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STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING



ISMAEL AHMED
DIRECTOR

May 12, 2009

The Honorable Bill Hardiman, Chair
Senate Appropriations Subcommittee on DHS
Michigan State Senate
State Capitol
Lansing, Michigan 48933

The Honorable Dudley Spade, Chair
House Appropriations Subcommittee on DHS
Michigan House of Representatives
Lansing, MI 48933

Dear Senator Hardiman and Representative Spade:

Section 571 of 2008 Public Act No. 248 (Enrolled House Bill No. 5814) requires the Department of Human Services to prepare quarterly reports on the status of the department budget on activities and progress toward meeting the responsibilities of the Federal Compliance Office. The attached report is separated into the five sections specified in Section 571.

If you have any questions about the attached material, please contact Mary Mehren, director of the Federal Compliance Office, at (517) 241-7521.

Sincerely,

Ismael Ahmed

Attachment

cc: Senate and House Appropriations Subcommittees on DHS and DCH
Senate and House Fiscal and Policy Offices
State Budget Director

**Federal Compliance Office
Fiscal Year 2009
Boilerplate Report - Section 571**

Sec. 571. The department shall establish a Title IV-E compliance and accountability office with the following goals and responsibilities:

The Federal Compliance Office is operational within the Department of Human Services (DHS). Two units within the office continue to focus on compliance activities for all federal child welfare programs.

(a) Study efforts in other states to determine best practices for Title IV-E related activities and measures to maximize the receipt of federal money for eligible cases.

Other states, Texas, Wisconsin and Minnesota, are also being studied to assure that Michigan's policy and practice are similar to other states.

(b) Coordinate compliance with federal regulations in order to receive Title IV-E money.

Federal regulations continue to be reviewed to determine compliance. Michigan's Title IV-E state plan has been revised. DHS is preparing the latest Title IV-E program improvement plan (PIP) to assure compliance in the adoption support and foster care federal regulations. DHS is also coordinating development of policy and procedures to amend the state plan for all Fostering Connections legislation (P.L. 110-351).

The consent decree has selected the Child and Family Services Review (CFSR) standards as the specific standard of performance for Michigan for settlement activity. DHS and Michigan, through the auspices of this office, continue to make progress in assuring federal compliance.

(c) Provide necessary technical assistance to local units of government, including courts, to ensure proper handling of cases and paperwork in preparation for federal audits and reviews.

Michigan has received confirmation that Michigan's Title IV-E foster care eligibility review will be held June 14-18, 2010. The period under review (PUR) for the on-site review is April 1 – September 30, 2009. DHS has been actively preparing for the PUR by offering instruction to the field on necessary case reading of all Title IV-E funded cases. DHS has also provided case reading support to all of the urban field offices, particularly in Wayne and Genesee counties.

The majority of the child welfare funding specialists (commonly referred to as IV-E funding specialists) who have been hired in the local offices have been trained to conduct funding determinations. Additional training sessions were conducted in January 2009 and others are scheduled quarterly for the rest of 2009. A plan for more specialized training and ongoing support is currently being developed. There is a need for specific support to the newly hired funding specialists to assure their local office work plans and training are sufficient to guide them in their work. Training on topics such as juvenile justice funding determinations and court orders are also being developed by DHS staff.

Local offices have been asked to submit work plans and monthly reports that record and guide the work of the child welfare funding specialists. The first reports were received by DHS beginning in December. DHS staff are assigned to follow up with the local offices based on the reports submitted. Additional support has begun with the largest urban field offices: Wayne, Oakland, Macomb, Genesee and Kent counties. DHS analysts are conducting at least monthly visits in those counties for consultation and Title IV-E case reads.

DHS is also working with Department of Information Technology (DIT) programmers on modification to the Service Worker Support System for Foster Care, Adoption, and Juvenile Justice (SWSS FAJ) as it relates to the funding specialists. The SWSS FAJ sign on for child welfare funding specialists is being altered to allow the specialists efficient access to all cases they are assigned within their districts and/or local offices. This access is expected to be available to the field by the end of May 2009.

DHS has reviewed several target populations and their fund sources for accuracy. Maximization of federal funds is occurring as errors in funding are identified and corrected.

Coordinated training and preparation with the State Court Administrative Office (SCAO) has begun in preparation for the Title IV-E federal review. SCAO and DHS co-presented Title IV-E training for 259 court and DHS staff across the state in January, February and March. Additional coordination with SCAO is anticipated as planning for the on-site federal review continues.

DHS now has forty contracts for the Title IV-E cost sharing agreements with county prosecuting attorney (PA) offices. Two additional counties have nearly completed the contract process and those contracts will be executed shortly. The PA contracts are fund enhancements for the counties and do not impact state revenues. Federal regulations permit a Title IV-E administrative claim to be made for the activities of a PA office in the representation of DHS staff in child abuse and neglect hearings. DHS will continue to engage with the forty remaining counties who still do not have contracts.

Technical assistance continues to be offered to local offices and courts on specific child welfare cases regarding appropriate Title IV-E eligibility. The internal DHS Title IV-E review committee continues to review inquiries from courts and local DHS offices on a weekly basis. During the months of January and February 2009 DHS central office received 345 local office DIT help desk inquiries. Forty-six percent were specifically related to funding and legal issues that directly impact the accuracy of Title IV-E determinations. DHS has been examining and directing action on unpaid payment claims from private child placing agencies and residential treatment facilities as well as evaluating the Maximus Task 1a project computations for Title IV-E enhancement.

- (d) Coordinate a program to provide private persons, groups, and corporations with incentives to make tax-deductible contributions intended to assist foster care families to overcome barriers to becoming licensed and eligible to receive Title IV-E money.**

Title IV-E compliance office staff continue to research this item. Several applicable programs across the nation, including Ohio, Colorado, and Georgia, have been identified as providing similar assistance in varying models of practice.

- (e) Prepare quarterly reports to the house and senate appropriations subcommittees on the department budget on activities and progress toward meeting the responsibilities outlined above.**

The next quarterly report will be submitted July 2009.