

# Position Statement

For 2022 Session

## FFPSA: Background Studies & Title IV-E Payments

### Proposal

#### Issue:

*The Federal Families First Prevention Services Act (FFPSA), under section 471(a)(20)(D), establishes the circumstances under which an agency may claim title IV-E foster care maintenance payments on behalf of an eligible child. A title IV-E agency may only claim title IV-E foster care maintenance payments on behalf of a child placed in a child care institution **if**, during the period the period the title IV-E agency claims title IV-E foster care maintenance payments, the results of the criminal record background checks [which include fingerprint-based criminal records checks of national crime information databases and child abuse registry checks] have been received for all of the adults working in the child care institution.*

*The procedures under 471(a)(20)(D) of the Act do not govern when an employee may be hired to work in a child care institution, or whether an employee may work in a child care institution at a certain point in time (e.g., before the results of the criminal record checks are received).*

[CWPM 8.4F General Title IV-E Requirements, Criminal Record and Registry Checks; Question 34]

With the probability of constant employee turnover, which is inevitable in any business environment, the possibility of an “agency” (Counties) being in federal title IV-E compliance for foster care maintenance payments could change on a daily basis. The collecting of federal dollars to support these necessary placements of IV-E eligible children becomes a logistical bookkeeping nightmare. This raises the possibility of overpayments, and therefore the loss of federal IV-E revenues to Counties and higher local taxes to county residents.

#### Implementation Strategy:

MACSSA’s strategy for ensuring the collection of title IV-E dollars:

1. Daily Checking of Child Institutions Background Study Compliance:  
During the 2020 MN Legislative Session, MACSSA and DHS were successful in amending MS 245A.041;subd 5, which requires residential facilities and foster residence settings license to document each employee’s first date of employment. This documentation must be provided to the DHS Commissioner upon her/his request.

Although this information is helpful, it doesn’t give Counties the information they need to be able to bill title IV-E funding for foster care maintenance payments. In addition to the start date, Counties must have the date on which each employee’s background check(s) (MN and if required CANR) request was received. It is only when each employee’s background check(s) comes back cleared that County’s can then bill for IV-E funding.

MACSSA believes that as the licensing authority, DHS/DOC must require each residential facility and foster residence setting to keep a running (daily) list of all employees with their first date of employment and the date of when each required background check was received. This would give Counties an up-to-date access of each facility’s and foster care setting’s title IV-E claiming status.

2. Out-of-State IV-E Facility Placements and Background Study Issues:

- A) MACSSA believes that DHS has payment information on the facilities located in other US States that are most utilized by MN Counties. MACSSA requests that DHS works with these out-of-state facilities to help ensure that these facilities stay current with the employee background check requirements and give access to MN Counties to their current IV-E claiming status.
- B) MACSSA offers to work with DHS and our federal delegation in order to ensure each US State's commitment to the timely processing of out-of-state CANR background requests. This mutual agreement will help ensure timely IV-E payments for claiming agencies in all States.

3. Background Studies Fingerprinting Facilities:

DHS has entered into a contract with Identogo to conduct the required fingerprinting background requests. Identogo has 96 background fingerprinting service centers around MN that are either currently active or will be active by the end of 2021. MACSSA requests that DHS diligently reviews the adequacy of the number and placement of the fingerprinting service centers and the timeliness of their return of completed background studies. MACSSA requests that DHS share their findings after six months of review beginning in July 2022. The service center's ability to conduct background studies timely will affect whether or not MN citizens will have their taxes increased in order to pay for uncompensated, but otherwise eligible, title IV-E payments.

4. Establishment of DHS Funds for County IV-E Funding Loss Due to DHS Decisions:

The 2019 MN Legislature awarded DHS' request for \$3.3 million (\$1.9 million SFY 2020-21; \$1.4 million SFY 2022-23) for FFPSA planning, infrastructure, capacity, and systems modifications. October 1, 2021 established the first day MN Counties could claim IV-E funding for foster care maintenance payments under the new FFPSA guidelines. However, on October 1, 2021, DHS' new guidelines for Counties to be able to claim IV-E funds was not in place. In fact, it may not be adequately in place for many months, due to the lack of DHS' infrastructure readiness. This means that MN Counties will not be able to claim title IV-E funds for any new IV-E eligible placements until the infrastructure is fully in place. MACSSA believes that MN Counties loss of any title IV-E revenue due to MNs lack of readiness, after three years of planning, should not fall back on the county taxpayers but should be reimbursed to the Counties by DHS.

**Systemic Priority Alignment**  
**(highlight all that apply and explain why)**

- **Equity**
- **Integrated Services**
- **Fiscal Framework**

From the GARE Toolkit (See [www.racialequityalliance.org](http://www.racialequityalliance.org)):

What are the racial equity impacts of this particular decision? **I believe no racial equity impacts will occur.**

Who will benefit from or be burdened by it? **Benefit or Burden = MN Taxpayers**

Are there strategies to mitigate unintended consequences? **No**

**Comments:**

**Relevant Committee**  
**(highlight all that apply and explain why)**

- Adult Services
- Behavioral Health
- **Children's Services**
- Equity
- Healthcare
- Modernization
- Policy
- Self-Sufficiency

**Why:** It could affect how, when, and where children are placed in child caring facilities.

**Rationale/Background:**

FFPSA establishes the circumstance under which MN placing agencies (Counties) may claim federal title IV-E foster care maintenance payments.



**MACSSA**  
Minnesota Association of County  
Social Service Administrators

Submitted by:

Approved on: