

ADMINISTRATIVE LETTER Children's Services 07-02

TO: COUNTY DIRECTORS OF SOCIAL SERVICES

SUBJECT: EXTENSION OF EFFECTIVE DATE REGARDING IV-E ADMINISTRATIVE COSTS FOR CHILDREN PLACED IN UNLICENSED FOSTER FAMILY HOMES

DATE: October 28, 2002

ATTENTION: Children's Services Supervisors

Children's Services Social Workers

On March 14, 2002, we issued a Dear County Director Letter containing information we had received from the federal Administration for Children and Families (ACF) regarding claiming IV-E administrative reimbursement when a IV-E eligible child is placed in an unlicensed foster family home. The ACF Policy Instruction, and our Dear County Director Letter, stated that, effective September 30, 2002, we were no longer to claim IV-E administrative reimbursement for IV-E children placed in unlicensed foster family homes. In practical terms, this prevented agency staff from using Program Code Z to support Foster Care Case Management Services (Service Code 109) in such situations.

ACF has now issued an updated Policy Instruction that has extended the September 30, 2002 deadline indefinitely. In other words, counties may continue to claim FFP administrative funds for IV-E children placed in unlicensed foster family homes until further notice.

The ACF Policy Instruction states that the extension is in response to a "group of states" who expressed "intense interest and concern" about the fiscal hardships such a restriction would place on them. Consequently, ACF plans to address this issue in a more formal way by publishing a regulation for notice and comment. There is no date listed by which the regulation will be issued. However, the Policy Instruction states the following: "States may continue to claim FFP for the administrative costs associated with an otherwise title IV-E eligible child placed in an unlicensed **foster family home.**"

If you have questions about this letter, please contact the Policy and Initiatives Team at (919) 733-4622.

Sincerely,

Charles C. Harris, Chief

Children's Services Section

CCH:ehh

cc: Pheon Beal Children's Services Team Leaders

Sherry Bradsher Children's Programs Representatives