



**THOMAS P. DiNAPOLI**  
COMPTROLLER

STATE OF NEW YORK  
**OFFICE OF THE STATE COMPTROLLER**  
110 STATE STREET  
ALBANY, NEW YORK 12236

**ANDREW A. SANFILIPPO**  
EXECUTIVE DEPUTY COMPTROLLER  
OFFICE OF STATE AND LOCAL GOVERNMENT  
ACCOUNTABILITY  
Tel: (518) 474-4593 Fax: (518) 402-4892

October 4, 2013

Ms. Joanne M. Mahoney, County Executive  
Members of the County Legislature  
County of Onondaga  
John H. Mulroy Civic Center  
421 Montgomery Street, 14th Floor  
Syracuse, New York 13202

Report Number: S9-13-12

Dear County Executive Mahoney and Members of the Legislature:

A top priority of the Office of the State Comptroller is to help officials manage their resources efficiently and effectively and, by so doing, provide accountability for tax dollars spent to support operations. The Comptroller oversees the fiscal affairs of local governments statewide, as well as compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations and governance. Audits also can identify strategies to reduce costs and to strengthen controls intended to safeguard assets.

In accordance with these goals, we conducted an audit of five counties throughout New York State. The objective of our audit was to determine if counties have ensured that inmates do not receive inappropriate social welfare benefit payments. We included Onondaga County (County) in this audit. Within the scope of this audit, we examined the procedures of the County and various inmate records for the period January 1, 2011 to January 25, 2013. Following is a report of our audit of the County. This audit was conducted pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the General Municipal Law.

This report of examination letter contains our findings and recommendations specific to the County. We discussed the findings and recommendations with County officials and considered their comments, which appear in Appendix B, in preparing this report. County officials generally disagreed with our report. Appendix C includes our comments on issues raised in the County's response. At the completion of our audit of the five counties, we prepared a global report that summarizes the significant issues we identified at all the counties audited.

## Summary of Findings

The County Department of Social Services (DSS) provided inappropriate<sup>1</sup> Safety Net Assistance (SNA) and other social welfare benefits to inmates in the County Correctional Facility (Facility) and the County Justice Center (Center). Specifically, we found that 142 inmates received SNA benefits totaling \$47,988,<sup>2</sup> 60 inmates received Supplemental Nutrition Assistance Program (SNAP)<sup>3</sup> benefits totaling \$12,235, and 67 inmates improperly remained eligible for Medicaid benefits, 23 of which had Medicaid benefit payments provided on their behalf totaling \$21,740. The inappropriate benefits occurred because the Facility did not provide inmate reports to DSS, and DSS staff delayed investigating potential cases and failed to use the Center's daily reports.

## Background and Methodology

The County has approximately 467,000 residents, and the 2012 adopted budget totaled approximately \$827 million. The County is governed by an elected 17-member Legislature. The County Executive is the County's chief executive officer and is responsible for the daily operations of the County.

The County has two facilities that house inmates during incarceration, the Center, a 671-bed facility, and the Facility, a 562-bed facility. The County Sheriff (Sheriff) is an elected official, with responsibilities that include managing, monitoring, and operating the Center. The Center had a daily inmate population of approximately 626 in 2011. The Commissioner of the County Department of Corrections is responsible for overseeing the operation of the Facility. The Facility had an average daily inmate population of 488 in 2011. The Center and the Facility house inmates from throughout the judicial system who have been remanded to the County's custody. For the scope period, the County had 23,529 bookings (admissions).

The DSS administers all social service programs. The DSS determines the initial eligibility of applicants in the County and is responsible for monitoring the continuing eligibility of all recipients. It also investigates applicants and recipients for potentially erroneous statements and fraud. The County provides social welfare benefits to eligible individuals through programs such as SNA, SNAP, Home Energy Assistance Program, Transportation Assistance, and Medicaid.<sup>4</sup> In December 2012, the County reported 7,217 SNA recipients.<sup>5</sup>

While receiving social welfare benefits, an individual's eligibility may change for many reasons, including incarceration. Several programs have laws that restrict program eligibility for inmates. For instance, Social Services Law, Article 5, Title 3, Section 157, "provides for safety net assistance to be provided to various classes of individuals but excludes hospital or institutional

---

<sup>1</sup>Inappropriate benefit payments are those payments made or benefits provided for the first controllable payment and generally thereafter for inmates whose eligibility had changed due to incarceration periods greater than 30 days.

