



STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

July 12, 2023

Greg Olsen
Acting Director
New York State Office for the Aging
2 Empire State Plaza, 5th Floor
Albany, NY 12223

Re: Monitoring of Select Programs
Report 2023-F-2

Dear Mr. Olsen:

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, we have followed up on the actions taken by officials of the New York State Office for the Aging to implement the recommendations contained in our audit report, *Monitoring of Select Programs* (Report [2020-S-47](#)).

Background, Scope, and Objective

The New York State Office for the Aging (NYSOFA) helps New York residents aged 60 or older be as independent as possible for as long as possible through advocacy and the development and delivery of person-centered, consumer-oriented, and cost-effective policies and programs. NYSOFA's overall goal is to improve access to, and availability of, appropriate and non-medical support services for older individuals to maximize their ability to age in their community and avoid higher levels of care and/or publicly financed care. Programs are administered at the county level through a network of 59 Area Agencies on Aging (AAAs), which provide services either directly or through contracted providers. NYSOFA directs AAA operations in part through program instructions and monitors performance through on-site program and fiscal evaluations.

NYSOFA's Community Services Program encompasses a range of specialized programs for older adults, including the Expanded In-Home Services for the Elderly Program (EISEP) and Community Services for the Elderly Program (CSE). Both EISEP and CSE aim to provide support and/or services to older adults who need assistance to maintain their independence at home. Examples of services offered by both programs include home-delivered meals, nutrition counseling, transportation services, and personal care.

If an AAA is unable to fulfill a client's request for services, the client may be placed on a wait list. AAAs report Unmet Need data (based on their wait lists) to NYSOFA during their annual on-site evaluations. AAAs have reported Unmet Need in services related to personal care, home-delivered meals, and transportation services, to name a few.

A 2015 Office of Community Living Feasibility Study by NYSOFA identified long wait lists for services as an area of concern among stakeholders. As noted in the study, the wait for some services could be as long as 1 year. In some cases, clients who cannot wait have had to resort to nursing home placement. As of February 2023 – 8 years later – wait lists, or Unmet Need, continue to be an issue. According to written testimony by the Association on Aging in New York at the 2023-24 Joint Legislative Budget Hearing on Human Services, the 59 AAAs reported that almost 10,000 older New Yorkers are currently waiting for services.

NYSOFA's 2021-22 and 2022-23 enacted budgets contained appropriations of \$15 million, plus an additional \$8 million, to specifically fund services for clients who are eligible for but not receiving services. The 2023-24 total budget appropriation of \$310.8 million for NYSOFA's Community Services Program included about \$77 million and \$38 million to EISEP and CSE, respectively. Of the total 2023-24 budget appropriation, \$23 million is for Unmet Need.

The objective of our initial audit, issued January 21, 2022, was to determine whether NYSOFA's policies and procedures for select programs were adequate to ensure AAAs are appropriately monitored and the older New York population is adequately served. It covered the period from April 2017 through July 2021. Overall, the audit found that weaknesses in NYSOFA's methodology for allocating Unmet Need funds to AAAs and in its oversight of AAAs potentially undermine its goal of reducing or eliminating reported Unmet Need. Despite receiving \$15 million in appropriations intended to reduce or eliminate reported Unmet Need for each of the State fiscal years 2019-20, 2020-21, and 2021-22, NYSOFA based its annual allocations to the AAAs on 2017-18 Unmet Need data – which not only was outdated but did not account for the likely greater need for home services during the pandemic years. Further, NYSOFA did not adhere to its policies and procedures for program and fiscal monitoring of the AAAs' administration of the EISEP and CSE programs. Specifically, NYSOFA did not perform annual on-site evaluations for all 59 AAAs as required by its policies and procedures, leaving NYSOFA with no assurance that AAAs were adequately monitoring the services provided on behalf of older adults.

Moreover, pursuant to Section 170 of the Executive Law, the Director of NYSOFA was required to 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 in our audit report – or if they weren't implemented, the reasons why – within 180 days of the report's issuance. NYSOFA's response was due in July 2022. Despite having sent NYSOFA multiple reminders to submit its legislatively required 180-day response, as of April 2023 – almost 9 months after the due date – NYSOFA has not provided a 180-day response indicating its plans to implement the audit recommendations. These 180-day responses provide valuable information about auditees' plans to strengthen their programs and services and ultimately effectuate change for the public good. Further, 180-day responses are to be publicly available and are posted with their respective audit report on the State Comptroller's website. Making this information available to the public, advocates, policymakers, and other stakeholders strengthens accountability while promoting civic engagement and good governance.

The objective of our follow-up was to assess the extent of implementation, as of April 2023, of the five recommendations included in our initial audit report.

Summary Conclusions and Status of Audit Recommendations

NYSOFA has made limited progress in addressing the issues we identified in the initial audit report. Of the initial report's five audit recommendations, three were partially implemented and two were not implemented.

Follow-Up Observations

Recommendation 1

Provide guidance to the AAAs regarding the collection and reporting of wait list information to ensure that Unmet Need data is accurate and reported uniformly, including but not limited to a single reporting system that would give NYSOFA the ability to monitor Unmet Need.

