

Department of Human Services

Title IV-E Policy

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DHS Title IV-E policy



- **Title IV-E provides a percentage of matching funds for:**
 - **Maintenance payments to licensed foster care providers**
 - **Administrative costs to manage the foster care program**
 - **Costs to train DHS staff, foster parents, and staff of licensed child care institutions.**
 - **Foster parent recruitment costs**

DHS Title IV-E policy

To be eligible for title IV-E foster care maintenance payments, children must be placed under the care and supervision of the Department of Human Services by Family or Tribal Court order.

DHS Title IV-E policy

- The DHS Children's Foster Care Manual, CFF 902-2 and 902-3 specifically outline IV-E eligibility requirements
- There are two types of title IV-E status:
 - **Title IV-E eligible**
 - **Title IV-E reimbursable**

DHS Title IV-E policy

There are 7 main components of
DHS Title IV-E Policy:

1. US Citizenship/Qualified Alien Status

Documentation, such as birth certificate or visa, is required in the case record to verify status

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2. Former AFDC Program Eligibility

**Former AFDC Program eligibility has
seven subcomponents:**

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Former AFDC Subcomponents:

2a.) Living with a Specified Relative

2b.) Deprivation

2c.) AFDC Income

2d.) Deductions



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Former AFDC Subcomponents (cont'd):

2e.) Youth's Income

2f.) Family Assets

2g.) Employment



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3. Continued Former AFDC Eligibility

4. Legal Jurisdiction

Placement and care with DHS
Specification of court orders

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5. Required Judicial Findings

- “Continuation in the Home is Contrary to the Child’s Welfare”**
- “Reasonable Efforts” determinations:**
 - To Prevent Removal
 - To Finalize the Permanency Plan
 - Reasonable efforts not required



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6. Eligible Living Arrangement

Licensed foster homes, non-secure private child care institutions, some public shelters



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7. Age

Under the age of 18

(age exceptions found in CFF 902-3)



Financial Determinations

- An Initial Funding Determination is required when a new placement episode begins.

A new placement episode begins when a child moves from their:

- Own home
- Legal guardian
- Out-of-state parent

A placement episode ends when a child is:

- Returned home
- Placed with the non-custodial parent
- Placed with a legal guardian
- Discharged from court jurisdiction

Financial Determinations

DHS is required to review Funding Determinations in six month intervals following the Initial Funding Determination



Financial Determinations

- Once a youth has been initially determined not eligible for title IV-E funding, that youth will never be **eligible** for title IV-E funding during that placement episode.



Legal Status

- The following are eligible legal status for which an out-of-home payment may be made:
 - Delinquent Court Ward
 - Permanent Court Ward—Neglect
 - Temporary Court Ward—Neglect
 - State Ward (Public Acts 220 and 296)
 - State Ward Temporary Observation
 - State Ward Delinquent Act 150
 - Non Ward (Voluntary)

Legal Status

– Dual Wards

- State Ward (Act 220 & Act 150)
- Temporary Neglect & Delinquency Court Ward
- Permanent Neglect & Delinquency Court Ward
- Temporary Neglect & Act 150
- Permanent Neglect Court Ward & Act 150
- MCI State Ward & Delinquency Court Ward

**FOR A DUAL WARD TO BE TITLE IV-E ELIGIBLE,
DHS MUST HAVE SOLE CARE AND SUPERVISION
FOR BOTH THE NEGLECT AND DELINQUENCY
CASES.**

Living Arrangements

- Eligible living arrangements for title IV-E foster care payments include:
 - Licensed Relatives
 - Licensed Family Foster Home
 - Public Shelter Home/Facility
 - Private Child Care Institution
 - Licensed out of state Relatives, Foster Home, Shelter Home, or Child Care Institution

Title IV-E Denial or Cancellation

- Title IV-E funding can be denied or cancelled for the following reasons:



- Child is not a US citizen
- Family is not eligible for the former AFDC program
- Child no longer meets former AFDC eligibility
- DHS is not in receipt of a valid court order that grants DHS placement and care responsibility

Title IV-E Denial or Cancellation

- Title IV-E funding can also be denied or cancelled for the following reasons:
 - Court ordered dual or co-supervision of a case
 - Court ordered specification of child placement
 - Missing or insufficient “contrary to the welfare” judicial determination within the removal order
 - Missing or insufficient “reasonable efforts to prevent removal” determination within 60 days of removal

Title IV-E Denial or Cancellation

- Title IV-E funding can be denied or cancelled for the following reasons:
 - No “reasonable efforts to finalize a permanency plan” every 12 months
 - Child not living in an eligible living arrangement

DHS is required to send the Notice of Case Action (DHS 176) to the Court when

Title IV-E eligibility is denied or cancelled.

DHS Resources on Title IV-E

Federal Compliance Office – Funding Unit

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DHS Child & Family Services Policy website

<http://www.mfia.state.mi.us/olmweb/ex/html/#cfs>

DEFINITIONS

To make a determination of how to pay for out-of-home care, staff must be able to identify the specific legal status and living arrangement of the youth. To facilitate this determination, the following definitions of legal status for which an out-of-home payment may be made, are provided. (See CFF 901-7 for living arrangement codes.)

LEGAL STATUS

There are eight legal status (target group) codes in use in SWSS FAJ/ CIMS for which foster care payments may be made. They are:

- **Delinquent Court Ward - Legal Status 40:** A youth who has been determined by the Family Court to come within its jurisdiction due to a violation of the delinquency section of the Juvenile Code. The Court may issue an order that **refers** the youth to DHS for placement and care responsibility. The Court retains responsibility for judicial review of the youth's case.
- **Permanent Court Ward (Neglect) - Legal Status 41:** A child whose parents' rights have been terminated by the Family Division of the circuit Court with jurisdiction over the child. Following termination, the child is **referred** to DHS for adoption planning and services under MCL 400.55h. The court retains legal authority and responsibility for the permanent court ward.
- **Temporary Court Ward (Neglect) - Legal Status 42:** A youth who has been determined by the Family Court to come within its jurisdiction due to the parent's unwillingness or inability to provide adequate or appropriate care. In this situation, parental rights to a legal relationship with the youth have **not** been terminated. The Court may issue an order making the youth the responsibility of the Department for placement and care while retaining the responsibility for judicial review.
- **State Ward -- Legal Status 44:** A child who has been **committed** to DHS following termination of parental rights by a Family Division of the Circuit Court with jurisdiction over the child. DHS acquires legal authority over the child as a result of either:
 - Public Act 220 of 1935 - Upon termination of parental rights of both parents, the court commits all parental (guardianship) responsibilities to the DHS pursuant to MCL 400.203. Such a child is considered a ward of the Michigan Children's Institute (MCI). The Superintendent of MCI is the child's legal guardian.
 - Public Act 296 of 1974 - Parents or guardian(s) of a child voluntarily relinquish (release) their rights to the DHS. Following release, the court commits the child to the DHS pursuant to MCL 710.29(7). A private child placing agency, to whom a release was given, may release the child to DHS. A state

ward under this statute is treated as an MCI ward. To be considered an Act 296 ward one of the following 3 scenarios has to have happened:

- Both Legal Parents release their parental rights.
 - Mother releases her parental rights. The putative father's parental rights are terminated.
 - One Parent is deceased. The other parent releases their parental rights.
- **State Ward - Temporary Observation (MCI-O) -Legal Status 45:** A temporary court ward (neglect) or a permanent court ward for whom the court has issued a temporary commitment order to the Department under Act 220, Public Act of 1935, for a period not to exceed 90 days. At the request of the Department and the concurrence of the court (by issuing a supplemental order), this temporary commitment may be extended.
 - **State Ward - Delinquent - Act 150 -Legal Status 46:** A youth who has been **committed** to the Department under the Youth Rehabilitation Services Act (Act 150, P.A. of 1974). According to the following requirements:
 - The ward is at least 12 years at the time of commitment by the juvenile court, and
 - The offense for which the ward is committed occurred prior to the ward's 17th birthday.
 - **Non-Ward (Not Delinquent, Voluntary) -Legal Status 51:** Any one of several situations in which the parents of a youth have requested the Department to provide assistance in the out-of-home placement of youth.
 - **Dual Wardship -Legal Status 52:** A youth who is a state ward under **both** Act 220, P.A. of 1935, and Act 150, P.A. of 1974 or one of the following:

SWSS Code	Program-Delinquency-open under program 4 which is J.J.	For Payments Treated ASA
90	Temporary Court Ward 42 & Delinquency Court Ward 40	Delinquent court ward CIMS code 40
91	Permanent Court Ward 41 & Delinquency Court Ward 40	Delinquent court ward CIMS code 40
92	Temporary court Ward 42 & Delinquent ACT 150-46	Delinquent Act 150 ward CIMS code 46

SWSS Code	Program-Delinquency-open under program 4 which is J.J.	For Payments Treated ASA
93	Permanent Court Ward 41 & Delinquent ACT 150-46	Delinquent Act 150 ward CIMS code 46
94	MCI-State Ward 44 & Delinquency Court Ward 40	Delinquent court ward CIMS code 40

For a dual ward to be title IV eligible, DHS must have sole care and supervision responsibilities under both the delinquency and Abuse and Neglect court jurisdictions.

**LIVING
ARRANGEMENTS**

There are fourteen living arrangement codes in use on CIS/CSMIS for which **foster care payments may be made**. The living arrangement code must be updated each time the ward moves. (To determine the appropriate legal status and funding source for the placement see the Appropriate Funding Source Guide in CFF 901.9.) These are:

02. **Relatives:** Non-legally responsible relative such as grandparent, brother, sister, aunt, uncle, nephew, niece or cousin with whom the agency has placed the youth for care and supervision, both licensed and unlicensed. Biological parents must be considered as LA 01, Parental Home.
05. **Family Foster Home:** Licensed private family home placement.
07. **Independent Living:** Youth's own unlicensed residence or the unlicensed residence of an adult who has no supervisory responsibility for the youth.
09. **Public Shelter Home/Facility:** Family foster home providing temporary shelter care or residential shelters operated by private child care institutions or court/county operated shelter facilities.
11. **Detention:** Court or state operated short term secure facility.
13. **Private Child Care Institution:** Privately operated, licensed residential treatment facility (i.e., Boysville, Starr Commonwealth, Boys Republic, etc.). This includes small community based facilities operated by the private sector.
16. **Mental Health Facility:** Any of the facilities operated by the Department of Community Health. This also includes private mental health facilities.
17. **Court Treatment Facility:** Court or County operated residential care centers (i.e., Maurice Spear Campus).
19. **Boarding School and Runaway Service Facility:** The boarding school is a residential facility licensed by the Department of Education.
 - A runaway service facility under contract with the DHS is a private non-profit corporation that provides temporary shelter care for youth voluntarily requesting this service.
 - This code is also to be used for placements in hospitals, nursing homes, and adult foster homes.
23. **Out of State relative:** Child/youth is living with a relative outside of Michigan.

24. **Out of State Licensed Foster Home:** Child/youth is living in a licensed foster home outside of Michigan.
25. **Out of State Child Placing Agency:** Child/youth is supervised by a Child Placing agency outside of Michigan.
26. **Out of State Child Caring Institution:** Child/youth is living a Child Caring Institution outside of Michigan.
27. **Out of State Relatives Licensed Foster Home:** Child/youth is living with relatives with a licensed foster home outside of Michigan.

FINANCIAL DETERMINATIONS

This section describes the different funding sources available for Child Placement Services. Title IV-E is the most common funding source but several federal regulations must be followed for its use. These requirements are described in detail within this section. Other funding sources such as State Ward Board and Care, County Child Care funds, and Limited Term and Emergency Foster Care funding are also listed within CFF 901-8 with instructions for their use.

Almost all department supervised youth in out of home placements are eligible for Medicaid. CFF 902-11 provides enrollment procedures.

- A determination is to be made regarding the appropriate funding source for out-of-home placements at the time the youth is accepted for services by the Department regardless of actual placement. ([See CFF 722-1, COURT ORDERED PLACEMENTS for more information on acceptance.](#))
- Initial determinations are to be completed using SWSS FAJ. Instructions for completion of this determination process are found in the SWSS FAJ users manual ([See SUM 200-4, DETERMINING FUNDING ELIGIBILITY](#))

PLACEMENT EPISODE

A new initial determination of eligibility must be completed for each new placement episode regardless of whether a new petition is filed with the court.

A placement episode begins:

- When a child moves from an own home living arrangement,
 - 01 - own home.
 - 03 - legal guardian.
 - 22 - out-of-state parent.
- To an out-of-home living arrangement, or
- When a case is opened with the living arrangement noted as out-of-home.

The placement episode ends when the child is:

- Returned home.
- Placed with the non custodial parent.
- Placed with a legal guardian.
- Discharged from wardship.

Note: The “closing” of a case on SWSS FAJ because the child was placed for adoption, transferred from foster care to juvenile justice or vice versa, should be ignored for this definition of “placement episode”. Transfer to the other children’s services program may or may not affect

the definition of a placement episode; it depends on whether the child was at home/with a legal guardian or in out-of-home care at the time the transfer occurred.

- If the youth is in his/her own home at the time of acceptance, regular redeterminations are not necessary until the youth is placed in out-of-home care.
- Redeterminations of appropriate funding source for youth in out-of-home placements are to be completed every six months, or more frequently if the department becomes aware of a change which may effect funding source eligibility. Title IV-E and State Ward Board and Care payments must also be reauthorized within SWSS FAJ every six months.
- SWSS FAJ maintains a historical record of each determination. Individual determinations can be printed as needed.
- Once a child has been returned home and remains there, redeterminations are not necessary.

