



**OFFICE OF AUDITOR OF STATE**  
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David A. Vaudt, CPA  
Auditor of State

NEWS RELEASE

FOR RELEASE

August 18, 2010

Contact: Andy Nielsen  
515/281-5834

Auditor of State David A. Vaudt today released a report on the Iowa Department of Human Services for the year ended June 30, 2009.

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) Improve controls over cash receipts and Purchase of Service Data System (POSS) payments in the field offices.
- (2) Improve controls over food stamp benefit distributions.
- (3) Work with Iowa Department of Public Health officials to ensure Medicaid benefits are properly cancelled upon the death of a recipient.
- (4) Improve monitoring procedures over wrap-around grant recipients and Community Empowerment Areas.
- (5) Comply with established guidelines related to various programs, such as child care assistance, temporary assistance for needy families (TANF), foster care, adoption assistance, Medicaid, healthy and well kids in Iowa (*hawk-1*) and In-home health.
- (6) Establish procedures to ensure county billings receivable are reported accurately and pursue the collection of outstanding balances.
- (7) Establish procedures to ensure assets are properly capitalized.
- (8) Improve controls over changes to payroll documents.

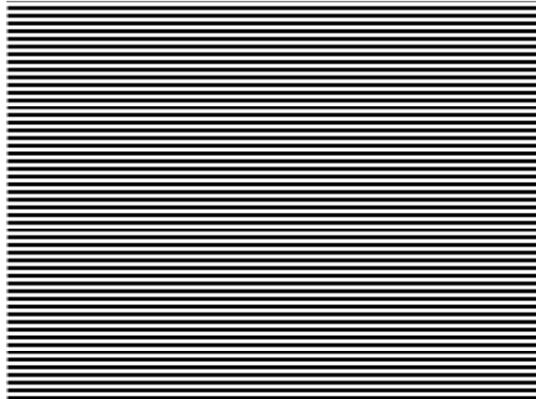
The report also includes the Department's responses to the recommendations.

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/1060-4010-BR00.pdf>

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

**JUNE 30, 2009**

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



**David A. Vaudt, CPA**  
**Auditor of State**







# OFFICE OF AUDITOR OF STATE

STATE OF IOWA

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August 16, 2010

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, 2009.

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 and the State's Report on Internal Control, as well as other recommendations pertaining to the Department's internal control, 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 26 and they are available to discuss these matters with you.

DAVID A. VAUDT, CPA  
Auditor of State

WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

cc: Honorable Chester J. Culver, Governor  
Richard C. Oshlo, Jr., Director, Department of Management  
Glen P. Dickinson, Director, Legislative Services Agency

June 30, 2009

**Findings Reported in the State's Single Audit Report:**

**CFDA Number: 10.551 – Supplemental Nutrition Assistance Program**

**Agency Number: 00801619956008**

**Federal Award Year: 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-USDA-401-1**

- (1) Food Stamps - Eligibility – Federal regulations prohibit individuals who have been jailed for thirty days or more from collecting food stamp benefits while incarcerated.

United States Code Title 7, Chapter 51, Section 2020(e) states, in part, “The State agency shall establish a system and take action on a periodic basis to verify and otherwise ensure an individual who is placed under detention in a Federal, State, or local penal, correctional, or other detention facility for more than thirty days shall not be eligible to participate in the supplemental nutrition assistance program as a member of any household.” In addition, Title 7-C-21 of the Iowa Department of Human Services Employees’ Manual states, in part, “People who live in institutions which furnish over 50% of meals as part of normal services are not eligible for food assistance.”

The Department utilizes electronic access to Social Security Administration information to identify ineligible individuals. In addition, the Department receives data from the Iowa Department of Corrections to aid in identifying ineligible recipients. The extent of review of those individuals under detention at the local penal level for more than thirty days is not apparent.

Recommendation – The Department should establish appropriate procedures to ensure individuals placed in Federal, State, or local penal, correctional or other detention facilities for more than thirty days do not receive food stamp benefits.

Response and Corrective Action Planned – The Department is currently in the process of assessing various sources of data at the Federal, State, and local levels to identify the most reliable source to meet this expectation. The Department will also work with the U.S. Department of Agriculture (USDA) Food and Nutrition Service to address conflicting policies and identify a solution which will more effectively prevent incorrect benefit issuance to individuals who are in penal, correctional or other detention facilities.

In addition, the Department is exploring the possibility of merging pertinent data from each source into a single report. Combining the data is an important step to more efficiently managing the information. It will allow case workers to access a single source and assist in eliminating duplication and discrepancies to ensure the information is acted upon appropriately.

Lastly, the Department will work with the local penal level to further clarify the roles and responsibilities of each in the determination of eligibility for benefits and in the investigation of fraudulent use of food assistance benefits.

Conclusion – Response accepted.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

**CFDA Number: 93.558 – Temporary Assistance for Needy Families**  
**Agency Number: G-0702IATANF, G-0802IATANF, G-0902IATANF**  
**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-1**

- (2) Computer Match – Family Investment Program (FIP) – Title 4-C-36 of the Employees' Manual states, 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 13-C(1)-13 of the Employees' Manual states, 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.

A computer match of payment data was performed for cases receiving both FIP and foster care payments during fiscal year 2009. We reviewed 221 cases receiving both FIP and foster care payments during the same month of service. Of the 221 cases reviewed, 43 children, or 19%, improperly received FIP benefits for an additional one to five months after entering foster care. The unallowable FIP payments for these 43 children totaled \$7,932.

A computer match of payment data was performed for cases receiving both FIP and subsidized adoption payments during fiscal year 2009. We reviewed 34 cases receiving both FIP and subsidized adoption payments during the same month of service. Of the 34 cases reviewed, 15 cases, or 44%, improperly received both FIP and subsidized adoption payments for an additional one to two months after entering subsidized adoption. The unallowable FIP payments for these 15 fifteen cases totaled \$3,495.

Recommendation – The Department should establish procedures to ensure compliance with the Employees' Manual. In addition, the Department should consult with the U.S. Department of Health and Human Services to determine corrective action.

