

ACF

Administration
for Children
and Families

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration on Children, Youth and Families

1. Log No: **ACYF-CB-IM-XX-XX**

2. Issuance Date: **XXXXXXXXXX**

3. Originating Office: **Children's Bureau**

4. Key Words: **Child Welfare Waiver Demonstration Projects**

TO: State and Tribal Agencies Administering or Supervising Administration of IV-E of the Social Security Act

SUBJECT: Child Welfare Demonstration Projects for Fiscal Years (FYs) 2012- 2014

LEGAL AND RELATED REFERENCES: Title IV-B of the Social Security Act
Title IV-E of the Social Security Act
Section 1130 of the Social Security Act, as amended by Public Law (P.L.) 112-34, the Child and Family Services Improvement and Innovation Act (Appendix I)

PURPOSE: The purpose of this Information Memorandum is to announce that the U.S. Department of Health and Human Services (Department) is inviting title IV-E agencies to submit proposals for new child welfare waiver demonstration projects for consideration in FYs 2012 – 2014. The Information Memorandum informs interested parties of: (1) the procedures the Department expects applicants to employ in involving the public in the development of proposed demonstration projects under Section 1130 of the Social Security Act (the Act); (2) the procedures the Department will follow in receiving and reviewing demonstration proposals; and (3) the principles and procedures the Department will follow in exercising its discretion to grant demonstration projects under the authority in Section 1130(a) of the Act.

Due Date: For fiscal year 2012 demonstrations, applicants must submit proposals within 8 weeks of the publication of this IM (by **DATE 2012**). The Department will accept proposals after that date, however, applicants should be advised that later submissions may not be able to be reviewed prior to the end of FY 2012. Proposals received during FY 2012 that are not able to be reviewed during that time period will be carried over for consideration in FY 2013.

**Proposals must be submitted electronically to:
cwwaivers@acf.hhs.gov**

It is the intent of the Department to make proposals available to the public. Therefore, to facilitate posting on the Department's website, the proposal must be submitting in the format of a Microsoft Word document or as a PDF that was created in Word and then saved as a PDF (but not a scanned PDF).

**FOR FURTHER
INFORMATION:**

See the ACF Website at <http://www.acf.hhs.gov/programs/cb/> or contact Gail Collins, Children's Bureau, Administration on Children, Youth and Families, HHS at (202) 205-8552.

BACKGROUND:

Overview of Child Welfare Waiver Demonstration Authority

Section 1130 of the Social Security Act (Act), as amended, provides the Department of Health and Human Services with authority to approve up to ten child welfare waiver demonstration projects in each of FYs 2012 - 2014. These demonstration projects involve the waiver of certain requirements of titles IV-E and IV-B, the sections of the Act that govern the foster care, adoption assistance and optional kinship guardianship assistance programs, as well as related expenses for program administration, training, and automated systems; as well as the Chafee Foster Care Independence Program, the Stephanie Tubbs Jones Child Welfare Services program, and the Promoting Safe and Stable Families program. Unlike competitive discretionary grants, waiver demonstration projects, do not provide additional funding to carry out new services; rather they allow more flexible use of Federal funds in order to test new approaches to service delivery and financing structures, in an effort to improve outcomes for children and families involved in the child welfare system.

The Child Welfare Demonstration Project authority was first authorized by Congress in 1994 and then was expanded and extended as part of the Adoption and Safe Families Act (ASFA) of 1997 (P.L. 105-89). ASFA authorized the Department to approve up to ten State child welfare demonstrations in each of the five fiscal years (FYs) 1998 – 2002. Subsequent laws extended the authority for additional periods of time, with some lapses, until the authority expired on March 31, 2006.

Between FY 1994 and FY 2006, 23 States implemented one or more waiver demonstration projects involving a variety of service strategies, including:

- Subsidized guardianship/kinship permanence;
- Flexible funding and capped IV-E allocations to local agencies;
- Managed care payment systems;
- Services for caregivers with substance use disorders;

- Intensive service options, including expedited reunification services; and
- Adoption and post-permanency services.

While many projects have been completed, as of April 2012, 6 States have active waiver demonstration projects. One project is focused on services for caregivers with substance abuse disorders and 5 are flexible funding/capped allocation projects that provide an array of child welfare services to ensure children's safety, prevent removal from home and/or expedite permanency for children in foster care. Additional information on current and past waiver demonstration projects may be found on the Children's Bureau's website at: http://www.acf.hhs.gov/programs/cb/programs_fund/index.htm#child

Most recently, the Child and Family Services Improvement and Innovation Act, P.L. 112-34, signed into law on September 30, 2011, amended and reauthorized the authority for three additional years from FY 2012 – FY 2014. Among other changes, the law makes any Indian Tribe, Tribal organization or consortium approved to operate a title IV-E program eligible to apply to conduct demonstration projects. The law also establishes additional criteria for being considered to conduct a waiver demonstration project, including a requirement that the title IV-E agency implement at least two child welfare improvement program improvement policies (from a list provided in statute) within three years of the application. One of the program improvement policies may have been implemented prior to the submission of the application, but at least one policy must be new. Additional information on this requirement and other changes are provided in the sections below.

REQUIREMENTS FOR NEW CHILD WELFARE WAIVER DEMONSTRATION PROJECTS:

Eligible Applicants

Eligibility for child welfare waiver demonstration projects is limited to:

- States administering or supervising administration of title IV-E; and
- Indian Tribes, Tribal organizations or consortia approved to operate a title IV-E program.

In the remainder of this IM eligible applicants will be referred to as title IV-E agencies. States with current child welfare waiver demonstration projects are not subject to the requirements in this IM when applying for a renewal, except for the statutory requirement that all child welfare waiver demonstration projects authorized by Section 1130 of the Act (including those authorized or extended prior to the passage of P.L. 112-34) must terminate operation by September 30, 2019.

Goals

Section 1130(a)(3)(A), as amended by P.L. 112-34, requires that the title IV-E agency applying for a child welfare waiver demonstration project shall have one or more of the following goals:

- Increase permanency for all infants, children, and youth by reducing the time in foster placements when possible and promoting a successful transition to adulthood for older youth.
- Increase positive outcomes for infants, children, youth, and families in their homes and communities, including tribal communities, and improve the safety and well-being of infants, children, and youth.
- Prevent child abuse and neglect and the re-entry of infants, children, and youth into foster care.

The child welfare demonstration authority provides an opportunity for title IV-E agencies to design and test a wide range of approaches that respond to the unique needs of their own child welfare systems and to respond in a creative and targeted manner to areas in need of improvement identified through the Child and Family Services Review (CFSR) or other assessments. In addition to providing title IV-E agencies with greater flexibility in the use of their Federal child welfare funds to implement new strategies, the demonstration projects include a strong evaluation component that will help agencies to learn the extent to which new interventions are successful in addressing identified areas.