TITLE IVE FUNDING DETERMINATIONS

Title IV-E is only a funding source. To be eligible for payment under title IV-E, children must, by Family Court or Tribal Court order, be under DHS supervision for placement and care or committed to DHS.

- All youth are to be screened for title IV-E eligibility at the time of acceptance. Even though an initial placement may be in a placement where title IV-E cannot be paid (e.g., unlicensed relatives, detention, training school, camp), eligibility may exist in subsequent placements.
- If a youth has been initially determined not eligible for title IV-E funding (based on ineligibility of the family for the former AFDC grant program or the judicial determinations do not meet the time requirements detailed in CFF 902-2, [Required Judicial Findings](#)), s/he will **never** be eligible for title IV-E funding while in this placement episode. Therefore, SWSS FAJ will not request the information for title IV-E eligibility when regular redeterminations of appropriate foster care funding source are conducted. ([See CFF 902, FINANCIAL DETERMINATIONS for information on placement episodes.](#))
- Voluntarily released children may be eligible for title IV-E funding if there is a court order terminating parental rights and making the State Agency responsible for the child's placement and care and if all other eligibility requirements are met.
- Secondarily released children cannot be title IV-E eligible. A secondary release is defined as: a release of a child to DHS by a private child placing agency in which the child was previously released or committed to the private child placing agency. Upon a secondary release, the child becomes a state ward.
- Delinquent youth committed to the department under Act 150 by adult (circuit/recorder's) courts are not eligible for title IV-E funding.
- Title IV-E eligibility ends when a child is placed back in his/her own home or with a legal guardian. A new eligibility determination must be completed for each new placement episode.

TITLE IVE ELIGIBILITY BEGIN DATE

Title IV-E foster care payments may begin from the first day of placement in the month in which all eligibility criteria are met. Eligibility criteria which must be met includes:

- [Required judicial determinations](#) of “[reasonable efforts](#)” and “[contrary to the welfare](#)” on a signed court order (see CFF 902-2).

- [AFDC eligibility](#), including establishment of [financial need](#) and [deprivation](#) (see CFF 902-2).
- Living with and removed from same AFDC [specified relative](#) (see CFF 902-2).
- Age. A child must be under the age of 18, unless enrolled full-time in high school or an equivalent vocational or technical course and can reasonably be expected to complete the course prior to the nineteenth birthday (see [CFF 902-3](#)).
- [Legal jurisdiction](#), by way of a signed court order from a family or tribal Court order that gives DHS Placement and care responsibilities (see CFF 902-2).

**TITLE IV-E
ELIGIBILITY
REQUIREMENTS**

Title IV-E eligibility begins with a determination of the child and family's ability to qualify for the former Aid to Families with Dependent Children (AFDC) grant under the state plan which was in effect on July 16, 1996. The child and family's eligibility for the Family Independence Program (FIP) cash assistance grant **does not** equate to automatic eligibility for title IV-E funds.

Local office staff must determine title IV-E eligibility using SWSS FAJ.

Title IV-E eligibility ends when a child is placed back in his/her own home or with a legal guardian. A new eligibility determination must be completed for each new placement episode. See CFF 902, FINANCIAL DETERMINATIONS for information on [Placement Episodes](#).)

**Title IV-E Status
Types**

There are two distinct types of title IV-E status - title IV-E eligible and title IV-E reimbursable. Both must occur concurrently before title IV-E payments can be issued. Definitions of the two types of title IV-E status are:

- **Title IV-E eligible** - When the child entered placement, the child met the AFDC standards in effect on July 16, 1996 and DHS has placement and care responsibility.
- **Title IV-E reimbursable** - Federal financial participation (FFP) is available for a child who meets all title IV-E eligibility requirements in CFF 902-2, PR - Title IV-E Eligibility Requirements and CFF 902-3, PR - Title IV-E Age Requirements and Exceptions.

**US CITIZENSHIP/
QUALIFIED ALIEN
STATUS**

Receipt of title IV-E funds is limited to U.S. citizens and "qualified aliens." If the worker determines that a child is not a U.S citizen or a qualified alien, **the child is not title IV-E eligible** and the procedures outlined in CFF 902-5, [Title IV-E Funding Denial or Cancellation](#) must be followed.

Medical coverage for non-citizens/non-qualified aliens is limited to State Medical Program (SMP) coverage. See CFF 902-11, [Determination of Medical Assistance Eligibility](#) for information and CIMS coding.

**Qualified Alien
Status**

A qualified alien is defined as one of the following:

- An alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act (INA).
- An alien who is granted asylum under section 208 of the INA.

- A refugee who is admitted to the U.S. under section 207 of the INA.
- An alien who is paroled into the U.S. under section 212(d)(5) of the INA for a period of at least one year.
- An alien whose deportation is being withheld under section 243(h) or section 241(b)(3) of the INA.
- An alien who is granted conditional entry pursuant to section 203(a)(7) of the INA.
- A Cuban or Haitian entrant.

Not Qualified Alien Examples of persons who are NOT QUALIFIED ALIENS include, but are not limited to, undocumented aliens and aliens legally admitted on a temporary basis for work, study or pleasure.

U.S. Citizens The following persons are considered U.S. citizens or have an acceptable status for benefits:

- U.S. citizen, including persons born in Puerto Rico.
- Persons born in Canada who are at least 50% American Indian.
- Members of a federally-acknowledged American Indian tribe.
- Permanent resident alien with class code RE or AS on the 1-551 (former refugee or asylee).
- A qualified dependent alien child of a qualified military alien:
 - A “qualified military alien” is a qualified alien on active duty in, or veteran honorably discharged from, the U.S. Armed Forces.
 - A “dependent child” is a child claimed as a dependent on the qualified military alien’s federal income tax return.

VERIFICATION/ DOCUMENTATION PROCEDURES

Workers must verify citizenship status or qualified alien status for all children in foster care. Eligibility for title IV-E funding requires U.S. citizenship or qualified alien status of the child. The receipt of benefits is based upon the child’s status and not on the parent’s status. Verification must be done in a non-discriminatory way.

A foster care worker should attempt to determine a child’s place of birth when meeting with the parent(s) to collect information for the ISP. If the child was not born in the U.S., the worker should inquire of the parent whether the child is a citizen. If the parent responds that the child is not

a citizen, the worker should request that the parent provide documentation regarding alien status. If the parent refuses to provide documentation, the child is NOT title IV-E eligible.

