

**New York State Office of the State Comptroller**  
Thomas P. DiNapoli

Division of State Government Accountability

## **Benefit Eligibility Assessment Process**

**NYC Human Resources Administration  
NYS Office of Temporary and  
Disability Assistance**



Report 2012-S-51

May 2014

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## Executive Summary

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### Purpose

To determine whether the New York City Human Resources Administration's (HRA) public assistance benefit eligibility assessment process is in compliance with applicable policies and procedures, and whether the Office of Temporary and Disability Assistance's (OTDA) Fair Hearing process is used only as necessary.

### Background

OTDA oversees the State's public assistance programs (i.e., temporary cash assistance, health insurance and emergency food programs) administered by counties and local governments. HRA is responsible for administering these public programs in New York City. As such, its responsibilities include assessing new applicant and existing recipient (Client) eligibility, and when a Client is determined to be ineligible, denying, reducing or terminating the Client's benefits. As a last resort, Clients deemed to be ineligible are entitled to a Fair Hearing administered by OTDA. OTDA's Fair Hearing Process costs taxpayers more than \$32 million annually to administer.

### Key Findings

We found that HRA employees apply a comprehensive assessment process when determining a Client's eligibility, and that process is in compliance with governing regulations and procedures. However, procedural revisions are necessary to reduce the number of hearings held, and to reduce the number of HRA determinations that are reversed at hearings.

- Fair Hearings have become routine with the number of hearings and associated costs growing each year even though many of the associated issues to be addressed at the hearings had either been resolved prior to the hearings or HRA had withdrawn its initial determination;
- HRA eligibility determinations are often reversed at Fair Hearings due to insufficient case preparation or inaccurately prepared supporting documents; and
- The current OTDA administrative codes assigned to closed cases do not adequately describe how or why the cases were resolved. In fact, the codes are often misleading.

### Key Recommendations

#### OTDA

- Work with HRA to reduce the number of Fair Hearings within the confines of the governing regulations.
- Develop accurate outcome codes for all resolved cases.

#### HRA

- Take action to reduce the HRA Fair Hearing case preparation deficiencies noted in this report.

### Other Related Audit/Report of Interest

[Office of Temporary and Disability Assistance: Fair Hearings Process \(97-S-42\)](#)

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**State of New York**  
**Office of the State Comptroller**

**Division of State Government Accountability**

May 28, 2014

Ms. Kristin M. Proud  
Commissioner  
Office of Temporary and Disability Assistance  
40 North Pearl Street  
Albany, NY 12243

Mr. Steven Banks  
Commissioner  
NYC Human Resources Administration  
180 Water Street, 17<sup>th</sup> Floor  
New York, NY 10038

Dear Ms. Proud and Mr. Banks:

The Office of the State Comptroller is committed to helping State agencies, public authorities, and local government agencies manage their resources efficiently and effectively. By so doing, it provides accountability for tax dollars spent to support government operations. The Comptroller oversees the fiscal affairs of State agencies, public authorities, and local government agencies, as well as their compliance with relevant statutes and their observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations. Audits can also identify strategies for reducing costs and strengthening controls that are intended to safeguard assets.

Following is a report of our audit of the Office of Temporary and Disability Assistance and the NYC Human Resources Administration entitled *Benefit Eligibility Assessment Process*. This audit was performed pursuant to the State Comptroller's authority under Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

This audit's results and recommendations are resources for you to use in effectively managing your operations and in meeting the expectations of taxpayers. If you have any questions about this draft report, please feel free to contact us.

Respectfully submitted,

*Office of the State Comptroller*  
*Division of State Government Accountability*

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This report is also available on our website at: [www.osc.state.ny.us](http://www.osc.state.ny.us)

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## Background

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The Office of Temporary and Disability Assistance (OTDA) oversees the State's public assistance benefit programs (i.e., temporary cash assistance, health insurance and emergency food programs) administered by the counties and local governments. In New York City, the Human Resources Administration (HRA) is the local government entity responsible for administering these programs. As such, HRA is responsible for determining new applicant and existing recipient (Client) eligibility for benefits.

HRA employees make their eligibility determinations after interviewing Clients and reviewing the paperwork each is required to submit based on the specific benefits they are seeking. Examples of required paperwork include: proof of identity and residency, the names of household members and their associated income, and the Client's proof of employment.