Response and Corrective Action Planned – The Department consulted with the U.S. Department of Health and Human Services as recommended in the fiscal year 2008 audit. The U.S. Department of Health and Human Services, in an email dated May 8, 2008, concurred with a revised Department rule stating when a FIP child is approved for Foster Care or Subsidized Adoption while living in the same home, FIP is to be cancelled the first day of the following month. This revised rule went into effect on March 1, 2009. A copy of this email was provided to the Office of Auditor of State.

Training will be provided on the statewide Income Maintenance Policy Update Webinar by May 20, 2010 regarding taking appropriate action when a child is receiving both FIP/Foster Care or FIP/Subsidized Adoption. A worker should complete the recoupment immediately when the worker is unable to cancel FIP for the month following the month of receipt of Foster Care or Subsidized Adoption.

Recoupments have been completed on all cases noted to be not in compliance with this rule.

Conclusion – Response accepted.

June 30, 2009

**CFDA Number: 93.778 – Medical Assistance Program and ARRA - Medical Assistance Program**

**Agency Number: 5-0705IA5048, 5-0805IA5028, 5-0805IA5048, 5-0905IA5028, 5-0905IA5048**

**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-2**

(3) Medicaid Eligibility – During a performance review conducted by the Office of Auditor of State regarding Medicaid payments after death for the period July 1, 2006 through December 31, 2008, the following findings were noted:

- (a) Incorrect Social Security Numbers – Per Chapter 441-75.7 of the Iowa Administrative Code, all applicants or recipients of medical assistance are required to provide a valid social security number (SSN). When a case is first opened, a Department case worker must enter the SSN for each individual. The Department's Iowa Automated Benefits Calculation (IABC) system automatically queries the Social Security Administration's (SSA) database when the SSN is entered. If the SSN does not match SSA's records, the Department case worker receives an error report and follows up. Therefore, the SSN's maintained in the IABC system are considered verified and reliable.

However, seven individuals were identified during the review for which incorrect SSN's had been recorded in the file maintained by the Bureau of Vital Statistics within the Iowa Department of Public Health (IDPH). According to representatives of IDPH, incorrect SSN's had been provided by the individual reporting the death. All information is self-reported and IDPH does not perform any verification.

- (b) Excess Payments after Date of Death – During the review, a number of payments were identified which were made on Medicaid claims submitted to the Iowa Department of Human Services – Iowa Medicaid Enterprise (DHS-IME) for services provided subsequent to the recipients' dates of death.

255 capitation payments were identified, totaling \$23,271, which were paid following the months of death. Of the 255 excess payments, 40, totaling \$3,455, were paid the month following the date of death. 157, totaling \$14,272, were paid between two and twelve months subsequent to the dates of death and 58, totaling \$5,544, were paid thirteen or more months subsequent to the dates of death. For example, we identified continued capitation payments for over three years after the death of one recipient. As a result of the review, DHS was able to stop payments. Otherwise, payments were likely to continue.

29 claims were identified which were paid to pharmacies and providers for medication and equipment subsequent to the recipients' dates of death. Of the 29, 16 claims, totaling \$723, were paid to pharmacies. Of those, 15 were paid for services claimed within one week subsequent to the recipients' dates of death while one claim was paid for services up to two weeks subsequent to the date of death.

The remaining 13 claims totaled \$2,224 and were paid to providers for equipment and medication. Of the 13 claims, nine were paid for services provided within one month subsequent to the recipients' dates of death and four were paid for services provided over one month subsequent to the dates of death.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

Prior to the review, DHS-IME recoveries resulted primarily from random quality assurance reviews or information received from outside sources.

Testing identified approximately 20% of a small number of claims improperly paid after the recipient's death. Therefore, it is likely additional improper payments would have been identified if more claims were tested.

For additional information regarding the above findings, see the performance report, "A Review of Payments made Subsequent to Recipients' Dates of Death Under the Medicaid Program" issued January 22, 2010 by the Office of Auditor of State.

Recommendation – DHS-IME should work with IDPH officials to share information and implement procedures to ensure accurate SSN's are obtained for the file maintained by the Bureau of Vital Statistics, such as requiring family members to provide the deceased individual's social security card or other appropriate documentation, such as bank records or probate records. Also, DHS-IME should ensure payments to or for Medicaid recipients are properly cancelled upon their date of death and implement procedures to ensure Department case workers are entering Medicaid recipients' dates of death to the Medicaid Management Information System (MMIS) in a more timely manner. DHS-IME should review additional capitation claims for services provided subsequent to recipients' dates of death.

Response and Corrective Action Planned –

- (a) Incorrect Social Security Numbers – The Department does not have the authority to require family members to verify a deceased individual's date of death nor does the Department have the authority to require family members to provide the deceased individual's Social Security card or other appropriate documentation for the file maintained by the Iowa Department of Public Health Bureau of Vital Statistics.

However, the Department has initiated a process with IDPH to resolve discrepancies with social security number inaccuracies. The validation of deceased persons' social security numbers is outside of the purview of the Department. IDPH has proposed working with the Board of Mortuary Science to determine whether it is feasible for a mortician to require a copy of the Social Security card or other appropriate documentation at the time of a person's death. IDPH will also pursue efforts to improve quality of data with funeral directors.

- (b) Excess Payments after Date of Death – The Department initiated a data matching process approximately six months ago. Each month the Iowa Medicaid Enterprise (IME) receives the vital statistics (Date of Death file) from the Iowa Department of Public Health. The IME Data Warehouse staff matches the Date of Death file to the Iowa Department of Human Services membership enrollment file. Matched information is sent to the Office of Field Support for coordination with Income Maintenance Workers around the State who cancel the individual member's eligibility. The IME Surveillance and Utilization Review System (SURS) unit will use the matched information on an ongoing basis to recoup Medicaid payments that were made after a person's date of death as appropriate. In addition, the SURS Unit will perform retroactive recoupments for all payments made since the matching process began.

The Department will provide a reminder to field staff both in writing and in a statewide informational phone call on the correct way to cancel a person's case due to death.

Conclusion – Response accepted.