HHS will prioritize consideration of waiver applications in which the title IV-E agencies propose to use the flexibility under the demonstrations as a vehicle to test or implement innovative, evidence-based or evidence-informed screening and intervention approaches that will produce positive outcomes for children, youth and their families, with particular attention to addressing the trauma experienced by children who have experienced abuse and neglect and to improving well-being outcomes.

Many States and child welfare experts have noted that Federal funding is now largely directed to out-of-home care and have suggested that with more flexibility in funding, title IV-E agencies could devote more resources to services that could help prevent foster care placement and improve outcomes for children. We encourage title IV-E agencies to consider how funding flexibility could be used to expand services prior to foster care placement. In addition, we are interested in proposals that couple Federal funding with funding from other sources, including the philanthropic community, particularly proposals that seek to structure funding such that the State and/or participating counties have strong incentives to improve outcomes. While there has been significant emphasis in child welfare discussions in recent years related to financing mechanisms, it is unlikely that reorganizing funding mechanisms alone will improve outcomes for children. Fortunately, as is discussed in more detail below, there is a growing body of evidence suggesting that there are effective approaches to improving outcomes for children and families in which abuse or neglect has taken place or is likely to take place. However, such approaches too rarely are being utilized by many child welfare agencies. Our goal in facilitating innovation and experimentation in child welfare programs is to improve outcomes for children and, thus, we encourage States to consider whether funding flexibility and improvements in the service strategies for children both at risk of foster care placement and those already placed outside the home could lead to better outcomes for children.

Section 1130(a)(3)(A)(ii), provides that, in designing a demonstration project to accomplish one or more of the goals above, title IV-E agencies may elect to establish programs in two areas. However the statute does not require or limit the waiver proposals to these areas:

- A program that permits title IV-E foster care maintenance payments to be made on behalf of a child residing with a parent in a long-term therapeutic family treatment center. A long-term therapeutic family treatment center is defined as a State or Tribe licensed or certified program that enables parents and their children to live together in a safe environment, for a period of not less than 6 months and which provides on-site or by referral, substance abuse treatment services, children's early intervention services, family counseling, legal services, medical care, mental health services, nursery and preschool, parenting skills training, pediatric care, prenatal care, sexual abuse therapy, relapse prevention, transportation, and job or vocational training or classes leading to a secondary school diploma or a certificate of general equivalence (sections 1130(a)(3)(A)(ii) and (8) (B) of the Act).
- A program to identify and address domestic violence that endangers children and results in the placement of children in foster care (section 1130(a)(3)(A)(ii) of the Act).

The Department will consider a waiver application including or consisting of such a component, in accordance with all the requirements of the law and the procedures outlined in this IM.

Areas of Priority for Waiver Demonstrations

Focus on Well-being

States explicitly seeking to improve well-being outcomes as part of their waiver demonstration proposal will be given priority. Although the child welfare field has not adopted a uniform definition of child well-being, the Administration on Children, Youth and Families (ACYF) within Department conceptualizes well-being as encompassing competent and developmentally appropriate functioning across a number of domains (See Appendix II – ACYF Well-Being Framework). The broad domains include behavioral and emotional functioning, social functioning, cognitive and academic functioning, physical health and development, and mental health. Multiple aspects of functioning may be observed within each of these domains (for example, self regulation skills may be one indicator of behavioral functioning). Further, aspects of competent functioning within a given domain are expected to vary according to the age or developmental status of the child or youth. Child well-being across these domains may be influenced by contextual factors both external and internal to the child, including environmental supports and personal characteristics such as temperament and abilities. These contextual factors (intermediate outcomes) may function as either risk or protective factors for the child.

This emphasis on well-being outcomes in child welfare waiver demonstrations is now timelier than ever before. Within the last decade, the field of knowledge of what works for promoting behavioral, social, and emotional well-being among children with an array of challenges, including the types of challenges faced by those who have experienced maltreatment, has grown greatly. The emergence of effective interventions at multiple levels – at the child level related to

trauma and mental health; at the older youth level related to the relational health and social and emotional well-being; and at the caregiver level related to increasing capacity to care for their children – provides an opportunity to impact the life circumstances of families as a whole. Evidence-based practices and interventions that are tailored to meet the needs of children and youth who have experienced trauma and have behavioral and mental health needs and their families do exist and their use can be increased.

These evidence-based practices have been developed to address the most common mental health diagnoses, trauma symptoms and behavioral health needs of children. (Evidence-based practices such as Functional Family Therapy, Trauma-focused Cognitive Behavioral Therapy, Adolescents Coping with Depression and Parent-Child Interaction Therapy are examples.) Such interventions show measurable improvements in decreasing emotional/behavioral symptoms; diminishing depression, anxiety; increasing the ability to self-regulate; improving physical health; and helping traumatized children and youth form and maintain healthy attachments. Many of the evidence-based practices designed to improve child functioning also improve parenting capacities. These evidence-based practices are available but many have not been brought to scale or targeted to the foster care population even though they have been shown to improve functioning.

In addition to improving overall functioning, many of these behavioral and psychosocial interventions are considered first-line or concurrent treatments for children for whom a psychotropic medication is being considered or used. Children in foster care are prescribed psychotropic medications at higher rates (in 2007, 12.4% of children in foster care were prescribed psychotropic medications, compared to 1.6% of children participating in Medicaid programs¹) and addressing the higher rates of psychotropic medication use with children in foster care is one component of the overall strategy to address their social and emotional needs. HHS is taking steps to increase oversight and monitoring of psychotropic prescription use in addition to promoting the use of effective interventions to meet the needs of this vulnerable population.

In recent years, public and private sector organizations have produced extensive, publicly available lists and databases of evidence-based interventions for improving well-being outcomes in vulnerable children. These include, among others, SAMHSA's National Registry of Evidence-Based Programs and Practices (NREPP) and the U.S. Department of Justice's CrimeSolutions.gov. The Agency for Healthcare Research and Quality is currently conducting an evidence review of "Interventions Addressing Child Exposure to Trauma: Child Maltreatment and Family Violence", which will be available later in the year.² Additionally, many institutions, including SAMHSA and organizations funded by HHS including the National Child Traumatic Stress Network (NCTSN) and, the National Early Childhood Technical Assistance Center (NECTAC) have published publicly-accessible reviews of valid and reliable instruments for screening and assessing various aspects of social-emotional well-being with different populations and age groups. As such, not only is it more feasible than ever to identify and implement evidence-based interventions, it is also now more feasible for title IV-E agencies and service

¹ Foti, ME; et al. (2010). Antipsychotic medication use in Medicaid children and adolescents. Rutgers University Center for Education and Research on Mental Health Therapeutics.