When HRA makes a determination to deny, reduce or terminate a Client's benefits, the Client is provided with a "Notice of Intent" (Notice). The Notice informs the Client of the reason for the denial, reduction or termination; the effective date of the decision; the Client's right to appeal said determination at a Fair Hearing; and the process and time lines they need to follow to do so. Existing Clients will continue to receive their benefits at least until the date of the hearing if they had requested it within the required time frames and before the effective date of reduction or termination.

During the fiscal year ended June 30, 2012, OTDA received 288,627 requests for Fair Hearings statewide, including 151,968 requests regarding denials, reductions and discontinuances relating to Family Assistance and Safety Net Assistance, the focus of our audit. The total number of Fair Hearings actually held during this period was 116,466 including 59,000 relating to our area of review. These 59,000 requests address approximately 81,000 issues. About 92.5 percent of the above-noted 151,968 requests originated from New York City-based Clients. According to OTDA officials, the corresponding cost of the 116,466 Fair Hearings held exceeds \$32 million. We estimate the approximate cost of the 59,000 hearings relating to our area of review to approximate \$16 million based on the percentages of Hearings held.

After the Fair Hearing is held and the corresponding case is closed, OTDA assigns a code to each case which is intended to describe how the case was resolved. For example: Code 10 indicates HRA's initial determination to deny, reduce or terminate benefits was upheld; Code 50 indicates that HRA's original determination was correct but new evidence has been entered by the Client resulting in the allowance or reinstatement of benefits; and Code 24 indicates HRA withdrew its original determination due to the case being resolved after the initial interview but prior to the hearing date.

At the onset of our audit we were contacted by certain advocacy groups who asserted that not all persons who apply for benefits are treated fairly. They stated that certain language barriers or cultural traits prevent them from vigorously pursuing the benefits they are entitled to. We considered these issues while performing our audit.

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## Audit Findings and Recommendations

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We found that HRA applies a fair and consistent assessment process when determining Client eligibility, and its process is in compliance with governing policies and procedures. However, procedural revisions are necessary to reduce the number of overturned HRA determinations and costly, and in some cases unnecessary, OTDA Fair Hearings. We also found that OTDA's closed-case coding system does not always adequately describe the case resolution.

### HRA Eligibility Assessment Process

HRA staff provides Clients with written materials explaining the benefit eligibility assessment process. These materials detail the various types of documents that each Client must submit to prove their eligibility based on the specific public assistance benefit(s) they are requesting. These written materials are prepared in several different languages spoken by New York City residents, and interpreters are made available for those Clients who cannot communicate with HRA staff effectively.

HRA staff assessing eligibility prepare a checklist when meeting with each Client denoting the various required documents they have provided. Based on their interviews and reviews of submitted documents, HRA staff make a determination of the Client's eligibility to receive – or to continue receiving – benefits. If a Client is determined to be ineligible, HRA will issue him/her a "Notice of Intent" (Notice) explaining the reason for its determination, the effective date of the determination, the Client's right to an appeal through OTDA's Fair Hearing process, and the steps and associated time frames to secure such an appeal.