June 30, 2009

**CFDA Number: 93.558 – Temporary Assistance for Needy Families**  
**Agency Number: G-0702IATANF, G-0802IATANF, G-0902IATANF**  
**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-4**

- (4) Non-Cooperation with Child Support Recovery Unit (CSRU) – Title 4-C-18 and 4-C-21 of the Employees' Manual states, 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 seven of twenty-five cases reviewed, the FIP grant was not reduced for the month following non-cooperation with CSRU and recoupment was not established.

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

Response and Corrective Action Planned – Training will be provided on the statewide Income Maintenance Policy Update Webinar by May 20, 2010 regarding the policy of cooperation with CSRU. If a recipient fails to do so, the FIP grant is to be reduced by 25%. Staff will also be reminded if they are unable to timely reduce the FIP grant, a recoupment must be completed for the months in which an overpayment was received. A recoupment has been placed on all overpayments cited.

Conclusion – Response accepted.

**CFDA Number: 93.558 – Temporary Assistance for Needy Families**  
**Agency Number: G-0702IATANF, G-0802IATANF, G-0902IATANF**  
**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-5**

- (5) TANF Report Errors – The ACF-199, TANF Data Report, and the ACF-209, Separate State Programs – Maintenance of Effort (SSP-MOE) Data Reports, are required to be submitted quarterly. These reports summarize statistical information regarding participants in the TANF program. The following conditions were identified during fiscal year 2009 testing for the ACF-199 and ACF-209 reports:

- (a) For two of thirty cases reviewed, hours of satisfactory school attendance could not be verified with the IWorks system.
- (b) For one of thirty cases reviewed, hours directly related to employment (with no high school diploma) could not be verified with the IWorks system.
- (c) For one of thirty cases reviewed, hours reported for job skills training could not be verified with the IWorks system.

Recommendation – The Department should implement procedures to ensure the IWorks system or other documentation supports the ACF-199 and ACF-209 reports.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

Response and Corrective Action Planned – The Department contracts with the Iowa Department of Workforce Development (IWD) to provide TANF employment and training services. IWD staff enter verified hours of participation for the federally defined work activities in their IWorks system. Each month, IWD sends the Department files that contain the entered hours. Department programs prepare the data in the files for the TANF Data Report. The Department recently developed a new system database to improve the accuracy of data for federal reporting purposes. The errors cited in (a) were caused by a coding error in the program that prepares the data for the TANF data reports. The program has been corrected.

The errors cited in section (b) and (c) were caused by subsequent worker entry in the IWorks system. The worker updated the hours to cause the discrepancy between IWorks and the federal TANF data report. The Department is in the process of resubmitting data for federal fiscal year 2009. All errors cited will be corrected in the resubmitted report.

IWD supervisors throughout the State review one case per worker per month. IWD corrects individual case errors identified in a review. The Department and IWD meet regularly to review and discuss case review findings to determine error trends and training needs. The Department will begin conducting second level reviews of IWD supervisory reviews for quality assurance.

As a point of clarification, it should be noted the Department uses data as it was reported by IWD through IWorks at the time the federal TANF data report is prepared and submitted for each quarter. At the time the TANF data report was submitted it matches the data in IWorks. However, if IWD subsequently makes changes to IWorks, an inconsistency of the type noted in the finding can be created. Updates to IWorks are necessary to ensure that the system reflects the most recent information or any corrections. However, the Department does not resubmit data from prior months to address changes to individual cases, this would result in numerous resubmissions. Rather, data is resubmitted to address changes or corrections affecting multiple cases. In the future, the data submitted by the Department to the federal government will be compared to the data contained in the file from IWorks used to produce the TANF data report rather than what may be reflected in IWorks at the time the review is conducted.

Conclusion – Response accepted.

**CFDA Number: 93.558 – Temporary Assistance for Needy Families**

**Agency Number: G-0702IATANF, G-0802IATANF, G-0902IATANF**

**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-6**

- (6) Eligibility Tracking System (ETS) – Incorrect Coding – The Eligibility Tracking System (ETS) tracks how long Family Investment Program (FIP) recipients receive benefits to ensure compliance with federal regulations. Federal regulations limit benefits to a maximum of 60 months. Title 14-N-1 of the Employees' Manual states, in part, "Once clients receive certain milestones (36 to 60 months of service), a notice is sent to recipients regarding how many months of assistance they have received."

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

The Departments' income maintenance workers use ETS each month to review a family's status for the 60 month limit and to issue letters, as appropriate, before approving applications, processing reviews, reopening or reinstating a case or adding an adult to an active case. One of thirty-four cases tested was incorrectly coded to the Iowa Automated Benefits Calculation System (IABC), resulting in the ETS incorrectly reporting total months of assistance.

Recommendation – The Department should establish procedures to ensure monthly benefits are properly coded to the IABC system and ETS.

Response and Corrective Action Planned – The error cited was due to a coding error of an ineligible alien parent. Training will be provided on the statewide Income Maintenance Policy Update Webinar by May 20, 2010 regarding the correct coding for ineligible parents.

Conclusion – Response accepted.

**CFDA Number: 93.558 – Temporary Assistance for Needy Families**  
**Agency Number: G-0702IATANF, G-0802IATANF, G-0902IATANF**  
**Federal Award Year: 2007, 2008, 2009**

**CFDA Number: 93.563 – Child Support Enforcement and ARRA - Child Support Enforcement**  
**Agency Number: G-0704IA4004, G-0804IA4004, G-0904IA4004**  
**Federal Award Year: 2007, 2008, 2009**

**CFDA Number: 93.575 – Child Care and Development Block Grant**  
**Agency Number: G-0601IACCDF, G-0701IACCDF, G-0801IACCDF, G-0901IACCDF**  
**Federal Award Year: 2006, 2007, 2008, 2009**

**CFDA Number: 93.596 – Child Care Mandatory and Matching Funds of the Child Care and Development Fund**  
**Agency Number: G-0601IACCDF, G-0701IACCDF, G-0801IACCDF, G-0901IACCDF**  
**Federal Award Year: 2006, 2007, 2008, 2009**

**CFDA Number: 93.658 – Foster Care Title IV-E and ARRA - Foster Care Title IV-E**  
**Agency Number: G-0801IA1401, G-0901IA1401**  
**Federal Award Year: 2008, 2009**

**CFDA Number: 93.659 – Adoption Assistance and ARRA - Adoption Assistance**  
**Agency Number: G-0801IA1407, G-0901IA1407**  
**Federal Award Year: 2008, 2009**

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

**CFDA Number: 93.778 – Medical Assistance Program and ARRA – Medical Assistance Program**

**Agency Number: 5-0705IA5048, 5-0805IA5028, 50805IA5048, 5-0905IA5028, 5-0905IA5048**

**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-7**

(7) DHS Field Office Internal Controls – For fiscal year 2009, ten county offices and four Child Support Recovery Unit (CSRU) offices were visited. In conjunction with this limited review, the following conditions were noted.