² <http://www.effectivehealthcare.ahrq.gov/index.cfm/search-for-guides-reviews-and-reports/?pageaction=displayproduct&productid=846>

providers to identify child-level problems and assess changes in well-being outcomes during and after the use of an intervention. (Screening and assessment tools such as the Strengths and Difficulties Questionnaire, the Child Behavior Checklist, Child and Adolescent Needs and Strengths, Social Skills Rating System, and the Trauma Symptom Checklist are examples.)

Child welfare and mental health systems can develop the capacity to install, implement, and sustain these evidence-based interventions by using research to identify effective interventions that meet the needs of the specific population to be served; making needed adaptations to bring the interventions to scale within the child welfare system, developing an awareness of principles of evidence-based practices among staff at all levels; and reorganizing infrastructure to support implementation fidelity.

Waiver demonstrations can be an important mechanism by which title IV-E agencies implement and scale up effective screening, assessment and interventions focused on well-being outcomes. Waiver demonstrations can support title IV-E agencies in their efforts to shift professional practice from a reliance on generic interventions to interventions with demonstrable improvements in outcomes. In a study of children receiving mental health services, McCrae, Guo, and Barth (2010) found that children who got typical mental health services had more behavioral problems over time than those who received none. It is important to note that the McCrae, et al noted that the “study should not be understood to indicate that all [mental health services] for children involved with [child welfare services] are ineffective; rather, it indicates that children [in child welfare] do not predictably receive services that are sufficient to help them overcome their behavioral difficulties”.^[1][1] Concurrently, there is often a struggle encountered with successfully scaling up selected evidence based interventions while effectively converting the old service array to new, evidence-supported services. Title IV-E agencies that coordinate efforts within and across departments to innovatively re-tool the complement of services available to youth and families in the child welfare system are more likely to achieve sustainable change. Service coordination at the State and local level can benefit from the growing effort across Federal agencies, including the Substance Abuse and Mental Health Services Administration, National Institutes of Mental Health, National Institute on Drug Abuse, Department of Justice, and others, to promote improved well-being outcomes and the use of effective practices.

The movement toward well-being is not a move away from the important emphasis on safety and permanency; rather an integrated approach is needed. Program models can concurrently meet the social and emotional well-being needs of children and the goal of permanency by ensuring the receipt of effective behavioral and mental health services while also pursuing permanency, including recruiting adoptive families able and willing to care for children with those needs, when reunification is not an option. Recruitment effectiveness is enhanced when programmatic components include staffing for small caseloads (i.e. actively serve only 12 to 15 children at a time) to allow for a focus on building a relationship with the child, conducting a thorough case record review, assessing the child, ensuring the child and prospective family are prepared for adoption, building networks of support, developing, updating and implementing a recruitment

^[1][1] McCrae, J.S., Barth, R., and Guo, S. (2010) *Changes in maltreated children’s emotional-behavioral problems following typically provided mental health services*. American Journal of Orthopsychiatry. 80(3). 350-361.

plan, and performing a diligent search for adoptive resources (See Appendix III).³ One national evaluation found that among children who had mental health disorders, those served by a recruitment program were more than three times as likely to be adopted as those the program did not serve.⁴ In addition to intensive recruitment efforts, ensuring that children receive effective behavioral and mental health services is critical to facilitating a smoother transition to an adoptive home, and can decrease the chances of a disruption of an adoption.

Importantly, a longitudinal study of adopted children found that children adopted from foster care have high rates of behavior problems at 2, 4, and 8 years following their adoption. These rates were much higher than what would be expected in the general population.⁵ This suggests that although achieving permanency through adoption for waiting children and youth is critical, it is not sufficient to ensure the longer-term behavioral health of children who have been adopted. As all States move towards reinvesting funds under adoption assistance as noted above, priority in the waiver demonstration will be given to those interested in identifying and testing approaches that enhance the social and emotional well-being of children and youth who are available for adoption as well as those who have been adopted.

Testing Policy and Practice Alternatives

Because this waiver authority must be limited to ten title IV-E agencies per year in each of FYs 2012 - 2014, the Department will give priority to proposals testing policy alternatives that are innovative as well as 1) likely to yield more than modest improvements in the lives of children and families and 2) contribute to the evidence base on what works to improve the lives of children and families. The Department encourages States and Tribes that may be planning to propose demonstration projects similar to each other, to consider collaborating on the design of the projects and evaluations, to produce a test of the same demonstration project in diverse settings.

Title IV-E agencies are encouraged to consider particular strategies, mechanisms, or projects which, if undertaken concurrently with their waiver project, would improve access to, coordinate, and/or find efficiencies in the delivery of effective mental and behavioral health services to children and youth and their families involved in child welfare. Title IV-E agencies are encouraged to engage in a dialogue with State Medicaid and mental health agencies and consider new and existing opportunities in Medicaid and/or other program areas to complement Medicaid's efforts to serve children with special needs. Several opportunities may exist to link with Medicaid, such as technical assistance available through Centers for Medicare & Medicaid Services (CMS) for health homes.

³ Malm, K., Vandivere, S., Allen, T., DeVoght, K., Ellis, R., McKlindon, A., Smollar, J., Williams, E. and Zinn, A. (2011). Evaluation Report Summary: The Wendy's Wonderful Kids Initiative, Child Trends, Washington, D.C.

⁴ Vandivere, S., Allen, T., Malm, K. McKindon, A., and Zinn, A. (2011) *Technical Report #2: Wendy's Wonderful Kids Program Impacts*, Child Trends, Washington, D.C. Retrieved from:

<http://www.davethomasfoundation.org/about-foster-care-adoption/research/read-the-research/technical-report-2/>

⁵ Simmel, C.; et al. (2007). Adopted youths psychosocial functioning: A longitudinal perspective. *Child and Family Social Work*. 12(4):336. BPI: Behavior Problems Index

In testing new program approaches to the delivery of child welfare services, the Department encourages proposals that leverage resources and make improvements concurrently through child welfare and through related program areas. For example, title IV-E agencies can connect with State planning efforts related to mental health, such as efforts to take the “System of Care” model state wide through the Children’s Mental Health Initiative or the use of Mental Health Block Grant funds. Alignment with other Federal activities such as plan amendments, waivers or discretionary funding opportunities is a means by which to make significant progress in the improvement of child well-being. To the extent this approach is taken, applicants should include an explanation of either to what degree (1) improvements can be accomplished through coordination within another program’s existing authority or a plan amendment; or (2) coordinated improvements require waivers in another program.