Status – Partially Implemented

Agency Action – Since our initial audit, NYSOFA has drafted updates to the program instruction and supplemental data sheet used to collect Unmet Need information from the AAAs. The tentative updates include instructions for AAAs to submit Unmet Need data electronically, via a fillable form, on an annual basis starting in September 2023. However, the proposed revisions do not provide guidance on how to report wait list data to ensure Unmet Need is reported uniformly across AAAs (e.g., whether to report the number of people awaiting a particular service or the number of units of unfilled service). In addition, as of April 2023, the updated program instruction and supplemental data sheet have not been finalized or distributed to the AAAs. NYSOFA is also in the early stages of procuring a data collection system that will track both expenditures and client information. However, as of April 2023, the request for proposals for the data collection system has not been issued.

Recommendation 2

Maintain documentation to support the allocation of Unmet Need funds among the AAAs and promote transparency.

Status – Not Implemented

Agency Action – NYSOFA still does not maintain documentation to support its full allocation of Unmet Need funds among the AAAs. Officials could not provide adequate documentation supporting the calculations for \$15 million of the \$23 million in Unmet Need funding for 2021-22. This funding continues to be allocated based on 2017-18 Unmet Need data.

Further, for the remaining \$8 million, officials were only able to provide limited documentation supporting NYSOFA's allocation. NYSOFA officials provided us with updated Unmet Need data they used as the basis for their allocation of this amount and explained that they calculated 25% of the reported Unmet Need for each AAA and adjusted the amounts/percentages in favor of smaller AAAs that receive less funding from other sources. However, they did not provide support for their final calculations, which we note resulted in significant differences in allocations across AAAs. For example, the Allegany and Cortland AAAs serve similar population sizes, yet the Allegany AAA received 23% of its reported Unmet Need while the Cortland AAA received 111% of its reported Unmet Need. Further, the Unmet Need data is undated, creating a risk that it did not reflect the most recent Unmet Need in the State.

Recommendation 3

Periodically reassess Unmet Need allocations based on the AAAs' most current information available.

Status – Partially Implemented

Agency Action – NYSOFA has not reassessed \$15 million of the \$23 million annual Unmet Need allocations since the issuance of our audit report in 2022. NYSOFA continued to use the 2019-20 allocations, which are based on Unmet Need data from 2017-18, for \$15 million of the allocations over the past 3 fiscal years. However, officials stated they considered updated Unmet Need data when allocating the additional \$8 million received each year starting in State fiscal year 2021-22. This consideration of the updated Unmet Need information resulted in Unmet Need funding for five AAAs that did not receive any funding under the prior allocations. However, as previously mentioned, it is still unclear when the updated data was collected; thus, we cannot determine if NYSOFA's allocation of the \$8 million accurately reflects AAAs' current Unmet Need. NYSOFA officials stated that they plan to collect wait list data in September 2023 and will reassess Unmet Need allocations for the full \$23 million beginning in State fiscal year 2024-25.

Recommendation 4

Take steps to strengthen monitoring efforts of the AAAs to ensure both program and fiscal reviews are conducted according to NYSOFA policies.

Status – Partially Implemented

Agency Action – Beginning in September 2022, NYSOFA resumed on-site monitoring visits. In addition, since our initial audit, NYSOFA updated its monitoring policies to combine program and fiscal reviews, and moved to a triannual (i.e., every 3 years) monitoring schedule for AAAs instead of annual reviews. NYSOFA's updated policies also identify risks that could warrant more frequent monitoring visits, including the overall population size served by an AAA and major changes to an AAA's program operations. However, officials only plan to visit two AAAs multiple times during the first 3-year period. Further, although NYSOFA was able to complete 19 of the 20 planned monitoring visits during State fiscal year 2022-23, the number of planned visits was significantly less than what was mandated under the original policy – which required monitoring visits to all 59 AAAs annually. Combining fiscal and program reviews and reducing the monitoring schedule are not evidence of strengthened monitoring efforts, which was the intent of the recommendation. However, it may allow NYSOFA to better conduct the reviews in accordance with its policies.

Recommendation 5

Establish follow-up procedures for both program and fiscal reviews to ensure corrective actions are taken and noted deficiencies are addressed.

Status – Not Implemented

Agency Action – NYSOFA officials removed corrective action plans from the policies and procedures for on-site reviews of AAAs. Officials stated that they are developing monitoring procedures that will include ongoing and timely monitoring of corrective

actions. However, as of April 2023, NYSOFA had not drafted or implemented any portion of such procedures.

Major contributors to this report were Marisa Sutliff, Theresa Nellis-Matson, and Nancy Hobbs.

We would appreciate your response to this report within 30 days, indicating any actions planned to address the unresolved issues discussed in this report. We thank the management and staff of NYSOFA for the courtesies and cooperation extended to our auditors during this follow-up.

Very truly yours,

Andrea LaBarge, CFE
Audit Manager

cc: Karen Jones, NYSOFA