



NATIONAL CENTER ON

Subsidy Innovation and Accountability



YEAR THREE STATE COHORT CALL: Conducting Error Rate Reviews

November 14, 2018 – 2:00PM EST

INTRODUCTIONS

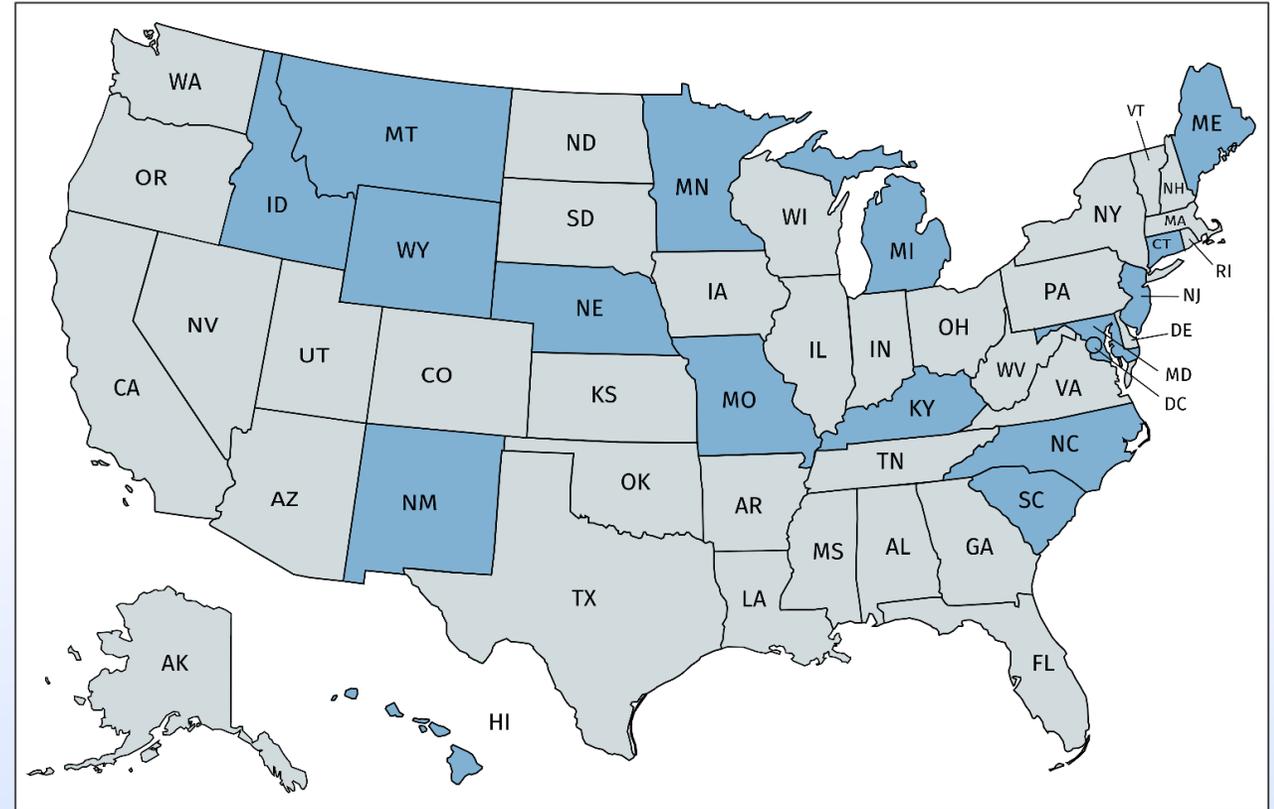
- Leigh Ann Bryan, NCSIA
- Katie Watts, NCSIA
- Shelly Dilks, OCC Central Office
- Linda Winings, OCC Central Office



POLL

- Has your state started conducting reviews?
(one response per state if possible!)