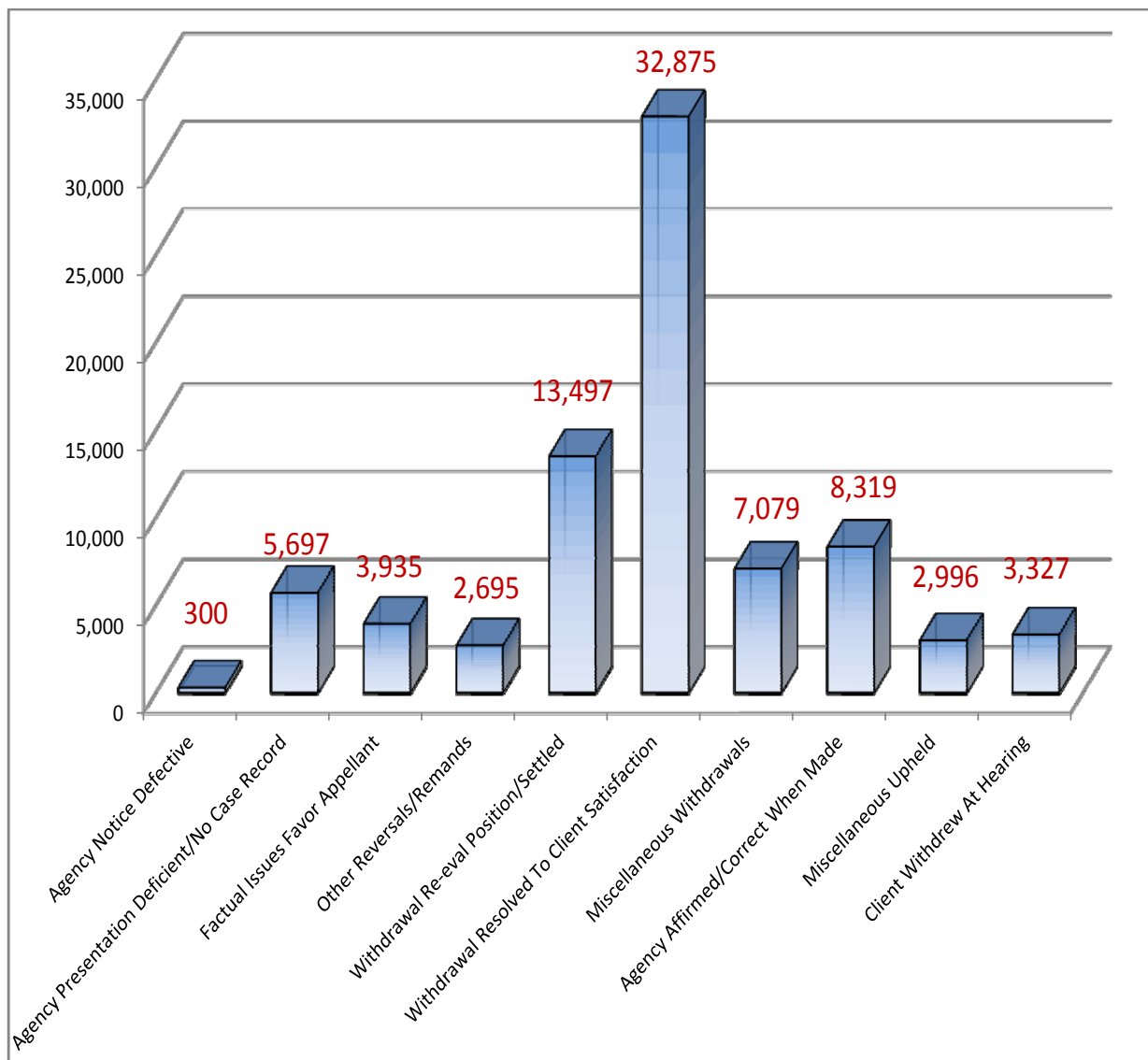
Although many Clients who are denied benefits routinely request a Fair Hearing, they are also offered a pre-Fair Hearing conference where they can provide HRA with the document(s) necessary to prove eligibility.

### OTDA Fair Hearings

As noted above, the ultimate means of appeal for any Client whose eligibility for benefits was denied, reduced, or terminated, is the Fair Hearing process. The Fair Hearing Unit employed 81 Hearing Officers and 60 support staff during our review period. During the fiscal year ended June 30, 2012, Fair Hearings cost taxpayers approximately \$32 million.

From our review of the case resolution codes, our observations of several Fair Hearings, and our review of selected closed case files, we determined that a significant number of cases reached the Fair Hearing process unnecessarily since they had either already been resolved to the satisfaction of the Client, or HRA could not proceed due to missing case file support or erroneously prepared documents.

The following graph summarizes OTDA's categorization of HRA-related Fair Hearing case resolutions for the period July 1, 2011 through June 30, 2012. Each bar represents a specific OTDA case resolution code.



As the graph shows, in more than 46,000 cases, HRA withdrew its ineligibility determinations at the Fair Hearing: 32,875 cases were resolved to the Clients' satisfaction and 13,497 cases were withdrawn because the agency re-evaluated its position or settled. Further, in approximately 5,700 cases, HRA withdrew because staff couldn't locate the supporting case records. Since these cases were closed as withdrawals, it is logical to assume that HRA knew it was going to do so before the Fair Hearing took place.

We believe it would be time efficient and cost effective if Fair Hearings were avoided where HRA knows it intends to withdraw its ineligibility determinations prior to the Fair Hearing.

Based on their interpretation of governing case law, HRA staff is hesitant to suggest that Clients in

these cases cancel their Fair Hearings.

