



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Mary Mosiman, CPA
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

NEWS RELEASE

FOR RELEASE

September 4, 2014

Contact: Andy Nielsen
515/281-5834

Auditor of State Mary Mosiman today released a report on the Iowa Department of Human Services for the year ended June 30, 2013.

The Iowa Department of Human Services provides many types of assistance to Iowans in need. The Department also is responsible for the mental health institutions, hospital/schools and juvenile institutions.

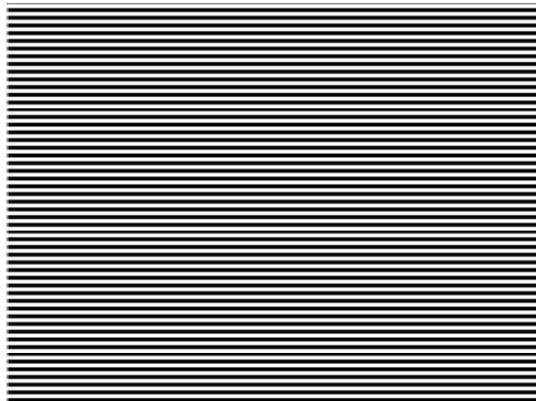
The report contains recommendations for the Department to:

- (1) Comply with established guidelines related to various programs, such as Temporary Assistance for Needy Families (TANF), Foster Care and Medicaid.
- (2) Comply with provisions of the Department's Employees' Manual applicable to In-Home Health-Related Care.
- (3) Improve controls in the field offices.

The report also includes the Department's responses to the recommendations.

A copy of the report is available for review at the Iowa Department of Human Services, in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/1460-4010-BR00.pdf>.

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**REPORT OF RECOMMENDATIONS TO THE
IOWA DEPARTMENT OF HUMAN SERVICES**

JUNE 30, 2013

Office of
**AUDITOR
OF STATE**
State Capitol Building • Des Moines, Iowa



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August 28, 2014

To the Council Members of the
Iowa Department of Human Services:

The Iowa Department of Human Services is a part of the State of Iowa and, as such, has been included in our audits of the State's Comprehensive Annual Financial Report (CAFR) and the State's Single Audit Report for the year ended June 30, 2013.

In conducting our audits, we became aware of certain aspects concerning the Department's operations for which we believe corrective action is necessary. As a result, we have developed recommendations which are reported on the following pages. We believe you should be aware of these recommendations, which include those reported in the State's Single Audit Report as well as other recommendations pertaining to the Department's internal control and compliance with statutory requirements and other matters. These recommendations have been discussed with Department personnel and their responses to these recommendations are included in this report. While we have expressed our conclusions on the Department's responses, we did not audit the Iowa Department of Human Services' responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Iowa Department of Human Services, citizens of the State of Iowa and other parties to whom the Iowa Department of Human Services may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the Iowa Department of Human Services during the course of our audits. Should you have questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience. Individuals who participated in our audits of the Department are listed on page 17 and they are available to discuss these matters with you.


MARY MOSIMAN, CPA
Auditor of State


WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

cc: Honorable Terry E. Branstad, Governor
David Roederer, Director, Department of Management
Glen P. Dickinson, Director, Legislative Services Agency

June 30, 2013

Findings Reported in the State's Single Audit Report:

CFDA Number: 93.558 – Temporary Assistance for Needy Families

Agency Number: G-1202IATANF, G-1302IATANF

Federal Award Year: 2012, 2013

State of Iowa Single Audit Report Comment: 13-III-HHS-401-1

- (1) Computer Match – Family Investment Program (FIP) – The Department operates FIP utilizing federal funds provided for in the Temporary Assistance for Needy Families (TANF) block grant. Title 4-C-39 of the Employees' Manual provides, in part, "A participant whose needs are included in a FIP grant cannot receive at the same time a grant from any other public assistance program administered by the Department, including foster care and subsidized adoption." Title 17-F-14 of the Employees' Manual provides, in part, "A child shall not concurrently receive subsidized adoption maintenance payments and FIP."

The Department allows a participant to receive both FIP and foster care or FIP and subsidized adoption for the month the child is removed from the home to enter foster care or for the month the child begins receiving subsidized adoption payments.

Although Title 4-C-39 of the Employees' Manual states a participant cannot receive both FIP and foster care assistance at the same time, a letter dated February 14, 2014 from the Administration for Children and Families stated, "Federal TANF regulations allow for concurrent TANF and Title IV-E benefits only if the situation involves a Foster Care placement with a relative. If the placement is with a non-relative, concurrent payment of benefits is only allowable in limited circumstances." A computer match of payment data was performed for cases receiving both FIP and foster care payments during fiscal year 2013. We reviewed 110 cases receiving both FIP and foster care payments during the same month of service. Of the 110 cases reviewed, 21 children, or 19%, received both FIP and foster care payments for an additional one to four months after entering foster care. Although these payments are not in compliance with the Employees' Manual, it is unclear if they meet the exception allowed by the federal government.

A computer match of payment data was performed for cases receiving both FIP and subsidized adoption payments during fiscal year 2013. We reviewed 95 cases receiving both FIP and subsidized adoption payments during the same month of service. Of the 95 cases reviewed, 13 cases, or 14%, improperly received both FIP and subsidized adoption payments for an additional one to four months after entering subsidized adoption. The unallowable FIP payments for these 13 cases totaled \$3,661.

Recommendation – The Department should review its policies and establish procedures which comply with federal regulations to identify concurrent FIP and foster care payments and concurrent FIP and subsidized adoption payments. The Department should review cases identified and determine if recoupment should be performed.

Response and Corrective Action Planned – The Department has reviewed our policies to ensure compliance with federal regulations. As indicated in the letter dated February 14, 2014, from the Administration for Children and Families (ACF), there are no federal Title IV-E regulations against concurrent Title IV-E and Family Investment Program (FIP – Iowa's TANF program) payments. The letter then goes on to clarify consistent with federal regulations and other guidance issued by ACF, when TANF funds can be used with

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respect to a child in foster care or who has been adopted. Specifically, the letter clarifies the following:

- 1) TANF cannot be used to replace IV-E foster care maintenance payments. Iowa does not use TANF funding for foster care or adoption maintenance. FIP, foster care and adoption are all distinct programs having their own funding streams and payment mechanisms. While concurrent payments may occur, funding and payment methods continue to be distinct for each program.
- 2) TANF can be used for foster care activities “previously authorized” under the state’s former Aid to Families with Dependent Children (AFDC) State Plan prior to TANF. All of Iowa’s TANF expenditures meet one or more of the four TANF purposes or are transferred to Child Care or Social Services Block Grant (SSBG). Therefore, Iowa does not use the “previously authorized” provision as the basis for using TANF funding for foster care activities.
- 3) TANF can only be used for assistance for children in their own home or the home of relatives unless the child meets one of the exceptions, including if the child is removed from the home for a temporary absence. For Iowa, this is the only federal TANF restriction applicable to situations when a child receiving FIP is placed in foster care or adopted. ACF has indicated that the Department’s policy of allowing concurrent payments of FIP and foster care (or adoption) for the month the child enters foster care or is adopted or the month the child returns home, is reasonable. The only remaining issue then is whether after the month a child leaves the FIP home, the absence is temporary. The Department will work with staff to document when the child is removed from the home and placed into foster care or an adoption setting, whether the absence is considered temporary pursuant to federal TANF regulations and Departmental policy.

Individual cases in error were reviewed by the appropriate Income Maintenance Administrator. Each case in error was also reviewed by a supervisor with the individual case workers to reaffirm the need to enter recoupment timely when appropriate. All recoupments have been established for the cases noted in error.