Workers must make a copy of both sides of any verification document(s) and file the copy in the case file in the fourth inside cover in an envelope. (See CFF 722-5, [Case File](#))

Verifying U.S. Citizenship

Documents that verify U.S. citizenship status are:

- Birth certificate or birth record.
- Adoption finalization papers.
- U.S. passport.
- Report of birth abroad of a U.S. Citizen, FS-240.
- Certificate of birth, FS-545, issued by a foreign service post or Certification of Report of Birth, DS-1350, issued by the Department of State.
- Certificate of Naturalization, N-550 or N-570.
- Certificate of Citizenship, N-560 or N-561, for children who derive their citizenship through a parent.
- A statement provided by a U.S. Consular officer certifying that the individual is a U.S. citizen.
- American Indian Card (I-872) with a classification code "KIC" and a statement on the back identifying U.S. citizenship members of the Texas Band of Kickapoos living near the U.S. Mexican border.

Verifying Qualified Alien Status

Documentation verifying qualified alien status:

- For permanent resident alien status:
 - Alien Registration Receipt Card, I-151 or I-551.
 - Unexpired Reentry Permit, I-327.
 - Arrival-Departure Record, I-94 stamped "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent residence."
- For American Indians who enter the U.S. from Canada:
 - I-151, I-551 or I-94 with code S13.
 - Other INS documentation.
 - Birth record or affidavit from a tribal official indicating the person is at least 50% American Indian.

Note: Such persons are NOT required to register with the U.S. Citizenship and Immigration Services (USCIS).

- For refugee, asylee or parolee status, an I-94 annotated with INA section 207, 208 or 212(d)(5). (See PEM 225, [Refugee Reporting](#) for information on completing the DHS-940.)
- For Cuban/Haitian Entrant status:
 - I-94 indicating admission into the U.S. from Cuba or Haiti, annotated with “Cuban/Haitian Entrant (Status Pending),” “Parole,” “212(d)(5),” or “Form I-589 Filed.”
 - I-94 indicating admission into the U.S. from Cuba or Haiti AND a letter or notice from INS indicating ongoing (NOT final) deportation, exclusion or removal proceedings.
 - I-551 with code CU6, CU7 or CH6.
- For status as an alien whose deportation (removal) is withheld: a court order or letter from an immigration judge stating that deportation (removal) is withheld per INA section 241(b)(3) or 243(h).
- For status as an alien granted conditional entry: I-94 showing admission under 203(a)(7).
- For any alien status:
 - G-641 annotated at the bottom by an USCIS representative.
 - Information from the USCIS Information Unit, 260 Mt. Elliott, Detroit, Michigan 48207.

Note: Alien status may also be checked online by going to the USCIS Web site at www.uscis.gov.

See PEM 225, [Exhibit III](#), U.S. State Department Documents, U.S. Citizenship and Immigration Services (USCIS) documents for more information on the above mentioned documents. Also see Reference Forms & Publications (RFF) manual for exhibits and document descriptions of the [I-94](#) and [I-551](#).

Note: If a worker determines that a child is title IV-E ineligible because their presence in the U.S. is unlawful, workers must give the information to their supervisor. See PEM 225, [Notification to USCIS](#) for more information. FC workers are not to contact the USCIS directly regarding the unlawful presence within the US. The local office supervisor must consult the Foster Care Program Office regarding the notification to USCIS.

**FORMER AFDC
PROGRAM
ELIGIBILITY
REQUIREMENTS**

The child must meet all eligibility requirements for the former AFDC program, except that of living with an acceptable relative, in the month in which the court action that led to the child's removal occurred. A court action is defined as an order that removes the child from his/her home.

The eligibility requirements include age, deprivation, and need. Duration of residence is not included in the requirements. A reasonable effort to reconstruct the elements of eligibility at the time the court action occurred which led to removal is expected.

The following children are not former AFDC eligible as there are no facts upon which to base former AFDC program eligibility:

- Children, whose parents or other relatives cannot be identified.
- Children whose parents will not cooperate in the eligibility determination process and DHS has no income or asset information on record.

**Living With
Specified Relative**

The child lived with a specified relative at the time of, or within six months prior to, the initiation of court action. A specified relative is one of the following:

- Parent.
- Aunt or uncle.
- Niece or nephew.
- Any of the above relationships prefixed by grand, great or great-great.
- Stepparent.
- Sister or brother.
- Stepsister or stepbrother.
- First cousin.
- First cousin once removed (i.e., a first cousin's child).
- The spouse of any person above, **even** after the marriage is ended by death or divorce.

The above includes relationships established by adoption.

Removal Home for Title IV-E Eligibility

When determining title IV-E eligibility, the first step in the process is to identify the child's removal home. Correctly identifying the "removal home" is critical.

The following criteria must be considered in identifying the removal home:

- The removal home (parent or specified relative) is the home for which the court makes the judicial finding that it is "contrary to the welfare" for the child to remain.
- Although the child may have been out of the parent/specified relative home at the time court action was initiated, the child must have lived in the removal home (i.e. the home with the "contrary to the welfare judicial finding") during the six months preceding the court action to remove the child.
- If the child is physically removed from a relatives home, and judicially removed from a parent, the parent's home is the removal home. **The child is not title IV-E eligible if he/she has lived with the relative more than six months.**
- For children under six months of age, "lived with" is also interpreted as "born to" in reference to the removal home requirement even if the child has not lived with the mother since birth.

Note: The removal home, and the home the court finds it is "contrary to the welfare" of the child to remain in, must be the same home. In almost all cases that would be the parent's home, even though the child is physically removed from a different home.

Constructive Removal

The child can be considered removed when a "constructive removal" (non-physical removal) takes place. A constructive removal occurs when all of the following apply:

- The child resides with a non-parent interim caretaker who is **not** the legal custodian or guardian of the child.
- The child is court-ordered into the custody of the department.
- The child remains in the home of the caretaker who serves as the out-of-home care provider to the child after the department is awarded custody.
- The child lived with a parent or stepparent within the past six months prior to court jurisdiction.

Deprivation

In cases of **temporary** wardship (including juvenile justice wards) the situation of the child in relationship to the parent or relative home from

which he/she was removed will determine eligibility. Deprivation **must exist** initially and continue thereafter for title IV-E eligibility.

The deprivation factor may change; however, one deprivation factor must always exist to be title IV-E reimbursable. If the deprivation factor changes, a redetermination must be completed within SWSS FAJ.

Reasons for Deprivation Are

- Continued absence of a parent from the removal home (examples are separation, divorce or death).

If the child had been removed from the home of a relative rather than from the parent(s)' home, the relative's home is reviewed at the time of redetermination to establish continuing deprivation of parental support and care. If either or both parents are not in that home at redetermination, then the child is deprived based on continued absence of the parent(s) from that home.

- Incapacity of a parent is defined as unemployable due to incapacity for 12 months or longer. Workers cannot determine incapacity. Persons who are incapacitated often receive RSDI or SSI based upon their disability. If the parent is not receiving RSDI or SSI, a doctor's statement verifying that the parent is unable to work for at least 12 months is necessary.
- Unemployment of a parent. The unemployed parent is defined as the parent who earned the greater amount of income in the previous 24 month period. A parent who is presently unemployed may **or** may not have unemployment as a deprivation factor.