<sup>2</sup>The County expunged \$2,824 of SNA benefits. SNA cash benefits can be expunged if the funds are available in the account for at least 90 days and the account is inactive for a period of 90 consecutive days. Other benefits were also provided to several of these inmates (e.g., one inmate was provided a \$417 Medicaid benefit). Only \$200 of the \$908 of SNAP benefits provided to five inmates was expunged, according to documentation provided by the County.

<sup>3</sup> Formerly known as the Food Stamp Program

<sup>4</sup> See Appendix A for more information about available benefits.

<sup>5</sup> New York State Office of Temporary and Disability Assistance (OTDA) Statistics, December 2012, Table 7 from [www.otda.ny.gov/resources/caseload/](http://www.otda.ny.gov/resources/caseload/)

care.”<sup>6</sup> SNA benefits are paid bimonthly on the first and the 15<sup>th</sup> of the month.<sup>7</sup> A county typically attempts to suspend benefits during the next payment cycle after a person is incarcerated. While inmates are generally ineligible to receive social welfare benefits while incarcerated, they may reapply upon release.

Monitoring the location and incarceration status of county inmates is challenging. Inmates may be incarcerated for short periods (less than one year) because they are awaiting trial and/or sentencing, or they may be serving short court-ordered sentences. As a result, their status changes frequently. The county where an inmate resided before incarceration must monitor the inmate’s continuing eligibility. Inmates who are incarcerated in a county other than the one monitoring their eligibility may pose the highest risk of receiving inappropriate benefits.

To complete our objective, we interviewed DSS staff, Sheriff’s Office officials, and other County staff; reviewed monitoring procedures; obtained benefit information from OTDA; and determined whether County inmates received inappropriate social welfare and other benefits. Due to limitations in the way we could search information in the Welfare Management System (WMS) maintained by the County and OTDA, we first checked whether inmates received SNA benefits. If an inmate received SNA benefits, we then also examined his or her eligibility for other social welfare benefits. However, we did not check any benefit payments unless an inmate received SNA. We conducted this performance audit in accordance with generally accepted government auditing standards. More information on such standards and the methodology used in performing this audit is included in Appendix D of this report.

## **Audit Results**

The County should ensure that Facility and Center inmates do not receive inappropriate social welfare benefits by establishing procedures that monitor eligibility in a timely manner. Although the County has some internal control procedures in place to ensure that the DSS does not provide inappropriate benefits to inmates housed at the Facility and the Center, those procedures did not prevent inappropriate benefit payments.

The Center provides automated<sup>8</sup> reports that identify County inmates to DSS on a daily basis. The Facility does not send any inmate booking correspondence to DSS. DSS staff use the reports as the starting point to investigate the appropriateness of social welfare benefits provided. According to a DSS Legal Department official, DSS staff will compare the names on the daily report showing all inmates incarcerated to an inmate admission report from 14 days prior. When a match is found, the name would be entered into WMS to determine if the inmate is a benefit recipient and, if so, a referral sheet is prepared and sent to the DSS program staff for action.

Inmates receiving social welfare benefits might also be incarcerated in a county or State facility located outside of the county providing benefits. For those inmates, OTDA matches State and local prison records<sup>9</sup> to the WMS – which each DSS updates with case information on individuals receiving benefits – and from this match provides a monthly Prison Match Report (PMR) to each county. Each county is required to review the case files of the individuals on the

---

<sup>6</sup> Per correspondence from OTDA, institutional care is defined as correctional facilities and prisons.

<sup>7</sup> Recurring benefit payments are made according to the schedule provided to counties by OTDA.

<sup>8</sup>The Center emails four reports specific to that location only: Inmate Status, Inmate Housing, Inmate Discharge, and Inmate Admission.

<sup>9</sup>The local prison records included are for sentenced inmates who are generally incarcerated more than 30 days.

PMR to determine if benefits are appropriate and report its resolutions for each individual to OTDA. This control measure reduces the risk of long-term inmates receiving inappropriate benefits while incarcerated and facilitates detection of inmates incarcerated in other counties who are receiving potential inappropriate benefits. However, the PMR includes only sentenced individuals, not those awaiting trial and sentencing.