To improve overall performance, training for Income Maintenance staff was completed by the Income Maintenance Training Academy on December 19, 2012. Information on the federal guidelines will be shared with the Income Maintenance Training Academy in March 2014. Training will be provided to Income Maintenance staff on the need for documenting whether a child absent from a home meets the rules of a temporary absence no later than June 1, 2014.

Conclusion – Response accepted.

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CFDA Number: 93.558 – Temporary Assistance for Needy Families
Agency Number: G-1202IATANF, G-1302IATANF
Federal Award Year: 2012, 2013

State of Iowa Single Audit Report Comment: 13-III-HHS-401-6

(2) Eligibility Tracking System/Iowa Issuance Verification System Eligibility – The Code of Federal Regulations, 45 CFR 264.1(a) and Title 4-C-108 of the Employees' Manual imposes a 60 month lifetime limit on the period families with adults can receive Temporary Assistance for Needy Families (TANF) funded assistance. The TANF program provides federal funding for the Family Investment Program (FIP) program. The Department uses the Iowa Automated Benefits Calculation System (IABC) to track eligibility for individuals and to issue payments. The Iowa Issuance Verification System (ISSV) then tracks the payments issued by IABC. The Eligibility Tracking System (ETS) tracks the number of months in which the family has received FIP payments based on information from the ISSV and the IABC systems. When the 60 month limit is reached, a Department employee must manually close the case in IABC to cancel FIP payments.

For one of 29 cases reviewed, the number of benefit months per ETS does not agree with the number of months in which ISSV issued payments. The coding error was caught during a review of the case and was changed in IABC. However, the Department employee did not change the number of months in ETS in which FIP was actually received as the system does not do this retroactively after a change is made.

Recommendation – The Department should fully correct systems after changes have been made to accurately track the number of FIP payments issued.

Response and Corrective Action Planned – The Department verified ETS did not match the ISSV system. ISSV shows 66 months of FIP for the case while ETS shows 61 months. The five months that are not showing in ETS are May 2008 through September 2008. This is an ineligible alien case. The entry in the IABC system for the case was not coded correctly for those months. The error was reviewed by the Income Maintenance Administrator and the supervisor reviewed the issue with the individual worker. No additional action is needed for this case.

Information on the audit errors will be shared with the Income Maintenance Training Academy in March 2014, and will be reviewed during the Income Maintenance Monthly Webinar no later than June 1, 2014.

Conclusion – Response accepted.

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CFDA Number: 93.558 – Temporary Assistance for Needy Families
Agency Number: G-1202IATANF, G-1302IATANF
Federal Award Year: 2012, 2013

State of Iowa Single Audit Report Comment: 13-III-HHS-401-7

- (3) Non-Cooperation with Child Support Recovery Unit (CSRU) – Title 4-C-18 and 4-C-21 of the Employees' Manual provides, in part, all applicants and participants in FIP must cooperate with child support recovery. If an applicant or participant refuses to cooperate without good cause, the family's FIP grant is to be reduced by 25%. The grant reduction becomes effective the month after the Income Maintenance Worker is notified of the non-cooperation.

For one of 25 cases reviewed, action was taken timely. However, there was no recoupment for the prior month.

Recommendation – The Department should establish procedures to ensure compliance with the Employees' Manual.

Response and Corrective Action Planned – The Income Maintenance Administrator was notified of the error and reviewed the case. The supervisor met with the individual worker and the recoupment was completed on July 26, 2013.

In July 2013, the Department shifted the actions on these cases to a centralized unit in order to standardize and monitor cases more effectively. An internal review was completed to determine compliance with federal rules. Since the transition of the work to the unit, no errors have been noted or reported.

Conclusion – Response accepted.

CFDA Number: 93.658 – Foster Care Title IV-E
Agency Number: G-1201IA1401, G-1301IA1401
Federal Award Year: 2012, 2013

State of Iowa Single Audit Report Comment: 13-III-HHS-401-11

- (4) Foster Care (Title IV-E) – The Title IV-E program provides assistance payments for maintenance, adoption assistance and voluntary foster care.