To be considered the unemployed parent, that parent must have worked less than 100 hours in the calendar month of the removal, **and**

- Receive unemployment benefits (UB).

or

- Received UB in the last 12 month period prior to the child's removal from the home.

or

- Worked at least six quarters of the last three and one quarter years preceding the filing of the petition. Document one and a half years of work history within the past three and one quarter years in SWSS FAJ.

When Parents Reunite

Continued title IV-E eligibility for a child who was removed from a single parent home becomes complicated if the parents reunite. At that point an evaluation of the eligibility of the intact family unit (i.e., both parents

and all children removed by court order) for the former AFDC program must be conducted.

If the intact family would have been eligible for the former AFDC program, continued title IV-E eligibility must be based on an evaluation of the sufficiency of the child's income and resources to meet the full cost of care.

If the child's income (including child support, RSDI and other unearned income) does not equal the cost of care, title IV-E eligibility continues.

If the situation in that home has changed so that no deprivation factors exist, then the child is not title IV-E reimbursable until another deprivation factor occurs or termination of parental rights (TPR).

Termination of Parental Rights (TPR)

For a child who was initially determined to be title IV-E eligible, once TPR of both parents has occurred, from that point forward, and throughout the child's placement episode, the deprivation factor requirement is met.

AFDC Income

Income examples include:

- For a child removed from the parent(s), the income of the **parent(s)**, stepparent(s) and sibling(s) under age 18, must be considered only in the initial eligibility determination. Income of the non-parent adult or living together partner must not be considered.
- For a child physically removed from a specified relative:
 - The child has been with the relative less than six months.
 - "Contrary to the welfare" is found against the parent(s).
 - The AFDC eligibility is based on the parent(s) income and assets.
- For a child physically and judicially removed from a specified relative:
 - "Contrary to the welfare" is found against the relative.
 - The income and assets of the relative are **NOT** counted in AFDC eligibility determination.
 - The AFDC eligibility is based on the child - only his/her income and assets are counted.
- For a child removed from an unrelated guardian:
 - When the child has been with an unrelated guardian **more than six months** prior to removal, the child is not eligible for title IV-E funding.

- When the child has been with an unrelated guardian **less than six months**, “contrary to the welfare” must be against the parents as the removal home for the child to be eligible for title IV-E, the income and assets of the parent(s) must be counted for AFDC eligibility.

The income of the **parent(s)**, stepparent(s) and siblings under age 18, must be considered only in the initial eligibility determination. Income of the non-parent adult or living together partner must not be considered.

Note: Adoption subsidy is considered unearned income and must be budgeted within SWSS FAJ if the adoption has been finalized. Only the first \$76.00 of the subsidy, per child, is considered as income. Prior to finalization, adoption subsidy is not considered income.

For redeterminations, the income of the parents is not to be considered except for the amount of court ordered support.

Deductions

The SWSS funding determination process automatically applies the following income deductions:

- Income disregards only if the parent whose income at the initial determination received FIP in the last four months.
- Child care expenses. Enter the amount paid for the actual child care expenses, not the DHS allowable amount.
- Child support paid for a child who is not living within the removal home. Enter the amount paid by the parent, not the ordered amount.

YOUTH'S INCOME

The income available to the **youth** must be considered initially and at each redetermination in determining eligibility for title IV-E. If a youth's available net income is less than the board rate being paid for care, the youth continues to be eligible on the basis of need.

If a youth's available net income exceeds the board rate, eligibility may still exist since the needs of a youth include items other than basic maintenance. These cases are to be referred through supervisory channels to Reconciliation and Recoupment Section in central office for analysis of eligibility. See [CFF Item 902-12](#), **Government Benefits and Other Benefits**, for procedures.

Evaluating Income

- **EARNED INCOME** - Earned income of the child(ren) must be disregarded when they are full-time students or part-time students who are part-time employees. All earned income not disregarded must be used to reduce the daily rate for foster care. (Refer to [CFF 903-8](#) to determine net income and procedure to adjust rate.)

- OTHER INCOME - Unearned income must be considered in the amount received. Only available income must be budgeted. (Refer to [CFF 903-8](#) to determine net income and procedure to adjust rate.) If the child receives continuing benefits (e.g., Retirement, Survivor and Disability Insurance [RSDI]), the worker must complete form DHS-3205 (Foster Care Ward Placement/Benefits Eligibility Record) and submit to central office, Reconciliation & Recoupment Section, which will then make application to have the DHS designated as payee.

Any interim collections made by the local office are to be sent to the central office, Cashier Unit. Payment to the foster parent will be for the full amount of the board rate.

Note: A youth cannot be funded from both title IV-E and Supplemental Security Income (SSI). A decision must be made as to which funding source is most appropriate and then the incorrect funding source is closed. See [CFF 902-10](#) for additional details.

If a youth would not have been included in the former AFDC program grant **solely** because of the receipt of SSI, a DHS-3205 must be completed and submitted to the Reconciliation & Recoupment Section requesting an evaluation of the advantage to continuing the SSI or changing to title IV-E funding.

Assets

The property of the parent(s), stepparent(s) and siblings under age 18 must be considered in the initial eligibility determination. For redeterminations, the property of the parents does not affect the child's continued eligibility while in foster care. The property of the child must be considered initially and at each redetermination. Each child at redetermination is considered a family of one. SWSS FAJ exempts \$10,000.00 in property.

A trust fund established for a child must not be considered as available property for that child unless it is designated and available to be used for his/her ordinary living expenses.

Employment

For youth sixteen and over who are not regularly attending an elementary, secondary or vocational (technical) school on a full or part-time basis, their earnings must be budgeted and they must be referred to the State of Michigan's current employment program. The youth may register at www.michiganworks.org.

Continued former AFDC Eligibility

The child must continue to meet all eligibility requirements of the former AFDC program other than living with an acceptable relative. These requirements include:

- Continued deprivation (prior to termination of parental rights);

- Insufficient income and assets for the child;
- Employment program or educational requirements for a child age 16 or older;
- Full-time attendance for youth age 18, in an approved high school or equivalent level of a training program and reasonably expected to graduate before age 19. See [CFF 902-3, TITLE IVE AGE REQUIREMENTS AND EXCEPTIONS.](#))

Note: The loss of title IV-E eligibility due to a change in deprivation, financial need or placement does not deprive the child of future eligibility. Once the eligibility factors are met, the child again becomes eligible for title IV-E funding.

LEGAL JURISDICTION

A court order must exist which makes the Department of Human Services responsible for the child's placement and care.