To test these internal controls, we compared 6,071<sup>10</sup> Facility and Center bookings against the WMS to identify inmates that received SNA benefits while incarcerated. We identified 322 inmates who received SNA benefits before incarceration that the County was responsible for monitoring. We found 142 of these inmates received inappropriate SNA benefits totaling \$47,988<sup>11</sup> while incarcerated. The controls in place did not effectively close or suspend benefits for certain inmates. Further, staff involved in the process were unaware of the 14 day look-back procedure. Of the 142 inmates who received inappropriate benefits, 52 were from the Facility and 90 were from the Center. For example:

- An individual, who was incarcerated on May 10, 2011, and released on September 1, 2011, received inappropriate benefit payments throughout incarceration. The inappropriate payments, which lasted 114 days during the individual's incarceration, totaled \$1,127.
- Another individual was incarcerated on May 4, 2011, and released from the Facility on May 21, 2012. The DSS discontinued benefits on September 11, 2011; over three months after the individual became incarcerated. This individual received \$1,542 in inappropriate benefits.

In addition, to review inmates receiving SNA from the County but incarcerated in another county correctional facility, we reviewed the PMR files for January through November 2012. We found no inappropriate SNA benefits were provided to inmates incarcerated in other county correctional facilities.

Further, 60 of the 142 inmates received inappropriate SNAP benefits totaling \$12,235 (19 were incarcerated at the Facility and 41 were incarcerated at the Center), and 67 inmates improperly remained eligible for Medicaid benefits, 23 of which had Medicaid payments provided on their behalf totaling \$21,740. The inappropriate payments were attributed to the lack of inmate information from the Facility to conduct a review of benefits, the delay in initiating investigations, and the failure to use the reports sent by the Center for those investigations in a timely manner.

## **Recommendations**

1. DSS officials should investigate the appropriateness of the social welfare benefits provided to County inmates timely.

---

<sup>10</sup> We excluded inmates incarcerated in the Facility for 30 days or less.

<sup>11</sup> The County expunged \$2,824 of SNA benefits. A SNA cash benefit can be expunged if the funds are available in the account for at least 90 days and the account is inactive for a period of 90 consecutive days. Other benefits were also provided to several of these inmates (e.g., one inmate was provided a \$417 Medicaid benefit). Only \$200 of the \$908 of SNAP benefits provided to five inmates was expunged, according to documentation provided by the County.

2. DSS officials should ensure they use the Sheriff's Office daily inmate rosters to monitor County inmate eligibility.
3. Facility officials should send daily inmate reports to the County DSS and DSS officials should ensure they use the daily inmate rosters to monitor County inmate eligibility.

The County Legislature has the responsibility to initiate corrective action. A written corrective action plan (CAP) that addresses the findings and recommendations in this report should be prepared and forwarded to our office within 90 days, pursuant to Section 35 of the General Municipal Law. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. The County Legislature should make the CAP available for public review in the Clerk's office.

Our office is available to assist you upon request. If you have any further questions, please contact Ann Singer, Chief of Statewide Projects, at (607) 721-8306.

Sincerely,

Andrew A. SanFilippo  
Executive Deputy Comptroller  
Office of State and Local Government  
Accountability

## APPENDIX A

### SOCIAL SERVICE PROGRAMS EXAMINED

Temporary Assistance – Temporary Assistance (TA) is temporary help for needy men, women and children. If the individual (client) is unable to work or cannot find a job, or if the job does not pay enough, TA may be able to help pay for expenses.

Family Assistance – Family Assistance (FA) is a category of TA. It provides cash assistance to eligible needy families that include a minor living with a parent(s) or a caretaker relative. There is a 60-month maximum benefit and eligible adults must comply with Federal work requirements to receive FA.

Safety Net Assistance – Safety Net Assistance (SNA) is a category of TA. It is provided to needy single adults; childless couples; children living apart from any adult relative; families of persons abusing drugs or alcohol; families of persons refusing drug/alcohol screening, assessment, or treatment; aliens who are eligible for TA who are not eligible for Federal reimbursement; and needy individuals and families who may have exhausted benefits from FA.

SNA recipients are limited to two years of cash benefits (debit cards) after which, if an individual continues to be eligible, benefits are provided in a non-cash form, such as a two-party check or a voucher. There is no time limit on how long an individual may receive non-cash SNA. The SNA allowance consists of a basic grant, a shelter allowance,<sup>12</sup> a home energy allowance, a supplemental home energy allowance, and a fuel allowance if heat is not included in rent. Each allowance category has a maximum and varies according to family size. Additional allowances may be provided if certain special needs are met. Eligibility is primarily determined using an asset and financial means test. SNA recipients who are able to work must comply with work requirements to continue receiving benefits.