The Code of Federal Regulations, 45 CFR 1356.21(b)(2) provides, in part, "To be eligible for foster care maintenance payments, a judicial determination regarding reasonable efforts to finalize the permanency plan must be made within twelve months of the date on which the child is considered to have entered foster care and at least once every twelve months thereafter while the child is in foster care." In one of 40 cases reviewed, the judicial determination of reasonable efforts to finalize the permanency plan was made more than 12 months after the child was considered to have entered into foster care.

Recommendation – The Department should establish procedures to ensure compliance with the Code of Federal Regulations. In addition, case file records should be properly maintained to support compliance with the requirements.

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Response and Corrective Action Planned – The timing of the judicial determination does not meet the requirements, however, the eligibility for payment is in compliance with federal rules. The federal policy requires a reasonable efforts finding within the first 12 months and every 12 months thereafter. In this case, the child was removed on November 23, 2011. Federal funding eligibility would continue for 12 months, through November 2012. A reasonable efforts finding was obtained in December 2012. Under Title IV-E policy, claiming is retroactive to the beginning of the month in which the finding is obtained. Therefore the December payment is in compliance with federal rules.

The error regarding the timing of receiving the judicial determination was reviewed by the Title IV-E eligibility team, the Social Work Administrator, and was reviewed with the individual worker to assure future compliance.

Conclusion – Response accepted.

CFDA Number: 93.778 – Medical Assistance Program
Agency Number: 1205IA5MAP, 1305IA5MAP
Federal Award Year: 2012, 2013

State of Iowa Single Audit Report Comment: 13-III-HHS-401-16

- (5) Intermediate Care Facility – Intellectual Disabilities (ICF-ID) – Placement in an Intermediate Care Facility is an optional Medicaid benefit for persons with intellectual disabilities or other related conditions.

Title 8-I-Appendix of the Employees’ Manual also states, in part, Form 470-0374 “Resident Care Agreement” is to be completed by a worker at the county office of the Department when a resident is approved for Medicaid payment. For one of 10 case files reviewed, the case file did not contain Form 470-0374. Two forms were located but were not signed by the IM worker. Two forms were located but were not signed by the IM worker and applicant.

Recommendation – The Department should establish procedures to ensure compliance with the Employees’ Manual and ensure complete records are maintained.

Response and Corrective Action Planned – The cases are based in the service delivery areas, but managed by the Centralized Facility Eligibility Unit. The supervisor was notified of the errors and reviewed all cases. A staff meeting was held within the unit to address the need to follow through when the form is sent to the facility for the resident’s signature, ensuring the form is returned timely. The supervisor also stressed the importance of signing the Resident Care Agreement when it is returned to the facility.

Conclusion – Response accepted.

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CFDA Number: 93.778 – Medical Assistance Program

Agency Number: 1205IA5MAP, 1305IA5MAP

Federal Award Year: 2012, 2013

State of Iowa Single Audit Report Comment: 13-III-HHS-401-17

(6) Medicaid Waivers – The Department administers seven home and community based waiver services (HCBS). Medicaid waivers enable eligible recipients to remain in their home or community rather than being admitted into a medical institution. The services are limited to certain client eligibility groups which have requested a waiver and have been given Departmental approval. For one of 20 files selected for review, the file was not provided.

Recommendation – The Department should ensure all case files are made available for review.

Response and Corrective Action Planned – This client’s services began 11 years ago when the content was originally stored as paper files. In 2010, the Department began to transition to electronic files and current eligibility documents were uploaded to the system to support eligibility for the current and future periods. According to the system entries, the client was covered under the Ill and Handicapped waiver starting in the fall of 2003 then transitioned, with Intellectual Disability services beginning on September 1, 2012, prior to the audit period under review.