In four county offices, the person who sends the receipt to central office also compares the validated transmittal from central office to the receipt in the receipt log or receipt book. In these offices, the same person also prepared the receipts.

In one county office, a receipt log is used as an initial receipt listing to track the deposit of funds received by the office. However, the receipt log does not identify the individual who compares the validated transmittal from central office.

In three county offices, the person who enters invoices for payment onto the Purchase of Service Data System (POSS) is also able to approve the invoices for payment and receive and review the transaction report from central office. In these county offices, the person can also enter provider agreements onto POSS.

For the CSRU offices, a receipt log is used to indicate the receipt number, the employee writing the receipt, the date the validated receipt was received from central office, the employee logging the validated receipt upon return from central office, the amount of the receipt, the date the receipt was sent to central office and the date of the receipt.

For all CSRU offices reviewed, the receipt log did not document complete information, as noted above.

In one CSRU office, yellow receipts were not compared to the receipt log/receipt book upon return from central office by an independent person.

In one CSRU office, receipts did not indicate the client for whom the receipt was for as required per Title 23 Appendix B, of the Employees' Manual.

At three CSRU offices, the person who sends the receipt to central office also compares the validated transmittal from central office to the receipt in the receipt log or receipt book. In this office, the same person also prepared the receipt.

Recommendation – The Department should implement changes to strengthen internal control and develop policies and procedures to ensure compliance with the Employees' Manual.

Response and Corrective Action Planned –

County Offices – Individual corrective action plans for each county not in compliance will be required by April 16, 2010. The corrective action plans will address the segregation of duties over receipts, the completion of the receipt log book and the segregation of duties over the POSS system.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

CSRU Offices – In December 2009, a new automated receipt process was added to the Iowa Collection and Reporting system (ICAR). In this automated process, all necessary fields on the receipt are completed by the system. A new spreadsheet/receipt log was also implemented in all offices which contains the necessary data elements listed above. As of February 24, 2010, all offices were instructed to have an independent person validate the receipts once they are processed by central office.

Conclusion – Response accepted.

**CFDA Number: 93.558 – Temporary Assistance for Needy Families**  
**Agency Number: G-0702IATANF, G-0802IATANF, G-0902IATANF**  
**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-8**

(8) TANF Mainframe to ETS Reconciliation – The ETS tracks how long FIP recipients receive benefits to ensure compliance with federal regulations. Federal regulations limit benefits to a maximum of 60 months. Information is downloaded from the Iowa Automated Benefit Calculation (IABC) and Issuance Verification System (ISSV) mainframe systems onto the File Transfer Protocol (FTP) server on a daily basis via a text file. Each day, an individual obtains a mainframe report indentifying how many records and files were written and read to the server and also receives a report identifying how many records were loaded onto the ETS database. Individuals reconcile how many records and files were written to the FTP from the IABC mainframe. During fiscal year 2009, reconciliations were not performed between information loaded onto the ETS database from the FTP server, including the records not posted onto the ETS.

Recommendation – The Department should develop a system for reconciling the number of records transferred between the FTP server and the ETS database.

Response and Corrective Action Planned – The Department has implemented a reconciliation in the FTP process where all non-ETS records are totaled and displayed along with ETS records processed. ETS counts can now be verified to determine if any records were missed.

Conclusion – Response accepted.

**CFDA Number: 93.558 – Temporary Assistance for Needy Families**  
**Agency Number: G-0702IATANF, G-0802IATANF, G-0902IATANF**  
**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-9**

(9) TANF Work Verification Plan - Quality Assurance – As a part of ensuring the accuracy of data used in calculating work participation rates, the Department has developed a Work Verification Plan in accordance with Code of Federal regulations, 45 CFR 261(62). Part of this plan states, in part, Iowa Department of Workforce Development (IWD) and its subcontractors are required to monitor the accuracy of the data Promise Jobs case managers enter into data systems for reporting. This monitoring process involves

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

examining a sample of case files and system data. During fiscal year 2009, IWD reviewed 1,290 cases for accuracy. A second level quality assurance review is also required to be completed by the Iowa Department of Human Services to evaluate the reliability of data and overall accuracy of data entry. During the current review under audit, the second level review was only performed on one of the 1,290 sampled cases.

Recommendation – The Department should perform additional second level quality assurance case reviews to evaluate the reliability of data and overall accuracy of data entry to ensure accurate and consistent data is used in calculating work participation rates.

Response and Corrective Action Planned – The Department added the second level verification requirement to the plan in October 2008. Throughout the fiscal year, the Department reviewed the procedures established by IWD for the initial reviews and completed trial reviews in June 2009. Based on the trial reviews, a process was established for future reviews. The Department then worked with IWD to coordinate schedules for the second level review. All IWD Service Delivery Regions will have a second level review completed by the end of state fiscal year 2010.

Conclusion – Response accepted.

**CFDA Number: 93.563 – Child Support Enforcement and ARRA - Child Support Enforcement**

**Agency Number: G-0704IA4004, G-0804IA4004, G-0904IA4004**

**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-10**

- (10) Provisions of Interstate IV-D Cases - State Programs – The Code of Federal Regulations, 45 CFR 303.7, states, in part, “The State IV-D agency must establish an interstate central registry responsible for receiving, distributing and responding to inquires on all incoming interstate IV-D cases. This establishment must be made within ten working days.”