OTDA and HRA has recently developed a “pre-hearing disposition process” intended to bring an early resolution for Clients with a Notice-based denial, reduction or discontinuance of benefits. According to HRA officials, since the Fair Hearing has not yet been scheduled, OTDA has an opportunity to ask the Client if they would be willing to forgo the hearing. About 2,000 of these pre-hearing meetings reportedly took place in 2012, and about 3,000 in 2013.

Based on the total cost of hearings provided to us by OTDA (\$32 million) we estimate the potential annual savings that could be achieved with even a 10 percent reduction in Fair Hearings to approximate \$3.2 million

In response to our draft report, OTDA officials note that a reduction in indefensible or resolved cases would result in the Fair Hearing calendar being populated more quickly, thus reducing and eventually eliminating its scheduling backlog. They further believe that the 10 percent potential savings we note in our report would not necessarily be achieved considering fixed costs attributed to the Hearings. However, they did not dispute that some amount of savings could be realized.

## Case Resolution Coding System

According to New York City’s Mayor’s Management Report (MMR) for 2013, HRA had a Fair Hearing win-rate of approximately 90 percent – meaning in 90 percent of the cases where HRA was called to a Fair Hearing its initial determination of Client ineligibility was upheld. However, based on OTDA’s case resolution coding system, HRA’s actual win-rate was approximately 18 percent (see the last three bars in the graph on page 6). The reason for the significant discrepancy in success rates is that the MMR did not include HRA withdrawals in its calculation. Over 80 percent of HRA’s initial determinations to deny or discontinue benefits are overturned as a result of these withdrawals and missing case files or erroneously prepared documents.

It is critical that decision makers have a complete and accurate picture of case outcomes so they can opine on HRA improvement opportunities and on the benefit assessment process in general. However, we found that even OTDA’s case resolution coding system (coding system) cannot always be relied upon.

For example, we reviewed a sample of 50 closed cases that were designated as code 21 and code 24 (represented by bars 5 and 6 in the graph). As noted above, both of these codes infer that the Client’s issues were satisfied prior to the Fair Hearing, resulting in the HRA withdrawals. However, in the majority of case files reviewed, the actual reason for the HRA withdrawal was due to errors in the preparation of HRA documents or due to missing documents and files.

As such, OTDA needs to revisit how its Fair Hearing staff assigns the case resolution codes so as to more accurately describe case outcomes, and identify areas in which HRA staff need to improve.



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## Recommendations

### To HRA and OTDA:

1. Work together to expand the Pre-Hearing Disposition process, or similar interventional follow-up to the initial interview, to reduce the number and cost of Fair Hearings conducted.

### To HRA:

2. Take action to better protect case files and reduce the number of document errors.

### To OTDA:

3. Take steps to more accurately assign case resolution codes to closed cases.

## Audit Scope and Methodology

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We determined whether HRA's public assistance benefit eligibility assessment process is in compliance with applicable laws and regulations, and whether OTDA's Fair Hearing process is used only as necessary. Our audit scope period was July 1, 2011 through September 30, 2013. To accomplish our objectives we met with relevant OTDA and HRA officials and staff and reviewed governing regulations and policies and a sample of applicant/recipient case files. We also reviewed OTDA databases summarizing the resolutions of Fair Hearings during our review period, and the coding system used by OTDA to define the various categories of case resolutions. In addition, we observed several Fair Hearings and visited five high-volume HRA Job Centers.

We conducted our audit in accordance with generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained during our audit provides a reasonable basis for our findings and conclusions based on our audit objectives.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State. These include operating the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. In addition, the Comptroller appoints members (some of whom have minority voting rights) to certain boards, commissions, and public authorities. These duties may be considered management functions for purposes of evaluating organizational independence under generally accepted government auditing standards. In our opinion, these management functions do not affect our ability to conduct independent audits.

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## Authority

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This audit was performed pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

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## Reporting Requirements

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We provided a draft copy of our report to OTDA and HRA officials for their review and comment. Their comments were considered in preparing this final report and are attached in their entirety at the end of the report.

OTDA officials agree with our recommendation to refine and clarify their case resolution coding system. They also offered clarification on some of the statements we make in our report. Our rejoinders to certain comments from ODTA officials are included in the report's State Comptroller's Comments.