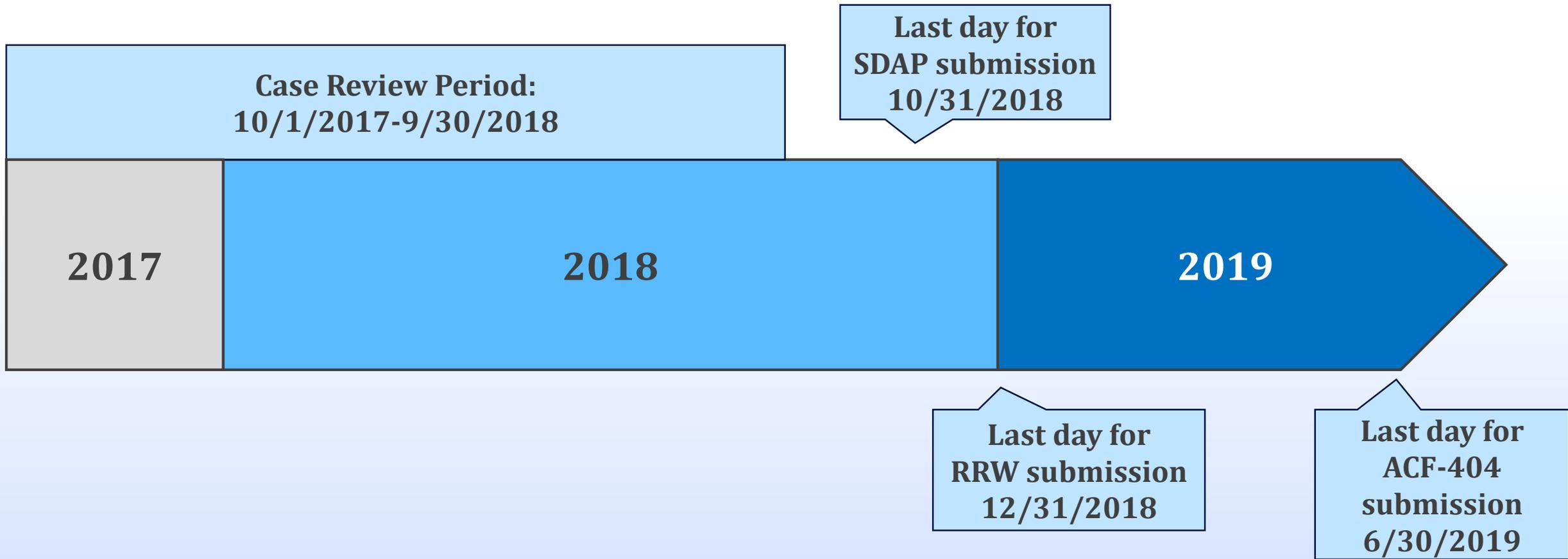
Map of year 3 states



PURPOSE OF CALL

- Assist Year 3 states in successfully conducting error rate reviews
- Describe changes and additional data points required under the revised *Data Collection Instructions*
- Discuss process for conducting the Missing or Insufficient Documentation (MID) Additional Inquiry (AI)

YEAR THREE STATES 4TH CYCLE TIMELINE



DATA COLLECTION INSTRUCTIONS (DCI): OVERVIEW OF CHANGES

YEAR THREE STATE COHORT CALL

DATA COLLECTION INSTRUCTIONS BACKGROUND

- DCI includes:
 - Instructions on conducting case record reviews and completing all required submissions
 - OMB templates for all required submissions
- Current DCI expired August 31, 2018
- New DCI approved
- States that have not yet submitted their RRW must use the new template
- Some changes to ACF-404 report

CHANGES TO THE RRW

- **States that have not yet submitted their RRW must use the new DCI template (DCI, p. 59-64)**
- New items in column 4 in elements 100-400
- Title changes to section IV and element 410
- Boilerplate changes to elements 100, 320, 340, 400, 410
- Element 500 has been added as a case summary element

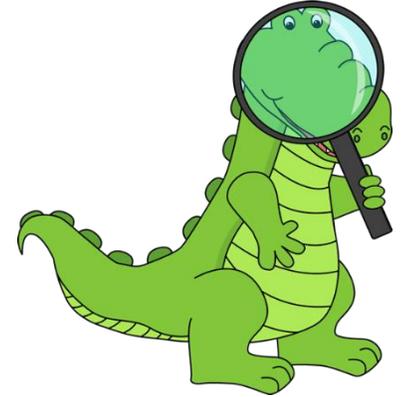
CHANGES TO CASE RECORD REVIEW PROCESS

- Requirement to examine missing or insufficient documentation (MID) errors more closely: complete new column 4 items, MID table
 - ALL states required to collect these data, regardless of which RRW template is used
- Provider payment rate moved from element 400 to 340
- Element 410 only includes payment, no longer includes case summary
- New element 500 with case summary
- **See DCI chapter VI for more guidance on these changes**

MID TABLE AND ADDITIONAL INQUIRY (AI)

