



TITLE	POLICY NUMBER	
Federal Funding	DCS 03-03	
RESPONSIBLE AREA	EFFECTIVE DATE	REVISION
Finance - Title IV-E Eligibility/Social Security Units	October 9, 2018	8

**I. POLICY STATEMENT**

Title IV-E of the Social Security Act provides funding for a variety of Department of Child Safety (DCS) responsibilities, including basic foster care services, case planning, special needs adoptions. It also funds administrative services such as case management, eligibility determinations, foster care recruitment, and training for staff and foster and adoptive parents. DCS shall maximize utilization of federal Title IV-E foster care funds by establishing eligibility for all qualifying children.

DCS shall also ensure that children who are eligible for benefits under the Social Security Act Title II (Retirement, Survivors, Disability Insurance) and/or Title XVI (Supplemental Security Income) receive those benefits.

**II. APPLICABILITY**

This policy applies to children in DCS custody who are eligible for federal financial supports, and DCS activities for which federal reimbursement is available.

**III. AUTHORITY**

[Social Security Act Title IV-B and IV-E as amended by P.L. 115 123 \(2/9/2018\)](#)

Family First Prevention and Services Act (FFPSA)

[Social Security Act Title II](#)

Retirement, Survivors, Disability Insurance

<a href="#"><u>Social Security Act Title IV-E</u></a>	Federal Payments for Foster Care and Adoption Assistance
<a href="#"><u>Social Security Act Title XVI</u></a>	Supplemental Security Income for the Aged, Blind, and Disabled

#### IV. DEFINITIONS

Child: An individual who is under 18 years of age or the same as a qualified young adult.

Child Care Institution: A private child care institution, or a public child care institution which accommodates no more than 25 children, which is licensed by the State in which it is situated or has been approved by the agency of the State responsible for licensing or approval of institutions of this type as meeting the standards established for the licensing.

Department: The Arizona Department of Child Safety.

Family First Prevention and Services Act (FFPSA): This federal law made a number of changes to Titles IV-B and IV-E of the Social Security Act. This Policy explains the limitations on Title IV-E foster care payments for placements that are not foster family homes.

Foster Family Home: For purposes of Titles IV-B and IV-E, a family foster home is the home of an individual or family that is licensed by the state in which is it situated, meets the state's licensing standards, has the foster child placed in the care of the individual who resides with the child and who has been licensed to be a foster parent, who is capable of adhering to reasonable and prudent parent standards, and who provides 24 hour substitute care for children placed away from their parents.

Licensed Residential Family-Based Treatment Facility: a treatment facility that provides, as part of the treatment for substance abuse, parenting skills training, parent education, and individual and family counseling; and under an organizational structure and treatment framework that involves understanding, recognizing, and responding to the effects of all types of trauma and in accordance with recognized principles of a trauma-informed approach and trauma-specific interventions to address the consequences of trauma and facilitate healing.

Qualified Individual: A trained professional or licensed clinician who is qualified to conduct a QRTP assessment, is not an employee of DCS, and is not connected to or

affiliated with any placement setting in which children are placed by the state. For the purposes of this policy, the High Needs Case Manager will be considered a qualified individual.

Qualified Young Adult (child): An individual who has attained 18 years of age but who has not yet attained 21 years of age and meets any of the following conditions: completing secondary education or a program leading to an equivalent credential; enrolled in an institution which provides post-secondary or vocational education; participating in a program designed to promote, or remove barriers to, employment; or is incapable of doing any of the described activities due to a medical condition, which incapability is supported by regularly updated information in the case plan of the young adult.

Qualified Residential Treatment Program (QRTP): An accredited, non-foster family setting for which DCS can seek federal reimbursement under Title IV-E. It must be licensed as a child care institution in accordance with section [471\(a\) \(10\) of the Social Security Act](#) and meet certain criteria such as having a trauma-informed treatment model and facilitating participation of family members in the child's treatment program.

Retirement, Survivors and Disability Insurance (RSDI): A federally funded program that provides benefits to retirees, disabled people, and their survivors (previously known as Old Age, Survivors and Disability Insurance [OASDI]).