While the paper file was not available for review, the documentation related to current eligibility was available through system entries. The client is a Social Security Income (SSI) recipient so no desk (income and resources) review would be required under Department policy, as eligibility is communicated by SSI. In addition, a review must be completed by the Case Manager each year in order to create a new service plan. The service plan is communicated to the Iowa Medicaid Enterprise (IME) for review and entry into their systems. The IME system shows the annual approvals for Level of Care were completed as required. The electronic document files do contain the assessment for the current ID case, so the client is currently receiving services under the appropriate waiver.

The Service Area Manager was asked to confirm the historical file was not available for audit. The Service Area Manager reviewed the missing file issue with the Income Maintenance administrator and the adult services supervisor. The supervisor then reviewed the missing file issues with workers in the unit. The need to retain files for audit purposes and to assure that content is available electronically was reaffirmed.

Conclusion – Response accepted.

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CFDA Number: 93.778 – Medical Assistance Program
Agency Number: 1205IA5MAP, 1305IA5MAP
Federal Award Year: 2012, 2013

State of Iowa Single Audit Report Comment: 13-III-HHS-401-18

- (7) Medicaid Quality Control – The Bureau of Quality Control conducts reviews of Title XIX cases in which a negative action has been applied. A negative action results in a client's denial of coverage. When an error is found by the reviewer, the supervisor of the employee who erred is notified. Supervisors have been advised they do not need to respond to technical errors in which eligibility is not affected. However, if eligibility is affected, supervisors have been instructed to respond to the notification of error and report to Quality Control the way the error has been corrected.

In one of 12 cases reviewed, Quality Control noted the reason for the negative action was incorrect and the client was eligible for coverage. The error appeared to have been caused by an input error. Quality Control notified the employee's supervisor there had been an error when the review was completed on February 27, 2013. However, as of May 2013, follow-up of the error had not been completed.

Recommendation – The Department should take steps to ensure negative action reviews have adequate follow-up in case of incorrect eligibility determinations.

Response and Corrective Action Planned – The Department has reviewed the case and determined the appropriate action has been taken on the case determined to be in error. As of May 6, 2013, the individuals on the case are correctly coded as eligible. Future errors will be directed through the field office support unit to ensure proper communication between Quality Control and field staff is maintained throughout the resolution process.

Conclusion – Response accepted.

Findings Reported in the State's Report on Internal Control:

No matters were noted.

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Other Findings Related to Internal Control:

- (1) In-Home Health-Related Care (IHHC) Case Files – For fiscal year 2013, seven county offices were visited. In conjunction with this limited review, documentation in three In-Home Health-Related Care case records were tested for completeness. Also, an additional fifteen IHHC case records were reviewed for compliance with Department policy. The following conditions were noted:
 - (a) For one of eighteen case files tested, the Income Maintenance case was closed in fiscal year 2010. However, the service case was not closed until early 2013. Payments for services continued to be made until the service case was closed. These services should not have been paid for after the Income Maintenance case was closed in fiscal year 2010. Since payments should not have been made for this case, the case records were not reviewed for compliance with Department policy.
 - (b) Title 16-I-3 of the Employees' Manual provides a physician must certify IHHC services are needed. A Physician's Report, form 470-0673, should be completed. For two of seventeen cases reviewed, the Physician's Report form 470-0673 was not included or was incorrectly checked.
 - (c) Title 6-B-44 of the Employees' Manual provides for determination of the amount of client participation in service costs. For one of the seventeen cases reviewed, the client was not paying full client participation.
 - (d) Title 16-J-9, Appendix, of the Employees' Manual provides the worker is to complete the Notice of Decision (NOD): Services form 470-0602, to notify clients of eligibility determination and service needs for IHHC. The NOD should be filed in the case record. For two of the seventeen cases reviewed, the NOD: Services form 470-0602 was not included in the case record.
 - (e) Title 16-J-6 of the Employees' Manual provides the Service Report, form 470-0506, shall be used to communicate certain matters, including new applications, approval for payment of services and determination of client participation. For one of seventeen cases reviewed, the Service Report was not included in the case record.
 - (f) Title 16-J-34 of the Employees' Manual provides the Provider Health Assessment, form 470-0672, shall be obtained annually. For one of the seventeen cases reviewed, the Provider Health Assessment was not included in the case record.
 - (g) Title 6-B-40 of the Employees' Manual provides the worker should issue a Notice of Decision: Medical Assistance or State Supplementary Assistance, form 470-0490, to notify the applicant or a Notice of Decision, form 470-0485, per Title 6 Appendix. For two of the seventeen cases reviewed, the pertinent Notice of Decision: Medical Assistance or State Supplementary Assistance was not included in the case record.

