities. Under such circumstances, the state would find that the family meets the Title IV-E financial requirements since there is unverified employment or income and there is sufficient reason to suspect illegal activities might contribute to the family's sustenance.

To restate, in the absence of verified statements of employment, income, and assets, the FC-IM worker and the State are under no obligation to consider these statements as factual unless there is corroborating evidence to the contrary that is verifiable and not based simply on hearsay or the self declaration of the parent.

The following examples are taken from actual Hawaii case files to demonstrate situations where using the preponderance of evidence method for Title IV-E eligibility determination are appropriate.

1. Family is not on welfare (no information found on HAWI), mother claims to be unemployed and is a known drug user. Child lived with mother/father within past six months although mother now absent, whereabouts unknown. Petition reports father previously employed in construction, although no income is evident during previous year. Case worker notes say UIB ran out in current year, so the evidence is that he was unemployed. Father had custody of child and child was removed from father. Father left Hawaii for Florida, supposedly with a job waiting for him but father cannot be located nor responds to requests for information. SWICA does not show any income. In this case, the preponderance of evidence is that father has no verifiable income or assets and none can be reasonably assumed based on the existing evidence. Document all information and find that the family meets the Title IV-E financial requirements using POEM.
2. Children lived with parents within six months of removal

and the family is now living on the beach. Family was not on welfare in the month of removal. However, HAWI indicates that the family was on welfare within six months of the child's removal. The income and assets reported in HAWI can be applied to the month of removal. The father was found to be on unemployment at a level under the SON for the family size. The parents have provided no response to request for income/asset information. The father is obviously unemployed and family does not have sufficient income either through unemployment benefits or as evidenced by living on the beach. The preponderance of evidence is of insufficient income and assets. Document all information and find case IV-E eligible. If the income and asset information in HAWI is over six month old apply regular POEM procedures to determine Title IV-E financial eligibility.

3. Four children live with parents in a tent in a local park. Mother says she works at local flower shop; father has not worked in several years, is a drug user, and has been in and out of treatment programs. SWICA/UIB inquiries show limited income for the mother but none in the quarter the children were removed. Parents have not responded to the income and asset verification request. There is no verification of the hours mother may work or income from her unverified employment. In the absence of verified employment and income, the eligibility worker does not assume they exist. It is also reasonable to assume that the mother, if she does work, does not make sufficient income for the size of the AU given the family's homeless living conditions. The preponderance of evidence is of insufficient income and assets. Document all information and find that the family meets the Title IV-E financial requirements using POEM.
4. Father claims to be employed, although never reported whether this was full or part-time, mother does not work and the children are in the household. No SWICA or UIB information exists; no HAWI information exists. Father has given no place of employment and the caseworker has no evidence of employment. Caseworker also reports that family barely has enough money for rent and food and the utilities have been turned off due to

non-payment. Parents have not responded to income asset requests. Based on the case factors, it is reasonable to assume that the father does not work sufficient hours (if at all) and deprivation exists due to under-employment. It is also reasonable to assume that there is insufficient income and assets to support the family unit. Document all information and find that the family meets the Title IV-E financial requirements using POEM.

5. Mother with one child, father absent. Mother does not work, no SWICA, UIB, or HAWI information. Child removed due to neglect and lack of parenting skills of the mother that endangers the child. Living conditions are listed as poor and unsafe in the caseworker's report. The mother has no verifiable evidence of income. Mother claims to own property in Florida but this cannot be verified. There is no known value of this alleged property or even what the "property" is. Mother fails to sign and return income and asset statement. Based on this information, there is no evidence to support the existence of an asset of any value or the verification of such as asset. The preponderance of evidence suggests that the family meets the Title IV-E financial requirements using POEM.
6. Two children live in a rented home with father and mother. The home is in a deplorable condition, windows are broken out and there are no locks on the doors. Father claims to be self-employed, but family has a history of periodic episodes of homelessness and eviction for non-payment of rent. No SWICA or UIB income information exists. Caseworker confirms family never seems to have enough money. Father fails to sign and return income and asset statement. Circumstances of the case do not support a finding that there is sufficient income or assets for a family of four. Since the father's self-employment cannot be confirmed, or whether he works at all, the State is justified in finding that the family meets the Title IV-E financial requirements using POEM.
7. Father and mother reside with one child. Father claims to be employed but gives no details; mother unemployed. No SWICA or UIB earnings for the month