Supervised Independent Living Setting: A type of non-traditional supervised placement in which qualified young adults can live independently while in Extended Foster Care and receive case management and support services. This arrangement allows for qualified young adults to practice necessary independent living skills and achieve self-sufficiency in a supportive environment.

Supplemental Security Income (SSI): A federal income supplement program that helps meet the basic needs of individuals who have little or no income and who meet all applicable SSI eligibility criteria, as determined by the Social Security Administration.

## **V. POLICY**

### **A. Title IV-E Foster Care Eligibility and Placement**

1. The Eligibility Unit shall determine and re-determine a child's IV-E eligibility based upon receipt of information from the DCS Specialists, the Juvenile Courts, and other reliable sources having documentation that

satisfies IV-E eligibility requirements.

2. DCS Specialists shall provide the Eligibility Unit with information necessary to make a determination regarding a child's eligibility. The DCS Specialist shall promptly provide requested information when contacted by the Eligibility Unit.
3. A child is eligible to receive Title IV-E funds on the first day of placement or first day of the month in which all of the following Title IV-E criteria are met:
  - a. The child under the age of 18 was removed pursuant to:
    - i. a voluntary placement agreement entered into by a parent and the Department which leads to a removal of the child from the home;
    - ii. a judicial order for removal from a parent or specified relative including the following:
      - (a) a judicial finding in the first court ruling sanctioning the child's removal, that continuation in the home would be contrary to the welfare of the child, or that placement would be in the best interest, of the child; and
      - (b) a judicial finding no later than 60 days from the date of removal that reasonable efforts were made by the Department to prevent removal of the child from the home, or reasonable efforts to prevent the child's removal are not required due to aggravating or extenuating circumstances
  - b. A qualified young adult enters into a voluntary extended foster care agreement and:
    - i. a judicial finding is made within 180 days of entering into this agreement that remaining in foster care is in the best interest of the child; and
    - ii. the qualified young adult is placed in a licensed family foster home, licensed congregate care facility or a

supervised independent living setting.

- c. legal custody of the child was removed from a parent or specified relative with whom the child resided at the time of physical removal or within the six months preceding the physical removal;
- d. AFDC financial eligibility criteria were met according to the rules in effect on July 16, 1996 at the time of removal based on composition of the household of removal;
- e. the child is deprived of parental support (through continued absence, death or disability of a parent), based on the AFDC rules in effect on July 16, 1996;
- f. the child is a U.S. citizen or qualified alien.

4. For a child to maintain Title IV-E eligibility either:

- a. during stay in foster care, if under the age of 18, there must be a judicial finding that the Department has made reasonable efforts to finalize a permanency plan for the child. This must be done within 12 months of the date the child entered foster care, and at least once every 12 months thereafter; or
- b. if over the age of 18 and in Voluntary Extended Foster Care, a monthly visitation and semi-annual Extended Foster Care Quality Review must be completed and documented to ensure the child continues to meet Extended Foster Care eligibility.

#### B. Title IV-E Eligible Foster Care Placement Settings

- 1. A child who meets all Title IV-E Eligibility criteria is eligible for Title IV-E foster care maintenance payments while placed in one of the following placement settings:
  - a. A family foster home, which is the home of an individual or family that is licensed by the state in which is it situated, meets the state's licensing standards, has the foster child placed in the care of the individual who resides with the child, has been licensed to be a foster parent, who is capable of adhering to reasonable and prudent parent standards, and who provides 24 hour substitute care for children placed away from their parents.