For the months of July 2008 through June 2009, reports were reviewed to determine if cases were reviewed within ten working days. Beginning in July 2007 and ending April 2009, between 21% and 82% of the cases received were not referred to the State of Iowa Interstate Central Registry within the allowable established time frame.

Recommendation – The Department should establish procedures to ensure compliance with the Code of Federal Regulations.

Response and Corrective Action Planned – The Child Support Recovery Unit now has two individuals trained to ensure the ten working day timeframe is met. As of April 2009 all cases cited have been processed.

Conclusion – Response accepted.

June 30, 2009

**CFDA Number: 93.575 – Child Care and Development Block Grant**  
**Agency Number: G-0701IACCDF, G-0801IACCDF, G-0901IACCDF**  
**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-13**

- (11) Wrap-Around Grant Subrecipient Monitoring – OMB Circular A-133 requires a pass-through entity to be responsible for monitoring the activities of its subrecipients, as necessary, to ensure federal awards are used for authorized purposes in compliance with laws, regulations and provisions of the contract or grant.

The monitoring procedures developed by the Department include the submission of semi-annual reports by each recipient. Included in these reports are expenditures by category. No additional information is provided to support the expenditure amounts.

In addition, the Department established monitoring procedures which state on-site monitoring visits will be conducted for all contractors receiving more than \$250,000 and will also be conducted for 10% of those contractors receiving less than \$250,000. During fiscal year 2009, no on-site monitoring visits were performed.

Recommendation – The Department should perform on-site monitoring visits in accordance with documented procedures.

Response and Corrective Action Planned – The Department will evaluate resources and if on-site monitoring is feasible. If necessary, due to limited resources, the Department will review and revise monitoring procedures to complete desk reviews of wrap-around subrecipients by June 30, 2011.

Conclusion – Response accepted.

**CFDA Number: 93.575 – Child Care and Development Block Grant**  
**Agency Number: G-0601IACCDF, G-0701IACCDF, G-0801IACCDF, G-0901IACCDF**  
**Federal Award Year: 2006, 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-14**

- (12) Subrecipient Monitoring - Empowerment – OMB Circular A-133 requires a pass-through entity to be responsible for monitoring the activities of the subrecipients, as necessary, to ensure federal awards are used for authorized purposes and in compliance with laws, regulations and provisions of the contract or grant. The Department has not developed written policies and procedures for monitoring grant funds provided to Community Empowerment Areas.

Recommendation – The Department should develop and implement written procedures addressing subrecipient monitoring of grant funds provided to Community Empowerment Areas to ensure federal requirements are met. Adequate documentation should be maintained of the oversight activities performed, the findings noted and the corrective action taken.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

Response and Corrective Action Planned – By June 30, 2010 the Department, in collaboration with the Office of Community Empowerment, will develop written procedures to ensure federal requirements are met. The procedures will be implemented during state fiscal year 2011.

Conclusion – Response accepted.

**CFDA Number: 93.575 – Child Care and Development Block Grant**  
**Agency Number: G-0601IACCDF, G-0701IACCDF, G-0801IACCDF, G-0901IACCDF**  
**Federal Award Year: 2006, 2007, 2008, 2009**

**CFDA Number: 93.596 – Child Care Mandatory and Matching Funds of the  
Child Care and Development Fund**  
**Agency Number: G-0601IACCDF, G-0701IACCDF, G-0801IACCDF, G-0901IACCDF**  
**Federal Award Year: 2006, 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-15**

(13) Child Care Assistance – The Child Care Assistance program provides assistance payments for child care services. Title 13-G-60/61 of the Employees' Manual documents a fee schedule of co-payments to providers providing child care assistance. The following conditions were identified during fiscal year 2009 case file testing:

- (a) For one of the thirty-four cases reviewed, the child care co-payment amount was incorrectly doubled.
- (b) For one of the thirty-four cases reviewed, the child care co-payment amount was not charged to the client.

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

Response and Corrective Action Planned – Training will be provided on the statewide Income Maintenance Policy Update Webinar by May 20, 2010 regarding the policy of charging the correct co-payment to the client.

Conclusion – Response accepted.

**CFDA Number: 93.658 – Foster Care Title IV-E and ARRA - Foster Care Title IV-E**  
**Agency Number: G-0801IA1401, G-0901IA1401**  
**Federal Award Year: 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-16**

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

The following conditions were identified during fiscal year 2009 case file testing:

- (a) Title 18-D-45 of the Employees' Manual states, in part, a new case permanency plan should be re-evaluated at least every six months. For one of forty cases reviewed, a current case permanency plan which documents compliance with requirements was not provided.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

- (b) Title 18-D-28 of the Employees' Manual identifies foster care daily rates. For two of forty cases reviewed, the payment issued for Foster Care benefits did not match the established daily rates and no explanation for the variation was provided.

Recommendation – The Department should establish procedures to ensure compliance with the Employees' Manual. In addition, case file records should be properly maintained to support compliance with requirements.

Response and Corrective Action Planned – Training will be provided on the statewide Service Conference Call by June 17, 2010 regarding the policies requiring a new case permanency plan be re-evaluated at least every six months and that foster care payments must agree with the established daily rate. If they do not agree, there must be documentation in the file explaining the reason for the variance

Conclusion – Response accepted.

**CFDA Number: 93.658 – Foster Care Title IV-E and ARRA - Foster Care Title IV-E**  
**Agency Number: G-0801IA1401, G-0901IA1401**  
**Federal Award Year: 2008, 2009**

**CFDA Number: 93.659 – Adoption Assistance and ARRA - Adoption Assistance**  
**Agency Number: G-0801IA1407, G-0901IA1407**  
**Federal Award Year: 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-17**

- (15) DHS Field Office – Case Records – For fiscal year 2009, ten county offices were visited. In conjunction with this limited review, the following conditions were noted:

Foster Care (Title IV-E)

Title 18-D-13 of the Employees' Manual states, in part, "A service worker shall personally visit each child and the foster family at least once every calendar month." In four of twenty-seven cases reviewed, a personal visit to a child and the foster family exceeded the required time frame.