of removal although there is minimal income for the previous quarter. Per Hawaii procedures, the eligibility worker divides the amount found in the previous quarter by three and applies it to the month of removal. In this case, the amount still does not meet SON standards for the assistance unit. Additionally, the family moves residences periodically and living conditions are poor according to caseworker notes although they have never been on welfare. Father has a history of drug arrests including drug dealing and also has prior arrests for thefts. Father fails to sign and return an income and asset statement. The caseworker confirms poor living conditions and cannot confirm evidence of father's employment. Given that there is no validation of employment and given the fathers criminal history may indicate any income sources may be from illegal activities, the State is justified in finding that the family meets the Title IV-E financial requirements using POEM.

When using POEM to determine federal eligibility for Title IV-E, the FC-IM worker must ensure that all contact attempts, screen prints and other appropriate documentation is maintained in the eligibility file. Documentation of two letters sent to the parents at their last known address, along with any returned mail, are considered sufficient documentation that the eligibility worker has made a diligent effort to contact the parent and obtain the information necessary to determine eligibility.

Upon completion of the eligibility determination, FC-IM worker signs the DHS 1577D, "Certification of Initial Eligibility for Title IV-E Foster Care" form, and presents it to the unit supervisor for approval and signature. The DHS 1577D and the DHS 1554, "Determination Based on Preponderance of Evidence," forms are then placed in the eligibility file.

3.5.3 Determination of Programmatic Eligibility

- A. For involuntary removals: Review all court orders and advise the CWS worker and supervisor when there is a need for follow-up in obtaining judicial language.
 - 1. Ensure that the case record contains a copy of the petition indicating the date on which the petition was filed in Family Court;

2. Ensure that in the first court order, which sanctions the removal of the child, there is a judicial finding that "remaining in the home is contrary to the welfare of the child." This includes both situations when the child was removed via police protective custody and via authority of existing family supervision status.

Ensure that there is a court order which finds that "reasonable efforts were made to prevent placement" and that the award of this language is made within sixty days of the child's removal, unless there are circumstances in which reasonable efforts findings to prevent a child's removal are not required because the parent has subjected the child to aggravated circumstances as defined in state law. In those situations, there must be a court order to that effect.

B. For Voluntary Removals

1. Voluntary removals need to be monitored closely in order to ensure that a child can continue Title IV-E eligibility beyond the first 180 days of placement:
 - a. Ensure that there is a valid DHS 1568, "Voluntary Foster Custody Agreement," in the case record;
 - b. Must have signature and date of signature of legal, custodial parent, or legal guardian/permanent custodian. If no dates found, notify CWS worker immediately;
 - c. If at all possible, signature of witness must be obtained;
 - d. Must have signature and date of signature of DHS representative. This will be the CWS worker. The supervisor's signature is also required to ensure that the removal was approved by the supervisor. If none found, notify CWS worker/supervisor immediately;
 - e. Must have dates specifying how long the agreement will be valid. If the agreement is due to expire and no judicial language has been secured, notify the CWS worker/supervisor

immediately (with copy to CWS Section Administrator) so that another agreement can be negotiated (not to exceed 90 days total per placement) or petition can be filed before the agreement expires.

2. A voluntary placement **cannot exceed six months** (180 days) **by statute** (HRS 587-21(b)(2)) irrespective of the number of times an agreement is renewed or how many agreements have been signed.

Notify the CWS worker of the expiration date of the agreement and remind the worker that petition must be filed in order to secure judicial language that "remaining in the family home is contrary to the welfare of the child" or that "remaining in voluntary foster placement is in the best interest of the child." This language must be awarded by 180 days of the initial placement of the child via the DHS 1568, "Voluntary Foster Custody Agreement." If the removal/placement was prior to the signing of DHS 1568, there must be documentation indicating that the child was placed under police protective custody on the date of removal.