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- (h) Title 16-J-12, Appendix, of the Employees' Manual provides the Provider Agreement should be completed for each client. In addition, Title 16-J-5 of the Employees' Manual provides the Provider Agreement, form 470-0636, should be updated annually. For three of the seventeen cases reviewed, the Provider Agreement was not included in the case record. In addition, for six of the seventeen cases reviewed, the form was not dated or not signed timely by the area administrator.
- (i) Title 16-J-7, Appendix, of the Employees' Manual provides the Individual Client Case Plan, form 470-0583, should be completed when a new client is approved to receive IHHRC and at the time of the yearly review. For seven of the seventeen cases reviewed, the Individual Client Case Plan was not included in the case record.
- (j) Title 16-J-33 of the Employees' Manual provides the physician shall review and recertify the appropriateness of the health care plan at least every 60 days. The nurse shall review the nursing plan and shall provide an updated copy of the physician's health care plan and the nursing plan of care to the provider. Also, a review of the total care plan should be completed by someone involved with the care plan at least every six months. For nine of the seventeen cases reviewed, sufficient documentation was not included in the case record to determine whether the physician reviewed and recertified the health care plan every 60 days or whether the nurse reviewed the nursing plan. In addition, for five of the seventeen cases reviewed, review of the total care plan at least every six months was not documented.
- (k) Title 16-J-21 of the Employees' Manual provides information entered in the Service Reporting System must be accurate and must agree with information entered in the Purchase of Service System. In one of the seventeen cases reviewed, the incorrect service rate was included in the Purchase of Service System.
- (l) Title 16-J-5 of the Employees' Manual provides the Authorization to Obtain or Release Health Care Information, form 470-3951, is required to be updated annually. For four of seventeen cases reviewed, the Authorization to Obtain or Release Health Care Information, form 470-3951 was not in the case file or it was not updated annually.
- (m) Title 16-J-34 of the Employees' Manual provides the Medicaid Review, form 470-3118, should be completed annually. For four of the seventeen cases reviewed, the Medicaid Review was not included in the case record.
- (n) Individuals receiving services from both Medicaid Waivers and In-Home Health Related Care are eligible to receive services from both programs per 441 Iowa Administrative Code 177.4(2). For one of seventeen cases reviewed, documentation did not indicate which services were being funded from each of the programs.

Recommendation – The Department should establish procedures to ensure compliance with the Employees' Manual. In addition, when a service can be funded by multiple funding sources, the funding source utilized should be documented.

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Response – Errors were sent to the appropriate Administrator and reviewed with each staff person. The date of the review was documented in the response to the auditors. Training was done via the monthly webinar with Income Maintenance (IM) staff. The errors were sent to the Income Maintenance governing body and the IM Business Team, on August 15, 2013 for review during their meeting.

In December of 2013 IHHC case information was moved to a new system called ISIS, which will allow for worker notification and tracking. It is anticipated this move will result in better case management and reduce errors in the future.

The policy division presented a webinar on June 17, 2014 available to all social work staff and supervisors about IHHC policies and the move to the newer tracking system (ISIS). Each of the individual errors was addressed in the training.

Conclusion – Response accepted.