Supplemental Nutrition Assistance Program – The Supplemental Nutrition Assistance Program (SNAP) is the new name for the Food Stamp Program (effective August 29, 2012). SNAP issues monthly benefits that can be used to purchase food at authorized retail food stores. SNAP benefits help low-income working people, senior citizens, the disabled, and others feed their families.

Medicaid – Medicaid is a Federal/State health insurance program for low-income individuals and families who cannot afford to pay for medical care.

Home Energy Assistance Program – The Home Energy Assistance Program (HEAP) is a federally funded program that assists eligible households in meeting their home energy needs. HEAP operates on a seasonal basis from November to April. Households with income within the guidelines can receive assistance with heating fuel. Checks are sent directly to the fuel dealer that the recipient chooses.

---

<sup>12</sup> The shelter allowance amount can vary by county.

## **APPENDIX B**

### **RESPONSE FROM COUNTY OFFICIALS**

The County officials' response to this audit can be found on the following pages.



COUNTY OF ONONDAGA  
**DEPARTMENT OF SOCIAL SERVICES**  
JOHN H. MULROY CIVIC CENTER

421 MONTGOMERY STREET – 12<sup>TH</sup> FLOOR  
SYRACUSE, NY 13202  
315-435-2585  
FAX: 315-435-2113

DAVID SUTKOWY  
COMMISSIONER

April 29, 2013

Ms. Ann Singer  
Office of the New York State Comptroller  
State Office Building, Room 1702  
44 Hawley Street  
Binghamton, New York 13901-4417

**Re: OSC Audit of Onondaga County, Report Number: S9-13-12 dated March 14, 2013**

Dear Ms. Singer:

**Introduction**

This is Onondaga County's written response to the March 14, 2013 NYS Office of the State Comptroller ("OSC") Draft Audit Report regarding benefits paid on behalf of incarcerated individuals in the Safety Net Assistance Program from January 1, 2011 through January 25, 2013. This response is based on the changes made by OSC to its initial draft; changes which were communicated to Onondaga County Department of Social Services ("OCDSS") via email on April 19, 2013.

There are a number of points on which we disagree with OSC. These disagreements relate to the fundamental direction of the audit, as well as specific issues of fact and accuracy. They include:

**Overall authority for taking case action on incarcerated SN inmates**

The fundamental basis for this audit of local operations is that it is a county responsibility to identify recipients of DSS benefits who are incarcerated and to then take the necessary case action to



prevent the issuance of inappropriate benefits. It is our view that this assumption is incorrect, and ignores State directives on this matter.

See  
Note 1  
Page 15

Three Informational Letters issued by the New York State Office of Temporary and Disability Assistance (“OTDA”) are relevant to understanding these issues of responsibility and authority. Each of these directives indicates that the matching of data for the purposes of identifying the target population rests with the State and not counties. Relevant portions of these directives are included in this response, but it bears repeating exactly what this correspondence states. The 2009 OTDA Informational Letter is a good case in point. This INF states clearly that “The Prison Match does include data from local jails”.

The problem, as we know, is that this information is incorrect. NYS OTDA does generate a monthly Prison Match Report that reports welfare recipients with data from the Department of Corrections and Community Supervision (“DOCCS”) (that is, prisoners who have been convicted and sentenced), but this data, contrary to the OTDA’s own directive, does not include matches from local jails (namely, the Onondaga County Justice Center).

Unaware of the lack of data regarding Justice Center, OCDSS did recognize that there was delay in getting the PMR information from the State. We decided to implement a local data-matching function between DSS and the Onondaga County Departments of the Sheriff and Corrections. This non-mandated function was developed for one reason only: To establish safeguards so that public dollars would not be inappropriately spent. Onondaga was not required to implement this process, but did so voluntarily to address the delays in the state’s own system. The procedures that we established were intended to replicate the state’s standards used for their Prison Match reports. However, the manual procedures established to generate lists and compare names have proven to be cumbersome and time-consuming.

We raise this issue of responsibility and authority since it is key to the direction of the audit and ultimate resolution of the issue of Prison Matches. When this topic was brought to the attention of OSC during the audit, the OSC response was “you had a local process, so that’s what we’re focusing on”. This response, we believe not only misses the fundamental point of responsibility underlying the issue, but is logically counterintuitive in the resolution of the problem. The language and tone of the report leads to this inevitable but illogical conclusion: Fifty-seven (57) separate county responses are preferable to a single, state-wide resolution to a problem of the state’s own making.