3.5.4 Completion of Title IV-E eligibility review

- A. If a child meets **BOTH** the financial eligibility and the programmatic requirements, the child is considered to be **ELIGIBLE FOR TITLE IV-E**.
 1. Eligibility can start from the first day of the month in which all the requirements are met or date of removal if it is after the first of the month.
 2. The child's eligibility category code should be changed in the CU24 screen in CPSS only by the FC-IM worker.
 3. Enter the following eligibility category codes as appropriate on the child's CU24 in CPSS:
 - a. Title IV-E eligible children:
 1. "Z" for voluntary placement **up to 180 days or until judicial language is** awarded, whichever is first.

2. "F" for non-voluntary removals and for voluntaries after judicial language secured (if within 180 days).
 3. "S" for a child who is receiving Supplemental Security Income (SSI) benefits and also meets Title IV-E requirements.
- B. If a child **does not meet BOTH** the financial eligibility and the programmatic requirements, he/she is **NOT TITLE IV-E** eligible.
1. Enter the following eligibility category codes on the child's CU24 screen in CPSS:
 - a. "D" If the child is an active SSI recipient;
 - b. "Q" for all others.
 2. If there is insufficient information to complete an eligibility determination and this information is not expected to be available in the near future, enter eligibility category "P" on the child's CU24 screen in CPSS. Include in this category the following:
 - a. children for whom court orders are pending receipt;
 - b. children whose removal information (e.g. relationship to adult in household) has yet to be clarified;
 - c. cases awaiting clarification/decision from the Title IV-E Program Manager/Compliance Monitors or CWS Program Development.
 3. When a Title IV-E eligible foster child becomes a parent and this new baby will be living in same foster home as the parent, the baby is **entitled to the same benefits** that are provided to the Title IV-E foster child/parent:
 - a. enter eligibility category code of "I" on the baby's CU24 screen in CPSS;
 - b. The baby **is not a IV-E eligible** child irrespective of any legal status to DHS as there was no physical removal.

4. The FC-IM worker will notify the CWS unit, via a completed DHS 1567 of the final disposition of Title IV-E Eligibility with instructions to file the DHS 1567 in part II of the case record.
5. The FC-IM worker will notify Med-QUEST via DHS 1577C of the child's eligibility disposition (eligible/ineligible). CSEA will be similarly notified via DHS 1631 or DHS 1458.

3.6 REDETERMINATION OF ELIGIBILITY

3.6.1 Six Months Redetermination Factors

A redetermination of Title IV-E eligibility must be done every six months from the date on which the initial determination was completed. The following factors must be verified:

- A. The child is under the age of eighteen years and remains under the placement responsibility of DHS. (Although DHS can continue financial support to the child post his/her eighteenth birthday (provided the child is in school), placement responsibility, therefore IV-E eligibility, terminates on the child's eighteenth birthday irrespective of Family Court extension of jurisdiction.
- B. The child was in continuous foster care and did not return to the care of a legal parent within the previous 6 months:
 1. Any child who has returned to the care of legal parent other than for a planned, limited "visitation" is considered ineligible for Title IV-E as of the day after the child was placed with the parent irrespective of retention of foster custody by DHS;
 2. Any child who had been returned and removed again within the previous 6 months must be treated as a new removal and all initial eligibility criteria must be met.
- C. If placement was originally based on a Voluntary Foster Custody agreement, there must have been judicial determination by the 180th day that "continuation in foster care is in the child's best interest."
 1. If the voluntary agreement had lapsed prior to the 180th

- day without negotiation of another agreement, the child is considered to be ineligible upon lapsing of the agreement;
2. If the voluntary agreement had lapsed on the 180th day without any petition or police protective custody taken to continue placement responsibility, the child is considered to be ineligible upon lapsing of the agreement.
- D. Parental deprivation continues to exist in the household from which the child was originally removed:
1. In re-determining the deprivation factor, the worker must look at the home from which the child was removed or the home through which AFDC linkage was established;
 2. The deprivation need not be the same deprivation factor which existed when the child was originally removed, but some deprivation factor must still exist;
 3. Verifications need to be obtained to show continued deprivation (medical or psychiatric verifications), or AFDC eligibility may need to be re-determined if there is a change in deprivation factor. For example, deprivation was originally based on absence of father. Subsequently, father returned to the home. FC-IM worker must now determine whether the child continues to be deprived based on the unemployment or incapacity of parent;
 4. If no deprivation exists, this child becomes ineligible but should be re-determined in six months to explore if deprivation has recurred. The child's eligibility category will be "P" effective the first day of the month after deprivation has ended;
 5. If eligibility was previously lost due to loss of deprivation but DHS has since been awarded Permanent Custody, this can be counted as a resumption of deprivation and the child regains Title IV-E eligibility as of the date Permanent Custody was awarded to DHS. Hereafter, the award of PC is all that is needed to verify deprivation.

