



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING



ISMAEL AHMED
DIRECTOR

October 25, 2010

The Honorable Bill Hardiman, Chair
Senate Appropriations Subcommittee on DHS
Michigan State Senate
State Capitol
Lansing, MI 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 2009 Public Act No. 129 requires the Department of Human Services to prepare quarterly reports on the activities and progress toward meeting the responsibilities of the Federal Compliance Division. The October 2010 report is attached and 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 Division, at 241-7521.

Sincerely,

for Ismael Ahmed

c: Senate and House Appropriations Subcommittees on DHS
Senate and House Standing Committees on Human Services
Senate and House Fiscal Agencies and Policy Offices
State Budget Director

Federal Compliance Division
Fiscal Year 2010
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 Division is operational within DHS. Two units within the division 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.

Routinely, other states are 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.

DHS has continued to provide supplemental information to the Children's Bureau Regional Office in Chicago with regard to Michigan's Title IV-E State Plan. DHS has not received formal correspondence on the approval of our plan since our submission in January 2010. DHS has commenced planning and policy development to expand foster care services beyond age 18 pursuant to the federal Fostering Connections to Success legislation. DHS will submit an amendment to the Title IV-E State Plan in December 2010.

The settlement agreement has cited the Child and Family Services Review standards as the specific standard of performance for Michigan's targeted levels of improvement. 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.

DHS received the final report of Michigan's Title IV-E Eligibility Review on August 27, 2010. The Administration for Children and Families' Children's Bureau notified the department that Michigan did not meet substantial compliance with the eligibility review based on findings of six error cases. DHS has requested the Attorney General's office to file an appeal of the determination because two cases involved fair hearings regulations. DHS will concurrently develop a program improvement plan to address the remaining issues raised by the review.

Funding analysts within the Federal Compliance Division maintain regular contact with the child welfare funding specialists in the local offices. DHS will soon issue formal communication to local offices regarding the outcome of the review. 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 reviews inquiries from courts and local DHS offices on a weekly basis. The State Court Administrative Office partners with DHS in the review committee on at least a monthly basis.

DHS now has 46 contracts for the title IV-E cost sharing agreements with county Prosecuting Attorney offices. The 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 prosecutors representing DHS staff in child abuse and neglect hearings. DHS has commenced contract renewals for the 2011-2013 cycle.

DHS has convened a work group to continue to promote and enact procedures that will reduce the incidence of unpaid foster care claims. Private agency and internal stakeholders are involved in the work group.

- (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.**

Federal Compliance Division has researched the viability of this item. Several applicable programs across the nation (including ones in 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 January 2011.