YEAR THREE STATE COHORT CALL

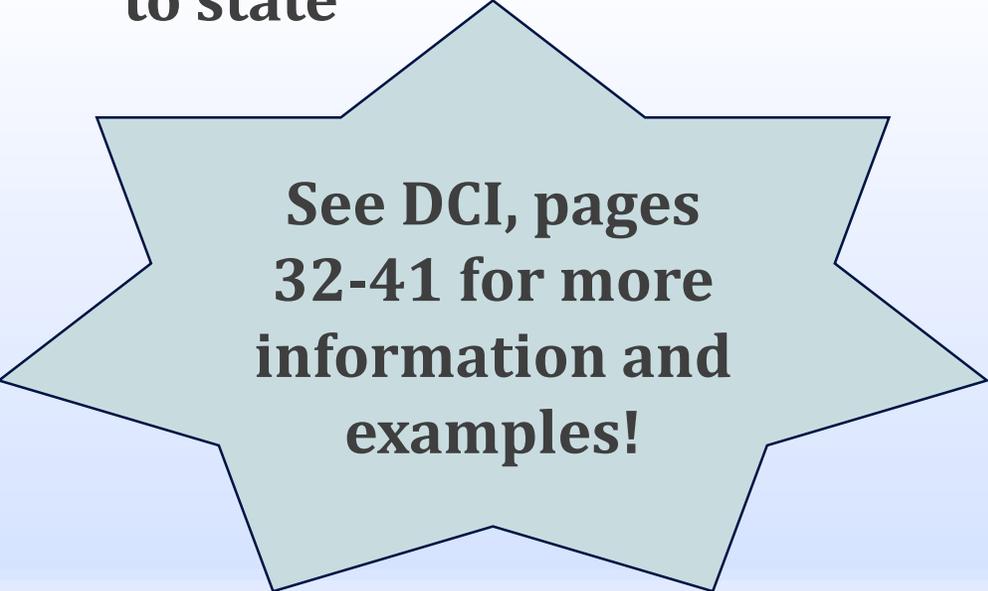
MID DATA AND ADDITIONAL INQUIRY: WHAT, WHY, WHO



- Allows for determining whether casefiles that were missing required documentation ultimately met eligibility criteria for child care subsidy
- State may utilize resources not normally included in their eligibility and review process to determine if client was eligible
- The inquiry may allow for mitigation of MID payment errors *for this review*
- All states must collect MID data, regardless of whether they are using old (2015-2018) or new (2018-2021) RRW template

THE AI INCLUDES...

- Utilization of resources from other state agencies and systems that are **not part of the typical eligibility process**
- **Specifics will vary from state to state**



**See DCI, pages
32-41 for more
information and
examples!**

THE AI DOES NOT INCLUDE...

- Processes *already used* by the Lead Agency for obtaining potential missing documentation; e.g., contacting local eligibility offices
- Independent or third-party verification (not in the scope of this review)
- Contacting client, employers, or providers for verification (Lead Agencies are **never** to do this!)

EXAMPLE: MISSING PAYSTUBS

A reviewer finds paystubs missing from the case file. These are required by the state for determining income in Element 400. Without income information, the case would become ineligible.



EXAMPLE: MISSING PAYSTUBS

- The reviewer contacts the local eligibility office
- The local eligibility office locates the missing paystubs, and forwards them to the Lead Agency
- **This is not an AI**



EXAMPLE: MISSING PAYSTUBS

- The reviewer contacts the local eligibility office, and they do not have the missing paystubs
- The reviewer determines that the family also receives SNAP benefits
- The Lead Agency has access to shared screens with SNAP. These are available as part of normal eligibility processes.
- The reviewer accesses the system for family income information
- **This is not an AI** (it's part of normal eligibility processes)

EXAMPLE: MISSING PAYSTUBS

- The reviewer contacts the local eligibility office, and they do not have the missing paystubs
- The reviewer determines that the family also receives SNAP benefits
- The Lead Agency does not have access to shared screens with SNAP
- The reviewer contacts the SNAP worker, who provides evidence of family income
- ***This is an AI***

STEPS TO ADDITIONAL INQUIRY

1. Determine if element has an MID error that may result in an improper payment
 - If using new (2018-2021) DCI, record in column 4
 - If using old (2015-2018) DCI, record in column 3 summary
2. Conduct AI
3. Complete MID table
 - If using new (2018-2021) DCI, use of MID table is required
 - If using old (2015-2018) DCI, use of MID table is **strongly encouraged**
4. Record results
 - If using new DCI, record in element 500
 - If using old DCI, record in element 410 columns 3 and 4

MID TABLE

1	2	3	4	5	6	7	8	9
Element	Describe documentation that was missing or insufficient	Dollar amount of potential improper payment	Is there an additional inquiry that can be made to mitigate the potential improper payment error? 0=No 1=Yes	If No , describe why not <i>(Note: After responding, go to Element 500 if there are no other Elements requiring the MID Table)</i>	If Yes , describe additional inquiry	Was the improper payment mitigated using the additional inquiry? 0=No 1=Yes	Enter dollar amount that was mitigated	Describe how the state determined whether or not the potential improper payment could be mitigated. <i>(Note: Please respond to this whether the potential improper payment was mitigated or not mitigated)</i>
100								
200								
300								
310								
320								
330								
340								
350								
400								
Total								