- E. The child's income and assets are insufficient to meet the cost of foster care. If a child is receiving SSI or any other governmental income or is employed, the child can still be eligible provided the monthly income amount does not exceed the monthly board/maintenance rate of \$529.00. Earned income may be exempt for child aged 16-18 if full-time student or part-time student /part-time employed.

3.6.2 Other Redetermination Factors

- A. If a six month period was missed, complete redetermination immediately. You must, however, look back over the entire period since the last redetermination was completed.
- B. Re-determine IV-E eligibility whenever a child was previously found to be ineligible for reasons of excess income, lack of deprivation, missing timely court finding that reasonable efforts were made to finalize the permanency plan, lapse of DHS placement responsibility.
- C. Re-determine IV-E eligibility/ineligibility whenever there is a change in clarification or ruling by a federal appeals board. This may require retrieving/research into closed cases. Contact the Title IV-E Program Manager or Compliance Monitors at SSO/FRPS/MICU if assistance is required to access these records.

3.7 REQUIREMENTS FOR FEDERAL REIMBURSEMENT

3.7.1 Children Placed Within the State

- A. For foster care provider receiving children must be reported in the License Resource File (LRF). The LRF record will contain dates when the foster home was unconditionally licensed.
 - 1. Reimbursements for foster board (SACs K221, K222/K223, K225, K227), difficulty of care (DOC SACS K271, K275), and clothing (K231, K235) can be claimed only if the home is **unconditionally** licensed as a family foster home or child caring institution (CCI).
 - 2. For child-specific homes (SLH, SLR), the home must be **unconditionally** licensed for every child placed in the home.

3. A provider code of UNLXXXX indicates that the home cannot meet the requirements for licensing/approval but the Court may have ordered DHS to keep the child in this home.

3.7.2 Children Placed Out-of-state

- A. For children placed in homes out-of-state, ensure that the home has been licensed/approved via ICPC. A letter of licensing/approval should be in the case record. Notify the CWS worker immediately if no approval is found:
 1. Via LRF, ensure that the facility ID code is OTH;
 2. If the home is coded UNLXXXX in the LRF but the home has been approved, the Foster Home Licensing Unit (FHLU) should be notified to enter the new provider code and advise the case management unit to use the new code.

3.7.3 Certification/Approval of Foster Home/Facility

- A. If the certification/approval date for the foster home/facility has lapsed, notify the FHLU for follow-up. If the home cannot be licensed/approved and there is no court order requiring the child to remain in the home, a notice is sent to the CWS unit/worker via the Section Administrator. A copy should also be forwarded to CWSBA;
- B. Other board-related costs such as clothing (K231, K235), transportation for visitation or placement (K601-4, K7014, N104, P607, P710-11), and difficulty-of-care (K271, K275) are **reimbursable irrespective of the license status** of the foster care provider as these costs are directly related to the child and not the foster home/facility;
- C. Reimbursements for board or clothing **cannot be claimed for children receiving SSI (category "S")**, however, the homes in which these children are placed must still be licensed/approved.

3.7.4 Documentation by FC-IM Unit

- A. Complete DHS 1650 to file for reimbursements which were not

previously claimed. Keep a copy in the case record and send one copy each to FMO-Accounting and the Title IV-E monitors in SSO/FRPS/MICU;

- B. Complete DHS 1651 to reconcile monies which were previously claimed for a child who was not Title IV-E eligible. Keep a copy in the case record and send one copy each to FMO-Accounting and the Title IV-E monitors in SSO/FRPS/MICU.
- C. Periodically check the CPSS screen [RS40] as the eligibility codes may be inadvertently changed by a CWS worker when a child is moved into a new case or when an additional intake is taken on the child. Notify MICU of children needing retroactive and reconciliation claims.