See  
Note 2  
Page 15

See  
Note 3  
Page 15

The relevant portions of each of these instructional letters are provided in Appendix A to this Response.

- 1) **OTDA Informational Letter 04 INF-20: “Temporary Assistance Policy: Computer Matching Clarification”** issued October 25, 2004.

**“Purpose:** The purpose of this release is to inform districts of a necessary clarification regarding Temporary Assistance (TA) computer matching policy [ ... ] Attached is a list of the main computer matches that the State provides districts which indicates for each current match if the district may initiate TA case action directly (with appropriate legal notice) without obtaining independent verification.”

### **“Computer Matches Verified Upon Receipt**

[ ... ]

**Prison Match** – Match with DOCS for State prisons and DCJS for city and county jails”

2) **OTDA Informational Letter 06-INF-10:** “Computer Matching Clarification for Food Stamps” issued March 6, 2006.

“The following computer matches are determined by OTDA to be verified upon receipt for FS purposes and require no further verification at the local district level before they take FS action:” regarding terminating benefits to inmates:

Match	Data Provided From	Information Provided To Local District
Prison	NYS Department of Correctional Services and Division of Criminal Justice Services	Recipients who are incarcerated in state, county or city jails

3) **OTDA Informational Letter 09-INF-12:** “Program Integrity Questions and Answers” issued May 13, 2009 (pp. 1-2, 20).

**“Purpose:** The purpose of this Informational Letter (INF) is to assist eligibility staff, investigative staff and other Local Department of Social Services (LDSS) staff with answers to Program Integrity questions. [ ... ]

**“Q71: Does the Prison Match contain TA and FS recipients who are in local jails and are released after a short time?**

A71: The Prison Match does include data from local jails, but the Match contains a length of incarceration edit that will prevent individuals who are incarcerated less than 30 days from appearing. Generally, individuals appearing on the Prison match are incarcerated for a year or more.”

The name of this computer match report that we receive monthly is the “Prison Match Report” (“PMR”). We receive the PMR from OTDA around the middle of each month. Despite repeatedly being assured by the State that inmates of county and city jails were included in the PMR, every single one of the inappropriate benefits listed by the Draft report related to payments made while the recipient was in the local jail, and none of the Prison Match Reports covered time any of those recipients spent in the Justice Center.

### **The Inappropriateness of the Methodology of the Audit<sup>1</sup>**

1. *OSC’s standards for determining “inappropriate” benefits were both arbitrary and inconsistent with practices of OTDA.*

<sup>1</sup> See, Appendix C: Audit Spreadsheet of cases with payments, along with the dates of incarceration, and issues DSS has identified in the OSC methodology.

OSC defined “inappropriate” benefits as those issued to a recipient who had been incarcerated over 30 days. However, this 30 day standard is nowhere to be found in statute, regulation, or directive. It is simply a standard created by OSC. Not only does this standard have no statutory foundation, it is inconsistent with OTDA practices regarding Prison Matches.

The Prison Match reports generated by OTDA and sent to counties for case action are generated once a month. To repeat an earlier point, even though the state itself indicates that this Prison Match report includes names from local jails, the reality is that it does not.

Generally, these reports are generated mid-month. Counties are instructed to take action on these cases within thirty days of receipt. In essence, the OTDA standard communicated to counties is that these Prison Matches will be resolved within 45 days. This practice guideline was not used by OSC in its audits. Instead, OSC superseded the OTDA practice standard with its own 30 day standard.

It should be noted here that Onondaga’s performance with respect to the state’s Prison Match report and a companion PARIS (interstate match) report is exemplary. According to OTDA data, Onondaga resolves these matches quickly, far below the state average (attached as Appendix B).

*2. The Audit Team refused to exclude inmates who were incarcerated for 45 days or less.*

The Draft Findings determined a payment was inappropriate if it went out on the 31<sup>st</sup> day following the recipient’s admission to the institution. Particularly relevant is this statement in the Draft Findings: “SNA benefits are paid bimonthly on the 1<sup>st</sup> and 15<sup>th</sup> of the months. A county typically attempts to suspend benefits during the next payment cycle after a person is incarcerated.”<sup>2</sup> The process described in the Informational Letters from OTDA demonstrates that reports are generated once a month, and our experience is that they are issued around the 15<sup>th</sup> of each month. Therefore, we would not have been able to catch a payment that was issued on the 31<sup>st</sup> day of incarceration (if it fell on the first of the month, or the 15<sup>th</sup> day of the month, when payments are issued), nor potentially, up to 45 days after the date of admission. Despite pointing out the practical impossibility of catching payments issued on the 31<sup>st</sup> – 45<sup>th</sup> day of incarceration, the audit team maintains in the audit findings 49 individuals (35% of the total list) who were incarcerated for 45 days or less.