HRA officials agree with our recommendations and assert that they have already begun high-level internal meetings to address them as well as other goals of the new administration.

Within 90 days of the final release of this report, as required by Section 170 of the Executive Law, the Commissioner of the Office of Temporary and Disability Assistance shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and if the recommendations were not implemented, the reasons why.

We also request the Commissioner of the NYC Human Resources Administration to advise the State Comptroller of actions taken to implement the recommendations addressed to that agency, and where such recommendations were not implemented, the reasons why.

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## Contributors to This Report

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**Frank Patone, CPA**, Audit Director  
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**Mike Solomon, CPA**, Audit Manager  
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## Division of State Government Accountability

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### Vision

A team of accountability experts respected for providing information that decision makers value.

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To improve government operations by conducting independent audits, reviews and evaluations of New York State and New York City taxpayer financed programs.

# Agency Comments - OTDA



NEW YORK STATE  
OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE  
40 NORTH PEARL STREET  
ALBANY, NEW YORK 12243-0001

Andrew M. Cuomo  
Governor

Kristin M. Proud  
Commissioner

May 1, 2014

Mr. Frank Patone, CPA  
Audit Director  
Office of the State Comptroller  
Division of State Government Accountability  
123 William Street – 21<sup>st</sup> Floor  
New York, NY 10038

Re: Draft Report 2012-S-51

Dear Mr. Patone:

The Office of Temporary and Disability Assistance (OTDA) has reviewed the above-referenced report regarding OTDA and the New York City Human Resources Administration (HRA) prepared by the Office of the State Comptroller (OSC) entitled "Benefit Eligibility Assessment Process" (the "Draft Report"). Thank you for providing OTDA the opportunity to do so.

Please allow OTDA to clarify and comment on certain portions of this Draft Report, especially as it relates to the volume of hearings held by OTDA's Office of Administrative Hearings (OAH). The Draft Report should specify that OSC's audit examined only a subset of hearing issues in New York City, namely denials, reductions and discontinuances of Family Assistance and Safety Net Assistance cases. Moreover, as set forth below, the description of the "pre-hearing disposition" (PHD) process should be amended to more accurately describe that process.

Reference is made to paragraph 4 on page 4 of the Draft Report, which indicates that for the year which ended on June 30, 2012, there were 151,968 requests for fair hearings, of which 92.5 percent originated from New York City-based clients. The Draft Report further indicates that there were 59,000 fair hearings addressing approximately 81,000 issues, at a cost to taxpayers of more than \$32 million. When OAH met with OSC in July 2013, the scope of the audit was discussed. It was our understanding, based on that discussion, that the scope of the audit would be limited to denials, reductions, and discontinuances of Family Assistance and Safety Net Assistance cases. At that time, OAH explained that denials, reductions, and discontinuances of SNAP and Medicaid were not part of the data provided by OAH to OSC. However, the data included in the Draft Report is not representative of this distinction between programs. OTDA requests that the report be clarified to reflect that, for the year which ended on June 30, 2012, OAH received a request for 288,627 hearings statewide. Of that number, 116,466 fair hearings were actually held, encompassing approximately 201,500 issues. The number of requests and hearings reported in the Draft Report relate only to the subset of hearings in New York City which are Family Assistance and Safety Net related; the Draft Report's reference to more than \$32 million in costs corresponds to all New York City related hearings, including hearings related to programs other than Family Assistance and Safety Net Assistance.

OTDA-L1

*"providing temporary assistance for permanent change"*

\*  
Comment  
1

\*See State Comptroller's Comments, page 17.

- 2 -

That portion of the Draft Report which describes the “pre-hearing disposition” (PHD) process (see, first sentence of paragraph 2 on page 7), should be amended to clarify that “OTDA and HRA have recently developed a “pre-hearing disposition” (PHD) process intended to bring an early resolution for clients with a notice based denial, reduction or discontinuance of benefits.”

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Comment  
2

It is noted that, as the impartial adjudicatory arm of OTDA, OAH cannot contact an appellant and ask for a withdrawal of a hearing request. However, in those instances when HRA advises OAH that HRA is willing to withdraw its action, the PHD process allows OTDA to issue a pre-hearing disposition prior to the scheduling of the hearing. That pre-hearing disposition, which memorializes HRA’s withdrawal, then serves as the basis for enforcement of HRA’s stipulated corrective action.