Proposals that involve projects of other relevant Federal initiatives (e.g. title XIX (Medicaid) State Plan Amendments and/or waivers, coordination with the Temporary Assistance for Needy Families Program (TANF) program, etc.) will be strongly considered. Some examples of strategies for aligning a title IV-E waiver project with a Medicaid waiver include allowing for a behavioral health intervention to be provided in a Home and Community Based setting; parents to participate and benefit from an evidence-based intervention with their child; or targeting a particular part of a State without implementing Statewide. If waivers in other programs are identified in the proposal, such associated waiver plans and/or related collaborative activities must be included in the proposal for titles IV-B and E waivers. However, cost neutrality must be measured for titles IV-B and E separately from the cost neutrality calculations associated with other waivers.

Additionally, title IV-E agencies may be interested in pursuing Federal discretionary grants available in fiscal year 2012 that can leverage the impact of their child welfare waiver demonstration proposal. Agencies are encouraged to articulate in the application how the receipt of a particular discretionary grant will align with their waiver proposal and how receipt of both opportunities would enhance the ability to achieve greater progress on outcomes for children and families.

Importantly, there is a commitment within HHS to engage in discussions with States across multiple Federal agencies, including the Administration for Children and Families (ACF), CMS and the Substance Abuse and Mental Health Services Administration, to support innovation to improve well-being outcomes.

Measuring Improvements in Child Welfare and Related Program Areas

Since the child welfare waiver demonstration authority was first created, significant changes have occurred in the child welfare system. After many years of increases, foster care caseloads nationally and in most states have declined significantly in recent years. Nationally, the number of children in foster care declined by 22 percent from 523,000 in FY 2002 to 408,000 in FY 2010. The number of children adopted each year from foster care grew dramatically from approximately 31,000 in 1997 to annual numbers between 50,000 and 57,000 in each of FYs 2002 – 2010. Child welfare practice has evolved with increasing emphasis on areas such as the importance of social and emotional well-being, family engagement, maintaining family

connections for children and youth in foster care, greater use of kinship care, and the recognition of assisted kinship guardianship as an important permanency option for children in foster care for whom reunification and adoption are not appropriate.

The quality of data available to inform child welfare practice and policy has also improved significantly in recent years and the measurement of performance outcomes and other metrics has become a key part of both Federal monitoring and State-level quality assurance and accountability processes. Since the passage of the Adoption and Safe Families Act of 1997, the three outcome domains of safety, permanency and well-being have been embraced as the overarching goals of the child welfare system. Through the Child and Family Service Reviews (CFSRs), the Children's Bureau has assessed State performance on the following outcomes associated with these domains:

Safety

- Children are, first and foremost, protected from abuse and neglect.
- Children are safely maintained in their homes whenever possible and appropriate.

Permanency

- Children have permanency and stability in their living situations.
- The continuity of family relationships and connections is preserved for families.

Family and Child Well-Being

- Families have enhanced capacity to provide for their children's needs.
- Children receive appropriate services to meet their educational needs.
- Children receive adequate services to meet their physical and mental health needs.

While significant attention has been paid to all three outcome domains, the assessment and measurement of well-being has often lagged behind the other two domains and represents an important area for continued improvement. Therefore, the Department expects the demonstration proposals to seek to measure improvements in both family capacity to provide for children's needs and in child functioning in the educational, physical and mental health domains.

The demonstration waivers will provide an excellent means of better understanding the extent to which interventions can lead to improvements in well-being domains and the evaluation techniques that are best suited to measuring changes in these important areas. All waiver applications must describe how changes in these key domains of child and family well being will be measured, including the specific measures that will be used in each area and how the data will be collected on those measures. The evaluation should be developed in a manner that informs child welfare as well as other program areas (i.e. Medicaid, TANF, education, etc) that may be a collaborative partner in the proposal.

Requirement to Implement Child Welfare Program Improvement Policies

P.L. 112-34 amended section 1130(a)(3)(C) of the law to add an additional eligibility requirement. In order to be considered for a child welfare waiver demonstration, a title IV-E agency must demonstrate that it has implemented, or plans to implement within 3 years of the date on which it submits its application to conduct the demonstration project or 2 years after the date on which the Secretary approves such demonstration project (whichever is later), at least 2 child welfare program improvement policies from the list below.

At least one of the child welfare program improvement policies to be implemented must be a policy that the title IV-E agency has not previously implemented as of the date on which it submits an application to conduct the demonstration project. Note that implementation of such policies may be undertaken independent of the proposed child welfare waiver demonstration project or implemented as an integral part of the proposed child welfare waiver demonstration project.

Child Welfare Program Improvement Policies:

- 1) *Foster Care Bill of Rights:* Establishment of a bill of rights for infants, children, and youth in foster care that is widely shared and clearly outlines protections for infants, children, and youth, such as assuring frequent visits with parents, siblings, and caseworkers, access to attorneys, and participation in age-appropriate extracurricular activities, and procedures for ensuring the protections are provided.
- 2) *Addressing Health and Mental Health Needs of Children in Foster Care:* The development and implementation of a plan for meeting the health and mental health needs of infants, children, and youth in foster care that includes ensuring the provision of such care is child-specific, comprehensive, appropriate, and consistent, through such means as ensuring that the child has a medical home, regular wellness medical visits, and addressing the issue of trauma, when appropriate.
- 3) *Title IV-E Guardianship Assistance Program:* An amendment to the title IV-E plan that exercises the option to implement a kinship guardianship assistance program (GAP).
- 4) *Increase Age Limit for Title IV-E programs:* An election in the title IV-E plan that defines “child” so as to extend eligibility for title IV-E foster care, adoption assistance and, if applicable, kinship guardianship assistance programs beyond the age of 18 up to age 21.
- 5) *Limiting Use of Congregate Care:* The development and implementation of a plan that ensures congregate care is used appropriately and reduces the placement of children and youth in such care.
- 6) *Keeping Siblings Together:* For infants, children, and youth in out-of-home placements, substantially increasing the number of cases of siblings who are in the same foster care, kinship guardianship, or adoptive placement, above the number of such cases in fiscal year 2008.
- 7) *Recruiting and Supporting High Quality Foster Family Homes:* The development and implementation of a plan to improve the recruitment and retention of high quality foster family homes trained to help assist infants, children, and youth swiftly secure permanent families. Supports for foster families under such as plan may include increasing maintenance payments to more adequately meet the needs of infants, children, and youth

in foster care and expanding training, respite care, and other support services for foster parents.