Adoption Assistance

Title 17-F-13 of the Employees' Manual states, in part, "An application for adoption subsidy shall be made at the time of the adoptive placement of the child, or at any time in the adoptive process before finalization of the adoption." For one of the twenty cases reviewed, the application for subsidy was not completed.

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

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

Response and Corrective Action Planned –

Foster Care (Title IV-E) – Training will be provided on the statewide Service Conference Call by June 17, 2010 regarding the policy requiring visits to each child and foster family at least once every calendar month.

Adoption Assistance – Training will be provided on the statewide Service Conference Call by June 17, 2010 regarding the requirement that an application for adoption subsidy be made at the time of adoptive placement of the child, or at any time in the adoptive process before finalization for subsidy.

Conclusion – Response accepted.

**CFDA Number: 93.767 – State Children’s Insurance Program**

**Agency Number: 5-0905IAAMSEA, 5-0905IA5021**

**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-18**

- (16) Healthy and Well Kids in Iowa (*hawk-i*) Eligibility – Iowa Administrative Code, Section 441, Chapter 86.3(8), states, in part, “The third-party administrator shall make a decision regarding the applicant’s eligibility to participate in the *hawk-i* program within ten working days from the date of receiving the completed application and all necessary information and verification unless the application cannot be processed within the period for a reason that is beyond the control of the third-party administrator.”

The following conditions were identified during fiscal year 2009 case file testing:

- (a) For four of forty-six cases reviewed, the applicant’s eligibility determination was made later than ten business days after receiving the application.
- (b) For one of forty-six cases reviewed, the application was not date stamped. Therefore, compliance with the requirement above could not be determined.

Recommendation – The Department should establish procedures to ensure the third-party administrator is determining eligibility and processing applications for the *hawk-i* program in a timely manner.

Response and Corrective Action Planned – New procedures have been put in place to mitigate the possibility of applications being processed after the ten day timeframe. Reports are run daily to identify any applications approaching the ten day requirement. Quality Assurance (QA) procedures have been enhanced to ensure compliance with date stamping policies. Previously, random QA checks were done by the mailroom staff. Under the new procedures, the QA supervisor also performs daily random QA checks to ensure every document has been date stamped with the correct date.

Conclusion – Response accepted.

June 30, 2009

**CFDA Number: 93.767 – State Children’s Insurance Program**  
**Agency Number: 5-0905IAAMSEA, 5-0905IA5021**  
**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-19**

- (17) Healthy and Well Kids in Iowa (*hawk-i*) Restrictive Endorsements – During testing of the *hawk-i* program, internal controls were reviewed over the handling of checks received through the mail by the Department’s third-party administrator. For checks received in the mail, procedures have not been established to immediately restrictively endorse these checks “For Deposit Only”.

Recommendation – The Department should communicate the importance of good internal controls over receipts and ensure the third-party administrator restrictively endorses all checks immediately upon receipt.

Response and Corrective Action Planned – The mailroom and reception staff have been provided “For Deposit Only” stamps and instructed on correct procedures for handling checks that come in the mailroom and the front door. This will ensure every check will be restrictively endorsed immediately upon receipt.

Conclusion – Response accepted.

**CFDA Number: 93.778 – Medical Assistance Program and ARRA - Medical Assistance Program**  
**Agency Number: 5-0705IA5048, 5-0805IA5028, 5-0805IA5048, 5-0905IA5028, 5-0905IA5048**  
**Federal Award Year: 2007, 2008, 2009**

**State of Iowa Single Audit Report Comment: 09-III-HHS-401-21**

- (18) 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.

Title 8-N of the Employees’ Manual states, in part, all waiver applicants must complete either Form 470-2927 “Health Services Application” or Form 470-0462 “Health & Financial Support Application”. For two of twenty case files reviewed, the case file did not contain either one of the forms.

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

Response and Corrective Action Planned – Training will be provided on the statewide Income Maintenance Policy Update Webinar by May 20, 2010 regarding the policy of all waiver applicants completing either Form 470-2927 “Health Services Application” or Form 470-0462 “Health & Financial Support Application” and filing of the form in the case record.

Conclusion – Response accepted.

June 30, 2009

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

- (1) County Billing – Collectability - The Department processes and records county billing information for medical and facility services provided to individuals meeting specific criteria. As of June 30, 2009, the receivable balance for county billings included over \$9.5 million of claims disputed by counties receiving the billings.

Of the total disputed balance, approximately \$7.3 million originated prior to fiscal year 2008. The Department has a process for resolving disputed billings. However, this process does not result in timely resolution of disputed amounts. In addition, over \$5 million of the disputed amount consists of disputes which counties indicate are the responsibility of the Iowa Department of Corrections. The Department does not have procedures in place to pursue the necessary evidence to resolve these disputes. As a result, the collectability of the disputed balance is in question.

Recommendation – The Department should establish procedures to ensure the total balance reported as county billings receivable is appropriate and should consider reporting an estimate representing balances considered uncollectible. In addition, the Department should establish procedures to pursue the necessary evidence and related collection from the Iowa Department of Corrections.

Response – The Department recognizes the need to appropriately report the receivable balance. However, the Department has no statutory authority to write-off any portion of the outstanding balances. The Department is exploring alternative solutions with the Iowa Department of Management, as well as legislatively, to clarify the Code of Iowa.

Conclusion – Response accepted.

- (2) Capital Assets – Chapter 7A.30 of the Code of Iowa requires each department of the state to maintain a written, detailed and up-to-date inventory of property under its charge and control.

For three of forty-nine assets tested, the amount capitalized on the capital asset listing incorrectly included non capitalizable costs, such as software. As a result, equipment additions were overstated by \$168,613. This was properly adjusted for reporting purposes.

Recommendation – The Department should establish procedures to ensure accurate capitalization of equipment purchases.

Response – The Department recognizes the importance of accurate capitalization of assets. Management has met with staff responsible for the review and coding of invoices and reminded them of the need for accurate coding to ensure proper capitalization of assets.

Conclusion – Response accepted.