- b. For the purposes of Title IV-E foster care maintenance payments for placements in a foster home that may exceed a maximum allowable number of five children, an exception to the maximum number of children in the home may be considered for any of the following reasons:
          - i. To allow a parenting youth in foster care to remain with the child of the parenting youth;
          - ii. To allow siblings to remain together;
          - iii. To allow a child with an established meaningful relationship with the family to remain with the family; or
          - iv. To allow a family with special training or skills to provide care to a child who has a severe disability.
        - c. A licensed Child Care Institution (CCI) for up to two weeks.
  - 2. After two weeks, Title IV-E foster care maintenance payments for a Title IV-E eligible child placed in a CCI are only available if that CCI is a:
    - a. qualified residential treatment program (QRTP);
    - b. setting specializing in providing prenatal, post-partum, or parenting supports for youth;
    - c. in the case of a youth who has attained 18 years of age, a supervised setting in which the youth is living independently;
    - d. a setting providing high-quality residential care and supportive services to children and youth who have been found to be, or are at risk of becoming, sex trafficking victims; or
    - e. licensed residential family-based treatment facility for substance abuse.
  - 3. After two weeks, Title IV-E administrative costs may continue to be claimed for the duration of the period the remains in the Child Care Institution (CCI), regardless of whether the CCI meets the criteria in V.B.2 of this policy.
- C. Placing Children with a Parent Residing in a Licensed Residential, Family-Based Treatment Facility for Substance Abuse

1. A child may be placed with a parent(s) who is receiving substance abuse treatment in a licensed residential treatment facility.
2. Title IV-E foster care maintenance payments may be claimed for food, clothing, shelter, and daily supervision of the Title IV-E eligible child for not more than 12 months.
3. Title IV-E may also be claimed for administrative costs during the 12 month period for the administration of the Title IV-E program, which includes such things as case management when:
  - a. the recommendation for placement is specified in the child's case plan before the placement; and
  - b. the treatment facility provides, as part of the treatment for substance abuse, parenting skills parent education, and individual and family counseling under a treatment framework that involves understanding, recognizing and responding to the effects of all types of trauma and in accordance with recognized principles of a trauma-informed approach and trauma-specific interventions to address the consequences of trauma and facilitate healing.
4. A child placed with a parent in a licensed residential family-based treatment facility for substance abuse must meet all of the Title IV-E foster care eligibility requirements except for AFDC eligibility and financial criteria for the agency to claim Title IV-E foster care maintenance payments and administrative costs such as case management for up to 12 months when:
  - a. the recommendation for placement is specified in the child's case plan before the placement; and
  - b. the treatment facility provides, as part of the treatment for substance abuse, parenting skills parent education, and individual and family counseling under an organizational structure and treatment framework that involves understanding, recognizing, and responding to the effects of all types of trauma and in accordance with recognized principles of a trauma-informed approach and trauma-specific interventions to address the consequences of trauma and facilitate healing.

5. In addition to these requirements, the Licensed Residential Family-Based Treatment Facility must be accredited by one of the following independent, not-for-profit organizations:
  - a. The Commission on Accreditation of Rehabilitation Facilities (CARF);
  - b. The Joint Commission on Accreditation of Healthcare Organizations (JCAHO);
  - c. The Council on Accreditation (COA); or
  - d. Any other independent, not-for-profit accrediting organization approved by the Secretary.

D. Criteria for the Arizona Adoption Subsidy Program

Children are eligible for Arizona's Adoption Subsidy Program if:

1. they are in the care and custody of the Department or a licensed private child placing agency in Arizona;
2. they cannot or should not be returned to the care of their birth parents;
3. a reasonable, but unsuccessful effort has been made to place the child with appropriate parents without providing adoption subsidy unless it would not be in the best interest of the child because of such factors as the existence of significant emotional ties with prospective adoptive parents while in their care as a foster child or relative;
4. the Department has determined that one of the following special needs exists because of which it is reasonable to conclude the child cannot be placed with adoptive parents without providing adoption assistance:
  - a. physical, mental or developmental disability;
  - b. emotional disturbance;
  - c. high risk of physical or mental disease that may result in a debilitating condition;
  - d. high risk of developmental disability that may result in a



- debilitating condition;
  - e. age six or older at the time of application for adoption subsidy;
  - f. sibling relationship when such factor impedes the child's adoptive placement;
  - g. racial or ethnic factors when such factors impede the child's adoptive placement; or
  - h. high risk of severe emotional disturbance if removed from the care of the child's foster parent or relative as diagnosed by a psychiatrist or psychologist.
5. A child may remain eligible for Title IV-E adoption subsidy:
- a. through the age 21 if the individual is enrolled in and regularly attending school unless the person has received a high school diploma or certificate of equivalency; or
  - b. through the age of 20 if the individual is adopted at the age of 16 or 17 and is:
    - i. completing secondary education or an educational program that leads to an equivalent credential or is enrolled in an institution that provides postsecondary or vocational education,
    - ii. employed at least 80 hours a month,
    - iii. participating in a program or activity that promotes employment or removed barriers to employment, or
    - iv. unable to be a full-time student or to be employed due to a documented medical condition.