- 8) *Preparing Youth in Transition*: The establishment of procedures designed to assist youth as they prepare for their transition out of foster care, such as arranging for participation in age-appropriate extra-curricular activities, providing appropriate access to cell phones, computers, and opportunities to obtain a driver's license, providing notification of all sibling placements if siblings are in care and sibling location if siblings are out of care, and providing counseling and financial support for post- secondary education.
- 9) *Description of Procedures to Assist Youth in Foster Care to Reconnect with Biological Family Members*: Inclusion in the title IV-E plan of a description of the title IV-E agency's procedures for ensuring that foster youth ages 16 and older are engaged in discussions regarding their desire to reconnect with biological family members, including during the development of transition plans required by the case plan and case review requirements of Section 475(1)(D) and 5(H) of the Act. Such discussions must:
 - Explore whether the youth wishes to reconnect with his or her biological family, including parents, grandparents, and siblings, and, if so, what skills and strategies the youth will need to successfully and safely reconnect with those family members;
 - Provide appropriate guidance and services to assist youth who affirm a desire to reconnect with biological family members to safely and successfully achieve this goal; and
 - When appropriate, make efforts to include biological family members in the reconnection effort.
- 10) *Establishment of Specific Programs to Prevent Foster Care Entry or Provide Permanency*: The establishment of one or more of the following programs that are designed to prevent infants, children, and youth from entering foster care or to provide permanency for infants, children and youth in foster care:
 - An intensive family finding program
 - A kinship navigator program
 - A family counseling program, such as family group decision-making program, which may include in-home peer support for families.
 - A comprehensive family-based substance abuse treatment program
 - A program under which special efforts are made to to identify and address domestic violence that endangers infants, children, and youth and puts them at risk of entering foster care.
 - A mentoring program.

Evaluation

Section 1130(f) requires that each Title IV-E agency authorized to conduct a demonstration project must obtain an evaluation by an independent contractor to assess the effectiveness of the project. The evaluation plan, at a minimum, must provide for:

- A comparison of methods of service delivery under the project, and such methods under a State or Tribal plan or plans, with respect to efficiency, economy and any other appropriate measures of program management; and

- A comparison of outcomes for children and families (and groups of children and families) under the project, and such outcomes under a State or Tribal plan or plans, for the purposes of assessing the effectiveness of the project in achieving program goals; and
- Any other information the Department may require.

The Department will require all proposals, regardless of area of focus, to include high-quality measurement of well-being outcomes.

In general, evaluations must include:

- *Process Evaluation:* The process evaluation examines how the demonstration has been implemented, including the policies and procedures that have been put in place, the types and volumes of services delivered and the characteristics of the population served. The process evaluation should include measures of implementation readiness and program implementation fidelity. During the conduct of the demonstration, the process evaluation should provide early feedback as to whether or not the demonstration has proceeded as intended, what barriers have been encountered and what changes are needed to allow for successful implementation. At the conclusion of the project, the process evaluation should help answer questions about why the intended outcomes were or were not achieved.
- *Outcome Evaluation:* The outcome evaluation should include a series of testable hypotheses concerning the changes in child, family and system outcomes that the demonstration is intended to achieve. The outcome evaluation should address whether or not any observed changes in children, families, and systems are attributable to the activities conducted under the demonstration, and if such outcomes are different from those that would have been achieved under “services as usual” conditions. The specific outcomes to be assessed will be developed in the context of each individual demonstration, but must include measures of safety, permanency and well-being.
- *Cost Analysis:* A cost analysis examines the costs of services received by children and families in various cost categories, for example, service type, funding source, service provider, costs per family or child, etc. The analysis may involve a longitudinal examination of changes in costs over time, i.e., how service costs prior to the start of the demonstration differed from costs following implementation, or a comparative analysis of the costs of services received by children and families assigned to the demonstration versus the costs of services for those that did not receive demonstration services. A cost analysis should include an examination of the use of key funding sources, including Federal sources such as titles IV-A, IV-B, IV-E and XIX of the Social Security Act, as well as State and local funds. When feasible, a cost analysis may also include a cost-effectiveness component that estimates the costs incurred for each successful outcome achieved through the demonstration. Using these methods, a cost analysis provides a frame of reference for understanding the relationship between demonstration costs and results.

Section 1130(a)(6) precludes the Department from considering whether or not a demonstration proposes to use an experimental design employing random assignment of individuals or groups to experimental and control groups in evaluating waiver demonstration proposals. Consistent with this provision, the Department will not give preference to a project employing random assignment in determining whether to approve waiver demonstrations.

Nonetheless, the Department expects that title IV-E agencies will propose to use a rigorous evaluation design that is appropriate to the intervention being tested, while ensuring that its evaluation techniques do not themselves have unintended or negative consequences on children. In many instances, an experimental design may prove to be the approach most likely to detect changes in outcomes attributable to the demonstration, particularly in a demonstration focused on a discrete service intervention that is not generally available to all children and families under current services. Therefore, we urge applicants to consider use of experimental designs in appropriate circumstances. However, the Department will consider other rigorous evaluation designs that provide reliable data, such as propensity score matching, other matched comparison group designs, regression discontinuity designs or designs involving longitudinal analysis of outcomes.

The Department has awarded a national contract to collect information from the approved demonstration projects; to produce annual reports for the Department and the general public; to collect, synthesize and report on the results of the individual demonstration projects' evaluations; to organize an annual meeting of demonstration project representatives and their evaluators; to assist demonstration project sites in resolving evaluation problems; to assist the Department in assuring that title IV-E agencies with approved demonstrations are informed of and able to profit from the experience of other demonstration projects; and to prepare a national summary of the child welfare demonstrations at the completion of the project periods. All Title IV-E agencies proposing a demonstration must provide an assurance that they will cooperate and collaborate in this evaluation effort.

General Considerations and Provisions Not Subject to Waiver

Projects conducted under the authority of Section 1130 of the Act must be consistent with the purposes of titles IV-B and IV-E of the Act. In addition, Section 1130 (b) excludes certain provisions of titles IV-E and IV-B from waiver. They are:

- **Section 422(b)(8) of the Act** - This section is a title IV-B plan requirement that includes an assurance that the Title IV-E agency is operating a statewide information system which can determine the status of children in foster care and a case review system which provides certain protections for children in foster care (see section 475(5) of the Act for detailed explanation of case review requirements) and also has procedures and policies relating to abandoned infants.
- **Section 479** of the Act – This section establishes the data collection requirements for the Adoption and Foster Care Analysis and Reporting System (AFCARS).

- Any provision of title IV-E to the extent that a demonstration project would impair the entitlement of any qualified child or family to benefits under Part E.

In addition, the Department has determined that it will exclude from waiver those provisions of sections 471 (a)(8) and (12) which provide for confidentiality and fair hearings, respectively. All other provisions may be waived at the discretion of the Secretary, provided the waiver is consistent with the purposes of the statute.