- (3) Payroll – The Department processes and records payroll and personnel information on the Human Resource Information System (HRIS). A Department personnel assistant (PA) initiates payroll actions, such as adding new employees and recording pay raises, utilizing an online P-1 document. The Department's standard practice is for an independent person to apply the Department level approval before the P-1 document is submitted to the Department of Administrative Services – State Accounting Enterprise for final processing.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

For the period July 1, 2008 through April 7, 2009, two P-1 documents were initiated and received Department level approval by the PA. These two P-1 documents were originally initiated by the PA and approved at the Department level by an independent person. However, changes had to be made to the original P-1 document. When these changes were made by the PA, instead of the P-1 going through the Department's standard practice, the PA applied the Department level approval. Therefore, independent approval was not performed.

In addition, three Human Resource Associates who utilize online P-1 documents at the Department also have the ability to initiate and approve timesheets.

Recommendation – The Department should establish procedures to ensure the changes to P-1 documents are independently approved. In addition, the Department should implement procedures to segregate the duties of the Human Resource Associates.

Response – The PA's have been reminded of the procedure to follow regarding an approval, which does include making and approving any changes to P-1 documents.

Conclusion – Response accepted.

**Other Findings Related to Internal Control:**

- (1) DHS Field Offices – In Home Health Related Care – For fiscal year 2009, ten county offices were visited. In conjunction with this limited review, documentation in seventeen In Home Health Related Care (IHHRC) case records were tested for completeness. Also, an additional twenty-five IHHRC case records were reviewed for compliance with Department policy. The following conditions were noted.
  - (a) Title 16-J-5 of the Employees' Manual states, in part, form 470-3951, Authorization to Obtain or Release Health Care Information, shall be signed annually by the client and provider. For one of seventeen cases reviewed, the Authorization to Obtain or Release Health Care Information was not included in the case record.
  - (b) Title 16-J-5 of the Employees' Manual states, in part, the client shall complete and sign form 470-2927, Health Services Application, or form 470-3118, Medicaid Review, annually. For ten of forty-two cases reviewed, neither form was completed as required.
  - (c) Title 16-J of the Employees' Manual provides numerous statements referring to the determination of the amount of client participation in service costs. For eight of twenty-five cases reviewed, documentation in the case files lacked evidence of how client participation was calculated.
  - (d) Title 16-J-9, Appendix, of the Employees' Manual states, in part, the worker completes the Notice of Decision: Services, form 470-0602, to notify clients of eligibility determination and service needs for IHHRC. The form should be filed in the case record. For four of forty-two cases reviewed, the Notice of Decision: Services was not included in the case record. In addition, Title 16-J-5 of the Employees' Manual states, in part, the worker should complete this form on an annual basis. For two of forty-two cases reviewed, the Notice of Decision: Services was completed, but not on an annual basis.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

- (e) Title 16-J-6 of the Employees' Manual states, in part, form 470-0506, Service Report, shall be used to communicate certain matters, including new applications, approval for payment of services and determination of client participation. For eight of twenty-five cases reviewed, the Service Report was not included in the case record.
- (f) Title 16-J-34 of the Employees' Manual states, in part, the Provider Health Assessment, form 470-0672, shall be obtained annually. For nine of twenty-five cases reviewed, the Provider Health Assessment was not completed annually.
- (g) Title 6-B-39 of the Employees' Manual states, in part, the worker should issue form 470-0490, Notice of Decision: Medical Assistance or State Supplementary Assistance, to notify the applicant. For ten of twenty-five cases reviewed, the Notice of Decision: Medical Assistance or State Supplementary Assistance was not included in the case record.
- (h) Title 16-J-12, Appendix, of the Employees' Manual states, in part, the Provider Agreement should be completed for each client. In addition, Title 16-J-5, of the Employee's Manual states, in part, the Provider Agreement, form 470-0636, should be updated annually. For six of twenty-five cases reviewed, the Provider Agreement form was not included in the case record or updated annually. In addition, for one of twenty-five cases reviewed, the agreement was not signed by the provider.
- (i) Title 16-J-7, Appendix, of the Employees' Manual states, in part, 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 five of twenty-five cases reviewed, the Individual Client Case Plan was not included in the case record or updated annually.
- (j) Title 16-J-21 of the Employees' Manual states, in part, the Statement of Services Rendered, form 470-0648, should be completed monthly. For one of twenty-five cases reviewed, the Statement of Services Rendered was not included in the case record.
- (k) Title 16-J-21 of the Employees' Manual states, in part, the Purchase of Service Provider Invoice, form 470-0020, should be completed monthly. For eleven of twenty-five cases reviewed, the Purchase of Service Provider Invoice was not included in the case record.
- (l) Title 16-J-33 of the Employees' Manual states, in part, at least every 60 days the physician shall review and recertify the appropriateness of the health care plan. The nurse shall review the nursing plan and the nurse shall provide an updated copy of the physician's health care plan and the nursing plan of care to the provider. Also, at least every six months, a review of the total care plan should be completed by someone involved with the care plan. For six of twenty-five cases reviewed, sufficient documentation was not included in the case record to determine whether the physician reviewed and re-certified the health care plan every 60 days or whether the nurse reviewed the nursing plan. In addition, for these six cases, review of the total care plan at a minimum of every six months was not documented.
- (m) Title 16-J-38 of the Employees' Manual documents the process to use to terminate IHHRC services. In one of twenty-five cases reviewed, the provider was paid for services after the client had been cancelled from the program.

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

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

Response – Training will be provided on the statewide Income Maintenance Policy Update Webinar by June 17, 2010 regarding the policies for (b), (e), and (g).

Training will be provided on the statewide Service Conference Call by June 17, 2010 regarding the policies for (a), (c), (d), (f), (h), (i), (j), (k), (l), and (m).

The Department will review the policies to determine if changes should be made to current procedures by August 31, 2010.

Conclusion – Response accepted.

- (2) Child Welfare Procurement Cards – The Department’s Child Welfare Procurement Card Program Handbook, page four, requires all purchases made with procurement cards to have prior supervisory approval. Form 470-4127 was developed for this purpose. For one of eleven transactions tested, supervisory approval was not given prior to the purchase.

Recommendation – The Department should implement procedures to ensure compliance with the Child Welfare Procurement Card Program Handbook.