- Court orders do not have to contain the exact words “placement and care;” substitute wording such as “care and supervision,” “placement and supervision” or “placed in foster care or with a suitable relative,” may be used without affecting title IV-E funding eligibility.
- A court order giving the DHS responsibility for placement and care acts as the application for title IV-E. For youth released under 1974 PA 296, the order terminating rights meets this requirement as long as the DHS is given responsibility for placement and care.
- Jurisdiction of the eligible child must have been taken under either the neglect or delinquency section of the Juvenile Code (but not under any criminal code or proceedings).
- Orders for state wards must include the words: “committed to the Michigan Department of Human Services.” The public act under which the youth is committed (i.e., the Youth Rehabilitation Services Act, 1974 PA 150 or the Michigan Children’s Institute (MCI) Act, 1935 PA 220) must be identified on the commitment order. Orders for temporary or permanent court wards must contain the words: “placed with the Michigan Department of Human Services for placement and care.” See [MCL 400.55\(H\)](#).
- The department cannot assume financial responsibility for a youth until it is in receipt of a court order delegating legal authority for a youth to the department. Therefore, the intake and acceptance procedures outlined in [See CFF 722-1, COURT ORDERED PLACEMENTS](#) and JJ2 Item 230, SERVICE PLANS, must be followed for any youth placed with the department for placement and

care. Title IV-E funding must not be authorized prior to the acceptance date, which is the day the court order is signed by the judge/referee.

- Orders issued by tribal courts for Native American children have the same validity as court orders. These orders must make the department responsible for placement and care. Orders which stipulate that placement choices be limited to foster homes on the reservation are acceptable. Family foster care services for these children must be purchased from a Michigan Indian child welfare agency with which the department has a contract.

Specification In Court Orders

Orders which contain stipulations for dual or co-supervision by a court or another agency do not meet the federal requirements. Therefore, the youth is not eligible for title IV-E funding as long as that order remains in effect.

A “best practice” continues to be that the court orders indicate that any child be placed with DHS for care and supervision. The fact that a court order approves of, acknowledges, or agrees to, the DHS placement decision on the court order does not negate title IV-E eligibility for that youth.

Example: The DHS worker’s report to the court (USP) recommends “ACE child placing agency.” The court then “affirms” the child’s placement at the “ACE child placing agency.” The court has not assumed placement and care responsibilities. Therefore, the child could be title IV-E eligible and title IV-E funded. When the court orders a placement without considering recommendations of all parties, the child’s placement causes ineligibility for title IV-E funding as long as that court order remains in effect. If the court orders a placement not recommended by DHS, it must document on the order the reason for not accepting the DHS recommendation.

Note: Court orders may “recommend” a placement or “approve” the supervising agency’s placement selection without affecting title IV-E eligibility.

REQUIRED JUDICIAL FINDINGS

In order for a child to be title IV-E eligible the court order **must contain documentation of the evidence used by the court to make judicial findings**. Court orders may contain checkboxes for the finding, but the determinations must be explicit and made on a case by case basis. The order cannot be amended by a subsequent order, e.g., a nunc pro tunc order, which amends the original order to meet eligibility.

Other criteria include:

- Orders may reference the petition, court report or other reports available to the court as documentation of the evidence used for these findings. (See “Continuation In The Home Is Contrary To The Welfare” determination below for restrictions on references to the petition.) Copies of the petition or reports, not already contained within the case file, must be attached to the court order and contained within the child’s case file. (The court does not need to attach the ISP/USP or court report that was submitted by the supervising agency to the court order.)
- If a worker’s testimony is used to support the judicial findings, the court must either list the evidence used within the court order or attach a copy of the transcript to the court order. The entire transcript does not need to be attached to the court order.
- The court order may not reference state law for these determinations.

“Continuation In The Home Is Contrary To The Child’s Welfare” Determination

Regulations require the court to make a “contrary to the welfare” or “best interest” determination IN THE FIRST COURT ORDER REMOVING THE CHILD FROM HIS/HER HOME for title IV-E eligibility. The first court order is defined as the emergency removal order (e.g., JC 05) or the preliminary hearing order (e.g., JC 10 or JC 11a) if there was no emergency removal order.

The “contrary to the welfare” determination must also be made within the first court order for each new placement episode, regardless of whether a new petition is filed or not. (See [CFF 902](#), **Financial Determinations** for information on placement episodes.)

The child is **ineligible for the current placement episode** if the finding is not made in the first order for **each** placement episode. The determination must be explicit and made on a case by case basis.

For abuse/neglect wards, the court order may reference the petition to document this finding. This is not acceptable for juvenile justice wards because the petition details the youth’s criminal behavior. Other juvenile justice criteria include:

- The finding must be based upon the parents’ actions, not the youth’s behavior. Evidence that only references the youth’s behavior does not meet this requirement.
- References to “removal is in society’s best interest” do not meet this requirement for juvenile justice wards.
- When the court finds “contrary to the welfare” and the child is not removed from the removal home on the date of the finding, the child is not title IV-E eligible.

As a minimally acceptable standard for abuse/neglect wards:

- The child's correct name must be on the court order, and
- A box is checked that states/finds that it is contrary to the child's welfare to remain in his/her home, based on the petition, or DHS report, and/or testimony.

Note: If a "contrary to the welfare" finding is made and the child is not removed, the child is not eligible during this placement episode.

Verbal Approval/ Consent for the Removal

For after hours (nights, weekends, and/or holidays) and emergency removals, a judge or referee, may give verbal approval/consent for the removal and placement of a child in out-of-home care. Verbal approval/consent will not jeopardize the child's potential title IV-E eligibility if all the following conditions are met:

- The verbal consent occurred during non-working hours (i.e., nights, weekends, or holidays) and emergencies;
- A written order dated the day of the removal, must be obtained within 24 hours, or on the next business day during the weekends and holidays.
- The written order contains the findings of fact, on which the verbal consent was based, and includes the "contrary to the welfare finding."

Title IV-E foster care payments may begin from the first day of placement in the month in which all eligibility criteria are met.

Note: For a child removed prior to 03/27/00 - the court finding of "contrary to the welfare" or "best interest" does not need to be made within the first court order. This determination must be part of a written court order issued prior to or at the time of the dispositional order.

"Reasonable Efforts" Determinations

The supervising agency must make reasonable efforts to prevent removal and finalize another permanency plan except under defined circumstances. The child's health and safety must be of paramount concern. (See CFF 722-6, [Reasonable Efforts](#) for more information.)

In order to be eligible for title IV-E funding, the court must make two separate reasonable efforts determinations. These determinations must be:

- Explicit and made on a case by case basis.
- Made at a court hearing where the parents and child(ren) have the opportunity to attend the hearing.

- Contained in writing in the court order. It is not enough that efforts were described to the court. The court must actually decide that reasonable efforts were made.

To Prevent Removal

The first determination, “the agency has made reasonable efforts to prevent removal from the home,” must be made at a court hearing held within 60 days of the child’s removal from his/her home. Title IV-E eligibility cannot begin until the reasonable efforts judicial determination has been obtained.