3.8 ELIGIBILITY FORMS

The following must be completed for all children who are reviewed for Title IV-E eligibility irrespective of the final outcome. These forms will be completed by the FC-IM worker and filed in the FC-IM case record.

- A. DHS 1577A, "IV-E Determination of AFDC Relatedness":
 - 1. For children removed prior to February 1, 1997: required if child was not an active AFDC recipient in the month of petition/voluntary placement. AFDC eligibility standards used are those which were in effect during the month of petition/voluntary removal;
 - 2. For children removed February 1, 1997 and thereafter: required for every child irrespective of current AF participation. AFDC eligibility standards used are those in effect on July 16, 1996.
- B. DHS 1577C, "Notification of IV-E Eligibility": For use by FC-IM workers or CWS units to notify MQD of the child's Title IV-E eligibility status. This form should also be used to document changes such as child has returned home, adoption was finalized etc.
- C. DHS 1103, "MQD/FASD Referral Notice": Used to report changes in the child's status to MQD;
- D. DHS 1577D, "Certification of Initial Eligibility for Title IV-E Foster

Care": Used to document initial Title IV-E eligibility. Form should be completed for every child reviewed for IV-E eligibility irrespective of final disposition. A new DHS 1577D must be completed every time a child is removed from his/her legal parent, legal guardian or permanent custodian and DHS has placement responsibility;

- E. DHS 1577E, "Recertification of Eligibility for Title IV-E Foster Care." To be completed for every Title IV-E eligible child every six months from the original eligibility disposition. If a six-month recertification has been missed, the child is not ineligible but the recertification must look back for the entire period since the last recertification was completed;
- F. DHS 1650, "Retroactive Title IV-E Claim," Used to notify FMO-Accounting of the need to claim reimbursement of a previously unclaimed payment;
- G. DHS 1651, "Reconciliation of Title IV-E Payments," Used to notify FMO-Accounting that a previous payment was claimed in error.

3.9 RECORD KEEPING REQUIREMENTS

3.9.1. CWS Units

- A. All documents supporting a child's Title IV-E eligibility or ineligibility must accompany every foster child for all cases in which he/she participates.
- B. For Title IV-E eligible children the following are required:
 - 1. DHS 1577 A, C, D, E as appropriate;
 - 2. Initial court orders, which awarded "contrary to the welfare" and "reasonable efforts" language;
 - 3. Initial police "booking sheet" if the child was removed via police protective custody;
 - 4. DHS 1568, "Voluntary Foster Custody Agreement," if the child was initially removed via voluntary agreements with parent(s);
 - 5. Copy of order last awarding Family Supervision to DHS if the child was removed via authority of Family Supervision status;

6. Filed copy of petition leading to award of TFC/FC as "appropriate;"
 7. Child Support Enforcement forms.
- C. For child initially found to be ineligible for Title IV-E the following is required:
1. DHS 1577A, C, D as appropriate;
 2. Initial police "booking sheet" if the child was removed via police protective custody;
 3. DHS 1568, "Voluntary Foster Custody Agreement," if the child was initially removed via voluntary agreements with parent(s);
 4. Copy of order last awarding Family Supervision to DHS if the child was removed via authority of Family Supervision status;
 5. Filed copy of petition leading to award of TFC/FC as appropriate;
 6. Child Support Enforcement forms.

3.9.2 Foster Care – Income Maintenance Unit

- A. An ELIGIBILITY CASE RECORD with all pertinent information used to determine eligibility or ineligibility of every child in the CPSS case should be created and maintained for the duration that the child is in out-of-home placement.
- B. If the child is in his/her own case, all documentation for the initial eligibility determination and forms completed while the child was active in his/her family case should be included in the child's new case.
 1. The record acts as a check against the CWS case record and ensures accuracy of foster care payments as well as listing which documents should be in the CWS case record to verify the eligibility status of the child. The eligibility worker's file is also considered to be part of the official case record of the family/child and should be

available at the time of any review/audit:

- a. While a child is active in a family reunification case, the record should be under the adult female's name;
- b. After DHS has been awarded Permanent Custody of a child or the child has been otherwise permanently separated from his/her family, a separate case record will be kept under the child's name. Siblings should have separate records;
- c. A "dummy" record is created and sent to another Section whenever there is a change of venue, or another Section provides courtesy supervision, so that the IV-E worker (or social worker if no IV-E worker) at the receiving Section is fully aware of the case specifics without having to start from scratch;
- d. All closed eligibility case records shall be retained in the FC-IM unit until two years after the child's eighteenth birthday. For Title IV-E eligible children, the record shall be kept for the later of three years after the last claimed payment, or two years after the 18th birthday.

3.10 OUT OF STATE PLACEMENT

When a Title IV-E child is placed out-of-state with the approval of the receiving state's ICPC office, the child is eligible to receive Medicaid benefits in the new state of residence:

- A. Refer to CWS Procedures, Chapter 3, Section 9, for out-of-state placement procedures;
- B. Refer to CWS Procedures, Chapter 3, Section 9, for procedures for obtaining out-of-state medical coverage;
- C. If the child is no longer eligible for Title IV-E federally funded foster care maintenance payments, notify the receiving state via DHS 1652.

For children in out-of-state substitute care continuing under the ICPC, Hawaii is then responsible for providing coverage through

Hawaii Medicaid. Refer to CWS Procedures, Chapter 3, Section 9, for procedures to obtain out-of-state Medicaid coverage;

- D. Caregivers of a Title IV-E eligible child from another state residing in Hawaii should be directed to the CWS worker providing services through the Interstate Compact on the Placement of Children. That worker shall obtain documentation of the child's Title IV-E eligibility from the other state, complete the DHS 1577C and forward it to the Med-QUEST Unit in the area where the child resides for approval of Hawaii Med-QUEST coverage.

3.11 TERMINATION OF TITLE IV-E ELIGIBILITY

3.11.1 Conditions of Termination

A child loses Title IV-E eligibility upon any one of the following:

- A. Returning to the care of a legal parent, including previously non-custodial parent (irrespective of any legal status to DHS), or to a parent whose rights have been divested or terminated. Ineligibility begins the day after the child returns home;
- B. Reaching age eighteen while in foster care (irrespective of any extension of legal status or family court jurisdiction). Ineligibility begins the day after the child's eighteenth birthday;
- C. Income or assets of child exceed allowable limits. Ineligibility begins the first day of the month in which the excess income was received;
- D. Placement responsibility is transferred to a non-DHS agency or an agency with which DHS does not have a IV-E agreement. Ineligibility begins on the day that responsibility was awarded to the other agency;
- E. Legal guardianship or sole permanent custody of child is awarded to another individual, or co-permanent custody is awarded to the department and the other individual. Ineligibility begins the day after legal guardianship/permanent custody is awarded;
- F. The child is adopted and is determined to be ineligible for Title IV-E adoption assistance. Ineligibility begins the day after the finalization of adoption;

- G. A finding of no deprivation in the home from which the child was removed. Ineligibility begins the first day of the month following the month in which deprivation ceased.
- H. No timely court finding of reasonable efforts to finalize the permanency plan. Title IV-E eligibility resumes once the finding is made;
- I. Expiration of Voluntary Foster Custody Agreement.

3.11.2 Documentation

- A. Upon a finding that a child is no longer Title IV-E eligible, the FC-IM worker will change the child's eligibility category code on the CU24 screen from F, Z, or S to Q, D, or P as appropriate. Use the above guidelines to determine when Title IV-E eligibility ceases and the effective date of the "Q" category code.

If the child losing IV-E eligibility is a teen parent with a baby in the same foster home, the baby's code must change from I to F or Q depending on whether or not the baby meets the Title IV-E eligibility requirements and DHS has placement responsibility for the baby, or Y if the mother applies for AFDC for the baby.

- B. Via DHS 1577C, notify MQD of the child's status.
- C. Via DHS 1458, notify CSEA of the child's status.
- D. If payments were made after Title IV-E eligibility ceased, reconcile via DHS 1651.