



**NEW YORK STATE  
OFFICE OF TEMPORARY AND DISABILITY**

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*Governor*

**ASSISTANCE**  
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*Commissioner*

**Informational Letter**

**Section 1**

<b>Transmittal:</b>	08-INF-13
<b>To:</b>	Local District Commissioners
<b>Issuing Division/Office:</b>	Bureau of Audit and Quality Improvement
<b>Date:</b>	August 20, 2008
<b>Subject:</b>	Cost Avoidance Calculations for Program Integrity Initiatives
<b>Suggested Distribution:</b>	Fraud Directors Front End Detection System (FEDS) Coordinators Temporary Assistance (TA) Directors Food Stamps (FS) Directors Staff Development Coordinators Fair Hearings Staff
<b>Contact Person(s):</b>	Bill Donnelly at <a href="mailto:William.donnelly@otda.state.ny.us">William.donnelly@otda.state.ny.us</a> (518) 402-0129 Robert Antonacci at <a href="mailto:Robert.antonacci@otda.state.ny.us">Robert.antonacci@otda.state.ny.us</a> (518) 473-9507
<b>Attachments:</b>	Attachment I – Cost Avoidance Calculations for Program Integrity Initiatives
<b>Attachment Available On – Line:</b>	Yes

**Filing References**

<b>Previous ADMs/INFs</b>	<b>Releases Cancelled</b>	<b>Dept. Regs.</b>	<b>Soc. Serv. Law &amp; Other Legal Ref.</b>	<b>Manual Ref.</b>	<b>Misc. Ref.</b>
06 INF-16					

## **Section 2**

### **I. Purpose**

The purpose of this release is to forward to Local Departments of Social Services (LDSS) staff the revised amounts for cost avoidance savings due to Program Integrity initiatives.

### **II. Background**

Cost Avoidance is the mathematical calculation of either what an application might have cost the local/State/federal governments if it had not been denied, or what a recipient receiving benefits would have continued to cost these governments if the recipient's case had not been closed or if the recipient had not been removed from the case, due to Program Integrity initiatives.

In 2006, 06 INF-16 transmitted revised figures for cost avoidance savings due to Program Integrity initiatives. These figures were revised again in 2008 and this release provides the new figures.

### **III. Program Implications**

The Program Integrity efforts of LDSS eligibility and investigative staff have a tremendous positive impact on reducing local/State/federal program expenditures. Application denials, grant reductions and case closings are a critical part of correct eligibility determinations and maintaining the integrity of assistance programs. The attached cost avoidance calculations may be used to estimate necessary staffing levels, justify additional staff positions and project budgetary savings.

Except where indicated in Attachment I, these revised figures will be used for those actions being taken on or after 7/1/08. For the Automated Finger Imaging System (AFIS) and the Front End Detection System (FEDS), there are additional figures listed because AFIS and FEDS data is processed on behalf of the Office for Children and Family Services (OCFS) and/or the Department of Health (DOH).

For questions regarding cost avoidance for Child Care, please contact the OCFS Bureau of Child Care. For questions regarding cost avoidance for Medical Assistance, please contact your DOH Medical Assistance program representative.

### **Issued By**

**Name:** James White  
**Title:** Director  
**Division/Office:** Bureau of Audit and Quality Improvement

**Cost Avoidance Calculation Charts**  
**Amounts Effective for Actions Taken On or After April 1, 2008**

- **Automated Finger Imaging System (AFIS)**

	<b>Average Monthly Cost Avoidance</b>	<b><u>Total</u> Cost Avoidance Claimed Per Case</b>
		<b>(Average Monthly x 12 months)</b>
Family Assistance (FA) Case Type 11, 12	\$1,384	\$16,608
Safety Net Assistance (SNA) Case Type 16, 17	\$1,772	\$21,264
Food Stamp (FS)-Only Case Type 31, 32	\$229	\$2,748
Medical Assistance (MA)-Only Case Type 20	\$585	\$7,020
Emergency Assistance to Families EAF) Case Type 19	\$48	\$576

**Cost Avoidance Calculation Charts**  
**Amounts Effective for Actions Taken On or After July 1, 2008**

- **Front End Detection System (FEDS)/Eligibility Verification Review (EVR)**

	<b>Average Monthly Cost Avoidance</b>	<b><u>Total</u> Cost Avoidance Claimed Per Case</b> (Average Monthly x 6 months)
Family Assistance (FA) Case Type 11, 12	\$1,384	\$8,304
Safety Net Assistance (SNA) Case Type 16, 17	\$1,772	\$10,632
Food Stamp (FS)-Only Case Type 31, 32	\$229	\$1,374
Child Care Only Case Type 40	\$880	\$5,280
Medical Assistance (MA)-Only Case Type 20, 21, 24	\$585	\$3,510
Emergency Assistance to Families (EAF) Case Type 19	\$48	\$288
Home Energy Assistance Program (HEAP) Case Type 60	\$58	\$348
FA Grant Reduction Case Type 11, 12	\$258	\$1,548
SNA Grant Reduction Case Type 16, 17	\$310	\$1,860
FS Grant Reduction Case Type 31, 32	\$105	\$630