- (2) Foster Care (Title IV-E) – The Title IV-E program provides assistance payments for maintenance, adoption assistance, and voluntary foster care. Iowa Administrative Code 441-130.7 states, “A case plan that meets the requirements of Iowa Code section 232.2 shall be filed within 60 days from the date the child enters foster care or the date the Department opens a child welfare service case, whichever occurs first.” Of twenty cases reviewed, one plan was not developed within 60 days.

Recommendation – The Department should establish procedures to ensure compliance with the Employees’ Manual.

Response – The supervisor reviewed the issue with the worker to avoid a similar error in the future.

Conclusion – Response accepted.

- (3) DHS Field Office Internal Controls – For fiscal year 2013, seven county offices and three Child Support Recovery Unit (CSRU) offices were visited. In conjunction with this limited review, the following conditions were noted:

- (a) In five county offices, the Family and Children Services (FACS) transaction report received from central office was not maintained.
- (b) In one county office, undistributed payroll checks were not kept in a secure location.
- (c) In two county offices, receipts were not signed by the individual who issued the receipt.
- (d) In one county office and CSRU, receipts were not filled out in their entirety per the collections manual. Items that were not filled out include explanation or description and state warrant number.
- (e) In one CSRU office, a receipt tracking log was not maintained.

Recommendation – The Department should implement changes to strengthen internal controls.

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Response –

- a) The report listed no longer serves a purpose and work is in progress to have this report discontinued.
- b) The issue was reviewed with the supervisor in the office and staff have been advised to secure all checks going forward. No additional follow up is planned.
- c) Both errors occurred in one service delivery area. The business manager for the service area has reviewed the errors with office staff to ensure understanding of receipt requirements.
- d) County field offices: The field error was also an item that was in error in item C above. The error in not completing the receipt log appropriately was reviewed by the business manager with the office staff who complete this work to ensure understanding of receipt requirements.

CSRU: The office has been given direction to ensure all staff with receipt-writing responsibility are aware of how to accurately and completely fill out the paper receipt per the collections manual when the system is down and an electronic receipt cannot be produced.

- e) Offices are also being directed to maintain copies of the reports generated from the electronic receipts process to maintain evidence of daily reconciliation of receipts and payments posted to the case. They are also being directed to maintain copies of documents sent to the payment processing center.

Conclusion – Responses accepted.

- (4) DHS Field Office – Case Records – For fiscal year 2013, seven county offices were visited. In conjunction with this limited review, the following conditions were noted:

- (a) In two county offices, for four of six foster care cases reviewed, required visits to children in out-of-home placement were not completed at least once every calendar month in accordance with Chapter 441.202.11(2) of the Iowa Administrative Code.
- (b) In one county office, a listing of children currently under its guardianship was not maintained in accordance with Title 13-D-5 of the Employees' Manual.
- (c) In one county office, for one of two foster care cases reviewed, the case file did not include an updated case plan for the child's most recent entrance into Foster Care in accordance with Title 17-C-10a of the Employees' Manual.
- (d) In one county office, for one of three TANF cases reviewed, a Notice of Decision was not completed within thirty days of application in accordance with Title 4-B-15 of the Employees' Manual.
- (e) In one county office, for one of five TANF cases reviewed, the parents did not assign all support rights to the Iowa Department of Human Services in accordance with Title 4-C-8 of the Employees' Manual.

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Recommendation – The Department should implement changes to ensure documentation in case files is complete.

Response – At each location, the audit results were reviewed with the individual workers.

Conclusion – Responses accepted.

(5) Eligibility - Sixty Month Limitation – There is a sixty month limitation on Family Investment Planning (FIP) benefits unless a hardship exemption is approved. Title 4-C-72 of the Employees' Manual provides, in part, the individual must complete Form 470-3826, Request for FIP Beyond 60 Months. Form 470-3876, Hardship Exemption Determination, is then completed to document the final hardship exemption determination. Form 470-3876 should be approved or denied within thirty days of receipt of Form 470-3826. All documents should be included in the individual's case file.