Since HRA is immediately notified by OTDA that a hearing has been requested, the PHD process affords HRA the opportunity to review the case record and resolve the appellant’s hearing request without the matter proceeding to an actual hearing. Pre-hearing dispositions save both time and resources for HRA and OTDA, while also providing appellants with a quicker and more efficient resolution of hearing requests. Approximately 2,000 fair hearing requests were resolved through the pre-hearing disposition process in 2012: a number which increased to approximately 3,000 in 2013.

With respect to the Draft Report’s claim that a 10 percent reduction in fair hearing volume could yield approximately \$3.2 million in annual savings, OTDA notes that a more extensive use of the PHD process would result in a valuable savings of both time and resources that could be redirected to achieve an even greater level of efficiency within the NYC-related Fair Hearings operation. If HRA were to withdraw indefensible or resolved cases before they were scheduled, calendars could be populated more quickly with cases requiring real review and determination, thus reducing, and eventually eliminating, the backlog in fair hearing scheduling. Due to the current fair hearing scheduling backlog, short term cash savings are not expected, and any eventual cash savings would not directly correlate to a percentage reduction in fair hearings due to fixed costs that would not be impacted. Thus, a 10 percent reduction in hearings would not necessarily achieve a 10 percent reduction in costs.

\*  
Comment  
3

OTDA also respectfully corrects the Draft Report’s assertion that a fair hearing must take place once it is scheduled. In fact, both the appellant and HRA can withdraw at any time after scheduling and before the actual hearing. HRA can resolve the matter to an appellant’s satisfaction after a hearing is scheduled. The appellant, if satisfied, could then withdraw the hearing request, or could choose to proceed with the hearing if no satisfactory resolution is reached. Nevertheless, HRA withdrawals not occurring until after the hearing is scheduled continue to be a drain on fair hearing resources as they unnecessarily congest Fair Hearing calendars. Such withdrawals only serve to highlight the need for greater utilization of the PHD process to increase efficiency and productivity.

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Comment  
4

OTDA agrees that the case resolution coding system should provide an accurate picture of the outcome reason for each and every issue under review in the fair hearing. In this regard, OAH intends to refine and clarify outcome withdrawal codes so that the reason for the Agency withdrawal can be more readily and easily identified. OAH will also provide training for OAH staff to ensure that the chosen outcome codes accurately reflect the basis for the Agency withdrawal.

OTDA-1

*“providing temporary assistance for permanent change”*

- 3 -

Finally, with respect to OSC's inclusion in the Draft Report of an assertion made by some advocate groups that certain language barriers or cultural traits prevent individuals from vigorously pursuing benefits to which they may be entitled, OTDA was not advised that such concerns were the subject of this audit. While it is respectfully submitted that this allegation is beyond the scope of the Draft Report, OTDA notes that translation and interpretation services in whatever language is needed are available at the time the appellant requests the hearing and during the actual hearing itself. OTDA also issues a number of multilingual documents, as part of its efforts to ensure that individuals receive the full due process protections to which they are entitled.

Thank you for the opportunity to comment on the Draft Report.

Sincerely,



Kevin Kehmna, Director  
Audit & Quality Improvement

cc: Kristin Proud  
Maria Vidal  
Krista Rock  
Nancy Maney

OTDA-11

*"providing temporary assistance for permanent change"*

# Agency Comments - NYC HRA



W-1H  
Rev. 04/14

Steven Banks  
Commissioner

May 5, 2014

Jane Corbett  
Executive Deputy  
Commissioner

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110 State Street 11th floor  
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180 Water Street  
New York, NY 10038

929 221 7126

re: Benefit Eligibility Assessment Process  
Audit Report 2012-S-51

Dear Mr. Patone,

Thank you for the opportunity to address the draft findings of the Office of the New York State Comptroller's audit of the benefit eligibility assessment process. In our on-going engagement with your office, the Human Resources Administration has appreciated your office's understanding of HRA's Family Independence Administration's Operations (FIAO) and Division of Fair Hearing Administration (DFHA). We are pleased that you found our eligibility determination process to be comprehensive and diligent and that it complies with all regulations and procedures. We appreciate your thoughtful recommendations that we began implementing while you were still here.