MID TABLE COLUMN 1

- Lists columns 100-400 of the *Record Review Worksheet*
- Reviewer should refer to the row(s) with the potential improper payment(s) caused by MID
- Example: The reviewer would jump down to the row corresponding to element 400, because this was the element with the potential improper payment error

MID TABLE COLUMN 2

- **Describe the documentation that was missing or insufficient**
- *Example: Could not locate any paystubs in the casefile. The missing income verification would make the case ineligible.*

MID TABLE COLUMN 3

- **Dollar amount of potential improper payment**
- Enter a dollar amount:
 - The sample month payment amount **if** the MID error would result in ineligibility; *or*
 - The amount attributable to the MID error **if** the MID error would result in a partial improper payment
- Example: *\$250*

MID TABLE COLUMN 4

- **Is there an additional inquiry that can be made to mitigate the potential improper payment?**
- Enter 0 or 1:
 - 0 if the state will not be utilizing an AI, and continue to column 5
 - 1 if the state will be utilizing an AI, and skip to column 6

MID TABLE COLUMN 5

- **If No, describe why not**
- Describe reasons for not using the AI
- No further columns should be completed for the element
- Example: *Client does not partake in any other assistance programs. No way of locating income information*

MID TABLE COLUMN 6

- **If Yes, describe additional inquiry**
- This may include names of agency or agencies that were contacted, or documents that were reviewed
- Example: *The client stated in the application that they receive SNAP benefits. We contacted the SNAP office who verified the income and sent copies of recent paystubs.*

MID TABLE COLUMN 7

- **Was the improper payment mitigated using the additional inquiry?**
- Enter 0 or 1:
 - 0 if **no** dollar amount could be mitigated using the AI
 - 1 if **any** dollar amount could be mitigated using the AI (even if it is not the full amount recorded in column 3)
- Example: *1*

MID TABLE COLUMN 8

- **Enter dollar amount that was mitigated**
- If the entire potential improper payment can be mitigated, the amount should be the same as the amount recorded in column 3; otherwise, enter the partial dollar amount that can be mitigated
- Example: *\$250*

MID TABLE COLUMN 9

- **Describe how the state determined whether or not the potential improper payment could be mitigated**
- Describe how the information in the AI was used to conclude whether or not an improper payment was made
- Example: *Based on the documentation provided by the SNAP office, we determined that the client income (\$1200) provided in the application was accurate.*

1	2	3	4	5	6	7	8	9
Element	Describe documentation that was missing or insufficient	Dollar amount of potential improper payment	Is there an additional inquiry that can be made to mitigate the potential improper payment error? 0=No 1=Yes	If No, describe why not <i>(Note: After responding, go to Element 500 if there are no other Elements requiring the MID Table)</i>	If Yes, describe additional inquiry	Was the improper payment mitigated using the additional inquiry? 0=No 1=Yes	Enter dollar amount that was mitigated	Describe how the state determined whether or not the potential improper payment could be mitigated. <i>(Note: Please respond to this whether the potential improper payment was mitigated or not mitigated)</i>
100								
200								
300								
310								
320								
330								
340								
350								
400	Could not locate paystubs in the casefile...	\$250	1		The client stated in the application that they receive SNAP benefits...	1	\$250	Based on the documentation provided by the SNAP office...
Total		\$250	1			1	\$250	



ADDITIONAL INQUIRY FREQUENTLY ASKED QUESTIONS



Q: If I was able to mitigate a potential improper payment error, is there still an error in the element?

A: Yes, it would be considered an administrative error



ADDITIONAL INQUIRY FREQUENTLY ASKED QUESTIONS



Q: What if the missing or insufficient documentation causes an error in multiple elements? *Example: missing work schedule leads to ineligibility errors in 320 (Parental Work/Training Status) and 340 (Qualifying Care).*

A: Complete the AI for both elements. It is feasible that the AI might mitigate the error in one element, but not the other.

However, if the **same** dollars are in error in multiple elements, only record the amount in column 3 **once**.

If the **same** dollars are mitigated by AI in multiple elements, only record the amount in column 8 **once**.