- (a) For three of twenty-four cases reviewed, the Income Maintenance worker did not make the hardship exemption determination within thirty days.
- (b) For one of twenty-four cases reviewed, the Income Maintenance worker did not sign and approve the hardship exemption on Form 470-3876, Hardship Exemption Determination.
- (c) For three of twenty-four cases reviewed, the Income Maintenance worker did not complete Form 470-3876, Hardship Exemption Determination.

Recommendation – The Department should establish procedures to ensure compliance with the Employees' Manual.

Response –

- a) The three not completed within 30 days were reviewed by the Income Maintenance Administrator (IMA) in the first area and each case was reviewed with the worker by their supervisor.
- b &
- c) The single case where the form was not signed or approved and the three errors where the form was not completed were also first reviewed by the IMA. The IMA reviewed the identified issues with all supervisors in June 2012. The supervisors in turn reviewed the cases with the individual workers.

Information on the audit errors was shared during the Income Maintenance Training Academy in June 2014 and will be reviewed during the Income Maintenance Monthly Webinar no later than September 1, 2014.

Conclusion – Responses accepted.

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- (6) Eligibility – Infant Social Security Number – Title 4-C-148 of the Employees’ Manual provides a FIP participant who is the mother of a newborn child has until the last day of the month following the month she was released from the hospital to apply for a newborn’s social security number. Proof of application for the infant’s social security number must be in the case record no later than the last day of the month following the month the mother is released from the hospital in order to avoid a payment error.

For three of twenty-nine cases reviewed, the infant’s social security number was not requested by the case worker until at least 5 months to a year after the birth of the infant.

Recommendation – Employees should request the infant’s social security number at least one month after the mother has left the hospital. If the mother does not comply, the Department should follow up within a reasonable time frame.

Response – Each error was reviewed by the Income Maintenance Administrator and the supervisor reviewed each error with the individual workers.

Information on the audit errors was shared during the Income Maintenance Training Academy in June 2014 and will be reviewed during the Income Maintenance Monthly Webinar no later than September 1, 2014.

Conclusion – Response accepted.

Findings Related to Statutory Requirements and Other Matters:

Iowa Code Compliance – Chapter 217.40 of the Code of Iowa requires the Department, or a person designated by the Director, to establish training programs designed to assist all duly appointed guardians and conservators in understanding their fiduciary duties and liabilities, the special needs of the ward and how to best serve the ward and the ward’s interests.

The Department eliminated the training coordinator position due to budget constraints.

Recommendation – The Department should take steps to ensure compliance with the Code of Iowa or the Department should seek the repeal of outdated Code sections.

Response – The Department will work with the Code Editor to identify a process to expedite necessary Code changes and where necessary, propose and/or support legislation which more accurately reflects the current structure.

Conclusion –Response accepted.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2013

Staff:

Questions or requests for further assistance should be directed to:

Michelle B. Meyer, CPA, Manager
Timothy D. Houlette, CPA, Manager
Keith C. Kistenmacher, Senior Auditor II
Jennifer L. Wall, CPA, Senior Auditor II
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated in the audits include:

Jessica L. Barloon, CPA, Staff Auditor
Tracey L. Gerrish, Staff Auditor
Tyler J. Guffy, Staff Auditor
Thomas S. Hebert, Staff Auditor
Russell G. Jordan, CPA, Staff Auditor
Trisha S. Kunze, Staff Auditor
Elissa R. Olson, Staff Auditor
Ryan J. Pithan, Staff Auditor
Jesse J. Probasco, CPA, Staff Auditor
Todd E. Pudenz, CPA, Staff Auditor
Tiffany N. Aliprandi, Assistant Auditor
Leslie M. Downing, Assistant Auditor
Anthony M. Heibult, Assistant Auditor
Benjamin R. Salow, Assistant Auditor