With our new administration, there has been an increased focus on improving access to services for our clients. HRA has begun high-level, thorough reviews of our policies and procedures, as well as those of our oversights, with the goal of streamlining the process of applying for and continuing on public benefits. This would include a reduction in required office visits which would lead to a corresponding reduction in unnecessary actions, which should reduce the requests for Fair Hearings.

Following are our detailed responses to your report's findings and recommendations.

**Auditor's Finding:**

**We found that HRA applies a fair and consistent assessment process when determining client eligibility and its process is in compliance with governing policies and procedures. However, procedural revisions are necessary to reduce the number of overturned HRA determinations and costly, in some cases unnecessary, OTDA Fair Hearings.**

**Agency's Response:**

HRA agrees with this recommendation and as previously stated, we are currently holding meetings to review all our procedures and policies in order to determine ways of reducing the number of overturned determinations. The actions you have recommended that OTDA and HRA take as well as additional suggestions included later in this response will help us to reach the goal of reducing the costly and unnecessary fair hearing requests.

**Auditor's Recommendation:**

**HRA and OTDA should work together to expand the Pre-Hearing Disposition Process or similar interventional follow-up to the initial interview to reduce the number and cost of Fair Hearings conducted.**

**Agency's Response:**

We agree with this recommendation, and appreciate your acknowledgement of our current efforts in this area. We continue to be committed to making clients aware of the various conferences, dispute resolution meetings and conciliation mechanisms that are available at local centers.

**Auditor's Finding:**

**Fair Hearings have become routine with the number of hearings and associated costs growing each year even though many of the associated issues to be addressed at the hearings had either been resolved prior to the hearing or HRA had withdrawn its initial determination; furthermore, HRA eligibility determinations are often reversed at Fair Hearings due to insufficient case preparation or inaccurately prepared supporting documents.**

**Agency's Response:**

HRA agrees with this finding. In addressing these concerns, it should be noted that DFHA withdraws and sustains reversals from hearings for a variety of reasons which include:

- The client's issues were resolved favorably prior to the hearing; however, if a fair hearing was already scheduled and the client appears, the Office of Temporary Disability Assistance (OTDA) Administrative Law Judge (ALJ) asks HRA to engage in a *pro forma* withdrawal to record the resolution.
- DFHA representatives do not always have access to State-generated notices, a circumstance which can compromise their ability to adequately defend an issue. A prime example is the SNAP Periodic Report (LDSS-4310). The LDSS 4310 is mailed to clients by OTDA and, unlike other notices, is not accessible by HRA staff. Consequently, HRA loses cases because the representatives do not have this document in their packet.
- A DFHA representative will withdraw, appropriately, when it becomes clear that an error occurred, and proceeds to correct it in order to restore lost or reduced benefits to the client.

As previously stated, we are reviewing the entire process with the goal of making the client's experience with HRA more positive, efficient and effective. This comprehensive reorganization will address the concerns that you have highlighted in this report. We will be collaborating with OTDA to effect the changes that concern both of us.



**Auditor's Recommendation:**

**HRA should take action to better protect their case files and reduce the number of document errors.**

**Agency's Response:**

HRA agrees with this recommendation. Monthly internal reviews of cases involving negative actions will be conducted to ensure that the appropriate supporting documentation is in the case record and to determine if the notice is accurately completed. Review findings will be discussed at monthly meetings on statistics and quality assurance and shared with FIA trainers. In addition staff from Fair Hearings will be invited to these meetings to provide feedback on any negative trends found in the conference and fair hearing packet preparation processes. Discussions at those meetings will be centered on trends that appear to be generating an inordinate amount of Fair Hearing requests, accompanied by corrective action measures to be implemented.

We appreciate the courtesy, professionalism and diligence of the State Comptroller's auditors during their conduct of this project. The findings and recommendations have assisted HRA in recognizing some of the issues that must be addressed in the Fair Hearing process and we are committed to taking the actions necessary to effect improvements. Should you have any questions concerning this response, please do not hesitate to contact Hope Henderson, Director, Bureau of Audit Coordination at (929) 221-7063.

Sincerely,



Jane Corbett

c: Steven Banks, Commissioner  
Matt Brune

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## State Comptroller's Comments

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1. We have revised paragraph 4, page 4 of our report to clarify the listed figures.
2. We have incorporated OTDA's suggested wording into paragraph 2, page 7 of the report.
3. We have revised page 7 of our report to incorporate OTDA's comments.
4. We have deleted the cited wording.