<sup>2</sup> See, OSC Audit Report, Background and Methodology, page 3.

This is an example with respect to Medicaid capitation fees: if a recipient was housed in late July, 2012 and released in September, 2012, DSS would not have been notified by the August, 2012 Report because the recipient had not yet been housed for thirty days. Therefore, as a practical impossibility, DSS could not have stopped the payment to the Plan.

3. *The Audit Team inaccurately determined that SNAP and shelter assistance payments could be pro-rated for a partial month of incarceration.*

SNAP Payments: SNAP benefits are issued around the 9<sup>th</sup> of each month. Generally, any recipient who is in the community for part of the month is entitled the full SNAP benefit for that month. Because we were not provided with an analysis from the Audit Team as to how they calculated the payments on the list of cases, we cannot tell what months they might have pro-rated. However, since many of the SNAP payments listed were odd numbers, and the benefit budgeted was an even number (\$200/month)<sup>3</sup>, we can only assume the Team pro-rated the benefit.

See  
Note 6  
Page 16

Furthermore, most SNAP clients are not required to report changes in household status or composition until six months or more has elapsed. According to State directives, without appearing on a PMR or information to the district from the recipient, the recipient remains eligible for SNAP benefits.

See  
Note 7  
Page 16

Shelter Payments: In any month in which the recipient was in the community (admission and release months), the landlord is entitled the rent payment. In any month in which the recipient could be released at any time<sup>4</sup>, DSS still has an obligation to maintain the recipient's shelter allowance. It is only when there is a proven, longer-term absence that the payment should be discontinued.

See  
Note 8  
Page 17

4. *The Audit Team inaccurately included certain Medicaid payments which were in fact appropriate under State guidelines.*

Medicaid capitation fee for the months of admission and release: DSS remains responsible for the Medicaid managed care premium for that individual for the months of admission and release, because the Medicaid Managed Care Plan is at risk for payment of any medical provider's bill for service rendered during that month. Accordingly, DSS was responsible for payment of the

See  
Note 9  
Page 17

<sup>3</sup> Examples found on Appendix C, Recipients #29 and #33.

<sup>4</sup> All of the cases listed were recipients in the Justice Center who were either unable to post a bail bond or cash, or awaiting trial and/or sentencing – all circumstances which, when resolved, could have resulted in the recipient's being released at any time.

Medicaid managed care premium for July and September, 2012 for an inmate who was released on September 20, 2012<sup>5</sup>, as he could have had a catastrophic injury requiring treatment on the night of September 20, 2012, the bills for which the Plan would have had to cover.

Medicaid capitation fees are recoverable, but the State's process was inadequate: Capitation fees are recoverable by the State in its "auto-disenroll" process when a recipient shows up on the PMR. However, DSS discovered that the State was only recovering the one month's payment for the month of the PMR report, and not identifying nor recovering the prior months of incarceration in a local jail. Accordingly, we have taken steps to recover those payments.

5. *The Audit Findings includes cases in which the benefits were expunged by the State system.*

During the exit conference, the Audit Team confirmed that they would consider removing from the list any payments which OCDSS or the State had recovered. The State has an expungement system for recovering any Safety Net Assistance benefits which remain unused after 9 days. However, the revised Draft Audit Report maintains as inappropriate those amounts that we showed were expunged.

See  
Note 10  
Page 17

**Summary**

While we disagree with the fundamental assumption on authority and responsibility underlying this report, and disagree with various specific findings, we do, in fact, agree with the overall tone that public agencies should do all they can within their fiduciary roles to safeguard the interests of those taxpayers who financially support for this benefit.

It was exactly those taxpayer interests we had in mind when we established our local procedures. And it is with those interests in mind we intend to strengthen our efforts.

Our intentions in establishing local procedures to prevent the continuance of benefits for incarcerated recipients were correct, but the mechanism established to fulfill this duty has proven to be excessively labor-intensive. The local process, designed several years ago, when our technological capacity was still fairly primitive, is too manually-intensive and time consuming. In today's environment, when caseloads have increased so dramatically over the past 5 years, we simply cannot afford to sustain manual processes that inefficiently use staff resources.

