



NATIONAL CENTER ON
Subsidy Innovation and Accountability



Year 2 Cohort Call: Getting Started with the Error Rate Review

October 30, 2019

Introductions

National Center on Subsidy Innovation and Accountability



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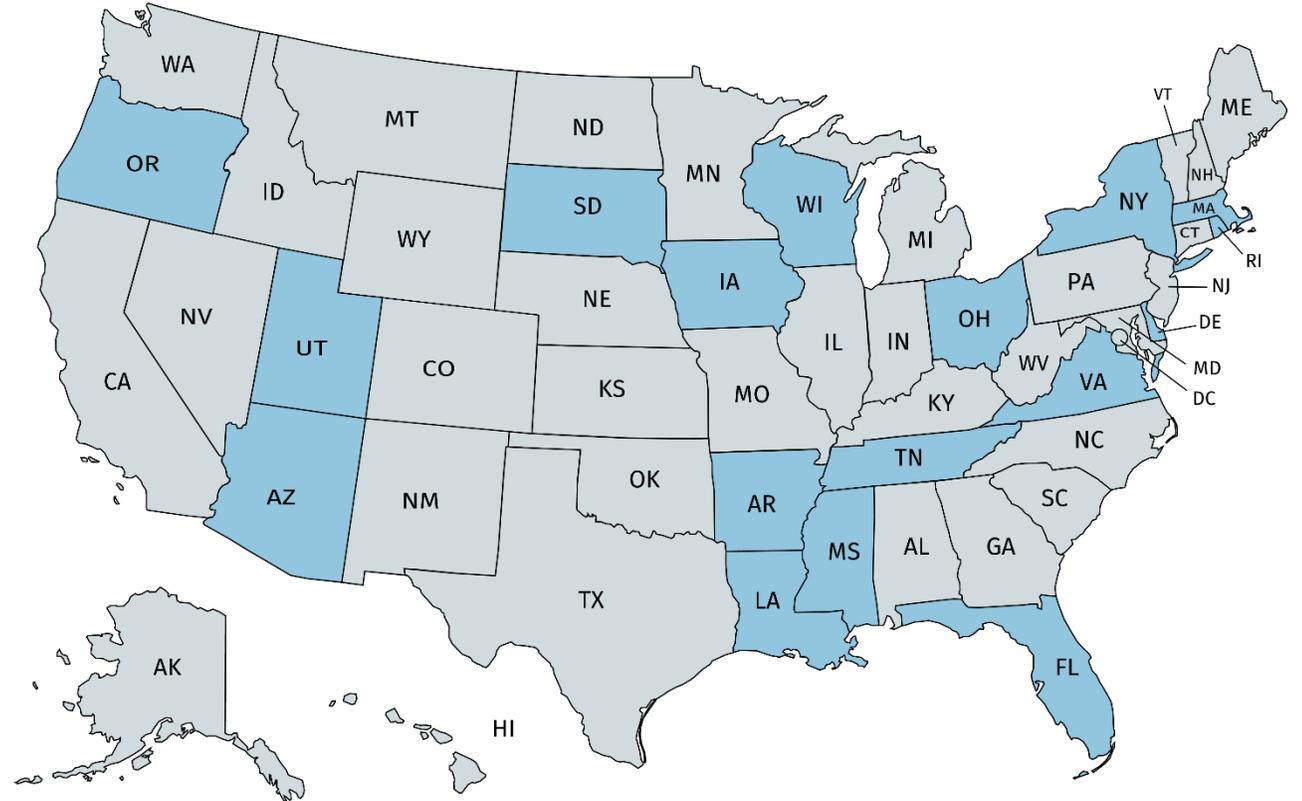
Katie Watts

Error Rate Lead
Error Rate Specialist-other Regions

Who Are You?

Poll: What is (or will be) your role in the error rate reviews?

- State error rate planning team?
- State error rate review team?
- Other state staff?
- Regional Office staff?