As a minimally acceptable standard for abuse/neglect wards the court order must contain:

- The child’s correct name, and
- A checked box indicating the court has found that reasonable efforts were made to prevent the removal of a child from the home, based on the petition. DHS report and/or testimony.

Title IV-E foster care payments may begin from the first day of placement provided the “reasonable efforts to prevent removal” finding has been made at a court hearing that calendar month.

If the finding is not made in the calendar month of removal, title IV-E eligibility begins the first day of the month in which all eligibility criteria are met, provided that is within the 60 day time frame.

The child’s case is ineligible for title IV-E funding for the current foster care episode if:

- The judicial finding is not made within the 60 day time frame;
- The court refuses to make this finding; or
- The court finds that reasonable efforts to prevent removal were not made.

The “reasonable efforts to prevent removal” finding must be made for each placement episode within 60 days of removal, regardless of whether a new petition is filed. See [CFF 902](#), **Financial Determinations** for information on placement episodes.)

Note: The date the order is signed or received in the office is not relevant in terms of meeting the 60 day time frame. A subsequent order (e.g., a nunc pro tunc order) amending the original order cannot be used to establish compliance with this requirement.

For a child removed prior to 03/27/00 - The judicial determination of reasonable efforts to prevent removal does not need to be made within 60 days of removal.

Finalize the Permanency Plan

The second determination, “the agency has made reasonable efforts to finalize the permanency plan,” is required within 12 months from the date of removal.

The determination must be based upon the permanency plan identified in the USP (court report). Acceptable permanency plans are:

- Reunification (return home/maintain own home).
- Adoption.
- Legal guardianship.
- Placement with a fit and willing relative.
- Placement in another planned permanent living arrangement.
 - Permanent Foster Family Agreement.
 - Emancipation by age 19.

This determination must also be made every 12 months as long as the child remains in out-of-home care.

This includes children placed in adoptive supervision placements in which the adoption has not been finalized within 12 months. The CY-460 report is sent to DHS agencies and the CY-463 is sent to private agencies who are supervising adoptive placements that have been open for 10 months, 22 months, 34 months, etc.

The adoption placement agency (either DHS or the private agency) must file a motion for a “reasonable efforts permanency planning review hearing” with the court in which the adoption petition was filed. The motion must request a hearing to be held within 12 months of the adoption placement date.

After the permanency planning hearing, the adoption placement agency must send a copy of the PCA 321, “Order of adoption,” or the PCA 351, “Order Following Hearing on review of Adoption Placement (Title IV-E Eligibility Compliance),” to the DHS Adoption Subsidy Office as documentation of the judicial review and determination.

The child becomes ineligible for title IV-E funding at the end of the month in which the judicial determination was required to be made, and remains ineligible until the first of the month a determination is made.

The child is **ineligible** for title IV-E funding until an order from a new hearing is issued which contains this finding.

- A subsequent order amending the previous order (e.g., a nunc pro tunc order) cannot be used to retroactively establish compliance with this requirement.
- The effective date for reinstatement of title IV-E eligibility based on this finding is the first day of the month in which a court order containing the reasonable efforts statement was received.

The 12 month time frame for the next required finding of reasonable efforts to finalize the permanency plan begins with the date the last finding was made.

REASONABLE EFFORTS NOT REQUIRED

Reasonable efforts are not required to prevent the child's removal from home due to any of the following:

- Parent's conviction for murder of another child of the parent.
- Parent's conviction for voluntary manslaughter of another child of the parent.
- Parent's conviction for aiding or abetting, attempting, conspiring, or soliciting to commit the murder or voluntary manslaughter of another child of the parent.
- Parent's conviction for felony assault that resulted in serious bodily injury to the child or another child of the parent.
- The parental rights of the parent with respect to a sibling have been terminated involuntarily.

Additionally, reasonable efforts are not required if the court has determined that the parent, or guardian of the child has abused the child or a sibling of the child, and per Michigan law the abuse must include 1 or more of the following aggravated circumstances (MCL 722.638(1)(a)):

- Abandonment of a young child.
- Criminal sexual conduct involving penetration, attempted penetration, or assault with intent to penetrate.
- Battering, torture, or other severe physical abuse.
- Loss or serious impairment of an organ or limb.
- Life threatening injury.
- Murder or attempted murder.
- Or, the parent of the child failed to protect the child from one of the above.

The court is to conduct a permanency planning hearing within 30 days after there is a judicial determination that reasonable efforts to reunite the child and family are not required. Reasonable efforts to reunify the family must be made in all cases except in those situations listed above. This 30 day hearing requirement does not effect title IV-E eligibility.

Note: A judicial finding that reasonable efforts are not required cannot be made for juvenile justice wards.

ELIGIBLE LIVING ARRANGEMENT

The child must currently be in foster care in a licensed foster home, licensed private child caring institution, or a DHS child care treatment facility of 25 beds or less. (See [CFF 721](#) for a definition of foster care.)

- Michigan can utilize title IV-E funds for placement with **for profit** private child caring institutions (residential care).
- If a court orders dual or co-supervision of the child by DHS staff and court or private agency staff, the child is not eligible for title IV-E funds. This ineligibility continues as long as that court order is in effect.

Note: The effective date for reinstatement of title IV-E eligibility based on this requirement is the first day of the month in which a court order deleting the placement and/or supervision specifications was received. (See [Placement Specifications](#) above for more information.)

- Children of minor parents who are placed in the same foster care setting as the parent(s) are **not** eligible for title IV-E funding. Even though the court may have taken jurisdiction, these children have **not** been physically removed from the home of a parent. Foster care payments for these children must be included in the parent's foster care payment authorization as a ward child.
- Relatives/unrelated caregiver homes (e.g., aunt, uncle, niece, nephew, brother, sister, grandparent or first cousin) must be licensed as foster family homes for title IV-E funding to be paid.
 - If a child who is otherwise eligible for title IV-E has been placed in an unlicensed home, title IV-E funding cannot be used until the home is licensed. Once licensed, retroactive payments can be made back to the effective date of the license as long as no FIP or County Child Care fund payments were issued for the same time period.

Title IV-E payments cannot be authorized for any period of time covered by FIP or County Child Care Fund payments during completion of the licensing process.

- An administrative rate cannot be paid to the child placing agency using title IV-E funds when a child is placed with an unlicensed relative.

Note: State wards living with relatives are eligible to receive State Ward Board and Care payments (See [CFF 902-8](#)). Local Child

Care Funds may also be used to fund these placements for temporary court wards according to county policy ([CFF 902-7](#)).

