

# **State of Alaska FY2002 Governor's Operating Budget**

Department of Health and Social Services  
Quality Control  
Component

## **Component: Quality Control**

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### **Component Mission**

The mission of the Division of Public Assistance is to provide basic living expenses and self-sufficiency services to Alaskans in need.

### **Component Services Provided**

Quality Assessment is a federally mandated activity for the Food Stamp and Medicaid programs. The purpose is to gather information designed to measure the extent to which the state meets accountability outcomes, such as the accuracy rate in Food Stamps and in Medicaid. In addition, the unit samples Temporary Assistance benefits to assess the effectiveness of state policies, payment accuracy, and data not available from the automated system.

Each month, Quality Assessment staff randomly sample and review cases for each federal program. Staff analyze results of these reviews to determine the agency's success in meeting the agency's mission and desired outcomes. In addition, the Temporary Assistance (ATAP) sample gathers detailed disaggregated information on applicants, recipients and those terminated from the program.

### **Component Goals and Strategies**

- 1) ORGANIZE AND CHAIR THE DIVISION'S PERFORMANCE MEASUREMENT EFFORTS.
  - Establish and monitor measurements for agency's program outcomes.
  - Connect measurements to agency performance goals and budget.
  - Publish accomplishments on a regular basis.
- 2) ACCURATEY AND TIMELY COMPLETE AND TRANSMIT RESULTS FROM THE FOOD STAMP REVIEWS FOLLOWING FEDERAL REQUIREMENTS.
  - Target reviews to evaluate payment accuracy in Food Stamps.
  - Electronically transmit to USDA, Food Nutrition Service data collected.
  - Supervisory review of QC documents.
  - Provide data to the Corrective Action Committee.
- 3) REDUCE FOOD STAMP ERROR RATE.
  - Prepare and monitor Corrective Action Plans.
  - Conduct QC reviews in each office/caseload.
  - Facilitate regular meetings with field staff to discuss error trends and causal factors.
  - Develop and monitor a Food Stamp Reinvestment Plan for FFY98 and FFY99, as federally required.
  - Submit quarterly status reports on the Plans.
- 4) ACCURATELY AND TIMELY COMPLETE MEDICAID REVIEWS.
  - Conduct targeted reviews that evaluate performance of specific service groups or policies.
- 5) ACCURATELY AND TIMELY COMPLETE TEMPORARY ASSISTANCE REVIEWS.
  - Targeted reviews that evaluate performance of specific service groups or policies.
  - Electronically transmit QC feedback forms.
- 6) ORGANIZE AND CHAIR THE DIVISION'S CORRECTIVE ACTION COMMITTEE
  - Chair monthly meetings with the agency's managers and policy specialists.
  - Identify causal factors and develop action plans to improve performance.
  - Semi-annual update and distribution of the Food Stamp Corrective Action (CAP) and Temporary Assistance Corrective Compliance Plan (CCP).

### **Key Component Issues for FY2001 – 2002**

- High Food Stamp Program payment error rates caused the USDA to levy penalties for federal Fiscal Years 1997-1999. One method of paying penalties is through a state funded Reinvestment Plan.
- Unacceptable participation in Temporary Assistance's federally countable work activities can cause TANF penalties and the need to submit a Corrective Compliance Plan (CCP). For FFY98, participation for 2 parent families was not met. The federal agency reviewed Alaska's claim for good cause; however, the Division received notification that a formal CCP will be required and a penalty levied. The payment or reinvestment of penalties must come from general funds. Quality Assessment has an active role in the corrective action process.

### **Major Component Accomplishments for FY2000**

- QA reviewers completed 614 Food Stamp reviews for the October 1999 through September 2000 review period.
- QA reviewers completed 88 Temporary Assistance reviews for July 1999 through June 2000.
- QA reviewers completed 414 Medicaid reviews for FFY2000.
- 360 (14%) customer surveys processed in SFY00.
- QA error rate is 12% of reviews audited by the federal agency.
- QA Lite reviews completed 1,218 reviews statewide for the Food Stamp Reinvestment Plan during FFY00. All reporting was completed in advance of federal deadlines during FFY00.

### **Statutory and Regulatory Authority**

7 CFR 275.10 Food Stamp Quality Control  
45 CFR 431.800 MED Quality Control

**Quality Control**  
**Component Financial Summary**

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	697.2	869.5	893.3
72000 Travel	36.6	31.2	31.2
73000 Contractual	76.3	61.7	136.7
74000 Supplies	8.4	5.6	5.6
75000 Equipment	51.4	0.8	0.8
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>869.9</b>	<b>968.8</b>	<b>1,067.6</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	400.4	487.2	486.8
1003 General Fund Match	469.5	472.4	480.8
1004 General Fund Receipts	0.0	0.0	100.0
1053 Investment Loss Trust Fund	0.0	9.2	0.0
<b>Funding Totals</b>	<b>869.9</b>	<b>968.8</b>	<b>1,067.6</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<b>Unrestricted Revenues</b>						
None.		0.0	0.0	0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>						
Federal Receipts	51010	400.4	476.3	476.3	486.8	487.2
<b>Restricted Total</b>		<b>400.4</b>	<b>476.3</b>	<b>476.3</b>	<b>486.8</b>	<b>487.2</b>
<b>Total Estimated Revenues</b>		<b>400.4</b>	<b>476.3</b>	<b>476.3</b>	<b>486.8</b>	<b>487.2</b>

## Quality Control

### Proposed Changes in Levels of Service for FY2002

The department has entered into a settlement agreement with the USDA, Food and Nutrition Service to repay the FFY1999 Food Stamp error rate penalty by investing unmatched state dollars in activities aimed to improve our payment accuracy.

The FY2002 budget adds state GF for a portion of the installment funding DPA needs to invest over a three-year period to reduce the Food Stamp benefits error rate in accordance with the \$987.0 penalty settlement with USDA.

The settlement agreement gives the State until September 30, 2003, to reinvest the full value of the penalty. The Quality Control budget increment of \$100.0 will initiate more activities to sustain our progress, spreading that effort over the next three years. When this increment is combined with existing allocations for the FS reinvestment project the total funding will be about \$350.0 annually.

### Summary of Component Budget Changes

#### From FY2001 Authorized to FY2002 Governor

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2001 Authorized</b>	<b>481.6</b>	<b>487.2</b>	<b>0.0</b>	<b>968.8</b>
<b>Adjustments which will continue current level of service:</b>				
-Year 2 Labor Costs - Net Change from FY2001	-0.8	-0.4	0.0	-1.2
<b>Proposed budget increases:</b>				
-FS Penalty Settlement with the USDA	100.0	0.0	0.0	100.0
<b>FY2002 Governor</b>	<b>580.8</b>	<b>486.8</b>	<b>0.0</b>	<b>1,067.6</b>

## Quality Control

## Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	15	15	Annual Salaries	670,528
Part-time	0	0	COLA	9,479
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	236,614
			<i>Less 2.54% Vacancy Factor</i>	(23,321)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>15</b>	<b>15</b>	<b>Total Personal Services</b>	<b>893,300</b>

## Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	1	0	1	0	2
Elig Qual Cntrl Tech I	6	2	1	0	9
Elig Qual Cntrl Tech II	1	0	0	0	1
Public Asst Prog Off	0	0	1	0	1
Research Analyst III	0	0	1	0	1
Statistical Technician I	0	0	1	0	1
<b>Totals</b>	<b>8</b>	<b>2</b>	<b>5</b>	<b>0</b>	<b>15</b>