#### E. Title IV-E Adoption Assistance Program

Title IV-E payments cannot begin until the final decree of adoption; however, the adoption subsidy agreement must be signed prior to the final decree of adoption. There are two categories by which a child may be eligible for the title IV-E Adoption Assistance Program: as an Applicable Child or a Non-applicable Child.

1. Determination for Eligibility as an “Applicable Child” for Adoption Assistance (Subsidy) Payments. Effective January 1, 2018, a child is an “applicable child” if:
  - a. the child is age 2 or older, or will be age 2 or older by the last day of the federal fiscal year (September 30th) in which the adoption assistance (subsidy) agreement is executed;
  - b. the child has been in out-of-home placement for at least 60 consecutive months; or
  - c. the child is a sibling of a child who is an applicable child and will be placed in the same adoption home as their “applicable child” sibling.
  
2. Once a child has been determined to be an “applicable child,” the following requirements must be met in order for the child to be eligible for title IV-E Adoption Assistance payments:
  - a. At the time of initiation of the adoption proceedings, the child was in the care of the Department or a licensed private child placement agency, and:
    - i. the child was removed from the home as a result of a judicial determination to the effect that continuation in the home would be contrary to the welfare of the child, or
    - ii. the child entered out-of-home placement through a voluntary placement agreement or voluntary relinquishment; or
  - b. the child meets all medical and disability requirements with respect to eligibility for SSI; and
  - c. all applicable children must meet the criteria for special needs:
    - i. The child cannot or should not be returned to the home of his/her parent;
    - ii. Specific factors or conditions exist which make it reasonable to conclude that the child cannot be adopted without providing title IV-E adoption assistance or title IV-E medical assistance; and

- iii. State has made reasonable but unsuccessful efforts to place the child for adoption with appropriate parents without providing adoption assistance. The only exception is when it would be against the best interest of the child, including emotional ties with the prospective adoptive parent while in their care as a foster child, or adoption by a relative.

3. Determination for Eligibility as a “Non-Applicable Child”

Federal law specifies that a child who does not meet the criteria of an applicable child is defined as a “non-applicable child,” and the following eligibility criteria must be met for title IV-E Adoption Assistance Program:

- a. The child is, or will be under age 2 by the last day of the federal fiscal year in which the adoption assistance agreement is executed for each Federal Fiscal Year until FFY 2023. (Beginning FFY 2024 there will no longer be a non-applicable category), and
- b. meets the three parts of the Special Needs Provision:
  - i. The child cannot or should not be returned to the home of his/her parent;
  - ii. There exists specific factors or conditions which makes it reasonable to conclude that the child cannot be adopted without providing title IV-E adoption assistance or title IV-E medical assistance; and
  - iii. State has made reasonable but unsuccessful efforts to place the child for adoption with appropriate parents without providing adoption assistance. The only exception is when it would be against the best interest of the child, including emotional ties with the prospective adoptive parent while in their care as a foster child, or adoption by a relative.

4. Once a child meets the Special Needs criteria, the non-applicable child must meet one of the pathways to eligibility:

- a. The child’s home of removal met the AFDC eligibility requirements specified for Title IV-E foster care as in effect on 7/16/1996;

- b. The child was removed from the home pursuant to a judicial determination indicating that it was contrary to the child's welfare to remain in the home;
  - c. The child was removed from the home pursuant to a voluntary placement agreement, and that child received title IV-E foster care payments;
  - d. The child's costs in out-of-home placement are covered by the foster care maintenance payments being made with respect to the minor parent of the child;
  - e. The child was previously in a title IV-E eligible adoption which has been dissolved; or
  - f. The child meets all of the requirements with respect to eligibility for Social Security Income (SSI).
5. DCS will return any unused funds to the Social Security Administration.