While the Department is committed to working with title IV-E agencies to consider a range of proposals, it may disapprove or limit proposals on policy grounds and will not approve waivers that create potential constitutional problems or violate civil rights laws or equal protection requirements.

Additional Considerations and Limitations

The statute places additional limitations on the waiver requests that can be approved:

Health Insurance for Adopted Children with Special Needs: Section 1130(a)(4) specifies that the Secretary may not approve a demonstration project for any title IV-E agency that fails to provide health insurance coverage to any child with special needs (as determined under section 473(c) of the Act) for whom there is in effect an adoption assistance agreement between a title IV-E agency and an adoptive parent or parents.

Consideration of Applicant's Readiness to Implement the Demonstration: Section 1130(a)(3)(B) requires the title IV-E agency as part of its proposal for a waiver demonstration to demonstrate through a narrative description the title IV-E agency's capacity to effectively use the authority to conduct a demonstration project by identifying changes the Title IV-E agency has made or plans to make in policies, procedures, or other elements of the title IV-E child welfare program that will enable the Title IV-E agency to successfully achieve the goal or goals of the project.

Consideration of Court Orders and CFSR Program Improvement Plans: Section 1130(a)(5) requires the Secretary to consider the effect of any proposed demonstration submitted by a title IV-E agency in which there is a court order in effect that determined that the Title IV-E agency's child welfare program failed to comply with titles IV-B or IV-E of the Social Security Act or the U.S. Constitution. Likewise, the law also now requires the Secretary to consider the effect of any proposed demonstration on a State's ability to carry out a CFSR Program Improvement Plan (PIP).

Therefore, the Department requires that all proposals must: (1) identify whether court order as described above is in effect; (2) address the status of the applicant's CFSR PIP; and (3) provide an analysis of whether and how the proposed demonstration would affect the ability of the applicant to successfully comply with the terms of the court order and/or complete its CFSR PIP.

Duration

Section 1130 (d) of the Act, as amended, limits the duration of the demonstration to not more than five years unless in the judgment of the Secretary, the demonstration project should be

allowed to continue. The law further provides that all child welfare waiver demonstration projects authorized by Section 1130 of the Act (including those authorized or extended prior to the passage of P.L. 112-34) must terminate operation by September 30, 2019.

Cost-Neutrality

Section 1130 (h) requires that the demonstration project be cost-neutral over the period of the demonstration, that is, the total amount of Federal funds used to support the demonstration over the approved project period will not exceed the amount of Federal funds that would have been expended by the title IV-E agency under the State/Tribe plans approved under Parts B and E of title IV of the Act, if the Demonstration project were not conducted. If a project incurs expenses exceeding the Federal cost-neutrality limit, the title IV-E agency is responsible for amounts above that limit.

The Department will determine at the beginning of each demonstration that the project can be reasonably expected to be cost-neutral over its projected duration. The Department will work with an applicant to devise a method for calculating cost-neutrality in advance of approval, so that the project will be able to assess cost-neutrality as the demonstration progresses. The Department will work with each applicant to consider the unique circumstances in the State or Tribe.

Methods for Measuring Cost-Neutrality: Over the years, the Department has developed several approaches for assessing and tracking cost-neutrality and will share these methodologies with applicants as part of technical assistance efforts. The Department will continue to examine quarterly claims and otherwise monitor demonstration projects to track interim results and spending and to assure Federal cost-neutrality as the demonstration project progresses.

In many waiver demonstration projects, the methodology for assessing cost neutrality has been tied to the evaluation design employed to measure outcomes of the project. For instance, in a project using an experimental or a matched comparison design for evaluation purposes, allowable title IV-E costs claimed for individuals assigned to the control (or services as usual) group can be used to set the limit for the amount of title IV-E funds that may be claimed for individuals assigned to the experimental (or waiver services) group.

In other projects, one group of counties in a State not participating in the waiver demonstration has served as a comparison group for another group of counties participating in the demonstration. In these instances, cost neutrality limits for participating counties are established by applying rates of growth or decline observed in the comparison counties to counties participating in the waiver.

In other projects, a capped allocation for the full term of the waiver demonstration has been negotiated upfront, based on historic expenditure and caseload trends prior to implementation of the waiver demonstration.

The Department will work with each applicant to discuss appropriate options for assessing cost neutrality in the context of the specific demonstration project proposed by the title IV-E agency.

Applicants are encouraged, particularly those proposing Statewide waivers, to look at options that may be a hybrid of previously used methodologies, and to consider the cost neutrality approaches for demonstration projects in other programs, like Medicaid, and for which some, but not necessarily all, components of expenditures under Parts B and E of title IV might be incorporated into mechanisms to measure cost neutrality.

Non-Federal Share: It is important to remember that under a waiver demonstration program, a Title IV-E agency is still operating the project under the authority of the titles IV-B and IV-E of the Act, which require agencies to pay specified amounts in non-Federal funds in order to receive Federal Financial Participation. In order to be able to claim the full amount of title IV-E Federal Financial Participation (FFP) for any title IV-E funds that would be allowed under the cost-neutrality formula, a Title IV-E agency must first expend sufficient non-Federal funds for such child welfare purposes. In other words, while waiver demonstrations allow title IV-E agencies to use title IV-E funds for purposes not normally allowable under the traditional program, the agency must still expend the full amount that would have been spent under the traditional program.

Use of Savings: Title IV-E agencies are required to use any Federal or State/Tribal funds that are saved or freed up under a demonstration and that are not expended for purposes approved as part of the demonstration for other child welfare purposes authorized by titles IV-B and IV-E of the Act.

Costs Excluded from Cost-Neutrality Limit: The costs of the required independent evaluation of each title IV-E agency's demonstration project will be excluded from the cost-neutrality calculation. In addition, the costs for the development of the proposal and the evaluation design, as well as the costs of the evaluation itself, may be directly charged as title IV-E administrative costs without needing to allocate costs to other benefiting programs. This means that a title IV-E agency may claim a full 50 percent of allowable developmental costs and evaluation costs as title IV-E administrative costs. Additionally, cost neutrality is not intended to disadvantage a State that wants to adopt a current law option that they can take without a waiver (i.e. Title IV-E guardianship option, etc).

Public Notice Procedures

The Department recognizes the importance of public input into the process of developing and implementing a waiver demonstration project. Therefore, the public must have a meaningful opportunity to provide input into the decision-making process prior to the time a proposal is approved by the Department. The Department requires that a Title IV-E agency notify the public that a child welfare demonstration project is being proposed and provide an opportunity for comment. Input may be obtained through public hearings, formal notice and comment procedures and notice of the intent to submit a demonstration proposal on prominent websites and/or in newspapers of general circulation, with an opportunity for the public to comment. Additionally, the Department will post on-line, completed State proposals (i.e., those that fully address the minimum requirements set forth in the authorizing legislation) and provide a mechanism for public comment on those proposals prior to a decision on those applications. Additionally, the Department will post all public comments it receives on the posted proposals.