**Cost Avoidance Calculation Charts**  
**Amounts Effective for Actions Taken On or After July 1, 2008**

- **National Directory of New Hires (NDNH)**

	<b>Average Monthly Cost Avoidance</b>	<b><u>Total</u> Cost Avoidance Claimed Per Case</b> (Average Monthly x 6 months)
Family Assistance (FA) Case Type 11, 12	\$1,384	\$8,304
FA Grant Reduction Case Type 11, 12	\$258	\$1,548

**Cost Avoidance Calculation Charts**  
**Amounts Effective for Actions Taken On or After July 1, 2008**

- **Intentional Program Violations (IPVs)**

	<b>Average Monthly Cost Avoidance</b>	<b>Total Cost Avoidance Claimed Per Individual</b> <b>( x number of sanctioned months for IPV)</b>
Family Assistance (FA) Case Type 11, 12	\$649	
Safety Net Assistance (SNA) Case Type 16, 17	\$1,018	
Food Stamp (FS)-Only Case Type 31, 32	\$105	

**Cost Avoidance Calculation Charts**  
**Amounts Effective for Actions Taken On or After July 1, 2008**

- **Electronic Benefit Transfer (EBT) Out-of-State Match**

	<b>Average Monthly Cost Avoidance</b>	<b>Total Cost Avoidance Claimed Per Case</b> <b>(Average Monthly x 12 months)</b>
Family Assistance (FA) Case Type 11, 12	\$1,384	\$16,608
Safety Net Assistance (SNA) Case Type 16, 17	\$1,772	\$21,264
Food Stamp (FS)-Only Case Type 31, 32	\$229	\$2,748
Emergency Assistance to Families (EAF) Case Type 19	\$48	\$576

**Cost Avoidance Calculation Charts**  
**Amounts Effective for Actions Taken On or After July 1, 2008**

- **Public Assistance Reporting Information System (PARIS) Match - MULTI-PERSON Case**

	<b>Average Monthly Cost Avoidance</b>	<b><u>Total</u> Cost Avoidance Claimed Per <i>Multi-Person Case</i></b>
		<b>(Average Monthly x 12 months)</b>
Family Assistance (FA) Case Type 11, 12	\$1,384	\$16,608
Safety Net Assistance (SNA) Case Type 16, 17	\$1,772	\$21,264
Food Stamp (FS)-Only Case Type 31, 32	\$229	\$2,748
Emergency Assistance to Families (EAF) Case Type 19	\$48	\$576

**Cost Avoidance Calculation Charts**  
**Amounts Effective for Actions Taken On or After July 1, 2008**

- **Public Assistance Reporting Information System (PARIS) Match - INDIVIDUAL**

	<b>Average Monthly Cost Avoidance</b>	<b><u>Total</u> Cost Avoidance Claimed Per <i>Individual</i></b>
		<b>(Average Monthly x 12 months)</b>
Family Assistance (FA) Case Type 11, 12	\$649	\$7,788
Safety Net Assistance (SNA) Case Type 16, 17	\$1,018	\$12,216
Food Stamp (FS)-Only Case Type 31, 32	\$105	\$1,260

**Cost Avoidance Calculation Charts**  
**Amounts Effective for Actions Taken On or After July 1, 2008**

- **State Prison Match**

	<b>Average Monthly Cost Avoidance</b>	<b><u>Total</u> Cost Avoidance Claimed Per Case</b> <i>(Average Monthly x 12 months)</i>
Family Assistance (FA) Case Type 11, 12	\$1,384	\$16,608
Safety Net Assistance (SNA) Case Type 16, 17	\$1,772	\$21,264
Food Stamp (FS)-Only Case Type 31, 32	\$229	\$2,748

**Cost Avoidance Calculation Charts**  
**Amounts Effective for Actions Taken On or After July 1, 2008**

- **Felon Matches: State/National Crime Information Center (FBI)/Massachusetts**

	<b>Average Monthly Cost Avoidance</b>	<b><u>Total</u> Cost Avoidance Claimed Per Case</b> <i>(Average Monthly x 12 months)</i>
Family Assistance (FA) Case Type 11, 12	\$1,384	\$16,608
Safety Net Assistance (SNA) Case Type 16, 17	\$1,772	\$21,264
Food Stamp (FS)-Only Case Type 31, 32	\$229	\$2,748
Emergency Assistance to Families (EAF)	\$48	\$576