## **VI. PROCEDURE**

### **A. Placement in a Qualified Residential Treatment Program**

- 1. In the case of any child who is placed in a qualified residential treatment program, the case plan and the case review procedures for the child must:
  - a. assess the strengths and needs of the child within 30 days of the start of each placement, using an age-appropriate, evidence-based, validated, functional assessment tool approved by the US Secretary of Health and Human Services;
  - b. determine whether the needs of the child can be met with family members or through placement in a foster family home or, if not, which setting from among the settings specified in [section 472\(k\)\(2\)](#) would provide the most effective and appropriate level of care for the child in the least restrictive environment and be consistent with the short- and long-term goals for the child, as specified in the permanency plan for the child; and
  - c. develop a list of child-specific short- and long-term mental and behavioral health goals.

2. The state agency shall assemble a family and permanency team for the child. The qualified individual conducting the assessment shall work in conjunction with the family of, and permanency team for, the child while conducting and making the assessment. The family and permanency team shall consist of all appropriate biological family members, relative, and fictive kin of the child, as well as, as appropriate, professionals who are a resource to the family of the child, such as teachers, medical or mental health providers who have treated the child, or clergy. In the case of a child who has attained age 14, the family and permanency team shall include the members of the permanency planning team for the child that are selected by the child.
  - a. The State agency shall document in the child's case plan:
    - i. the reasonable and good faith effort of the agency to identify and include all the individuals described above on the child's family and permanency team;
    - ii. all contact information for members of the family and permanency team, as well as contact information for other family members and fictive kin who are not part of the family and permanency team;
    - iii. evidence that meetings of the family and permanency team, including meetings relating to the assessment required, are held at a time and place convenient for family;
    - iv. if reunification is the goal, evidence demonstrating that the parent from whom the child was removed provided input on the members of the family and permanency team;
    - v. evidence that the assessment required [475A\(c\)\(A\)](#) of the Social Security Act is determined in conjunction with the family and permanency team; and
    - vi. the placement preferences of the family and permanency team relative to the assessment that recognizes children should be placed with their siblings unless there is a finding by the court that such placement is contrary to their best interest; and
    - vii. if the placement preferences of the family and permanency

team and child are not the placement setting recommended by the qualified individual conducting the assessment, the reasons why the preferences of the team and of the child were not recommended.

- b. If the qualified individual conducting the assessment determines that a child should not be placed in a foster family home, the qualified individual shall specify in writing the reasons why the needs of the child cannot be met by the family of the child or in a foster family home. A shortage or lack of foster family homes shall not be an acceptable reason for determining that the needs of the child cannot be met in a foster family home. The qualified individual also shall specify in writing why the recommended placement in a qualified residential treatment program is the setting that will provide the child with the most effective and appropriate level of care in the least restrictive environment and how that placement is consistent with the short- and long-term goals for the child, as specified in the permanency plan for the child.
- c. Within 60 days of the start of each placement in a qualified residential treatment program, a family or juvenile court or another court (including a tribal court) of competent jurisdiction, or an administrative body appointed or approved by the court, independently, shall:
  - i. consider the assessment, determination, and documentation made by the qualified individual conducting the assessment;
  - ii. determine whether the needs of the child can be met through placement in a foster family home;
  - iii. or, if not, whether placement of the child in a qualified residential treatment program provides the most effective and appropriate level of care for the child in the least restrictive environment and whether that placement is consistent with the short- and long-term goals for the child, as specified in the permanency plan for the child; and
  - iv. approve or disapprove the placement.

- d. The case plan shall include :
  - i. documentation of any determination by a qualified individual that a child should not be placed in a foster family home;
  - ii. the reasons why the needs of the child cannot be met by the family of the child or in a foster family home; and
  - iii. documentation of the determination and approval or disapproval of the placement in a qualified residential treatment program by a court or administrative body.