Proposal Submission Procedures

A two-step procedure is provided to speed the review process and focus the Department's programmatic and technical assistance efforts. The steps, described below, involve the title IV-E agency submitting a letter of intent, followed by a full proposal at a later date. The Department will begin working with a Title IV-E agency to respond to specific questions upon receipt of its letter of intent. While the Department will review proposals not preceded by a letter of intent, the two-step process will facilitate provision of technical assistance and assist the Department in planning for the review of all proposals.

It is essential that both programmatic, financial and data officials from the title IV-E agency, as well as representatives from any partnering agencies, collaborate in the development of the proposal.

Letter of Intent

Title IV-E agencies interested in a child welfare demonstration are urged to submit a letter of intent prior to submission of the full proposal. The letter of intent should indicate the Title IV-E agency's intention to submit a proposal, and briefly describe the demonstration project, including the nature of the intervention the agency wishes to implement, the target population the agency wishes to serve, the reasons for selecting the proposed project and the evaluation design that the title IV-E agency is considering.

Proposals

Proposals for new waiver demonstrations must address all of the points below.

- 1) Clearly describe the purpose of proposed project. Explain the problem or issue that the demonstration is expected to address. Articulate the hypothesis that will be tested through the implementation of the program evaluation. Describe how the project is innovative and how it will foster improved child and family well being.
- 2) Describe which of the goals identified in statute that the project is intended to accomplish:
 - Increase permanency for all infants, children, and youth by reducing the time in foster placements when possible and promoting a successful transition to adulthood for older youth.
 - Increase positive outcomes for infants, children, youth, and families in their homes and communities, including tribal communities, and improve the safety and well-being of infants, children, and youth.
 - Prevent child abuse and neglect and the re-entry of infants, children, and youth into foster care.

- 3) Identify the target population to be served, including an estimate of the number of children or families who would be served by the proposed project; the estimated number of title IV-E foster cases involved; demographic information; child welfare status and history (e.g., substantiated reports of abuse and neglect, foster care status, lengths of stay in care) and other identified risk factors of the target population (e.g., parental substance abuse).
- 4) Identify the geographic area(s) in which the proposed project will be conducted.
- 5) Clearly describe the service intervention(s) the title IV-E agency intends to implement under the demonstration. Indicate whether the proposed interventions are evidence-based. Describe why the proposed intervention(s) were selected to meet the needs of the identified target population.
- 6) Identify the time period in which the project would be conducted.
- 7) Outline the specific outcomes on which the title IV-E agency expects the demonstration to have an impact, including outcomes relating to safety, permanency, well-being and how service provision will have changed for children and families. The Department expects that child welfare demonstrations will include specific measures assessing children's well-being and improved child and family functioning. In addition, ACF expects that demonstrations will measure not only the achievement of permanency, but appropriate post-permanency measures, such as whether children re-enter care, whether adoptions or guardianships disrupt or dissolve and any other pertinent information on how children and families fare after discharge from foster care.
- 8) Describe the evaluation design the title IV-E agency proposes to employ. Provide a justification of why the proposed approach is the most rigorous and appropriate approach to evaluation that will enable the Title IV-E agency to accurately determine the impact and effectiveness of the program intervention(s).
- 9) Provide an estimate of the costs or savings of the project, along with a description of the basis for projecting that the project would be cost-neutral overall.
- 10) Present a reliable method of measuring and ensuring Federal cost-neutrality over the course of the demonstration.
- 11) Describe any similar project already underway in the State or tribal service area that is supported by State, tribal or private foundation funds and how these activities will be affected if the title IV-E agency is approved to undertake the demonstration.
- 12) Provide an accounting of any additional Federal, State, tribal, and local investments made, as well as any private investments made in coordination with the title IV-E agency, during the past two fiscal years to provide the service intervention(s) that the applicant intends to undertake through the waiver demonstration.

- 13) Provide an assurance that the Title IV-E agency will continue to provide an accounting of that same spending for each year of the approved demonstration project.
- 14) Identify the statutory and regulatory requirements under titles IV-B or IV-E of the Act for which waivers will be needed to permit the proposed project to be conducted.
- 15) Address whether/how the demonstration will affect the Title IV-E agency's automated child welfare information system.
- 16) Provide a narrative description of the title IV-E agency's capacity to effectively use the waiver demonstration authority under Section 1130 of the Act to conduct a demonstration project by identifying changes the title IV-E agency has made or plans to make in policies, procedures, or other elements of the agency's child welfare program that will enable the title IV-E agency to achieve the goal or goals of the project.
- 17) Identify the steps taken to assure county, local, Tribal and/or judicial cooperation as required by the project. Supply a copy of letters or memoranda of agreement between the title IV-E agency and any county, municipality, Tribe or tribal organization, foundation, private agency or any other governmental organization that is to be a participant in the child welfare demonstration project.
- 18) Describe how the proposed project responds to the findings of the State's Child and Family Service Review and how it will affect implementation of the State's CFSR PIP.
- 19) Describe any court order in effect anywhere in the Title IV-E agency by which a court has determined that the Title IV-E agency's child welfare program failed to comply either 1) with State/Tribal child welfare laws or 2) with title IV-B, title IV-E or the Constitution, along with an analysis of whether the proposed demonstration project would have any effect on any such court order, and if so, how.
- 20) Describe methods used to obtain public input, a summary of comments received and how public input shaped the development of the proposal
- 21) Provide an assurance that the Title IV-E agency provides health insurance coverage for all special needs children for whom the Title IV-E agency has entered into an adoption assistance agreement.
- 22) Identify which of the Child Welfare Program Improvement Policies identified in section 1130(a)(3)(C) of the Act the title IV-E agency has implemented or intends to implement within three years of the date on which the title IV-E agency submits its application or two years after the Department approves the demonstration (whichever is later.) At least one of the child welfare program improvement policies to be implemented must be a policy that the title IV-E agency has not previously implemented as of the date on which it submits an application to conduct the demonstration project. (See "Requirement to Implement Program Improvement Policies" section on pages 11 – 12 of this IM.)

As proposals are received and determined to fully address the minimum requirements set forth in the authorizing legislation, they will be posted on the ACF Website, at <http://www.acf.hhs.gov/programs/cb>. This information will, among other things, enable State/Tribal officials and others to judge for themselves the nature and extent of competition for child welfare demonstrations.