- Foster parents with a felony conviction for one of the following crimes **cannot** receive title IV-E payments:
 - Child abuse/neglect.
 - Spousal abuse.
 - A crime against children (including pornography).
 - A crime involving violence, rape, sexual assault, or homicide but not including other physical assault or battery.
 - A conviction within the last five years for a physical assault, battery, or a drug related offense.
- Title IV-E funds cannot be paid to a foster family home or child caring institution with a provisional license because of a licensing violation. This applies even though a corrective action plan may have been approved. Newly licensed foster family homes with the original provisional license are not included in this definition.

An administrative rate to a child placing agency cannot be paid from title IV-E funds for a ward placed in a foster home with a provisional license for a licensing violation. Payment must be made from County Child Care funds for temporary court wards and from State Ward Board and Care funds for state wards.

- If a child is placed with an unqualified alien foster parent (See [U.S. Citizenship/Qualified Alien Status](#) above), the unqualified alien caregiver is eligible to receive title IV-E funds if:
 - The child is a U.S. citizen; or
 - The child entered the U.S on or after August 22, 1996, and the child has been a qualified alien for at least five years; or
 - The child is:
 - An asylee;
 - An alien whose deportation is withheld; or
 - A Cuban/Haitian entrant.

Note: Verification of citizenship or alien status for foster parents is **only** required when the department is placing a qualified alien child who entered the U.S. on or after August 22, 1996.

- Independent living placements and private agency supervised independent living situations are not title IV-E eligible. An adminis-

trative rate cannot be paid from title IV-E funds to a private child placing agency that is supervising a youth in an independent living arrangement.

- Detention facilities, training schools, county juvenile justice facilities, youth camps or other facilities operated primarily for the detention of children who are determined to be delinquent are not eligible for title IV-E funding. These facilities are not included within the definition of “foster care”. (See CFF 721 for a definition of [foster care](#).)
- Any residential facility that is classified as open medium, medium, or high security is not title IV-E eligible.
- If a child is placed with a Native American family living on a reservation, that family must be licensed or approved by the tribal council based on tribal criteria. All services for children living on a reservation are to be purchased from a Michigan Indian child placing agency with which the department has a contract.

**TITLE IV-E AGE
REQUIREMENTS
AND EXCEPTIONS**

Age - Title IV-E eligibility ends at age 18. An exception to this eligibility requirement may be granted if (See Program Eligibility Manual 240):

1. The child is a full-time student in a high school or in the equivalent level of vocational or technical training, and
2. Can be reasonably expected to complete high school or vocational or technical training before reaching age 19.

If both conditions are met, the worker needs to open a payment. (Refer to CFF 903-8).

The effective date of the payment is the last day of the month of the ward's 18th birthday. Eligibility continues as long as the wards stay in school/training and ends the last day of the month in which the ward graduates (example: graduation is June 7, the end date is June 30, 200_).

Note: If youth is expected to graduate after age 19, title IV-E eligibility ends at age 18.

Title IV-E funding is not available for other youth age 18 or older. However, wardship for both state wards and court wards may continue up to age 19. No later than fourteen (14) days before the youth's 18th birthday the following action is to be taken:

- State Wards -
 - Complete a Redetermination of funding source.
 - Change the funding source code within SWSS FAJ Placement module with an effective date of the youth's birthday, and
 - If appropriate, authorize payments.
- Court Wards -
 - Close the payment within SWSS FAJ on the youth's 18th birthday.
 - Refer the case for funding through the County Child Care Fund.

**TITLE IV-E
FUNDING DENIAL
OR CANCELLATION**

Title IV-E funding must be denied or cancelled based upon the following factors:

- Child is not a US Citizen or Qualified Alien; ([See CFF 902-2, US CITIZENSHIP/QUALIFIED ALIEN STATUS.](#))
- Family is not former ADC eligible; ([See CFF 902-2, MET FORMER ADC PROGRAM ELIGIBILITY REQUIREMENTS.](#))
- Child does not continue to meet former ADC eligibility; ([See CFF 902-2, Continued former ADC Eligibility.](#))
- DHS is not in receipt of a valid court order that grants DHS placement and care responsibility; ([See CFF 902-2, LEGAL JURISDICTION](#))
- Specifications in court orders - If a family court orders dual or co-supervision of the case by DHS staff together with court/private agency staff, or, if the court orders specific selection and/or control of the foster care placement or payment of rates not appropriate in the given case or orders Title IV-E payment be made on behalf of a child, then, Title IV-E is to be denied or terminated. ([See CFF 902-2, SPECIFICATION IN COURT ORDERS](#))
- No “contrary to the welfare” judicial determination within the first court order; ([See CFF 902-2, “Continuation in the home is contrary to the child’s welfare” Determinations](#))
- No “reasonable efforts to prevent removal” judicial determination within 60 days of removal; ([See CFF 902-2, “Reasonable Efforts” Determinations](#))
- No “reasonable efforts to finalize a permanency plan” every 12 months; ([See CFF 902-2, “Reasonable Efforts” Determinations](#))
- Child not living in an eligible living arrangement. ([See CFF 902-2, ELIGIBLE LIVING ARRANGEMENT](#))

The SWSS FAJ generated DHS-176, Client Notice, must be sent to the Juvenile Court when Title IV-E is denied or cancelled, except in cases of children committed to the Department of Human Services under Act 150 of P.A. 1974, as amended, or Act 220 of P.A. 1935, as amended. In other words, a DHS-176 is to be sent on all cases in which the court retains jurisdiction and on which the Department of Human Services has made the decision that the case is ineligible for Title IV-E funding, or the Title IV-E funding is to be terminated. The form is to be filled out to indicate that "...assistance under the Title IV-E in Foster Care pro-

gram has been denied or cancelled because..." (42 USC 608, as amended.)

Notification is to be given to the court, in those cases in which it retains jurisdiction, as it is applying for assistance on behalf of the child. This will assure compliance with the federal regulations governing the Title IV-E program.

The notice given the court must be adequate notice. According to federal regulations, adequate notice is a written notice, sent not later than the date a case action is effected (not pending), which specifies all the following:

- The action being taken by the Department.
- The reason for the action.
- The specific manual item referenced (or regulations) supporting the action being taken.
- An explanation of the right to request a hearing.
- The circumstances under which assistance is continued if a hearing is requested.

The Judge cannot request an administrative hearing for Title IV-E funding denial or cancellation. The court can appoint the child's lawyer-guardian ad litem to request a hearing. The Program Administrative Manual (PAM 600) states:

"An authorized hearings representative (AHR) is the person who stands in for or represents the client in the hearing process and has the legal rights to do so. This right comes from one of the following sources:

- Written authorization, signed by the client, giving the person authority to act for the client in the hearing process.
- Court appointment as a guardian or conservator.
- The representative's status as legal parent of a minor child.
- The representative's status as attorney at law for the client."

An AHR has no right to a hearing, but rather exercises the client's right. Someone who assists, but does not stand in for or represent the client in the hearing process need not be an AHR.