3. If the Department determines a child is no longer eligible for Title IV-E funding and Title IV-E funds were claimed, the Department will reclassify the expenditure to a non-Title IV-E funding source for the period of ineligibility.
4. The Department of Economic Security (DES) Division of Child Support Services shall pursue the collection of child support on behalf of Title IV-E eligible children when such a referral is viewed as an appropriate referral and will not pose a hindrance to a case plan goal of reunification.

**B. Supplemental Security Income and Retirement, Survivors and Disability Insurance**

1. For children who are in out-of-home care in a licensed placement, DCS will be named the payee for Social Security benefits. For children who are in out-of-home care with unlicensed caregivers, the caregiver will be named the payee. For children who are living at home, the custodial parent will be named the payee or as determined by the Social Security Administration.
2. If the unlicensed out-of-home caregiver becomes licensed, DCS will be named the payee.
3. The DCS SSA Benefits Unit shall maintain a copy of all forms submitted to the Social Security Administration in the child's record.

**C. Applying for Social Security Benefits**

1. To apply for Supplemental Security Income (SSI) benefits or Retirement,

Survivor, Disability Insurance (RSDI) benefits for children in a licensed, out-of-home placement, the DCS Specialist contacts the DCS SSA Benefits Unit via email at [SSAbenefitsunit@azdcs.gov](mailto:SSAbenefitsunit@azdcs.gov) and provides the child's name, person identification number, and case identification number. A representative from the DCS SSA Benefits Unit will contact the DCS Specialist if additional information is required. If requested, the DCS Specialist participates in an additional in-depth telephone interview and completes and submits forms as required by the DCS SSA Benefits Unit.

2. DCS will apply for a Change of Payee for existing benefits when a child is in out-of-home care, is expected to remain in care for at least 30 days, and the child is receiving social security benefits [SSI or RSDI]). To apply for these benefits, the DCS Specialist emails the DCS SSA Benefits Unit at [SSAbenefitsunit@azdcs.gov](mailto:SSAbenefitsunit@azdcs.gov) and provides the child's name, person identification number, case identification number, and:
  - a. if the out-of-home care provider is licensed, the DCS SSA Benefits Unit requests DCS be named as the payee;
  - b. if the out-of-home care provider is not licensed, the DCS Specialist directs the unlicensed foster caregiver (usually a relative) to their local Social Security office and explains that the Social Security office will conduct a face-to-face interview with them during which time they may request to be selected as the payee. The DCS Specialist provides the unlicensed foster caregiver with documentation of the child's out-of-home care status (e.g., court order, minute entry, or notice to provider for placement).

#### D. Changes Required When DCS is the Payee

1. When the child returns home, the DCS SSA Benefits Unit notifies the Social Security Administration that the child has returned home within 30 days of the change of physical custody.
2. If a youth is age 18 or older and participating in the Extended Foster Care Program, the payee for the youth's Social Security benefits is based upon the following:
  - a. If DCS is paying for the youth's Extended Foster Care placement, DCS remains the payee.



b. If DCS is not paying for the youth's Extended Foster Care placement, the youth can apply to become their own recipient of their Social Security benefits.

3. DCS will return any unused funds to the Social Security Administration.

E. Arizona Random Moment Sample Survey

1. The Department shall utilize the Arizona Random Moment Sample Survey (ARMSS) to allocate the labor costs of direct service staff to appropriate funding sources.

2. ARMSS categories are based on activity, not on job description or function. If a DCS investigator is performing an on-going case management activity at the time of the moment, the activity should fall into one of the case management categories. If an ongoing DCS Specialist is assisting in an investigation at the time of the ARMSS survey, the activity should fall into the investigation category.

3. The [Public Consulting Group EasyRMTS™](#) web based program shall randomly contact DCS Specialists through e-mail questionnaires (aka "moments.>").

4. When a DCS Specialist receives a "moment", (s)he shall complete and submit it within 72 hours, according to the instructions provided.

5. The ARMSS Unit shall allocate the DCS Specialist's time to appropriate categories based on the information provided by the DCS Specialist regarding their activity at the time the "moment" was sent to the DCS Specialist (not the time the Specialist received or responded to the inquiry).