Technical Assistance

The Children's Bureau in ACYF will provide all interested States/Tribes with a technical assistance package that will include, among other things:

- Information about resources that might be helpful to a Title IV-E agency in designing a demonstration and constructing an evaluation plan.
- Information on cost-neutrality examples;
- Samples of other key provisions of Terms and Conditions the Department has approved for child welfare demonstration projects in the past; and
- A checklist of the elements required in a proposal.

Upon receipt of a Letter of Intent from a title IV-E agency, ACYF staff will contact the appropriate title IV-E agency official to offer a conference call. If the Title IV-E agency accepts the offer, the Title IV-E agency can use the opportunity to describe further the nature and scope of the demonstration it is considering, its approach to evaluation, and to raise specific questions. Without making commitments at that point, ACYF staff will endeavor to answer questions concerning evaluation, cost neutrality, and the provisions of this Information Memorandum. Technical assistance will also be available to any Title IV-E agency that submits a proposal even though the Title IV-E agency did not submit a Letter of Intent.

These pre-submission contacts are regarded as technical assistance. They are an effort to help a title IV-E agency achieve its own purposes consistent with the priorities identified in this Information Memorandum and to anticipate, try to avoid or solve potential problems. Pre-approval consultation with a title IV-E agency (at any time before a proposal is submitted or while a proposal is under consideration) can include providing assistance related to preparing a proposal, answering specific questions regarding cost-neutrality and cost-allocation issues, working with a title IV-E agency to consider the scope of its project and options for evaluation, and referring a Title IV-E agency to other sources of assistance for the formulation of evaluation plans. Federal staff will not, however, participate in determining the basic nature of a Title IV-E agency's demonstration project. Neither the title IV-E agency nor ACYF will be bound by any positions taken or tentative agreements reached in such a session.

Review of Proposals

The Department intends to review proposals as promptly as possible after receipt. Proposals will be considered for approval to the extent that they fully address the minimum requirements set forth in the authorizing legislation. However, priority will be given to proposals that go beyond minimum requirements and 1) identify innovative approaches to meet the goal(s) chosen, and 2) measure the extent to which the efforts undertaken in the demonstration improve family capacity to meet children's needs and child functioning in the domains of education, physical health and/or mental health.

Proposals will be reviewed by Federal officials, who will also consider comments received from outside stakeholders (if any) and from the general public. The review process and all discussions and other activities leading up to a final decision will be managed by the Children's Bureau in ACYF. If the initial review discloses basic questions or issues with a proposal, the title IV-E agency may be contacted for more information or to resolve the problem so that the process can continue. The title IV-E agency will be permitted a reasonable period of time to address any issues raised during the initial review.

Following the initial review and responses to any basic questions as described above, ACYF will prepare and send to the title IV-E agency for written responses an Issue Paper containing questions regarding the proposed demonstration, which may include questions clarifying the purpose and target population for the demonstration, the evaluation approach, cost questions, or other issues that may affect the ability of the applicant to carry out a successful demonstration or the ability of the Department to approve the project, consistent with statutory requirements.

Following receipt of the title IV-E agency's responses to the Issue Paper, ACYF staff will undertake additional efforts to come to agreement on a proposed demonstration to recommend to the Secretary. Such efforts can include additional conference calls, exchanges of written statements and arguments, review and comment on draft Terms and Conditions prepared by the Children's Bureau, and face-to-face meetings.

Decisions

ACYF will make recommendations to the Secretary regarding the approval or disapproval of waiver proposals. The Terms and Conditions for a proposed child welfare demonstration will not be recommended for approval without the concurrence of the title IV-E agency that submitted the proposal and the Federal Office of Management and Budget. ACYF will also assure that other HHS components, as appropriate, and any other relevant Federal agencies have reviewed the Terms and Conditions. Title IV-E agencies will be informed of the Secretary's decisions as they are reached.

Federal Role

The overall management of child welfare demonstration projects will be the responsibility of the Children's Bureau's Central Office in Washington, D.C. Children's Bureau Regional Office staff will have the principal responsibility for on-site liaison. Proposals for additions or modifications

to the Terms and Conditions of any approved child welfare demonstration, including proposals for extension of the duration of any demonstration, are to be addressed to the Children's Bureau in Washington, D.C., with a copy sent to the appropriate Children's Bureau Regional Program Manager.

Title IV-E agency program managers for the demonstration projects and the project evaluators are required to attend an annual two-day meeting in Washington, D.C. to discuss the demonstration projects' development and progress. The cost of attendance for the title IV-E agency program managers will be excluded from the cost-neutrality calculation and will be chargeable to title IV-E administrative costs without cost allocation. Travel costs for the project evaluators should be included in the contract that the Title IV-E agency has with its evaluator.

Administrative Record

The Department will maintain an administrative record which will generally consist of: the formal demonstration application from the title IV-E agency; correspondence sent to the title IV-E agency regarding issues/problems with the application and the title IV-E agency's response; public and congressional comments sent to the Department and any Department responses; the Department's decision memorandum regarding the granting or denial of a proposal; and the final Terms and Conditions and demonstration projects sent to the title IV-E agency and the title IV-E agency acceptance of them.

The Department regards all correspondence (including the program questions), once they have been sent to a title IV-E agency, and all Terms and Conditions for child welfare demonstrations, once they have been approved by the Secretary, as public documents, and will make arrangements for providing copies of them to any requester. The Department also regards a title IV-E agency's proposal for a child welfare demonstration, along with any written modifications to a proposal, as public documents once they have been submitted to the Department and expects the title IV-E agency to make copies of the proposals and their modifications available to any requester.

Implementation Reviews

As part of the Terms and Conditions of any demonstration proposal that is approved, the Department may require periodic assessments of how the demonstration project is being implemented. The Department will review, and when appropriate investigate, documented complaints that a title IV-E agency is failing to comply with requirements specified in the Terms and Conditions in implementing any approved demonstration project.

In addition, as required by Section 1130(a)(3)(C)(iii), the Department may terminate the authority of a title IV-E agency to conduct a demonstration project under this section if, after the 3-year period following of the demonstration project, the title IV-E agency has not made significant progress in implementing the child welfare program improvement policies proposed by the title IV-E agency as a condition for being approved to conduct the demonstration.

Legal Effect

This Information Memorandum, is intended to inform the public and title IV-E agencies regarding procedures the Department ordinarily will follow in exercising the Secretary's discretionary authority with respect to title IV-E agency demonstration proposals under section 1130. This Information Memorandum does not create any right or benefit, substantive or procedural, enforceable at law or equity, by any person or entity, against the United States, its agencies or instrumentalities, the title IV-E agency, or any other person.

Bryan Samuels
Commissioner
Administration on Children,
Youth and Families

- Appendix I Section 1130 of the Social Security Act
- Appendix II ACYF Well-Being Framework
- Appendix III Wendy's Wonderful Kids Model components and quantifying implementation