While one, comprehensive state system would fix the problem completely, absent that progress, we are committed to improving our information systems to create a more efficient, error-proof local process. To date, OCDSS has developed with the local correctional facility and jail a more efficient flow of information, and have jointly dedicated IT staff to develop an improved electronic format for the sharing of information.

<sup>5</sup> Example taken from Appendix C, Recipient # 36.

The new application automates the data feed from the local jail to identify individuals who have been incarcerated 14 days. This report is sent electronically to the DSS IT Unit which runs a batch query against the DSS Welfare Management System (the State-maintained system for client and benefit information and actions). This query identifies incarcerated individuals who are receiving benefits. Matched names are then electronically forwarded to the appropriate program area for action. The new system generates daily census reports from the local jail and the Correctional Facility in Onondaga County.

This improved process for electronic information sharing, hitherto unavailable to us because of the state of our technology, has already significantly reduced the staff time needed to compare the data, and thus significantly improved the timeliness of initiating the appropriate case action.

Very truly yours,

David Sutkowy  
Commissioner

cc: Hon. Kevin E. Walsh, Onondaga County Sheriff  
Ann Rooney, Deputy County Executive for Human Services  
Tim H. Cowin, Commissioner of the Onondaga County Department of Corrections  
Hon. Ryan McMahon, Chair, Onondaga County Legislature

## APPENDIX C

### OSC COMMENTS ON THE COUNTY'S RESPONSE

#### Note 1

Contrary to the County's response, OTDA guidance does not relieve or restrict the County from using available data to monitor the eligibility status of inmates incarcerated in the Center and the Facility and taking steps to prevent inmates from receiving inappropriate payments. In fact, in July 2013, OTDA clarified<sup>13</sup> its expectations that local departments initiate their own periodic matching process in local jails with shorter-term incarcerations, atypical sentences, and clients awaiting sentencing. In addition, Social Service Law states that the "social services official upon receipt of information concerning a sentence of imprisonment imposed upon a person receiving public assistance shall make a reinvestigation of eligibility." DSS receives daily booking information from the Center, and the Facility has such information available. County officials should use this information to monitor the continuing eligibility of social service program recipients.

#### Note 2

County officials were informed at the start of our audit that the objective of the audit would be the examination of the controls and processes the County had in place to identify and review the eligibility of inmates who were receiving social welfare benefits. This information was shared with County officials at the audit entrance conference and was reiterated in various discussions with County officials throughout the audit process.

#### Note 3

County officials have the responsibility to take steps within their control to investigate the appropriateness of the social welfare benefits provided to County inmates in a timely manner. Moreover, counties also have a financial incentive to investigate eligibility since they fund a share of the benefit costs for many programs (up to 71 percent for SNA). In July 2013, OTDA reiterated, "the Prison Match does not provide information on every incarcerated recipient, as it provides data on sentenced individuals with 30 days or more remaining on their sentence. Other individuals also may be incarcerated, generally in local jails awaiting sentencing or transfer, whose eligibility should be reinvestigated by the social service districts. In order to gather information on these recipients, social service districts must initiate their own matching process with county jails for shorter term incarcerations, atypical sentences and those clients awaiting sentencing."

#### Note 4

As stated in the report, OSC considered inappropriate benefits to be those payments made or benefits provided for the first payment subject to County control, and generally thereafter for inmates whose eligibility had changed due to incarceration. We worked with County officials to identify when a payment would be subject to their control. For example, an individual incarcerated on June 28, 2011 received SNA payments on July 1, 2011, July 16, 2011, August 1,

---

<sup>13</sup> OTDA-4357-EL

2011, and August 16, 2011. The July 1, 2011 payment was not included as being inappropriate because the County could not prevent the payment from occurring within the time elapsed from incarceration to payment. However, the three payments made after July 1 could have been prevented, so we included them in our report as inappropriate benefits. For rent payments, we did not consider the month of incarceration to be inappropriate; any recoupment identified by the County was also not included in our calculation.

In addition, the PMR is only one tool available to the County to identify inappropriate social welfare benefits provided to inmates. The PMR alone will not effectively monitor inappropriate payments to County inmates; County officials should use the daily incarceration information available to them to protect County taxpayer dollars. See Note 3 for guidance by OTDA.

#### **Note 5**

The audit included examining all inmates incarcerated 30 or more days that received SNA benefits. Based on our audit methodology and inappropriateness determination (see Note 4), we would not remove individuals with 45 days or less of incarceration because there is no criteria that states that a county inmate remains eligible for social welfare benefits for up to 45 days of incarceration.