Response – The Department currently has procedures in place to ensure compliance with purchases through the use of the Procurement Card. Workers are to complete the “Request for Funding Under Procurement Card” form and must obtain supervisory approval prior to purchase. In the one transaction referenced, the signature was not obtained prior to the purchase; however, *verbal* approval was given to the worker by the supervisor. The DHS worker and DHS supervisor are not in the same office building. Written documentation was provided subsequent to the verbal approval.

The local office addressed this particular issue. In the future, if the supervisor and worker are not located in the same office, a supervisor that is available will sign the form to confirm written approval.

The Department will send out a reminder to all Central Points of Contact to be forwarded to local staff reminding them of the procedures set forth in the handbook, specifically that there must be written documentation of approval.

Conclusion – Response accepted.

- (3) Deferred Fund Deposits – The Department receives refunds as a result of overpayments identified from various sources, such as an audit of accounts, providers notifying the Department of overpayments and corrections identified by staff. When refunds are received, field staff are to assign an adjustment code to the payment to enable central office staff to deposit the funds appropriately. If an adjustment code has not been assigned after ten days, the funds are to be deposited into the Deferred Fund for subsequent resolution. During fiscal year 2009 review of Deferred Fund activity, twelve of forty-one checks were deposited between eleven and twenty-five business days after receipt.

Recommendation – The Department should establish procedures to ensure refunds are deposited timely.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

Response – The Department recognizes the requirement to deposit payments timely. The items in question have been reviewed with appropriate staff. Changes in procedures have been implemented to ensure timely deposit. All payments received by the Cashier will be filed by date received to allow for better tracking of payments which need to be deposited. When payments are deposited in the deferred fund, the date the payment was originally received will also be captured. This will allow the supervisor to periodically review the timeliness of deposits in the fund.

Conclusion – Response accepted.

- (4) Juvenile Detention Home Fund – A review conducted by the Office of Auditor of State of the Juvenile Detention Home Fund administered by the Department of Human Services for the period July 1, 2007 through November 10, 2009 identified findings primarily related to how the Department allocates resources to reimburse Juvenile Detention Centers.

Additional information and recommendations regarding the above findings can be found in the report “Juvenile Detention Home Fund Administered by the Department of Human Services” issued May 27, 2010 by the Office of Auditor of State. A copy of the report is available for review in the Office of Auditor of State and on the Auditor of State’s web site at <http://auditor.iowa.gov/specials/0960-4010-B0P3.pdf>.

- (5) Iowa Care Program – A review conducted by the Office of Auditor of State of the Iowa Care Program administered by the Department of Human Services for the period July 1, 2005 through June 30, 2009 identified findings related to compliance with eligibility requirements, verification of self-reported application information and ensuring premiums are properly calculated and assessed.

Additional information and recommendations regarding the above findings can be found in the report, “A Review of the Iowa Care Program Administered by the Department of Human Services” issued April 9, 2010 by the Office of Auditor of State. A copy of the report is available for review in the Office of Auditor of State and on the Auditor of State’s web site at <http://auditor.iowa.gov/specials/0860-4010-B0P2.pdf>.

**Findings Related to Statutory Requirements and Other Matters:**

Iowa Code Compliance – The following compliance items were noted for fiscal year 2009:

- (a) Chapter 217.15 of the Code of Iowa requires the administrator of the Division of Administration be qualified in the general field of governmental administration, with special training and experience in the areas of competitive bidding, contract letting, accounting and budget preparation.

The Division of Administration was eliminated when the Department reorganized.

- (b) 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.

- (c) Chapter 220A.3 of the Code of Iowa designates the Department as the administrative agency to provide for a central data control and exchange agency known as the interagency case information service.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

The Department has not established an interagency case information service.

- (d) Chapter 225C.42 of the Code of Iowa requires the Department to conduct an annual evaluation of the family support subsidy program in conjunction with the Comprehensive Family Support Council and submit an evaluation report to the Governor and General Assembly by October 30. The report is to include the results of a survey of families participating in the program in order to assess the adequacy of subsidy payment amounts and the degree of unmet need for services and supports.

The Department conducted a 2008 annual survey as required. However, the results were not compiled into a report by October 30, 2009, as required.

- (e) Chapter 225C.48 of the Code of Iowa requires the establishment of an eleven-member Personal Assistance and Family Support Services Council. The Council is to be appointed by the Governor and include at least 5 individuals with a family member of an individual with a disability and at least 5 individuals who are current or former service consumers or family members of such service consumers.

The fiscal year 2009 Council members consisted of six members appointed by the Governor.

- (f) Chapter 235B.1 of the Code of Iowa requires the establishment of a twelve-member Dependent Adult Protective Advisory Council. The Council is to include eight members appointed by the Governor, including four members appointed on the basis of knowledge and skill related to expertise in the area of dependent adult abuse, two members of the general public with an interest in the area of dependent adult abuse and two members of the Iowa Caregivers Association. In addition, the membership of the Council shall include the Directors of the Departments of Human Services, Elder Affairs, Public Health and Inspections and Appeals, or their designees.

The fiscal year 2009 Council members did not include two members from the Iowa Caregivers Association.

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 or Code sections contrary to federal regulations.

Response – (a) and (b) – 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 that more accurately reflects the current structure.

- (c) The Department is seeking legislative action to remove the language of Chapter 220A.3 of the Code of Iowa
- (d) The Department modified the reapplication forms for the family support subsidy program to include a family survey when families reapply each year. The 2009 survey was completed and submitted as required.
- (e) The Department of Human Services delayed filling the vacant seats on the Comprehensive Family Support Council because the Governor had recommended eliminating the program in his FY 2011 budget. The Legislature chose to continue to fund the program. The Department contacted the Governor's office to obtain names of individuals who have applied to his office for appointment to boards and commissions. The Department is reviewing the names submitted and is working with the Governor's office to get the Council to full membership by the end of July 2010.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

- (f) The Department worked with the Governor's Office to appoint members to the Council. The Council has all required members in fiscal year 2010.

Conclusion – Response accepted.

Report of Recommendations to the Iowa Department of Human Services

June 30, 2009

Staff:

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