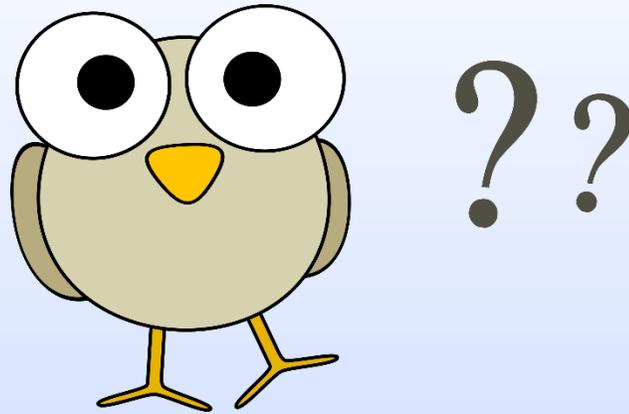


ADDITIONAL INQUIRY FREQUENTLY ASKED QUESTIONS



Q: What if the agency I contact for the AI will not provide the missing information?

A: Unfortunately, that means you would not be able to mitigate that potential improper payment error



RECORD REVIEW WORKSHEET ELEMENT 500

FINDINGS (1)	RESULTS (2)
<p>500 CASE SUMMARY</p> <p>Potential MID improper payment error of \$250 in element 400. Additional inquiry was used and mitigated the error. No improper payment. No errors in any other element.</p>	<p>500 RESULTS</p> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p>1. No Error/Error 1</p> <p>2. Missing/Insufficient Documentation Y</p> </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p>2A. Number of MID potential improper payment errors identified 1</p> <p>2B. Total amount of MID potential improper payment errors \$250</p> <p>2C. Number of times an additional inquiry was used 1</p> <p>2D. Number of times the additional inquiry mitigated the potential improper payment error 1</p> <p>2E. Total amount of improper payments mitigated \$250</p> </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p>3. Overpayment/Underpayment NA</p> </div> <p>4. Total Amount of Improper Payment \$0</p> <p>5. Total Payment Amount for Sample Month \$250</p>

FOR STATES USING THE OLD TEMPLATE...

ELEMENTS OF ELIGIBILITY AND PAYMENT DETERMINATION (1)	ANALYSIS OF CASE RECORD (2)	FINDINGS (3)	RESULTS (4)
<p>410 PAYMENT/CASE SUMMARY</p> <p>Compare the eligibility worker's subsidy amount to the reviewer's subsidy amount. If the amounts are the same there is no improper payment error.</p> <p>If the amounts are different, compare the reviewer's subsidy amount to the sample month payment amount.</p> <p>If the sample month payment was a full payment and was:</p> <ul style="list-style-type: none"> • Greater than the reviewer's subsidy amount, the difference is an overpayment (improper payment) • Less than the reviewer's subsidy amount, the difference is an underpayment (improper payment) 	<p>Eligibility worker's subsidy amount: \$250</p> <p>Reviewer's subsidy amount: \$250</p> <p>Difference, if applicable: \$0</p> <p>Sample month payment amount, if applicable:</p> <p>Comments:</p>	<p>Potential MID improper payment error of \$250 in element 400. Additional inquiry was used and mitigated the error. No improper payment. No errors in any other element.</p>	<p>410 RESULTS</p> <ol style="list-style-type: none"> 1. No Error/Error 1 2. Missing/Insufficient Documentation Y 3. Overpayment/Underpayment NA 4. Total Amount of Improper Payment \$0 5. Total Payment Amount for Sample Month \$250

OTHER NEW DATA/REPORTING REQUIREMENTS

YEAR THREE STATE COHORT CALL

NEW ON ACF-404 REPORT

- Items related to MID errors and the additional inquiry
 - Can be completed by compiling data from the MID tables, element 500
- Total amount of CCDF payments
- More information required on use of pooled funds
 - Must provide the number and percentage of sampled cases that used pooled funds

NEW ON ACF-404 REPORT

- Error causes and action steps
 - Identify *all* causes of improper payments (not just two most common), and give action steps for all causes
- If the amount of improper payments recovered from previous cycle is less than what was expected to be recovered, must describe the reason(s)
- More specific information about error causes identified and action steps taken, from previous cycle

NEXT STEPS FOR YEAR THREE STATES

YEAR THREE STATE COHORT CALL

NEXT STEPS

1. Complete and submit RRW template (if you have not already)
2. Conduct case record reviews, including MID table data
3. **Schedule Joint Case Review (JCR) with your ACF Regional Office**
 - For JCR, state usually will have needed to complete at least a couple months of case reviews
 - We ask to review ~10 cases with an improper payment and ~5 cases with a nonpayment error
 - If you have completed a couple months of reviews and do not have that many error cases, you will still need to schedule your JCR
 - Important to schedule **early** in the process!



CONTACT INFORMATION

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- **Please complete evaluation!**