The County has not correctly understood or interpreted the technical bulletins provided by OTDA. The County is incorrectly correlating the OTDA time parameters of the PMR as criteria for when the County should review the appropriateness of social welfare benefits to its inmates. The County pays 71 percent of all SNA benefits. Thus, waiting for the 45<sup>th</sup> day of incarceration to initiate a review allows incarcerated individuals to remain eligible and receive benefits paid for primarily by County taxpayers. The County has the information for all inmates in its County facilities and has access to the WMS, so DSS officials can monitor the eligibility of the majority of inmates receiving social welfare benefits earlier.

#### **Note 6**

During the audit, DSS staff personally reviewed each potential case with OSC examiners, keying in the individual's information in the WMS to assist in our review. County officials were kept informed of the audit findings throughout our fieldwork and asked for the information again when the exit conference meeting was scheduled. We provided testing information for all inappropriate benefits reported, including SNAP.

#### **Note 7**

SNAP regulations require the closing of cases for inmates who are incarcerated over 30 days. Both the Center and the Facility have daily incarceration information available that should be used to determine an inmate's eligibility for social welfare benefits. While the County is correct that officials would not have been able to catch certain payments if it relied solely on the PMR, the County has daily incarceration information available from the Center and the Facility to assist in making a more timely eligibility determination.



**Note 8**

As described in the audit methodology, our calculations for rent payments did not include the month of incarceration.

**Note 9**

Medicaid regulations require that coverage be suspended for individuals incarcerated over 30 days. Our calculations for determining the inappropriate Medicaid managed care premium amounts did not include the month of incarceration and have been updated to exclude any amounts related to the month of release. The County is now taking steps to recover all the payments made for the inmates during the entire incarceration period.

**Note 10**

The State has an expungement system for recovering any SNA benefits which remain unused after 90 days. These inappropriate benefits were made available to the incarcerated individual for use and were not expunged until they remained unused for 90 days, during which time the moneys could have been used. Our report has been clarified to include the expungement total (see footnote 11, page 4).

## APPENDIX D

### AUDIT METHODOLOGY AND STANDARDS

We interviewed County personnel in the Sheriff's Office and DSS to determine if a process for matching benefit recipients to current social welfare records exists and if information regarding inmates is exchanged between the Facility and DSS.

To review the appropriateness of SNA benefits provided by the County for inmates incarcerated at the Facility and the Center, we submitted a list of inmates for the scope period to the OTDA, after eliminating all inmates with 30 or fewer days of incarceration from our sample. OTDA provided a report of the social welfare benefits history for all inmates submitted. Social security numbers, names, and dates of birth, if available, were used for the comparison. We compared all Facility and Center inmates on the WMS report who received SNA for the scope period and reviewed each case against DSS records. We then reviewed each case file to determine whether any inmate had received individual case SNA benefits when incarcerated. If so, we compared the SNA payment issue date to the incarceration period, eliminating timing issues. We also determined whether the inmates received other benefits during incarceration. We reviewed each case with DSS officials to determine the appropriateness of the benefits provided. We did not check any benefit payments unless an inmate received SNA.

The testing was limited to the inmates incarcerated in the Facility and the Center, with matching of records to the WMS based on social security numbers, inmate names, and dates of birth, if available. Other county DSS throughout the State may have provided benefits to inmates incarcerated in the Facility or the Center; however, these were not included in testing.

To review the appropriateness of SNA benefits provided by the County for inmates incarcerated in other county correctional facilities, we received a file from OTDA of prison matches for January through November 2012. We identified inmates located in other county correctional facilities and whether SNA benefit case files were matched. If so, a review was completed with DSS to determine appropriateness of the SNA benefits and any other benefits provided. This scope did not include specifically auditing the appropriateness of SNA benefits provided by other county DSS for inmates incarcerated in the Facility and Center.

For the purposes of this audit, we defined inappropriate benefit payments as those payments made or benefits provided for the first controllable payment and generally thereafter for inmates whose eligibility had changed due to incarceration periods of more than 30 days. For rent payments, we did not include the month of incarceration or any recoupment identified by the County when calculating inappropriate payments. We chose this standard because county DSS receive monthly prison information reports from OTDA, which precludes them, in many instances, from making quicker eligibility determinations locally.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those 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 provides a reasonable basis for our findings and conclusions based on our audit objectives.