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To: Regional Managers
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DCS Child Welfare Consultants and Support Staff

From: James W. Payne, Director
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Subject: Federal Deficit Reduction Act of 2005
Public Law 109-171
DCS 07-001

The President signed Public Law 109-171 on February 8, 2006 to become effective the following day. This new law amended Sections 472 and 473 of the Act which governs the Federal Foster Care Maintenance Payments and Adoption Assistance Programs. These changes are important because they affect the federal reimbursements that come into the Counties and to the State.

The first change, which became effective February 9, 2006, requires documentation of a determination that a child is a candidate for foster care and therefore at imminent risk of removal from their home into a foster care placement. DCS defines a child at imminent risk of placement as a child less than eighteen (18) years of age who reasonably may be expected to be placed out-of-home placement in the near future as a result of at least one (1) of the following:

1. Abuse or neglect
2. Emotional disturbance
3. Family conflict so extensive that reasonable control of the child is not exercised

In Indiana, imminent risk is documented by an approved substantiated Investigation of Alleged Child Abuse or Neglect form SF113/CW0311 or the opening of a case.

Documentation of a re-determination that the child continues to be at imminent risk of removal into a foster care placement should be completed within six (6) months of the initial determination and every 6 months thereafter.



This re-determination is currently completed on every child with an open case type of Informal Adjustment (IA) or in-home Child in Need of Services (CHINS) through the following documentation:

- **Informal Adjustments:** The documentation of a re-determination is the request for an extension of the original six (6) month IA agreement or by the filing of a CHINS petition if increased intervention is needed.
- **In- Home CHINS:** The documentation of a re-determination that the child remains at imminent risk of removal may occur in multiple ways:
 - Updating the Child Assessed Risks and Needs section of the case plan for the child; and/or
 - Detailing services required to maintain the child in the home in the objective and activities section of the case plan for the child; and/or
 - Completion of a new risk assessment for the family; and/or
 - Detailing any services that the child and family have been referred to or are engaged in and their expected outcomes in the services module.
- **Service Referral Agreements (SRA):** SRA's can not be extended. Failure to substantially comply with the terms of the agreement can result in the need for an increased level of intervention; i.e., the filing of an IA or CHINS petition. The resulting Preliminary Inquiry Affidavit (PI) will serve as the re-determination documentation.

Continue to maintain the documentation listed above in the child or families case record until the changes are made in ICWIS. The ICWIS changes will give staff the ability to record and document in one specific location.

The second area of impact relates to the eligibility requirements for a child adopted with a subsidy. The Act removes the requirement that the adopted child meet the IV-E financial eligibility criteria at the time the adoption proceedings are initiated. Effective October 1, 2005, Title IV-E financial eligibility criteria only has to be met at the initial determination when a child enters foster care. This is a 'loosening' of the requirements and may make more children eligible for adoption assistance.

The third area of impact relates to the fact that the state is no longer being reimbursed for administrative costs for children placed in unlicensed relative homes. The Act limits administrative reimbursement only to licensed foster homes (caring for related or non related children) or unlicensed foster homes (caring for relatives) who have submitted an application for licensure. The Act allows for administrative reimbursement for up to 12 months or the average time it takes for DCS to license a foster home. DCS' average length of time to license a foster home currently exceeds the 12 months allowed, thus we need to license relative homes within the 12 month time frame. All new unlicensed relative placements must begin the licensing process upon placement of the child. An application for initial licensure must consist of one of the following:

- i. Completion of the name based background check and signature on the Background Check Application; or
- ii. Completion of the application for a foster home license.

The application must be signed and dated upon placement of the child in the unlicensed relative home. This date should be entered in ICWIS on the resource provider detail screen in the 'Applied On' field. The system date automatically appears and the user must override that date with the application date.

In light of the reimbursement changes, a licensing initiative should begin in your county to license relative homes with existing placements. These homes must have an application date entered into ICWIS. The documentation in ICWIS of a completed application for licensure or relicensure should be the immediate first steps to allow the Department to claim administrative costs. Completing the licensing process should then follow. If the Primary Applicant Form has been signed and dated, this date can be used as the application date and entered in ICWIS in the 'Applied on' field. DCS does not mandate the removal of related children from homes of relatives who are denied licensure, voluntarily withdraw their application or do not complete the licensing or relicensure requirements. All supportive documentation should be placed in the case record. The results of the national history check will be located in locked files in Central Office.

The January 26, 2007 ICWIS migration will include the above changes. The supporting policies, Child at Imminent Risk of Placement and Informal Adjustment, will be posted on the DCS website with a February 1, 2007 effective date. If there are any questions related to these changes, please contact DCS Policy @ DCSPolicy@dcs.in.gov.