Agenda

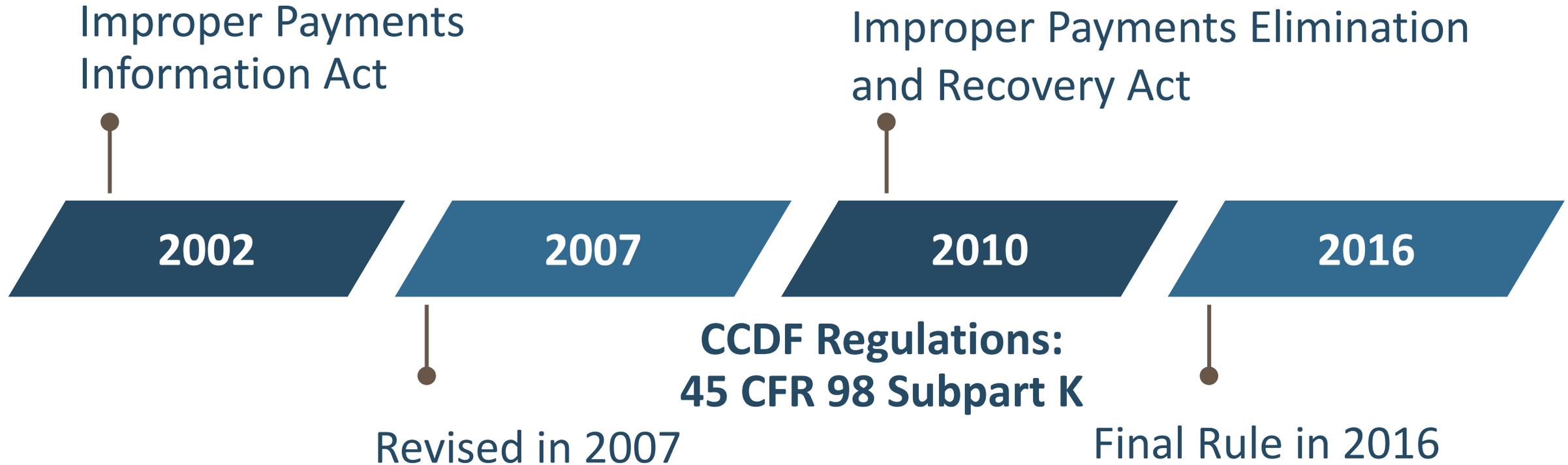


- Error Rate Review Overview
- PLAN for Your Reviews: *The Sampling Decisions, Assurances, and Fieldwork Preparation Plan*
- CUSTOMIZE Your State's *Record Review Worksheet*
- Next steps



Error Rate Overview

Regulatory Requirements-Error Rate Review



What is the Error Rate Review?

The error rate review is a process through which **CCDF Lead Agencies measure eligibility errors and improper payments in their programs...**

Each state conducts the review once every three years

- ...by reviewing 276 case records...
- ...and reporting error measures, causes, and plans to reduce errors

- You are all Year Two states who will be submitting your final report in June, 2021
- Case records from October 1, 2019-September 30, 2020 will be reviewed

Steps to the Error Rate Process

Learn
about the process by reading the *Data Collection Instructions*

Plan
for your state's reviews by creating and submitting your *Sampling Decisions, Assurances, and Fieldwork Preparation Plan*

Customize
your state's *Record Review Worksheet*, the template for conducting reviews

Review
276 case records

Report
results of your case record reviews in your *State Improper Payments Report*

If applicable,
create and complete an *Error Rate Review Corrective Action Plan*

Throughout the process, receive TA and attend training webinars (such as this one)

Year Two State Timeline

Year Two States

	Case review period	October 1, 2019-September 30, 2020
	Last day to submit Sampling Decisions, Assurances, and Fieldwork Preparation Plan	October 31, 2020
	Last day to submit customized Record Review Worksheet	December 31, 2020
	Last day to submit State Improper Payments Report	June 30, 2021
	Last day to submit Corrective Action Plan (if applicable)	August 31, 2021

Real-Time Reviews

Case reviews that take place during the review period, often taking place shortly after the sample month is complete

Advantages

- Identify and potentially address errors before they reoccur in future months
- Stay on top of any changes in policies and procedures
- No rushing to complete reviews



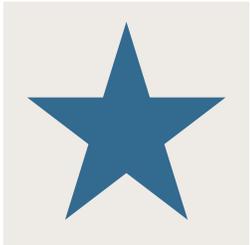
Reminder: SDAP and customized RRW must both be approved before starting reviews



PLAN For Your Reviews: The SDAP

SDAP Overview

Includes your plans for sampling cases and conducting case record reviews



NEW this cycle

- The SDAP is completed using a template
- All items are required (no optional items)
- Several new items
- Submitted using the OLDC system

SDAP Part 1: Sampling Decisions

1a. Selection of cases and replacement cases

Lead Agency will select 276 cases and _____ monthly replacement cases

Approval will be obtained from the RO before using any replacement cases

Clearly describe the Lead Agency procedure for collecting samples including samples of replacement cases

1b. Random number generator

Name the source for the Lead Agency's random number generator (the Random Number Sampling Book or software)

SDAP Part 1 (continued)

1c. Frequency of collecting monthly sampling frames and projected start dates

Select the Lead Agency's frequency of collecting monthly sampling frames

Monthly Quarterly Semi-Annually Annually

Other

Projected start date for the sampling process



Projected start date for reviewing cases

SDAP Part 2: Assurances

The state assures that it will abide by the instructions contained in the *Child Care Improper Payments Data Collection Instructions*.

1. The data collection process, including sample selection and case record reviews, adhered to all requirements of the instructions and regulations for *Error Rate Reporting* at 45 CFR 98 Subpart K.
2. The reviews were not conducted by persons who make or approve eligibility determinations or who are under the supervision of persons responsible for eligibility determinations.
3. All reviewers have been trained to ensure that the review process is consistent with state policies and that there is consistency within the state in interpretation of what is an error.
4. The state agrees to retain *Record Review Worksheets*, the *State Improper Payments Report* and any revisions, and any other records pertinent to the case reviews and submission of error rate reports for five years from the date of submission of the *State Improper Payments Report* or final revision submitted, whichever date is later.
5. The state understands that this information, including the sampled case records and calculations is subject to federal review.

Yes to all assurances

SDAP Part 3: Fieldwork Preparation Plan

3a. Identification of project leadership

Identify by name(s), job title(s), and role(s), the leadership of the improper payments process and review team



- The leader(s) understands the program and has the authority to ensure timelines are met

Note: the level of authority should be comparable to that of the leader who is responsible for the submission of the state plan.

Name and job title of the person who will certify and submit the final report:



SDAP Part 3 (continued)

3b. Inter-reviewer consistency

Select and describe methods the Lead Agency will use to ensure inter-reviewer consistency. Note: at a minimum, a re-review of cases must be selected and the description must include the types and number or percentage of cases to be re-reviewed.

- Re-review of cases to ensure inter-reviewer consistency. Describe:
- Group discussion of case review findings. Describe:
- Other, describe:



TIP

Consider re-reviewing not only error cases, but clean cases as well

SDAP Part 3 (continued)

3c. Review team composition

Describe the review team by providing information about the following:

Size:

Composition:



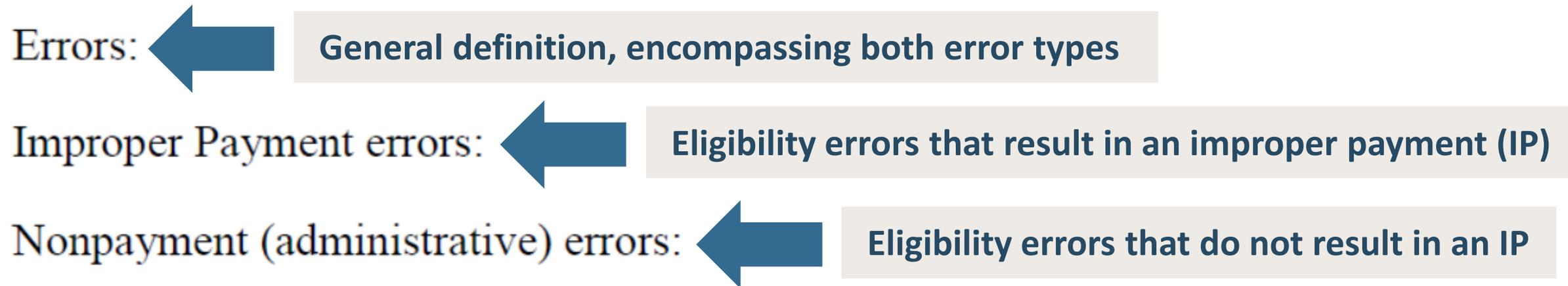
TIP

You don't need to give reviewers' names, but share where they come from, and breakdown of who will be conducting first level reviews, second level reviews, both, etc.

SDAP Part 3 (continued)

3d. Error definition

For the purposes of the state improper payment review, define the following:



Error Definition Examples

Any violation or misapplication of law, regulation, or policy governing the administration of CCDF grant funds, regardless of whether such a violation results in an improper payment. An error results when the reviewer determines that case review findings do not meet Federal or State requirements.

Misapplication of policy resulting in either an Administrative error or Improper Payment error.

Any variance that results in an inaccuracy based on policy or regulation, which may or may not affect the child care authorization or subsidy paid to the provider.

An error is a violation or misapplication of policy or procedure governing the child care subsidy program which may or may not result in an improper payment.

Improper Payment Error Definition Examples

A finding including a payment that should not have been made or an incorrect payment (overpayment or underpayment) issued to a recipient or provider. Error findings will be reported in accordance with the findings in the Improper Payment Data Collection Instructions.

Any variance that results in an inaccuracy based on policy or regulation, which causes a difference in the subsidy payment. The impact could be positive or negative.



TIP

These might not result in an improper payment in your state.

An improper payment occurs when the violation or misapplication of policy or procedure governing the child care program results in an overpayment or underpayment of the child care subsidy for the review month.

An improper payment error refers to any payment that should not have been made, or a payment that was made in the incorrect amount because of an eligibility error. The following are examples of improper payments: miscalculation of income, miscalculation of cost share amount, wrong service rate, miscalculation of assistance group size, miscalculation of eligible children.



Nonpayment/Administrative Error Definition Examples

A finding that does not result in a change to the payment amount issued to a recipient or provider.

Any variance that results in an inaccuracy based on policy or regulation, which does not affect the child care authorization or subsidy paid to the provider.

An administrative error refers to the misapplication of policies, rules, and regulations of the child care subsidy program that do not result in a change to the subsidy amount issued to the household.

An administrative error refers to the misapplication of policies, rules and regulations that do not result in a change to the payment amount issued to the recipient. The following are examples of nonpayment administrative errors: missing application on file, unsigned documents on file, missing proof of residence, missing birth certificate, missing guardianship/payee relative documentation.



TIP

These might not result in an admin error in your state.



SDAP Part 3 (continued)

3e. Plan for review of state policies/procedures and processes

Describe the Lead Agency's plan to ensure that customization of the RRW will use state policy in effect during the sample month:

Describe the Lead Agency's plan to ensure that reviewers consistently interpret error as defined by the state:

Describe how the Lead Agency identifies whether to apply a pooling factor and how they determine what the pooling factor will be on the *State Improper Payments Report*:



TIPS

Consider whether any policy changes will take place in the review period.

Don't just say whether you will use a pooling factor. Describe how you determined you will use one or not. You don't need to give the pooling factor figure.

SDAP Part 3 (continued)

3f. Information systems project responsibilities

Select tasks that the Lead Agency accomplishes through coordination with information technology staff:

- Identification of the universe of cases paid with CCDF funding
- Identification of the sample review calendar month payment amount
- Archival of the universe and sample frames files
- Use of random number generator software
- Generation of the 12 monthly sampling frames
- Selection of the monthly samples and replacement cases
- Determination of the annual amount of payments for the review period's universe of children
- Others; describe:

If these tasks are accomplished through some other means, specify which tasks and describe how they are accomplished and by whom:

Describe the process used to determine the annual amount of payments:



TIP

This is the amount of ALL CCDF payments in the universe for the year – not just the sampled cases.

SDAP Part 3 (continued)

3g. Case review logistics

Describe details of review logistics to include the following: whether electronic or physical record are reviewed, how the records (especially the physical records) are handled, where the record reading occurs (on-site, centrally, regionally, a mixture), the organization and maintenance of the review files:

Creating the SDAP in the OLDC

Complete OLDC Access Request Form and return to Regional Office

- At least one form must be completed for the person in your state who will be submitting the SDAP
- Individuals may also be granted data entry-only access

Access the OLDC

<https://home.grantsolutions.gov/home/>

See handout

“Accessing the OLDC”

To create SDAP, select your grantee name and the following:

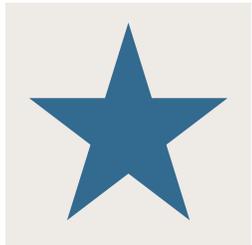
- Report name: *Sampling Decisions, Assurances, and Fieldwork Preparation Plan (SDAP)*
- Reporting period: 10/01/2019-09/30/2020



CUSTOMIZE Your State's RRW

RRW Overview

Provides a standardized worksheet format to assess the case record to determine whether eligibility was correctly determined, and, if not, whether it resulted in an improper payment



NEW this cycle

- Missing or Insufficient Documentation (MID) Table
- New item in column 4 (elements 100-400) on MID errors
- Summary element (500)
- Provider payment is now in element 340
- Minor boilerplate changes

RECORD REVIEW WORKSHEET (ACF-403)

CHILD ID#

STATE:

COUNTY:

SAMPLE MONTH/YEAR

REVIEW DATE:

SECTION I. STATE CHILD CARE PROGRAM FORMS

ELEMENTS OF ELIGIBILITY & PAYMENT DETERMINATION (1)	ANALYSIS OF CASE RECORD (2)	FINDINGS (3)	RESULTS (4)
100 APPLICATION/REDETERMINATION FORMS Determine whether required eligibility forms met all state and federal policies in effect during the sample month. Examples include (1) application form; (2) child care agreement; (3) declaration of family assets, as determined by a family member; and (4) voucher or certificate, as applicable.	N/A	N/A	100 RESULTS 1. No Error / Error 2. Missing/Insufficient Documentation (If "Y" is coded, answer 2A) 2A. Potential Improper Payment Error (If "Y" is coded, use the MID Table)

SECTION II. PRIORITY GROUP PLACEMENT

ELEMENTS OF ELIGIBILITY & PAYMENT DETERMINATION (1)	ANALYSIS OF CASE RECORD (2)	FINDINGS (3)	RESULTS (4)
200 PRIORITY GROUP PLACEMENT Determine whether client met criteria of any state-designated priority group, e.g., special needs or low income.	N/A	N/A	200 RESULTS 1. No Error / Error 2. Missing/Insufficient Documentation (If "Y" is coded, answer 2A) 2A. Potential Improper Payment Error (If "Y" is coded, use the MID Table)

Customizing the RRW

States can use a variety of formats to create the RRW and conduct reviews...

- Word, Excel, Access, online database, etc...
- BUT, printed version must conform to template as found in DCI

Do not remove anything from the template, **except** the “N/A”s that are shown in columns 2 and 3

Customizing the RRW

In column 1 of elements 100-410, add (under the boilerplate) state policy citations and other requirements for reviewers to consider when assessing the case record

In column 2 of elements 100-410, add items to assist reviewers in conducting a detailed analysis of the case record

Do not customize anything in columns 3 or 4

Do not customize anything in the MID Table

Do not customize anything in element 500

Example Customizations

ELEMENTS OF ELIGIBILITY & PAYMENT DETERMINATION (1)	ANALYSIS OF CASE RECORD (2)	FINDINGS (3)	RESULTS (4)
<p>320 PARENTAL WORK/TRAINING STATUS</p> <p>Determine whether the child’s parent or parents were working, attending a job training or educational program (including a job search if applicable, or if the parent or parents had a child receiving or needing to receive protective services under the state’s definition.</p> <p><i>Verification of need for services may include pay verification, school schedule, incapacity, CPS case.</i></p> <p><i>490 XAC 3-007.1</i></p>	<p>Does the parent meet a need for service? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If a two-parent family, do both meet the need for service? Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Is the required documentation needed to verify need for service in the file? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Comments:</p>		<p>320 RESULTS</p> <ol style="list-style-type: none"> No Error / Error Missing/Insufficient Documentation (If “Y” is coded, answer 2A) 2A. Potential Improper Payment Error (If “Y” is coded, use the MID Table) 

Do not customize columns 3 and 4

Customization Tips



TIPS

Focus on front-end eligibility errors

Do not include items for analyzing processes that took place *following* eligibility determination or redetermination – exception is in element 410 (where the improper payment, if any, is determined)

Do not include any items instructing the reviewer to include personally identifiable information of clients, children, or providers

- Names
- Addresses
- Workplaces
- License numbers

Customization Tips



TIPS

Ensure policies in columns 1 and 2 reflect policies in effect during the review period of 10/1/2019 - 9/30/2020

- If policy changes occur and are known, include all relevant policies and effective dates
- If real-time review state does not know specifics of impending policy changes at the time the worksheet is submitted, can update later and re-submit

Add comment boxes in column 2

Add N/A boxes to column 2 items if the item may not be applicable to all cases

- A “no” response generally signifies an error

Customization Tips

ELEMENTS OF ELIGIBILITY & PAYMENT DETERMINATION (1)	ANALYSIS OF CASE RECORD (2)	FINDINGS (3)	RESULTS (4)
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RRW Approval Process

Submit
customized
RRW to the
Regional Office

If an automated RRW is
used, we will schedule
a walkthrough of the
tool before approval

Following approval, we
will schedule a
walkthrough of mock
cases with your team

Submitted version should
conform to the template



Next Steps

Starting Reviews

(Optional) After starting reviews, you can send your Error Rate Specialist a few completed worksheets to ensure coding is correct



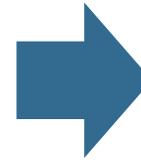
Your Regional Office Program Specialist and NCSIA Error Rate Specialist will check in with you on your progress



We will hold a joint case review with your team after about three months of your reviews have been completed

Other TA Resources

NCSIA's Error Rate Resources website contains links to past webinars and general information on the error rate review process (more resources to be posted in the future)



<https://childcareta.acf.hhs.gov/resource/ccdf-error-rate-review-resources-0>

Next webinar will be held in early 2020

Reach out to your NCSIA Error Rate Specialist for any TA before then!



You are encouraged to send us draft SDAP and RRWs before submission

Questions and Open Discussion





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Thank you!

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