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OFFICE OF FAMILY STABILITY LETTER #72

June 24, 2008

TO: Directors, County Departments of Job and Family Services

FROM: Jeanne Carroll, Deputy Director
Office of Family Stability

SUBJECT: Improving Payment Accuracy with Adequate Documentation

The U.S. Department of Health and Human Services, Office of Inspector General (OIG) recently conducted a review of Temporary Assistance for Needy Families (TANF) basic assistance payments in Ohio. The review covered Ohio Works First (OWF) payments from April 1, 2006, through March 31, 2007.

The OIG draft report provided to the Ohio Department of Job and Family Services (ODJFS) cited the state with an overall 21.06 % improper payment rate of the Federal dollars expended during the 1-year audit period. While some payment errors were due to ineligibility of a household member, improper budget calculations, or duplicative payments, the primary factor contributing to the majority of the errors was the lack of adequate documentation in case records to support the family's eligibility or benefit determination.

Many counties should also be commended for their efforts to adequately document eligibility. In fact, 27 out of the 39 counties with cases selected as part of the TANF Federal review had no error findings whatsoever.

While the TANF review highlighted missing documentation as a primary cause for errors, our Food Stamp and OWF Quality Control reviews and Single State audit findings reiterate that missing documentation continues to be an ongoing issue.

The Office of Family Stability is examining our processes and regulations in every attempt to improve accuracy and efficiency of program administration. Soon a vendor with national success in improving food stamp payment accuracy and increasing efficiency with policies and procedures will begin working with the department.

These efforts are only one step on a path to improved accuracy and efficiency. Federal Circulars require maintaining internal controls designed to reasonably ensure compliance with Federal laws, regulations and program compliance requirements. Audits routinely test for compliance with Federal requirements and audit findings may require corrective action plans or even findings for recovery. We will be focusing on improvement strategies for documentation during the upcoming months during Round Table meetings, our statewide video conferences, through our technical assistance, and performance management. While responsibility for documentation of program eligibility begins at the county level, we are committed to working with you in a combined effort to improve in this area.

As we all work toward improving payment accuracy and increasing administrative efficiency, I ask that you review your internal procedures for the day-to-day administration of Ohio's public assistance programs. Properly documenting eligibility is crucial to increasing accuracy for all programs and ensuring the right amount of benefits to Ohio's families. To provide reasonable assurance that eligible individuals receive the correct amount of assistance for which they are entitled, it is suggested that:

- Eligibility workers should be adequately trained to determine eligibility and gather required documentation;
- Procedures should be established and clearly communicated to eligibility workers regarding gathering and maintaining required documentation;
- Periodic verification (quality control procedures or second party reviews) should be made by supervision or designated staff to ensure that eligibility workers have a good understanding of regulations and are following procedures and properly documenting eligibility.

Any questions regarding this letter may be directed to Trudie Bormann at 614-644-1524 or e-mail at Trudie.Bormann@jfs.ohio.gov

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c:

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